OSV – Growth & Investment

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MARINE MONEY .6 April 2024, Singapore

M3 Marine Group

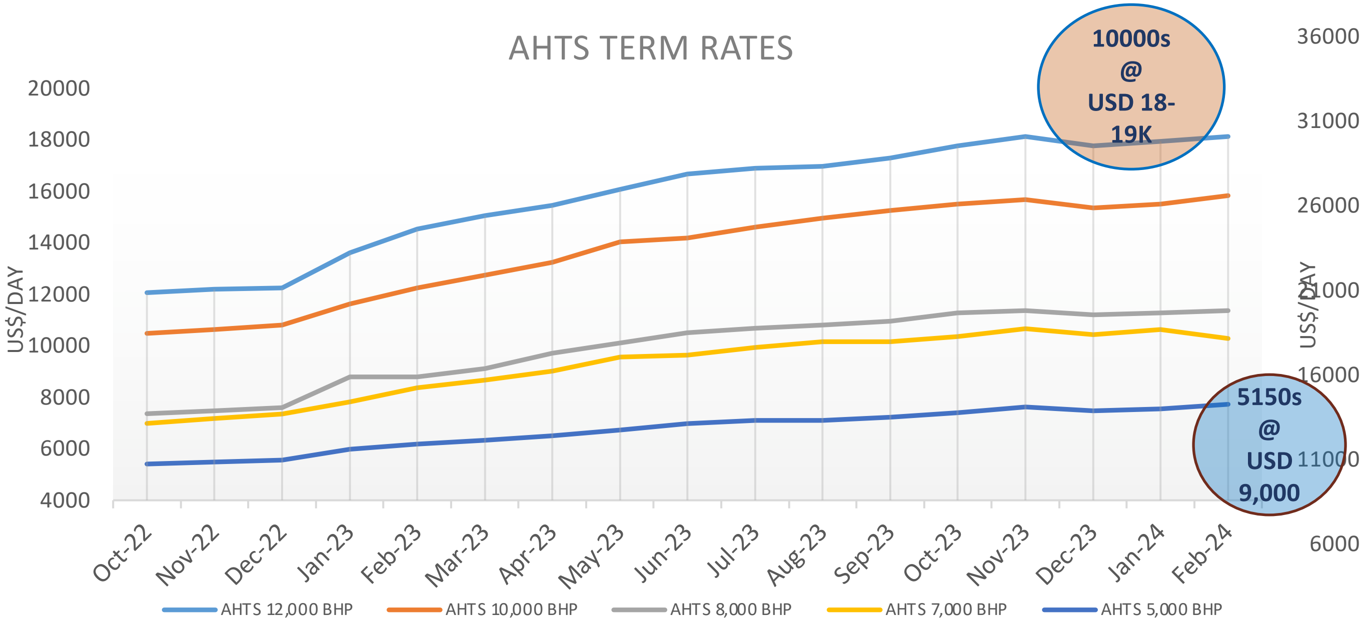
- M3 Marine Expertise
- M3 Marine Valuations
- M3 Marine Offshore Brokers

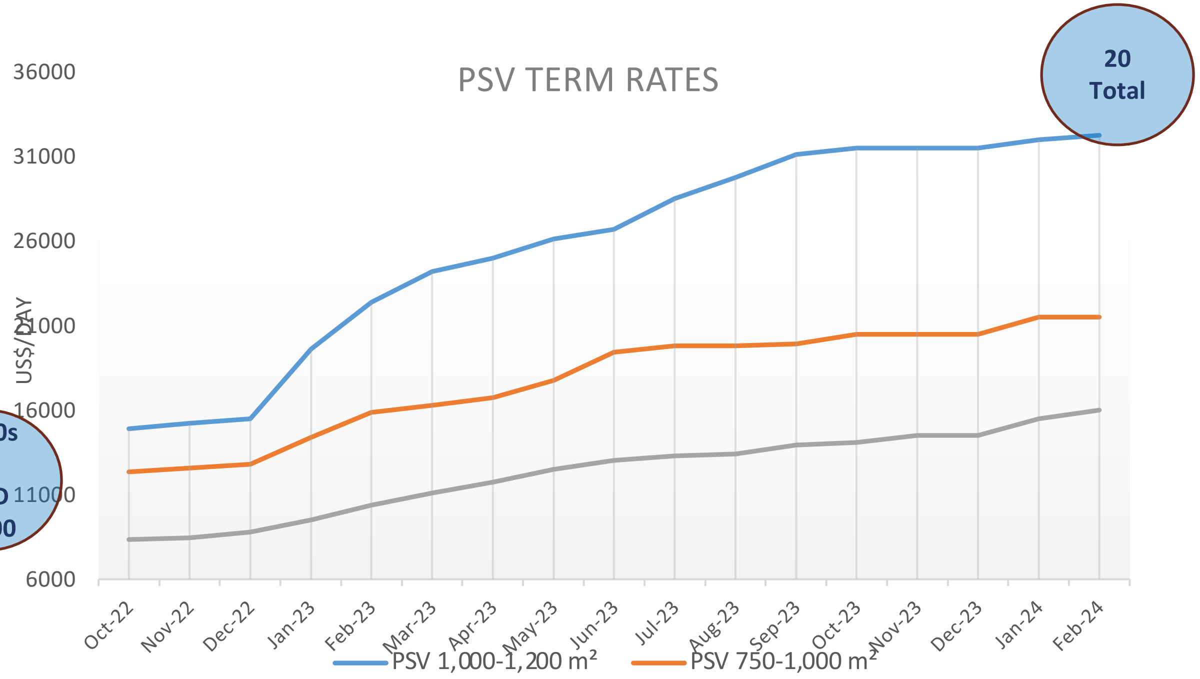
CONTENT

- OSV Supply and Demand, Rates and Future…
- Subsea Segment
- Who is Selling?
- Newbuild Pricing and economics
- Challenges and some solutions…

APAC includes Singapore, Malaysia, Indonesia, the Philippines, Brunei, eastern India to China, Myanmar, Thailand, Laos, Cambodia and Vietnam

APAC CHARTER RATES





Source: M3 Marine, Clarksons

~90% Fleet Utilization

SUBSEA

- 20 – 40 T Crane: 13 Going 30!

- 50 – 100 T Crane: USD 35,000 – 70,000 [wide range]

- DSV [all inclusive] : USD 150,000 – 200,000

SALE AND PURCHASE

WHO IS SELLING?

- Chinese shipyard – last few remaining resale assets
- South-East Asian yards – defaulted units
- Opportunistic Buyers/ Investors
- Second-Hand Sales from China

NEWBUILDS

PLATFORM SUPPLY VESSEL

- 72M, 3000 T DWT, D/E: USD 18 Mn
- 75M, 3700 T DWT, D/E: USD 24 Mn
- 87M, 5000T DWT, D/E: ~USD 33 – 35 Mn

SUBSEA SUPPORT/ MAINTENANCE VESSEL

- 85 M, D/E, 120 men accommodation, helideck
- With 100T AHC Crane: USD 38 -39 Mn
- Without Crane: USD 32 Mn

UTILITY VESSEL

- 43 M, 4200 BHP, Crane: USD 6 – 7 Mn

ANCHOR HANDLING TUG SUPPLY

- 65 M, 80 T BP, D/E: USD 18 – 24 MN [varying accommodation]

EMERGENCY TOWING VESSEL

- 65M, 100 T BP, Direct-drive: USD 19 – 20 Mn

NEWBUILD CASE STUDY

25 Years Useful Life

14% WACC

CF = EBITDA of USD 20,000

85% utilization

USD 1.2 Mn docking cost + escalation

Present Value ~USD 44 Mn

NEWBUILD CHALLENGES + SOLUTIONS…

Shipyard Terms

Delivery time

Fuel

Slot availability

Charter Duration

Pre delivery/ Construction financing

WACC

Early termination Clause

Refund Guarantee

THANK YOU