

Ref: 2017-011

28th April 2017

To : The President of the Stock Exchange of Thailand

Subject : Submitting the Reviewed Interim Financial Statements for the three month period ended 31 March 2017 and 2016.

We hereby report the Interim Financial Statements of Precious Shipping Public Company Limited and its subsidiaries (“the Company”) reviewed by Auditors, for the three month period ended 31 March 2017 and 31 March 2016 together with the summarized operating results (Form 45-3).

For the three month period ended 31 March 2017, the Company has incurred a consolidated net loss of Baht 59.29 million as compared to net loss of Baht 1,211.35 million incurred during the same period in 2016. The main reasons for changes are as follows:

1. The absolute Net Vessel Operating Income (Vessel Operating Income net of voyage disbursements and bunker consumption) in this quarter has increased in spite of the fact that the income was earned from an average of 36 vessels during the first quarter of 2017 as against an average of 44 vessels in the same period of 2016, by about 42 percent as compared to the same period of 2016 mainly due to the increase in the average earnings per day per Vessel from USD 4,797 in the first quarter of 2016 to USD 8,588 in this quarter as a consequence of the market improvement from the severely prolonged weakness in the dry bulk shipping sector. The fleet size as on 31 March 2017 was 36 vessels.
2. For the first quarter of 2017, the absolute Vessel running expenses are lower by 23 percent as compared to the same period of 2016, mainly due to the decrease in the average Vessel operating expenses (Opex) per day per Vessel (including depreciation/amortisation of Drydocking/Special Survey expenses) from USD 4,528 for the first quarter of 2016 to USD 4,208 in this quarter, mainly on account of lower drydocking and special survey expenses..
3. The depreciation for the first quarter of 2017 is lower by Baht 100.22 million as compared to the same period of 2016 due to the decrease in the number of vessels from the sale of 13 old vessels during last year.
4. The Company recorded loss on sale of old vessels and loss on impairment of vessels aggregating Baht 493.80 million in the first quarter of 2016. No such losses have been recorded in this period as most of our old vessels have already been sold.

5. Finance cost for the first quarter of 2017 is lower by Baht 167.32 million as compared to the same period of 2016 as there was a one-time write-off in the first quarter of 2016 of Baht 182.25 million on deferred upfront fees and other expenses related to the cancellation of certain loan facilities. However, interest expenses on long term debt (Bank Loans and Debentures) for the first quarter of 2017 increased by Baht 22.88 million as compared to the same period of 2016.

Please be informed accordingly.

Yours sincerely,
Precious Shipping Public Company Limited

Khalid Moinuddin Hashim
Managing Director

Khushroo Kali Wadia
Director