MOVING ON UP
MOVING ON OUT

Rob Day

robday@vesselsvalue.com

VesselsValue

WHAT WILL I COVER?

1. Introduction
2. A quick look back in time
3. Moving on up – Moving on out
    1. Action at the drill bit
    2. Survival of the fittest
    3. PSV Values
    4. Company Utilisation Analysis
4. Renewables Market

1. INTRODUCTION

ROBERT DAY

VesselsValue

Head of Offshore,
VesselsValue

OUR SERVICES

Value

Database

Map

2. A QUICK LOOK BACK IN TIME

PREVIOUS OFFSHORE PRESENTATIONS

Jan 2019 – *'Making Sense of Consolidation'*

Jan 2020 – *'2019 a Year in Review'*

March 2021 – *'Global OSV Markets Appraisal'*

November 2021 – *'Post Covid S&P Review'*

November 2022: Moving on up, Moving on out

3. MOVING ON UP – MOVING ON OUT

ACTION AT THE DRILL BIT

- Contract backlog increasing
- Strong utilisation
- Rig reactivations
- Increased rig S&P activity
- Asset values increasing

SURVIVAL OF THE FITTEST

BOURBON

SOLSTAD OFFSHORE

HARVEY GULF INTERNATIONAL MARINE

Rawabi روابي

rem

GRUPO CBO

HORNBECK OFFSHORE HOS

TIDEWATER

EDISON CHOUEST OFFSHORE

allianz marine

SEATANKERS

أدنوك ADNOC

SEACOR

P&O Maritime

STANDARD ETC

DOF

SWIRE PACIFIC OFFSHORE

HAVILA

"K" LINE OFFSHORE

VROON

US GOM SALE LIQUIDITY

VesselsValue

Year	Sale Count
2019	18
2020	14
2021	26
2022	28
Grand Total	**78**

VALUES – PSV VALUES TODAY

VesselsValue

Storm Ex Torrens Tide

Type PSV (Large) DWT 4,200 M2 800 BLT Apr 2015 Leevac Age 7.62 years Status Live

Jackson Offshore LLC United States of America

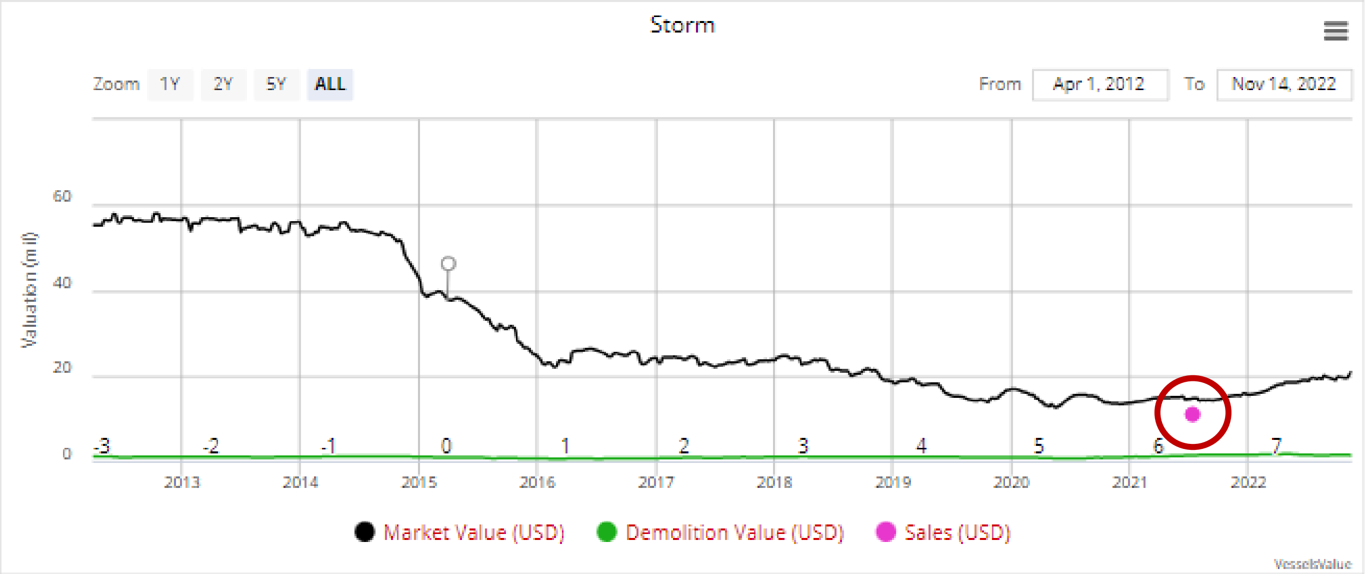
JACKSON OFFSHORE OPERATORS LLC United States of America

Tue 15 Nov 2022 Historical

Values | S&P | Charter | Finance | Trade | Vessel Details | Cousins | Notes 0 | Documents 0

Market | Newbuild | Demolition

52 Week Average: 15.18 MIN 20.85 MAX 18.01 AVG



July 2021

Sold to Jackson Offshore

USD 11.25 mil

*Vessel required c. USD 2 mil to reactivate / upgrade.

Nov 2022

VV Value USD 21 mil

c.USD 10 mil increase from original purchase price!!

VALUES – PSV VALUES TODAY

VesselsValue

HOS Rosebud Ex Bravante V

Type PSV (Large) DWT 4,400 M2 870 BLT Oct 2013 Eastern Shipbuilding Age 9.06 years Status Live

Hornbeck Offshore Services United States of America

US Navy United States of America

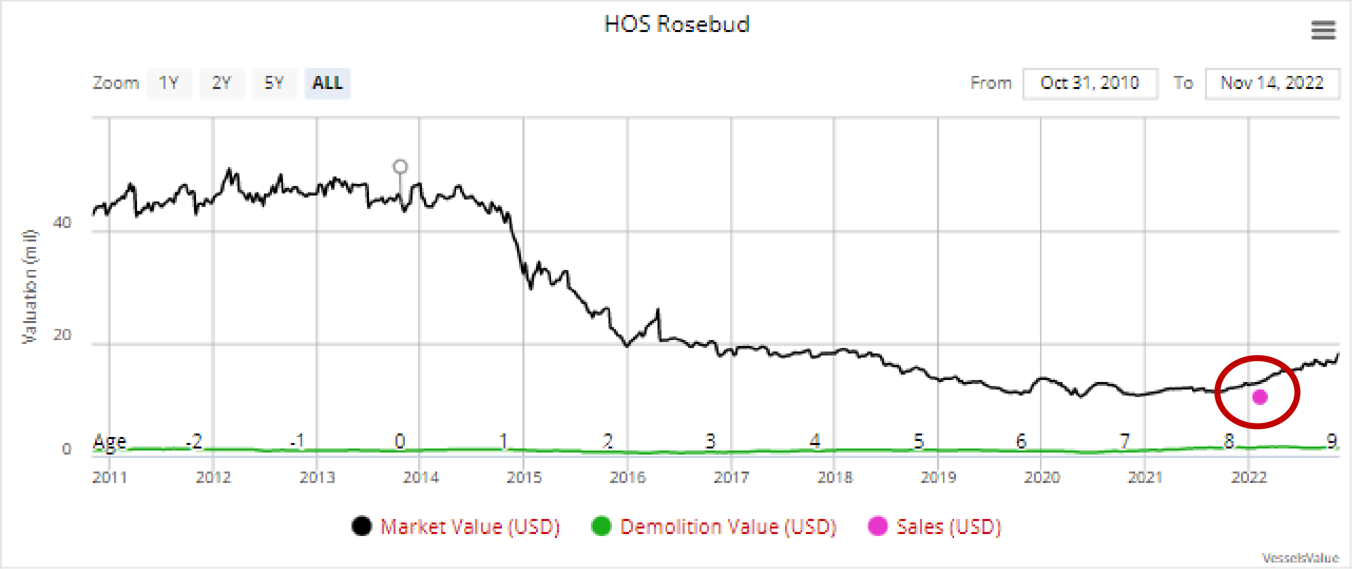
HORNBECK OFFSHORE SERVICES LLC United States of America

Tue 15 Nov 2022 Historical

Values | S&P | Charter | Finance | Trade | Vessel Details | Cousins | Notes 0 | Documents 0

Market | Newbuild | Demolition

52 Week Average: 12.19 MIN 18.17 MAX 14.92 AVG



Feb 2022

Sold to Hornbeck USD 10.70 mil

Nov 2022

VV Value USD 18.2 mil

c. 8 mil increase from original purchase price!!

WHY?

VesselsValue

Floating offshore wind

Vessels sold out of the sector

Vessels sold for demolition

Lack of newbuild tonnage

Increased charter rates

Geopolitical Instability

Owners completed major sell off noncore tonnage

Overall, just a very tight market

Owners reluctant to sell as market fundamentals changing – pushes up Buyer offers

US built tonnage dominated by few key players

PUTTING THIS INTO PERSPECTIVE (PSV FLEET ONLY)

VesselsValue

Hornbeck Offshore (HOS)	Harvey Gulf International Marine	Tidewater	Edison Chouest Offshore
Jan 2022 PSV Fleet Value **USD 565 mil**	Jan 2022 PSV Fleet Value **USD 411 mil**	Jan 2022 PSV Fleet Value **USD 754 mil**	Jan 2022 PSV Fleet Value **USD 1,039 mil**
Nov 2022 PSV Fleet Value **USD 963 mi**	Nov 2022 PSV Fleet Value **USD 588 mil**	Nov 2022 PSV Fleet Value **USD 1,468 mil**	Nov 2022 PSV Fleet Value **USD 1,546 mil**
USD 398 mil	**USD 177 mil**	**USD 714 mil**	**USD 507 mil**

VALUES MOVING FORWARD

Large PSVs
c.4,600 DWT+, and ~1000 m2 deck area

Further firming as number of sales candidates reduce and Buyers are forced to pay a premium to get owner's interest.

Medium PSVs
c. 3,200 DWT, ~700m2 – 750m2

Expect to see firming as lack of large tonnage forces Buyers to look at smaller options.

Also lack of sales candidates will force Buyers to pay a premium to get owner's interest.

Increased MODU activity in regions where mediums PSVS can be utilised.

4. UTILISATION ANALYSIS

UTILISATION – COMPANY LEVEL – PSV'S

VesselsValue

Nov 2022

Company	Active	Laid up	Total	% Laid up
Hornbeck Offshore	36	30	66	45%
Edison Chouest	73	35	108	32%
Harvey Gulf	30	12	42	29%
Tidewater Marine	104	3	107	3%
SEACOR Marine Holdings	13	0	13	0%

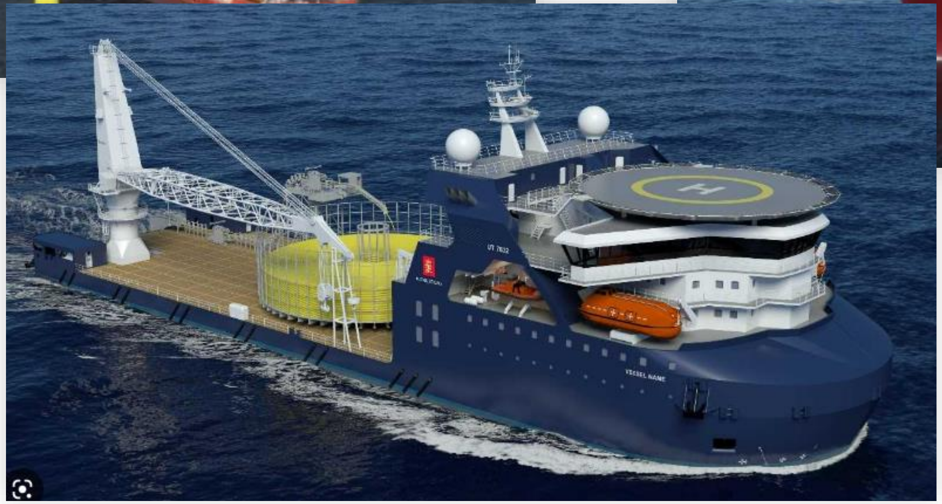
5. RENEWABLES MARKET

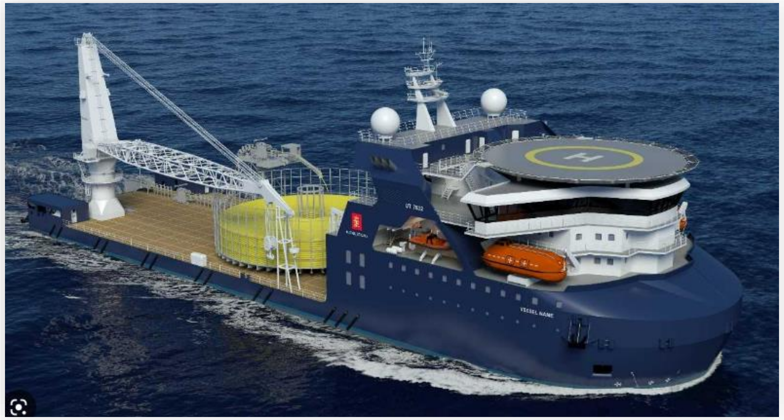
WINDFARM INFRASTRUCTURE (DEMAND)

Country	Current Projects	Future Projects
China	85	206
Germany	28	59
Japan	5	59
South Korea	2	64
Sweden	4	56
USA	4	62
Vietnam	19	75
UK	51	65
Taiwan	7	39
Estonia	0	27

US RENEWABLES MARKET NEEDS BOATS! (SUPPLY)

VesselsValue





These new assets come with various hurdles.

OIL AND GAS AND RENEWABLES ARE LINKED

VesselsValue

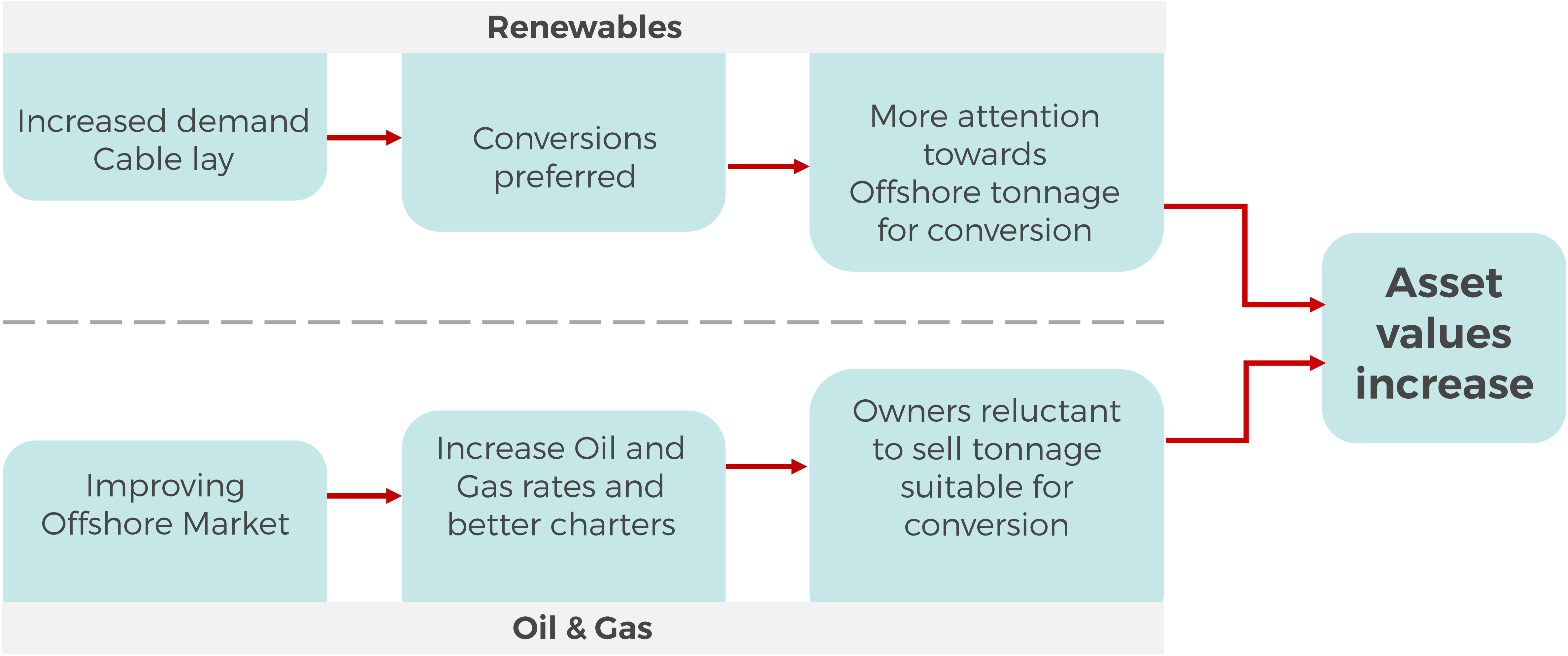
THE OIL AND GAS EFFECT – CHARTERING

VesselsValue

- Oil and Gas market improving
- Demand for Oil and Gas tonnage to be utilised in Oil and Gas sector increases
- Vessels working in Offshore wind drawn back to the higher day rates
- Offshore wind unable to compete with Oil and Gas $$$
- Supply and demand metrics within Offshore wind affected
- Market needs more Renewables specific vessels

RENEWABLES EFFECT

VesselsValue



CONCLUSION

VesselsValue

- Strong demand at the drill bit!
- Most large OSV owners have positioned themselves well for a market upturn
- OSV values are firming (and quickly), PSVs case study.
- Expect to see continued firming for OSV's. Across all assets.
- Renewables is an exciting area of development and will create wealth of opportunity –However don't forget the power of oil and gas!
- **Finally, the market MOVING ON UP, MOVING ON OUT**

THANK YOU

Do you have any questions?

info@vesselsvalue.com
+44 (0)203 026 5555
vesselsvalue.com

VesselsValue | VV Aviation