



Joint Opportunities with KEXIM

A Brief Guide to KEXIM Maritime Financing Programs

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Specially Mandated Institution

- Established in 1976 pursuant to the special act - *The Export-Import Bank of Korea Act*
- Export Credit Agency mandated by the Korean Government to promote export competitiveness of Korean goods and services

100% owned by the Government

- The Government fully owns KEXIM's capital directly and indirectly through other governmental arms
- KEXIM's Chairman & President is appointed by the President of Korea

Par with Sovereign Ratings



Aa2

(Stable)



AA

(stable)

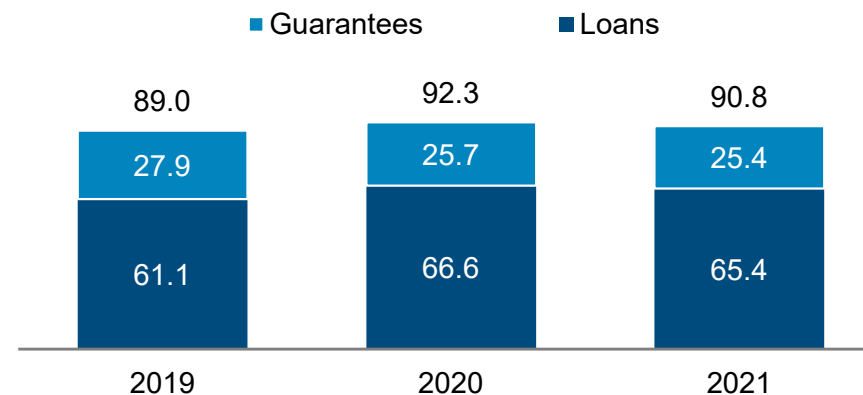


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(Stable)

Total Outstanding

(in \$ billions)

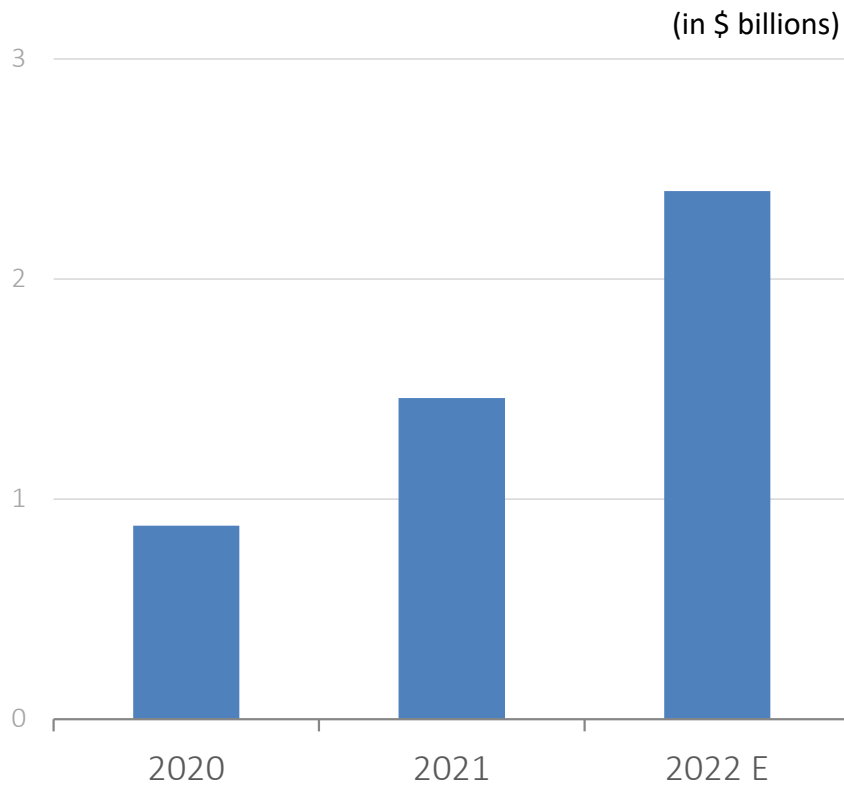


Financial Performance

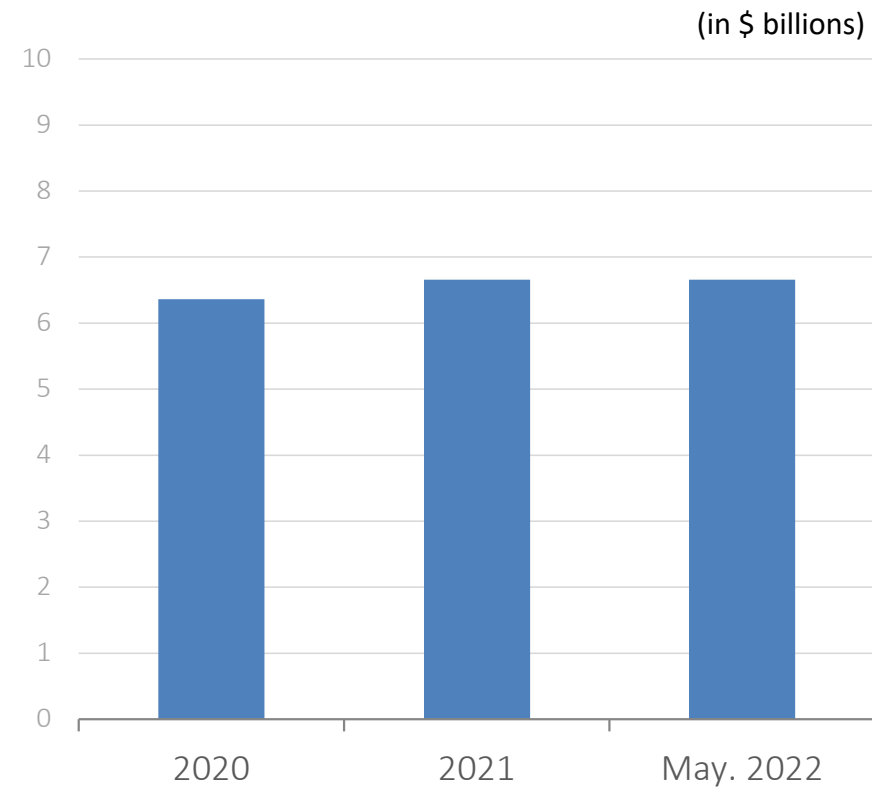
(in \$ billions)

	2019	2020	2021
Commitments	53.8	64.2	66.9
Loans	45.2	55.5	52.8
Guarantees	8.6	8.7	14.1
Disbursements	51.3	62.0	63.1
Loans	44.1	54.1	52.8
Guarantees	7.2	7.9	10.3

Record of KEXIM's Credit Commitments to Foreign Ship-Owners



Record of KEXIM's Credit Outstanding to Foreign Ship-Owners



KEXIM's Container shipping market outlook

- Recorded the highest freight rate level ever due to logistics congestion, etc. in 2021.
- High freight rates are expected to continue until 2022.
- After 2023, freight rates are expected to decline due to the delivery of a large number of recently ordered ships, etc.
- However, the effect of new deliver is expected to be somewhat suppressed due to the ship disposal and deceleration of medium and large ships to comply with stricter environmental regulations, so it is unlikely that it will lead to an extreme drop in the market.

KEXIM's Tanker market outlook

- Tanker market continued to stagnate in 2021 due to restrictions on production in oil-producing countries.
- Oil demand is expected to increase rapidly in 2022 due to the global economic recovery and the return from COVID-19, and it is expected to recover to the pre-COVID-19 level.
- Therefore, the overall tanker market will improve in 2022.
 - Oil tankers market is expected to improve very gradually due to the impact of vessels used for storing crude oil in stock when they return to the shipping market due after a decrease in inventories.
 - The product tanker market is expected to improve to a relatively decent level compared to the oil tanker market as fewer ships are used for storage.

KEXIM's LNG Carrier market outlook

- Despite concerns for oversupply in 2021 when the number of LNG carrier delivery was expected to be all time high, external factors such as the increase in US export and Chinese import resulted in a decent market trend.
- Considering the continuous increase in demand for LNG and the high ratio of low-efficiency ships (30% or more) in the LNG carrier market, supply and demand control and market recovery through large-scale ship disposal are possible.
- The LNG carrier shipping market is expected to remain at a favorable level due to steady expected increase in demand for and trade of LNG until at least 2035.

KEXIM's LPG Carrier market outlook

- Throughout 2021, the LPG shipping market had shown high volatility from the beginning of the year due to a mixture of increasing and decreasing factors.
- Although the market was weaker than that of the previous year, it overall maintained a decent level.
- The market is expected to fall slightly in 2022 due to an increase in the capacity, but the overall forecast implies a relatively decent outlook as countries of large demand are recovering from COVID-19.

High capability of financial solutions

- Various kinds of financial services from loans and guarantees to financial advisory/arrangement services.
- Total solution provider

Established experience and expertise

- Comprehensive understanding of the market and clients
- Established experience in shipping industry
- Research Institute and Engineering and Environment Advisory Department

Extensive global network

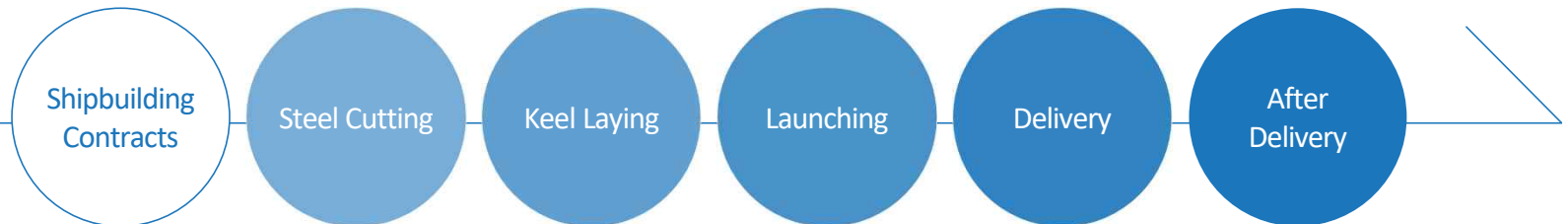
- 24 Representative Offices, 4 Overseas Subsidiaries and 5 Liaison Officers in 28 Countries
- 7 Secondees to Multilateral Development Banks/International Organizations
- 188 MOUs with 170 institutions in 60 countries

- KEXIM provides total financing solution during the shipbuilding process for both of shipbuilding companies and ship-Owners.

Financial Support
for
Shipbuilding Companies

Export-Related Performance Guarantee
(Refund Guarantee, Contract-Related Performance Guarantee, etc.)
Export Project Loan

Shipbuilding
Process



Financial Support
for
Ship-Owners

Pre-Delivery Financing & Post-Delivery Financing
(Direct Loan, Financial Guarantee, Bond Guarantee, Fund)

Loan

- Sufficient amount for large-scale project
 - ➔ Increase the possibility of successful project implementation and debt financing

- Preferable tenor
 - ➔ Strengthen the stability of the projects

- Competitive pricing
 - ➔ Ensure the projects to be sound and profitable

- Assure pari passu status with KEXIM for security issue
 - ➔ Mitigate credit risk and encourage the participation of commercial banks as senior lenders

Financial Guarantee

- Comprehensive and unconditional guarantee
 - ➔ Successful implementation of project by attracting liquidity in the market
- Cover all of the principal and interest
 - ➔ Repayment protection for commercial bank during entire project life

Export-Related Performance Guarantee

- 100 % guarantee that Korean shipbuilding companies will perform as contracted
 - ➔ Guarantee that the foreign importer will be reimbursed for project related losses within the amount stipulated in the contract
- Refund Guarantee, Contract-Related Performance Guarantee, etc.

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Highlights of KEXIM's Maritime Financing (2019~2022)

<p>First Omega Shipping Inc.</p>  <p>First Omega Shipping Inc.</p> <p>USD 737,880,000</p> <p>10 Container Ships</p>	<p>Angelicooussis</p>  <p>ANGELICOUSSIS GROUP</p> <p>USD 688,700,000</p> <p>2 LNG Carriers 6 Tankers</p>	<p>LNGShips</p>  <p>LNGShips</p> <p>USD 573,969,000</p> <p>7 LNG Carriers</p>	<p>Seaspan</p>  <p>seaspan</p> <p>USD 534,562,000</p> <p>10 Container Ships</p>	<p>Flex LNG</p>  <p>FLEX LNG</p> <p>USD 379,000,000</p> <p>5 LNG Carriers</p>
<p>Thenamaris</p>  <p>THENAMARIS</p> <p>USD 355,519,000</p> <p>4 LPG Carriers 2 LNG Carriers 4 Tankers</p>	<p>GasLog</p>  <p>GASLOG</p> <p>USD 351,330,000</p> <p>7 LNG Carriers</p>	<p>Quantum Pacific Shipping Ltd</p>  <p>QUANTUM PACIFIC SHIPPING</p> <p>USD 325,520,000</p> <p>3 Container Ships</p>	<p>KNOT</p>  <p>KNOT Knutsen NYK Offshore Tankers</p> <p>USD 153,000,000</p> <p>2 Tankers</p>	<p>Byzantine Maritime</p>  <p>Byzantine Maritime</p> <p>USD 62,400,000</p> <p>2 LPG Carriers 1 Tanker</p>

Highlights of KEXIM's Maritime Financing in Greece

Company	Financing Amount (USD)	Vessels		
Angelicooussis USD 1,193,076,000 11 Tankers 5 LNG Carriers	GasLog USD 951,038,000 17 LNG Carriers	Thenamaris Group USD 753,019,000 8 LPG Carriers 5 LNG Carriers 12 Tankers	Dryships USD 602,800,000 4 LPG Carriers 4 Tankers 2 Drillships	LNGShips USD 573,969,000 7 LNG Carriers
Danaos USD 481,256,000 10 Container Ships	Tsakos Energy Nav. USD 343,540,000 6 Tankers 1 LNG Carriers	KNOT USD 309,347,000 5 LNG Carriers	Ocean Rig USD 300,000,000 1 Drillships	Byzantine Maritime USD 62,400,000 2 LPG Carriers 1 Tanker

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Overseas Subsidiaries	Secondees to MDBs/IOs		Liaison Officers	
<ul style="list-style-type: none"> • London, UK • Hong Kong • Ho Chi Minh City, Vietnam • Jakarta, Indonesia 	<ul style="list-style-type: none"> • ADB (2) • IDB (1) • IDB Invest (1) 	<ul style="list-style-type: none"> • IBRD (1) • EBRD (1) • OECD (1) 	<ul style="list-style-type: none"> • Iran • Saudi Arabia • France (OECD DAC) 	<ul style="list-style-type: none"> • Mongolia • Lao PDR

	Direct Loan	Financial Guarantee
Applicant	Borrower	
Beneficiary	Borrower	Commercial Banks
Tenor	Up to 12 years after delivery	
Maximum Amount	Within the amount stipulated in OECD Arrangement (Up to 80% of the contract price)	
Repayment	Quarterly or semi-annual equal instalments	
Security Package	Mortgage, Assignment of Earnings, Pledges over Earning Accounts, etc.	

Strengths of ECA financing

- Competitive pricing and loan portion
- Cooperative relationships with global commercial banks

Application of OECD Arrangement

- As Korean Government is the member of OECD, Korea Eximbank follows the Arrangement on Officially Supported Export Credits.

Constraints due to OECD Arrangement

- Tenor
- Full payout equal principal repayments





Thank You !

- For more information, Visit us at www.koreaexim.go.kr
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