

Ref: 2018-009

3rd May 2018

To : The President of the Stock Exchange of Thailand

Subject : Submitting the Reviewed Interim Financial Statements for the three months period ended 31 March 2018 and 2017.

We hereby report the Interim Consolidated Financial Statements of Precious Shipping Public Company Limited and Subsidiaries (“the Company”) reviewed by EY Office Limited, Auditors, for the three months period ended 31 March 2018 and 31 March 2017 together with the summarized operating results (Form 45-3). The reasons for changes in the operating results are explained below.

For the three months period ended 31 March 2018, the Company has earned a consolidated net profit of Baht 107.67 million as compared to the net loss of Baht 59.29 million incurred during the same period in 2017. 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 by about 15 percent as compared to the same period of 2017 in spite of the lower exchange rate used in translation from US Dollar to Thai Baht during this quarter as compared to the first quarter of 2017. The increase is mainly due to the increase in the average earnings per day per Vessel from USD 8,588 in the first quarter of 2017 to USD 10,965 in this quarter as a consequence of the continued strength of the Dry Bulk Freight Markets during this quarter. . The fleet size as on 31 March 2018 and 2017 was 36 vessels.
2. For the first quarter of 2018, the absolute Vessel running expenses are lower by 9 percent as compared to the same period of 2017, mainly due to the lower exchange rate used in translation from US Dollar to Thai Baht. However, the average Vessel operating expenses (Opex) per day per Vessel (including depreciation/amortisation of Drydocking/Special Survey expenses) have increased from USD 4,208 in the first quarter of 2017 to USD 4,482 in this quarter, mainly on account of higher drydocking and special survey expenses.
3. Administrative expenses for the first quarter of 2018 are higher by Baht 26.12 million as compared to the same period of 2017, mainly due to the professional fees and other expenses related to the ongoing arbitrations with Sainty Shipyard.

Please be informed accordingly.

Yours sincerely,
Precious Shipping Public Company Limited

Khalid Moinuddin Hashim
Managing Director

Khushroo Kali Wadia
Director