

Precious Shipping Public Company Limited and subsidiaries

Balance sheets

As at 31 December 2010 and 2009

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	6, 20	4,210,310,366	5,876,282,201	2,031,531,929	2,274,181,628
Current investment - net	7	-	-	-	-
Trade accounts receivable - net	8	33,855,480	42,078,391	-	-
Receivables from and advances to related parties	9	-	-	317,567,591	282,681,149
Short-term loans to subsidiary	10	-	-	1,914,401,940	2,119,480,660
Bunker oil		5,688,873	-	-	-
Other current assets					
Advances to vessel masters		42,573,234	54,093,717	-	-
Claim recoverables		8,265,020	35,304,785	-	-
Others		36,014,929	35,959,713	16,199,556	18,475,916
Total other current assets		86,853,183	125,358,215	16,199,556	18,475,916
<b>Total current assets</b>		<b>4,336,707,902</b>	<b>6,043,718,807</b>	<b>4,279,701,016</b>	<b>4,694,819,353</b>
<b>Non-current assets</b>					
Investments in subsidiaries - net	12	-	-	5,752,026,341	5,703,026,841
Investment in jointly controlled entity	13	-	-	33	-
Investment in associate held by a subsidiary	14	163,110,453	143,219,374	-	-
Other long-term investment	15	10,130,430	10,130,430	10,130,430	10,130,430
Long-term loan to jointly controlled entity	11	-	-	256,553,865	-
Receivables from cross currency swap contracts - net		109,419,261	-	-	-
Property, plant and equipment - net	16	7,518,077,759	7,780,922,468	12,033,119	17,222,574
Other non-current assets					
Intangible assets - net	17	37,109,623	46,911,635	37,109,623	46,911,635
Advances for vessel constructions	18	9,517,340,798	7,809,282,007	8,081,916,657	7,809,282,007
Deferred financial fees - net	19	376,807,655	291,253,234	372,547,063	291,253,234
Advance for share acquisition in associate held by a subsidiary	14.2	-	11,538,699	-	-
Others		2,921,834	3,152,306	2,395,192	2,615,865
Total other non-current assets		9,934,179,910	8,162,137,881	8,493,968,535	8,150,062,741
<b>Total non-current assets</b>		<b>17,734,917,813</b>	<b>16,096,410,153</b>	<b>14,524,712,323</b>	<b>13,880,442,586</b>
<b>Total assets</b>		<b>22,071,625,715</b>	<b>22,140,128,960</b>	<b>18,804,413,339</b>	<b>18,575,261,939</b>

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 2010 and 2009

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable		11,099,641	44,727,575	658,178	2,363,783
Payables to and advances from related parties	9	-	-	3,016,658,963	2,183,872,302
Advances received from vessel sales	20	-	29,158,895	-	-
Advances received from charterers		47,682,723	79,029,033	-	-
Current portion of long-term loans	19, 22	147,610,132	14,863,823	24,100,228	-
Other current liabilities					
Accrued crew accounts		41,290,184	49,382,671	-	-
Current portion of accrued employee bonus	21	137,113,895	165,690,296	126,013,506	152,196,487
Accrued expenses		32,390,928	45,489,571	8,849,027	9,119,622
Provision for income tax		3,934,172	24,631,203	-	-
Withholding tax payable		4,023,118	31,427,877	2,438,019	30,273,349
Others		17,540,232	19,347,683	8,898,292	4,378,906
Total other current liabilities		236,292,529	335,969,301	146,198,844	195,968,364
Total current liabilities		442,685,025	503,748,627	3,187,616,213	2,382,204,449
Non-current liabilities					
Accrued employee bonus - net of current portion	21	76,645,113	173,011,023	70,382,541	159,089,829
Provisions for maritime claims		20,768,114	42,050,177	-	-
Payables to cross currency swap contracts - net		-	8,124,620	-	-
Long-term loans - net of current portion	19, 22	4,782,042,586	4,276,834,978	3,386,349,054	3,578,235,298
Total non-current liabilities		4,879,455,813	4,500,020,798	3,456,731,595	3,737,325,127
Total liabilities		5,322,140,838	5,003,769,425	6,644,347,808	6,119,529,576

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 2010 and 2009**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Shareholders' equity</b>					
Share capital					
Registered share capital					
1,039,520,600 ordinary shares					
of Baht 1 each		1,039,520,600	1,039,520,600	1,039,520,600	1,039,520,600
Issued and paid-up share capital					
1,039,520,600 ordinary shares					
of Baht 1 each		1,039,520,600	1,039,520,600	1,039,520,600	1,039,520,600
Paid-in capital					
Premium on ordinary shares		411,429,745	411,429,745	411,429,745	411,429,745
Premium on treasury stock		172,445,812	172,445,812	172,445,812	172,445,812
Revaluation surplus on assets of subsidiary - net	23	147,287,957	203,452,059	-	-
Translation adjustments		(25,251,684)	(22,850,674)	-	-
Retained earnings					
Appropriated					
Statutory reserve - the Company	24	103,952,060	103,952,060	103,952,060	103,952,060
- subsidiaries	24	518,120,000	513,220,000	-	-
Corporate social responsibility reserve	25	14,335,865	37,782,784	14,335,865	37,782,784
Unappropriated		14,333,075,039	14,652,874,052	10,418,381,449	10,690,601,362
Total equity attributable to Company's shareholders		16,714,915,394	17,111,826,438	12,160,065,531	12,455,732,363
Minority interest - equity attributable to minority shareholders of subsidiaries		34,569,483	24,533,097	-	-
<b>Total shareholders' equity</b>		<b>16,749,484,877</b>	<b>17,136,359,535</b>	<b>12,160,065,531</b>	<b>12,455,732,363</b>
<b>Total liabilities and shareholders' equity</b>		<b>22,071,625,715</b>	<b>22,140,128,960</b>	<b>18,804,413,339</b>	<b>18,575,261,939</b>
		0	0	0	0

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

Directors

**Precious Shipping Public Company Limited and subsidiaries**

**Income statements**

**For the years ended 31 December 2010 and 2009**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
<b>Revenues</b>					
Vessel operating income					
Hire income		2,810,420,920	5,109,100,239	-	-
Freight income		142,682,920	414,544,962	-	-
Total vessel operating income		2,953,103,840	5,523,645,201	-	-
Service income	9	10,379,268	16,753,312	71,462,855	150,529,957
Gains on sales of vessels and equipment	16	390,280,114	760,279,523	-	71,428
Interest income	9	25,978,190	38,065,092	20,571,310	20,794,985
Exchange gains		-	43,626,627	-	-
Other income		426,247	26,508,055	5,166	2,145,200
Dividend received	9, 12	-	-	1,530,297,884	4,700,110,297
<b>Total revenues</b>		<b>3,380,167,659</b>	<b>6,408,877,810</b>	<b>1,622,337,215</b>	<b>4,873,651,867</b>
<b>Expenses</b>					
Vessel operating costs					
Vessel running expenses		847,171,526	1,500,155,882	-	-
Voyage disbursements		20,905,339	106,262,509	-	-
Bunker consumption		5,173,942	105,422,379	-	-
Total vessel operating costs		873,250,807	1,711,840,770	-	-
Depreciation	16	796,564,123	934,609,148	8,560,840	9,285,209
Cost of services		4,818,692	9,614,509	-	-
Administrative expenses	9	195,347,791	255,345,894	169,330,819	209,618,020
Management remuneration including perquisites		104,135,693	138,106,205	98,006,255	122,848,778
Bad debts and doubtful accounts		15,288,747	9,698,521	-	1,124,608
Exchange losses		112,243,482	-	120,353,284	3,866,778
<b>Total expenses</b>		<b>2,101,649,335</b>	<b>3,059,215,047</b>	<b>396,251,198</b>	<b>346,743,393</b>
<b>Income before share of income from investment in associate, finance cost and corporate income tax</b>					
		1,278,518,324	3,349,662,763	1,226,086,017	4,526,908,474
Share of income from investment in associate held by a subsidiary					
	14.1	19,520,139	22,317,306	-	-
<b>Income before finance cost and corporate income tax</b>					
		1,298,038,463	3,371,980,069	1,226,086,017	4,526,908,474
Finance cost		(301,394,253)	(265,811,637)	(222,557,277)	(253,961,304)
<b>Income before corporate income tax</b>		<b>996,644,210</b>	<b>3,106,168,432</b>	<b>1,003,528,740</b>	<b>4,272,947,170</b>
Corporate income tax	27	(81,922,286)	(45,536,596)	-	-
<b>Net income for the year</b>		<b>914,721,924</b>	<b>3,060,631,836</b>	<b>1,003,528,740</b>	<b>4,272,947,170</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		904,685,426	3,047,056,978	1,003,528,740	4,272,947,170
Minority interests of the subsidiaries		10,036,498	13,574,858	-	-
<b>Net income for the year</b>		<b>914,721,924</b>	<b>3,060,631,836</b>	<b>1,003,528,740</b>	<b>4,272,947,170</b>
<b>Basic earnings per share</b>					
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Net income attributable to equity holders of the parent					
		0.87	2.93	0.97	4.11

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 2010 and 2009**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2010	2009	2010	2009
<b>Cash flows from operating activities</b>				
Income before corporate income tax	996,644,210	3,106,168,432	1,003,528,740	4,272,947,170
Adjustments to reconcile income before corporate income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	807,490,480	945,195,421	19,487,197	19,871,483
Bad debt and doubtful accounts	15,288,747	9,698,521	-	1,124,608
Write-off and donation of equipment and computer software	893	198,980	893	198,980
Allowance for loss on investments in subsidiaries	-	-	500	-
Losses (gains) on sales of vessels and equipment	(390,280,114)	(760,279,523)	140,503	(71,428)
Share of income from investment in associate held by a subsidiary	(19,520,139)	(22,317,306)	-	-
Write-off deferred financial fees	-	2,658,544	-	2,658,544
Reversal of provisions for maritime claims	(21,282,064)	(6,056,564)	-	-
Transfer deferred financial fees to interest expense	6,214,679	-	-	-
Unrealised exchange gains	(478,037,902)	(147,277,207)	(138,036,266)	(71,439,641)
Interest expense	71,983,192	-	-	-
Interest income	(21,553,183)	(30,604,061)	(19,879,609)	(18,539,772)
Income from operating activities before changes in operating assets and liabilities	966,948,799	3,097,385,237	865,241,958	4,206,749,944
Operating assets (increase) decrease				
Trade accounts receivable	(9,054,378)	11,421,117	-	-
Receivables from and advances to related parties	-	-	(13,119,495)	841,073,193
Bunker oil	(40,818,639)	(101,540,115)	-	-
Other current assets	39,143,176	99,778,639	6,096,691	10,973,907
Other non-current assets	230,472	170,000	220,672	-
Operating liabilities increase (decrease)				
Trade accounts payable	(33,521,417)	(71,222,999)	(1,705,130)	(1,088,338)
Payables to and advances from related parties	-	-	832,786,661	565,040,441
Advances received from charterers	(31,495,386)	(132,863,640)	-	-
Other current liabilities	(78,590,605)	(126,415,743)	(49,501,429)	(8,382,805)
Other non-current liabilities	(96,365,910)	(44,839,047)	(88,707,287)	(40,345,547)
Cash flows from operating activities	716,476,112	2,731,873,449	1,551,312,641	5,574,020,795
Cash paid for corporate income tax and withholding tax deducted at source	(107,454,845)	(43,542,340)	(3,820,331)	(8,037,035)
<b>Net cash flows from operating activities</b>	<b>609,021,267</b>	<b>2,688,331,109</b>	<b>1,547,492,310</b>	<b>5,565,983,760</b>

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 2010 and 2009**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2010	2009	2010	2009
<b>Cash flows from investing activities</b>				
Dividend received from associate held by a subsidiary	3,413,510	-	-	-
Acquisitions of equipment and payment of dry-dock and special survey expenses	(960,957,975)	(1,017,346,044)	(3,868,030)	(462,474)
Acquisitions of computer software	(930,250)	(2,871,500)	(930,250)	(2,871,500)
Cash paid for advances for vessel constructions	(1,651,508,412)	(3,016,580,891)	(216,147,434)	(3,016,580,891)
Proceeds from sales of vessels and equipment	827,307,252	2,369,562,680	161,154	308,410
Increase in investments in subsidiaries	(92)	-	(49,000,000)	(40,014,500)
Increase in investment in jointly controlled entity	-	-	(33)	-
Cash received (paid) in advance for share acquisition in associate held by a subsidiary	11,538,699	(11,538,699)	-	-
Advances received from vessel sales	-	29,158,895	-	-
Increase in short-term loans to subsidiary	-	-	-	(2,029,593,961)
Increase in long-term loan to jointly controlled entity	-	-	(275,970,060)	-
Interest income	21,553,183	30,604,061	19,879,609	18,539,772
<b>Net cash flows used in investing activities</b>	<b>(1,749,584,085)</b>	<b>(1,619,011,498)</b>	<b>(525,875,044)</b>	<b>(5,070,675,144)</b>
<b>Cash flows from financing activities</b>				
Cash paid for interest expense	(131,772,428)	(61,612,094)	(59,789,236)	(61,612,094)
Cash paid for deferred financial fees	(110,062,114)	(2,948,050)	(104,381,324)	(2,948,050)
Cash received from long-term loans	1,053,105,372	3,741,608,040	199,099,167	3,007,335,540
Repayment of long-term loans	(31,298,906)	-	-	-
Dividends paid to the Company's shareholders	(1,299,195,572)	(2,078,740,136)	(1,299,195,572)	(2,078,740,136)
<b>Net cash flows from (used in) financing activities</b>	<b>(519,223,648)</b>	<b>1,598,307,760</b>	<b>(1,264,266,965)</b>	<b>864,035,260</b>
Decrease in translation adjustments	(6,185,461)	(141,369,911)	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,665,971,927)</b>	<b>2,526,257,460</b>	<b>(242,649,699)</b>	<b>1,359,343,876</b>
Cash and cash equivalents at beginning of year	5,876,282,201	3,350,024,741	2,274,181,628	914,837,752
Add: Cash and cash equivalents of subsidiaries as at acquisition date	92	-	-	-
<b>Cash and cash equivalents at end of year</b>	<b>4,210,310,366</b>	<b>5,876,282,201</b>	<b>2,031,531,929</b>	<b>2,274,181,628</b>
	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 2010 and 2009**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2010	2009	2010	2009
<b>Supplemental cash flows information</b>				
Non-cash transactions				
Dividend income from subsidiaries offset against receivables from/payables to subsidiaries	-	-	1,530,297,884	4,700,110,297
Amortisation of revaluation surplus on assets of subsidiary - the Company's interest	56,164,102	20,312,875	-	-
Amortisation of revaluation surplus on assets of subsidiary - minority interest	112	630	-	-
Transfer of deferred financial fees to advances for vessel constructions	3,200,761	8,453,843	3,195,662	8,453,843
Transfer of interest expense to advances for vessel constructions	59,550,965	63,727,140	59,492,900	63,727,140
Transfer of deferred financial fees to present as a deduction from long-term loans	21,293,600	31,322,921	4,326,233	10,513,924
Transfer of deferred financial fees to subsidiary in proportion to the drawdown amount	-	-	21,766,947	20,808,997
Transfer of deferred financial fees to interest expense	6,214,679	-	-	-
Adjustment of deferred financial fees and advances for vessel constructions	(6,201,347)	-	(6,201,347)	-

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