

Precious Shipping Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2023

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 30 September 2023, the related consolidated statements of income, and comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in shareholders' equity, and cash flows for the nine-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Precious Shipping Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai 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 Thai Standards on Auditing 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 review, 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 Thai Accounting Standard 34 *Interim Financial Reporting*.

Vorapoj Amnauypanit

Certified Public Accountant (Thailand) No. 4640

EY Office Limited

Bangkok: 3 November 2023

Precious Shipping Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		1,210,588	1,055,667	100,317	316,476
Trade and other receivables	2, 3	203,030	279,149	3,019,860	2,900,018
Bunker oil		-	41,820	-	-
Other current assets					
Advances to vessel masters		39,834	37,008	-	-
Claim recoverables		5,432	12,799	-	-
Lube oil stock on board		94,964	91,047	-	-
Others		57,811	39,967	10,941	11,711
Total other current assets		198,041	180,821	10,941	11,711
Total current assets		1,611,659	1,557,457	3,131,118	3,228,205
Non-current assets					
Restricted bank deposits	9	133,803	100,383	-	-
Long-term loan to a subsidiary	4	-	-	820,007	790,604
Derivative assets	13.2	189,623	274,862	-	-
Investment in equity instruments	5, 13.2	43,582	18,100	19,145	18,100
Investments in subsidiaries	6	-	-	8,430,008	8,532,593
Investment in associate held by a subsidiary	7	81,647	80,645	-	-
Property, plant and equipment	8	22,602,979	22,048,146	8,553	10,325
Right-of-use assets		11,711	15,633	11,001	13,956
Intangible assets		4,773	5,584	4,531	5,281
Other non-current assets					
Claim recoverables - maritime claims		59,476	70,777	-	-
Deferred contract costs		121,468	129,144	-	-
Deferred financial fees		20,162	-	2,433	-
Others		3,075	3,234	2,394	2,394
Total other non-current assets		204,181	203,155	4,827	2,394
Total non-current assets		23,272,299	22,746,508	9,298,072	9,373,253
Total assets		24,883,958	24,303,965	12,429,190	12,601,458

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

Precious Shipping Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables					
		120,846	229,486	2,005	724
	3	-	-	1,988,574	1,938,799
		106,239	100,996	-	-
		98,171	81,592	895	1,438
		182,882	172,309	126,285	122,369
		508,138	584,383	2,117,759	2,063,330
		62,574	54,696	-	-
	9	1,687,939	1,161,784	-	-
		4,983	5,705	4,346	4,459
		-	1,768	-	-
		21,716	59,130	15,495	52,359
		2,285,350	1,867,466	2,137,600	2,120,148
Non-current liabilities					
		66,262	230,257	46,185	158,982
	9	5,131,678	5,547,289	-	-
		5,693	9,065	5,693	8,754
		1,073	1,533	-	-
		38,976	55,434	-	-
		133,459	130,112	98,654	97,421
		5,377,141	5,973,690	150,532	265,157
		7,662,491	7,841,156	2,288,132	2,385,305

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

Precious Shipping Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered share capital				
1,559,291,862 ordinary shares of Baht 1 each	1,559,292	1,559,292	1,559,292	1,559,292
Issued and paid-up share capital				
1,559,291,862 ordinary shares of Baht 1 each	1,559,292	1,559,292	1,559,292	1,559,292
Paid-in capital				
Premium on ordinary shares	1,967,897	1,967,897	1,967,897	1,967,897
Premium on treasury stock	172,446	172,446	172,446	172,446
Retained earnings				
Appropriated				
Statutory reserve - the Company	155,929	155,929	155,929	155,929
- subsidiaries	456,100	571,500	-	-
Corporate social responsibility reserve	56,906	57,162	56,906	57,162
Unappropriated	11,723,064	11,690,108	4,705,982	5,332,568
Other components of shareholders' equity	1,129,790	288,434	1,522,606	970,859
Equity attributable to owners of the Company	17,221,424	16,462,768	10,141,058	10,216,153
Non-controlling interests of the subsidiaries	43	41	-	-
Total shareholders' equity	17,221,467	16,462,809	10,141,058	10,216,153
Total liabilities and shareholders' equity	24,883,958	24,303,965	12,429,190	12,601,458
	-	-	-	-

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

Directors

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 September 2023**

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues					
Vessel operating income					
Time charter income		1,149,901	2,409,956	-	-
Voyage charter income		-	88,804	-	-
Total vessel operating income		1,149,901	2,498,760	-	-
Service income	3	1,324	1,081	28,334	29,137
Interest income	3	12,851	1,696	10,508	62,442
Dividend income	5	507	-	-	-
Gain on derivatives		62,270	-	-	-
Exchange gains		6,635	47,985	-	41,981
Other income		341	413	341	359
Total revenues		1,233,829	2,549,935	39,183	133,919
Expenses					
Vessel operating costs					
Vessel running expenses		525,176	572,787	-	-
Voyage disbursements		3,841	21,119	-	-
Bunker consumption		-	34,531	-	-
Total vessel operating costs		529,017	628,437	-	-
Depreciation	8	367,493	356,467	2,050	2,031
Cost of services		1,399	1,484	-	-
Administrative expenses		89,309	83,782	44,889	46,794
Management remuneration including perquisites	3	24,149	34,360	23,311	33,546
Loss on capital reduction of subsidiary		-	-	24,682	-
Expected credit losses (reversal)		-	294	-	(9,754)
Loss on derivatives		-	699	-	-
Exchange losses		-	-	3,630	-
Total expenses		1,011,367	1,105,523	98,562	72,617
Operating profit (loss)		222,462	1,444,412	(59,379)	61,302
Share of profit from investment in associate held by a subsidiary	7	7,772	10,170	-	-
Finance cost		(131,196)	(106,543)	(175)	(252)
Profit (loss) before income tax expenses		99,038	1,348,039	(59,554)	61,050
Income tax expenses		(594)	-	-	-
Profit (loss) for the period		98,444	1,348,039	(59,554)	61,050

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries

Income statement (continued)

For the three-month period ended 30 September 2023

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) attributable to:				
Equity holders of the Company	98,444	1,348,037	(59,554)	61,050
Non-controlling interests of the subsidiaries	-	2	-	-
Profit (loss) for the period	98,444	1,348,039	(59,554)	61,050
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	0.06	0.86	(0.04)	0.04

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the period	<u>98,444</u>	<u>1,348,039</u>	<u>(59,554)</u>	<u>61,050</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currency	(425)	4,280	-	-
Gains (losses) on cash flow hedges	<u>(56,011)</u>	<u>91,104</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods	(56,436)	95,384	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>				
Loss on measurement of fair value of investment in equity instrument	(604)	-	-	-
Exchange differences on translation of functional currency to presentation currency financial statements	<u>458,474</u>	<u>1,206,485</u>	<u>266,988</u>	<u>595,765</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	<u>457,870</u>	<u>1,206,485</u>	<u>266,988</u>	<u>595,765</u>
Other comprehensive income for the period	<u>401,434</u>	<u>1,301,869</u>	<u>266,988</u>	<u>595,765</u>
Total comprehensive income for the period	<u><u>499,878</u></u>	<u><u>2,649,908</u></u>	<u><u>207,434</u></u>	<u><u>656,815</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	499,877	2,649,904	207,434	656,815
Non-controlling interests of the subsidiaries	<u>1</u>	<u>4</u>	<u>-</u>	<u>-</u>
	<u><u>499,878</u></u>	<u><u>2,649,908</u></u>	<u><u>207,434</u></u>	<u><u>656,815</u></u>

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries**Income statement****For the nine-month period ended 30 September 2023**

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues					
Vessel operating income					
Time charter income		3,575,103	7,262,459	-	-
Voyage charter income		40,732	131,988	-	-
Total vessel operating income		3,615,835	7,394,447	-	-
Service income	3	3,693	2,857	83,374	81,232
Interest income	3	29,010	3,735	33,579	127,944
Dividend income	5, 6.1	507	-	-	59,760
Gain on liquidation of subsidiaries		-	-	570	-
Gain on derivatives		77,532	-	-	-
Exchange gains		44,124	68,849	25,163	59,076
Other income		701	2,466	701	359
Total revenues		3,771,402	7,472,354	143,387	328,371
Expenses					
Vessel operating costs					
Vessel running expenses		1,552,621	1,469,522	-	-
Voyage disbursements		26,075	33,897	-	-
Bunker consumption		16,344	48,438	-	-
Total vessel operating costs		1,595,040	1,551,857	-	-
Depreciation	8	1,059,818	971,844	6,044	5,903
Cost of services		4,320	4,191	-	-
Administrative expenses		246,430	254,742	125,793	144,703
Management remuneration including perquisites	3	69,543	110,925	67,437	108,329
Loss on capital reduction of subsidiary		-	-	24,682	-
Expected credit losses (reversal)		-	11,224	-	(9,754)
Loss on derivatives		-	1,414	-	-
Total expenses		2,975,151	2,906,197	223,956	249,181
Operating profit (loss)		796,251	4,566,157	(80,569)	79,190
Share of profit from investment in					
associate held by a subsidiary	7	11,571	18,662	-	-
Finance cost		(344,492)	(283,205)	(565)	(1,500)
Profit (loss) before income tax expenses		463,330	4,301,614	(81,134)	77,690
Income tax expenses		(322)	-	-	-
Profit (loss) for the period		463,008	4,301,614	(81,134)	77,690

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries

Income statement (continued)

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht, except basic earnings per share expressed in Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) attributable to:				
Equity holders of the Company	463,008	4,301,611	(81,134)	77,690
Non-controlling interests of the subsidiaries	-	3	-	-
Profit (loss) for the period	463,008	4,301,614	(81,134)	77,690
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	0.30	2.76	(0.05)	0.05

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries

Statement of comprehensive income

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the period	<u>463,008</u>	<u>4,301,614</u>	<u>(81,134)</u>	<u>77,690</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currency	(10,518)	(15,309)	-	-
Gains (losses) on cash flow hedges	(88,258)	284,718	-	-
Changes in cost of hedging	-	335	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>(98,776)</u>	<u>269,744</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>				
Loss on measurement of fair value of investment in equity instrument	(604)	-	-	-
Exchange differences on translation of functional currency to presentation currency financial statements	940,738	2,037,146	551,747	1,058,982
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	<u>940,134</u>	<u>2,037,146</u>	<u>551,747</u>	<u>1,058,982</u>
Other comprehensive income for the period	<u>841,358</u>	<u>2,306,890</u>	<u>551,747</u>	<u>1,058,982</u>
Total comprehensive income for the period	<u><u>1,304,366</u></u>	<u><u>6,608,504</u></u>	<u><u>470,613</u></u>	<u><u>1,136,672</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	1,304,364	6,608,496	470,613	1,136,672
Non-controlling interests of the subsidiaries	2	8	-	-
	<u>1,304,366</u>	<u>6,608,504</u>	<u>470,613</u>	<u>1,136,672</u>

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
								Other components of shareholders' equity					Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
								Other comprehensive income							
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury stock	Retained earnings		Corporate social responsibility reserve	Unappropriated	Exchange differences on translation of financial statements	Losses on measurement of fair value of investment in equity instruments	Cash flow hedge reserve	Cost of hedging reserve	Total other components of shareholders' equity			
Appropriated				Statutory reserve	Subsidiaries										
			The Company	Subsidiaries	reserve										
Balance as at 1 January 2022	1,559,292	1,967,897	172,446	155,929	420,420	36,261	10,471,446	(410,369)	(4,177)	(5,484)	1,318	(418,712)	14,364,979	37	14,365,016
Profit for the period	-	-	-	-	-	-	4,301,611	-	-	-	-	-	4,301,611	3	4,301,614
Other comprehensive income for the period	-	-	-	-	-	-	-	2,021,832	-	284,718	335	2,306,885	2,306,885	5	2,306,890
Total comprehensive income for the period	-	-	-	-	-	-	4,301,611	2,021,832	-	284,718	335	2,306,885	6,608,496	8	6,608,504
Dividend paid (Note 11)	-	-	-	-	-	-	(2,728,502)	-	-	-	-	-	(2,728,502)	-	(2,728,502)
Appropriated to statutory reserve	-	-	-	-	21,300	-	(21,300)	-	-	-	-	-	-	-	-
Appropriated to corporate social responsibility reserve	-	-	-	-	-	19,111	(19,111)	-	-	-	-	-	-	-	-
Balance as at 30 September 2022	1,559,292	1,967,897	172,446	155,929	441,720	55,372	12,004,144	1,611,463	(4,177)	279,234	1,653	1,888,173	18,244,973	45	18,245,018
Balance as at 1 January 2023	1,559,292	1,967,897	172,446	155,929	571,500	57,162	11,690,108	18,861	(1,285)	270,858	-	288,434	16,462,768	41	16,462,809
Profit for the period	-	-	-	-	-	-	463,008	-	-	-	-	-	463,008	-	463,008
Other comprehensive income for the period	-	-	-	-	-	-	-	930,218	(604)	(88,258)	-	841,356	841,356	2	841,358
Total comprehensive income for the period	-	-	-	-	-	-	463,008	930,218	(604)	(88,258)	-	841,356	1,304,364	2	1,304,366
Dividend paid (Note 11)	-	-	-	-	-	-	(545,708)	-	-	-	-	-	(545,708)	-	(545,708)
Appropriated to statutory reserve	-	-	-	-	(115,400)	-	115,400	-	-	-	-	-	-	-	-
Appropriated to corporate social responsibility reserve	-	-	-	-	-	(256)	256	-	-	-	-	-	-	-	-
Balance as at 30 September 2023	1,559,292	1,967,897	172,446	155,929	456,100	56,906	11,723,064	949,079	(1,889)	182,600	-	1,129,790	17,221,424	43	17,221,467
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht)

	Separate financial statements													
							Other components of shareholders' equity					Total shareholders' equity		
							Retained earnings				Other comprehensive income		Total other components of shareholders' equity	
							Appropriated		Unappropriated	Exchange differences on translation of financial statements	Losses on measurement of fair value of investment in equity instrument of non-listed company			Cash flow hedge reserve
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury stock	Corporate social responsibility reserve	Statutory reserve									
Balance as at 1 January 2022	1,559,292	1,967,897	172,446	155,929	36,261	5,423,179	799,540	(4,177)	(7,356)	2,010	790,017	10,105,021		
Profit for the period	-	-	-	-	-	77,690	-	-	-	-	-	77,690		
Other comprehensive income for the period	-	-	-	-	-	-	1,058,982	-	-	-	1,058,982	1,058,982		
Total comprehensive income for the period	-	-	-	-	-	77,690	1,058,982	-	-	-	1,058,982	1,136,672		
Dividend paid (Note 11)	-	-	-	-	-	(2,728,502)	-	-	-	-	-	(2,728,502)		
Appropriated to corporate social responsibility reserve	-	-	-	-	19,111	(19,111)	-	-	-	-	-	-		
Balance as at 30 September 2022	1,559,292	1,967,897	172,446	155,929	55,372	2,753,256	1,858,522	(4,177)	(7,356)	2,010	1,848,999	8,513,191		
Balance as at 1 January 2023	1,559,292	1,967,897	172,446	155,929	57,162	5,332,568	972,144	(1,285)	-	-	970,859	10,216,153		
Loss for the period	-	-	-	-	-	(81,134)	-	-	-	-	-	(81,134)		
Other comprehensive income for the period	-	-	-	-	-	-	551,747	-	-	-	551,747	551,747		
Total comprehensive income for the period	-	-	-	-	-	(81,134)	551,747	-	-	-	551,747	470,613		
Dividend paid (Note 11)	-	-	-	-	-	(545,708)	-	-	-	-	-	(545,708)		
Appropriated to corporate social responsibility reserve	-	-	-	-	(256)	256	-	-	-	-	-	-		
Balance as at 30 September 2023	1,559,292	1,967,897	172,446	155,929	56,906	4,705,982	1,523,891	(1,285)	-	-	1,522,606	10,141,058		
	-	-	-	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-	-	-	-	-		

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries**Cash flow statement****For the nine-month period ended 30 September 2023**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) before tax	463,330	4,301,614	(81,134)	77,690
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,060,893	972,881	7,046	6,877
Expected credit losses (reversal)	-	11,224	-	(9,754)
Loss on capital reduction of subsidiary	-	-	24,682	-
Amortisation of deferred contract costs	14,363	14,470	-	-
Write-off of equipment	4	-	4	-
Gains on sales of motor vehicle	(701)	(359)	(701)	(359)
Share of profit from investment in associate held by a subsidiary	(11,571)	(18,662)	-	-
Reversal of provision for maritime claims	(4,190)	(26,229)	-	-
Provision for long-term employee benefits	7,597	8,769	4,875	5,137
Unrealised exchange gains	(41,953)	(43,778)	(28,808)	(31,353)
Amortised financial fees to interest expense	8,448	20,800	-	-
Finance cost	292,929	253,344	565	756
Dividend income	(507)	-	-	(59,760)
Loss (gain) on derivatives	(77,532)	1,414	-	-
Gain on liquidation of subsidiaries	-	-	(570)	-
Interest income	-	-	(29,682)	(125,747)
Write-off withholding tax deducted at source	133	3,133	-	3,020
Profit (loss) from operating activities before changes in operating assets and liabilities	1,711,243	5,498,621	(103,723)	(133,493)
Operating assets (increase) decrease				
Trade and other receivables	85,396	(197,798)	41,779	(289,793)
Bunker oil	42,430	(90,299)	-	-
Other current assets	(4,294)	(31,212)	2,590	2,091
Other non-current assets	164	(31)	-	-
Operating liabilities increase (decrease)				
Trade and other payables	(83,790)	146,342	497,186	1,155,431
Advances received from charterers	4,606	(30,535)	-	-
Other current liabilities	(35,272)	(3,037)	(34,578)	(2,461)
Other non-current liabilities	(151,508)	(5,643)	(104,178)	(4,683)
Cash flows from operating activities	1,568,975	5,286,408	299,076	727,092
Cash paid for long-term employee benefits	(4,250)	(2,201)	(3,646)	(2,201)
Cash paid for income tax and withholding tax deducted at source	(4,156)	(2,335)	(1,388)	(1,307)
Net cash flows from operating activities	1,560,569	5,281,872	294,042	723,584

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

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the nine-month period ended 30 September 2023**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Acquisitions of condominium unit, vessel, equipment and payment of dry-dock and special survey expenses	(373,811)	(2,161,136)	(229)	(4,225)
Cash received from sales of motor vehicle	701	359	701	359
Acquisitions of computer software	-	(258)	-	(152)
Cash paid for investments in equity instruments	(24,142)	-	-	-
Cash paid for investments in subsidiary in ordinary shares	-	-	-	(420,000)
Cash paid for investments in subsidiaries in preference shares	-	-	-	(46,380)
Decrease in long-term loans to subsidiary	-	-	45,265	2,285,751
Dividend received	9,956	22,518	-	-
Net cash flows from (used in) investing activities	(387,296)	(2,138,517)	45,737	1,815,353
Cash flows from financing activities				
Decrease (increase) in restricted bank deposits	(25,752)	23,165	-	-
Cash paid for interest expenses	(284,425)	(259,354)	-	-
Cash paid for deferred financial fees	(28,473)	(6,539)	(2,300)	-
Cash paid for lease liabilities	(5,364)	(5,251)	(4,242)	(4,121)
Cash received from (paid for) derivatives	77,720	(1,353)	-	-
Cash received from long-term loans	867,003	591,824	-	-
Repayment of long-term loans	(900,903)	(1,069,856)	-	-
Prepayment of long-term loans	(225,948)	(887,965)	-	-
Dividend paid	(545,708)	(2,728,502)	(545,708)	(2,728,502)
Net cash flows used in financing activities	(1,071,850)	(4,343,831)	(552,250)	(2,732,623)
Increase (decrease) in translation adjustments	53,498	213,623	(3,688)	3,535
Net increase (decrease) in cash and cash equivalents	154,921	(986,853)	(216,159)	(190,151)
Cash and cash equivalents at beginning of period	1,055,667	2,468,209	316,476	537,947
Cash and cash equivalents at end of period	1,210,588	1,481,356	100,317	347,796
	-	-	-	-

Supplemental cash flows information

Non-cash transactions

Dividend income from subsidiaries offset against payable to subsidiaries	-	-	-	59,760
Cash received from capital reduction of subsidiary offset against payable to subsidiary	-	-	552	-

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

Precious Shipping Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month and nine-month periods ended 30 September 2023

1. General information

1.1 Basis for the preparation of the interim financial statements

These interim financial statements of the Company are prepared in accordance with Thai Accounting Standard No. 34 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 in Thai Baht is in accordance with regulatory requirements in Thailand.

The US Dollar functional currency interim financial statements are translated into the Thai Baht presentation currency interim 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.

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.

1.2 Basis of consolidation

These interim consolidated financial statements include the financial statements of Precious Shipping Public Company Limited, subsidiaries and associate (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2022. However, on 26 June 2023, Precious Shipping (Singapore) Pte. Limited (“PSSP”) invested in six new Singapore subsidiary companies. PSSP purchased 1 ordinary share from each of the six new subsidiary companies with par value of SGD 1 each. PSSP made payment for the shares in June 2023. Details of PSSP’s six new Singapore subsidiary companies are as follows:

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding
			(%)
Precious Breeze Pte. Ltd.	Shipowner	Singapore	100
Precious Topaz Pte. Ltd.	Shipowner	Singapore	100
Precious Waves Pte. Ltd.	Shipowner	Singapore	100
Precious Jade Pte. Ltd.	Shipowner	Singapore	100
Precious Tulips Pte. Ltd.	Shipowner	Singapore	100
Precious Violets Pte. Ltd.	Shipowner	Singapore	100

On 27 July 2023, PSSP invested in two more new Singapore subsidiary companies. PSSP purchased 50,000 ordinary shares from each of the two new subsidiary companies with par value of SGD 1 each. PSSP made payment for the shares in July 2023. Details of PSSP’s two new Singapore subsidiary companies are as follows:

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding
			(%)
Precious Daisies Pte. Ltd.	Shipowner	Singapore	100
Precious Marigold Pte. Ltd.	Shipowner	Singapore	100

On 7 August 2023, PSSP invested in one more new Singapore subsidiary company. PSSP purchased 1 ordinary share from the new subsidiary company with par value of USD 1. PSSP made payment for the share in August 2023. Details of PSSP’s new Singapore subsidiary company are as follows:

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding
			(%)
Unity Ventures Pte. Ltd.	Holding Company/ Investment	Singapore	100

1.3 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Group's financial statements.

1.4 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

2. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Audited)		(Audited)
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of invoice date				
Past due				
Up to 3 months	202,957	279,149	-	-
3 - 6 months	73	-	-	-
Over 12 months	55	52	-	-
Total	203,085	279,201	-	-
Less: Allowance for expected credit losses	(55)	(52)	-	-
Total trade receivables - unrelated parties, net	203,030	279,149	-	-
<u>Other receivables - related parties</u>				
Advances to related parties (Note 3)	-	-	3,019,860	2,900,018
Total other receivables - related parties	-	-	3,019,860	2,900,018
Total trade and other receivables - net	203,030	279,149	3,019,860	2,900,018

(Unaudited but reviewed)

3. 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. There were no significant changes in the transfer pricing policy of transactions with related parties.

Summaries of significant business transactions with related parties are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Transactions with subsidiaries				
(Eliminated from consolidated financial statements)				
Service income - management fees	-	-	28,334	29,137
Interest income	-	-	10,161	61,107
Condominium rental expenses	-	-	1,654	2,002
Transaction with associate				
Dividend received	3,809	14,451	-	-
Transactions with related companies				
Rental and service expenses	2,493	2,829	2,028	2,424

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Transactions with subsidiaries				
(Eliminated from consolidated financial statements)				
Service income - management fees	-	-	83,374	81,232
Dividend received	-	-	-	59,760
Interest income	-	-	29,682	125,747
Condominium rental expenses	-	-	5,080	5,905
Transaction with associate				
Dividend received	9,449	22,518	-	-
Transactions with related companies				
Rental and service expenses	10,027	13,716	8,333	7,196
Transaction with related person				
Acquisition of a condominium unit	-	7,500	-	-

(Unaudited but reviewed)

The balances of the accounts between the Group and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
		(Audited)		(Audited)
Other receivables - related parties (Note 2)				
Subsidiaries	-	-	3,019,860	2,900,018
Total other receivables - related parties	-	-	3,019,860	2,900,018
Trade and other payables - related parties				
Subsidiaries	-	-	1,988,574	1,938,799
Related companies	280	12	169	12
Total trade and other payables - related parties	280	12	1,988,743	1,938,811
Lease liabilities - related party				
Related company	2,590	3,843	2,590	3,843
Total lease liabilities - related party	2,590	3,843	2,590	3,843

The outstanding balances of the amounts due from/to subsidiaries represent current accounts between the Group. The Company's management believes that no allowance for expected credit losses is necessary. No interest was charged on advances to/from subsidiaries.

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	23,369	23,415	22,610	23,177
Post-employment benefits	780	407	701	335
Other long-term benefits	-	10,538	-	10,034
Total	24,149	34,360	23,311	33,546

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	67,200	76,556	65,331	75,821
Post-employment benefits	2,343	1,204	2,106	990
Other long-term benefits	-	33,165	-	31,518
Total	69,543	110,925	67,437	108,329

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries in relation to the loans from banks.

4. Long-term loan to a subsidiary

Movements in the balance of the loan during the period were as follows:

	(Unit: Thousand Baht)
	Separate financial statements
Balance as at 1 January 2023	790,604
Interest income for the period	29,682
Decrease	(45,265)
Translation adjustment	44,986
Balance as at 30 September 2023	820,007

5. Investment in equity instruments

During the current period, Precious Shipping (Singapore) Pte. Limited (“PSSP”) acquired 982,100 ordinary shares of a Singapore listed company, representing 1.25% of the total issued and paid-up share capital. PSSP deemed it as a strategic investment, and accordingly, PSSP has classified this investment as equity instruments designated at FVOCI.

The changes in costs of investments are ascribed to the measurement at fair value and the currency exchange variances arising from the translation of financial statements from the functional currency to the presentation currency, as discussed in Note 13.2 to the financial statements.

During the current period, PSSP received dividends from those equity instrument totaling Baht 0.51 million (2022: nil) and recognised as dividend income in the consolidated income statements.

6. Investments in subsidiaries

6.1 During the nine-month period ended 30 September 2022, the Company received dividends of Baht 59.76 million (2023: nil) from subsidiaries and recognised as dividend income in the separate income statement.

6.2 As at 30 September 2023, the Company has pledged the shares of 28 subsidiaries amounting to Baht 3,460.94 million (31 December 2022: 23 subsidiaries amounting to Baht 2,607.12 million), stated under the cost method, with banks to secure the long-term loans referred to in Note 9 to the financial statements.

In addition, as at 30 September 2023, the subsidiaries in Singapore, Precious Shipping (Singapore) Pte. Limited has pledged the shares of 11 subsidiaries amounting to Baht 15.51 million (31 December 2022: 9 subsidiaries amounting to Baht 12.11 million), stated under the cost method, and Associated Bulk Carriers Pte. Limited has pledged the shares of 4 subsidiaries amounting to Baht 7.31 million (31 December 2022: 4 subsidiaries amounting to Baht 6.91 million), stated under the cost method, with banks to secure the long-term loans referred to in Note 9 to the financial statements.

6.3 The changes in cost of investments in subsidiaries is from the exchange differences on translation of functional currency to presentation currency financial statements.

6.4 On 2 September 2022, the six subsidiaries registered their dissolution with the Ministry of Commerce. As at 30 September 2023, the subsidiaries completed their liquidation processes.

6.5 On 23 May 2023, the Extraordinary General Meeting of Shareholders of Precious Oceans Limited passed a resolution to decrease the registered share capital from Baht 175.0 million (1.75 million ordinary shares with a par value of Baht 100 each) to Baht 150.0 million (1.50 million ordinary shares with a par value of Baht 100 each), by cancelling 0.25 million ordinary shares with a par value of Baht 100 each, totaling Baht 25.0 million. The objective of the capital reduction is to settle the accumulated losses of Precious Oceans Limited which has returned the remaining amount from such capital reduction to its shareholders and registered the decrease in its share capital with the Ministry of Commerce in July 2023. The percentage of shareholding of the Company in Precious Oceans Limited has remained unchanged.

(Unaudited but reviewed)

7. Investment in associate held by a subsidiary

The change of investment in associate held by a subsidiary account are summarised below.

(Unit: Thousand Baht)

Associate's name	Consolidated financial statements			
	For the three-month periods ended 30 September			
	Share of profit		Dividend received	
	2023	2022	2023	2022
International Seaports (Haldia) Private Limited	7,772	10,170	3,809	14,451

(Unit: Thousand Baht)

Associate's name	Consolidated financial statements			
	For the nine-month periods ended 30 September			
	Share of profit		Dividend received	
	2023	2022	2023	2022
International Seaports (Haldia) Private Limited	11,571	18,662	9,449	22,518

Shares of profit from investment in associate held by a subsidiary for the three-month and nine-month periods ended 30 September 2023 and 2022, included in the consolidated income statements, were calculated based on the financial information for the three-month and nine-month periods ended 30 June 2023 and 2022, respectively.

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

8. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2023 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2023	22,048,146	10,325
Acquisitions of equipment and payment of dry-dock and special survey expenses during period - at cost	373,811	229
Disposals/Write-off for the period	(4)	(4)
Depreciation for the period	(1,055,238)	(2,475)
Translation adjustment	1,236,264	478
Net book value as at 30 September 2023	22,602,979	8,553

(Unaudited but reviewed)

As at 30 September 2023, the subsidiaries have mortgaged 29 vessels (31 December 2022: 25 vessels) having a net book value of Baht 18,528.96 million (31 December 2022: Baht 15,202.12 million) to banks to secure long-term loans as detailed in Note 9 to the financial statements.

9. Long-term loan facilities

As at 30 September 2023 and 31 December 2022, long-term loans accounts are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 September 2023	31 December 2022
		(Audited)
Long term loans from banks	6,819,617	6,709,073
Less: Current portion	(1,687,939)	(1,161,784)
Long-term loans - net of current portion	<u>5,131,678</u>	<u>5,547,289</u>

Movements of the long-term loans accounts during the nine-month period ended 30 September 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2023	6,709,073
Add: Drawdown	867,003
Amortisation of financial fees	8,448
Less: Deferred financial fees	(9,155)
Repayment	(900,903)
Prepayment	(225,948)
Translation adjustment	371,099
Balance as at 30 September 2023	<u>6,819,617</u>

The loans are secured by vessel mortgages, and shares pledges on borrowers' subsidiaries and guaranteed by the Company and its subsidiaries.

The loan agreements contain several financial covenants which, among other things, require the Group to maintain a minimum debt to equity ratio, debt to EBITDA ratio, minimum liquidity, a minimum level of shareholders equity, and debt service coverage ratio at the rate prescribed in the agreements.

(Unaudited but reviewed)

On 25 April 2023, Precious Visions Pte. Ltd., one of the Company's Singapore incorporated subsidiaries as the Borrower and the Company as the Guarantor executed a USD 9 million Senior Secured Amortizing Term Loan Agreement ("Agreement") with THE IYO BANK, LTD., Singapore Branch, to refinance the Supramax Dry Bulk Vessel (M.V. Chayanee Naree) (the "Vessel"). The loan carries interest at USD SOFR plus margin which is to be paid quarterly.

The details of the loan facility are summarised as follows:

Facility	Description
Loan Facility	Up to USD 9,000,000
Drawdown	Totally USD 9,000,000
Final maturity	5 years after the drawdown
Repayment	The Loan shall be repaid in 20 quarterly installments beginning three calendar months after the drawdown date.
Security	a) Guarantee from the Guarantor b) 1st priority mortgage on the Borrower's Vessel c) 1st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower's Vessel

The Agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) maintenance of net debts to total shareholders' equity ratio not exceeding 2:1;
- b) maintenance of a minimum total shareholders' equity of USD 225,000,000.

In addition, the loan agreement requires the Borrower to maintain certain covenants which include:

- a) maintenance of a minimum free cash balance of USD 100,000;
- b) The Borrower is not allowed to pay any dividend or other distribution to its shareholders or issue any new shares in its share capital if an event of default has occurred and is continuing.

As of 27 April 2023, the Company's subsidiary in Singapore, fully repaid a loan from SinoPac Capital International (HK) Limited.

(Unaudited but reviewed)

On 15 June 2023, Precious Grace Pte. Ltd., Precious Skies Pte. Ltd., and Precious Tides Pte. Ltd. (collectively the “Subsidiaries”) which are the Company’s Singapore incorporated subsidiaries as the Co-borrowers and the Company as the Guarantor have executed a first amendment and restatement agreement (“Amendment Agreement”) in relation to the USD 17.10 million Senior Secured Amortizing Term Loan Agreement (“Original Loan Agreement”) with Bangkok Bank Public Company Limited, Singapore Branch, made on 20 June 2022. The aforesaid Amendment Agreement is mainly to upsize the original Loan by an additional loan amount of up to USD 31.80 million. As such, the aggregate loan amount has been increased to USD 48.90 million (“Amended Loan”). The loan carries interest at USD SOFR plus margin which is to be paid quarterly.

The details of the loan facility are summarised as follows:

Facility	Description												
Loan Facility	Up to USD 48,900,000												
Drawdown	In aggregate, USD 48,900,000 and split into the following three loan tranches: <table border="1"><thead><tr><th>Ship Loan</th><th>Loan Amount (USD)</th><th>Availability Period</th></tr></thead><tbody><tr><td>Loan tranche One</td><td>17,100,000</td><td>3 months from the date of the Original Loan Agreement (fully utilised)</td></tr><tr><td>Loan tranche Two</td><td>15,900,000</td><td>12 months from the date of the Amendment Agreement (fully utilised)</td></tr><tr><td>Loan tranche Three</td><td>15,900,000</td><td>12 months from the date of the Amendment Agreement</td></tr></tbody></table>	Ship Loan	Loan Amount (USD)	Availability Period	Loan tranche One	17,100,000	3 months from the date of the Original Loan Agreement (fully utilised)	Loan tranche Two	15,900,000	12 months from the date of the Amendment Agreement (fully utilised)	Loan tranche Three	15,900,000	12 months from the date of the Amendment Agreement
Ship Loan	Loan Amount (USD)	Availability Period											
Loan tranche One	17,100,000	3 months from the date of the Original Loan Agreement (fully utilised)											
Loan tranche Two	15,900,000	12 months from the date of the Amendment Agreement (fully utilised)											
Loan tranche Three	15,900,000	12 months from the date of the Amendment Agreement											
Final maturity	6 years after the drawdown												
Repayment	The Loan shall be repaid in 24 quarterly installments beginning three calendar months after the drawdown date.												
Security	a) Guarantee from the Guarantor b) 1st priority mortgage on the Borrower’s Vessel c) 1st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower’s Vessel d) 1st priority charge over the Earnings Accounts and Retention Accounts of the Borrower e) Pledge of shares in the Borrowers												

(Unaudited but reviewed)

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) maintenance of net debts to total shareholders' equity ratio not exceeding 2:1;
- b) maintenance of a minimum total shareholders' equity of USD 225,000,000.
- c) The Guarantor shall remain listed on the Stock Exchange of Thailand at all times.

In addition, the loan agreement requires the Borrower to maintain certain financial ratios on its USD financial statements which include:

- a) maintenance of a minimum free cash balance of USD 100,000 per vessel;
- b) maintenance of debts service coverage ratio of at least 1.2:1.
- c) Each Borrower is not allowed to pay any dividend or other distribution to its shareholders if an event of default has occurred and is continuing.

On 11 August 2023, the Company and Thai subsidiaries of the Company namely Precious Stones Shipping Limited and Precious Metals Limited as the Borrowers executed a USD 26.25 million term loan facility ("Loan Facility") with the Export-Import Bank of Thailand. The purpose of the Loan Facility is to reimburse the acquisition expenses of M.V. Phatra Naree and to support the Borrowers' operations. The loan carries interest at USD SOFR plus margin which is to be paid quarterly.

The details of the loan facility are summarised as follows:

Facility	Description		
Loan Facility	Up to USD 26,250,000		
Drawdown	In aggregate, USD 26,250,000 and split into the following two loan tranches:		
	Loan tranche	Loan Amount (USD)	Availability Period
	Loan tranche A	21,250,000	12 months from the date of the Loan Agreement
	Loan tranche B	5,000,000	12 months from the date of the Loan Agreement
Final maturity	Loan tranche A - 7 years after the drawdown Loan tranche B - 6 years after the drawdown		
Repayment	Loan tranche A - The Loan shall be repaid in 28 quarterly installments beginning three calendar months after the drawdown date. Loan tranche B - The Loan shall be repaid in 24 quarterly installments beginning three calendar months after the drawdown date.		

(Unaudited but reviewed)

Facility	Description
Security	a) 1st priority mortgage on the Borrower's Vessel b) 1st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower's Vessel c) Pledge of shares in the Borrowers

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) maintenance of debts to total shareholders' equity ratio not exceeding 2:1;
- b) maintenance of a minimum total shareholders' equity of USD 300,000,000;
- c) maintenance of a minimum free cash balance of USD 200,000 per vessel;
- d) The Company shall remain listed on the Stock Exchange of Thailand at all times;
- e) Each Borrower is not allowed to pay any dividend or other distribution to its shareholders if an event of default has occurred and is continuing.

As of 30 September 2023, the Subsidiaries deposited USD 3.66 million (31 December 2022: USD 2.90 million) in a debt service reserve account (DSRA) connected to one facility. The required minimum balance of the DSRA is reviewed by the lenders once a year.

As of 30 September 2023, the Group had an undrawn loan balance in the amount of USD 42.15 million (31 December 2022: nil).

As of 30 September 2023, the Subsidiaries completed the amendment to loan agreements to modify the reference interest rate, in response to the impact of the IBOR reforms. The interest rates were adjusted from LIBOR to SOFR plus a credit adjustment spread. These changes did not have a significant impact on the Subsidiaries.

On 25 October 2023, Singapore subsidiaries of the Company, namely Precious Waves Pte. Ltd., Precious Breeze Pte. Ltd., Precious Topaz Pte. Ltd., Precious Jade Pte. Ltd., Precious Violets Pte. Ltd., and Precious Tulips Pte. Ltd. (collectively the "Subsidiaries") as the Borrowers executed loan agreements in relation to a USD 105 million Senior Secured Sustainability-Linked Amortizing Term Loan Facility ("Loan Facility") from the International Finance Corporation, Crédit Agricole Corporate and Investment Bank and Export-Import Bank of Thailand. The purpose of Loan Facility is to finance the acquisition of up to six dry bulk carriers. The loan carries interest at USD SOFR plus margin which is to be paid quarterly.

(Unaudited but reviewed)

The details of the loan facility are summarised as follows:

Facility	Description												
Loan Facility	Up to USD 105,000,000												
Drawdown	In aggregate USD 105,000,000 and split into the following three tranches: <table border="1"><thead><tr><th>Tranche</th><th>Lender</th><th>Loan Amount (USD)</th></tr></thead><tbody><tr><td>IFC A Loan</td><td>International Finance Corporation</td><td>70,000,000</td></tr><tr><td>Parallel Loan A</td><td>Crédit Agricole Corporate and Investment Bank</td><td>20,000,000</td></tr><tr><td>Parallel Loan B</td><td>Export-Import Bank of Thailand</td><td>15,000,000</td></tr></tbody></table>	Tranche	Lender	Loan Amount (USD)	IFC A Loan	International Finance Corporation	70,000,000	Parallel Loan A	Crédit Agricole Corporate and Investment Bank	20,000,000	Parallel Loan B	Export-Import Bank of Thailand	15,000,000
Tranche	Lender	Loan Amount (USD)											
IFC A Loan	International Finance Corporation	70,000,000											
Parallel Loan A	Crédit Agricole Corporate and Investment Bank	20,000,000											
Parallel Loan B	Export-Import Bank of Thailand	15,000,000											
Availability Period	24 months from the date of the Loan Agreement												
Final maturity	10 years after the drawdown												
Repayment	Each Project Vessel Advance shall be repaid in 40 quarterly installments, together with a balloon payment payable on the final maturity of the Loan.												
Guarantors	a) Precious Shipping Public Company Limited (the "Company") b) Precious Shipping (Singapore) Pte. Ltd., Singapore subsidiary of the Company and the Shareholder of the Borrowers (the "Shareholder")												
Security	a) Guarantee from the Guarantors b) 1st priority mortgage on the Project Vessels c) 2nd priority mortgage on 4 Cement Carriers, i.e., M.V. Danaya Naree, M.V. Apinya Naree, M.V. Boonya Naree, M.V. Chanya Naree and 1 Supramax Vessel, i.e., M.V. Apiradee Naree d) 1st priority assignment of all insurance and requisition compensation, earnings and any charterparties (for a period of 12 months or more) of the Borrower's Vessels e) Pledge of shares in the Borrowers.												

(Unaudited but reviewed)

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios on its consolidated USD financial statements which include:

- a) maintenance of a maximum financial debt to tangible net worth ratio of 2.0;
- b) maintenance of a minimum tangible net worth of USD 300,000,000;
- c) maintenance of a maximum financial debt of USD 500,000,000;
- d) maintenance of a minimum consolidated cash of USD 300,000 per vessel

10. Segment information

The Group is organised into business units based on their services. During the current period, the Group has not changed the organisation of their reportable segments from the last annual financial statements.

The following table presents net vessel operating income from Time charter and Voyage charter of the Group for the three-month and nine-month periods ended 30 September 2023 and 2022.

(Unit: Thousand Baht)

	Consolidated financial statements									
	For the three-month periods ended 30 September									
	Time charter		Voyage charter		Total		Elimination		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Time charter income	1,149,901	2,409,956	-	-	1,149,901	2,409,956	-	-	1,149,901	2,409,956
Voyage charter income	-	-	-	154,311	-	154,311	-	(65,507)	-	88,804
Total vessel operating income	1,149,901	2,409,956	-	154,311	1,149,901	2,564,267	-	(65,507)	1,149,901	2,498,760
Voyage disbursements	-	-	(3,841)	(86,626)	(3,841)	(86,626)	-	65,507	(3,841)	(21,119)
Bunker consumption	-	-	-	(34,531)	-	(34,531)	-	-	-	(34,531)
Total voyage expenses	-	-	(3,841)	(121,157)	(3,841)	(121,157)	-	65,507	(3,841)	(55,650)
Net vessel operating income/time charter equivalent income	1,149,901	2,409,956	(3,841)	33,154	1,146,060	2,443,110	-	-	1,146,060	2,443,110

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements										
For the nine-month periods ended 30 September										
	Time charter		Voyage charter		Total		Elimination		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Time charter income	3,575,103	7,262,459	-	-	3,575,103	7,262,459	-	-	3,575,103	7,262,459
Voyage charter income	-	-	40,732	200,007	40,732	200,007	-	(68,019)	40,732	131,988
Total vessel operating income	3,575,103	7,262,459	40,732	200,007	3,615,835	7,462,466	-	(68,019)	3,615,835	7,394,447
Voyage disbursements	-	-	(26,075)	(101,916)	(26,075)	(101,916)	-	68,019	(26,075)	(33,897)
Bunker consumption	-	-	(16,344)	(48,438)	(16,344)	(48,438)	-	-	(16,344)	(48,438)
Total voyage expenses	-	-	(42,419)	(150,354)	(42,419)	(150,354)	-	68,019	(42,419)	(82,335)
Net vessel operating income/time charter equivalent income	3,575,103	7,262,459	(1,687)	49,653	3,573,416	7,312,112	-	-	3,573,416	7,312,112

11. Dividends

Dividends declared during the nine-month periods ended 30 September 2023 and 2022 are summarised below.

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Interim dividends for 2021	The Company's Board of Directors meeting on 14 February 2022	779.56	0.50
Final dividends for 2021	The Annual General Meeting of Shareholders for 2022 on 4 April 2022	389.79	0.25
Interim dividends for 2022	The Company's Board of Directors meeting on 11 May 2022	779.60	0.50
Interim dividends for 2022	The Company's Board of Directors meeting on 15 August 2022	779.55	0.50
Total dividends for the nine-month period ended 30 September 2022		<u>2,728.50</u>	<u>1.75</u>
Final dividends for 2022	The Annual General Meeting of Shareholders for 2023 on 10 April 2023	389.79	0.25
Interim dividends for 2023	The Company's Board of Directors meeting on 15 May 2023	77.96	0.05
Interim dividends for 2023	The Company's Board of Directors meeting on 11 August 2023	77.96	0.05
Total dividends for the nine-month period ended 30 September 2023		<u>545.71</u>	<u>0.35</u>

12. Contingent liabilities

During the current period, there have been no significant changes with respect to the contingent liabilities as disclosed in Notes 31 to the consolidated financial statements for 2022, save for the significant events in relation to the vessel Chayanee Naree.

The 10 crew members, who have been charged, are required to remain in Nigeria until legal proceedings are completed. The trial against the Vessel and the 10 crew members commenced in the Federal High Court of Nigeria in Lagos in July 2022. There was a hearing at the Federal High Court of Nigeria in July 2023. During this hearing, the prosecution witness testimony was concluded. Subsequently, on 27 July 2023, the Group's legal counsel filed 'no-case' submissions, contending that the prosecution had not presented sufficient evidence against the crew and the vessel, and therefore, the charges should be dismissed without the defense having to present its own case. Following this, the parties will have the right to exchange their responses to these submissions. The next hearing is scheduled for 10 November 2023, where oral arguments regarding the no-case submissions will take place. The Company should receive a decision on the submissions about a month later.

Based on the opinion of the Group's legal counsel and its legal counsel, the Company's management believes that it is premature at this stage to reliably estimate the amount of liability (if any) and therefore, no provisions have been made in respect of this case.

13. Financial instruments

13.1 Fair value of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

(Unaudited but reviewed)

13.2 Fair value hierarchy

As at 30 September 2023, the Group had the financial assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivatives				
Interest rate swaps contracts - Loans	-	189,623	-	189,623
Investment in equity instruments measured at fair value through other comprehensive income				
Listed company	24,437	-	-	24,437
Non-listed company	-	-	19,145	19,145

(Unit: Thousand Baht)

	Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investment in equity instruments measured at fair value through other comprehensive income				
Non-listed company	-	-	19,145	19,145

During the current period, there were no change in the methods and assumptions used by the Group in estimating the fair value of financial instruments and there were no transfers between the levels of the fair value hierarchy.

13.3 Forward freight agreements

During the current period, the subsidiary in Singapore, Precious Shipping (Singapore) Pte. Limited (“PSSP”) entered into certain forward freight agreements to partly manage risks of freight rate volatility. As of 30 September 2023, PSSP had no outstanding exposure to forward freight agreements.

(Unaudited but reviewed)

14. Functional currency financial statements

The USD functional currency statements of financial position as at 30 September 2023 and 31 December 2022 and the income statements for the three-month and nine-month periods ended 30 September 2023 and 2022 are as follows:

Precious Shipping Public Company Limited and its subsidiaries**Statement of financial position**

As at 30 September 2023

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Assets				
Current assets				
Cash and cash equivalents	33,114	30,544	2,744	9,156
Trade and other receivables	5,554	8,076	82,604	83,907
Bunker oil	-	1,210	-	-
Other current assets				
Advances to vessel masters	1,090	1,071	-	-
Claim recoverables	148	370	-	-
Lube oil stock on board	2,598	2,634	-	-
Others	1,581	1,157	299	339
Total other current assets	5,417	5,232	299	339
Total current assets	44,085	45,062	85,647	93,402
Non-current assets				
Restricted bank deposits	3,660	2,904	-	-
Long-term loan to a subsidiary	-	-	22,430	22,874
Derivative assets	5,187	7,953	-	-
Investment in equity instruments	1,192	524	524	524
Investments in subsidiaries	-	-	230,591	246,875
Investment in associate held by a subsidiary	2,233	2,333	-	-
Property, plant and equipment	618,272	637,923	234	299
Right-of-use assets	320	452	301	404
Intangible assets	131	162	124	153
Other non-current assets				
Claim recoverables - maritime claims	1,627	2,048	-	-
Deferred contract costs	3,323	3,737	-	-
Deferred financial fees	551	-	67	-
Others	84	93	65	69
Total other non-current assets	5,585	5,878	132	69
Total non-current assets	636,580	658,129	254,336	271,198
Total assets	680,665	703,191	339,983	364,600

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2023

(Unit: Thousand USD)

	Consolidated		Separate	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables				
Trade and other payables	3,305	6,640	55	21
Advances received from related parties	-	-	54,394	56,096
Accrued crew accounts	2,906	2,922	-	-
Accrued expenses	2,685	2,361	25	42
Current portion of accrued employee benefits	5,003	4,985	3,454	3,540
Total trade and other payables	13,899	16,908	57,928	59,699
Advances received from charterers	1,712	1,583	-	-
Current portion of long-term loans	46,171	33,614	-	-
Current portion of lease liabilities	136	165	119	129
Income tax payable	-	51	-	-
Other current liabilities	594	1,711	424	1,515
Total current liabilities	62,512	54,032	58,471	61,343
Non-current liabilities				
Accrued employee benefits - net of current portion	1,812	6,662	1,263	4,600
Long-term loans - net of current portion	140,370	160,501	-	-
Lease liabilities - net of current portion	156	262	156	253
Deferred tax liabilities	29	44	-	-
Provision for maritime claims	1,066	1,604	-	-
Provision for long-term employee benefits	3,651	3,765	2,699	2,818
Total non-current liabilities	147,084	172,838	4,118	7,671
Total liabilities	209,596	226,870	62,589	69,014
Shareholders' equity				
Share capital				
Registered share capital	51,055	51,055	51,055	51,055
Issued and paid-up share capital	51,055	51,055	51,055	51,055
Paid-in capital				
Premium on ordinary shares	63,290	63,290	63,290	63,290
Premium on treasury stock	4,819	4,819	4,819	4,819
Retained earnings				
Appropriated				
Statutory reserve - the Company	4,372	4,372	4,372	4,372
- subsidiaries	12,826	15,955	-	-
Corporate social responsibility reserve	1,691	1,698	1,691	1,698
Unappropriated	330,343	329,762	152,211	170,396
Other components of shareholders' equity	2,672	5,369	(44)	(44)
Equity attributable to owners of the Company	471,068	476,320	277,394	295,586
Non-controlling interests of the subsidiaries	1	1	-	-
Total shareholders' equity	471,069	476,321	277,394	295,586
Total liabilities and shareholders' equity	680,665	703,191	339,983	364,600

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 September 2023**

(Unit: Thousand USD, except earnings per share expressed in USD)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Revenues				
Vessel operating income				
Time charter income	32,624	65,020	-	-
Voyage charter income	-	2,395	-	-
Total vessel operating income	32,624	67,415	-	-
Service income	37	30	804	786
Interest income	365	46	298	1,685
Dividend income	14	-	-	-
Gain on derivatives	1,767	-	-	-
Exchange gains	189	1,294	-	1,133
Other income	10	11	10	9
Total revenues	35,006	68,796	1,112	3,613
Expenses				
Vessel operating costs				
Vessel running expenses	14,900	15,453	-	-
Voyage disbursements	109	570	-	-
Bunker consumption	-	932	-	-
Total vessel operating costs	15,009	16,955	-	-
Depreciation	10,426	9,617	58	54
Cost of services	40	40	-	-
Administrative expenses	2,534	2,260	1,274	1,263
Management remuneration including perquisites	685	927	661	905
Loss on capital reduction of subsidiary	-	-	700	-
Expected credit losses (reversal)	-	8	-	(263)
Loss on derivatives	-	19	-	-
Exchange losses	-	-	103	-
Total expenses	28,694	29,826	2,796	1,959
Operating profit (loss)	6,312	38,970	(1,684)	1,654
Share of profit from investment in associate held by a subsidiary	221	274	-	-
Finance cost	(3,723)	(2,875)	(5)	(7)
Profit (loss) before income tax expenses	2,810	36,369	(1,689)	1,647
Income tax expenses	(17)	-	-	-
Profit (loss) for the period	2,793	36,369	(1,689)	1,647
Profit (loss) attributable to:				
Equity holders of the Company	2,793	36,369	(1,689)	1,647
Non-controlling interests of the subsidiaries	-	-	-	-
Profit (loss) for the period	2,793	36,369	(1,689)	1,647
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	0.0018	0.0233	(0.0011)	0.0011

(Unaudited but reviewed)

Precious Shipping Public Company Limited and its subsidiaries**Income statement****For the nine-month period ended 30 September 2023**

(Unit: Thousand USD, except earnings per share expressed in USD)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Revenues				
Vessel operating income				
Time charter income	103,028	208,072	-	-
Voyage charter income	1,197	3,695	-	-
Total vessel operating income	104,225	211,767	-	-
Service income	106	82	2,403	2,324
Interest income	834	106	969	3,618
Dividend income	14	-	-	1,829
Gain on liquidation of subsidiaries	-	-	16	-
Gain on derivatives	2,205	-	-	-
Exchange gains	1,282	1,897	736	1,628
Other income	20	72	20	9
Total revenues	108,686	213,924	4,144	9,408
Expenses				
Vessel operating costs				
Vessel running expenses	44,760	41,934	-	-
Voyage disbursements	758	947	-	-
Bunker consumption	480	1,350	-	-
Total vessel operating costs	45,998	44,231	-	-
Depreciation	30,538	27,775	174	169
Cost of services	125	120	-	-
Administrative expenses	7,103	7,320	3,626	4,162
Management remuneration including perquisites	2,008	3,186	1,947	3,111
Loss on capital reduction of subsidiary	-	-	700	-
Expected credit losses (reversal)	-	338	-	(263)
Loss on derivatives	-	40	-	-
Total expenses	85,772	83,010	6,447	7,179
Operating profit (loss)	22,914	130,914	(2,303)	2,229
Share of profit from investment in associate held by a subsidiary	331	522	-	-
Finance cost	(9,919)	(8,083)	(16)	(43)
Profit (loss) before income tax expenses	13,326	123,353	(2,319)	2,186
Income tax expenses	(9)	-	-	-
Profit (loss) for the period	13,317	123,353	(2,319)	2,186
Profit (loss) attributable to:				
Equity holders of the Company	13,317	123,353	(2,319)	2,186
Non-controlling interests of the subsidiaries	-	-	-	-
Profit (loss) for the period	13,317	123,353	(2,319)	2,186
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	0.0085	0.0791	(0.0015)	0.0014

(Unaudited but reviewed)

15. Approval of interim financial information

This interim financial information was authorised for issue by the Company's authorised directors on 3 November 2023.