Seanergy Maritime Holdings Corp.
Form 6-K
December 04, 2018

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of December 2018

Commission File Number: 001-34848

SEANERGY MARITIME HOLDINGS CORP.
(Translation of registrant's name into English)

154 Vouliagmenis Avenue
166 74 Glyfada
Athens, Greece
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F [X] Form 40-F [ ]

Indicate by check mark if the registrant is submitting the Form 6-K in paper as
permitted by Regulation S-T Rule 101(b)(1): ___

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)7: ___

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached to this Report on Form 6-K as Exhibit 99.1 is Management's Discussion and Analysis of Financial Condition and Results of Operations and the Unaudited Interim Consolidated Financial Statements of Seanergy Maritime Holdings Corp. (the "Company") for the nine months ended September 30, 2018.

Attached to this Report on Form 6-K as Exhibit 101 is the following financial information from the Company's Unaudited Interim Consolidated Financial Statements for the nine months ended September 30, 2018, formatted in Extensible Business Reporting Language (XBRL): (i) Consolidated Balance Sheets as of September 30, 2018 (unaudited) and December 31, 2017; (ii) Unaudited Interim Consolidated Statement of Loss for the nine-month periods ended September 30, 2018 and 2017; (iii) Unaudited Interim Consolidated Statements of Stockholders' Equity for the nine-month periods ended September 30, 2018 and 2017; (iv) Unaudited Interim Consolidated Statements of Cash Flows for the nine-month periods ended September 30, 2018 and 2017; and (v) Notes to Unaudited Interim Consolidated Financial Statements.

This Report on Form 6-K and the exhibits hereto are hereby incorporated by reference into the Company's Registration Statements on Form F-3 (File Nos. 333-226796, 333-166697, 333-169813 and 333-214967).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SEANERGY MARITIME HOLDINGS CORP.
(Registrant)

Dated: December 4, 2018

/s/ Stamatios Tsantanis
By: Stamatios Tsantanis
Chief Executive Officer

EXHIBIT 99.1

Forward-Looking Statements

This report contains certain forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements regarding our or our management's expectations, hopes, beliefs, intentions or strategies regarding the future and other statements that are other than statements of historical fact. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "might", "plan", "possible", "potential", "predict", "project", "should", "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements in this report are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections. As a result, you are cautioned not to rely on any forward-looking statements.

In addition to these important factors and matters discussed elsewhere herein, important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include among other things:

- changes in shipping industry trends, including charter rates, vessel values and factors affecting vessel supply and demand;
- changes in seaborne and other transportation patterns;
- changes in the supply of or demand for drybulk commodities, including drybulk commodities carried by sea, generally or in particular regions;
- changes in the number of newbuildings under construction in the drybulk shipping industry;
- changes in the useful lives and the value of our vessels and the related impact on our compliance with loan covenants;
- the aging of our fleet and increases in operating costs;
- changes in our ability to complete future, pending or recent acquisitions or dispositions;
- our ability to achieve successful utilization of our expanded fleet;
- changes to our financial condition and liquidity, including our ability to service our indebtedness;
- risks related to our business strategy, areas of possible expansion or expected capital spending or operating expenses;
- changes in the availability of crew, number of off-hire days, classification survey requirements and insurance costs for the vessels in our fleet;
- changes in our ability to leverage the relationships and reputation in the drybulk shipping industry of our third-party managers, V.Ships Limited, our technical manager, and Fidelity Marine Inc., our commercial manager;

- changes in our relationships with our contract counterparties, including the failure of any of our contract counterparties to comply with their agreements with us;
- loss of our customers, charters or vessels;
- damage to our vessels;
- potential liability from future litigation and incidents involving our vessels;
- our future operating or financial results;
- acts of terrorism and other hostilities;
- changes in global and regional economic and political conditions;
- changes in governmental rules and regulations or actions taken by regulatory authorities, particularly with respect to the drybulk shipping industry; and
- other factors listed from time to time in registration statements, reports or other materials that we have filed with or furnished to the U.S. Securities and Exchange Commission, including our most recent annual report on Form 20-F.

These factors could cause actual results or developments to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors also could materially harm our results or developments. Consequently, there can be no assurance that actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, us. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. If one or more forward-looking statements are updated, no inference should be drawn that additional updates will be made with respect to those or other forward-looking statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis should be read in conjunction with our unaudited interim consolidated financial statements and related notes included herein. Unless the context indicates otherwise, references to the "Company", "we" or "our" include Seanergy Maritime Holdings Corp. and its subsidiaries. This discussion contains forward-looking statements that reflect our current views with respect to future events and financial performance. Our actual results may differ materially from those anticipated in these forward-looking statements.

Operating Results

Factors Affecting our Results of Operations Overview

We are an international shipping company specializing in the worldwide seaborne transportation of drybulk commodities. We currently operate a modern fleet of ten dry bulk carriers, all Capesizes, with a combined cargo-carrying capacity of approximately 1,748,581 dwt and an average fleet age of about 9.7 years.

Important Measures for Analyzing Results of Operations

We use a variety of financial and operational terms and concepts. These include the following:

Ownership days. Ownership days are the total number of calendar days in a period during which we owned or chartered in on bareboat basis each vessel in our fleet. Ownership days are an indicator of the size of our fleet over a period and affect both the amount of revenues and the amount of expenses recorded during that period.

Available days. Available days are the number of ownership days less the aggregate number of days that our vessels are off-hire due to major repairs, dry-dockings, lay-up or special or intermediate surveys. The shipping industry uses available days to measure the aggregate number of days in a period during which vessels are available to generate revenues.

Operating days. Operating days are the number of available days in a period less the aggregate number of days that our vessels are off-hire due to unforeseen circumstances. Operating days include the days that our vessels are in ballast voyages without having fixed their next employment. The shipping industry uses operating days to measure the aggregate number of days in a period during which vessels could actually generate revenues.

Fleet utilization. Fleet utilization is the percentage of time that our vessels were generating revenues, and is determined by dividing operating days by ownership days for the relevant period.

Off-hire. The period a vessel is not being chartered or is unable to perform the services for which it is required under a charter.

Dry-docking. We periodically dry-dock each of our vessels for inspection, repairs and maintenance and any modifications to comply with industry certification or governmental requirements.

Time charter. A time charter is a contract for the use of a vessel for a specific period of time (period time charter) or for a specific voyage (trip time charter) during which the charterer pays substantially all of the voyage expenses, including port charges, bunker expenses, canal charges and other commissions. The vessel owner pays the vessel operating expenses, which include crew costs, provisions, deck and engine stores and spares, lubricants, insurance, maintenance and repairs. The vessel owner is also responsible for each vessel's dry-docking and intermediate and special survey costs. Time charter rates are usually fixed during the term of the charter. Prevailing time charter rates do fluctuate on a seasonal and year-to-year basis and may be substantially higher or lower from a prior time charter agreement when the subject vessel is seeking to renew the time charter agreement with the existing charterer or enter into a new time charter agreement with another charterer. Fluctuations in time charter rates are influenced by changes in spot charter rates.

Bareboat charter. A bareboat charter is generally a contract pursuant to which a vessel owner provides its vessel to a charterer for a fixed period of time at a specified daily rate. Under a bareboat charter, the charterer assumes responsibility for all voyage and vessel operating expenses and risk of operation.

Voyage charter. A voyage charter is generally a contract to carry a specific cargo from a load port to a discharge port for an agreed-upon total amount. Under voyage charters, voyage expenses, such as port charges, bunker expenses, canal charges and other commissions, are paid by the vessel owner, who also pays vessel operating expenses.

TCE. Time charter equivalent, or TCE, rate is defined as our net revenue less voyage expenses during a period divided by the number of our operating days during the period. Voyage expenses include port charges, bunker expenses, canal charges and other commissions.

Principal Factors Affecting Our Business

The principal factors that affect our financial position, results of operations and cash flows include the following:

- number of vessels owned and operated;
- voyage charter rates;
- time charter trip rates;
- period time charter rates;
- the nature and duration of our voyage and time charters;
- vessels repositioning;
- vessel operating expenses and voyage costs;
- maintenance and upgrade work;
- the age, condition and specifications of our vessels;
- issuance of our common shares and other securities;
- amount of debt obligations; and
- financing costs related to debt obligations.

We are also affected by the types of charters we enter into. Vessels operating on period time charters and bareboat time charters provide more predictable cash flows, but can yield lower profit margins than vessels operating in the spot charter market, either on trip time charters or voyage charters, during periods characterized by favorable market conditions.

Vessels operating in the spot charter market generate revenues that are less predictable, but can yield increased profit margins during periods of improvements in drybulk rates. Spot charters also expose vessel owners to the risk of declining drybulk rates and rising fuel costs in case of voyage charters. All of our vessels in the nine month periods ended September 30, 2018 and 2017 operated in the spot charter market, except for (i) the Lordship which was employed in June 2017 on a time charter for a period of about 18 months to about 22 months, (ii) the Partnership which was employed in June 2017 on a time charter for a period of about 12 months to about 18 months (iii) the Guardianship which was employed in June 2018 on a time charter for a period of about minimum 5 months to about 7 months and (iv) the Gladiatorship which was employed in May 2018 on a short-term time charter for a period of about 4 months to about 6 months.

Results of Operations
Nine months ended September 30, 2018 as compared to nine months ended September 30, 2017
(In thousands of U.S. Dollars, except for share and per share data)

	Nine months ended September 30,		Change	
	2018	2017	Amount	%
Revenues:				
Vessel revenue, net	64,529	50,545	13,984	28 %
Expenses:				
Voyage expenses	(27,188)	(26,084)	(1,104)	4 %
Vessel operating expenses	(15,276)	(14,049)	(1,227)	9 %
Management fees	(792)	(752)	(40)	5 %
General and administrative expenses	(4,547)	(3,298)	(1,249)	38 %
Depreciation and amortization	(8,789)	(8,384)	(405)	5 %
Impairment loss	(6,878)	-	(6,878)	-
Operating income/ (loss)	1,059	(2,022)	3,081	152 %
Other expenses:				
Interest and finance costs	(18,869)	(12,440)	(6,429)	52 %
Gain on debt refinancing	-	11,392	(11,392)	(100)%
Other, net	(73)	(27)	(46)	170 %
Total other expenses, net:	(18,942)	(1,075)	(17,867)	1,662%
Net loss before income taxes	(17,883)	(3,097)	(14,786)	477 %
Income taxes	11	(22)	33	(150)%
Net loss	(17,872)	(3,119)	(14,753)	473 %
Net loss per common share, basic	(0.48)	(0.09)		
Weighted average number of common shares outstanding, basic	36,974,075	35,591,170		

Vessel Revenue, Net - The increase was attributable to the increase in prevailing charter rates and the increase in operating days. We had 2,988 operating days in the first nine months of 2018 as compared to 2,834 operating days in the first nine months of 2017. We acquired an additional Capesize vessel in May 2017. The TCE rate increased for the nine month period ended September 30, 2018 by 45% to $12,497 compared to $8,631 for the nine month period ended September 30, 2017. TCE rate is a non-GAAP measure. Please see the reconciliation below of TCE rate to net revenues from vessels, the most directly comparable U.S. GAAP measure.

Voyage Expenses - The increase was attributable to the increase in ownership days. We had 3,003 ownership days in the first nine months of 2018 as compared to 2,852 ownership days in the first nine months of 2017. We acquired an additional Capesize vessel in May 2017.

Vessel Operating Expenses - The increase was mainly attributable to the increase in ownership days. We had 3,003 ownership days in the first nine months of 2018 as compared to 2,852 ownership days in the first nine months of 2017. We acquired an additional Capesize vessel in May 2017.

Management Fees - The increase was attributable to the increase in ownership days. We had 3,003 ownership days in the first nine months of 2018 as compared to 2,852 ownership days in the first nine months of 2017. We acquired an additional Capesize vessel in May 2017.

General and Administrative Expenses – The increase is mainly attributable to $1.2 million of stock based compensation amortization in the first nine months of 2018 for shares granted pursuant to our 2011 Equity Incentive Plan and to others, compared to $0.6 million of respective stock based compensation amortization in the first nine months of 2017.

Depreciation and Amortization – The increase was attributable to the increase in ownership days. We had 3,003 ownership days in the first nine months of 2018 as compared to 2,852 ownership days in the first nine months of 2017. We acquired an additional Capesize vessel in May 2017.

Impairment Loss – The impairment loss relates to two vessels classified as "Vessels Held for Sale" as of September 30, 2018.

Interest and Finance Costs - The increase was primarily attributable to the ATB loan facility entered into in May 2017, the May 24, 2017 loan facility entered into with Jelco Delta Holding Corp., or Jelco, a company affiliated with Claudia Restis, who is our principal shareholder, or Sponsor, the new convertible note with Jelco entered into in September 2017 and the April 10, 2018 Jelco loan facility. The weighted average interest rate on our outstanding debt and convertible promissory notes for the nine months ended 2018 and 2017 was approximately 7.52% and 5.54%, respectively.

Performance Indicators

The figures shown below are non-GAAP statistical ratios used by management to measure performance of our vessels. For the "Fleet Data" figures, there are no comparable U.S. GAAP measures.

	Nine months ended September 30,	
	2018	2017
Fleet Data:		
Ownership days	3,003	2,852
Available days(1)	2,994	2,839
Operating days(2)	2,988	2,834
Fleet utilization	99.5 %	99.4 %
Average Daily Results:		
TCE rate(3)	$12,497	$8,631
Daily Vessel Operating Expenses(4)	$5,087	$4,806

(1) During the nine months ended September 30, 2018, we incurred nine off-hire days for one vessel survey. During the nine months ended September 30, 2017, we incurred 13 off-hire days for one vessel survey.

(2) During the nine months ended September 30, 2018, we incurred 6 off-hires days due to other unforeseen circumstances. During the nine months ended September 30, 2017, we incurred 5 off-hires days due to other unforeseen circumstances.

(3) We include TCE rate, a non-GAAP measure, as we believe it provides additional meaningful information in conjunction with net revenues from vessels, the most directly comparable U.S. GAAP measure, because it assists our management in making decisions regarding the deployment and use of our vessels and in evaluating their financial performance. Our calculation of TCE rate may not be comparable to that reported by other companies. The following table reconciles our net revenues from vessels to TCE rate.

	Nine months ended September 30,	
	2018	2017
(In thousands of US Dollars, except operating days and TCE rate)		
Net revenues from vessels	$64,529	$50,545
Voyage expenses	(27,188)	(26,084)
Net operating revenues	$37,341	$24,461
Operating days	2,988	2,834
Daily time charter equivalent rate	$12,497	$8,631

(4) Vessel operating expenses include crew costs, provisions, deck and engine stores, lubricants, insurance, maintenance and repairs. Daily Vessel Operating Expenses are calculated by dividing vessel operating expenses by ownership days for the relevant time periods. The following table reconciles the Company's vessel operating expenses to the daily vessel operating expenses.

(In thousands of US Dollars, except ownership days and Daily Vessel Operating Expenses)	Nine months ended September 30, 2018	2017
Vessel operating expenses	$15,276	$14,049
Less: Pre-delivery expenses	-	343
Vessel operating expenses before pre-delivery expenses	15,276	13,706
Ownership days	3,003	2,852
Daily Vessel Operating Expenses	$5,087	$4,806

EBITDA

	Nine months ended September 30,	
	2018	2017
EBITDA reconciliation:		
Net loss	(17,872)	(3,119)
Add: Net interest expense	18,860	12,431
Add: Depreciation and amortization	8,789	8,384
Add: Taxes	(11)	22
EBITDA(1)	9,766	17,718
Add: Impairment loss	6,878	-
Less: Gain on debt refinancing	-	11,392
Adjusted EBITDA (1)	16,644	6,326

(1) Earnings before interest, taxes, depreciation and amortization ("EBITDA") represents the sum of net income/(loss), interest and finance costs, interest income, depreciation and amortization and, if any, income taxes during a period. EBITDA is not a recognized measurement under U.S. GAAP. EBITDA is presented as we believe that this measure is useful to investors as a widely-used means of evaluating operating profitability. EBITDA as presented here may not be comparable to similarly-titled measures presented by other companies. This non-GAAP measure should not be considered in isolation from, as a substitute for, or superior to, financial measures prepared in accordance with U.S. GAAP.

Liquidity and Capital Resources

Our principal source of funds has been our operating cash flows, long-term borrowings from banks and our Sponsor, and equity provided by the capital markets and our Sponsor. Our principal use of funds has primarily been capital expenditures to establish our fleet, maintain the quality of our drybulk vessels, comply with international shipping standards and environmental laws and regulations, fund working capital requirements and make principal repayments and interest payments on our outstanding debt obligations.

Our funding and treasury activities are conducted in accordance to corporate policies to maximize investment returns while maintaining appropriate liquidity for both our short and long term needs. This includes arranging borrowing facilities on a cost-effective basis. Cash and cash equivalents are held primarily in U.S. dollars, with minimal amounts held in Euros.

As of September 30, 2018, we had cash and cash equivalents of $5.2 million, as compared to $8.9 million as of December 31, 2017.

Working capital is equal to current assets minus current liabilities, including the current portion of long-term debt. As of September 30, 2018, we had a working capital deficit of $7.4 million as compared to a deficit of $15 million as of December 31, 2017. Our working capital was primarily affected by the re-classification of $9.7 million of our borrowings with Jelco to current liabilities from non-current liabilities as of December 31, 2017 due to the proximity of the underlying maturities offset by a $22.7 million classification of the Gladiatorship and the Guardianship to "Vessels held for sale" under current assets.

Our short term liquidity commitments, as of September 30, 2018, primarily relate to debt and interest repayments of approximately $49.1 million under our credit facilities and convertible promissory notes due by September 30, 2019. We expect to fund these commitments with cash on hand and cash inflows from operations, as our cash flow projections indicate that cash on hand and cash to be provided by operating activities, based on current and projected charter rates for the next twelve months, will be sufficient to cover the liquidity needs that become due in the twelve-month period ending one year after September 30, 2018.

Our long-term liquidity commitments primarily relate to the repayment of our long-term debt balances under our credit facilities and convertible promissory notes issued to Jelco. Please see "– Description of Indebtedness." We expect to fund these commitments with cash on hand, refinancing of existing financing arrangements and/or public and private debt and equity transactions in the capital markets.

As of September 30, 2018, we had total indebtedness under our credit facilities of $213.7 million, excluding unamortized financing fees, as compared to $213.8 million as of December 31, 2017.

Cash Flows

	Nine months ended September 30,	
	2018	2017
Cash Flow Data:		
Net cash used in operating activities	(218)	(2,475)
Net cash used in investing activities	(3,495)	(32,756)
Net cash (used in) / provided by financing activities	(2,084)	30,221

Nine months ended September 30, 2018 as compared to nine months ended September 30, 2017

Operating Activities: Net cash used in operating activities amounted to $0.2 million for the nine month period ended September 30, 2018, consisting of net gain after non-cash items of $1.8 million plus a decrease in working capital of $2.0 million. Net cash used in operating activities amounted to $2.5 million for the nine month period ended September 30, 2017, consisting of net loss after non-cash items of $3.8 million plus an increase in working capital of $1.3 million.

Investing Activities: The 2018 cash outflow is mainly due to advances for acquisition of vessels and capitalized expenditures of office space and equipment. The 2017 cash outflow resulted from the acquisition of our Partnership in May 2017.

Financing Activities: The 2018 cash inflow resulted from proceeds of $24.5 million obtained from the Wilmington Trust loan facility dated June 11, 2018, proceeds of $18.6 million obtained from the Hanchen Limited sale and leaseback transaction in June 2018 for the Knightship and proceeds of $2 million obtained from the Jelco loan facility dated May 24, 2017. The 2018 cash inflow was offset by debt repayments of: $32 million with respect to the Northern Shipping Funds, or NSF, loan facility, $3.1 million with respect to the UniCredit loan facility, $6.1 million with respect to the HSH loan facility, $1.2 million with respect to the ATB loan facility, $0.5 million with respect to the Hanchen Limited financial liability, $0.2 million with respect to the Wilmington Trust loan facility, $0.8 million with respect to the March 2015 Alpha Bank loan facility, $2.5 million with respect to the November 2015 Alpha Bank loan facility and $0.6 million loan finance fees payments in respect with the loan amendments. The 2017 cash inflow resulted from proceeds of $34.5 million obtained from the ATB loan facility, proceeds of $16.2 million obtained from the Jelco loan facility dated May 24, 2017, proceeds of $9 million obtained from convertible promissory note to Jelco dated September 27, 2017 and proceeds of $2.7 million from common stock issuances. The 2017 cash inflow was offset by debt repayments of: $28 million with respect to the Natixis loan facility, $1.6 million with respect to the UniCredit loan facility, $1.1 million with respect to the HSH loan facility, $0.6 million with respect to the ATB loan facility, $0.5 million with respect to the March 2015 Alpha Bank loan facility and $0.6 million loan finance fees payments.

Description of Indebtedness

Credit Facilities

March 2015 Alpha Bank A.E. Loan Facility

On March 6, 2015, we entered into a $8.75 million secured floating interest rate loan facility with Alpha Bank A.E. to partly finance the acquisition of the Leadership. On December 23, 2015, July 28, 2016 and June 29, 2018, we and Alpha Bank A.E. entered into a first, second and third supplemental agreement, respectively, to the facility agreement. As amended, to date, the facility bears interest at LIBOR plus a margin of 3.75% and is repayable in six installments of $0.25 million each, with a final balloon payment of $4.45 million due on March 17, 2020. The borrower under the facility is our applicable vessel-owning subsidiary and the facility is guaranteed by Seanergy Maritime Holdings Corp. The facility is secured by a first preferred mortgage over the vessel, a general assignment covering earnings, insurances, charter parties and requisition compensation, an account pledge agreement and technical and commercial managers' undertakings. The facility also imposes certain operating and financing covenants. Certain of these covenants may significantly limit or prohibit, among other things, the borrower's ability to incur additional indebtedness, create liens, sell capital shares of subsidiaries, engage in mergers, or sell the vessel without the consent of the relevant lenders. Certain other covenants require ongoing compliance. On a consolidated basis, we are required to (i) maintain a corporate leverage ratio, as defined in the loan agreement, that will not be (a) at the end of December 31, 2018 higher than 0.85:1.0, the compliance with such obligation to be tested on each financial semester starting from July 1, 2018; (b) on March 31, 2019 higher than 0.80:1.0 and (c) starting from June 1, 2019 and at the end of each accounting period higher than 0.75:1.0, (ii) from July 1, 2018 the consolidated interest cover ratio (EBITDA to Net Interest Expense) shall not be (a) until and including the 31, March 2019, lower than 1.2:1 and (b) as from April 1, 2019 until the expiration of the Security Period, lower than 2:1, and (iii) liquidity in a specified amount. In addition, from July 1, 2017, the borrower shall ensure that the market value of the vessel plus any additional security to total facility outstanding shall not be less than 125%. The lender may accelerate the maturity of the facility and foreclose upon the collateral securing the indebtedness upon the occurrence of certain events of default, including a failure to comply with any of the covenants contained in the facility. The facility also restricts our ability to distribute dividends in excess of 50% of our net income except if our cash and marketable securities are equal or greater than the amount required to meet our debt service for the following eighteen-month period. Pursuant to the second supplemental agreement, the four installments falling due after the date of such supplemental agreement were reduced by $0.6 million in total. Such amount was added to the balloon installment, and 80% of the Leadership's excess earnings (as defined in the loan agreement) during each financial year starting from 2016, shall be applied by Alpha Bank towards payment of the deferred amount until same is fully repaid. As of September 30, 2018, $0.1 million was paid against the deferred amount and $5.95 million was outstanding under the facility, excluding the unamortized financing fees.

HSH Nordbank AG Loan Facility

On September 1, 2015, we entered into a $44.4 million senior secured loan facility with HSH Nordbank AG to finance the acquisition of the Geniuship and the Gloriuship. The facility was made available in two advances. On October 13, 2015, we drew the first advance of $27.6 million in order to finance the acquisition of the Geniuship. On November 3, 2015, we drew the second advance of $16.8 million in order to finance the acquisition of the Gloriuship. On May 16, 2016 and February 23, 2017, we and HSH Nordbank AG entered into supplemental letter agreements to the facility agreement and related guarantee. On March 28, 2018, we and HSH entered into an amendment to the facility agreement. As amended, to date, the facility bears interest at LIBOR plus a margin of 3.75% and is repayable in seven consecutive quarterly installments of $1.0 million each with a final balloon payment of $28.8 million due on June 30, 2020. A mandatory prepayment of $3 million which had been deferred to June 30, 2018 was paid on July 2, 2018. The borrowers under the facility are our two applicable vessel-owning subsidiaries and the facility is guaranteed by Seanergy Maritime Holdings Corp. The facility is secured by a first priority mortgage over each of the vessels, a general assignment covering earnings, charter parties, insurances and requisition compensation for each of the vessels, an earnings account pledge agreement for each of the vessels, technical and commercial managers' undertakings, a shares security deed of the two borrowers' shares and a master agreement assignment. The facility also imposes certain operating and financing covenants.

Certain of these covenants may significantly limit or prohibit, among other things, the borrowers' ability to incur additional indebtedness, sell capital shares of subsidiaries, make certain investments, engage in mergers and acquisitions, or sell the vessels without the consent of the relevant lenders. Certain other covenants require ongoing compliance, including requirements that we, on a consolidated basis, maintain (i) from June 30, 2018 until the period ending December 31, 2018, a percentage ratio of Total Debt less Cash and Cash Equivalents divided by Total Assets that does not exceed 85%, no more than 80% during the period commencing on January 1, 2019 and ending on March 31, 2019 and no more than 75% thereafter, (ii) from June 30, 2018 until March 31, 2019, a ratio of EBITDA to net interest expense that is not less than 1.2:1 and no less than 2 times thereafter and (iii) liquidity in a specified amount. In addition, the borrowers shall ensure that the market value of the Geniuship and the Gloriuship plus any additional security to the total facility outstanding shall be more than 100% at any time during the period commencing on October 1, 2018 and ending on March 31, 2019 (inclusive), more than 111% at any time during the period commencing on April 1, 2019 and ending on September 30, 2019 (inclusive) and more than 120% at all times thereafter. The facility also places a restriction on the borrowers' ability to distribute dividends to Seanergy Maritime Holdings Corp., in case the market values of the Geniuship and the Gloriuship plus any additional security is less than 145% of the total facility outstanding. As of September 30, 2018, $36.2 million was outstanding under the facility, excluding the unamortized financing fees.

UniCredit Bank AG Loan Facility

On September 11, 2015, we entered into a $52.7 million secured term loan facility with UniCredit Bank AG to partly finance the acquisition of the Premiership, the Gladiatorship and the Guardianship (the "UniCredit Facility"). The loan was repayable in fifteen consecutive quarterly installments of $1.6 million each, commencing on June 26, 2017, along with a balloon installment of $29.4 million payable on the final maturity date, December 28, 2020. The loan bears interest of LIBOR plus a margin of 3.20% if the value to loan ratio is lower than 125%, 3.00% if the value to loan ratio is between 125% and 166.67% and 2.75% if the value to loan is higher than 166.67% with quarterly interest payments. The loan was secured by a first priority mortgage over the three vessels, a general assignment covering earnings, charter parties, insurances and requisition compensation for each of the vessels, an earnings account pledge agreement for each of the vessels, technical and commercial managers' undertakings, a shares security deed of the two borrowers' shares and a master agreement assignment. On June 3, 2016, the Company entered into the first supplemental agreement in order to split the margin into a cash portion and a capitalized portion. The capitalized portion of the margin was repaid in full as of June 30, 2017. On July 29, 2016, the Company further entered into the supplemental letter pursuant to which effective as of December 11, 2015, the requirement for Seanergy Maritime Holdings Corp., as guarantor, to maintain liquidity in a specified amount was delayed until July 1, 2017. On March 7, 2017, the Company reached an agreement with UniCredit Bank AG to (i) defer from June 30, 2017, to May 1, 2018, the security coverage requirement that the market value of the Premiership, the Gladiatorship and the Guardianship plus any additional security to total facility outstanding and the cost, if any, of terminating any transactions entered into under the Hedging Agreement (as defined in the loan facility) would not be less than 120%, (ii) defer from September 30, 2017, to June 30, 2018, the requirement that the Company maintained a leverage ratio (as defined in the loan facility) that does not exceed 75%, and (iii) defer from September 30, 2017, to June 30, 2018, the requirement that the Company maintained a ratio of EBITDA to net interest expense (as defined in the loan facility) that is not less than 2:1. On September 25, 2017, the Company entered into a further supplemental letter in order to defer the installment due on September 25, 2017 to October 2, 2017. On April 30, 2018, the Company signed another supplemental letter with UniCredit Bank A.G. by which: i) the Leverage Ratio covenant was redefined to reflect the Group's Net Debt / total market value adjusted assets (excluding cash, cash equivalents & restricted cash) and the relevant threshold was amended to: no more than 85% during the period commencing on May 1, 2018 and ending on December 31, 2018, no more than 80% during the period commencing on January 1, 2019 and ending on March 31, 2019 and no more than 75% for the remaining part of the security period, ii) the ratio of EBITDA to net interest payments was amended to: not less than 1.2 times during the period commencing on May 1, 2018 and ending on March 31, 2019 and not less than 2:1 for the remaining part of the security period and iii) the security cover percentage requirement was amended as follows: not to be less than 100% during the period commencing on May 1, 2018 and ending on September 30, 2018, not to be less than 111% during the period commencing on October 1, 2018 and ending on June 30, 2019 and not to be less than 120% for the remaining part of the security period. As of September 30, 2018, $44.9 million was outstanding under the facility, excluding the unamortized financing fees.

On October 10, 2018, the Company entered into a supplemental letter with UniCredit Bank A.G. with regard to the UniCredit Facility in order to, among other things, (i) defer an installment repayment of $1.5 million due on September 25, 2018 to October 2018, (ii) agree to the sales of the Gladiatorship and the Guardianship and (iii) agree for the underlying loan amounts to remain blocked in the vessels' earnings accounts and instead of prepaying the loan to remain available to fund the acquisition of a new Capesize vessel subject to amending and restating the UniCredit Facility at the time of completion of the said acquisition. The installment deferred to October 2018 was paid on October 11, 2018 further to which, $43.4 million was outstanding under the facility, excluding the unamortized financing fees.

On November 22, 2018, further to the sales of the Gladiatorship and the Guardianship and in order to partially fund the acquisition of the Fellowship, we amended and restated the UniCredit Facility (i) by releasing the respective vessel-owning subsidiaries of the two vessels as borrowers and (ii) by including the vessel-owning subsidiary of the Fellowship as a borrower under the facility. The first-priority mortgages over the Gladiatorship and the Guardianship and all other security relating to such vessels created in favor of UniCredit Bank A.G. under the UniCredit Facility were irrevocably and unconditionally released. The amendment and restatement of the facility did not alter the interest rate, the maturity date, the amortization and the repayment terms of the UniCredit Facility, or the financial covenants applicable to the Company as guarantor. The amended and restated loan facility is secured by first preferred mortgages and general assignments covering earnings, insurances and requisition compensation over the Premiership and the Fellowship, earnings account pledges, shares security deeds relating to the shares of both vessels' owning subsidiaries, technical and commercial managers' undertakings and, where applicable, charter assignments.

November 2015 Alpha Bank A.E. Loan Facility

On November 4, 2015, we entered into a $33.8 million secured floating interest rate loan facility with Alpha Bank A.E. to partly finance the acquisition of the Squireship. On July 28, 2016 and June 29, 2018, we and Alpha Bank A.E. entered into a first and a second supplemental agreement to the facility agreement, respectively. As amended, to date, the facility bears interest at LIBOR plus a margin of 3.50% and is repayable in twelve consecutive quarterly installments of $0.8 million each with a final balloon payment of $20.3 million due on November 10, 2021. The borrower under the facility is our applicable vessel-owning subsidiary, and the facility is guaranteed by Seanergy Maritime Holdings Corp. and by Leader Shipping Co.. The facility is secured by a first preferred mortgage over the vessel and a second preferred mortgage over the Leadership, a general assignment covering earnings, insurances, charter parties and requisition compensation, an account pledge agreement and technical and commercial managers' undertakings. The facility also imposes certain operating and financing covenants. Certain of these covenants may significantly limit or prohibit, among other things, the borrower's ability to incur additional indebtedness, create liens, sell capital shares of subsidiaries, engage in mergers, or sell the vessel without the consent of the relevant lenders. Pursuant to the terms of the second supplemental agreement, i) the ratio of the market value of the Squireship plus any additional security to the total facility outstanding shall not be less than 100% as from April 1, 2019 until the March 31, 2020, shall not be less than 111% starting from April 1, 2020 until March 31, 2021 and shall not be less than 125% from April 1, 2021 until the end of the security period, ii) the consolidated interest cover ratio (EBITDA to Net Interest Expense) shall not be (a) until and including March 31, 2019 lower than 1.2:1, the compliance with such obligation to be tested on each financial semester starting from July 1, 2018 and (b) as from April 1, 2019 until the expiration of the security period, lower than 2:1, the compliance with such obligation to be tested on each financial semester starting from April 1, 2019 and iii) the Corporate Leverage Ratio as defined in the loan agreement will not be (a) at the end of December 31, 2018 higher than 0.85:1.0, the compliance with such obligation to be tested on each financial semester starting from July 1, 2018; (b) on March 31, 2019 higher than 0.80:1.0 and (c) starting from June 1, 2019 and at the end of each Accounting Period higher than 0.75:1.0, the compliance with such obligation to be tested on each financial semester starting from June 30, 2019. The facility also restricts the borrower's ability to distribute dividends in excess of 50% of the borrower's net income except if our cash and marketable securities are equal or greater than the amount required to meet the borrower's debt service for the following eighteen-month period. As of September 30, 2018, $31.2 million was outstanding under the facility, excluding the unamortized financing fees.

NSF Loan Facility

On November 28, 2016, we entered into a $32 million secured term loan facility with NSF to partly finance the acquisition of the Lordship and the Knightship. The facility bore fixed interest at 11% per annum, which was payable quarterly, and the principal was repayable in four consecutive quarterly installments of $0.9 million each, commencing on March 13, 2019 and a final balloon payment of $28.4 million due on December 13, 2019. The borrowers under the facility were our applicable vessel-owning subsidiaries. The facility was secured by first priority mortgages and general assignment covering earnings, insurances and requisition compensation for each of the vessels, account pledge agreements, share pledge agreements of our two vessel-owning subsidiaries and technical and commercial managers' undertakings. On June 13, 2018 and June 28, 2018, respectively, NSF entered into deeds of release, with respect to the Lordship and the Knightship, respectively, resulting in a complete release of the facility agreement dated November 28, 2016 after full settlement of the outstanding balance of $32 million. The first-priority mortgages over the Lordship and the Knightship and all other securities created in favor of Northern Shipping Funds were irrevocably and unconditionally released pursuant to the deeds of release.

Jelco Loan Facility dated October 4, 2016

On October 4, 2016, we entered into a $4.2 million loan facility with Jelco to finance the initial deposits for the Lordship and the Knightship. We refer to this as the "Jelco Loan Facility". On November 17, 2016 and November 28, 2016, we entered into amendments to this facility, which, among other things, increased the aggregate amount that may be borrowed under the facility to up to $12.8 million (to partially finance the remaining payment for the Lordship and the Knightship) and extended the maturity date to the earlier of (i) February 28, 2018 and (ii) the date falling 14 months from the final drawdown date. On January 12, 2018, we exercised our option to extend the maturity date of the Jelco Loan Facility to January 28, 2019. The Jelco Loan Facility bears interest at LIBOR plus a margin of 8.5%, increased from 7%, following the extension of the maturity pursuant to the January 12, 2018 amendment and in accordance with the terms of the facility, and is repayable in one bullet payment together with accrued interest thereon to the maturity date. The margin may be increased by 1.5% if the maturity date is extended in accordance with the terms of the facility. Seanergy Maritime Holdings Corp. is the borrower under this facility. This facility is secured by a guarantee from our wholly-owned subsidiary, Emperor Holding Ltd., which is the holding company of our ship-owing subsidiary owning the Lordship and of the bareboat charterer of the Knightship. As of September 30, 2018, $5.9 million was outstanding under this facility, excluding the unamortized financing fees.

ATB Loan Facility

On May 24, 2017, we entered into an up to $18 million term loan facility with Amsterdam Trade Bank N.V. ("ATB") to partially finance the acquisition of the Partnership. The facility bears interest at LIBOR plus a margin of 4.65% per annum which is payable quarterly and the remaining principal is repayable by fifteen equal consecutive quarterly installments being $200 thousand each, by additional quarterly repayments of any Excess Cash (as defined in the loan facility) up to $3.6 million in total, and a final balloon payment due on the maturity date, May 26, 2022. The loan was made available in two drawdowns: (i) $13.3 million was drawn down on May 26, 2017 and (ii) $4.7 million was drawn down on June 22, 2017. The borrower under the ATB Loan Facility was our applicable vessel-owning subsidiary. The loan was secured by a first priority mortgage and a general assignment covering earnings, insurances and requisition compensation over the Partnership, an earnings account pledge agreement, technical and commercial managers' undertakings and a charter assignment. The facility also imposes certain operating and financing covenants. Certain of these covenants may significantly limit or prohibit, among other things, the borrowers' ability to incur additional indebtedness, create liens, engage in mergers, or sell the vessels without the consent of the relevant lenders. From June 30, 2018, certain other guarantor covenants require ongoing compliance that Seanergy Maritime Holdings Corp., on a consolidated basis, to maintain (i) a percentage ratio of net bank debt to market value adjusted total assets that does not exceed 75% and (ii) a ratio of EBITDA to net interest expense that is not less than 2:1. In addition, certain other covenants require ongoing compliance, including requirements that (i) the borrower maintains at all times a credit balance of at least $0.5 million, (ii) Seanergy Maritime Holdings Corp. maintains at all times beginning on June 30, 2017 a credit balance of at least $0.5 million per vessel, (iii) the borrower maintains an asset coverage ratio equal to at least 145% beginning on the utilization date of the first drawdown and ending on the date falling on the second anniversary and 165% at all times thereafter. The facility also places a restriction on the borrower's ability to distribute dividends to Seanergy Maritime Holdings Corp. or make any other form of distribution or effect any return of share capital unless additional repayments in an aggregate amount of $3.6 million have been made. As of September 30, 2018, the aggregate amount of the additional repayments was $0.41 million.

On September 25, 2017, in order to partially fund the refinancing of our Natixis facility, we amended and restated the ATB Loan Facility, increasing the loan amount of the facility by an additional tranche of $16.5 million, or Tranche B. The principal of Tranche B was repayable by nineteen consecutive quarterly installments, being $0.2 million each of the first four installments, $0.3 million each of the subsequent four installments, and $0.4 million each of the subsequent eleven installments, in addition to a balloon installment of any outstanding indebtedness due on the maturity date, May 26, 2022. On each quarterly repayment date, an additional repayment of at least $0.01 million, or an integral multiple of that amount, of any excess cash standing to the credit of the relevant vessel's operating account should be applied towards reducing the balloon installment. Excess cash, as defined in the loan facility, was any amount above $1.0 million. The aggregate amount of the additional repayments, with regard to Tranche B, should not exceed $1.25 million. The loan facility required that the borrower shall maintain in aggregate $0.5 million as minimum liquidity. The amendment and restatement of the facility did not alter the interest rate, the maturity date, the amortization and the repayment terms of the existing tranche under the loan facility, or the financial covenants applicable to the Company as guarantor. The amended and restated loan facility was secured by first preferred mortgages and general assignments covering earnings, insurances and requisition compensation over the Partnership and the Championship, earnings account pledges, shares security deeds relating to the shares of both vessels' owning subsidiaries, technical and commercial managers' undertakings and, where applicable, charter assignments. On May 18, 2018, we signed a supplemental agreement with ATB by which: i) the ratio of EBITDA to net interest payments was amended to: not less than 1.2 times during the period commencing on June 30, 2018 and ending on June 29, 2019 and not less than 2 times from June 30, 2019 and for the remaining part of the security period and ii) the Leverage Ratio was amended to: no more than 85% during the period commencing on June 30, 2018 and ending on March 30, 2019, no more than 80% during the period commencing on March 31, 2019 and ending on June 29, 2019 and no more than 75% during the period commencing on June 30, 2019 and for the remaining part of the security period. As of September 30, 2018, $32.3 million was outstanding under the facility, excluding the unamortized financing fees.

On November 7, 2018, Tranche B under the ATB Loan Facility was refinanced through a sale and leaseback agreement with Cargill International SA. On the same date, Amsterdam Trade Bank entered into a deed of release, with respect to the Championship, releasing the underlying borrower in full after the settlement of the outstanding balance of $15.7 million pertaining to the specific vessel tranche. The first-priority mortgage over the Championship and all other securities created in favor of ATB were irrevocably and unconditionally released pursuant to the deed of release. Subsequent to the refinancing, $16.6 million was outstanding under the facility, excluding the unamortized financing fees.

Jelco Loan Facility originally dated May 24, 2017 and amended and restated on September 27, 2017

On May 24, 2017, we entered into an up to $16.2 million loan facility with Jelco to partially finance the acquisition of the Partnership. On June 22, 2017 and on August 22, 2017, we entered into supplemental letters with Jelco to amend the terms of this loan facility, whereby the repayment of $4.8 million was deferred until September 29, 2017.

On September 27, 2017, we amended and restated the May 24, 2017 Jelco Loan Facility. The amended facility currently bears interest at three-month LIBOR plus a margin of 6% per annum which is payable quarterly and the principal is repayable in one bullet payment due on the maturity date. The maturity date, which was deferred from May 24, 2018 to May 24, 2019, may, at our option, be extended to May 24, 2020, from May 24, 2019 previously. We intend to exercise this option. The margin will be increased by 1% if the maturity date is extended. The facility is secured by a second preferred mortgage over the Partnership, second priority general assignment covering earnings, insurances and requisition compensation over the vessel and a guarantee from the respective vessel-owning subsidiary, and a guarantee from our wholly-owned subsidiary, Emperor Holding Ltd., which is the holding company of our ship-owing subsidiary owning the Lordship and the bareboat charterer of the Knightship. As of September 30, 2018, $11.5 million was outstanding under this facility, excluding the unamortized financing fees.

Jelco Loan Facility dated April 10, 2018

On April 10, 2018, the Company entered into a $2.0 million loan facility with Jelco for working capital purposes. The Company drew down the $2.0 million on April 12, 2018. The facility, as amended on June 13, 2018, and on August 10, 2018, bears interest at a margin of 10% per annum which is payable, along with the principal, in one bullet payment due by January 31, 2019. The facility is secured by a guarantee from the Company's wholly-owned subsidiary, Emperor Holding Ltd.. As of September 30, 2018, $2.0 million was outstanding under this facility.

Wilmington Trust Loan Facility dated June 11, 2018

On June 11, 2018, we entered into a $24.5 million loan agreement with Blue Ocean maritime lending funds managed by EnTrustPermal for the purpose of refinancing the outstanding indebtedness of the Lordship under the previous loan facility with NSF dated November 28, 2016. The borrower under the facility is the applicable vessel-owning subsidiary and the facility is guaranteed by Seanergy Maritime Holdings Corp.. The facility matures in June 2023 and can be extended until June 2025 subject to certain conditions. Specifically, the borrower has the right to sell the ship back to the lender at a pre-agreed price of $20.8 million on the fifth anniversary of the loan utilization ("Year-5 Put Option"). If the borrower elects to exercise the Year-5 Put Option, the lender has the right to extend the termination date of the loan by a further two years, in which case the exercise of the Year-5 Put Option by the borrower shall be cancelled in its entirety. Furthermore, the borrower has the right to sell the ship back to the lender at a pre-agreed price of $15 million on the seventh anniversary of the loan utilization ("Year-7 Put Option"). If the borrower elects to exercise the Year-7 Put Option then the lenders will be obliged to purchase the ship at the pre-agreed price. The facility is secured by a first priority mortgage over the vessel, general assignment covering earnings, insurances and requisition compensation, an account pledge agreement and a share pledge agreement concerning the respective vessel-owning subsidiary and technical and commercial managers' undertakings. The facility bears a weighted average all-in interest rate of 11.4% and 11.2% assuming a maturity date in June 2023 or in June 2025, respectively. The principal obligation amortizes in 20 or 28 quarterly installments, with a balloon payment of $15.3 million or $9.5 million due at maturity, assuming a maturity date in June 2023 or in June 2025, respectively. The facility also imposes certain customary operating covenants. Certain of these covenants may significantly limit or prohibit, among other things, the particular borrower's ability to incur additional indebtedness, create liens, sell capital shares of subsidiaries, engage in mergers, or sell the vessel without the consent of the relevant lenders. As of September 30, 2018, $24.3 million was outstanding under this facility, excluding the unamortized financing fees.

Sale and leaseback agreement with Hanchen Limited dated June 28, 2018
On June 28, 2018, we entered into a $26.5 million sale and leaseback agreement for the Knightship with Hanchen Limited "Hanchen"), an affiliate of AVIC International Leasing Co., Ltd., for the purpose of refinancing the outstanding indebtedness of the Knightship under the previous loan facility with NSF dated November 28, 2016. Our wholly-owned subsidiary ("Charterer") sold and chartered back the vessel on a bareboat basis for an eight year period, having a purchase obligation at the end of the eighth year and it further has the option to repurchase the Knightship at any time following the second anniversary of the bareboat charter. The transaction was accounted for as a failed sale and leaseback transaction and resulted in a finance lease. The bareboat charter is secured by a general assignment covering earnings, insurances and requisition compensation, an account pledge agreement and a share pledge agreement of the shares of the Charterer and technical and commercial managers' undertakings. Seanergy Maritime Holdings Corp. provided a guarantee to Hanchen for its obligations under the bareboat charter. An upfront charterhire of $6.6 million was paid by the Charterer to Hanchen upon the delivery of the vessel. A deposit of $1.3 million was paid by the Charterer to Hanchen upon the delivery of the vessel in order to secure the due observance and performance by the Charterer of its obligations and undertakings as per the sale and leaseback agreement. The deposit can be set off against the balloon payment at maturity. The charterhire principal bears interest at LIBOR plus a margin of 4% and amortizes in thirty two consecutive equal quarterly installments of approximately $0.5 million along with a balloon payment at maturity of $5.3 million. The Charterer is required to maintain a value maintenance ratio (as defined in the additional clauses of the bareboat charter) of at least 120%. In addition, the bareboat charter requires the Charterer to maintain an amount of $1.3 million as cash deposit until the second anniversary of the delivery date or if earlier, a sub-charter in form and substance acceptable to Hanchen is available. The charterhire principal, as of September 30, 2018, is $19.4 million.
Synthetic Sale and leaseback agreement with Cargill International SA dated November 7, 2018
On November 7, 2018, the Company entered into a $23.5 million sale and leaseback agreement for the Championship with Cargill International SA ("Cargill") for the purpose of refinancing the outstanding indebtedness of the Championship under the previous loan facility with Amsterdam Trade Bank dated September 25, 2017. The respective vessel-owning subsidiary sold the vessel and a newly incorporated wholly-owned subsidiary ("Sub-charterer") of the Company chartered it back on a sub-bareboat basis for a five-year period, having a repurchase obligation at the end of the fifth year at $13.5 million, and continuous repurchase options at any time through the whole five-year sale and leaseback period. At the time of the repurchase of the vessel by the Sub-charterer, the Sub-charterer has the obligation to pay to Cargill an amount equal to 20% of the difference between the market value of the vessel at the time of the repurchase and a pre-determined floor price, starting at $30.0 million with applicable depreciation of 5.5% per annum. The sub-bareboat charter is secured by an account pledge agreement and technical and commercial managers' undertakings, and it requires the Sub-charterer to maintain in aggregate $1.6 million as cash deposit until the expiration of the 5-year sale and leaseback period. The bareboat rate is $7,900 per day and is paid in monthly intervals. The cost of the financing is equivalent to an expected fixed interest rate of 4.69% for 5 years. In addition, under the sale and leaseback agreement the Company will, subject to certain conditions, draw an additional amount of $2.75 million in stages which will be used to finance the installation of an exhaust gas cleaning system, or scrubber, on the Championship (the "Scrubber Tranche"). The installation of the scrubber is expected to be completed by September 30, 2019 at which point it is expected for the Scrubber Trance to be fully drawn. Once drawings commence, the Scrubber Tranche will be repayable through a premium in the daily bareboat hire of $350, which will increase to $1,740 following full drawdown of the Scrubber Tranche (the "Scrubber Premium"). As part of the sale and leaseback agreement, the Championship entered on November 7, 2018 a back-to-back time charter with Cargill for a period of five years plus an additional 18 months at charterer's option. The net daily charter hire payable by Cargill to the Sub-charterer is calculated at an index linked rate based on the five time charter routes of the Baltic Capesize Index by applying an average discount of 7% for the five-year period and in addition has a fixed element which is equal to the respective Scrubber Premium. On top of the daily hire, the Company will receive a compensation based on the spread between the price of High-Sulphur Fuel Oil and the price of Marine Gas Oil or other compliant Low-Sulphur Fuel Oil throughout the term of the time charter. The sale and leaseback agreement does

not include any financial covenants or security value maintenance provisions. As part of the transaction, the Company has issued 1,800,000 of its common shares to Cargill which are subject to customary registration rights.

12

Convertible Promissory Notes

On March 12, 2015, we issued a convertible promissory note for $4.0 million to Jelco. The note, as amended, is repayable in four installments with the first installment occurring six months after the delivery date of the Leadership and the other three installments semi-annually commencing four years after the delivery date of the Leadership, along with a balloon installment of $3.2 million payable on the final maturity date in the first quarter of 2020. The note bears interest at three-month LIBOR plus a margin of 5% with interest payable quarterly. At Jelco's option, the principal amount under the convertible note or any part thereof may be paid at any time in common shares at a conversion price of $0.90 per share. Jelco also received customary registration rights with respect to any shares received upon conversion of the note. As of September 30, 2018, $3.8 million was outstanding under the note.

On September 7, 2015, we issued a revolving convertible promissory note to Jelco for an amount up to $6.8 million, or the Applicable Limit. Following nine amendments to the note between December 2015 and September 2017, the Applicable Limit was raised to $21.2 million and would be reduced by $3.3 million four years following the first drawdown. The aggregate outstanding principal was repayable on the third quarter of 2020. On September 1, 2018, we entered into a further amendment to the note pursuant to which a drawdown request of up to $3.5 million may be made by April 10, 2019 (the "Final Revolving Advance Date"). If the request is not made by the Final Revolving Advance Date, the advance will not be available to be drawn. In addition, principal repayments were eliminated, and the repayment of the aggregate outstanding principal was extended to December 2022. The note bears interest at three-month LIBOR plus a margin of 5% with interest payable quarterly. At Jelco's option, our obligation to repay the principal amount under the revolving convertible note or any part thereof may be paid in common shares at a conversion price of $0.90 per share. Jelco also received customary registration rights with respect to any shares received upon conversion of the note. As of September 30, 2018, $21.2 million was outstanding under the note.

On September 27, 2017, we issued a convertible promissory note to Jelco for an amount of $13.75 million. The note is repayable by two consecutive annual installments of $1.375 million, with the first installment occurring 24 months after the drawdown date, along with a balloon installment of $11 million payable four years after the drawdown date. The note bears interest at three-month LIBOR plus a margin of 5% with interest payable quarterly. At Jelco's option, the whole or any part of the principal amount under the note may be paid at any time in common shares at a conversion price of $0.90 per share. Jelco has received customary registration rights with respect to all shares upon conversion of the note. The note is secured by a second preferred mortgage and second priority general assignment covering earnings, insurances and requisition compensation over the Partnership and a guarantee from the respective vessel-owning subsidiary; all cross collateralized with the loan entered into with Jelco on May 24, 2017, as amended and restated. Of the $13.75 million under the note, $4.75 million were used to make a mandatory prepayment under the May 2017 Jelco loan facility. As of September 30, 2018, $13.75 million was outstanding under the note.

Our wholly-owned subsidiary Emperor Holding Ltd. has provided a guarantee, dated September 27, 2017, to Jelco for Seanergy Maritime Holdings Corp.'s obligations under all these notes.

Tabular Disclosure of Contractual Obligations

The following table sets forth our contractual obligations as of September 30, 2018 (in thousands of U.S. Dollars):

Contractual Obligations	Total	less than 1 year	1-3 years	3-5 years	more than 5 years
Long-term debt, debt to related party and other financial liabilities	$213,660	$29,358	$104,164	$69,828	$10,310
Convertible promissory notes	38,715	1,775	15,775	21,165	-
Interest expense - long term debt, debt to related party and other financial liabilities	43,043	15,378	19,718	6,383	1,564
Interest expense - convertible promissory notes	10,616	3,070	5,413	2,133	-
Office rent obligations	741	84	368	289	-
Total	$306,775	$49,665	$145,438	$99,798	$11,874

13

INDEX TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Seanergy Maritime Holdings Corp.
Consolidated Balance Sheets
As of September 30, 2018 (unaudited) and December 31, 2017
(In thousands of US Dollars, except for share and per share data)

	Notes	2018	2017
ASSETS			
Current assets:			
Cash and cash equivalents	2, 4	4,397	8,889
Restricted cash	4, 7	345	1,550
Accounts receivable trade, net	2	3,518	3,626
Inventories	5	8,252	4,797
Prepaid expenses and other current assets		978	636
Vessels held for sale	6	22,660	-
Deferred voyage expenses	2	1,954	-
Total current assets		42,104	19,498
Fixed assets:			
Vessels, net	6	217,086	254,730
Advances for vessels acquisitions and other costs	6	2,870	-
Other fixed assets, net		533	-
Right of use asset - leases	9	626	-
Total fixed assets		221,115	254,730
Other non-current assets:			
Deposits assets, non-current	7	1,325	-
Deferred charges, non-current	6	420	846
Restricted cash, non-current	4, 7	500	600
Other non-current assets		30	31
TOTAL ASSETS		265,494	275,705
LIABILITIES AND STOCKHOLDERS EQUITY			
Current liabilities:			
Current portion of long-term debt and other financial liabilities, net of deferred finance costs of $563 and $362, respectively	7	20,392	19,216
Current portion of convertible promissory notes	3	1,775	-
Trade accounts and other payables	2	15,177	8,778
Due to related parties	3	7,898	-
Accrued liabilities		4,034	4,725
Lease liability	2	36	-
Deferred revenue	2	154	1,741
Total current liabilities		49,466	34,460
Non-current liabilities:			
Long-term debt and other financial liabilities, net of current portion and deferred finance costs of $1,067 and $1,067, respectively	7	172,287	175,805
Due to related parties, non-current	3	11,450	17,342
Long-term portion of convertible promissory notes	3	8,344	6,785
Lease liability, non-current	2	590	-
Total liabilities		242,137	234,392

Commitments and contingencies	9	-	-

STOCKHOLDERS EQUITY