

NEWSLETTER WINTER 2020

Welcome to Navalrocha's Winter 2020 Newsletter. While global attention remains fixed on COVID-19, hope is now on the horizon as several vaccines edge closer to widescale distribution. We are delighted to report that Navalrocha has maintained strong performances and proved its resilience throughout the year winning work with new clients and breaking fresh ground in target markets.

We approach the future with cautious optimism but are further pleased to report high volumes of enquiries for the first quarter of 2021. Navalrocha remains firmly open for business – following a rigorous overhaul to working practices to ensure full and effective management against COVID-19 - prioritising safety for all staff and customers.

The second half of 2020 saw continued progress building on landmark projects secured in the first six months of the year. Early in 2020 we welcomed a broad variety of vessels including the **Polarcus Naila seismic survey vessel, Paxoi and Andros bunker tankers, Ice Lady Patagonia II catamaran, Santa Maria Manuela sailing vessel, Castelo de Sines, Monforte, ALP Winger and ALP Centre tug boats as well as the SeaDream II Cruise Vessel.**

In May we extended our portfolio in the BWTS market after completing two further projects in a high-profile contract with **MM Marine** – which operates one of the world's largest fleets of high-specification bunkering tankers ranging from inland waterway barges to ocean-going offshore bunkering tankers. Initial work with MM Marine involved our first ever BWTS project installing next-generation technology onboard the **Paxoi bunker tanker**. In February we repeated the work on the **Andros bunker tanker**, before welcoming sister vessels **Kythira and Nisyros**. As we edged into Autumn, we managed a further BWTS installation for MM Marine's **los I oceangoing product tanker**.

The five-vessel contract marked a significant period in the yard's history, as the global deadline for ballast water treatment compliance closes, heralding a new era for the global shipping fleet. All projects were delivered with our in-yard partner **Step Consolidated** installing Alfa Laval Ballast Water Treatment Systems. In order to maximise speed and efficiency our engineers fabricated new pipes before the vessels arrived after requesting 3D CAD drawings from the vessel management team. All vessels underwent a range of other repair work including blasting, painting, mechanical work, steel renewal and electrical work. These projects signal Navalrocha's firm entry into the BWTS market, further demonstrating the speed and efficiency in which we can deliver BWTS packages alongside broader drydocking repair works.

By mid-Summer the **Sao Jorge chemical carrier** was positioned in Dock 2 for the second stage of a dry-docking project, involving piping and steel work withing a broader reclassification. The vessel owned by Portuguese operation **Transinsular** was built in 2010 and is now circulating the Azores, mid-Atlantic.

In the height of June, we delivered a novel project in the form of **Confeitaria Nacional River Cruise's Lisboa Vista Do Tejo 'restaurant boat'**. The passenger vessel is used for a wide range of leisure functions and operated by Portugal's famous confectionery brand which was recently recognised as one of the best and oldest candy houses in Europe. The 14-day drydocking, compete with the vessel's pontoon involved blasting, painting and propeller inspection work, within wider maintenance works.



July saw another exciting development as the yard secured its second research vessel project, following initial success with the Polarcus Naila seismic survey vessel. The **MV Aquarius Dignitus** arrived in Dock 2 for a reclassification and maintenance work including blasting, painting, minor mechanical and steel work. The 1977-built dual-flagged (Germany and Panama) search and rescue vessel, has been used to rescue refugees and illegal migrants stranded in the Mediterranean Sea since 2016. It is chartered and operated by the NGOs **SOS Méditerranée and Médecins Sans Frontières** (MSF or Doctors without borders) as a rescue vessel for migrants and refugees making the Mediterranean crossing in makeshift craft from Libya to Italy as part of the European migrant crisis. The vessel - managed by German-based **Jasmund shipping** - is a converted coastguard and fishery protection vessel. The project demonstrates Navalrocha's continued progress pursuing new markets, with research and survey vessels a key target for the yard.

In late summer we welcomed back our long-trusted client **Reboport** from Setubal with the **Golias tugboat** which landed in Dock 2 for a standard reclassification and renewal work involving blasting, panting, propulsion, and mechanical work. This was followed by **Reboport's Ulisses tugboat** later in the year, for the installation of two main engines.

Moving into Autumn, we welcomed new client **X-Press Feeders** - the world's largest independent common carrier. X-Press operates a fleet of more than 110 vessels (up to New Panamax size), including 43 fully owned, covering all the major global transshipment hubs throughout Asia, Africa, Caribbean, Latin Americas, Europe, Mediterranean and Middle East. The company's **X-Press Vesuvio container ship** arrived in Dock 2 in September. A key element of the project for the 2005-built vessel involved the installation of a replacement rudder blade flap. Navalrocha invested in a new boring machine to complete the job which included welding.

Later in September **Transinsular Shipping Lines** booked the **Lagoa container vessel** in Dock 1 for a reclassification involving steel and wider renewal work. This was followed by **SMS Towage's Roman tugboat** which was being moved from the

Mediterranean to the UK, where the company operates a fleet of 18 tugs across Belfast, the Humber, Portsmouth and the Bristol Channel. The Roman required maintenance work to the propulsion unit. Following a rigorous inspection, the propulsion unit was removed and sent for reconditioning before reinstallation.

In October, **Atlantic Ferries passenger catamaran Roaz Corvineiro** arrived in Dock 2 for reclassification including widescale painting work. Shortly afterwards the **L'etoile hopper barge from Jan de Nul** entered the yard to undergo a broad range of work including the renewal and replacement of main engine cylinder jackets in the hull. The large jackets weighed circa 50tonnes, when filled with oil, demonstrating the yard's capacity to deal with heavy equipment. Further work involved hull cleaning, blasting, painting and steelwork.

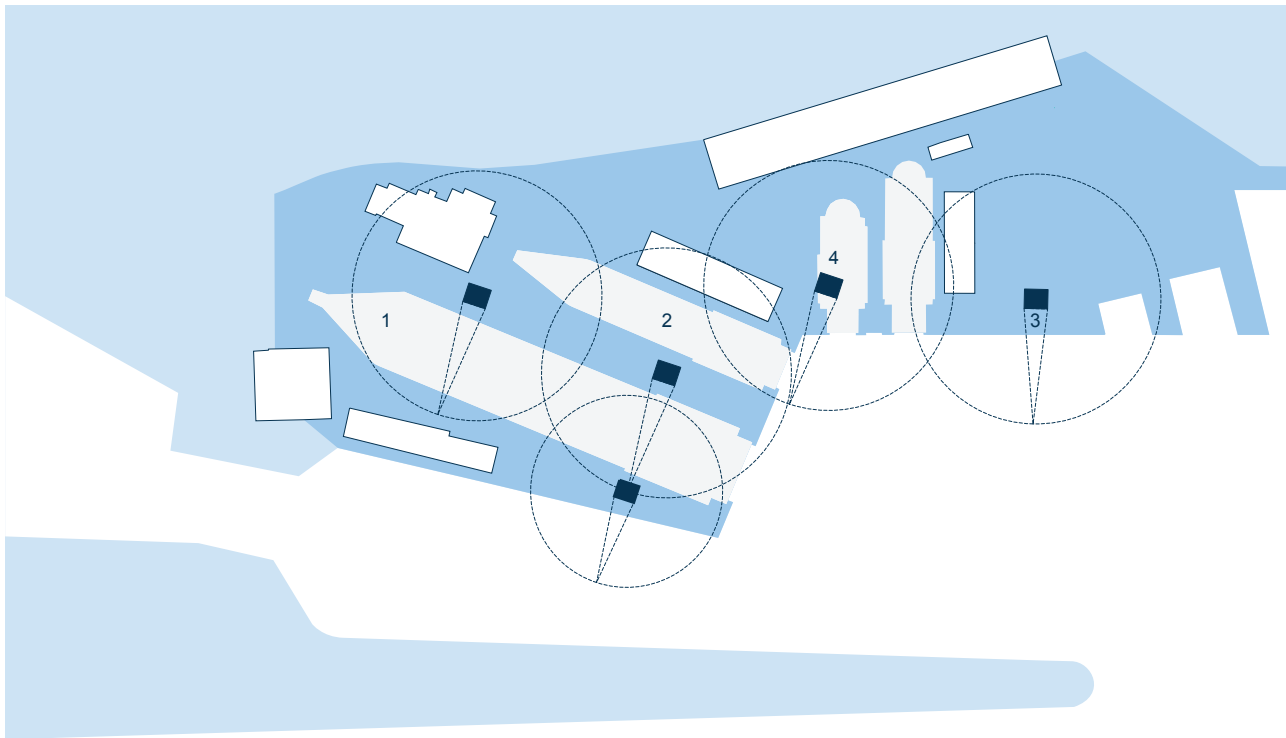


With 2021 now fast approaching, Navalrocha is looking ahead with hope and optimism with further research vessel and ferry projects scheduled. We are witnessing a high number of enquiries for the first quarter of the New Year with exciting plans on the horizon to invest and expand our services and offering.

While 2020 has brought a unique set of challenges, our yard has continued to drive momentum in target markets, including significant progress delivering BWTS projects and within niche research vessel and tugboat sub-sectors. We have also maintained strong and steady activity in regular markets, with growth in LPG, product carrier and small-scale LNG work.

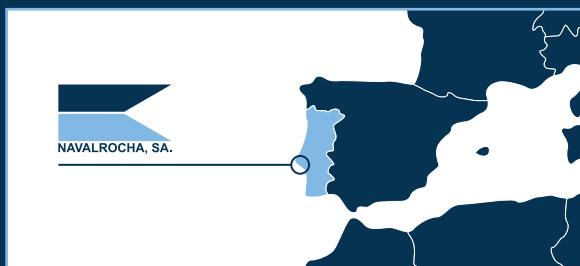
Our competitive rates, fast turnaround times, reliability and growing track record have provided a solid footing during this uncertain period. Meanwhile, unique opportunities are continuing to present, including projects for the heavily hit cruise sector which is using an unusually quiet period to refurbish and renew global fleets.

Navalrocha offers its customers a number of highly unique benefits. Firstly, our strategic location in the sheltered Tagus Bay provides ideal ship repair and conversion conditions, with more than 300 days of sunshine every year. Crew members also benefit from the vibrant and cosmopolitan capital city of Lisbon on the doorstep. We can offer faster and more cost-effective solution to ship operators looking to avoid the congested Strait of Gibraltar or Mediterranean. Furthermore, the scale of our operation places us at an operational advantage with three easy-to-manage drydocks. This ensures every project receives 'priority treatment' from a 70-strong workforce and cluster of world-class sub-contractors located on site.



1 dry dock nr.1 lenght between gate and dock head: 173,50m width of entrance: 22,10m depth above blocks normal high tide approx.: 9,60m depth above blocks normal low tide approx.: 7,20m **2 dry dock nr.2** lenght between gate and dock head: 104,00m width of entrance: 12,40m depth above blocks normal high tide approx.: 7,30m depth above blocks normal low tide approx.: 4,25m **3 repair pier nr.2** vessel lenght: 120m draft: 5,50m **4 dry-dock nr. 3** Vessel length: 65m draft: 11,5m

We would like to take this opportunity to wish all our new and long-standing clients - as well as our supply chain and partners – a very happy, healthy and prosperous New Year. Your on-going commitment and support is highly valued and we look forward to continued success in 2021.



Located in the heart of Lisbon harbour (north bank of the Tagus river), NAVALROCHA, S.A. Shipyard is a modern yard backed by decades of experience in maintenance and repairwork on all type of vessels.

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