Eletson Holdings Inc. Reports Financial Results for the Third Quarter Ended September 30, 2017

(PIRAEUS, Greece) – November 30, 2017

Eletson Holdings Inc., today reported net loss of $31.8 million and negative operating EBITDA of $3.5 million on revenues of $49.1 million for the three months ended September 30, 2017. This compares to net loss of $17.2 million and operating EBITDA of $14.2 million on revenues of $65.5 million for the corresponding period of 2016. For the nine months ended September 30, 2017 the Company reported net loss of $55.7 million and operating EBITDA of $26.1 million on revenues of $179.9 million. This compares with net loss of $9.6 million and operating EBITDA of $83.1 million on revenues of $231.1 million for the corresponding period of 2016.

Product Tanker Business

The third quarter was a particularly slow quarter in all tanker sectors until weather-related delays in the Carribean caused market volatility which helped the market. Refining margins remained strong and utilisation rates were high for the majority of the quarter, supported by low oil prices and high products demand. Specifically, hurricane Harvey caused delays in the USG strengthening Suezmax and Aframax markets in the Atlantic Basin and temporarily caused the clean Handymax market to spike as product started moving from further afield to cover local refinery disruptions. Also, the recent earthquake in Mexico further delayed the startup of Salina Cruz, Mexico's largest refinery, which negatively impacted the Panamax sector but added strength to dirty Handymaxes. In spite of the above factors, rates in the tanker market remained depressed due to continued vessel oversupply.

As we enter the seasonally strongest period of the year, the usefulness of OPEC cuts will be magnified. Typical fourth quarter demand should result in a significant reduction of crude stocks if supply remains at the current levels. An easing to production cuts will improve overall tanker market fundamentals.

A few more ships headed for scrap this summer and scrapping activity picked up in earnest in September. If this pace continues, it should relieve some pressure in the market. In terms of fleet growth, the Aframax fleet has increased by 4.6% so far this year while the Panamax and Handymax fleets increased by 4.4% and 2.6%, respectively.

Liquefied Petroleum Gas Business

Third quarter LPG market conditions remained soft reflecting the oversupply of tonnage and strong spot prices for US Gulf-sourced product which diluted the benefit of growing Asian LPG demand. The third quarter has seen no moderation of the challenging environment of the first half of the year.

The third quarter of the year has seen only sporadic opportunities for the MGCs. The Indian market has finally ridded itself of a number of older vessels as five MGCs were removed, adding strength to that market which was visible in slightly improved spot rates. In the West the MGC market remained steady with very little fluctuation in the supply demand balance. Looking into early next year, the arbitrage on US-produced LPG is expected to be enhanced by the opening of the Marcus Hook Mariner II Atlantic coast project which is expected to increase US exports by 5-10%. At that point we expect VLGCs to revert back to their normal longer haul voyages, thus normalising returns in the MGC sector. So whilst we expect the current trading environment to continue through the end of the year, we believe continued demand growth coupled with reduced new vessel supply will positively impact rates in 2018.

The main driver for the petchem market is GDP and there has been little to stimulate global GDP during 2017. The third quarter started with renewed exports from Saudi Arabia and these have given much needed impetus to lift the market off the bottom of the current cycle. Rates have stabilised but the market needs further improvements in demand to reduce the level of the oversupply of ships before we see a return to profitable freight rates.

During the third quarter of 2017, two MGCs, one Handymax and one Handysize vessels joined the market place. The order book stands at 11 MGCs, 13 Handymax and 6 Handysize vessels, 12%, 12% and 5% respectively of the existing fleets.

Rate Performance

Overall fleet rates were 22.4% lower, as compared to the third quarter of 2016. On a sector basis, product tanker rates for our Handymax, Panamax and Aframax vessels decreased 25.4%, 7.7% and 34.5% respectively. Handysize vessels achieved 107.0% higher rates as compared to the third quarter of 2016. LPG/LEG fleet TCE rates were 32.2% lower, as compared to the third quarter of 2016. The calculation of the LPG/LEG TCE per vessel does not include one-time repositioning voyage expenses and days required to reposition the vessels into initial trade. As compared to the second quarter of 2017, fleet rates were 9.3% lower.

Average TCE rates in $/day	**For the three months ended September 30,**		**For the nine months ended September 30,**	
(rounded to the nearest hundred)	**2016**	**2017**	**2016**	**2017**
Vessel type				
Handysize	$ 4,300	$ 8,900	$ 6,800	$ 11,600
Handymax	13,400	10,000	16,300	11,300
Panamax	10,400	9,600	18,700	11,400
Aframax	14,200	9,300	17,500	13,300
LPG/LEG	14,900	10,100	18,300	12,000
Fleet	12,500	9,700	17,600	11,800

Quarterly Operating Performance

During the quarter voyage revenues decreased $16.4 million, from $65.5 million in the third quarter of 2016 to $49.1 million due to lower market rates. During the quarter, six of our vessels operated under short-term time charters.

Voyage expenses decreased $0.5 million mainly due to lower fleet available days and higher time charter employment compared to the same period last year. Operating expenses increased $1.7 million year over year mainly due to timing of expenses. Charter-in hire expenses were $4.5 million lower as the first charter-in vessel was redelivered to her owners in September 2016 and the second charter-in vessel redelivered to her owners in May 2017. Depreciation decreased $0.4 million as a result of the sale of m/t Stavornisi in July 2017 while amortisation costs decreased $0.3 million due to lower capitalised cost for drydocks occurring during the nine month period ended September 2017. General and administrative expenses increased $0.9 million year over year due to arrangement fees paid for recent facility refinancings. Loss on sale of vessel increased $4.9 million due to the sale of m/t Stavronisi compared to same period last year where no sale of vessel occurred.

Interest and finance expenses increased $0.6 million versus the prior year, as a net result of higher loan balances and increased interest levels. During the quarter other income includes $2.4 million gain regarding the Citi 200 refinancing, as a result of the write-off of an equal amount of the outstanding loan balance.

In September 2017 the Company concluded the refinancing of its Citi 200 facility with a Chinese-led financing group. With respect to the financing of the last two Aframax newbuilding vessels, during November 2017 the financing was concluded with another Chinese financial institution.

As of September 30, 2017 the Company was in breach of certain of its bank covenants. Currently, the Company is in the process of obtaining the appropriate waivers.

Prior to the date of this release, the Company engaged in discussions with certain Noteholders regarding the possibility of an exchange offer for the existing Notes; those discussions are no longer ongoing.

About Eletson

Eletson owns and operates one of the world's largest privately owned fleets of medium and long range product tankers. The fleet is presently comprised of 21 double hull tankers and also has on order four Aframax vessels scheduled for delivery in 2018. Majority-owned Eletson Gas, a joint venture with the Blackstone Group, is a world leading LPG shipping company. The fleet presently is comprised of 11 vessels – five MGCs, one Handymax and five Handysize ethylene-capable vessels. Eletson Gas also has on order four Handysize (ethylene capable) vessels scheduled for delivery in early 2018. All Eletson owned vessels are Greek flagged, with a combined capacity (excluding newbuildings) of 1.7 million dwt.

CONDENSED CONSOLIDATED BALANCE SHEET

(in thousands of US dollars)

	December 31, 2016	September 30, 2017
ASSETS		*(unaudited)*
Cash, cash equivalents, restricted cash and short term investments	$ 81,579	$ 57,211
Trade accounts receivable, net	27,154	22,105
Other current assets	36,293	21,069
Vessels under construction and advances	62,093	100,894
Vessels, net	1,049,316	997,687
Property and equipment, net	2,951	2,937
Other non current assets	9,543	12,776
Total assets	**$ 1,268,929**	**$ 1,214,679**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current portion of long-term debt	$ 124,861	$ 43,791
Short-term debt	14,727	17,003
Other current liabilities	43,394	39,410
Long term debt, net of current portion and deferred financing costs	335,337	424,678
First preferred ship mortgage notes due 2022	291,476	292,741
Other non current liabilities	888	888
Eletson Holdings Inc. stockholders' equity	355,862	298,954
Non-controlling interest	102,384	97,214
Total liabilities and stockholders' equity	**$ 1,268,929**	**$ 1,214,679**

CONSOLIDATED STATEMENT OF NET PROFIT/(LOSS) *(unaudited)*

(in thousands of US dollars)

	For the three months ended		For the nine months ended	
	September 30, 2016	September 30, 2017	September 30, 2016	September 30, 2017
Voyage revenue	$ 63,964	$ 49,059	$ 224,073	$ 177,583
Charter-in revenue	1,487	—	7,001	2,305
Total revenue	**$ 65,451**	**$ 49,059**	**$ 231,074**	**$ 179,888**
Expenses:				
Voyage expenses	$ (26,989)	$ (27,159)	$ (70,054)	$ (80,173)
Charter-in voyage expense	(624)	42	(2,190)	(821)
Vessel operating expenses	(19,666)	(21,372)	(60,968)	(61,392)
Charter-in hire expense	(4,451)	—	(13,532)	(3,295)
Depreciation	(14,371)	(14,019)	(42,521)	(42,267)
Amortisation of deferred charges	(1,245)	(979)	(4,031)	(2,884)
General and administrative expenses	(3,138)	(4,017)	(9,917)	(9,949)
Gain/(Loss) on sale of vessels	—	(4,886)	1,241	(4,886)
Profit from operations	**$ (5,033)**	**$ (23,331)**	**$ 29,102**	**$ (25,779)**
Other income/(expenses), net:				
Interest and finance expenses	$ (12,192)	$ (12,788)	$ (37,068)	$ (37,069)
Other income/(expenses)	(1,489)	2,264	(1,420)	1,329
Gain/(Loss) on derivatives	—	—	1	—
Foreign exchange gain/(loss)	161	(88)	216	657
Total other expenses, net	**$ (13,520)**	**$ (10,612)**	**$ (38,271)**	**$ (35,083)**
Net profit/(loss)	**$ (18,553)**	**$ (33,943)**	**$ (9,169)**	**$ (60,862)**
Net profit/(loss) attributable to non-controlling interest	$ (1,401)	$ (2,151)	$ 411	$ (5,170)
Net profit/(loss) attributable to Eletson Holdings Inc.	**$ (17,152)**	**$ (31,792)**	**$ (9,580)**	**$ (55,692)**
EBITDA	**$ 14,171**	**$ (3,489)**	**$ 83,134**	**$ 26,069**

RESTRICTED GROUP SELECTED FINANCIAL AND OTHER DATA

The following table summarises certain unaudited consolidated financial information and other operating data of the restricted group of Companies for the dates and periods indicated below.

	For the three months ended September 30,		For the nine months ended September 30,	
Selected restricted group financial data:	**2016**	**2017**	**2016**	**2017**
(in thousands of US dollars)				
Restricted group voyage revenue	$ 42,436	$ 39,406	$ 155,962	$ 132,390
Restricted group EBITDA [(1)]	6,045	(323)	50,771	15,392
Total assets [(2)]	709,605	687,047	709,605	687,047
Cash, restricted cash, cash equiv. and short-term inv	53,919	51,497	53,919	51,497
Total debt [(3)]	465,693	489,871	465,693	489,871

	For the three months ended September 30,		For the nine months ended September 30,	
Restricted group EBITDA reconciliation:	**2016**	**2017**	**2016**	**2017**
(in thousands of US dollars)				
Net profit/(loss)	$ (14,739)	$ (23,245)	$ (10,632)	$ (47,002)
Interest and finance expenses	9,550	9,940	29,910	28,683
Depreciation expense	9,754	9,401	29,138	28,564
Amortisation expense	1,039	888	3,323	2,494
Gain/(Loss) on sale of vessel	—	4,886	(1,241)	4,886
Other income/(expenses)	441	(2,193)	273	(2,233)
Restricted group EBITDA	**$ 6,045**	**$ (323)**	**$ 50,771**	**$ 15,392**

	For the three months ended September 30,		For the nine months ended September 30,	
Restricted group fleet data, at end of period:	**2016**	**2017**	**2016**	**2017**
Total dwt of vessels	$ 1,564,709	$ 1,496,477	$ 1,564,709	$ 1,496,477
Number of vessels [(4)]	22	21	22	21
Vessels on order	4	4	4	4
Commitments for advances of newbuildings [(5)]	179,926	159,947	179,926	159,947
TCE rate [(6)] per vessel per day [(7)]				
Handysize	$ 4,300	$ 8,900	$ 6,800	$ 11,600
Handymax	13,400	10,000	16,300	11,300
Panamax	10,400	9,600	18,700	11,400
Aframax	14,200	9,300	17,500	13,300
Daily operating expenses per vessel [(7) (8)]				
Handysize	$ 7,700	$ 6,800	$ 8,500	$ 6,300
Handymax [(9)]	5,800	6,800	5,900	6,100
Panamax [(9)]	6,700	6,700	7,100	6,900
Aframax [(9)]	6,400	9,900	7,000	8,700

(1) *EBITDA is defined as net profit from operation before taxes, depreciation expense, amortisation expense and gain/(loss) arising from disposal of vessels and other income / (expenses). EBITDA is used by analysts in the shipping industry as a common performance measure to compare results with peers. We believe that EBITDA is useful to investors as the shipping industry is capital intensive, which often requires significant costs of financing. EBITDA is not an item recognised by U.S.GAAP, and should not be considered as an alternative to net profit, profit from operations, cash flow from operating*

activity or any other indicator of a company's operating performance or liquidity required by U.S.GAAP. The definition of EBITDA used here may not be comparable to that used by other companies.

(2) *As of September 30, 2017, we did not have any goodwill or intangibles on our balance sheet.*

(3) *Total debt amount includes short-term and long-term debt, and is presented net of related loan fees of approximately $6.6 million and $8.0 million as of September 30, 2016 and 2017 respectively.*

(4) *Number of vessels that constituted our fleet as of the end of the relevant reporting period.*

(5) *Commitments for advances of newbuildings are reported gross of committed financing arrangements as of the end of each period (in thousands of dollars).*

(6) *Time charter equivalent rate ("TCE rate") is a standard industry measure of the average daily revenue performance of a vessel. TCE rate is equal to spot and time charter revenues, less voyage expenses during a period, divided by the number of available days during the period. We do not deduct commission, as commission is payable on all types of charter. Time charter equivalent revenue and TCE rate are not measures of financial performance under US GAAP and may not be comparable to similarly titled measures of other companies.*

(7) *TCE rate and Daily Operating Expenses are presented rounded to the nearest hundred.*

(8) *Daily Operating Expenses, which include crewing, repairs and maintenance, insurance, stores, lube oils and communication expenses, are calculated by dividing vessel operating expenses by the aggregate number of calendar days that we owned each vessel for the relevant time period.*

(9) *During the nine months period ended September 30, 2017, one Panamax m/t, two Aframax m/ts and one m/v MGC-LPG of our vessels underwent to planned special survey in drydock. This compares with the lack of Special Surveys during the comparative period of 2016.*

Forward Looking Information

This release contains forward-looking statements within the meaning of the U.S. securities laws. Words such as "believe," "intend," "expect," "anticipate," "plan," "may," "will" and similar expressions identify forward-looking statements. Such statements include, among others, those concerning expectations regarding the use of proceeds from the offering as well as assumptions, expectations, predictions, intentions or beliefs about future events. You are cautioned that any such forward-looking statements are not guarantees of future performance and that a number of risks and uncertainties could cause actual results to differ materially from those anticipated in the forward-looking statements. Eletson undertakes no obligation to update any such forward-looking statements.

Conference Call:

Eletson Holdings will host a conference call for qualified investors on December 4th, 2017, at 10:00 am EST at which time the senior management will provide highlights and commentary on results for the three and nine months period ended September 30, 2017.

Participants should dial into the call 10 minutes before the scheduled time. Each eligible participant will receive a separate email with further dial-in instructions and toll free numbers depending on dial-in location.

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