



Sjöfartens Dag
MARITIME DAY

Thursday 23 May 2024
Andreas Remmer

ålands sjöfart Alands
landskapsregering ALANDIA DNV WÄRTSILÄ

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Sjöfartens Dag
MARITIME DAY

Ship Finance - how to finance newbuildings in today's
challenging market

- Andreas Remmer, Moderator
- Johnny Rosenholm, Head of Corporate Banking, ÅAB
- Matthias Happich, Senior VP, Hamburg Commercial Bank
- Even Bakke Dimmen, Partner, NRP Project Finance
- Hege Meuche Furuheim, Director, Nordea, Nordic Shipping

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Andreas Remmer
Moderator

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SHIP FINANCE

HOW TO FINANCE NB:S IN TODAY'S
CHALLENGING MARKET

Maritime Day, 23 May 2024



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Agenda

- | | | | |
|---|-----------------------------|--------------------|---|
| 1 | Andreas Remmer
Moderator | 2 | Johnny Rosenholm
Bank of Åland |
| | | 3 | Matthias Happich
Hamburg Commercial Bank |
| | | 4 | Even Bakke Dimmen
NRP Project Finance |
| | | 5 | Hege Meuche Furuheim
Nordea Bank |
| | | 6 PANEL DISCUSSION | |



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 ANDREAS REMMER

Curriculum Vitae



Past

- Ex. Banker (Shipping / Offshore Oil & Gas)
- Global Footprint
- Ex. Deputy CEO and CFO Viking Line Abp

Present

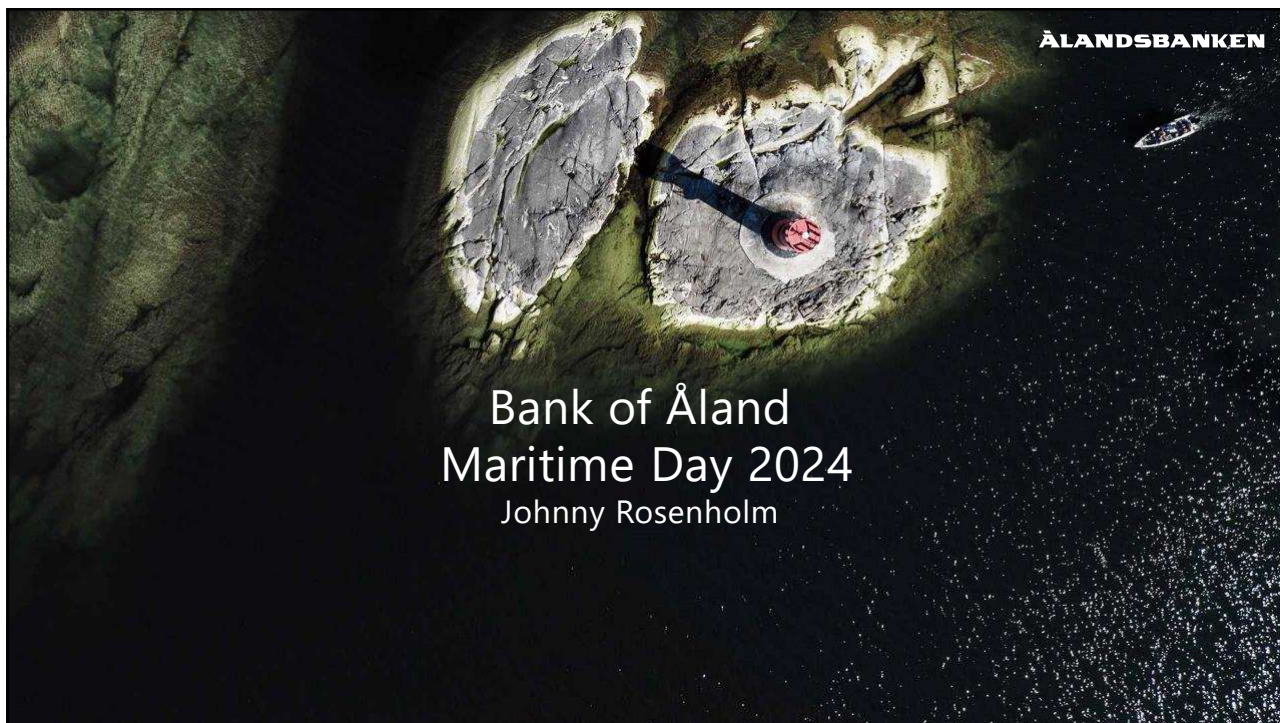
- BoD:s
- Consultancy / Advisory



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Johnny Rosenholm
Head of Corporate Banking
Ålandsbanken

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Markets

From a local bank...
Supporting the development of the Åland Islands

...to a Nordic banking group
With a wide product range and personal service for Private Banking, Premium & Corporate Banking customers.

The Åland Islands

- 2 offices, market share > 50 %

Finland

- 6 offices in affluent parts of Finland

Sweden

- 3 offices in Sweden's largest cities

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Corporate Banking

Asset management

Financial planning

Personal service & Banking

Tailored solutions

Corporate loans

Value growth together with our customers


ÅLANDSBANKEN

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ÅLANDSBANKEN


Climate Targets

In 2021 we established the Group's climate targets, which support the Paris Agreement




Reducing CO₂e-emissions

Reducing CO₂e emissions by 50 per cent no later than 2030, compared to 2021



Climate-neutral by 2035

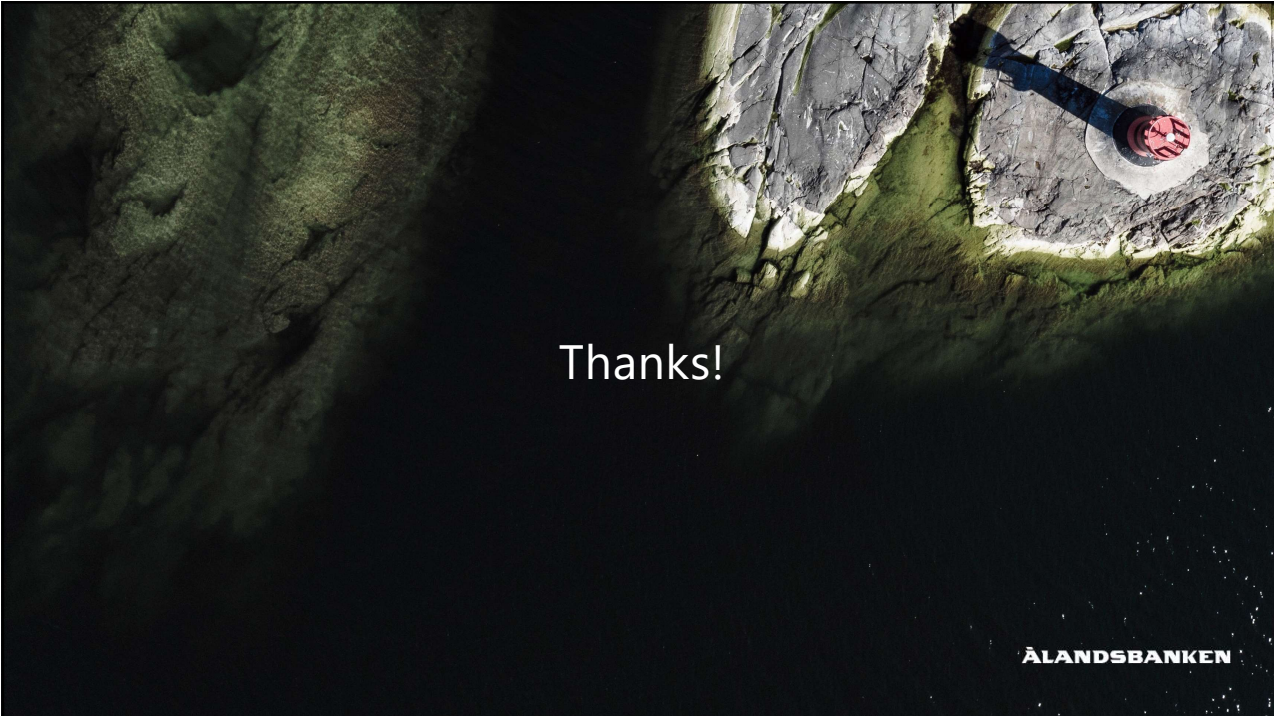
The Bank of Åland shall be a climate-neutral organisation no later than 2035



Net-zero emissions by 2050

The Bank of Åland shall achieve net-zero emissions by 2050

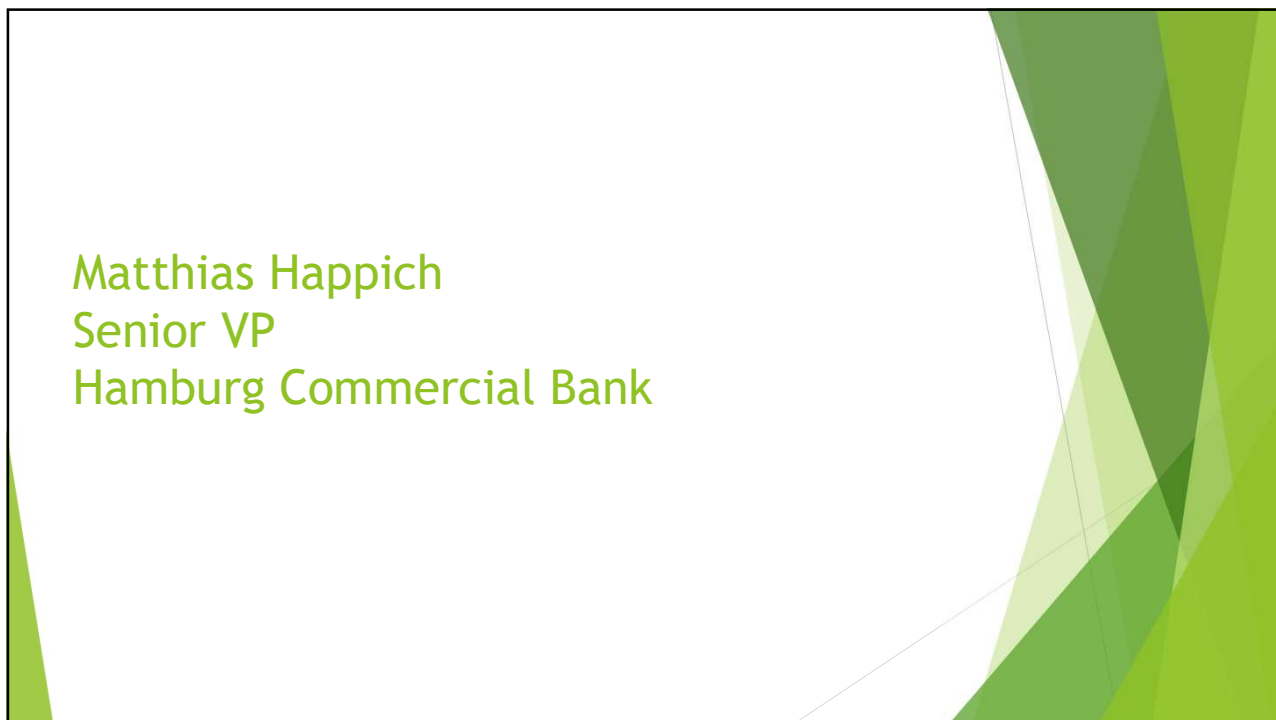
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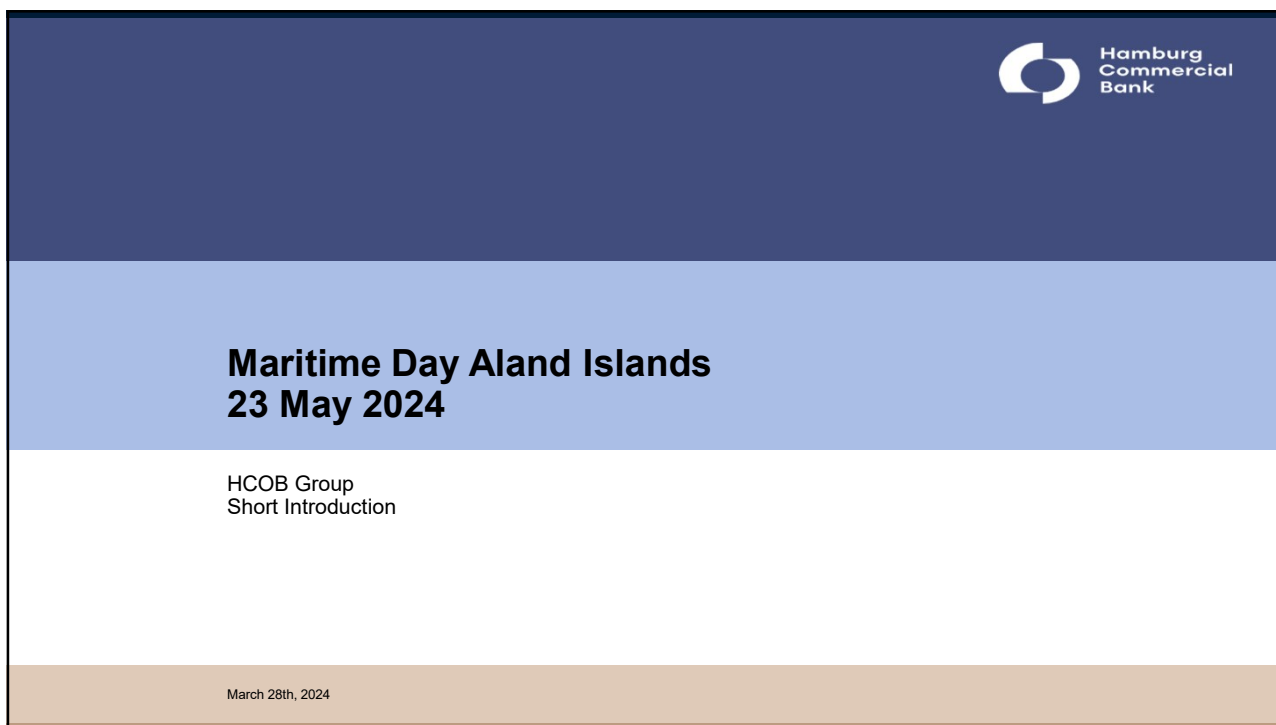
Thanks!

ÅLANDSBANKEN

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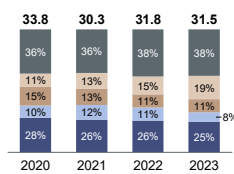
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Diversified and resilient business model providing earnings strength and stability

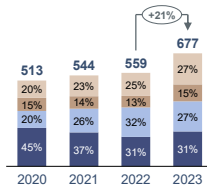
Focus on franchise business and investment diversification, very conservative approach to cyclical asset classes (CRE, Shipping), and prudent expansion of International Corporates business

Real Estate	Shipping	Project Finance	Corporates	Treasury & Group Functions
Assets: € 7.8bn	Assets: € 2.4bn	Assets: € 3.4bn	Assets: € 6.0bn	Assets: € 11.9bn
Net Income: € 53mn	Net Income: € 81mn	Net Income: € 69mn	Net Income: € 102mn	Net Income: € 126mn

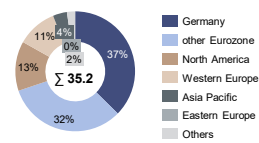
Asset allocation on B/S¹, in € bn / in %



Total income (lending units), in € mn



Portfolio by region¹, EAD in € bn / in %



1) Including Reconciliation

2023 results overview and outlook FY 2024

Key figures in %, unless stated		2022	2023	Delta Guidance 2023	Guidance 2024
Profitability & Efficiency	Profit before tax (€ mn)	363	427	+77	>300
	RoE post tax ¹	20.8	12.5	+1.5PP	>11
	NIM	168	204	-	>200
	CIR	44	39	-6PP	<45
Risk Management	NPE ratio	1.2	2.3	+0.8PP	~2.5
	CET1 ratio ²	20.5	19.5	+2.5PP	>17
Credit Profile	Issuer Rating	Baa1, pos.	A3, sta.	-	A3

1) RoE after taxes based on 13% normalized CET1 ratio | 2) CET1 Ratio of 19.5% for 2023 includes deduction of dividend

Perspectives 2024

- Leveraging successfully transformed business and operating model. Increasing operating leverage provides for strong profitability metrics
- High capital generation capacity and strong capital position
- Solid revenues on back of diversified and profitable business model, NII and NIM expansion is moderating
- Stringent cost management resulting in sound efficiency ratio, despite material investment in IT and people, enabling growth
- Prudent and pro-active risk management, reflected in increasingly diversified and granular portfolio, solid asset quality and conservative provisioning strategy
- Fortress b/s based on strong capital and liquidity position, with strong leverage ratio
- Sound credit profile and expanding track record support solid rating position

Shipping

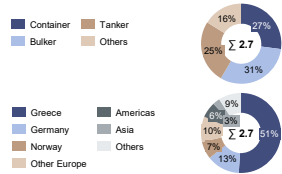
Financials¹

in € mn

	2023	2022
Total Income	190	177
Loan loss provisions	11	18
OpEx & regulatory costs	-99	-83
Net income after taxes	81	88
NIM in bps	560	400
Risk costs (loan loss prov. – %) ²	0.39	0.47
CIR in %	47	44
RoE ³ in %	22.9	24.1
Gross new business, in bn €	1.3	1.6

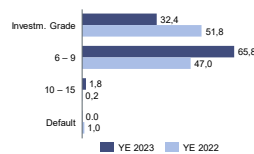
Portfolio by segment and region

in € bn EAD / % (YE 2023)



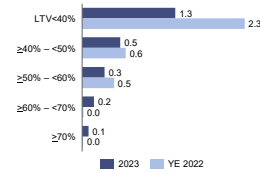
Rating

distribution in %



LTV⁴

in € bn EAD



Strategic positioning

- Portfolio decrease from 3.5bn € EAD) to 2.7bn € reflects sound financial position of shipping clients on back of strong market
- Focus on second-hand ships with superior risk/return dynamics
- Mix of asset-backed and corporate financings with a well-diversified portfolio of containers, bulkers and tankers
- Participating in ESG transition financing to achieve net-zero requirements
- Well-established business model focused on short durations (Ø maturity 3.2 years) & high collateral ship financings (Ø LTV 40% vs. 35% YE 2022) to reduce risks and quickly react to changing markets
- Risk metrics (ratings, LTV) are currently moderating on back of normalization of shipping markets following boom of 2020 – 2022, but are still at very strong levels
- Middle-east crisis currently supportive to shipping markets due to increased ton-miles as Suez channel is being avoided

¹ For further details on P&L please refer to the Segment Reporting on page 27 | ² Risk Costs (expected loss / b/s) | ³ RoE after taxes based on a 13%-ratio of invested CET1 capital as reported | ⁴ excluding 0.2 bn € other financing

Management board and shareholder structure



Ulrik Lackschewitz
CEO and CRO

- Born in 1968 in Bro, Sweden
- Chief Risk Officer (CRO) since October 2015 and deputy CEO since December 2018
- Before that, Ulrik Lackschewitz was Group Head of Financial and Risk Control at NordLB (2011) and reported directly to the Management Board



Marc Ziegner
CFO and Deputy CEO

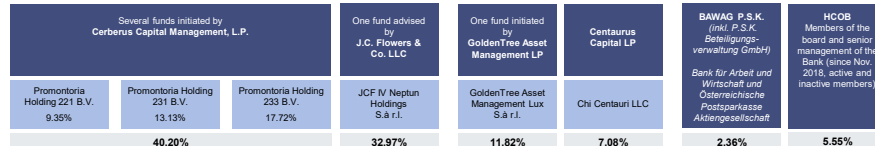
- Born 1975 in Germany
- Chief Financial Officer (CFO) since October 2022
- Prior to this, Marc Ziegner was Managing Director Bank Steering at HCOB. He has held various positions of responsibility in the areas of bank management, finance and group controlling



Christopher Brody
CIO

- Born 1968 in the US
- Chief Investment Officer (CIO) since July 2019
- From 2012 to June 2019 Christopher Brody was President and Chief Investment Officer of a US family office and from 2008 to 2011, he held the position of Chief Investment Officer at the Austrian bank BAWAG P.S.K.

Ownership structure¹



¹ As at March 22, 2024; percentages include rounding differences

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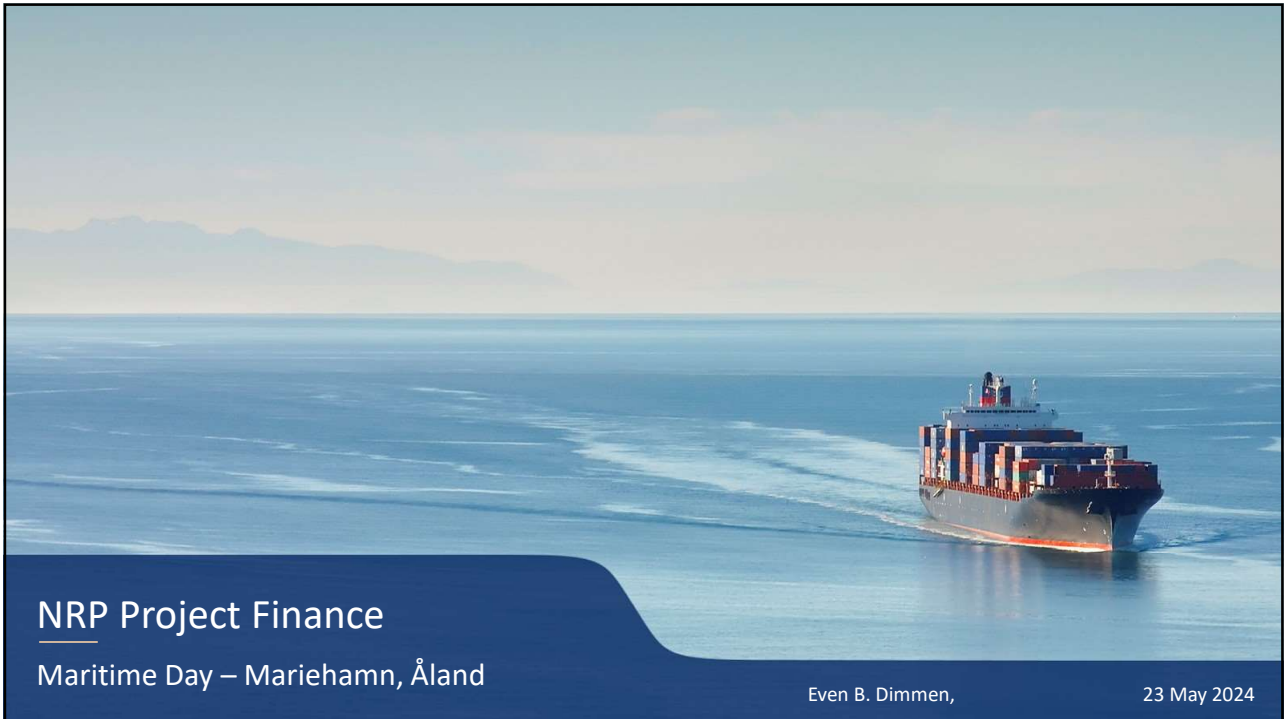
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Management system and defined management indicators of the IFRS Group

The Bank's integrated management system is aimed at the management of key value drivers on a targeted basis. The Bank (which was operating under the name HSH Nordbank AG up until February 4, 2019) uses a risk-adjusted key indicator and ratio system for this purpose that ensures that the Overall Bank are managed in a uniform and effective manner. The Hamburg Commercial Bank Group is managed mainly on the basis of figures for the Group prepared in accordance with the International Financial Reporting Standards (IFRS) and/or the relevant prudential rules.

Within the management reporting framework, the Bank focuses on the most important management indicators for the individual value drivers of the IFRS Group. On the one hand, the focus is on how these key indicators changed compared to the previous year and, on the other, on how they are expected to change in the future. The combined management report within the Annual Report 2022 contains further information on the management system and defined management parameters of the Hamburg Commercial Bank Group as well as disclosures.

Even Backe Dimmen
Partner
NRP Project Finance



NRP Project Finance
 Maritime Day – Mariehamn, Åland

Even B. Dimmen,

23 May 2024

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Ness, Risan & Partners Group



Maritime

NRP Project Finance

Direct investments within shipping & offshore
Arranger of asset-backed financing

NRP Maritime Asset Management

Closed-end credit and equity shipping funds



Cleantech

NRP Zero

Cleantech focused PE/Venture Capital fund within the Nordic SMB market



Business management

NRP Business Management

Business management services to NRP-related projects, funds, and companies



Mutual funds

NRP Anaxo Management

Mutual real estate fund

NRP Investering

Multipurpose investment vehicle. Accelerator for further growth of the NRP Group

Group highlights

Total AUM/AUA
Abt. **850** USD million

Capital raised since inception
Abt. **1.3** USD billion

Employees
+40

Established
24 years

NRP Capital Advisory

Distribution and sale of NRP-related products



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About us

NRP Project Finance AS

About us

- **Leading arranger** of direct investments and asset-backed financing within the shipping and offshore space
- **Founded in 2000** and is part of the Ness, Risan & Partners Group established by Christian Ness and Ragnvald Risan
- Team of leading industry professionals, **>60 years of combined experience** with structuring and managing maritime direct investments and financing arrangements

Direct investments

- **For >20 years**, NRP have been an active arranger of direct investments within shipping & offshore segments
- We provide investors with the opportunity to invest directly into **syndicated non-listed projects**
- NRP have arranged projects on dry bulk vessel, container feeders, tankers, car carriers, **RoRo vessels**, **MPP/Heavy-lift**, cruise, gas, reefers, PSVs, and AHTS vessels to name some.

Asset backed- & corporate finance

- NRP Project Finance assist shipowners with **sourcing and arranging the optimal equity partner or financing structure** for newbuilding programs, refinancing of existing fleets and restructurings
- As an arranger of financing, we **utilize our network** of traditional banks, private equity funds and alternative lenders worldwide to obtain **the best financing solutions tailored for the shipowners' needs and purpose.**

Current fleet

18 Dry-bulk	4 MPP/Heavy-lift
4 Container	2 Offshore
2 Tankers	1 Reefers

Key metrics

18% Average IRR since inception	\$1.3bn Equity raised since inception
149/122 Vessels acquired/sold since inception	\$500m Asset under Administration (AUA)

NRP
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NRP Project Finance | Projects

Selected deals concluded during 2023/2024

United Overseas Products II AS



Project Type : Asset Play
Sector: Product Tank
Employment: 2-yr TC
Leverage: 60%

Transaction size: USD 25,000,000

Winter MPP AS/KG



Project Type : Asset Play
Sector: MPP/Heavy-Lift
Employment: 2-yr TC
Leverage: 50%

Transaction size: USD 23,000,000

Tuddal Reefer IS



Project Type : Sale & Leaseback
Sector: Reefer
Employment: 5-yr BBCP
Leverage: 0%
Seller's credit: 25%

Transaction size: USD 2,000,000

EuroDry Eco Ultra AS/LP



Project Type : Asset Play
Sector: Dry Bulk
Employment: Short-to medium
Leverage: 50%

Transaction size: USD 48,000,000

W-Bulk / W-Bulk II



Project Type : Asset Play
Sector: 3x Dry-Bulk
Employment: Spot / 1 year TC
Leverage: 50-60%

Transaction size: USD 63,000,000

Hammonia Baltica AS/KG



Project Type : Asset Play
Sector: Container Feeder
Employment: 12-15 mth TC
Leverage: 50%

Transaction size: USD 17,000,000

Green Financing of Zero Emission Container Feeder



Project Type : Asset Financing
Sector: Container Feeder
Leverage: 80%

Transaction size: EUR 22,500,000

MARINE DEAL OF THE YEAR AWARDS WINNER 2023 LEASING

Financing of Offshore PSV



Project Type : Asset Financing
Sector: Cruise
Leverage: 55%

Transaction size: USD 7,000,000

Financing of 2x dry bulk carriers



Project Type : Asset Financing
Sector: Dry Bulk
Leverage: 50%

Transaction size: USD 10,000,000

NRP
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Strictly private & confidential

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Hege Meuche Furuheim Director Nordea, Nordic Shipping

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Nordea Shipping “At a Glance”

Strong business franchise built on customer base, knowledge, market experience and trustworthiness

Nordea’s shipping business

- **Experienced**
Nordea has 30+ years of experience within the Shipping industry and is among the 10 largest banks globally and considered one of the market leaders within maritime finance. Relationship with ~100 customer groups
- **Diversified portfolio**
Nordea has a well diversified portfolio across segments to market leading companies within each segment
- **Global reach**
Long standing relationships with the world’s leading shipping companies
- **Specialized team**
 - Industry specialists with significant credit, business and transaction experience
 - Credit and structuring skills are considered key success criteria for employees at all levels
- **Sustainability**
 - Industry wide collaboration to meet future ESG requirements
 - Special focus on energy transition

Bio

- **Current role**
Director at Nordea, Nordic Shipping, Large Corporates & Institutions, Norway
- **Experience**
 - 12 years of experience within ship financing and capital markets, including DCM (origination and sales) and ten years of client coverage for shipping companies
 - Educated at Norwegian School of Economics (NHH) holding a M.Sc. in Finance

Nordea

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HIGH NEW BUILDING PRICES

FRONT-HEAVY YARD PAYMENT TERMS

LONG DELIVERY TIMES

HIGH INTEREST RATES

HOW TO GET COMFORTABLE WITH I.A.
CHINESE/TURKISH/INDIAN ISSUED REFUND
GUARANTEES?

WHERE WILL THE CAPACITY TO FINANCE THE
GREEN TRANSITION COME FROM?

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Welcome back

Mercy Ships Race
Wednesday 21 May 2025

The Maritime Day
Thursday 22 May 2025

ålands sjöfart

 Ålands
landskapsregering

 ALANDIA

 DNV

 WARTSILA

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