

Ref: 2019-018

16 December 2019

**To: The President of the Stock Exchange of Thailand**

**Subject: Reporting on the new credit facility of USD 28 million from Export-Import Bank of Thailand**

We, Precious Shipping Public Company Limited (the “Company”), would like to notify the Stock Exchange of Thailand that on 13 December 2019, the Company and certain Thai subsidiaries of the Company have executed a USD 28 million term loan facility (“Loan Facility”) with Export-Import Bank of Thailand. The purpose of the Loan Facility is for (i) redemption of any of the debentures issued by the Company, (ii) repayment/prepayment of any loan of the Company and/or its subsidiaries from financial institutions, and/or (iii) acquisition of vessels.

The summary of main terms and conditions of the Loan Facility is enclosed herewith as an attachment.

Please be informed accordingly.

Yours sincerely,  
Precious Shipping Public Company Limited

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Khalid Moinuddin Hashim  
Managing Director

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Gautam Khurana  
Executive Director

## ATTACHMENT

### Summary of main terms and conditions of the USD 28 million Loan Agreement

<b>Borrowers:</b>	Precious Shipping Public Company Limited (the “Company”), and Precious Lands Ltd., Precious Lakes Ltd., Precious Ponds Ltd., Precious Comets Ltd. and Precious Ornaments Ltd. (collectively as “Subsidiaries”)
<b>Lender:</b>	Export-Import Bank of Thailand
<b>Purpose:</b>	(i) to redeem any of the debentures issued by the Company, (ii) to repay/prepay any loan of the Company and/or its subsidiaries from financial institutions, and/or (iii) to acquire a dry bulk carrier(s) with the capacity of not more than 65,000 DWT and the age of not more than 8 years.
<b>Facility Amount:</b>	Up to USD 28 million
<b>Interest Rate:</b>	3 months LIBOR plus margin
<b>Commitment Fee:</b>	0.10% per annum on undrawn facility.
<b>Availability Period:</b>	Up to 29 January 2021
<b>Repayment:</b>	The loan shall be repaid over 7 years in 28 equal quarterly installments of 1/40 of the drawdown amount each, beginning from the end of the next quarter following the first drawdown date with balance amount repayable at the end of the 28 <sup>th</sup> quarter.
<b>Security:</b>	<ol style="list-style-type: none"> <li>1. Second priority mortgage on the 5 vessels owned by the Subsidiaries, i.e., (i) M.V. Lanna Naree, (ii) M.V. Latika Naree, (iii) M.V. Warisa Naree, (iv) M.V. Wariya Naree and (v) M.V. Wikanda Naree (“Vessels”). The first priority mortgage on the Vessels is under the facility agreement dated 17 February 2012 with the Lender.</li> <li>2. Pledge of the debt service reserve account opened with the Lender by way of entering into a business collateral agreement between the Company and the Lender.</li> </ol>
<b>Financial Covenants:</b>	<p>The Company shall comply with the following to be measured on an annual basis, based on its year-end consolidated USD Financial Statements:</p> <ol style="list-style-type: none"> <li>a) Maximum Debt to Total Shareholders’ Equity ratio of 2:1;</li> <li>b) Minimum Total Shareholders’ Equity of USD 300,000,000;</li> <li>c) Maintain a minimum Free Cash Balance of USD 100,000 per vessel owned by the Company and its subsidiaries.</li> </ol>
<b>Vessel Covenants:</b>	<ul style="list-style-type: none"> <li>• If the value of the Vessels and all the mortgaged vessels provided to the Lender as security under the facility agreement dated 17 February 2012, the facility agreement dated 29 May 2014 and the facility agreement dated 15 December 2017 is less than 125% of the total outstandings as tested on an annual basis, the Borrowers will provide additional security or prepay the excess part of the total outstandings.</li> </ul>
<b>Other Covenants:</b>	<ul style="list-style-type: none"> <li>• The Company shall remain listed on the Stock Exchange of Thailand at all times;</li> <li>• The Borrowers are not allowed to pay any dividend or other distribution to its shareholders unless they have the retained earnings and no Event of Default has occurred and is continuing.</li> </ul>