

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT 31 DECEMBER 2007 AND 2006

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2007	2006	2007	2006
					(Restated)
ASSETS					
Current assets					
Cash and cash equivalents	15	1,470,244,256	1,258,574,577	194,974,853	41,282,018
Current investment - net	6	-	-	-	-
Trade accounts receivable - net	7	34,638,681	101,106,910	-	-
Receivable from and advances to subsidiaries	8	-	-	998,556,335	1,757,932,260
Bunker oil		5,636,525	43,614,009	-	-
Other current assets	9	252,377,989	199,670,299	29,166,219	17,285,793
Total current assets		1,762,897,451	1,602,965,795	1,222,697,407	1,816,500,071
Non-current assets					
Investments in subsidiaries - net	10	-	-	5,618,012,341	5,618,012,306
Investment in associate held by a subsidiary	11	134,282,332	119,767,616	-	-
Other long-term investment	12	10,130,430	10,130,430	10,130,430	10,130,430
Property, plant and equipment - net	13	9,569,510,738	11,023,851,695	68,619,808	60,338,726
Other non-current assets	14	3,541,317,114	1,429,706	3,540,688,820	662,711
Total non-current assets		13,255,240,614	11,155,179,447	9,237,451,399	5,689,144,173
Total assets		15,018,138,065	12,758,145,242	10,460,148,806	7,505,644,244

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

AS AT 31 DECEMBER 2007 AND 2006

	Consolidated financial statements		Separate financial statements	
<u>Note</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)

Trade accounts payable		66,544,366	82,603,363	1,546,830	695,472
Payable to and advances from subsidiaries	8	-	-	1,360,441,634	579,141,590
Advances received from vessel sales	15	-	160,060,832	-	-
Advances received from charterers		171,470,255	176,407,290	-	-
Other current liabilities	16	550,293,401	301,367,123	102,281,733	89,870,586
Total current liabilities		788,308,022	720,438,608	1,464,270,197	669,707,648
Non-current liabilities					
Accrued employee bonus	16.1	95,947,000	-	88,598,533	-
Provisions for maritime claims		68,951,739	-	-	-
Total non-current liabilities		164,898,739	-	88,598,533	-
Total liabilities		953,206,761	720,438,608	1,552,868,730	669,707,648

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Continued)

AS AT 31 DECEMBER 2007 AND 2006

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2007	2006	2007	2006
					(Restated)
Shareholders' equity					
Share capital					
Registered share capital					
1,039,520,600 ordinary shares of Baht 1 each					
(2006: 520,000,000 ordinary shares					
of Baht 1 each)	19	1,039,520,600	520,000,000	1,039,520,600	520,000,000
Issued and paid-up share capital					
1,039,520,600 ordinary shares of Baht 1 each					
(2006: 520,000,000 ordinary shares					
of Baht 1 each)	19	1,039,520,600	520,000,000	1,039,520,600	520,000,000
Paid-in capital					
Premium on ordinary shares		411,429,745	411,429,745	411,429,745	411,429,745
Premium on treasury stock	23	172,445,812	21,114,984	172,445,812	21,114,984
Revaluation surplus on assets of subsidiary	20	123,965,882	144,278,576	-	-
Translation adjustment		86,324,046	126,689,683	-	-
Retained earnings					
Appropriated					
Statutory reserve - the Company	21	103,952,060	52,000,000	103,952,060	52,000,000
- subsidiaries	21	467,720,000	424,620,000	-	-
Treasury stock reserve	22	-	414,918,176	-	414,918,176
Unappropriated		11,646,881,980	10,325,110,201	7,179,931,859	5,831,391,867
Total equity attributable to Company's					
shareholders		14,052,240,125	12,440,161,365	8,907,280,076	7,250,854,772
Less: Treasury stock	23	-	(414,918,176)	-	(414,918,176)
Equity attributable to the Company's					
shareholders - net		14,052,240,125	12,025,243,189	8,907,280,076	6,835,936,596
Minority interest - equity attributable to					
minority shareholders of subsidiaries		12,691,179	12,463,445	-	-
Total shareholders' equity		14,064,931,304	12,037,706,634	8,907,280,076	6,835,936,596
Total liabilities and shareholders' equity		15,018,138,065	12,758,145,242	10,460,148,806	7,505,644,244
		0	0	0	0

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

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DIRECTORS

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PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
INCOME STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2007	2006	2007	2006
					(Restated)
Revenues					
Vessel operating income					
Hire income		6,969,502,482	6,893,812,838	-	-
Freight income		318,867,103	2,162,490,197	-	-
Total vessel operating income		7,288,369,585	9,056,303,035	-	-
Service income	8	8,974,530	20,207,808	154,750,779	92,656,259
Gains on sales of vessels and equipment		1,558,219,821	845,730	1,537,369	685,730
Other income	24	143,347,024	153,525,225	40,090,635	6,427,262
Dividend received	8	-	-	4,453,244,722	2,465,215,567
Share of income from investment in associate held by a subsidiary	11	34,126,828	19,875,074	-	-
Total revenues		9,033,037,788	9,250,756,872	4,649,623,505	2,564,984,818
Expenses					
Vessel operating costs					
Vessel running expenses		1,758,125,442	2,120,077,863	-	-
Voyage disbursements		54,026,838	340,215,729	-	-
Bunker consumption		60,213,076	489,688,978	-	-
Total vessel operating costs		1,872,365,356	2,949,982,570	-	-
Depreciation	13	1,824,575,209	2,093,430,137	7,720,797	6,052,827
Cost of services		29,494,469	31,658,084	-	-
Administrative expenses	8	381,576,200	278,123,001	357,566,894	256,071,167
Other expenses	25	421,884,427	31,814,057	45,406,114	35,453,320
Total expenses		4,529,895,661	5,385,007,849	410,693,805	297,577,314
Income before interest and financial costs and corporate income tax		4,503,142,127	3,865,749,023	4,238,929,700	2,267,407,504
Interest and financial costs		(126,755,592)	(144,053,394)	(78,787,758)	(30,280,099)
Income before corporate income tax		4,376,386,535	3,721,695,629	4,160,141,942	2,237,127,405
Corporate income tax	27	(215,570,735)	-	-	-
Income after corporate income tax		4,160,815,800	3,721,695,629	4,160,141,942	2,237,127,405
Net income attributable to minority interest		(4,655,578)	(6,572,873)	-	-
Net income for the year		4,156,160,222	3,715,122,756	4,160,141,942	2,237,127,405
Basic earnings per share					
Net income	29	4.01	3.62	4.01	2.18
Weighted average number of ordinary shares (shares)		1,037,259,517	1,026,209,683	1,037,259,517	1,026,209,683

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CASH FLOW STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)
Cash flows from operating activities				
Net income for the year	4,156,160,222	3,715,122,756	4,160,141,942	2,237,127,405
Adjustments to reconcile net income to net cash provided by (paid from) operating activities				
Depreciation	1,824,575,209	2,093,430,137	7,720,797	6,052,827
Bad debt and allowance for doubtful accounts	4,747,387	31,814,057	1,550	-
Unrealised exchange losses (gains)	3,764,015	7,240,836	(5,637)	25,161
Share of income from investment in associate held by a subsidiary	(34,126,828)	(19,875,074)	-	-
Amortisation of discount on investments in debt securities	(3,665,798)	-	(3,665,798)	-
Gain on sales of vessels and equipment	(1,558,219,821)	(845,730)	(1,537,369)	(685,730)
Provisions for maritime claims	68,951,739	-	-	-
Net income attributable to minority interest	4,655,578	6,572,873	-	-
Income from operating activities before changes in operating assets and liabilities	4,466,841,703	5,833,459,855	4,162,655,485	2,242,519,663
Operating assets (increase) decrease				
Trade accounts receivable	57,295,687	35,328,762	-	-
Receivable from and advances to subsidiaries	-	-	759,375,925	(8,578,338)
Bunker oil	(23,831,394)	19,819,364	-	-
Other current assets	(62,086,298)	(11,225,833)	(11,881,975)	2,783,960
Other non-current assets	(2,594,747)	30,124	(2,733,448)	(5,999)
Operating liabilities increase (decrease)				
Trade accounts payable	(16,072,956)	(34,699,069)	856,994	(4,704,439)
Payable to and advances from subsidiaries	-	-	781,300,044	(509,808,276)
Advances received from charterers	(4,242,322)	53,616,603	-	-
Other current liabilities	248,926,278	227,956	12,411,147	69,036,605
Non-current liabilities	95,947,000	-	88,598,533	-
Net cash flows from operating activities	4,760,182,951	5,896,557,762	5,790,582,705	1,791,243,176

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CASH FLOW STATEMENTS (Continued)

FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)
Cash flows from investing activities				
Acquisitions of current investments	(1,988,563,709)	-	(1,988,563,709)	-
Proceeds from sales of current investments	1,992,229,507	-	1,992,229,507	-
Dividend received from associate held by a subsidiary	12,806,153	16,813,948	-	-
Acquisitions of equipment and payment of dry-dock and special survey expenses	(791,422,964)	(476,271,007)	(16,001,893)	(12,433,837)
Advances for vessel construction	(3,239,190,687)	-	(3,239,190,687)	-
Proceeds from sales of vessels and equipment	1,890,515,572	866,920	1,537,383	706,920
Investment in subsidiary	-	-	(35)	-
Purchase of other long-term investment	-	(10,130,430)	-	(10,130,430)
Advances received from vessel sales	-	160,060,832	-	-
Net cash flows used in investing activities	(2,123,626,128)	(308,659,737)	(3,249,989,434)	(21,857,347)
Cash flows from financing activities				
Deferred financial fees	(298,101,974)	-	(298,101,974)	-
Cash paid for long-term loans	-	(3,293,967,999)	-	-
Cash received from disposals of treasury stock	566,249,004	57,077,524	566,249,004	57,077,524
Cash dividend paid to the Company's shareholders	(2,655,047,466)	(1,796,046,847)	(2,655,047,466)	(1,796,046,847)
Cash dividend paid to minority interest	(4,427,031)	-	-	-
Net cash flows used in financing activities	(2,391,327,467)	(5,032,937,322)	(2,386,900,436)	(1,738,969,323)
Decrease in translation adjustment	(33,559,677)	(35,008,788)	-	-
Net increase in cash and cash equivalents	211,669,679	519,951,915	153,692,835	30,416,506
Cash and cash equivalents at beginning of year	1,258,574,577	738,622,662	41,282,018	10,865,512
Cash and cash equivalents at end of year	1,470,244,256	1,258,574,577	194,974,853	41,282,018
	0	0	0	0

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

PRECIOUS SHIPPING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CASH FLOW STATEMENTS (Continued)

FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)
Supplemental cash flows information				
Cash paid during the year for				
Interest expense	-	112,447,053	-	-
Corporate income tax	7,085,741	3,381,315	4,978,483	2,820,745
Non-cash transactions				
Dividend income from subsidiaries offset against				
receivable from/payable to subsidiaries	-	-	4,453,244,722	2,465,215,567
Repayment of subordinated loans from subsidiaries offset				
against receivable from/payable to subsidiaries	-	-	-	662,818,000
Revaluation surplus on assets of subsidiary -				
the Company's interest	-	144,278,576	-	-
Revaluation surplus on assets of subsidiary -				
minority interest	-	5,771	-	-
Stock dividend paid	519,520,600	-	519,520,600	-
Amortisation of revaluation surplus on assets of				
subsidiary - the Company's interest	20,312,694	-	-	-
Amortisation of revaluation surplus on assets of				
subsidiary - minority interest	813	-	-	-

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