Maritime M&A in a Choppier Market

November 21, 2024

EVERCORE

MARINE MONEY

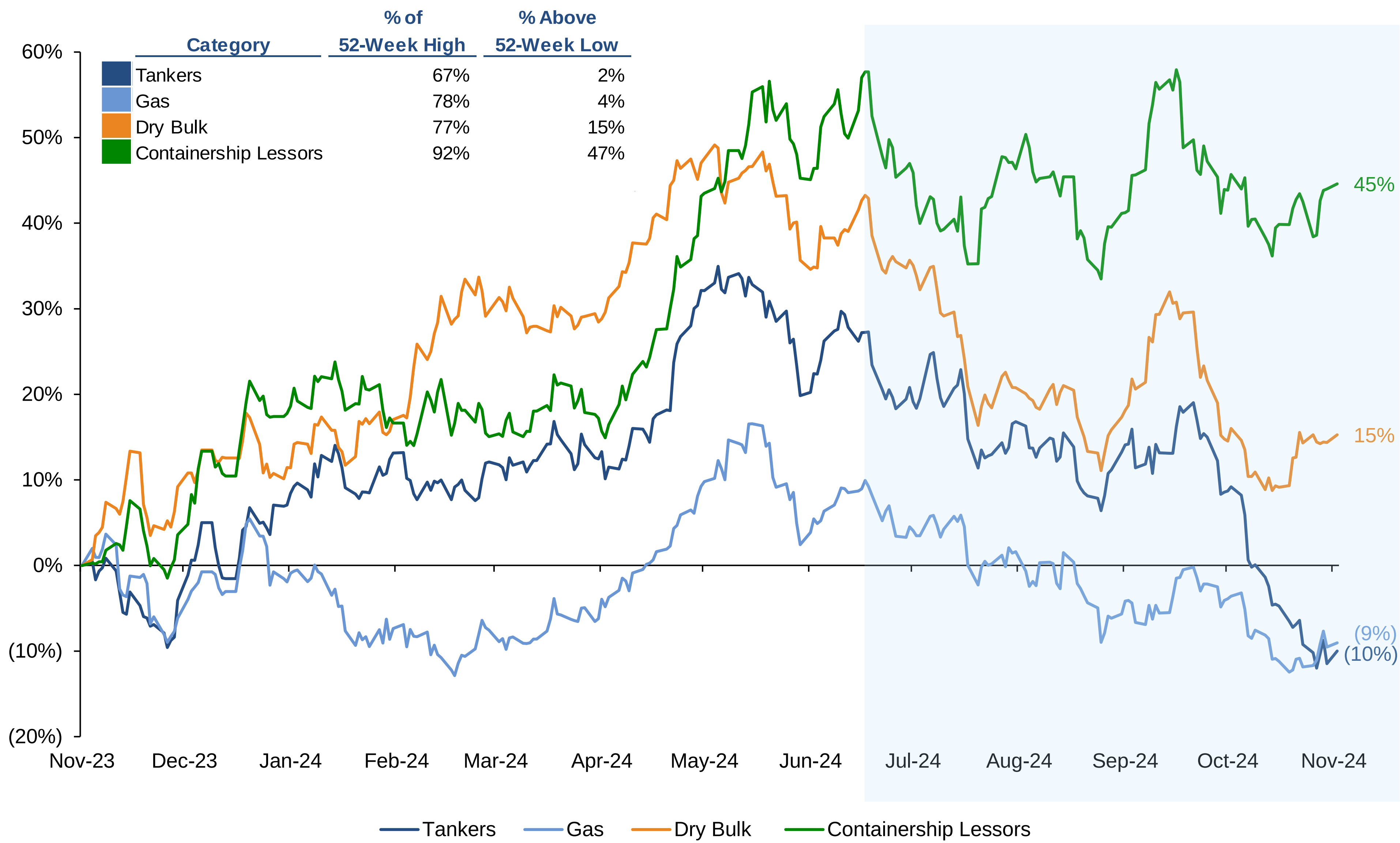
Robust Year in the Maritime M&A Market

Opportunistic monetization by shareholders in a strong market

Announce Date	Buyer	Seller	Transaction Value ($mm)	Rationale
10/21/24	GIC	BlackRock *~45% stake in* GASLOG	Not publicly disclosed (~45% stake)	▪ Opportunistic exit for BlackRock following cyclical improvement since 2021 investment
8/15/24	BW LPG	Avance Gas *12 VLGCs*	$1,050	▪ Increase scale and renew fleet
6/3/24	أدنوك ADNOC	Navig8	$1,040 (~80% stake)	▪ Expand geographical footprint and service offering by large and growing market participant
4/24/24	MSC MEDITERRANEAN SHIPPING COMPANY	Gram Car Carriers	$919 (~97% stake)	▪ End market diversification
12/11/23	STAR BULK	EAGLE BULK	$912	▪ Increase scale and capital market benefits

Source: Company filings, press releases, industry articles

Shipping Stocks Retreating After a Strong Run



Category	% of 52-Week High	% Above 52-Week Low
Tankers	67%	2%
Gas	78%	4%
Dry Bulk	77%	15%
Containership Lessors	92%	47%

Source: FactSet (as of 11/18/24)
Note: “Tankers” includes Ardmore, DHT, Frontline, Hafnia, International Seaways, Nordic American Tankers, Okeanis Eco Tankers, Scorpio, Teekay Tankers, TORM and Tsakos; “Gas” includes Avance, BW LPG, Capital Clean Energy Carriers, CoolCo, Dorian, FLEX LNG and Navigator Gas; “Dry Bulk” includes Diana, Genco, Golden Ocean, Himalaya, Pacific Basin, Safe Bulkers and Star Bulk; “Containership Lessors” includes Costamare, Danaos, Euroseas and Global Ship Lease

Why are Investors Retreating from Shipping Equities?

1. **Declining freight rates and earnings outlook after years of outperformance**

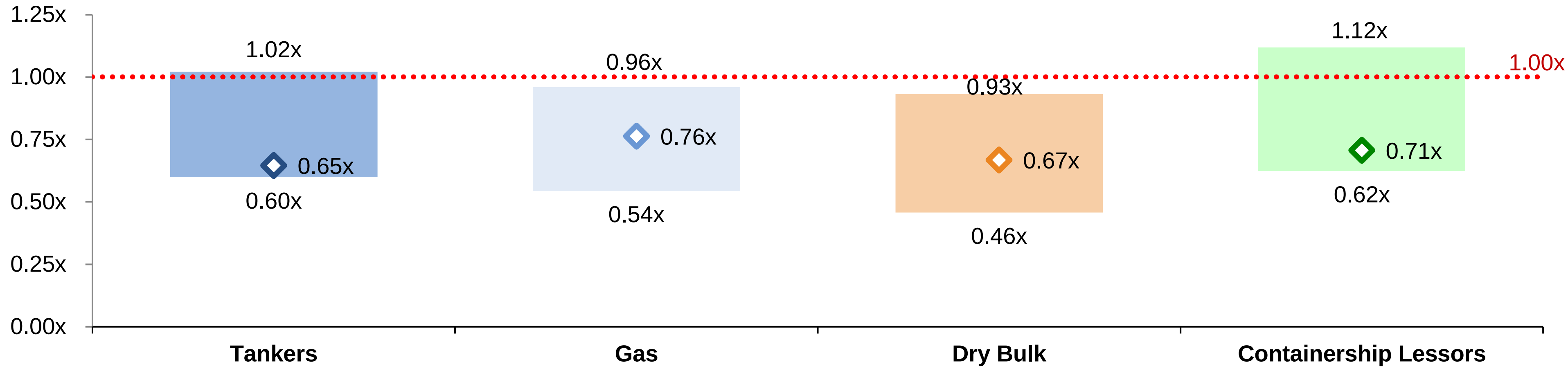
2. **Lower price targets and downgrades from equity research analysts**

3. **Softening asset values**

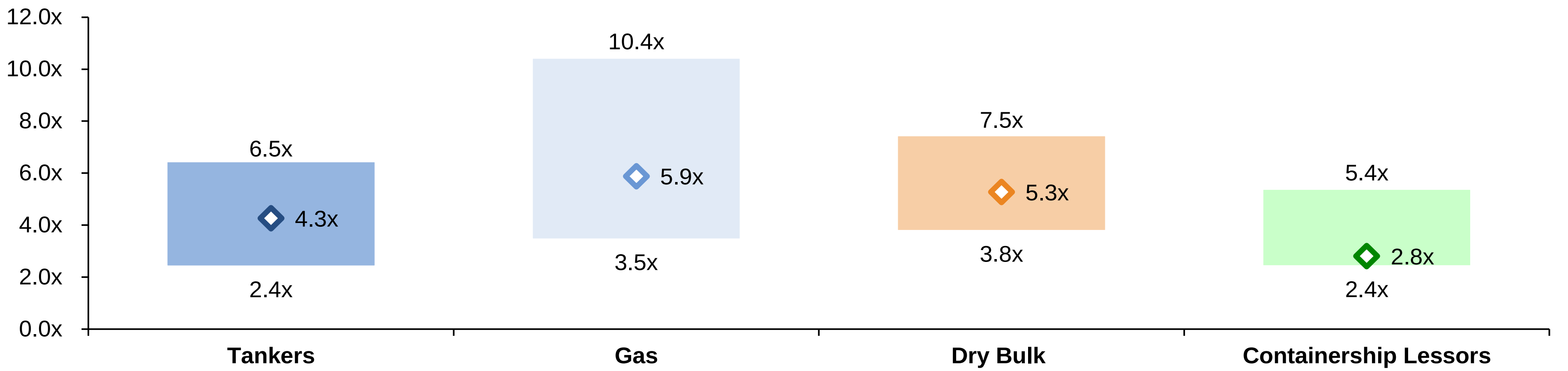
4. **Concerns around the reversal of black swan events**

Weaker Valuations as Nearly All Companies Trade Below NAV

Price / NAV



EV / NTM EBITDA



Legend

Trading Comps Ranges ◇ Median

Source: FactSet (as of 11/18/24), Wall Street Equity Research
Note: "Tankers" includes Ardmore, DHT, Frontline, Hafnia, International Seaways, Nordic American Tankers, Okeanis Eco Tankers, Scorpio, Teekay Tankers, TORM and Tsakos; "Gas" includes Avance, BW LPG, Capital Clean Energy Carriers, CoolCo, Dorian, FLEX LNG and Navigator Gas; "Dry Bulk" includes Diana, Genco, Golden Ocean, Himalaya, Pacific Basin, Safe Bulkers and Star Bulk; "Containership Lessors" includes Costamare, Danaos, Euroseas and Global Ship Lease

Why Maritime M&A Should Stay Active

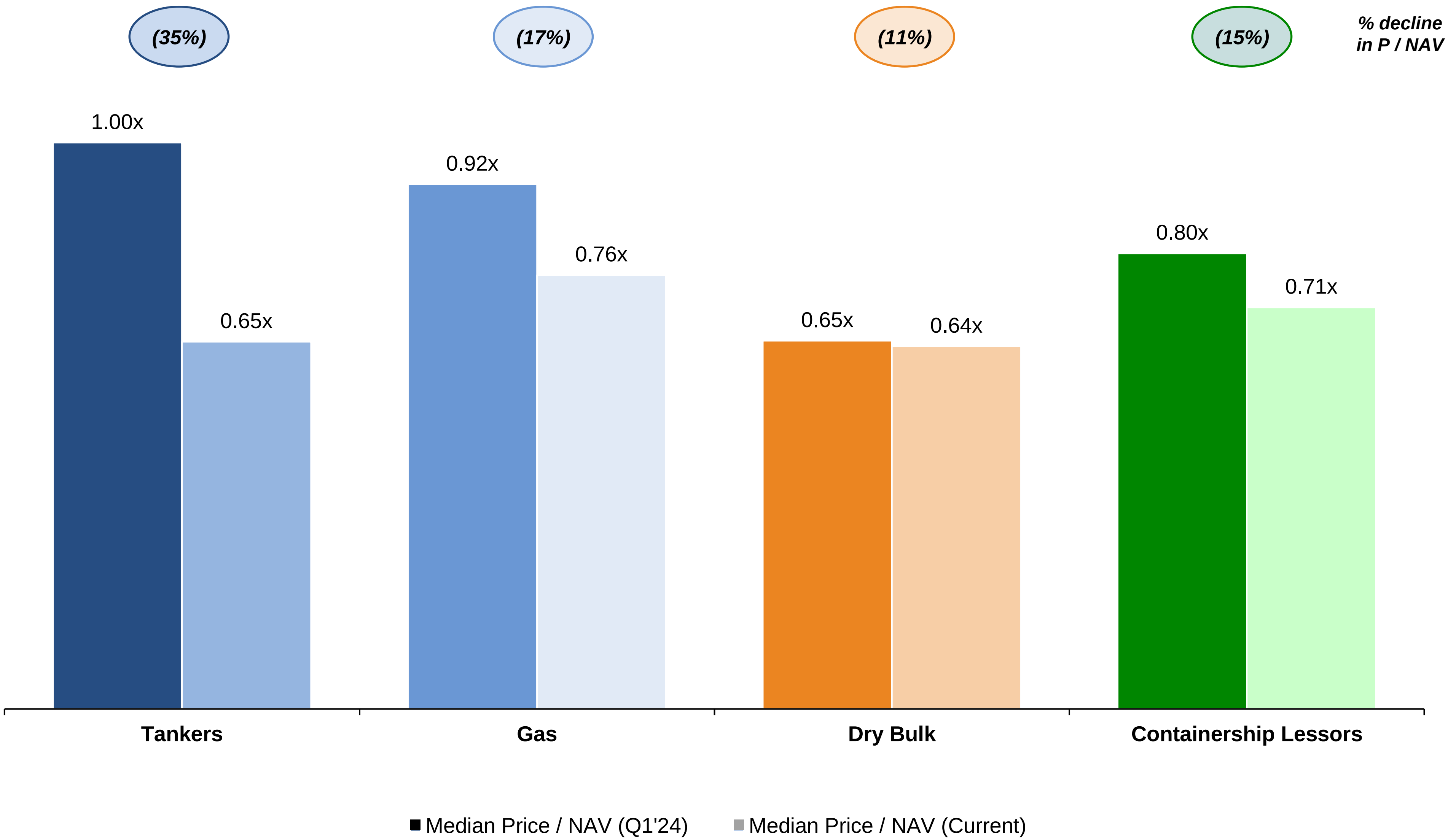
1. **Decline in public market valuations creates buying opportunities**

2. **Strong balance sheets could result in opportunistic cash bids**

3. **Scarce and expensive newbuilds and modern assets limiting organic growth**

4. **Public company assets are aging and M&A can renew fleet**

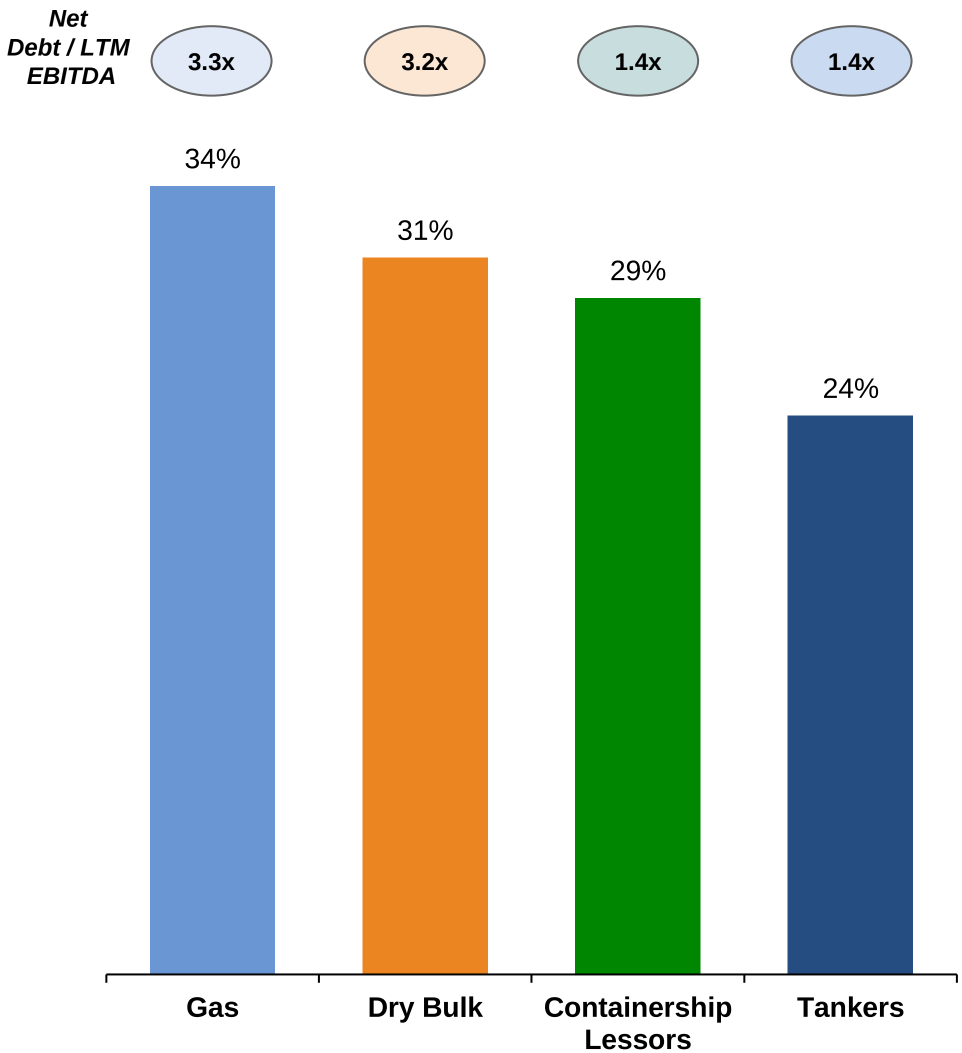
1 Decline of Public Market Valuations in 2H 2024



Source: Company filings, FactSet (as of 11/18/24), Wall Street Equity Research
Note: “Tankers” includes Ardmore, DHT, Frontline, Hafnia, International Seaways, Nordic American Tankers, Okeanis Eco Tankers, Scorpio, Teekay Tankers, TORM and Tsakos; “Gas” includes Avance, BW LPG, Capital Clean Energy Carriers, CoolCo, Dorian, FLEX LNG and Navigator Gas; “Dry Bulk” includes Golden Ocean, Himalaya, Pacific Basin, Safe Bulkers and Star Bulk; “Containership Lessors” includes Costamare, Danaos and Global Ship Lease

2 Shipping Balance Sheets Have Never Been Stronger

Net LTV[1]



Average Cash Balance ($mm)

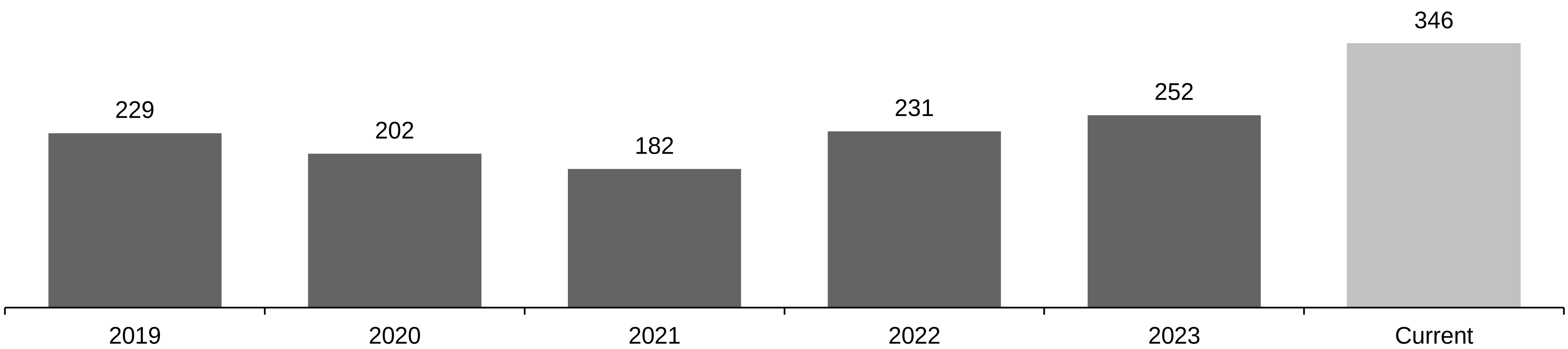
Source: Company filings, FactSet (as of 11/18/24), Wall Street Equity Research

Note: "Tankers" includes Ardmore, DHT, Frontline, Hafnia, International Seaways, Nordic American Tankers, Okeanis Eco Tankers, Scorpio, Teekay Tankers, TORM and Tsakos; "Gas" includes Avance, BW LPG, Capital Clean Energy Carriers, CoolCo, Dorian, FLEX LNG and Navigator Gas; "Dry Bulk" includes Diana, Genco, Golden Ocean, Himalaya, Pacific Basin, Safe Bulkers and Star Bulk; "Containership Lessors" includes Costamare, Danaos, Euroseas and Global Ship Lease

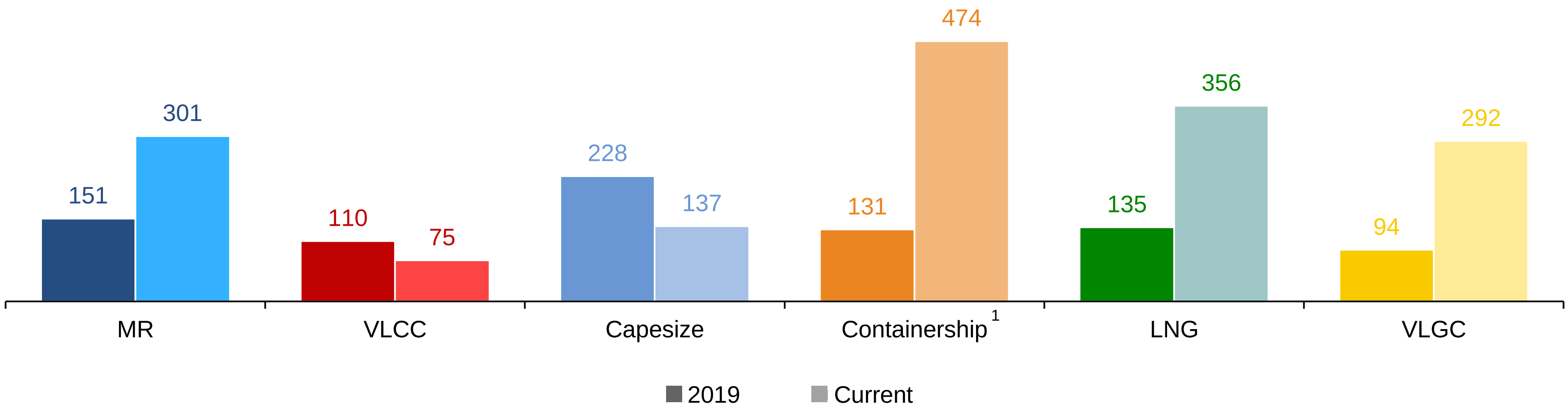
1. LTV calculated as Net Debt / (NAV + Net Debt)

3 Orderbooks have Rebounded with Shipyard Capacity Constrained

Global Orderbook (mm DWT)



Global Vessel Orderbook

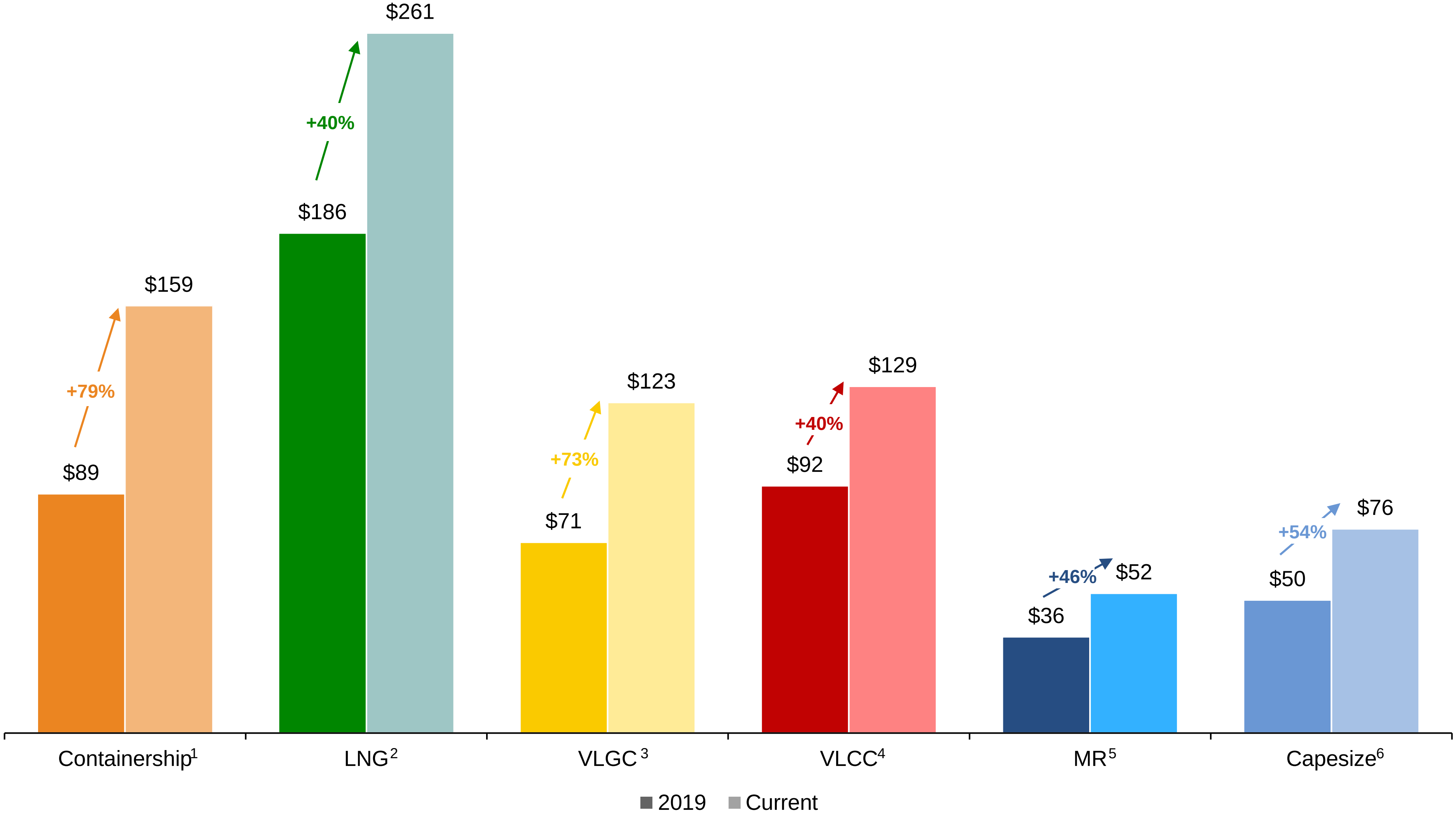


Source: Clarksons Shipping Intelligence Network

1. Containership, 8,000+ TEU

3 And, Newbuild Prices are Currently Elevated

High newbuild prices ($mm) help support the value of legacy assets, particularly modern vessels



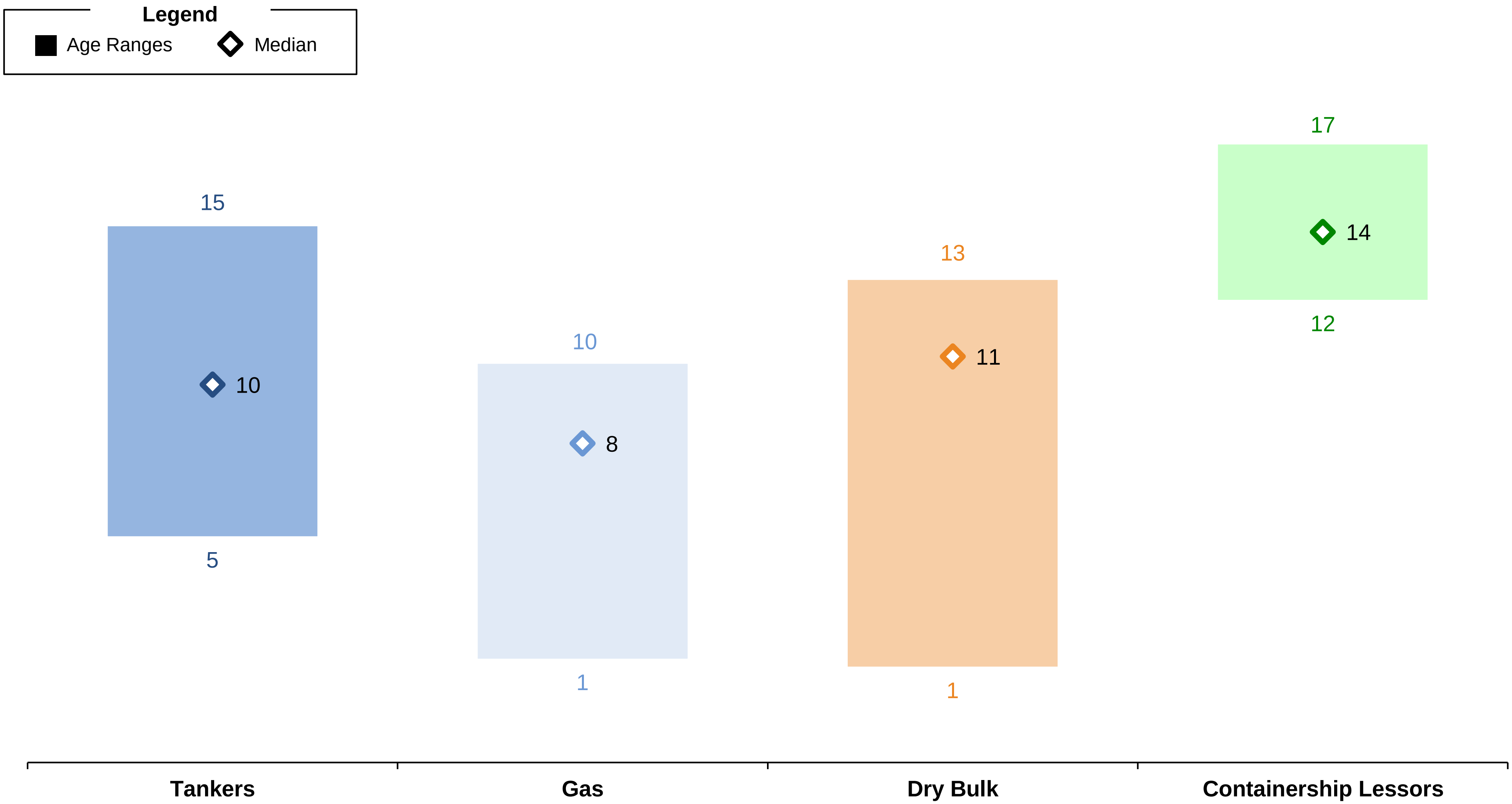
Source: Clarksons Shipping Intelligence Network
1. Containership 10,000/11,000 TEU
2. LNG, 174K CBM

3. VLGC, 88-91K CBM
4. Represents long run historical series
5. MR, 47-51K DWT
6. Capesize, 176-180K DWT

4 Public Company Fleets are Aging

Many public owners operate mid-life fleets, which will require renewal in the coming years

Fleet Age Across Sectors



Source: Company filings

Note: "Tankers" includes Ardmore, DHT, Frontline, Hafnia, International Seaways, Nordic American Tankers, Okeanis Eco Tankers, Scorpio, Teekay Tankers, TORM and Tsakos; "Gas" includes Avance, BW LPG, Capital Clean Energy Carriers, CoolCo, Dorian, FLEX LNG and Navigator Gas; "Dry Bulk" includes Diana, Genco, Golden Ocean, Himalaya, Pacific Basin, Safe Bulkers and Star Bulk; "Containership Lessors" includes Costamare, Danaos, Euroseas and Global Ship Lease

M&A Opportunities: What Type of Deals Could Occur?

1. **Privatizations due to poor public market valuations**
2. **Stock-for-stock transactions to capture synergies and valuation disparity**
3. **All-cash hostile takeovers of smaller operators and competitors for scale**
4. **Private owners infusing assets into public companies**

M&A Challenges: What Could Spoil the Party?

1 Controlling shareholders and social issues

2 Misalignment of valuation expectations between buyers and sellers

3 Lack of valuation disparity among peers

Thank you!