

Ref: 2021-017

15 November 2021

To : The President of the Stock Exchange of Thailand (“SET”)

Subject : Reporting on a connected transaction

We, Precious Shipping Public Company Limited (the “Company”), hereby notify the SET that the Meeting of the Board of Directors of the Company No. 5/2021 held on Monday, 15th November 2021 has approved a connected transaction, being the purchase of one condominium unit at Prestige Towers Condominiums (“Transaction”) per details below:

1. Date of Transaction: The Board of Directors approved the Transaction on 15th November 2021. However, the actual signing of the sale and purchase agreement for the Transaction and the registration thereof will be completed within the next three months.

2. The parties involved:

Buyers: Great Circle Shipping Agency Limited (“Subsidiary”), a wholly owned Thai subsidiary of the Company.

Sellers: Mr. Khalid Moinuddin Hashim and Mr. Munir Moinuddin Hashim.

3. The general characteristics of the Transaction:

The Subsidiary as the Buyers will purchase from the Sellers one condominium unit at Prestige Towers Condominium located at 168/21, Tower A, Soi Sukhumvit 23, Klongtoey Nue Sub-district, Wattana District, Bangkok (“Property”).

4. Details of the Property:

One fully furnished and free of encumbrances condominium unit no. 168/21 at Tower A, Prestige Towers Condominium built in 1992, with the total area of 249.94 sq. m. (2 Living Rooms/Kitchen, 3 Bedrooms and 4 Bathrooms), with the right to use 1 car park exclusively.

5. The total value of the consideration and payment terms:

The purchase price of the Property is THB 7.50 million (“Purchase Price”) which is lower than the market price of THB 13.50 million (THB 54,000 per sq. m.) pursuant to the valuation report dated 12th October 2021 prepared by American Appraisal (Thailand) Ltd., an independent valuer which is in the list of valuers approved by The Securities and Exchange Commission.

The payment of the Purchase Price will be one time in cash on the signing of the sale and purchase agreement and the registration of transfer of title at the Land Department. The fees, taxes, stamp duty and relevant expenses in relation to the registration of the sale and ownership transfer totaling about THB 500,000 will be borne by the Buyers.

6. Connected persons:

- 1) Mr. Khalid Moinuddin Hashim, Managing Director and Director of the Company, and Director of the Subsidiary. It should be noted that Mr. Khalid Moinuddin Hashim currently holds 121,386,275 shares (7.78%) in the Company and 1 share (0.001%) in the Subsidiary; and
- 2) Mr. Munir Moinuddin Hashim, brother of Mr. Khalid Moinuddin Hashim.

Mr. Khalid Moinuddin Hashim and Mr. Munir Moinuddin Hashim are the Sellers under this Transaction.

- 7. Objectives and Benefits of the Transaction:** The Subsidiary currently owns 29 condominium units at Prestige Towers Condominium for the purpose of the Company’s foreign employees’ accommodation and renting out to certain outside lessees. All the condominium units of the Subsidiary are fully occupied at present. In order to accommodate more new senior foreign employees (with their families), which is part of the succession plan of the Company, it is necessary for the Company to acquire more condominium units. Further, any condominium units which are not occupied by the Company personnel enjoy a high degree of marketability in the rental market which will create an opportunity to increase income of the Subsidiary and the Company. This is due to the fact that Prestige Towers Condominium is located on Soi Sukhumvit 23, which is one of the prime residential and commercial areas of Bangkok and which is within a short distance to BTS skytrain and MRT stations.

- 8. Source of funds:** The Company’s and the Subsidiary’s internal cash reserves.

9. The total value of the Transaction:

9.1 The total value of the Transaction per the connected transaction regulations:

According to the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transactions B.E. 2546, the Transaction is a connected transaction in relation to assets or services which would be about 0.06% of the Company's net tangible asset (NTA), and therefore, falls within the medium size transaction category*. Such transaction size requires the approval from the Board of Directors of the Company and disclosure to the SET.

The connected transactions in the past six months (excluding the above Transaction): None.

**Medium size transaction means a connected transaction in relation to assets or services which is either; (i) more than THB 1 million but less than THB 20 million, or (ii) more than 0.03% of NTA of the Company but less than 3% of the NTA, whichever is higher. The NTA of the Company is THB 13,571.46 million, based on the Company's reviewed consolidated financial statements as of 30 September 2021.*

9.2 The total value of the Transaction per the acquisition and disposition of assets transaction regulations:

According to the Notification of the Stock Exchange of Thailand regarding Acquisition and Disposition of the Assets, the Transaction would be about 0.03% of the Company's Total Assets (TA)*. Such transaction size is not subject to any particular disclosure requirement under the Rules, Procedures and Disclosure of Information of the Stock Exchange of Thailand regarding the Acquisition and Disposition of Assets of Listed Companies.

The acquisition transactions in the past six months (excluding the above Transaction): None.

**The Company's TA is THB 23,438.53 million, based on the Company's reviewed consolidated financial statements as of 30 September 2021.*

10. Opinion of the Board of Directors:

The Board of Directors of the Company considered the Transaction at the Board of Directors Meeting No. 5/2021 held on Monday, 15th November 2021, and is of the opinion that the Transaction is appropriate and for the benefit of the Company in accordance with the aforementioned Objectives and Benefits of the Transaction. The Purchase Price is also much lower than the market price. Therefore, the Board

of Directors of the Company approved the Transaction. None of the members of the Board of Directors had a dissenting opinion. Mr. Khalid Moinuddin Hashim was not present at the meeting during the above discussions and did not vote for this resolution.

11. Opinion of the Audit and Corporate Governance Committee:

The Audit & Corporate Governance Committee considered this Transaction at the Audit & Corporate Governance Committee Meeting No. 4/2021 held on Monday, 10th November 2021, and is of the opinion that the Transaction is appropriate and for the benefit of the Company in accordance with the aforementioned Objectives and Benefits of the Transaction. The Purchase Price is also much lower than the market price. Therefore, the Audit & Corporate Governance Committee approved the Transaction. None of the members of the Audit & Corporate Governance Committee had a dissenting opinion.

Please be informed accordingly.

Yours sincerely,
Precious Shipping Public Company Limited

Gautam Khurana
Executive Director