



**12th Annual Capital Link
Shipping & Marine
Services Forum**
Tuesday, September 10, 2019
116 Pall Mall – London, UK



IN PARTNERSHIP WITH
Fearnley Securities
IN COOPERATION WITH
London
Stock Exchange Group

HELD IN CONJUNCTION
WITH LISW19
9-13 SEPTEMBER 2019
LONDON
INTERNATIONAL SHIPPING WEEK

PRESS RELEASE

“12TH ANNUAL CAPITAL LINK SHIPPING & MARINE SERVICES FORUM” TUESDAY SEPTEMBER 10th, 2019, LONDON – UK

September 17th, 2019

The **“12th Annual Capital Link Shipping & Marine Services Forum”** took place with record success of 600+ attendees on **September 10th, 2019**, at **116 Pall Mall**, in **London**, in partnership with **Fearnley Securities** and in cooperation with the **London Stock Exchange**. The event was held **in conjunction with the London International Shipping Week 2019**.

We were honored to have the **UK Minister for Shipping, Ms. Nusrat Ghani MP, Parliamentary Under-Secretary of State - UK Department for Transport**, delivering the closing remarks to our forum.

This Forum, organized on an annual basis, is well known for its large attendance by owners, investors and financiers who come together to discuss sector & industry panels. The London Forum also provided the opportunity for **1x1 meetings** between **company management teams** and **investors**.

The Forum discussed the recent trends and developments in the shipping and marine services sectors, as well as, the financial and capital markets. By attending, participants gained a deeper understanding of the current state of these industries, the subsequent effects on their investments, and a clear focus on the opportunities and challenges ahead.

A High Caliber Audience

All of Capital Link's events which are organized across London, New York, Athens, Limassol, Shanghai, Singapore, Tokyo and as of this year in Hong Kong, feature government and industry leaders and present a unique opportunity to meet and network with a large, high-caliber audience of ship owning and offshore executives, institutional investors, research analysts, industry experts, commercial and investment bankers, risk advisors, private equity and venture capital firms, high-net worth investors, and financial media. **The 2019 London** event was open to the buy and sell side communities as well as the media.

WHO SHOULD ATTEND

Commercial and Investment Bankers • Charterers • Classification Societies • Commodity and Energy Traders • Finance Providers • Financial Advisors • Financial and Trade Media • Hedge Fund Managers • Institutional Investors • P&I Executives • Lawyers and Insurers • Market Analysts and Consultants • Private Equity Firms • Risk Advisors • Ship Managers • Ship Operators • Shipowners • Shipbrokers • Sovereign Wealth Funds • Venture Capital Firms

INDUSTRY PANEL & PRESENTATION TOPICS

Welcome remarks: Mr. Nicolas Bornozis, President - Capital Link.

Mr. Nicolas Bornozis, President - Capital Link., after welcoming the participants, in his speech he stated: “As D-Day to IMO 2020 quickly approaches, we will examine more closely the industry's readiness and compliance with the upcoming environmental regulations, which are widely expected to be a game changer for the industry. The landscape in finance has changed dramatically since the last time we gathered here in London last year. Research coverage in shipping has diminished with the departures of many high-profile U.S. Analysts, there have been no new IPOs, and many shipping stocks are trading below NAV. Chinese Leasing and alternative credit providers have₁

Capital Link: New York – London – Oslo – Athens – Limassol – Shanghai – Singapore – Tokyo – Hong Kong

230 Park Avenue • Suite 1536 • New York • New York 10169, USA • Tel.: +1 212 661 7566 • Fax: +1 212 661 7526
Longcroft House, 2/8 Victoria Avenue, London, EC2M 4NS, U.K. • Tel. +44(0) 20 3206 1322
40, Agioli Konstantinou Str, Suite A5, 151-24 Athens, Greece • Tel. +30 210 6109 800 • Fax +30 210 6109 801
Raadhugaten 25, P.O.Box 1904 Vikta • N-0116 Oslo, Norway
www.capitallink.com - www.capitallinkforum.com - www.capitallinkshipping.com

continued to expand their footprints while traditional banks are retracting. Industry experts have gathered with us today to discuss and deep dive into these critical challenges and opportunities we are now facing.”

We would like to express our appreciation and gratitude to the London Stock Exchange, our sponsors, and our media partners for their continued support in making this event a success each year. Their repeated contribution and participation are a testament to Capital Link’s recognition in the financial, investment, and shipping communities.”

Opening Remarks: Mr. Marius Halvorsen, President & CEO - Fearnley Securities

London as a Global Capital Raising & Investment Destination

Section remarks: Mr. Axel Kalinowski, Head of Central and Southern Europe - London Stock Exchange

Mr. Axel Kalinowski, Head of Central and Southern Europe - London Stock Exchange, reflected on market developments and activity in the London market in 2019. During this period 6 out of the Top 10 IPOs in Europe took place in London. Remarkably IPO volumes in London are up +33% compared to same period last year whereas volumes in Europe are down -53% and Global volumes are also down -21%, demonstrating the international nature and resilience of the London market. In addition, he covered new issuance trends in the shipping sector, and why LSE remains a compelling option for companies in the sector looking to raise permanent capital looking at cases like Tufton Oceanic which raised USD 91mln in its IPO with a further USD 50mln in March 2019 to acquire a diversified portfolio of shipping vessels.

Game Changers & Future of the Shipping Industry

The panel discussed trends and developments that affect the industry – regulations, technology, market forces and more!

Opening Address: Mr. Knut Orbeck-Nilssen, CEO – DNV GL

Moderator: Mr. Joshua Apfelroth, Partner – Cadwalader, Wickersham & Taft

Panelists:

- **Mr. Knut Orbeck-Nilssen, CEO - DNV GL**
- **Mr. Frederick J. Kenney, Director of Legal and External Affairs – International Maritime Organization (IMO)**
- **Mr. Lars Robert Pedersen, Deputy Secretary General – BIMCO**
- **Mr. Mark O’Neil, President – Columbia Shipmanagement**
- **Mr. Francis Richardson, CEO - Bermuda Shipping and Maritime Authority**

In his keynote address, DNV GL - Maritime CEO **Knut Ørbeck-Nilssen** described three major shifts that are transforming shipping. “There are shifts in the market, which are increasingly unpredictable, shifts in regulations and shifts in technology, driven by efforts to reduce CO2 emissions from shipping and digitalization. All have major implications on maritime safety,” he said. **Ørbeck-Nilssen** called for greater focus on maritime safety and stressed that new regulations needed to be holistic, with safety considerations at their core. On the transition to low carbon shipping, he gave an overview of the most promising carbon neutral fuels for deep sea vessels, stating that these technologies would need to mature further, before seeing widespread uptake. “LNG has proven itself as a good transitional fuel, able to bridge the gap, while reducing local and GHG emissions. Investing in fuel flexibility and technologies to bridge changing fuel usage are also essential strategies to adapt to the energy transition.”

Mr. Joshua Apfelroth, Partner – Cadwalader, Wickersham & Taft, stated: “While charter rates and the Baltic Dry Index have recovered over the past few years, the shipping industry remains challenged by a number of external forces, such as trade sanctions, international trade tariffs, vessel seizures, increased environmental regulations and the possibility of a no-deal Brexit. Each of these factors, among others, have contributed to the uncertainty surrounding the future prospects of the shipping industry, resulting in waning investor confidence demonstrated through depressed valuations and a narrowing field of financing sources. Future developments in these areas and the shipping industry’s ability to adapt to such developments will be critical to the future success of the industry.”

Mr. Francis Richardson, CEO - Bermuda Shipping and Maritime Authority, stated: “We discussed some very important and topical subjects including the IMO Sulphur 2020 requirements and the future of Environmental regulations. As an industry regulator, the Bermuda Ship Registry has a very important role and responsibility to

Capital Link: New York – London – Oslo – Athens – Limassol – Shanghai – Singapore – Tokyo – Hong Kong

230 Park Avenue • Suite 1536 • New York • New York 10169, USA • Tel.: +1 212 661 7566 • Fax: +1 212 661 7526
Longcroft House, 2/8 Victoria Avenue, London, EC2M 4NS, U.K. • Tel. +44(0) 20 3206 1322
40, Agiou Konstantinou Str, Suite A5, 151-24 Athens, Greece • Tel. +30 210 6109 800 • Fax +30 210 6109 801
Raadhusgaten 25, P.O.Box 1904 Vika • N-0116 Oslo, Norway
www.capitallink.com - www.capitallinkforum.com - www.capitallinkshipping.com

work closely with ship owners and ship management companies to identify and mitigate transitional issues so that ships may meet the new environmental requirements. This includes providing a clear and consistent approach, developing guidance and standardized forms and providing the appropriate resources to assist our valued clients. Ultimately, we aim to strike the right balance of ensuring compliance with shipping's environmental and social requirements while being cognizant and mindful of the economic impacts."

LNG Presentation

Section remarks: Mr. Gonzalo De Arteaga, Senior Analyst – Fearnresearch

Mr. De Arteaga, in his speech he stated: "Despite strong growth in LNG trade, spot LNG shipping activity slowed down in 2019 due to a weaker trade pattern. Our spot rates benchmark dropped 10% in January-August versus same period last year. On the other hand, mid-term rates went up 18-27% YoY reflecting expectations of market tightness. As we get closer to winter we see support and some improvement to current rates. The oversupply of LNG could require some temporary floating storage which would dry up vessel availability. We see the shipping market relatively balanced in the next two years. This includes some negative risk linked to large fleet deliveries and positive risk from a healthier trade pattern and a rebalanced product market."

LNG Sector

1x1 Discussion

Section remarks:

- **Mr. Espen Landmark Fjermestad**, Equity Research – **Fearnley Securities**
- **Mr. Jon Skule Storheill**, CEO – **Awilco LNG**

Mr. Espen Landmark Fjermestad, Equity Research – Fearnley Securities, stated: "Market fundamentals strong for LNG shipping. Although we have seen an increase in speculative orders over the last two years, we expect a majority of them to be tied to new liquefaction capacity. In addition, with significant unit cost efficiencies from new MEGI and XDF vessels we expect a material portion of the older fleet, steam turbines built prior to 2000 in particular, to be phased out. It is also encouraging to see that new projects are being sanctioned despite current weak gas prices."

LPG Sector

1x1 Discussion

Section remarks:

- **Mr. Peder Nicolai Jarlsby**, Equity Research – **Fearnley Securities**
- **Mr. John Lycouris**, CEO – **Dorian LPG**

Mr. Peder Nicolai Jarlsby, Equity Research – Fearnley Securities, stated: "We expect strong US NGL production coupled with growing export infrastructure to continue to support the freight market over the coming year. On the demand side, new Asian PDH plants and access to cheap US feedstock will in our view contribute to sustainable product differentials to support freight. Entering 2020, both the main risk and benefit stems from the upcoming IMO 2020 regulation. On one hand, potentially slower sailing speed, removal of older inefficient tonnage and scrubber offhire should be beneficial for the market. However, a potential naphtha oversupply on the back of lighter crudes and higher refinery runs to meet new distillate demand could negatively impact the propane pricing dynamics."

Mr. John Lycouris, CEO – Dorian LPG, stated: "Dorian LPG is a liquefied petroleum gas shipping company and a leading owner and operator of modern very large gas carriers ("VLGCs"). Our founding executives have managed vessels in the LPG shipping market since 2002.

We currently operate a fleet of 23 modern VLGCs, including 20 new fuel-efficient 84,000 cbm ECO-design VLGCs and three 82,000 cbm VLGCs. Our fleet has an aggregate carrying capacity of approximately 1.9 million cbm and an average age of 5.0 years

We provide in-house commercial and technical management services for all of the vessels in our fleet. Our mission is to arrange safe, reliable and trouble-free transportation, and we are committed to the highest quality of customer service."

Private Equity & Consolidation

Is Private Equity an opportunistic short-term or a strategic long-term investor in shipping? Does PE drive industry consolidation? Is there still appetite for shipping investments?

Capital Link: New York – London – Oslo – Athens – Limassol – Shanghai – Singapore – Tokyo – Hong Kong

230 Park Avenue • Suite 1536 • New York • New York 10169, USA • Tel.: +1 212 661 7566 • Fax: +1 212 661 7526
Longcroft House, 2/8 Victoria Avenue, London, EC2M 4NS, U.K. • Tel. +44(0) 20 3206 1322
40, Agiou Konstantinou Str, Suite A5, 151-24 Athens, Greece • Tel. +30 210 6109 800 • Fax +30 210 6109 801
Raadhusgaten 25, P.O.Box 1904 Vikta • N-0116 Oslo, Norway
www.capitallink.com - www.capitallinkforum.com - www.capitallinkshipping.com

Moderator: Mr. Panos Katsambas, Partner - Reed Smith

Panelists:

- **Mr. Kevin O'Hara**, Managing Director – **AMA Capital Partners**
- **Mr. Andrian Dacy**, Managing Director and Group Head, Global Transportation Group - **J.P. Morgan Asset Management**
- **Mr. Paulo Almeida**, Portfolio Manager - **Tufton Oceanic Limited**

Mr. Panos Katsambas, Partner - Reed Smith, stated: "Private equity is no longer the unexpected guest or the last addition to the party, but a permanent participant in the industry. Private equity in shipping 2.0 is helping to reshape the industry by leading in the restructurings of shipping companies, capitalizing new funding platforms, making available financing, working out non-performing loans and looking into new bespoke opportunities. Moreover, the fact that private equity is by definition cyclical money requiring an exit ensures that we will be seeing more activity in the coming years".

Mr. Paulo Almeida, Portfolio Manager - Tufton Oceanic Limited, stated: "I agree very much with my fellow panelists that the lower availability of capital, especially bank debt, for shipping creates great opportunities. Our focus at Tufton is providing institutional investors access to these opportunities. Due to the supply-side improvement of the past few years in both shipping and shipbuilding, exacerbated by environmental pressures, we believe that the current risk-return profile in shipping is superior to many other asset classes. We also believe Tufton is the only firm that offers institutional investors exposure to a diverse portfolio of ship types with low revenue volatility and low leverage. And we do so through both private funds and our London-listed fund. And we believe we are the only shipping investor that adheres to the UN's Principles for Responsible Investing."

The Changing Landscape of Bank Finance as the Main Capital Provider to Shipping

Options available to shipowners from traditional banks – global and specialized banks, new entrants, leasing.

Moderator: Mr. Tony Rice, Partner - HFW

Panelists:

- **Mr. Ryan Zhang**, Senior Manager, Ship Leasing Dept. – **AVIC International Leasing Co, Ltd**
- **Mr. Evan Cohen**, Managing Director and Group Head of Maritime Finance Business – **CIT**
- **Mr. Shreyas Chipalkatty**, Global Head, Shipping, Logistics & Offshore – **Citi**
- **Mr. Bill Guo**, Executive Director – **ICBC Financial Leasing**

Mr. Tony Rice, Partner – HFW, stated: "A series of challenging geopolitical and macroeconomic factors resulted in a weakened asset and ship finance market in 2018-19. Ongoing White House sanctions and trade policies, the UK's protracted Brexit process and a market slowdown in China were among some of the issues that combined to create an uncertain finance environment, causing many leading banks to continue to scale back their activities in many of HFW's key finance sectors, including shipping, offshore, commodities and aviation.

ECB stress tests on European banks, notably in Germany, resulted in many having to clean up their balance sheets in order to meet tighter regulatory capital requirements imposed by Basel IV. Any deals being done were more complicated, structured and risk averse. In shipping we saw a continued flight to quality, with large, industrial ship-owners being able to access bank debt, whereas all others still struggle. This was mirrored by the poor performance of listed shipping companies, and the resultant decline in IPOs or follow-on offerings in the US.

The capital vacuum left behind was been filled by Asia, notably a huge flow of Chinese sale and leaseback deals but also an increasing volume of Japanese operating leases. PE funds continued to play an important though specialised role, whether in equity investments, the setting up of lending platforms (effectively mini-offshore banks), or the large secondary market acquisitions of NPL portfolios, often with German banks acting as sellers. Export finance remains as active as ever, but, again, only for the larger, stronger credit borrowers already supported by a leading bank. Islamic finance continued to support asset finance, but is yet to break out of its regional focus.

Borrowers have had to broaden their funding base by necessity. This has also led to consolidation, as size does matter if one is to become eligible for some of the alternative sources of capital. The trend appeared to be away

from asset-backed finance and more towards unsecured corporate lending or, when once again open, capital market products."

Asia – The Locomotive for Global Shipping

Section remarks: Mr. Benjamin Wong, Head of Transport & Industrial - InvestHK

Mr. Benjamin Wong, Head of Maritime Cluster from Invest Hong Kong, stated: "With its ship building, ownership, registration and scrapping volume making up half of the global output, Asia is undoubtedly the locomotive in global shipping today. While half of the world's goods are loaded in an Asian seaport, 17 out of 20 top seaports are in Asia with 14 of them in China, including Hong Kong, which is the heart of Asia underpinned as international financial, transportation and trade centres that continues to provide high-end maritime services. You are cordially invited to join us in our wide array of activities during the Hong Kong Maritime Week 17-23 November."

Decarbonization – Conquering the Next Frontier

Beginning of the Longer Journey – Targets, Challenges & Strategies

Moderator: Mr. Patrick Kirkby, Partner – **Watson Farley & Williams**

Panelists:

- **Mr. Michael Parker**, Chairman, Global Shipping, Logistics & Offshore – **Citi**
- **Mr. Martin Stopford**, Non-Executive President – **Clarkson Research Services Limited**
- **Dr. Grahaeme Henderson**, Vice President, Shipping & Maritime – **Shell International Trading and Shipping Company Limited**

Mr. Patrick Kirkby, Partner – Watson Farley & Williams LLP, stated: "Against the background of IMO 2050, it seems inevitable that the focus of consumers and the shipping industry on climate awareness is only going to grow, increasing the priority for the multiple interests in shipping of GHG emissions reductions. With many of the 'easy wins' in carbon emissions exhausted, physical, analytical and automation-related technology and methods will play a crucial role in further progress on greenhouse gases across a multiplicity of solutions. Stakeholders' initiatives, from banks, regulators and the many other shipping bodies and interests, will play their part in fostering those technologies and approaches."

Dr. Grahaeme Henderson, Vice President, Shipping & Maritime – Shell International Trading and Shipping Company Limited, discussed the importance of a collaborative, industry-led approach to the decarbonisation of shipping. Although there are a number of operational and technological solutions currently available that can be used to reduce the environmental impact of the world's fleet, existing options are not enough to meet a 50% reduction in overall GHG emissions. The decarbonisation solution will involve different fuels, including those already available with lower emissions, such as LNG, as well as new fuels and technologies. It will be important for policy-makers, industry bodies, and industry leaders to work together to put in place the right frameworks and R&D to develop the funnel of solutions.

Product Tankers - Sector Panel Discussion

Moderator: Mr. Randy Giveans, Maritime Shipping Group Head, Equity Analyst - **Jefferies LLC**

Panelists:

- **Mr. Kim Ullman**, CEO - **Concordia Maritime**
- **Mr. Carlos Balestra di Mottola**, CFO – **d'Amico International Shipping**
- **Mr. Jacob Meldgaard**, CEO – **TORM A/S**
- **Mr. David Morant**, Managing Director - **Scorpio Tankers**

Mr. Randy Giveans, Maritime Shipping Group Head, Equity Analyst - Jefferies LLC, stated: "Given all of the current refined products tanker headlines and rate volatility, the refined products tanker panel focused on how the market got to where it is today, what is happening now, and where is the market set to go. Panelists discussed the deep and extended refinery maintenance season, global inventory levels, LRs vs MRs, US-China trade tensions, vessel ordering/scrapping, scrubber installations, and the impact of IMO 2020 on both tanker demand and supply. To

conclude the conversation, the panelists answered how they would each use \$50 million in free cash: repay debt, buy secondhand vessels, order more scrubbers, or repurchase shares.”

Mr. Kim Ullman, CEO - Concordia Maritime, stated: “When reading some of my peers summary’s from previous years I get a feeling that we’re all singing the same song – maybe just in different keys. It’s bad now, and we’re all disappointed but it will always soon be better, but it often turns out to be a longer and more winding road than predicted. That’s where I like to think that we have differed over the years – when we see a downturn in the market coming – then we say so. Like in the top year 2015 – after restocking will come hang-over days like it did in 2017/18. Now? Well, all the well-articulated reasons from the industry will finally bear fruition. Simply put, the primary reason is because of the fact that we are currently shipping less oil than what the world needs. When there will be another 0,5-0,8 mbd to be shipped – it will tip it over to the next profitable cycle. When? I guarantee you that everybody will say the same thing – sometime in Q4. More oil and seasonality. How long? As long as we don’t creep over the 10% OB”.

Mr. Carlos Balestra di Mottola, CFO – d’Amico International Shipping, stated: “A number of factors, including inventory destocking and the weakness of the crude tanker markets, with some of these vessels migrating into clean trades, as well as rapid fleet growth in 2016, although gradually slowing from 2017, have contributed to the weak freight markets for product tankers over the last three years. Following the 2018 end-of-year rally and a strong start to this year, we have seen some softening in freight rates, which in 2019 have been nonetheless much higher than during the same period last year. In 2019 we have also seen significant strengthening in period rates and asset values, with a consensus expectation developing of a stronger market in the last part of 2019 and in 2020.

The prolonged refining maintenance in the first-half of 2019, which led to subdued refining volume growth of only 0.55 million b/d year-on-year, should be followed by a shorter maintenance season this fall, leading to an expansion in refined volumes of 2.6% in H2 2019 relative to the same period last year. The long-awaited implementation of IMO 2020 is expected to further stimulate demand. The new rules are expected to initially increase the demand for diesel and VSLFO by around 2.0 million barrels per day, of which 1.6-1.8 million barrels should be transported in product tankers. The additional demand for diesel will increase refining margins for this product with refineries meeting the pent-up demand also through the large capacity additions, equivalent to 2.7 million barrels per day in 2019. Also crude markets are expected to do well from the second half of 2019, because of IMO 2020 and because of the rising crude exports from the US, as some of the logistical bottlenecks which have been constraining growth are addressed. Scrubber retrofits which are concentrated in the second half of 2019 and beginning of 2020, reducing the available fleet, will be supportive for the product and in particular the crude tanker markets. On the supply side, the orderbook is very low, at only 7% in the segments we operate in (Handy, MR and LR1), with limited fleet growth expected, of around 2.0% per annum on average, up to end of 2020.”

Mr. Jacob Meldgaard, CEO – TORM A/S, stated: “There are many different opinions on what the effect of IMO 2020 will be and when we will start to see it in the market. The consensus view is that the new regulation requires the bunkering industry to build and maintain stocks of compliant low-sulfur fuel in ports around the world. This may create new and considerable trade for product tankers, and we expect the regulations will lead to an incremental increase of around 5% in product trade in 2020, subject to the refinery industry’s ability to shift to very low sulfur fuel oil production faster than expected.”

Mr. David Morant, Managing Director - Scorpio Tankers, stated: “Scorpio Tankers (STNG: NYSE) has one of the largest and most modern fleet of Product Tankers in the world. The vessels are all employed in the spot market and have an average age of under four years. By the end of 2020 almost all of Scorpio’s MR and LR vessels will be scrubber equipped. This will leave the company optimally positioned for the IMO2020 implementation with the potential for significant cashflow generation due to the pending structural and cyclical upswing. In addition, the company enjoys one of the largest and most liquid listings in global shipping.”

Crude Oil Tankers - Sector Panel Discussion

Moderator: Dr. Arlie G. Sterling, President & Co-Founder – Marsoft Inc

Panelists:

- **Mr. Hugo de Stoop**, CEO - Euronav
- **Mr. Jeffrey Pribor**, CFO - International Seaways
- **Mr. Robert Burke**, CEO - Ridgebury Tankers
- **Mr. Nikos Tsakos**, President & CEO - Tsakos Energy Navigation, Former Chairman INTERTANKO 2014-2018

Dr. Arlie G. Sterling, President, Marsoft Inc., chaired a panel discussing Crude Oil Tankers Sector. The panel considered Crude tanker market outlook to be promising over the next couple of years, due to expectations of slow fleet growth combined with further rises in long-haul US crude exports. In addition, over the next 6-12 months, fleet productivity is likely to decline due to the IMO 2020 regulations, which are already leading to increased offhire time, as scrubber installation ramps up, and which should lead to slower average fleet speed as fuel prices rise next year. However, the panel expected the rally to be held in check by sluggish economic growth and by OPEC production restraint.

Mr. Hugo de Stoop, CEO – Euronav, stated: “Reducing shipping’s Sulphur footprint is a critical step forward for all seaborne transportation and Euronav wholeheartedly welcomes the new IMO 2020 regulations. Euronav has purchased compliant fuel at what we believe to be a competitive price ahead of the new regulations. This volume can provide a substantial coverage of our fuel requirements during the initial period of the regulation. Purchasing and securing supply of tested compliant product that should provide a natural hedge for Euronav against any lack of fuel oil availability, poor quality compliant fuel or unwanted price spikes and help establish strong, direct B2B relationships for future fuel sourcing.”

Capital Markets

Are capital markets open to shipping? What types of capital shipping companies can raise – debt, equity, structured finance – and where. Are investment banks committed to shipping?

Moderator: Mr. Rolf Johan Ringdal, Partner – BAHR

Panelists:

- **Mr. Jim Cirenza**, Managing Director – DNB Markets, Inc.
- **Mr. Rikard Vabo**, Managing Director - Corporate Finance – Fearnley Securities
- **Mr. Douglas Mavrincac**, Managing Director - Global Head Maritime Investment Banking – Jefferies LLC

The moderator on the «Capital Markets» panel, **Mr. Rolf Johan Ringdal** of lawfirm BAHR in Oslo, noted that: “The investors’ growing appetite for ETFs in combination with their increased focus on ESG seems to somehow put shipping at a disadvantage, particularly on the equity side. Also, the uncertainties resulting from the IMO 2020 regulations coming into effect seem to affect the sentiment. With the additional challenge that trade wars pose, and on top of that, that analyst coverage within the shipping segments has been significantly reduced over the past 12 months, there are numerous factors with potential adverse effects for the shipping industry’s attractiveness in capital markets. The lively discussion among the panelists gave food for thought in trying times”.

Mr. Jim Cirenza, Managing Director – DNB Markets, Inc., stated: “The biggest winners in the Asset management business during this bull market, have been the ETF’s and the ESG funds. Unfortunately for shipping, most companies have missed this wave. In a market that rewards the biggest market cap stocks, as well as the best corporate examples with strong environmental focus, social responsibility and corporate governance; shipping struggles. Today, almost all large asset managers promote their commitment to sustainable investing and there is more than \$20Trillion invested in ESG strategies.”

Alternative Finance

Alternative Finance has become a much bigger source of funding to shipping. Typical transactions, relative costs, advantages & disadvantages compared to traditional sources of finance.

Moderator: Mrs. Diana Syziu, Legal Director – Hill Dickinson

Panelists:

- **Mr. Nicolas Duran**, Partner & Director Investment Banking – Fearnleys Securities

Capital Link: New York – London – Oslo – Athens – Limassol – Shanghai – Singapore – Tokyo – Hong Kong

230 Park Avenue • Suite 1536 • New York • New York 10169, USA • Tel.: +1 212 661 7566 • Fax: +1 212 661 7526
Longcroft House, 2/8 Victoria Avenue, London, EC2M 4NS, U.K. • Tel. +44(0) 20 3206 1322
40, Agiou Konstantinou Str, Suite A5, 151-24 Athens, Greece • Tel. +30 210 6109 800 • Fax +30 210 6109 801
Raadhugaten 25, P.O.Box 1904 Vika • N-0116 Oslo, Norway
www.capitallink.com - www.capitallinkforum.com - www.capitallinkshipping.com

- **Mr. Richard Moore**, Co-Founder and Managing Director – **Ascension Finance**
- **Mr. George Cambanis**, Managing Director – **YieldStreet Marine Finance**

Mrs. Diana Syziu, Legal Director – Hill Dickinson, stated: “11 years on since the start of the financial crisis in 2008 and bank lending in the shipping sector has changed substantially with the traditional high profile lenders downsizing their shipping portfolios and becoming increasingly more selective in their borrowers. This has remarkably paved the way for small and medium size owners, and in certain occasions to larger and more sophisticated owners, to alternative ship finance in the marketplace in a variety of forms, ranging from high yield bonds, convertible debt, ECA-s and leasing houses to larger private equity investments and project/structured finance. Shipowners have evolved significantly in their financial needs and corporate structures (some aiming to London Markets listing, for example), which has meant that alternative ship financing is no longer seen as the ‘missing cluster’ or bridging the gap for the larger financing, but an equivalent alternative to traditional ship finance and one could confidently say, a true competitor in the ship finance market worldwide.”

Mr. Nicolas Duran, Partner & Director Investment Banking – Fearnleys Securities, stated: “The development we’ve seen in the last 18-24 months in the alternative finance space has continued along its trajectory with constant growth and evolution. Last year I said that alternative finance would be highly relevant to everyone but the top credits, a statement I’d now like to withdraw as even top credits have increasingly been using alternative capital to optimize their capital structure. Direct lending/bilateral debt and leasing solutions are also constantly evolving with increasingly creative structures and flexibility as more providers and sources of capital are emerging.”

Mr. Richard Moore, Co-Founder and Managing Director – Ascension Finance, stated: “Ascension Finance is a first-mortgage lender in shipping with a dedicated pool of capital. We have targeted to deploy no less than \$300mill in 1st lien debt over the next 12 months. Maritime finance for non-corporate borrowers remains challenging and Ascension Finance is focused on filling this demand. We value creating long-term relationships with our clients by providing this necessary capital for both growth and structural efficiency through straightforward loans. We lend in all manner of situations, refinancings, new acquisitions, newbuildings and growth leverage. The capability of Ascension Finance to provide meet shipowners demands puts us at the forefront of ship lending in this market. www.ascensionfinance.com”.

Mr. George Cambanis, Managing Director – YieldStreet Marine Finance, stated: “YieldStreet is creating a fairer world of finance by providing investors access to high yield asset backed debt products that we underwrite and distribute online. We provide our investors with opportunities previously available to hedge funds and institutional investors. To date we have a billion dollars of assets under management and 200,000 subscribers growing by 10,000 a month across numerous asset classes. We provide situational debt financing to the marine industry allowing owners to buy back their debt or take advantage of opportunistic acquisitions.”

Dry Bulk Shipping - Sector Panel Discussion

Moderator: Mr. Espen Landmark Fjermestad, Equity Research – **Fearnley Securities**

Panelists:

- **Mr. Magnus Halvorsen**, CEO – **2020 Bulkers**
- **Mr. Gary Vogel**, CEO – **Eagle Bulk Shipping**
- **Mr. Per Heiberg**, CFO – **Golden Ocean**
- **Mr. Martyn Wade**, CEO – **Grindrod Shipping Holdings**
- **Mr. Hamish Norton**, President – **Star Bulk Carriers**

Mr. Espen Landmark Fjermestad, Equity Research – Fearnley Securities, stated: “We are now seven months past the tragic accident in Brazil. Despite an estimated 2% net impact on seaborne IO trade (c. 40% of bulk trade) and growing trade rhetoric’s dry bulk owners are now experiencing rates at six-year highs. In our view the current rally ascribes to 1) Vale recouping c. 60% of its lost production plus incremental volumes from Anglo and 2) major supply disruptions as c. 60 Capesizes left the market for scrubber retrofits. With Vale set to recoup additional volumes and scrubber related off-hire to increase en masse (FSeSt 4% in 2h19) we see a continued strong dry bulk market over the coming

12-18 months. Add record high Chinese crude steel production and diminishing port inventories to the mix and dry bulk shares at P/NAV 0.8x comes across as a solid risk-reward.”

Mr. Magnus Halvorsen, CEO of 2020 Bulkera, said: “2020 Bulkera is very well positioned to generate significant returns for our shareholders as the rest of our fleet delivers over the coming months. We have a strategy to eventually pay out all free cash flow as dividends on a monthly basis and we have proven over the last months that our vessels earn a significant premium to a standard Capesize. At current Capesize rates of around USD 38,000 per day our first vessel on the water is earning approximately USD 50,000 per day versus our cash breakeven of approximately USD 14,000 per day”.

Container Shipping - Sector Panel Discussion

Moderator: Mr. Richard Meade, Managing Editor – Lloyd’s List

Panelists:

- **Mr. Aristides Pittas**, Chairman & CEO - Euroseas Ltd.; Chairman & CEO - Eurodry Ltd.
- **Mr. Cao Deambrosio**, Managing Partner - Seamax Capital Management

Mr. Cao Deambrosio, Managing Partner – Seamax Capital Management, noted that the Seamax fleet is focused on the larger post panamax container vessels, which have experienced a significant increase in charter rates in recent months and expects the market to remain firm through 2020. **Mr. Deambrosio** stated that the container ship supply outlook remains positive with a much reduced orderbook and limited appetite for new orders. However demand has been more difficult to forecast given the current geo political situation.

CLOSING REMARKS:

“Maritime 2050 and competitiveness”

Ms. Nusrat Ghani MP, Parliamentary Under-Secretary of State - UK Department for Transport

PARTICIPATING SHIPPING COMPANIES

- 2020 Bulkera (NO:2020)
- Awilco LNG (NO:ALNG)
- Concordia Maritime (STO:CCOR-B)
- d’Amico International Shipping (BIT:DIS)
- Dorian LPG (NYSE:LPG)
- Eagle Bulk Shipping (NASDAQ:EGLE)
- Eurodry Ltd. (NASDAQ:EDRY)
- Euronav (NYSE:EURN)
- Euroseas Ltd. (NASDAQ:ESEA)
- Golden Ocean (NASDAQ:GOGL)
- Grindrod Shipping Holdings (NASDAQ:GRIN)
- International Seaways (NYSE:INSW)
- MPC Container Ships (NO:MPCC)
- Ridgebury Tankers
- Scorpio Bulkera (NYSE: SALT)
- Scorpio Tankers (NYSE: STNG)
- Star Bulk Carriers (NASDAQ:SBLK)
- TORM A/S (NASDAQ:TRMD)
- Tsakos Energy Navigation (NYSE:TNP)

PARTICIPATING COMPANIES & ORGANIZATIONS:

2020 Bulkera • AMA Capital Partners • Ascension Finance • AVIC International Leasing Co. Ltd • Awilco LNG • BAHR • Bermuda Shipping and Maritime Authority • BIMCO • Cadwalader, Wickersham & Taft • CIT Group Inc. • Citi • Clarkson Research Services Limited • Columbia Shipmanagement • Concordia Maritime • d’Amico International Shipping • DNB Markets, Inc. • DNV GL • Dorian LPG • Eagle Bulk Shipping • Eurodry Ltd. • Euronav • Euroseas Ltd.

9

Capital Link: New York – London – Oslo – Athens – Limassol – Shanghai – Singapore – Tokyo – Hong Kong

230 Park Avenue • Suite 1536 • New York • New York 10169, USA • Tel.: +1 212 661 7566 • Fax: +1 212 661 7526
Longcroft House, 2/8 Victoria Avenue, London, EC2M 4NS, U.K. • Tel. +44(0) 20 3206 1322
40, Agiou Konstantinou Str, Suite A5, 151-24 Athens, Greece • Tel. +30 210 6109 800 • Fax +30 210 6109 801
Raadhugaten 25, P.O.Box 1904 Vika • N-0116 Oslo, Norway
www.capitallink.com - www.capitallinkforum.com - www.capitallinkshipping.com

• Fearnley Securities • Fearnresearch • Golden Ocean • Grindrod Shipping Holdings • Holman Fenwick Willan LLP • Hill Dickinson • ICBC Financial Leasing • International Maritime Organization (IMO) • International Seaways • InvestHK • J.P. Morgan Asset Management • Jefferies LLC • Lloyd's List • Marsoft Inc • MPC Container Ships • Reed Smith • Ridgebury Tankers • Seamax Capital Management • Scorpio Tankers • Shell International Trading and Shipping Company Limited • Star Bulk Carriers • TORM A/S • Tsakos Energy Navigation • Tufton Oceanic Limited • Watson Farley & Williams • YieldStreet Marine Finance

THE CONFERENCE WAS ORGANIZED:

IN PARTNERSHIP WITH: Fearnley Securities

IN COOPERATION WITH: London Stock Exchange Group

SPONSORS:

GLOBAL LEAD SPONSOR: TEN LTD. – Tsakos Energy Navigation Ltd.

GLOBAL GOLD SPONSORS: Columbia Shipmanagement • DNV GL • Tototheo Maritime

GLOBAL SPONSORS: Citi • DNB • ICBC Leasing • Invest HK • Hong Kong Maritime and Port Board • Jefferies • NORD LB • Reed Smith • Watson Farley & Williams • Yieldstreet

SPONSORS: AMA Capital Partners • Ascension Finance • Avic Leasing • Bahr • Cadwalader, Wickersham & Taft • CIT Group Inc. • Holman Fenwick Willan • Hill Dickinson • Marsoft Inc. • RMK Maritime • Tufton Oceanic

LUNCHEON SPONSOR: Bermuda Shipping and Maritime Authority - Bermuda Ship Registry

COCKTAIL SPONSOR: The Marshall Islands Registry

BAGS SPONSOR: Runtong - RMS Group

SUPPORTING SPONSORS: Concordia Maritime • d' Amico International Shipping S.A. • Dorian LPG • Eagle Bulk • Eurodry Ltd. • Euroseas Ltd. • Golden Ocean • Grindrod Shipping • MPC Container Ships • Ridgebury Tankers • Star Bulk Carriers • Torm

MUSIC BY: Menelaos Kanakis www.kanakismenelaos.com

MEDIA PARTNERS: All About Shipping • www.efoplistes.gr • Elnavi • Greek Reporter • The Maritime Executive • www.maritimes.gr • MC Media • Nafsgreen.gr • Naftika Chronika • Oikonomiki Epitheorisi – Business File • Ship2Shore • Shipping & Finance • Shipping International Monthly Review • Tradewinds • Trust Online Solutions • Wordoils • Xinde Marine News

SUPPORTING ORGANIZATIONS: BIMCO • Cass Business School • Greek Shipping Cooperation Committee • Hellenic Bankers Association • Helmepea • Intermanager • Intermepa • Maritime London • The Mission to Seafarers • Propeller Club London • Propeller Club Piraeus • Spnl • UK Chamber of Shipping • UK Ship Register • Wista Hellas • Wista UK

The material of the Forum (presentations, speeches, photos, interviews and videos) are available online at: <http://forums.capitallink.com/shipping/2019london/>.

For more details and extensive information, please visit:

<http://forums.capitallink.com/shipping/2019london/>

www.capitallink.com

www.capitallinkforum.com

Or, please contact:

NEW YORK – Mrs. Eleni Bej, Tel. +1 212 661 75 66 - Email: ebej@capitallink.com

ATHENS – Mrs. Olga Bornozi / Mrs. Athena Kosmadaki

Tel. +30 210 6109800 - Email: obornozi@capitallink.com; athensoffice@capitallink.com

ORGANIZERS

Founded in 1995, Capital Link is a New York based investor relations, financial communications and advisory firm with a strategic focus on the maritime, commodities and energy sectors, MLPs, as well as Closed-End Funds and ETFs. Based in New York City, Capital Link has presence in London, Athens & Oslo. Capital Link is a member of the Baltic Exchange and works very

Capital Link: New York – London – Oslo – Athens – Limassol – Shanghai – Singapore – Tokyo – Hong Kong

230 Park Avenue • Suite 1536 • New York • New York 10169, USA • Tel.: +1 212 661 7566 • Fax: +1 212 661 7526
Longcroft House, 2/8 Victoria Avenue, London, EC2M 4NS, U.K. • Tel. +44(0) 20 3206 1322

40, Agiou Konstantinou Str, Suite A5, 151-24 Athens, Greece • Tel. +30 210 6109 800 • Fax +30 210 6109 801
Raadhugaten 25, P.O.Box 1904 Vika • N-0116 Oslo, Norway

www.capitallink.com - www.capitallinkforum.com - www.capitallinkshipping.com

closely with the **New York Stock Exchange, NASDAQ** and the **London Stock Exchange** as well as with major international and supranational organizations and industry associations in the areas of the firm's strategic concentration.

Our proactive approach, which integrates **Investor Relations, Information Technology and Media**, enhances awareness and branding for our clients through tailored outreach programs targeting analysts, institutional and individual investors and the financial media complemented by extensive and uniquely powerful marketing platforms. **Capital Link offers a full suite of services including strategic and corporate advisory, investor relations, media relations, public and industry relations and the organization of corporate events. Capital Link is also known for the organization of large scale, high quality Investment Forums** focusing on maritime transportation and U.S. investment products in key industry centers, such as **New York, London, Athens, Limassol, Shanghai, Singapore, Tokyo and as of this year in Hong Kong**. We organize fourteen conferences annually, of which ten are focused on the maritime sector. **The Capital Link Investment Forums** feature industry leaders and draw the elite of the global financial and investment communities. The **Capital Link brand** is widely-recognized and valued worldwide by participants in these communities for combining rich informational and educational content with as well as superior networking opportunities. In addition to conferences, **Capital Link organizes Webinars** focusing on investment strategies, sectors, critical topics of interest to the investment community and company presentations. Capital Link's **global marketing platform** enhances the visibility and reach of these events on a global scale that lasts well beyond the date on which each event is held, becoming a continuous reference point for market participants.

Capital Link's efforts have been recognized by the 2011 Lloyds's List Greek Shipping Awards, in 2012 and 2013 by the InterContinental Finance Magazine and in 2016 by the Wealth & Finance Magazine, Also, by the International Propeller Club of the United States and AHI-American Hellenic Institute.