



PT. PELAYARAN NASIONAL  
**BINA BUANA RAYA Tbk**

Jakarta, January 06, 2021

No. Ref: 003/BBR-JKT//2021

Dear,  
**PT Bursa Efek Indonesia**  
Indonesia Stock Exchange Building Tower 1 - Lt. 6  
Jl. Jenderal Sudirman Kav. 52-53  
Jakarta 12190

**Up. Direktur Pencatatan dan Penilaian Perusahaan**

**Perihal : Disclosure of Information of Realization/Progress of Improvement of Conditions that Cause Suspension**

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	December 31, 2020
2	Type of Information or Material Facts	Realization/Progress of Improvement of Conditions that Cause Suspension
3	Description of Information or Material Facts	<p>Following Disclosure of Corporate Information previously on Plan/Progress of Improvement of Conditions dated November 03, 2020 that the Company has finalize the completion of the restructuring with DBS Bank Ltd (hereinafter referred to as "DBS"), United Overseas Bank Ltd. (hereinafter referred to as "UOB"), CIMB Bank Berhad (hereinafter referred to as "CIMB") and Malayan Banking Berhad (hereinafter referred to as "Maybank") which the creditor is already requested the Company that it requires the transfer of all the rights, title and interest in its Mortgaged Vessels to the prospective buyer. If the transfer of the rights, title and interest of the Mortgaged Vessels transferred to the buyer, then all credit facility balances to Maybank will be deemed as fully paid.</p> <p>As for the progress of the vessels handover, up to the date of this letter, all sets of tugs and barge that is secured to DBS has been fully delivered in December 2020. With this according to clause 6.4.2 Post Final Intercreditor Deed which being signed in 24 August 2020, all debts facility to DBS are deemed as fully paid.</p>



Furthermore, according to the Company's strategy to maintain its existence by looking for replacement vessels that have been/will be submitted for the completion of restructuring with the Bank's Creditors, on October 16, 2020, the Company has signed a Memorandum of Agreement for vessels, namely "MP Perkasa" and "MP Pride" with Marco Polo Offshore (VI) Pte Ltd (Marcopolo Subsidiary). Vessels handover has been performed at December 2020.

In relation to the latest developments in the operational conditions of the Company and its Subsidiaries, up to the fourth quarter of 2020, the average vessel utilization for the offshore support vessel segment and the tugboat and barge segment of the Company was 78% and 68%, respectively, with total revenue amounting to USD11 million, and a gross loss of USD1.1 million.

The following are the Company's efforts/strategies/plans in order to restore the Company's going concern for 2021:

Semester	Realization of Efforts/Strategies/Plans
1st year 2021	Perform Reverse Stock and Strengthening capital by inviting the Company's shareholders and/or strategic investors to increase capital through PMHMETD

In addition, the Company continues to strive to obtain short-term contracts and contracts from abroad for offshore support vessels at a time when the oil and gas business situation has not improved. And on an ongoing basis, the Company continues to carry out cost efficiency programs for all of the Company's business lines.

After all the loan restructuring processes are completed in 2020, Company feels the need to strengthen capital and replace vessels transferred in the restructuring process. With current conditions, support from banks is still considered difficult, so support from shareholders is the most likely and easy option to do, so the Company plans to implement PMHMETD.

And in accordance with the current financial position of the Company, the book value after the restructuring is below the nominal value of the shares, furthermore related to the terms of share trading on the Indonesia Stock Exchange Number II-A concerning Equity Securities Trading, the new shares must also be traded apart from being listed on the Indonesia Stock Exchange. For this reason, when the Company intends to issue shares with a nominal value in accordance with the book value of the Company and to attract shareholders and / or investors to participate in the implementation of the capital increase, the Company must first conduct a reverse stock before being able to implement PMHMETD.

Currently, the Company continues to coordinate with the Indonesia Stock Exchange and the Financial Services Authority for the possibility of PMHMETD and reverse stock.

The ultimate shareholder of the Company is currently the Latip family, where they have direct shares in the Company amounting to 17.76% through the ownership of PT Sinar Bintang Makmur which is 100% owned by them. In addition, they are also the controllers of Marcopolo Marine Ltd., Singapore, where one of its subsidiaries, PT Marcopolo Indonesia, owns 34.80% of the Company's shares. And until now, the ultimate shareholder of the Company is still committed to supporting the Company's business activities.



At this time, there are no other material information/facts/events that have not been disclosed. And if there is later, the Company will conduct information disclosure in accordance with applicable regulations.

4 The impact of such occurrence, information or material facts on the operations, laws, financial condition, or business continuity of the issuer

**Impact of Operational Activities**

There was a gradual decrease in the Company's revenue as a result of the delivery of the pledged vessels to the buyer as part of the restructuring settlement with the creditors. On the other hand, the Company's direct expenses are also reduced, especially depreciation costs, and interest expenses due to loans to the creditors concerned will be deemed as fully paid.

**Impact of Financial Condition**

The total net book value of vessels pledged to creditors as of December 30, 2020 is around USD 59.3 million. By transfer these vessels to the nominee(s), all debts to creditors amounting to USD50.7 million has been recognized as paid off. In the end, the Company will record a loss on the disposal of these assets amounting to USD 6.7 million.

There are difference value with the data that being submitted at 25 November 2020 on Answer and Explanation to letter No: S-06878/BEI.PP3/11/2020 regarding Information Disclosure on Condition which led to Suspension Improvement Realization/Progress Update which submitted by Company at 03 November 2020.

Value difference are mainly caused by 2 things such as Vessels delivery progress movement which impacting depreciation cost and there are additional 3 set of Tug and Barges which also included as collateral on DBS Credit Facility. These vessels are delivered and sold in 2019 with installment which completed in November 2020 so the asset net book value disposal can only processed in 2020.

Creditor Name and Vessel Guaranteed	Debt Value (USD Million)	Vessel Net Book Value (USD Million)	Gain (Loss) due to Sales of Asset (USD Million)	Debt Status
<b>DBS</b>	5,1	7,7	(2,6)	
11,5 set - 23 unit <i>Tug and Barge</i>	5,1	7,7	(2,6)	Fully Paid
<b>UOB</b>	11,0	15,1	(2,2)	
MP Veloce	3,6	5,8	(2,2)	Fully Paid
MP Prevail	7,4	9,1	n/a	Transferred*
<b>Maybank</b>	19,9	19,0	0,9	
MP Lagenda	12,1	11,8	0,3	Fully Paid
MP Manuver	7,8	7,2	0,6	Fully Paid
<b>CIMB</b>	14,7	17,5	(2,8)	
MP Prelude	7,3	8,8	(1,5)	Fully Paid



		MP Premier	7,4	8,7	(1,3)	Fully Paid
		<b>Total</b>	50,7	59,3	(6,7)	
		<p><b>Impact of Laws</b> There is no impact on the laws as of now.</p> <p><b>Impact of Business Continuity</b> There is no significant impact on the Company's business continuity. If all the vessels pledged as collateral to the Creditors are handed over, the Company's assets will decrease by about 71%. But on the other hand, the Company's debt will also be reduced by around 78% because the debt to creditors will be recognized as being paid off.</p> <p>In the end, the Company will continue to operate with 3 offshore support vessels which are guaranteed to Marcopolo, and 4.5 sets of tugboats and barges and 1 unit of self-propelled barge which is free of collateral.</p>				
5	Other information	-				

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

Best regards,  
PT Pelayaran Nasional Bina Buana Raya Tbk



**Tjhang Yandy**  
Corporate Secretary