

Ref. : 2014-002

7th February 2014

To : The President of the Stock Exchange of Thailand

Subject : Submitting the Audited Consolidated Financial Statements for the year ended and as at 31 December 2013 and 2012.

We, Precious Shipping Public Company Limited, would like to notify the Stock Exchange of Thailand that the Board of Directors' Meeting of the Company no.1/2014 held on 7th February 2014 at 14.00 hours has approved the Audited Consolidated Financial Statements of Precious Shipping Public Company Limited and Subsidiaries for the year ended and as at 31 December 2013 and 2012 which are submitted herewith.

The main reasons for changes in the operating results between the two years are explained below.

For the year ended 31 December 2013, the Company and subsidiaries ("the Company") have earned a consolidated net income of Baht 527.77 million as compared to net income of Baht 141.03 million earned during the year 2012. 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) for the year 2013 has increased by about 16 percent over the Net Vessel Operating Income for the year 2012 mainly due to the increase in number of ships operated during the year. The income has been earned from an average of 39 vessels during the year 2013 as against an average of 30 vessels in the year 2012. The fleet size as on 31 December 2013 was 40 vessels. However, the average earnings per day per Vessel have dropped from USD 8,221 for the year 2012 to USD 7,508 for the year 2013 due to the continued weakness in the Dry Bulk Freight Markets in 2013 although some improvement was noticed in the last quarter of the year.
2. For the year 2013, the absolute Vessel running expenses are higher by 33 percent as compared to the year 2012, mainly due to the increase in number of ships operated during the year as explained above. Moreover, the average Vessel operating expenses per day per Vessel (including depreciation/amortisation of Drydocking/Special Survey expenses) have slightly increased from USD 4,481 for the year 2012 to USD 4,535 for the year 2013.

3. The Company recorded gains on novation/cancellation of shipbuilding contracts Baht 935.41 million for the year 2013 which represents gain on novation/cancellation of 12 shipbuilding contracts which, for the year 2012 was about Baht 305.45 and represented gain on novation of 2 shipbuilding contracts.
4. The depreciation for the year 2013 is higher by Baht 226.42 million as compared to the year 2012 due to the increase in the number of vessels.

Please be informed accordingly.

Yours sincerely,
Precious Shipping Public Company Limited

Khalid Moinuddin Hashim
Managing Director

Khushroo Kali Wadia
Director