

Precious Shipping Public Company Limited
and subsidiaries
Review report and interim financial statements
For the three-month periods ended
31 March 2012 and 2011

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Precious Shipping Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Precious Shipping Public Company Limited and its subsidiaries as at 31 March 2012, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the three-month periods ended 31 March 2012 and 2011, as well as the condensed notes to the consolidated financial statements, and have also reviewed the separate financial information of Precious Shipping Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of review

I conducted my reviews in accordance with Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Accounting Standard 34 *Interim Financial Reporting*.

Statements of financial position as at 31 December 2011 for comparative purposes

I have previously audited the consolidated financial statements of Precious Shipping Public Company Limited and its subsidiaries and the separate financial statements of Precious Shipping Public Company Limited for the year ended 31 December 2011 in accordance with auditing standards, and expressed an unqualified opinion on those statements under my report dated 3 February 2012. The consolidated and separate statements of financial position as at 31 December 2011, as presented herein for comparative purposes, formed an integral part of those financial statements. I have not performed any other audit procedures subsequent to the date of the above report.

Sumalee Reewarabandith
Certified Public Accountant (Thailand) No. 3970

Ernst & Young Office Limited
Bangkok: 26 April 2012

Precious Shipping Public Company Limited and subsidiaries

Statements of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2012	31 December 2011	31 March 2012	31 December 2011
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		3,137,334	4,374,711	2,247,798	2,719,519
Current investment	3	-	-	-	-
Trade and other receivables	4, 5	128,780	125,094	757,345	771,933
Short-term loans to a subsidiary	6	-	-	1,906,104	2,275,428
Current portion of advances for vessel constructions	14	1,292,122	1,327,296	1,292,122	1,327,296
Bunker oil		122,542	68,962	-	-
Other current assets					
Advances to vessel masters		72,898	63,298	-	-
Claim recoverables		27,296	18,718	-	-
Others		59,118	43,466	10,532	13,874
Total other current assets		159,312	125,482	10,532	13,874
Total current assets		4,840,090	6,021,545	6,213,901	7,108,050
Non-current assets					
Investments in subsidiaries	8	-	-	6,143,950	6,003,738
Investment in joint venture	9	-	-	-	-
Investment in associate held by a subsidiary	10	110,190	111,681	-	-
Other long-term investment		8,026	8,246	8,026	8,246
Long-term loan to jointly controlled entity	7	-	-	263,709	270,960
Receivables from cross currency swap contracts		82,044	48,752	-	-
Property, plant and equipment	11	11,678,527	9,445,533	5,885	6,735
Intangible assets	12	19,870	22,782	19,817	22,725
Other non-current assets					
Claim recoverables - maritime claims		42,002	41,565	-	-
Advances for vessel purchase	13	511,996	396,140	-	-
Advances for vessel constructions - net of current portion	14	5,906,388	6,571,893	3,614,600	4,487,725
Deferred financial fees	15	202,629	211,832	149,002	168,155
Others	20.4	18,015	13,279	2,406	2,406
Total other non-current assets		6,681,030	7,234,709	3,766,008	4,658,286
Total non-current assets		18,579,687	16,871,703	10,207,395	10,970,690
Total assets		23,419,777	22,893,248	16,421,296	18,078,740

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

Precious Shipping Public Company Limited and subsidiaries

Statements of financial position (continued)

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements		
	31 March 2012 (Unaudited but reviewed)	31 December 2011 (Audited)	31 March 2012 (Unaudited but reviewed)	31 December 2011 (Audited)	
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables					
	Trade accounts payable	27,328	33,150	3,199	523
5	Advances received from related parties	-	-	3,088,050	3,430,581
	Accrued crew accounts	59,185	47,659	-	-
	Accrued expenses	108,050	59,641	4,771	5,421
	Current portion of accrued employee bonus	39,755	66,761	36,631	61,556
	Total trade and other payables	234,318	207,211	3,132,651	3,498,081
	Advances received from charterers	50,315	86,238	-	-
	Dividend payables	155,176	-	155,176	-
16	Current portion of long-term loans	651,510	718,549	6,134	286,951
	Income tax payable	1,228	506	-	-
Other current liabilities					
	Withholding tax payable	5,308	14,206	3,770	12,778
	Others	29,348	20,525	9,646	9,707
	Total other current liabilities	34,656	34,731	13,416	22,485
	Total current liabilities	1,127,203	1,047,235	3,307,377	3,807,517
Non-current liabilities					
	Accrued employee bonus - net of current portion	13,414	54,028	12,357	49,836
	Provision for maritime claims	62,985	64,637	-	-
16	Long-term loans - net of current portion	7,397,633	6,307,826	1,295,130	1,856,651
	Provision for long-term employee benefits	64,452	63,023	58,380	57,001
	Total non-current liabilities	7,538,484	6,489,514	1,365,867	1,963,488
	Total liabilities	8,665,687	7,536,749	4,673,244	5,771,005

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

Precious Shipping Public Company Limited and subsidiaries

Statements of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2012 (Unaudited but reviewed)	31 December 2011 (Audited)	31 March 2012 (Unaudited but reviewed)	31 December 2011 (Audited)
Shareholders' equity				
Share capital				
Registered share capital				
1,039,520,600 ordinary shares of Baht 1 each	1,039,521	1,039,521	1,039,521	1,039,521
Issued and paid-up share capital				
1,039,520,600 ordinary shares of Baht 1 each	1,039,521	1,039,521	1,039,521	1,039,521
Paid-in capital				
Premium on ordinary shares	411,430	411,430	411,430	411,430
Premium on treasury stock	172,446	172,446	172,446	172,446
Retained earnings				
Appropriated				
Statutory reserve - the Company	103,952	103,952	103,952	103,952
- subsidiaries	518,120	518,120	-	-
Corporate social responsibility reserve	15,771	15,333	15,771	15,333
Unappropriated	14,324,357	14,521,659	10,395,022	10,624,884
Other components of shareholders' equity	(1,864,292)	(1,459,091)	(390,090)	(59,831)
Equity attributable to owners of the Company	14,721,305	15,323,370	11,748,052	12,307,735
Non-controlling interests of the subsidiaries	32,785	33,129	-	-
Total shareholders' equity	14,754,090	15,356,499	11,748,052	12,307,735
Total liabilities and shareholders' equity	23,419,777	22,893,248	16,421,296	18,078,740
	0	0	0	0

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**Income statements****For the three-month periods ended 31 March 2012 and 2011**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Revenues					
Vessel operating income					
Hire income		445,746	577,594	-	-
Freight income		341,805	154,841	-	-
Total vessel operating income		787,551	732,435	-	-
Service income	5	1,358	1,338	15,707	12,630
Gains on sales of equipment		-	1,382	-	1,385
Interest income	5	6,972	6,766	6,829	6,727
Other income		2	1	2	1
Dividend received	5, 8	-	-	-	252,500
Total revenues		795,883	741,922	22,538	273,243
Expenses					
Vessel operating costs					
Vessel running expenses		265,212	216,665	-	-
Voyage disbursements		47,043	18,916	-	-
Bunker consumption		154,761	46,449	-	-
Total vessel operating costs		467,016	282,030	-	-
Depreciation	11	192,232	158,563	1,108	1,213
Cost of services		1,021	1,105	-	-
Administrative expenses	5	42,590	48,717	37,849	41,354
Management remuneration including perquisites	5	20,226	25,827	19,388	24,551
Bad debts and doubtful accounts		19,279	-	-	-
Exchange losses		2,352	9,070	4,695	7,374
Total expenses		744,716	525,312	63,040	74,492
Profit (loss) before share of loss from investment in associate, finance cost and corporate income tax		51,167	216,610	(40,502)	198,751
Share of loss from investment in associate held by a subsidiary	10.1	(4,106)	(463)	-	-
Profit (loss) before finance cost and corporate income tax		47,061	216,147	(40,502)	198,751
Finance cost		(86,745)	(103,222)	(33,015)	(78,973)
Profit (loss) before corporate income tax		(39,684)	112,925	(73,517)	119,778
Corporate income tax		(732)	(2,871)	-	-
Profit (loss) for the period		(40,416)	110,054	(73,517)	119,778

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries

Income statements (continued)

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Profit (loss) attributable to:					
Equity holders of the Company		(40,957)	108,630	(73,517)	119,778
Non-controlling interests of the subsidiaries		541	1,424	-	-
Profit (loss) for the period		(40,416)	110,054	(73,517)	119,778
					(Unit: Baht)
Basic earnings (loss) per share	17				
Profit (loss) attributable to equity holders of the Company		(0.04)	0.10	(0.07)	0.12

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries

Statements of comprehensive income

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Profit (loss) for the period	<u>(40,416)</u>	<u>110,054</u>	<u>(73,517)</u>	<u>119,778</u>
Other comprehensive income:				
Exchange differences on translation of foreign operation's financial statements	6,565	(132)	-	-
Exchange differences on translation of functional currency to presentation currency financial statements	<u>(412,651)</u>	<u>72,049</u>	<u>(330,259)</u>	<u>57,059</u>
Other comprehensive income for the period	<u>(406,086)</u>	<u>71,917</u>	<u>(330,259)</u>	<u>57,059</u>
Total comprehensive income for the period	<u><u>(446,502)</u></u>	<u><u>181,971</u></u>	<u><u>(403,776)</u></u>	<u><u>176,837</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	(446,158)	180,424	(403,776)	176,837
Non-controlling interests of the subsidiaries	<u>(344)</u>	<u>1,547</u>	<u>-</u>	<u>-</u>
	<u><u>(446,502)</u></u>	<u><u>181,971</u></u>	<u><u>(403,776)</u></u>	<u><u>176,837</u></u>

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries

Cash flow statements

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cash flows from operating activities				
Profit (loss) before tax	(39,684)	112,925	(73,517)	119,778
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	194,525	160,818	3,398	3,468
Bad debts and doubtful accounts	19,279	-	-	-
Gains on sales of equipment	-	(1,382)	-	(1,385)
Write-off deferred financial fees due to cancellation of loan facility	5,765	-	5,765	-
Share of loss from investment in associate held by a subsidiary	4,106	463	-	-
Provisions for maritime claims (reversal)	(1,466)	6,284	-	-
Provision for long-term employee benefits	1,452	1,472	1,400	1,424
Unrealised exchange losses	2,834	5,484	3,202	4,024
Amortised financial fees to interest expense	5,290	1,420	-	-
Interest expense	42,608	1,594	-	-
Interest income	(6,917)	(6,333)	(6,829)	(6,727)
Profit (loss) from operating activities before changes in operating assets and liabilities	227,792	282,745	(66,581)	120,582
Operating assets (increase) decrease				
Trade and other receivables	(26,283)	(9,995)	959,889	(78,206)
Bunker oil	(55,189)	(9,416)	-	-
Other current assets	(35,679)	(11,747)	3,817	4,112
Other non-current assets	(4,989)	-	-	-
Operating liabilities increase (decrease)				
Trade and other payables	30,575	(73,581)	(271,507)	150,699
Advances receivable from charterers	(33,472)	29,255	-	-
Other current liabilities	(9,611)	19,181	(9,014)	16,572
Non-current liabilities	(40,373)	(44,501)	(37,257)	(40,852)
Cash flows from operating activities	52,771	181,941	579,347	172,907
Cash paid for withholding tax deducted at source	(1,005)	(2,258)	(765)	(871)
Net cash flows from operating activities	51,766	179,683	578,582	172,036

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries**Cash flow statements (continued)****For the three-month periods ended 31 March 2012 and 2011**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cash flows from investing activities				
Acquisitions of vessels, equipment and payment of dry-dock and special survey expenses	(1,365,980)	(189)	(442)	(84)
Cash paid for advances for vessel purchase	(511,996)	-	-	-
Cash paid for advances for vessel constructions and other direct costs	(401,002)	(305,728)	(158,719)	(2,494)
Proceeds from sales of equipment	-	1,400	-	1,400
Increase in investments in subsidiaries	-	-	(305,000)	-
Decrease in short-term loans to subsidiary	-	-	307,116	-
Interest income	6,917	6,333	6,829	6,727
Net cash flows from (used in) investing activities	(2,272,061)	(298,184)	(150,216)	5,549
Cash flows from financing activities				
Cash paid for interest expense and commitment fee	(61,513)	(16,224)	(9,570)	(14,045)
Cash paid for deferred financial fees	(46,390)	(83)	(35,318)	-
Cash received from long-term loans	2,100,673	-	-	-
Repayment of long-term loans	(890,280)	(29,342)	(786,217)	-
Dividend paid to the Company's shareholders	-	(228,663)	-	(228,663)
Net cash flows from (used in) financing activities	1,102,490	(274,312)	(831,105)	(242,708)
Increase (decrease) in translation adjustments	(119,572)	25,570	(68,982)	10,644
Net decrease in cash and cash equivalents	(1,237,377)	(367,243)	(471,721)	(54,479)
Cash and cash equivalents at beginning of period	4,374,711	4,223,423	2,719,519	2,041,349
Cash and cash equivalents at end of period	3,137,334	3,856,180	2,247,798	1,986,870
	0	0	0	0
Supplemental cash flows information				
Non-cash transactions				
Dividend income from subsidiaries offset against receivable from/payable to subsidiaries	-	-	-	252,500
Amortisation of financial fees to advances for vessel constructions	413	500	329	461
Transfer of interest expense and commitment fee to advances for vessel constructions	28,913	14,588	9,007	14,004
Transfer of deferred financial fees to present as a deduction from long-term loans	45,268	21	1,221	-
Amortisation of financial fees to interest expense	5,290	1,420	-	-
Transfer of deferred financial fees to subsidiaries in proportion to the drawdown amount	-	-	48,405	-
Transfer of advances for vessel constructions to vessel and equipment of a subsidiary	917,527	-	917,527	-
Adjustment of provision for long-term employee benefits with the beginning balance of retained earnings	-	(57,408)	-	(51,551)

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 three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to the parent's shareholders												
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury stock	Retained earnings			Unappropriated	Other components of shareholders' equity - other comprehensive income	Exchange differences on translation of financial statements	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated		Corporate social responsibility reserve						
				Statutory reserve								
			The Company	Subsidiaries								
Balance as at 1 January 2011	1,039,521	411,430	172,446	103,952	518,120	14,336	14,448,545	(2,183,075)	14,525,275	29,283	14,554,558	
Dividend paid to the Company's shareholders	-	-	-	-	-	-	(228,663)	-	(228,663)	-	(228,663)	
Total comprehensive income for the period	-	-	-	-	-	-	108,630	71,794	180,424	1,547	181,971	
Appropriated to corporate social responsibility reserve	-	-	-	-	-	543	(543)	-	-	-	-	
Balance as at 31 March 2011	<u>1,039,521</u>	<u>411,430</u>	<u>172,446</u>	<u>103,952</u>	<u>518,120</u>	<u>14,879</u>	<u>14,327,969</u>	<u>(2,111,281)</u>	<u>14,477,036</u>	<u>30,830</u>	<u>14,507,866</u>	
Balance as at 1 January 2012	1,039,521	411,430	172,446	103,952	518,120	15,333	14,521,659	(1,459,091)	15,323,370	33,129	15,356,499	
Dividend payable to the Company's shareholders (Note 19)	-	-	-	-	-	-	(155,907)	-	(155,907)	-	(155,907)	
Total comprehensive income for the period	-	-	-	-	-	-	(40,957)	(405,201)	(446,158)	(344)	(446,502)	
Appropriated to corporate social responsibility reserve	-	-	-	-	-	438	(438)	-	-	-	-	
Balance as at 31 March 2012	<u>1,039,521</u>	<u>411,430</u>	<u>172,446</u>	<u>103,952</u>	<u>518,120</u>	<u>15,771</u>	<u>14,324,357</u>	<u>(1,864,292)</u>	<u>14,721,305</u>	<u>32,785</u>	<u>14,754,090</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 (continued)
 For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	Separate financial statements							Other components of shareholders' equity - other comprehensive income	Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury stock	Retained earnings			Exchange differences on translation of financial statements		
				Statutory reserve	Appropriated				
					Corporate social responsibility reserve	Unappropriated			
Balance as at 1 January 2011	1,039,521	411,430	172,446	103,952	14,336	10,458,600	(662,415)	11,537,870	
Dividend paid to the Company's shareholders	-	-	-	-	-	(228,663)	-	(228,663)	
Total comprehensive income for the period	-	-	-	-	-	119,778	57,059	176,837	
Appropriated to corporate social responsibility reserve	-	-	-	-	543	(543)	-	-	
Balance as at 31 March 2011	<u>1,039,521</u>	<u>411,430</u>	<u>172,446</u>	<u>103,952</u>	<u>14,879</u>	<u>10,349,172</u>	<u>(605,356)</u>	<u>11,486,044</u>	
								-	
Balance as at 1 January 2012	1,039,521	411,430	172,446	103,952	15,333	10,624,884	(59,831)	12,307,735	
Dividend payable to the Company's shareholders (Note 19)	-	-	-	-	-	(155,907)	-	(155,907)	
Total comprehensive income for the period	-	-	-	-	-	(73,517)	(330,259)	(403,776)	
Appropriated to corporate social responsibility reserve	-	-	-	-	438	(438)	-	-	
Balance as at 31 March 2012	<u>1,039,521</u>	<u>411,430</u>	<u>172,446</u>	<u>103,952</u>	<u>15,771</u>	<u>10,395,022</u>	<u>(390,090)</u>	<u>11,748,052</u>	
	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	

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

Precious Shipping Public Company Limited and subsidiaries

Notes to interim financial statements

For the three-month periods ended 31 March 2012 and 2011

1. General information

1.1 Corporate information

Precious Shipping Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged as a holding company for investment in the marine transportation business. The registered office of the Company is at Cathay House, 7th Floor, 8 North Sathorn Road, Silom, Bangrak, Bangkok 10500.

1.2 Basis for the preparation of the interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2009) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

These interim financial statements are presented in Thai Baht which is different from the functional currency of the Company, which is US Dollar. The presentation is in Thai Baht in accordance with the regulatory requirements in Thailand.

The USD functional currency interim financial statements are translated into the Thai Baht presentation currency financial statements at the rate of exchange prevailing at the end of reporting period in respect of assets and liabilities, and at a rate that approximates the actual rate at the date of the transaction in respect of revenues and expenses, differences being recorded as “Exchange differences on translation of financial statements” in other comprehensive income, other component of shareholders' equity.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

(Unaudited but reviewed)

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

These interim consolidated financial statements include the financial statements of Precious Shipping Public Company Limited, subsidiaries, jointly controlled entity and associates (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2011.

There have been no changes in the composition of the Group during the current period.

2. New accounting standards not yet effective

During the period, the Federation of Accounting Professions issued the financial reporting standard No. 8 Operating Segments that is effective for fiscal years beginning on or after 1 January 2013.

The Company’s management believes that the above accounting standard will not have any significant impact on the financial statements for the year when it is initially applied.

3. Current investment

(Unit: Thousand Baht)

Consolidated financial statements								
Paid-up capital		Shareholding percentage		Cost		Carrying amounts based on equity method		
31	31	31	31	31	31	31	31	
March	December	March	December	March	December	March	December	
2012	2011	2012	2011	2012	2011	2012	2011	
Thousand	Thousand	%	%					
INR	INR							
Investment in associate held by a subsidiary								
Southern LPG Limited	64,592	64,592	50.00	50.00	<u>26,918</u>	<u>27,658</u>	16,937	17,403
Less: Allowance for loss on investment							<u>(16,937)</u>	<u>(17,403)</u>
Current investment - net							<u>-</u>	<u>-</u>

(Unaudited but reviewed)

A subsidiary (Precious Shipping (Mauritius) Limited) recorded investment in an associated company incorporated in India under equity method only until 31 December 2000, since the Company's management is making efforts to sell this investment. The investment has therefore been classified as current investment, under current assets, and provision for loss on investment in full has been set up.

4. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2012	2011	2012	2011
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of invoice date				
Past due				
Up to 3 months	124,903	104,741	-	-
3 - 6 months	3,429	117	-	-
6 - 12 months	448	20,236	-	-
Over 12 months	33,196	20,109	-	-
Total	161,976	145,203	-	-
Less: Allowance for doubtful debts	(33,196)	(20,109)	-	-
Total trade receivables - unrelated parties, net	128,780	125,094	-	-
<u>Other receivables - related parties</u>				
Advances to related parties	-	-	757,345	771,933
Total other receivables				
- related parties	-	-	757,345	771,933
Trade and other receivables - net	128,780	125,094	757,345	771,933

5. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms agreed upon between the Company and those related parties.

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2012	2011	2012	2011	
Transactions with subsidiaries					
(Eliminated from consolidated financial statements)					
Service income - management fees	-	-	13,865	10,789	Fixed rate per vessel per day set with reference to the administrative cost of the Company
Dividend received	-	-	-	252,500	As declared
Interest income	-	-	2,124	3,426	At interest rate of 0.40% per annum (2011: 0.70% per annum)
Condominium rental expenses	-	-	2,299	2,350	Market price
Sales of newbuilding vessels	-	-	917,527	-	At cost
Transaction with jointly controlled entity					
(Eliminated from consolidated financial statements in proportion with the Company's shareholding)					
Vessel construction supervision income	921	920	1,842	1,841	USD 350,000 per vessel in accordance with contract based on market practice
Transactions with related companies					
Air ticket expenses	2,599	1,977	811	933	Market price
Rental and service expenses	2,027	3,444	1,859	3,025	Market price
Computer purchases	942	54	241	54	Market price

The balances of the accounts between the Company and those related parties are as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2012	2011	2012	2011
Other receivables - related parties (Note 4)				
Subsidiaries	-	-	619,956	731,132
Jointly controlled entity	-	-	137,389	40,801
Total other receivables - related parties	-	-	757,345	771,933

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
<u>Trade and other payables - related parties</u>				
Subsidiaries	-	-	3,088,050	3,430,581
Related companies	344	91	344	32
Total trade and other payables - related parties	<u>344</u>	<u>91</u>	<u>3,088,394</u>	<u>3,430,613</u>

The outstanding balances of the amounts due from/to subsidiaries and jointly controlled entity represent current accounts between the Company and those subsidiaries and jointly controlled entity. The Company's management believes that no allowance for doubtful accounts is necessary. No interest was charged on advances to/from subsidiaries and jointly controlled entity.

Directors and management's benefits

During the three-month periods ended 31 March 2012 and 2011, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Short-term employee benefits	13,630	9,788	13,456	10,201
Post-employment benefits	495	586	495	586
Other long-term benefits	6,101	15,453	5,437	13,764
Total	<u>20,226</u>	<u>25,827</u>	<u>19,388</u>	<u>24,551</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries and jointly controlled entity in relation to the loans from banks. There was no guarantee fee charged.

(Unaudited but reviewed)

6. Short-term loans to a subsidiary

As at 31 March 2012, short-term loans to a wholly owned subsidiary are in the form of promissory notes in US Dollar, amounting to USD 61.80 million (31 December 2011: USD 71.80 million), which carry interest at the rate of 0.40% per annum (31 December 2011: 0.40% per annum), and are due at call. Movements in the balance of the loans during the period were as follows:

(Unit: Thousand Baht)

	Separate financial statements			31 March 2012
	31 December 2011	Increase/ (decrease)	Translation adjustment	
Short-term loans to subsidiary				
Precious Shipping (Singapore) Pte. Limited	2,275,428	(307,116)	(62,208)	1,906,104

7. Long-term loan to jointly controlled entity

As at 31 March 2012, long-term loan to jointly controlled entity is in the form of promissory note in US Dollar, amounting to USD 8.55 million (31 December 2011: USD 8.55 million), has no interest, and is due at call. However, the Company does not intend to call for the loan repayment in the foreseeable future; therefore, the loan is classified as long-term loan. The loan represents Company's contribution (in lieu of equity capital) to the jointly controlled entity in proportion with the Company's shareholding (50%) in the jointly controlled entity. An equal amount is also received by the jointly controlled entity from the other partner shareholder. These loans have been made to enable the 3 SPC subsidiaries of the jointly controlled entity to pay the installments due to the shipbuilder. Movements in the balance of the loan during the period were as follows.

(Unit: Thousand Baht)

	Separate financial statements		
	31 December 2011	Translation adjustment	31 March 2012
Long-term loan to jointly controlled entity			
Associated Bulk Carriers Pte. Limited	270,960	(7,251)	263,709

(Unaudited but reviewed)

8. Investments in subsidiaries

These represent investments in ordinary shares in the following subsidiaries.

(Unit: Thousand Baht)

Subsidiaries' name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Cost		Dividend received	
	31 March	31 December	31 March	31 December	31 March	31 December	For the three-month periods ended 31 March	
	2012	2011	2012	2011	2012	2011	2012	2011
			%	%				
Precious Metals Limited	275,000	250,000	99.99	99.99	326,803	310,698	-	-
Precious Wishes Limited	230,000	230,000	99.99	99.99	278,192	285,842	-	-
Precious Stones Shipping Limited	260,000	260,000	99.99	99.99	259,866	267,012	-	5,200
Precious Minerals Limited	230,000	230,000	99.99	99.99	236,304	242,802	-	4,600
Precious Lands Limited	84,000	84,000	99.99	99.99	75,998	78,088	-	-
Precious Rivers Limited	234,000	234,000	99.99	99.99	196,561	201,966	-	46,800
Precious Lakes Limited	99,000	99,000	99.99	99.99	87,080	89,474	-	-
Precious Seas Limited	100,000	100,000	99.99	99.99	120,953	124,279	-	12,000
Precious Stars Limited	105,000	105,000	99.99	99.99	127,001	130,493	-	10,500
Precious Oceans Limited	175,000	175,000	99.99	99.99	211,668	217,488	-	10,500
Precious Planets Limited	270,000	100,000	99.99	99.99	287,010	124,279	-	-
Precious Diamonds Limited	205,000	205,000	99.99	99.99	179,689	184,630	-	10,250
Precious Sapphires Limited	144,000	144,000	99.99	99.99	121,910	125,262	-	28,800
Precious Emeralds Limited	366,000	366,000	99.99	99.99	292,323	300,361	-	18,300
Precious Rubies Limited	84,000	84,000	99.99	99.99	75,998	78,088	-	-
Precious Opals Limited	74,000	74,000	99.99	99.99	68,170	70,044	-	-
Precious Garnets Limited	379,000	379,000	99.99	99.99	301,512	309,803	-	7,580
Precious Pearls Limited	73,000	73,000	99.99	99.99	73,788	75,817	-	-
Precious Flowers Limited	76,000	76,000	99.99	99.99	76,136	78,230	-	-
Precious Forests Limited	96,000	96,000	99.99	99.99	92,219	94,755	-	-
Precious Trees Limited	80,000	80,000	99.99	99.99	79,694	81,886	-	-
Precious Ponds Limited	84,000	84,000	99.99	99.99	79,412	81,595	-	-
Precious Ventures Limited	80,000	80,000	99.99	99.99	96,762	99,423	-	-
Precious Capitals Limited	200,000	200,000	99.99	99.99	241,906	248,558	-	20,000
Precious Jasmines Limited	147,000	147,000	99.99	99.99	164,349	168,869	-	-
Precious Orchids Limited	217,000	217,000	99.99	99.99	185,721	190,827	-	2,170
Precious Lagoons Limited	140,000	140,000	99.99	99.99	169,334	173,990	-	35,000
Precious Cliffs Limited	140,000	140,000	99.99	99.99	169,334	173,990	-	2,800
Precious Hills Limited	140,000	140,000	99.99	99.99	169,334	173,990	-	7,000
Precious Mountains Limited	140,000	140,000	99.99	99.99	169,334	173,990	-	7,000
Precious Resorts Limited	140,000	140,000	99.99	99.99	169,334	173,990	-	7,000
Precious Cities Limited	170,000	170,000	99.99	99.99	192,555	197,849	-	17,000
Precious Comets Limited	71,100	71,100	99.99	99.99	55,701	57,233	-	-
Precious Ornaments Limited	68,100	68,100	99.99	99.99	53,353	54,820	-	-
Nedtex Limited	2,500	2,500	69.99	69.99	784	806	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Subsidiaries' name	Separate financial statements							
	Paid-up capital		Shareholding percentage		Cost		Dividend received	
	31	31	31	31	31	31	For the three-month	
	March	December	March	December	March	December	periods ended 31 March	
2012	2011	2012	2011	2012	2011	2012	2011	
			%	%				
Precious Storage Terminals Limited	6,000	6,000	69.99	69.99	5,080	5,219	-	-
Thebes Pte. Limited	0.0365	0.0365	100.00	100.00	-	-	-	-
Precious Shipping (Panama) S.A.	250	250	99.99	99.99	309	317	-	-
Precious Shipping (Mauritius) Limited	250	250	100.00	100.00	309	317	-	-
Precious Shipping (Singapore) Pte. Limited	363,338	363,338	100.00	100.00	323,560	332,457	-	-
Precious Shipping (UK) Limited	250	250	99.99	99.99	308	317	-	-
Great Circle Shipping Agency Limited	210,000	100,000	99.99	99.99	334,468	230,226	-	-
Precious Projects Pte. Limited	0.0345	0.0345	100.00	100.00	-	-	-	-
Total investments in subsidiaries					6,150,122	6,010,080	-	252,500
Less: Allowance for loss on investments in subsidiaries					(6,172)	(6,342)		
Total investments in subsidiaries - net					6,143,950	6,003,738		

The Company offsets the dividend income against amounts receivables from/payables to subsidiaries in the statements of financial position.

The change in cost of investments in subsidiaries other than the changes below in the investments is from the exchange differences on translation of functional currency to presentation currency.

During the three-month period ended 31 March 2012, there has been the following changes in the investments in subsidiaries.

On 24 February 2012, a local subsidiary (Precious Metals Limited) issued new ordinary shares, which the Company purchased in proportion to its shareholding at that date, at par value, for a total of Baht 25.00 million.

On 24 February 2012, a local subsidiary (Precious Planets Limited) issued new ordinary shares, which the Company purchased in proportion to its shareholding at that date, at par value, for a total of Baht 170.00 million.

On 15 March 2012, a local subsidiary (Great Circle Shipping Agency Limited) issued new ordinary shares, which the Company purchased in proportion to its shareholding at that date, at par value, for a total of Baht 110.00 million.

(Unaudited but reviewed)

9. Investment in joint venture

9.1 Details of investment in joint venture

Investment in joint venture represents investment under joint venture agreement in Associated Bulk Carriers Pte. Limited ("the ABC Company") which is jointly controlled by the Company and Varada Marine Pte. Limited for the purpose of owning and operating cement carriers. Details of the investment are as follows.

(Unit: Baht)

Jointly controlled entity's name	Nature of business	Separate financial statements					
		Shareholding percentage		Cost		Carrying amounts based on cost method	
		31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
		%	%				
Associated Bulk Carriers Pte. Limited	Holding company	50	50	<u>31</u>	<u>32</u>	<u>31</u>	<u>32</u>

The change in cost of investment in joint venture is from the exchange differences on translation of functional currency to presentation currency.

9.2 Summarised financial information of jointly controlled entity

The consolidated financial statements include the Company's proportionate shares of the assets, liabilities, revenues and expenses of Associated Bulk Carriers Pte. Limited, according to the proportion under the joint venture agreement as follows.

(Unit: Thousand Baht)

	31 March 2012	31 December 2011
Cash and cash equivalents	4,801	12,174
Other current assets	989	1,016
Advances for vessel constructions	537,355	455,719
Deferred financial fees	11,695	3,289
Other non-current assets	15,009	10,304
Total assets	<u>569,849</u>	<u>482,502</u>
Other current liabilities	2,430	1,860
Current portion of long-term loan	-	8,893
Long term loan - net of current portion	173,187	168,969
Total liabilities	<u>175,617</u>	<u>179,722</u>
Net assets	<u>394,232</u>	<u>302,780</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month periods
ended 31 March

	2012	2011
Revenues	3	1
Administrative expenses	(102)	(83)
Exchange loss	(7)	-
Finance cost	2,895	(1,521)
Profit (loss) for the period	2,789	(1,603)

10. Investment in associate held by a subsidiary

10.1 Details of associate held by a subsidiary

(Unit: Thousand Baht)

Consolidated financial statements										
Associate's name	Nature of business	Country of incorporation	Shareholding percentage				Carrying amounts based on equity method			
			31		31		31		31	
			March 2012	December 2011	March 2012	December 2011	March 2012	December 2011	March 2012	December 2011
International Seaports (Haldia) Private Limited	Berth construction and development	India	22.40	22.40	62,847	64,576	110,190	111,681		

The change in cost of investment in associate held by a subsidiary is from the exchange differences on translation of functional currency to presentation currency.

(Unit: Thousand Baht)

Associate's name	Consolidated financial statements	
	Share of loss from investment in associate held by a subsidiary for the three-month periods ended 31 March	
	2012	2011
International Seaports (Haldia) Private Limited	4,106	463

(Unaudited but reviewed)

Shares of loss from investment in associate held by a subsidiary for the three-month periods ended 31 March 2012 and 2011, included in the consolidated income statements, were recorded based on the financial statements for the three-month periods ended 31 December 2011 and 2010, respectively.

10.2 Summarised financial information of associate held by a subsidiary

(Unit: Thousand Baht)

Associate's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for		Loss for the three-month	
	31 December		31 December		31 December		the three-month		periods ended	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	Thousand INR	Thousand INR								
International Seaports (Haldia) Private Limited	440,580	440,580	617,828	740,308	125,910	185,071	104,119	88,628	18,329	2,066

11. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2012	9,445,533	6,735
Acquisitions of vessels and equipment and payment of dry-dock and special survey expenses during period - at cost	1,749,876	442
Transfer from advances for vessel constructions	917,527	-
Depreciation for period	(192,232)	(1,108)
Translation adjustment	(242,177)	(184)
Net book value as at 31 March 2012	11,678,527	5,885

12. Intangible assets

Movements of intangible assets which are computer software during the three-month period ended 31 March 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	<u> </u>	<u> </u>
Net book value as at 1 January 2012	22,782	22,725
Amortisation for period	(2,293)	(2,290)
Translation adjustment	(619)	(618)
Net book value as at 31 March 2012	<u>19,870</u>	<u>19,817</u>

13. Advances for vessel purchase

On 29 February 2012, a local subsidiary entered into a Purchase Agreement termed as Memorandum of Agreement with an overseas company to purchase a second-hand vessel for a total of USD 16.60 million. The local subsidiary drew down loan from bank of USD 16.60 million or approximately Baht 512.00 million which was deposited in a joint bank account. Subsequently, on 2 April 2012, the local subsidiary took the delivery of the vessel and the entire purchase price was released to the seller of the vessel.

During the year 2011, a local subsidiary entered into a Purchase Agreement termed as Memorandum of Agreement with an overseas company to purchase a second-hand vessel for a total of USD 19.50 million. The local subsidiary paid deposit of USD 12.50 million or approximately Baht 396.14 million. Subsequently, on 12 January 2012 the local subsidiary made the final balance payment and took the delivery of the vessel.

14. Advances for vessel constructions

Movements of the advances for vessel constructions account during the three-month period ended 31 March 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	<u> </u>	<u> </u>
Balance at 1 January 2012	7,899,189	5,815,021
Additions	376,985	138,970
Interest costs and commitment fee	28,913	9,007
Amortisation of financial fees	413	329

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Other direct costs	24,017	19,749
Transfer to cost of vessel and equipment of a subsidiary	(917,527)	(917,527)
Translation adjustment	(213,480)	(158,827)
Balance at 31 March 2012	7,198,510	4,906,722
Less: Current portion of advances for vessel constructions	(1,292,122)	(1,292,122)
Advance for vessel constructions - net of current portion	5,906,388	3,614,600

During the three-month period ended 31 March 2012, the Group made payment of installments to the shipbuilders as below.

	(Million USD)	(Equivalent to Million Baht)
The Company	4.53	138.97
Subsidiaries	4.90	150.49
Jointly controlled entity - proportion with the Company's shareholding (50%)	2.85	87.53
Total	12.28	376.99

During the three-month period ended 31 March 2012, the amounts of borrowing costs capitalised were Baht 28.91 million in the consolidated financial statements and Baht 9.01 million in the separate financial statements. The weighted average capitalisation rates used to determine the amount of borrowing costs eligible for capitalisation were 1.67% - 2.97% in the consolidated financial statements and 1.67% - 1.78% in the separate financial statements.

Novation of new Shipbuilding Contracts

Novation of the Shipbuilding Contracts for the Vessel Hull No. 333 and Hull No. 315 were signed on 21 December 2011 and 25 January 2012, respectively. Under the terms of the Novation, the New Buyer shall pay to the Company as follows.

(Unaudited but reviewed)

Novation Agreement for Hull No.	If the payment is made on Initial Payment Date (31 May 2012)	If the payment is made during the Extended Payment Period (1 – 20 June 2012)
Hull No. 333	An amount equal to USD 22,839,174	Aforesaid amount (USD 22,839,174) plus interest accrued on an amount of USD 17,999,997 (installments paid to the Builder) at a rate of 7.50% per annum from 31 May 2012 to the date of such payment. Therefore, if the payment is made on the last date of the Extended Payment Period above on 20 June 2012, the maximum total amount will be USD 22,913,147
Novation Agreement for Hull No.	If the payment is made on Initial Payment Date (10 July 2012)	If the payment is made during the Extended Payment Period (11 – 26 July 2012)
Hull No. 315	An amount equal to USD 28,158,052	Aforesaid amount (USD 28,158,052) plus interest accrued on an amount of USD 22,799,998 (installments paid to the Builder) at a rate of 7.50% per annum from 10 July 2012 to the date of such payment. Therefore, if the payment is made on the last date of the Extended Payment Period above on 26 July 2012, the maximum total amount will be USD 28,233,011

Delivery of vessel under the new Shipbuilding Contract

On 26 March 2012, the second vessel under one of the Newbuilding Contracts with ABG Shipyard Ltd., India was completed and delivered to the Company's indirect subsidiary incorporated in Singapore (Precious Fragrance Pte. Limited). The Company, therefore, transferred advances for vessel construction and other direct costs which were relevant to the vessel, totaling USD 29.88 million or approximately Baht 917.53 million, and recorded as cost of vessel and equipment of the aforesaid indirect subsidiary.

(Unaudited but reviewed)

15. Deferred financial fees

Movements of the deferred financial fees account during the three-month period ended 31 March 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance at 1 January 2012	211,832	168,155
Additions	46,390	35,318
Transfer to present as a deduction against long-term loans	(45,268)	(1,221)
Transfer to subsidiaries as borrowers	-	(44,047)
Write-off deferred financial fee due to cancellation of loan facility	(4,640)	(4,640)
Translation adjustment	(5,685)	(4,563)
Balance at 31 March 2012	<u>202,629</u>	<u>149,002</u>

(Unaudited but reviewed)

16. Long-term loan facilities

As at 31 March 2012 and 31 December 2011, long-term loans accounts are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements							
	Loan facilities for financing the construction and acquisition of new vessels				Loan facilities for purchasing of vessels			
	Facility 1		Facility 2		Facility 1		Total	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
Long-term loans	2,475,197	2,782,249	175,806	180,640	5,559,125	4,189,231	8,210,128	7,152,120
Less: Deferred financial fees	(14,736)	(15,536)	(2,620)	(2,778)	(143,629)	(107,431)	(160,985)	(125,745)
Total	2,460,461	2,766,713	173,186	177,862	5,415,496	4,081,800	8,049,143	7,026,375
Less: Current portion of long-term loans	(142,234)	(329,924)	-	(8,893)	(509,276)	(379,732)	(651,510)	(718,549)
Long-term loans - net of current portion	2,318,227	2,436,789	173,186	168,969	4,906,220	3,702,068	7,397,633	6,307,826

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements	
	Loan facilities for financing the construction and acquisition of new vessels	
	Facility 1	
	31 March 2012	31 December 2011
Total long-term loans	1,307,747	2,155,001
Less: Deferred financial fees	(6,483)	(11,399)
Total	1,301,264	2,143,602
Less: Current portion of long-term loans	(6,134)	(286,951)
Long-term loans - net of current portion	1,295,130	1,856,651

Movements in the long-term loan accounts during the three-month period ended 31 March 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Loan facilities for financing the construction and acquisition of new vessels		Loan facilities for purchasing of vessels	
	Facility 1	Facility 2	Facility 1	Total
Balance as at 1 January 2012	2,766,713	177,862	4,081,800	7,026,375
Add: Drawdown	565,093	-	1,535,580	2,100,673
Amortisation of financial fees	479	84	5,140	5,703
Write-off deferred financial fee due to cancellation of loan facility	1,125	-	-	1,125
Unrealised exchange loss	-	-	33,689	33,689
Less: Deferred financial fees	(1,221)	-	(44,047)	(45,268)
Repayment	(796,697)	-	(93,583)	(890,280)
Translation adjustment	(75,031)	(4,760)	(103,083)	(182,874)
Balance as at 31 March 2012	2,460,461	173,186	5,415,496	8,049,143

(Unaudited but reviewed)

(Unit: Thousand Baht)

	<u>Separate financial statements</u>
	Loan facilities for financing the construction and acquisition of new vessels
	<u>Facility 1</u>
Balance as at 1 January 2012	2,143,602
Add: Amortisation of financial fees	329
Transfer of deferred financial fee to subsidiary	4,358
Write-off deferred financial fee due to cancellation of loan facility	1,125
Less: Deferred financial fees	(1,221)
Repayment	(786,217)
Translation adjustment	(60,712)
Balance as at 31 March 2012	<u><u>1,301,264</u></u>

During the current period, the Group entered into loan facility agreement and amended and restated agreements with banks. Details are as follows.

Loan facility for financing the construction and acquisition of new vessels

Facility 1

Since the Company novated the New Shipbuilding Contract for Vessel Hull No. 315 per details provided in Note 14, the Company issued the Prepayment and Cancellation Notice to Lenders to prepay the loan drawn against the aforesaid Contract and to cancel the undrawn balance loan facility against the aforesaid Contract. The details of the actual prepayment and cancellation are as follows:

Hull No.	Loan Prepayment Amount (USD)	Loan Facility Cancellation Amount (USD)	Prepayment and Cancellation Date
315	7,599,999	22,800,001	25 January 2012

Facility 4

On 15 February 2012, ABC Two Pte. Limited and ABC Three Pte. Limited, SPC subsidiaries of jointly controlled entity, where the Company holds 50% interest, have executed a USD 45.60 million Term Loan Facility with Bangkok Bank Public Company Limited, (Singapore Branch) to finance up to 80% of the Contract Price of two new Cement Carriers ordered by the SPC subsidiaries on 22 April 2010. The loan carries interest at LIBOR plus margin.

Loan facilities for purchasing of vessels

Facility 1

At the end of the year 2011, the Company and 4 local subsidiaries had drawn USD 92.00 million and cancelled USD 58.00 million against the Term Loan Facility of USD 200.00 million for acquisition of second-hand vessels which the Company and local subsidiaries entered into vide main agreement dated 18 January 2007 as subsequently amended and restated on 23 February 2009, 29 October 2009 and 5 February 2010, with 3 local Banks. In order to extend the availability period of the balance of USD 50.00 million, on 9 March 2012, the Company and local subsidiaries executed a USD 50.00 million Term Loan Facility on same terms and conditions with one of the three Banks, viz., Thanachart Bank Public Company Limited and the subsidiaries have drawn the whole amount during the period.

Facility 3

On 17 February 2012, the Company has executed a USD 100 million Term Loan Facility with Export-Import Bank of Thailand to finance up to 80% of the Acquisition Cost of new or second-hand Dry Bulk Vessels that may be acquired by the Company. The loan carries interest at LIBOR plus margin.

(Unaudited but reviewed)

As at 31 March 2012, the Group's bank loan facilities and the undrawn loan balances are summarised below.

Facility	Bank	Borrower	Interest rate per loan agreement	(Unit: Million USD)	
				Maximum facility amount per loan agreement	Undrawn loan balance as at 31 March 2012
Loan facilities for financing the construction and acquisition of new vessels (Newbuildings)					
Facility 1	DNB NOR Bank ASA (Singapore Branch) and 5 other banks, total 6 banks	The Company and subsidiaries	LIBOR + margin	217.60	175.20
Facility 2	NIBC Bank Ltd., Singapore	ABC One Pte. Limited (a SPC subsidiary of the jointly controlled entity)	LIBOR + margin	22.80	11.40
Facility 3	ING Bank N.V. (Singapore Branch) and DNB NOR Bank ASA (Singapore Branch)	4 indirect subsidiaries in Singapore	LIBOR + margin	84.96	84.96
Facility 4	Bangkok Bank PCL (Singapore Branch)	ABC Two Pte. Limited and ABC Three Pte. Limited (SPC subsidiaries of the jointly controlled entity)	LIBOR + margin	45.60	45.60

(Unaudited but reviewed)

(Unit: Million USD)

Facility	Bank	Borrower	Interest rate per loan agreement	Maximum facility amount per loan agreement	Undrawn loan balance as at 31 March 2012
Loan facilities for purchasing of vessels					
Facility 1	Krung Thai Bank PCL and 2 other banks, total 3 banks	The Company and local subsidiaries	MLR-1 for Thai Baht loan and LIBOR + margin for USD loan	200.00	-
Facility 2	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Bangkok Branch and 3 other banks, total 4 banks	The Company and subsidiaries	LIBOR + margin	200.00	200.00
Facility 3	Export-Import Bank of Thailand	The Company and subsidiaries	LIBOR + margin	100.00	100.00

Under the loan facility for financing the construction and acquisition of new vessels (Facility 2), the maximum facility amount per Loan Agreement is USD 22.80 million and the undrawn loan balance as at 31 March 2012 is USD 11.40 million. Since the Company holds 50% of the total shareholding in the SPC subsidiary of the jointly controlled entity, the maximum facility amount per Loan Agreement and the undrawn loan balance as at 31 March 2012 of the Company's portion is 50% of the aggregate amount, which is USD 11.40 million and USD 5.70 million, respectively.

Under the loan facility for financing the construction and acquisition of new vessels (Facility 4), the maximum facility amount per Loan Agreement is USD 45.60 million and the undrawn loan balance as at 31 March 2012 is USD 45.60 million. Since the Company holds 50% of the total shareholding in the SPC subsidiaries of the jointly controlled entity, the maximum facility amount per Loan Agreement and the undrawn loan balance as at 31 March 2012 of the Company's portion is 50% of the aggregate amount, which is USD 22.80 million and USD 22.80 million, respectively.

17. Earnings per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

18. Segment information

The Group's operations involve the business of owning and internationally operating (chartering) small handy sized and supramax dry bulk vessels, on a tramp shipping basis without any set routes. This is the only industry segment in which the Group mainly operates and almost entire revenues are generated from this segment. As such, no segmental bifurcation is applicable since the operations are mainly limited to only one aforesaid segment.

The business activity in the segment, i.e. the chartering of the vessels, is undertaken in two ways, viz., Time charter and Voyage charter. Under Time charter, the charterer (customer) pays charter hire (at an agreed daily rate, almost always in US Dollars) to operate the vessel for an agreed time period. In this case, the charterer bears all voyage expenses including port disbursements and costs of bunker fuel. Under Voyage charter, the charterer pays freight on a per ton basis (almost always in US Dollars) to transport a particular cargo between two or more designated ports. In this case, the Group bears all the voyage expenses. The voyage expenses are presented in the financial statements as voyage disbursements and bunker consumption. Under

(Unaudited but reviewed)

Time charter, the vessel routes are determined or controlled exclusively by the charterers and under Voyage charters, the route varies from time to time for each voyage, which is determined by a number of factors which are totally beyond the Groups' control. As such, reporting by geographical segments would not be practical or meaningful, and could in fact be misleading.

In view of the above, segment information is limited to the bifurcation of the total vessel operating income (and voyage expenses in respect of Voyage charter) derived from Time charter and Voyage charter presented as "Hire income" and "Freight income" respectively, as under:

(Unit: Thousand Baht)

Consolidated financial statements										
For the three-month periods ended 31 March										
	Time charter		Voyage charter		Total		Elimination		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Hire income	457,912	589,978	-	-	457,912	589,978	(12,166)	(12,384)	445,746	577,594
Freight income	-	-	368,024	243,064	368,024	243,064	(26,219)	(88,223)	341,805	154,841
Total vessel operating income	457,912	589,978	368,024	243,064	825,936	833,042	(38,385)	(100,607)	787,551	732,435
Voyage disbursements	-	-	(85,428)	(119,523)	(85,428)	(119,523)	38,385	100,607	(47,043)	(18,916)
Bunker consumption	-	-	(154,761)	(46,449)	(154,761)	(46,449)	-	-	(154,761)	(46,449)
Total voyage expenses	-	-	(240,189)	(165,972)	(240,189)	(165,972)	38,385	100,607	(201,804)	(65,365)
Net vessel operating income/time charter equivalent income	457,912	589,978	127,835	77,092	585,747	667,070	-	-	585,747	667,070

19. Dividend

Dividend declared during the three-month period ended 31 March 2012 consists of the following.

	Approved by	Total dividend	Dividend per share
		(Million Baht)	(Baht)
Final dividend based on the retained earnings as of 31 December 2011	Annual General Meeting of the shareholders on 26 March 2012	155.91	0.15

As at the closing date of the share register, 1,039,382,300 of the Company's ordinary shares were qualified to receive final dividend, after deduction of the 138,300 shares held by the registrar (Thailand Securities Depository Co., Ltd. for Depositors who are both Thai and Foreign shareholders), which are disqualified from receiving final dividend, from the total number of shares outstanding (1,039,520,600 shares). The total dividend paid was thus Baht 155.91 million and this was paid by the Company on 5 April 2012.

20. Commitments and contingent liabilities

20.1 Vessel building contracts commitments

The Group had future minimum payment commitments under vessel building contracts as detailed below.

	31 March 2012		31 December 2011	
	(Million USD)	(Equivalent to Million Baht)	(Million USD)	(Equivalent to Million Baht)
The Company	247.20	7,624.41	268.40	8,505.92
Subsidiaries	49.00	1,511.31	53.90	1,708.15
Jointly controlled entity - proportion with the Company's shareholding (50%)	25.65	791.13	28.50	903.20
Total	321.85	9,926.85	350.80	11,117.27

20.2 Obligations in respect of charges for management of the undrawn portion of loan facilities

As at 31 March 2012, the Group had obligations in respect of the charges for management of the undrawn portion of loan facilities, which are summarised as follows.

Facility	Commitment fees payable by the Group	Undrawn loan balance as at 31 March 2012 (Million USD)	Terms of payment of commitment fees	Payable upto
Loan facilities for financing the construction and acquisition of new vessels (Newbuildings)				
Facility 1	0.35% per annum of undrawn loan balance	175.20	Every three months until the end of the drawdown period	Upon delivery of each vessel
Facility 2	1.20% per annum of undrawn loan balance	11.40	Every three months until the end of the drawdown period	Upon delivery of the vessel
Facility 3	1.15% per annum of undrawn loan balance	84.96	Every three months until the end of the drawdown period	Upon delivery of each vessel
Facility 4	1.20% per annum of undrawn loan balance	45.60	Every three months until the end of the drawdown period	Upon delivery of each vessel
Loan facilities for purchasing of vessels				
Facility 2	0.70% per annum of undrawn loan balance	200.00	Every three months until the end of the drawdown period	30 June 2012
Facility 3	0.70% per annum of undrawn loan balance	100.00	Every three months until the end of the drawdown period	31 December 2012

Since the Company holds 50% of the total shareholding in the SPC subsidiaries of the jointly controlled entity, the undrawn loan balance of loan facility for financing the construction and acquisition of new vessels under Facility 2 and Facility 4 of the Company's portion is 50% of the undrawn loan balance.

20.3 Uncalled portion of other long-term investment

As at 31 March 2012, the Company has a commitment of Baht 10.13 million in respect of the uncalled portion of other long-term investment (TMN Company Limited) (31 December 2011: Baht 10.13 million).

20.4 Long-term time charter commitments

Pursuant to a Memorandum of Understanding signed in October 2009, on 2 December 2009, the Company signed Long-Term Time Charter Contracts with a company incorporated in India (the charterer) for 4 (3 definite vessels, plus an additional vessel at Charterer's option to be declared within 30 April 2012) new cement carriers. The charter periods under the contracts are 15 years, with a fixed charter rate per day as stipulated in the contracts. There is an option to extend the charter period twice by blocks of 5 years, with reduced charter rates as stipulated in the contracts. The vessels are new custom-built cement carriers, which have to be delivered to the charterer as per the committed schedule during 2011 to 2014. If the vessels are not delivered to the charterer within the agreed schedule, there is a fine payable of USD 4,250 per vessel per day.

In 2011, the Company has nominated the 3 Long-Term Charter Contracts (3 definite vessels) to each SPC subsidiary of the jointly controlled entity. Since the Company holds 50% of the total shareholding in each SPC subsidiary (through the jointly controlled entity), the Company's portion is 50% of the commitments.

As at 31 March 2012, ABC One Pte. Limited (a SPC subsidiary of the jointly controlled entity) has paid the fine payable to the charterer due to the delay of vessel delivery amounting to USD 0.97 million or approximately Baht 30.02 million (31 December 2011: USD 0.65 million or approximately Baht 20.60 million). The Company's portion is 50% of the amount, which is USD 0.49 million or approximately Baht 15.01 million (31 December 2011: USD 0.33 million or approximately Baht 10.30 million) included in other non-current assets in the consolidated statement of financial position. This amount will be deducted from the final payment to the shipbuilder, as stipulated in the shipbuilding agreement ordered by ABC One Pte. Limited (a SPC subsidiary of the jointly controlled entity).

21. Functional currency financial statements

The USD functional currency statements of financial position as at 31 March 2012 and 31 December 2011 and the income statements for the three-month periods ended 31 March 2012 and 2011 are as follows.

Precious Shipping Public Company Limited and subsidiaries

Statements of financial position

	Consolidated		(Unit: Thousand USD) Separate	
	31 March 2012 (Unaudited but reviewed)	31 December 2011 (Audited)	31 March 2012 (Unaudited but reviewed)	31 December 2011 (Audited)
Assets				
Current assets				
Cash and cash equivalents	101,719	138,042	72,878	85,813
Current investment	-	-	-	-
Trade and other receivables	4,175	3,947	24,555	24,358
Short-term loans to subsidiary	-	-	61,800	71,800
Current portion of advances for vessel constructions	41,893	41,882	41,893	41,882
Bunker oil	3,973	2,176	-	-
Other current assets				
Advances to vessel masters	2,364	1,997	-	-
Claim recoverables	885	591	-	-
Others	1,917	1,372	342	438
Total other current assets	5,166	3,960	342	438
Total current assets	156,926	190,007	201,468	224,291
Non-current assets				
Investments in subsidiaries	-	-	199,200	189,445
Investment in joint venture	-	-	-	-
Investment in associate held by a subsidiary	3,573	3,524	-	-
Other long-term investment	260	260	260	260
Long-term loan to jointly controlled entity	-	-	8,550	8,550
Receivables from cross currency swap contracts	2,660	1,538	-	-
Property, plant and equipment	378,643	298,049	191	213
Intangible assets	644	719	643	717

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries
Statements of financial position (continued)

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2012	2011	2012	2011
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Other non-current assets				
Claim recoverables - maritime claim	1,362	1,312	-	-
Advances for vessel purchase	16,600	12,500	-	-
Advances for vessel constructions - net of current portion	191,498	207,373	117,193	141,608
Deferred financial fees	6,570	6,684	4,831	5,306
Others	584	419	78	76
Total other non-current assets	216,614	228,288	122,102	146,990
Total non-current assets	602,394	532,378	330,946	346,175
Total assets	759,320	722,385	532,414	570,466
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables				
Trade accounts payable	886	1,046	104	17
Advances received from related parties	-	-	100,121	108,250
Accrued crew accounts	1,919	1,504	-	-
Accrued expenses	3,503	1,882	155	171
Current portion of accrued employee bonus	1,289	2,107	1,187	1,942
Total trade and other payables	7,597	6,539	101,567	110,380
Advances received from charterers	1,631	2,721	-	-
Dividend payable	5,031	-	5,031	-
Current portion of long-term loans	21,123	22,673	199	9,055
Income tax payable	40	16	-	-
Other current liabilities				
Withholding tax payable	172	448	122	403
Others	952	648	313	306
Total other current liabilities	1,124	1,096	435	709
Total current liabilities	36,546	33,045	107,232	120,144
Non-current liabilities				
Accrued employee bonus - net of current portion	435	1,704	400	1,572
Provision for maritime claims	2,042	2,040	-	-
Long-term loans - net of current portion	239,847	199,040	41,991	58,586
Provision for long-term employee benefits	2,090	1,989	1,893	1,799
Total non-current liabilities	244,414	204,773	44,284	61,957
Total liabilities	280,960	237,818	151,516	182,101

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries
Statements of financial position (continued)

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered share capital	35,308	35,308	35,308	35,308
Issued and paid-up share capital	35,308	35,308	35,308	35,308
Paid-in capital				
Premium on ordinary shares	16,135	16,135	16,135	16,135
Premium on treasury stock	4,819	4,819	4,819	4,819
Retained earnings				
Appropriated				
Statutory reserve - the Company	2,802	2,802	2,802	2,802
- subsidiaries	14,285	14,285	-	-
Corporate social responsibility reserve	487	473	487	473
Unappropriated	404,392	410,813	321,347	328,828
Other components of shareholders' equity	(931)	(1,113)	-	-
Equity attributable to owner of the Company	477,297	483,522	380,898	388,365
Non-controlling interests of the subsidiaries	1,063	1,045	-	-
Total shareholders' equity	478,360	484,567	380,898	388,365
Total liabilities and shareholders' equity	759,320	722,385	532,414	570,466

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries
Income statements
For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Revenues				
Vessel operating income				
Hire income	14,514	18,823	-	-
Freight income	11,130	5,046	-	-
Total vessel operating income	25,644	23,869	-	-
Service income	44	44	512	412
Gains on sales of equipment	-	45	-	45
Interest income	227	221	222	219
Dividend received	-	-	-	8,220
Total revenues	25,915	24,179	734	8,896
Expenses				
Vessel operating costs				
Vessel running expenses	8,635	7,061	-	-
Voyage disbursements	1,532	616	-	-
Bunker consumption	5,039	1,514	-	-
Total vessel operating costs	15,206	9,191	-	-
Depreciation	6,259	5,167	36	40
Cost of services	33	36	-	-
Administrative expenses	1,387	1,588	1,233	1,348

(Unaudited but reviewed)

(Unaudited but reviewed)

Precious Shipping Public Company Limited and subsidiaries

Income statements (continued)

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Management remuneration including perquisites	659	842	631	800
Bad debts and doubtful accounts	628	-	-	-
Exchange losses	77	295	153	240
Total expenses	24,249	17,119	2,053	2,428
Profit (loss) before share of loss from investment in associate, finance cost and corporate income tax	1,666	7,060	(1,319)	6,468
Share of loss from investment in associate held by a subsidiary	(134)	(15)	-	-
Profit (loss) before finance cost and corporate income tax	1,532	7,045	(1,319)	6,468
Finance cost	(2,824)	(3,364)	(1,075)	(2,573)
Profit (loss) before corporate income tax	(1,292)	3,681	(2,394)	3,895
Corporate income tax	(24)	(94)	-	-
Profit (loss) for the period	(1,316)	3,587	(2,394)	3,895
Profit (loss) attributable to:				
Equity holders of the Company	(1,334)	3,540	(2,394)	3,895
Non-controlling interests of the subsidiaries	18	47	-	-
Profit (loss) for the period	(1,316)	3,587	(2,394)	3,895
				(Unit: USD)
Basic earnings (loss) per share				
Profit (loss) attributable to equity holders of the Company	(0.0013)	0.0034	(0.0023)	0.0037

22. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 26 April 2012.