

Ref: 2017-024

18 December 2017

To: The President of the Stock Exchange of Thailand

Subject: Reporting on the new credit facility of USD 18 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 15 December 2017, the Company and Precious Forests Ltd., the Company’s subsidiary (the “Subsidiary”), have executed a USD 18 million term loan facility (“Loan Facility”) with Export-Import Bank of Thailand (“EXIM”). The purpose of the Loan Facility is reimbursement of up to 72% of the market value of one 63,345 DWT Ultramax Dry Bulk Vessel, i.e., M.V. Sunisa Naree (Hull No. SF130129 (the “Vessel”) delivered from Taizhou Sanfu Ship Engineering Co. Ltd. to the Subsidiary on 8 October 2016), with a maximum loan amount of USD 18 million.

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

Khalid Moinuddin Hashim
Managing Director

Khushroo Kali Wadia
Director

ATTACHMENT

Summary of main terms and conditions of The USD 18 million Loan Agreement

Borrowers:	Precious Shipping Public Company Limited (the “Company”) and Precious Forests Ltd. (the “Subsidiary”).
Lender:	Export-Import Bank of Thailand ("EXIM").
Purpose:	To reimburse up to 72% of the market value of the Vessel, with a maximum loan amount of USD 18 million.
Facility Amount:	Up to USD 18 million.
Interest Rate:	3 months LIBOR plus margin.
Availability Period:	Up to 30 June 2018.
Repayment:	The loan shall be repaid over 10 years in 39 equal quarterly installments of 1/55 th of the drawdown amount each, beginning from the end of the next quarter after the drawdown with balance amount repayable at the end of the 40 th quarter.
Security:	<ul style="list-style-type: none">• First priority mortgage on the Vessel; and• Pledge of shares of the Subsidiary.
Financial Covenants:	The Company shall comply with the following to be measured on an annual basis, based on its year-end consolidated USD Financial Statements: <ul style="list-style-type: none">a) Maximum Debt to Total Shareholders’ Equity ratio of 2:1;b) Minimum Total Shareholders’ Equity of USD 300,000,000;c) Maintain a minimum Free Cash Balance of USD 100,000 per vessel owned by the Company and its subsidiaries.
Vessel Covenants:	<ul style="list-style-type: none">• The Vessel shall always be registered in Thailand;• If the value of the Vessel 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.
Other Covenants:	<ul style="list-style-type: none">• PSL shall remain listed on the Stock Exchange of Thailand at all times;• The Borrowers are not allowed to pay any dividend or other distribution to its shareholders unless the Borrowers have the retained earnings and no Event of Default has occurred and is continuing.