

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
BALANCE SHEETS

(Unit : Thousand Baht)

	Note	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
		30 June 2003	31 December 2002	30 June 2003	31 December 2002
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		457,026	329,715	15,221	6,538
Trade accounts receivable - net	2	68,737	142,019	-	-
Receivable from and advances to related parties					
Subsidiaries	3	-	-	1,086,485	950,160
Other related companies	3	2,300	25,983	440	440
Bunker oil		13,798	47,067	-	-
Advances to vessel masters		46,492	39,525	-	-
Other current assets		42,024	44,986	9,126	8,952
Total current assets		<u>630,377</u>	<u>629,295</u>	<u>1,111,272</u>	<u>966,090</u>
<b>Non-current assets</b>					
Investments accounted for under equity method	4	-	-	5,956,218	5,297,114
Other long-term investments	4	87,701	35,556	-	-
Vessels, condominium and equipment - net	5	3,987,118	4,207,699	3,325	4,197
Intangible assets					
Deferred charges - net	6	234,684	219,365	-	-
Goodwill - net		8,476	8,815	-	-
Other non-current assets		3,047	3,106	432	471
Total non-current assets		<u>4,321,026</u>	<u>4,474,541</u>	<u>5,959,975</u>	<u>5,301,782</u>
Total assets		<u><u>4,951,403</u></u>	<u><u>5,103,836</u></u>	<u><u>7,071,247</u></u>	<u><u>6,267,872</u></u>

The accompanying notes are an integral part of the financial statements.

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
BALANCE SHEETS (Continued)

(Unit : Thousand Baht)

	Note	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
		30 June 2003	31 December 2002	30 June 2003	31 December 2002
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities</b>					
Trade accounts payable		74,017	100,232	3,456	10,024
Current portion of long-term loans	7	17,538	393,386	-	-
Payable to and advances from subsidiaries	3	-	-	2,895,200	2,430,759
Advances received from charterers		58,019	74,038	1,390	1,429
Interest payable		3,501	1,010	3,115	-
Accrued crew accounts		74,396	79,681	-	-
Accrued guarantee obligation		-	21,061	-	21,061
Other accrued expenses		59,522	85,285	1,546	1,546
Other current liabilities		30,552	41,424	3,574	1,556
<b>Total current liabilities</b>		<b>317,545</b>	<b>796,117</b>	<b>2,908,281</b>	<b>2,466,375</b>
<b>Non-current liabilities</b>					
Bonds	8	800,863	-	800,863	-
Redeemable convertible debentures	8	-	886,737	-	886,737
Subordinated loans from subsidiaries	3	-	-	662,818	662,818
Long-term loans	7	2,687,942	2,744,396	1,601,265	1,618,368
<b>Total non-current liabilities</b>		<b>3,488,805</b>	<b>3,631,133</b>	<b>3,064,946</b>	<b>3,167,923</b>
<b>Total liabilities</b>		<b>3,806,350</b>	<b>4,427,250</b>	<b>5,973,227</b>	<b>5,634,298</b>

The accompanying notes are an integral part of the financial statements.

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
BALANCE SHEETS (Continued)

(Unit : Thousand Baht)

	Note	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
		30 June 2003	31 December 2002	30 June 2003	31 December 2002
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital					
Authorised share capital					
52,000,000 ordinary shares of Baht 10 each					
(31 December 2002 : 197,300,000 ordinary shares					
of Baht 10 each)	13	<u>520,000</u>	<u>1,973,000</u>	<u>520,000</u>	<u>1,973,000</u>
Issued and paid-up					
52,000,000 ordinary shares of Baht 10 each		520,000	520,000	520,000	520,000
Premium on ordinary shares		926,055	926,055	926,055	926,055
Translation adjustment		166,590	168,889	166,590	168,889
Retained earnings					
Appropriated					
Statutory reserve - the Company		60,500	60,500	60,500	60,500
- Subsidiaries		77,466	77,466	-	-
General reserve in subsidiaries		24,182	24,182	-	-
Unappropriated (Deficit)		(676,773)	(1,143,518)	(575,125)	(1,041,870)
Total equity attributable to Company's shareholders		<u>1,098,020</u>	<u>633,574</u>	<u>1,098,020</u>	<u>633,574</u>
Minority interest - Equity attributable to					
minority shareholders of subsidiaries		47,033	43,012		-
Total shareholders' equity		<u>1,145,053</u>	<u>676,586</u>	<u>1,098,020</u>	<u>633,574</u>
Total liabilities and shareholders' equity		<u>4,951,403</u>	<u>5,103,836</u>	<u>7,071,247</u>	<u>6,267,872</u>
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The accompanying notes are an integral part of the financial statements.

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DIRECTORS

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(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF EARNINGS  
FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2003 AND 2002

(Unit : Thousand Baht)

		<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>Note</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Revenues					
Vessel operating income		908,316	763,206	-	-
Service income		843	2,317	-	-
Gains on disposal of fixed assets		-	1,868	-	-
Exchange gains	9	22,496	98,080	10,330	25,173
Other income		727	2,491	33	1,768
Share of profit from investments accounted for under equity met		-	-	374,219	107,953
Total revenues		<u>932,382</u>	<u>867,962</u>	<u>384,582</u>	<u>134,894</u>
Expenses					
Vessel operating costs					
Vessel running expenses		273,288	303,961	-	-
Voyage disbursements		72,438	75,851	-	-
Bunker consumption		60,656	72,644	-	-
Total vessel operating costs		406,382	452,456	-	-
Cost of services		4,830	3,387	-	-
Administrative expenses		68,922	37,025	66,924	31,463
Bad debt and allowance for doubtful accounts		2,508	18,576	-	956
Depreciation		111,733	124,253	420	543
Provision for possible loss on other investments		-	110,618	-	-
Directors' remuneration		626	273	626	273
Total expenses		<u>595,001</u>	<u>746,588</u>	<u>67,970</u>	<u>33,235</u>
Earnings before interest and financial costs and income tax		<u>337,381</u>	<u>121,374</u>	<u>316,612</u>	<u>101,659</u>
Interest and financial costs		(64,936)	(52,283)	(45,895)	(30,016)
Corporate income tax		-	32	-	-
Earnings before minority interest and extraordinary item		<u>272,445</u>	<u>69,123</u>	<u>270,717</u>	<u>71,643</u>
Net (earnings) loss of minority interest		<u>(1,728)</u>	<u>2,520</u>	<u>-</u>	<u>-</u>
Earnings from normal items		<u>270,717</u>	<u>71,643</u>	<u>270,717</u>	<u>71,643</u>
Extraordinary item					
Gain on redemption of bonds and redeemable convertible debentures	8	11,022	1,367	11,022	1,367
Net earnings for the period		<u>281,739</u>	<u>73,010</u>	<u>281,739</u>	<u>73,010</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF EARNINGS (Continued)  
FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2003 AND 2002

(Unit : Baht)

	<u>Note</u>	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
		<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Basic earnings per share					
Earnings from normal items		5.21	1.37	5.21	1.37
Extraordinary item		0.21	0.03	0.21	0.03
Net earnings		<u>5.42</u>	<u>1.40</u>	<u>5.42</u>	<u>1.40</u>
Weighted average number of ordinary shares (shares)		<u>52,000,000</u>	<u>52,000,000</u>	<u>52,000,000</u>	<u>52,000,000</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF EARNINGS  
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2003 AND 2002

		(Unit : Baht)			
		<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	Note	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Revenues					
Vessel operating income		1,765,584	1,644,967	-	-
Service income		2,115	5,245	-	-
Gains on disposal of fixed assets		177	12,853	-	-
Exchange gains	9	34,357	141,348	13,030	35,087
Other income		1,556	4,548	165	2,085
Share of profit from investments accounted for under equity met		-	-	645,280	289,385
Total revenues		<u>1,803,789</u>	<u>1,808,961</u>	<u>658,475</u>	<u>326,557</u>
Expenses					
Vessel operating costs					
Vessel running expenses		546,372	613,515	-	-
Voyage disbursements		163,460	210,886	-	-
Bunker consumption		158,089	181,121	-	-
Total vessel operating costs		867,921	1,005,522	-	-
Cost of services		7,516	6,871	-	-
Administrative expenses		111,414	91,332	104,963	78,193
Bad debt and allowance for doubtful accounts		4,678	27,270	-	956
Depreciation		221,881	249,206	905	1,100
Provision for possible loss on other investments		-	138,398	-	-
Directors' remuneration		1,221	608	1,221	608
Total expenses		<u>1,214,631</u>	<u>1,519,207</u>	<u>107,089</u>	<u>80,857</u>
Earnings before interest and financial costs and income tax		589,158	289,754	551,386	245,700
Interest and financial costs		(129,414)	(104,776)	(95,663)	(59,386)
Corporate income tax		-	(193)	-	-
Earnings before minority interest and extraordinary item		459,744	184,785	455,723	186,314
Net (earnings) loss of minority interest		(4,021)	1,529	-	-
Earnings from normal items		<u>455,723</u>	<u>186,314</u>	<u>455,723</u>	<u>186,314</u>
Extraordinary item					
Gain on redemption of bonds and redeemable convertible debentures	8	11,022	1,367	11,022	1,367
Net earnings for the period		<u><u>466,745</u></u>	<u><u>187,681</u></u>	<u><u>466,745</u></u>	<u><u>187,681</u></u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF EARNINGS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2003 AND 2002

(Unit : Baht)

	<u>Note</u>	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
		<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Basic earnings per share					
Earnings from normal items		8.77	3.58	8.77	3.58
Extraordinary item		0.21	0.03	0.21	0.03
Net earnings		<u>8.98</u>	<u>3.61</u>	<u>8.98</u>	<u>3.61</u>
Weighted average number of ordinary shares (shares)		<u>52,000,000</u>	<u>52,000,000</u>	<u>52,000,000</u>	<u>52,000,000</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2003 AND 2002

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
<b>Cash flows from (used in) operating activities</b>				
Net earnings	466,745	187,681	466,745	187,681
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities :-				
Depreciation	221,881	249,206	905	1,100
Amortisation	72,067	80,424	-	-
Bad debt and allowance for doubtful accounts	4,678	27,270	-	956
Unrealised exchange gains	(31,763)	(134,555)	(15,685)	(39,438)
Share of profit from investments accounted for under equity m	-	-	(645,280)	(289,385)
Provision for possible loss on other investments	-	138,398	-	-
Gains on disposals of fixed assets	(177)	(12,853)	-	-
Increase in minority interest	4,021	2,409	-	-
	<u>737,452</u>	<u>537,980</u>	<u>(193,315)</u>	<u>(139,086)</u>
Operating assets (increase) decrease				
Trade accounts receivable	66,685	18,140	-	-
Receivable from and advances to related parties	23,684	(29,499)	(152,447)	43,181
Bunker oil	33,269	28,185	-	-
Other current assets	(4,006)	16,371	(174)	(7,021)
Intangible and other non-current assets	(86,988)	(107,265)	39	-
Operating liabilities increase (decrease)				
Trade accounts payable	(25,970)	(15,013)	(6,502)	473
Payable to and advances from related parties	-	27,400	464,440	243,000
Advances received from charterers	(15,792)	(11,420)	-	-
Other current liabilities	(60,489)	(31,544)	(15,928)	(7,562)
Net cash from operating activities	<u>667,845</u>	<u>433,335</u>	<u>96,113</u>	<u>132,985</u>

The accompanying notes are an integral part of the financial statements.



(UNAUDITED BUT REVIEWED)

## PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2003 AND 2002

(Unit : Thousand Baht)

	<b>CONSOLIDATED</b>		<b>THE COMPANY ONLY</b>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
<b>Cash flows from (used in) investing activities</b>				
Decrease in deposits at banks with maturity of more than three months and amount pledged	-	496	-	496
Increase in investments in associated and other companies	(52,145)	(11,995)	-	-
Acquisitions of fixed assets	(1,299)	(1,533)	(33)	(527)
Disposals of fixed assets	176	84,236	-	-
Net cash from (used in) investing activities	<u>(53,268)</u>	<u>71,204</u>	<u>(33)</u>	<u>(31)</u>
<b>Cash flows used in financing activities</b>				
Cash received from new loans	413,551	-	-	-
Cash paid for long-term loans	(828,224)	(518,479)	(17,103)	(130,275)
Cash paid on redemption of bonds and redeemable convertible debentures	(59,272)	(1,650)	(59,272)	(1,650)
Net cash used in financing activities before extraordinary item	<u>(473,945)</u>	<u>(520,129)</u>	<u>(76,375)</u>	<u>(131,925)</u>
Extraordinary item - Gains on redemption of bonds and redeemable convertible debentures	(11,022)	(1,367)	(11,022)	(1,367)
Net cash used in financing activities	<u>(484,967)</u>	<u>(521,496)</u>	<u>(87,397)</u>	<u>(133,292)</u>
Decrease in translation adjustment	(2,299)	(2,659)	-	-
Net increase (decrease) in cash and cash equivalents	<u>127,311</u>	<u>(19,616)</u>	<u>8,683</u>	<u>(338)</u>
Cash and cash equivalents at beginning of period	<u>329,715</u>	<u>261,591</u>	<u>6,538</u>	<u>3,822</u>
Cash and cash equivalents at end of period	<u><u>457,026</u></u>	<u><u>241,975</u></u>	<u><u>15,221</u></u>	<u><u>3,484</u></u>
<b>Supplemental cash flow information</b>				
Cash paid during the period for				
Interest expenses	96,744	103,490	72,011	58,342
Non-cash transactions				
Decrease in redeemable convertible debentures due to redemption at discount	-	3,018	-	3,018
Increase in redeemable convertible debentures from the change in proportion of liabilities element as at the balance sheet date	-	138,976	-	138,976
Decrease in unrealised gain on redeemable convertible debentures from the change in proportion of equity element as at the balance :	-	(138,976)	-	(138,976)

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