



PT. PELAYARAN NASIONAL
BINA BUANA RAYA Tbk

Jakarta, August 26, 2020

No. Reff: 018/BBR-JKT/VIII/2020

Dear,
Dewan Komisiner Otoritas Jasa Keuangan (OJK)
Gedung Sumitro Djohadikusumo
Kompleks Perkantoran Kemenkeu RI
Jl. Lapangan Banteng Timur No. 2-4
Jakarta 10710

Up. : Chief Executive Officer for the Capital Market

Perihal : Disclosure of Information of Notice Pursuant to Clause 10.2(C) of the Final Intercreditor Deed Dated 31 May 2018

With respect,

We hereby for and on behalf of the Company submit the following Information or Material Facts as below:

Name of Issuer : PT Pelayaran Nasional Bina Buana Raya Tbk
Business Field : Shipping
Telephone : 021 - 29529461
Fax : 021 - 29529462
Email Address : corpsec@bbr.co.id

1	Date of Occurrence	August 24, 2020
2	Type of Information or Material Facts	Notice Pursuant to Clause 10.2(C) of the Final Intercreditor Deed Dated 31 May 2018
3	Description of Information or Material Facts	<p>On May 31, 2018, the Company entered into a final inter creditor agreement with the creditor which are CIMB Bank Berhad, DBS Bank Ltd., Malayan Banking Berhad, and United Overseas Bank Ltd. (hereinafter referred to as "UOB"), to agree that during the restructuring period, which is from May 31, 2018 until January 1, 2023.</p> <p>During the restructuring period, re-profiling exercise will review and revise the projected profit and loss statement, statement of financial condition and cash flow statement, as initially set out in the projection in restructuring agreement for creditors' loan payments.</p> <p>Related with the re-profiling deadline for this restructuring agreement that will expire on June 30, 2020, where the Bank Creditors unable to agree the results of the re-profiling, the terms of this restructuring agreement will expire.</p> <p>On 24 August 2020, the Company received a letter from UOB</p>



PT. PELAYARAN NASIONAL

BINA BUANA RAYA Tbk

		<p>dated 18 August 2020, where UOB has notified the Company that it requires to reinstate, with effect 1 July 2020 (or such later date to which UOB may approve in writing), all UOB's rights as mortgagee and the security interests relating to the vessel named "MP Veloce", which has been mortgaged to secure the Company's obligations.</p> <p>In addition, UOB also notified the Company to sell and assign the Company's rights, title and interest relating to UOB mortgaged vessel, which is named "MP Prevail" to Marco Polo Marine Ltd.(ultimate shareholder of the Company, hereinafter referred to as "Marcopolo") on the terms and conditions set out in a debt purchase agreement to be entered.</p>
4	<p>The impact of such occurrence, information or material facts on the operations, laws, financial condition, or business continuity of the issuer</p>	<p>Impact of Operational Activities Related with the reinstate of UOB's rights and interests in the vessel "MP Veloce", the vessel may be towed and/or sold by UOB at any time. And if the vessel "MP Veloce" is towed or delivered to UOB or a buyer appointed by UOB, this will result in a decrease in the Company's charter income. On the other hand, the Company's direct expenses will also be reduced, especially depreciation costs, and interest expenses due to loans to UOB will be reduced.</p> <p>Impact of Financial Condition The net book value of the "MP Veloce" vessel as of July 31, 2020 was approximately USD 6.0 million. If the vessel is handed over to UOB or another party, and the debt for the vessel, which is USD3.4 million as of July 31, 2020, is recognized as paid off, the Company will record a loss on the disposal of assets of USD2.6 million.</p> <p>And if UOB and Marcopolo have signed a debt sale and purchase agreement, then the portion of UOB's debt on the "MP Prevail" vessel of around USD7.6 million as of July 31, 2020, will turn into the Company's debt to Marcopolo.</p> <p>Impact of Laws There is no impact on the laws currently. However if the transfer of vessels while they are working, there is a potential claim from the charterer.</p> <p>Impact of Business Continuity There is no significant impact on the Company's business continuity. If the mortgaged vessel "MP Veloce" been transferred, the Company's asset will reduce by around 8%. However, on the other hand, the Company's debt will also be reduced by around 6% if the debt to UOB for the vessel is recognized as paid off.</p>
5	Other information	-



PT. PELAYARAN NASIONAL
BINA BUANA RAYA Tbk

Thus to be informed accordingly. Thank you for your kind attention.

Best regards,
PT Pelayaran Nasional Bina Buana Raya Tbk



Sufisan
Corporate Secretary