

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS

(Unit : Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		30 June 2001 (Unaudited but reviewed)	31 December 2000 (Audited)	30 June 2001 (Unaudited but reviewed)	31 December 2000 (Audited)
ASSETS					
Current assets					
Cash on hand and at banks	2	376,354	257,488	33,950	15,754
Trade accounts receivable - net	3	119,652	104,719	458	437
Amounts due from subsidiaries	4	-	-	1,310,860	1,325,049
Amounts due from associated company	4	-	-	1,242	-
Bunker oil		63,314	87,001	-	-
Other current assets					
Advances to vessel master		49,059	98,076	-	9,856
Other receivable	5	-	59,197	-	59,197
Others		176,013	156,057	13,827	29,989
Total current assets		784,392	762,538	1,360,337	1,440,282
Investments	6				
Subsidiaries		-	-	3,978,476	3,572,832
Associated and other companies		181,506	168,985	22,955	17,225
Vessels, condominium and equipment - net	7	5,140,121	5,478,767	6,024	7,685
Other assets					
Deferred charges-net		218,178	257,337	-	-
Others		11,881	13,555	1,459	1,459
Goodwill		9,832	10,171	-	-
Total assets		6,345,910	6,691,353	5,369,251	5,039,483

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

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

(Unit : Thousand Baht)

		CONSOLIDATED		THE COMPANY ONLY	
	Note	30 June 2001 (Unaudited but reviewed)	31 December 2000 (Audited)	30 June 2001 (Unaudited but reviewed)	31 December 2000 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable		115,818	211,902	3,778	6,173
Amounts due to subsidiaries	4	-	-	1,766,603	1,523,411
Amounts due to associated companies	4	5,782	19,517	-	-
Advance received from charterers		134,429	98,150	1,497	1,434
Current portion of long-term loans	8	691,732	817,346	51,622	45,351
Other current liabilities					
Interest payable		7,424	5,924	412	420
Accrued crew accounts		106,045	94,051	-	-
Others		113,690	122,284	6,313	11,852
Total current liabilities		1,174,920	1,369,174	1,830,225	1,588,641
Redeemable convertible debentures	9	795,536	624,620	795,536	624,620
Subordinated loans from subsidiaries	4	-	-	662,818	662,818
Long-term loans - net of current portion	8	4,065,209	4,332,353	1,821,747	1,859,470
Total liabilities		6,035,665	6,326,147	5,110,326	4,735,549
Shareholders' equity					
Share capital					
Authorized					
197,300,000 ordinary shares of Baht 10 each		1,973,000	1,973,000	1,973,000	1,973,000
Issued and fully paid					
52,000,000 ordinary shares of Baht 10 each		520,000	520,000	520,000	520,000
Premium on share capital		926,055	926,055	926,055	926,055
Cumulative translation adjustment		144,797	140,638	144,797	140,630
Unrealised gain on redeemable convertible debentures	9	548,956	874,348	548,956	874,348
Retained earnings					
Appropriated					
- Statutory reserve		77,466	77,466	-	-
- Reserve fund		60,500	60,500	60,500	60,500
- General reserve in subsidiaries		24,182	24,182	-	-
Unappropriated (Deficit)		-2,043,031	-2,319,269	-1,941,383	-2,217,599
Equity attributable to Company's shareholders		258,925	303,920	258,925	303,934
Minority interest - Equity attributable to minority shareholders of subsidiaries		51,320	61,286	-	-
Total shareholders' equity		310,245	365,206	258,925	303,934
Total liabilities and shareholders' equity		6,345,910	6,691,353	5,369,251	5,039,483

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

DIRECTORS

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF EARNINGS
FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2001 AND 2000

(Unit : Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2001	2000 (Restated)	2001	2000 (Restated)
Revenues					
Vessel operating income		1,152,297	1,004,178	-	31,062
Service income		7,803	18,623	-	-
Share of profit from subsidiary and associated companies		5,730	-	264,227	36,024
Other income		2,624	5,623	261	1,201
Total revenues		<u>1,168,454</u>	<u>1,028,424</u>	<u>264,488</u>	<u>68,287</u>
Expenses					
Vessel operating costs		677,986	650,178	-	29,605
Cost of services		15,972	14,334	-	-
Administrative expenses		55,591	44,414	48,155	28,330
Doubtful accounts (Reversal)		15,309	-1,967	12,612	-2,949
Depreciation		139,503	155,447	710	2,579
(Gain) loss on sale of fixed assets		-13,613	30,221	374	-60
Exchange losses	10	30,138	167,051	2,566	90,997
Directors' remuneration		273	335	273	335
Interest and financial costs		80,536	257,981	29,393	206,917
Total expenses		<u>1,001,695</u>	<u>1,317,994</u>	<u>94,083</u>	<u>355,754</u>
Gain (loss) before income tax, minority interest and extraordinary item		<u>166,759</u>	<u>-289,570</u>	<u>170,405</u>	<u>-287,467</u>
Corporate income tax		-98	-542	-	-
Gain (loss) before minority interest and extraordinary item		<u>166,661</u>	<u>-290,112</u>	<u>170,405</u>	<u>-287,467</u>
Minority interest		3,744	2,645	-	-
Gain (loss) before extraordinary item		<u>170,405</u>	<u>-287,467</u>	<u>170,405</u>	<u>-287,467</u>
Extraordinary item					
Gain on redemption of redeemable convertible debentures	9	61,597	-	61,597	-
Net earnings (loss) for the period		<u>232,002</u>	<u>-287,467</u>	<u>232,002</u>	<u>-287,467</u>
(Unit : Baht)					
Basic earnings per share					
Earnings (loss) before extraordinary item		3.28	-5.53	3.28	-5.53
Extraordinary item		1.18	-	1.18	-
Net earnings (loss)		<u>4.46</u>	<u>-5.53</u>	<u>4.46</u>	<u>-5.53</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>
Diluted earnings per share	1.4				
Earnings (loss) before extraordinary item		0.93	-5.53	0.93	-5.53
Extraordinary item		-	-	-	-
Net earnings (loss)		<u>0.93</u>	<u>-5.53</u>	<u>0.93</u>	<u>-5.53</u>
Weighted average number of ordinary shares (shares)		<u>189,591,019</u>	<u>52,000,000</u>	<u>189,591,019</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 2001 AND 2000

(Unit : Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2001	2000 (Restated)	2001	2000 (Restated)
Revenues					
Vessel operating income		2,183,188	1,967,539	-	62,168
Service income		15,747	34,498	-	-
Share of profit from subsidiary and associated companies		5,730	-	409,460	170,519
Other income		6,639	12,115	903	1,670
Total revenues		<u>2,211,304</u>	<u>2,014,152</u>	<u>410,363</u>	<u>234,357</u>
Expenses					
Vessel operating costs		1,273,162	1,287,197	-	64,843
Cost of services		31,862	23,709	-	-
Administrative expenses		96,039	74,885	81,629	53,149
Doubtful accounts (Reversal)		72,609	-1,575	71,685	-2,949
Depreciation		281,887	314,936	1,464	5,196
(Gain) loss on sale of fixed assets		-13,523	32,131	553	-60
Exchange losses	10	141,143	195,399	36,317	105,781
Directors' remuneration		633	505	633	505
Interest and financial costs		177,503	389,568	58,536	310,037
Total expenses		<u>2,061,315</u>	<u>2,316,755</u>	<u>250,817</u>	<u>536,502</u>
Gain (loss) before income tax, minority interest and extraordinary item		<u>149,989</u>	<u>-302,603</u>	<u>159,546</u>	<u>-302,145</u>
Corporate income tax		-409	-1,043	-	-
Gain (loss) before minority interest and extraordinary item		<u>149,580</u>	<u>-303,646</u>	<u>159,546</u>	<u>-302,145</u>
Minority interest		9,966	1,501	-	-
Gain (loss) before extraordinary item		<u>159,546</u>	<u>-302,145</u>	<u>159,546</u>	<u>-302,145</u>
Extraordinary item					
Gain from termination of interest and currency swap agreement		-	62,404	-	62,404
Gain on redemption of redeemable convertible debentures	9	116,692	-	116,692	-
Net earnings (loss) for the period		<u><u>276,238</u></u>	<u><u>-239,741</u></u>	<u><u>276,238</u></u>	<u><u>-239,741</u></u>
(Unit : Baht)					
Basic earnings per share					
Earnings (loss) before extraordinary item		3.07	-5.81	3.07	-5.81
Extraordinary item		2.24	1.20	2.24	1.20
Net earnings (loss)		<u>5.31</u>	<u>-4.61</u>	<u>5.31</u>	<u>-4.61</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>
Diluted earnings per share	1.4				
Earnings (loss) before extraordinary item		1.02	-5.81	1.02	-5.81
Extraordinary item		-	1.20	-	1.20
Net earnings (loss)		<u>1.02</u>	<u>-4.61</u>	<u>1.02</u>	<u>-4.61</u>
Weighted average number of ordinary shares (shares)		<u>191,853,125</u>	<u>52,000,000</u>	<u>191,853,125</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 CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2001 AND 2000

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
		(Restated)		(Restated)
Share capital				
Ordinary shares				
Balance - beginning of period	520,000	520,000	520,000	520,000
Balance - end of period	<u>520,000</u>	<u>520,000</u>	<u>520,000</u>	<u>520,000</u>
Premium on share capital				
Balance - beginning of period	926,055	926,055	926,055	926,055
Balance - end of period	<u>926,055</u>	<u>926,055</u>	<u>926,055</u>	<u>926,055</u>
Cumulative translation adjustment				
Balance - beginning of period	140,638	55,298	140,630	55,298
Increase during the period	4,159	43,618	4,167	43,618
Balance - end of period	<u>144,797</u>	<u>98,916</u>	<u>144,797</u>	<u>98,916</u>
Unrealised gain on redeemable convertible debentures				
Balance - beginning of period	874,348	-	874,348	-
Decrease during the period	-325,392	-	-325,392	-
Balance - end of period	<u>548,956</u>	<u>-</u>	<u>548,956</u>	<u>-</u>
Retained earnings				
Appropriated				
Statutory reserve				
Balance - beginning of period	77,466	77,466	-	-
Balance - end of period	<u>77,466</u>	<u>77,466</u>	<u>-</u>	<u>-</u>
Reserve fund				
Balance - beginning of period	60,500	60,500	60,500	60,500
Balance - end of period	<u>60,500</u>	<u>60,500</u>	<u>60,500</u>	<u>60,500</u>
General reserve				
Balance - beginning of period	24,182	24,182	-	-
Balance - end of period	<u>24,182</u>	<u>24,182</u>	<u>-</u>	<u>-</u>
Unappropriated				
Balance - beginning of period (deficit), as restated	-2,319,269	-1,952,628	-2,217,621	-1,850,980
Increase (decrease) during the period	276,238	-239,741	276,238	-239,741
Balance - end of period (deficit)	<u>-2,043,031</u>	<u>-2,192,369</u>	<u>-1,941,383</u>	<u>-2,090,721</u>
Equity attributable to Company's shareholders	<u>258,925</u>	<u>-485,250</u>	<u>258,925</u>	<u>-485,250</u>
Minority interest - Equity attributable to minority shareholders of subsidiaries				
Balance - beginning of period	61,286	65,597	-	-
Decrease during the period	-9,966	-754	-	-
Balance - end of period	<u>51,320</u>	<u>64,843</u>	<u>-</u>	<u>-</u>
Total shareholders' equity	<u>310,245</u>	<u>-420,407</u>	<u>258,925</u>	<u>-485,250</u>

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

(UNAUDITED BUT REVIEWED)

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF RETAINED EARNINGS
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2001 AND 2000

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
		(Restated)		(Restated)
Retained earnings - appropriated				
Statutory reserve	77,466	77,466	-	-
Reserve fund	60,500	60,500	60,500	60,500
General reserve in subsidiaries	24,182	24,182	-	-
Total retained earnings - appropriated	<u>162,148</u>	<u>162,148</u>	<u>60,500</u>	<u>60,500</u>
Retained earnings - unappropriated (deficit)				
Balance - beginning of period, as previously reported	-2,319,269	-1,957,296	-2,217,599	-1,855,626
Cumulative effect of the change in accounting policy in relation to depreciation on revaluation surplus of subsidiaries' assets	-	4,668	-	4,646
Adjustment item	-	-	-22	-
Balance - beginning of period, as restated	<u>-2,319,269</u>	<u>-1,952,628</u>	<u>-2,217,621</u>	<u>-1,850,980</u>
Net earnings for the period	<u>276,238</u>	<u>-239,741</u>	<u>276,238</u>	<u>-239,741</u>
Total retained earnings - unappropriated	<u>-2,043,031</u>	<u>-2,192,369</u>	<u>-1,941,383</u>	<u>-2,090,721</u>
Total retained earnings (deficit)	<u><u>-1,880,883</u></u>	<u><u>-2,030,221</u></u>	<u><u>-1,880,883</u></u>	<u><u>-2,030,221</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 CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2001 AND 2000

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2001</u>	<u>2000</u> (Restated)	<u>2001</u>	<u>2000</u> (Restated)
Cash flows from (used in) operating activities				
Net earnings (loss)	276,238	-239,741	276,238	-239,741
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities				
Depreciation	281,887	314,936	1,464	5,196
Amortisation	83,801	83,849	-	3,283
Allowance for doubtful accounts (Reversal)	72,609	-1,575	71,685	-2,949
Unrealised exchange losses	143,197	200,465	41,387	118,372
Share of profit from subsidiaries and associated companies	(5,730)	-	-409,460	-170,519
Gain from termination of interest and currency swap agreement	-	-62,404	-	-62,404
Gain on redemption of redeemable convertible debentures	-116,692	-	-116,692	-
Loss on disposal of fixed assets	-13,523	32,131	553	-60
Unrealised gain on the change in value of investments	-	-403	-	-403
Decrease in minority interest	-9,966	-754	-	-
	<u>711,821</u>	<u>326,504</u>	<u>-134,825</u>	<u>-349,225</u>
Operating assets (increase) decrease				
Trade accounts receivable	-12,874	40,283	-	574
Bunker oil	23,687	12,361	-	-887
Other current assets	16,572	-4,957	13,530	2,968
Other assets	-44,897	-161,799	-	-12,448
Operating liabilities increase (decrease)				
Trade accounts payable	-95,935	12,822	-2,559	-5,579
Amounts due to subsidiaries and associated companies - net	-13,735	7,322	258,367	358,799
Advance received from charterers	35,084	17,402	-	-
Other current liabilities	4,902	70,046	-5,545	56,778
Net cash from operating activities	<u>624,625</u>	<u>319,984</u>	<u>128,968</u>	<u>50,980</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 2001 AND 2000

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
		(Restated)		(Restated)
Cash flows from (used in) investing activities				
Decrease (increase) in cash at banks with maturity of more than 3 months and amount pledged	3,586	-15,873	-53	-12,950
Increase in investments in subsidiaries and associated companies	-6,793	-17,448	-4,167	-43,618
Acquisition of fixed assets	-829	-2,179	-374	-467
Disposal of fixed assets	73,380	114,509	18	60
Net cash from (used in) investing activities	<u>69,344</u>	<u>79,009</u>	<u>-4,576</u>	<u>-56,975</u>
Cash flows from (used in) financing activities				
Increase in loans from banks	-	1,175,159	-	1,175,603
Decrease in long-term loans	-502,520	-422,265	-37,260	-19,697
Increase (decrease) in debentures	-	-1,184,595	-	-1,184,595
Cash paid on redemption of redeemable convertible debentures	-73,156	-	-73,156	-
Net cash used in financing activities	<u>-575,676</u>	<u>-431,701</u>	<u>-110,416</u>	<u>-28,689</u>
Increase in cumulative translation adjustment	<u>4,159</u>	<u>43,618</u>	<u>4,167</u>	<u>43,618</u>
Net increase in cash and cash equivalents	<u>122,452</u>	<u>10,910</u>	<u>18,143</u>	<u>8,934</u>
Cash and cash equivalents at beginning of period	<u>227,394</u>	<u>250,488</u>	<u>1,806</u>	<u>28,238</u>
Cash and cash equivalents at end of period (Note 11)	<u><u>349,846</u></u>	<u><u>261,398</u></u>	<u><u>19,949</u></u>	<u><u>37,172</u></u>
Supplemental cash flow information				
Cash paid during the period for				
Interest expense	165,987	278,944	58,792	212,782
Corporate income tax	1,183	635	-	-
Non-cash transaction				
Decrease in redemption of redeemable convertible debentures at disco	-189,848	-	-189,848	-
Increase in redeemable convertible debentures from the change in proportion of liabilities element as at the balance sheet date	360,764	-	360,764	-
Decrease in unrealised gain on redeemable convertible debentures from the change in proportion of equity element as at the balance sheet date	-360,764	-	-360,764	-

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