

NBZ NV: Dutch Shipping Investment Fund

Introduction

Nederlandse Beleggingsmaatschappij in Zeeschepen (â€œNBZâ€•) is a dedicated shipping investment fund that was founded in 2006. The company is listed on the Amsterdam Stock Exchange as from 2011. NBZ investments are diversified over various shipping markets, such as the dry bulk market, the multipurpose market, the container market, the product tanker market and the gas tanker market. Currently all the NBZ investments are financially structured with adequate security arrangements such as Time Charters and Bareboat (put/call) arrangements. It is the objective to pay to out dividend twice a year (approx. 7 â€“ 10% p.a.) in stock or in cash (on request).

Shares

- » NBZ is a closed-end investment fund. Shares are traded at Euronext.
- » NBZ invests in US dollars. The stock exchange listing and dividend payments are in euros.
- » NBZ distributes dividend twice a year, in June and December.

Listing Agent: **ING Bank**

Ticker symbol: **NBZ**

ISIN: **NL0010228730**

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Downloads

- » [Quarterly report Q1 2021](#)
- » [Annual results 2020](#)

NBZ Background

NBZ was founded in 2006, during the first years as a private company before it went public in 2011. The main objective was to create a diversified portfolio with investments in various types of vessels with long term employment in different market segments. This was a totally new concept in the Netherlands, where the local shipping investment market was dominated by limited partnerships with single-ship companies without any long term employment for the vessels involved and 90% of the vessels being newly (most Dutch) built short sea multipurpose vessels.

Annexum Beheer B.V. is responsible for the general management of NBZ, mainly focusing on the compliance and administration. Focko Nauta is responsible for the day to day operation and investment management.

Investment criteria

The investment strategy of NBZ is clearly described in the latest prospectus. It is the ambition of the management to create shareholders value on the longer term and to pay out dividend regularly (approx. 7 â€“ 10% p.a.) .

The investment criteria of NBZ are herewith summarized as follows:

- » Investments are in different types of vessels operated in different segments of the shipping market. Per the end of 2020 the NBZ portfolio is diversified over 22 vessels (divided over 10 investments) in 6 markets.
- » Vessels have fixed adequate employment with reliable counterparts or are secured by mortgages. Investments preferably include secured exit scenarios. Currently (end 2020) 5 of the 10 investments include exit price agreements.
- » All vessels are existing seagoing vessels; no new buildings.
- » New investments should be able to generate 12% return on investment (IR).

The available capital for investments is limited. In order to be able to maintain the necessary diversification objective, most of the investments include minority participations in limited partnerships. Currently 8 of the 10 investments are participations in Norwegian limited partnerships. Investments are often structured as buy and charter transactions. Currently, 50% of the investments include bareboat contracts, meaning that the vessels are chartered as bare hulls and lessors are responsible for maintenance, crew and insurance.

Investment proposals are prepared by the management and submitted to the Supervisory Board for final approval. Investment proposals include amongst others thorough analysis of the market involved, the parties involved, the residual value risks and the return on investment calculations.

Investment portfolio of NBZ

The current NBZ portfolio includes the following investments (March 2021):

» **Eagle:** The Eagle is a long range product tanker of 74.000 dwt, built in China and delivered in 2009. NBZ is 6,5% owner of the vessel. The charterer has taken the vessel on a 5 years bareboat contract until December 2022. The Vessel operates world-wide. The bareboat charter contract includes put and call options. NBZ exposure per the end of the 2nd quarter 2020: Usd 500K .

» **Henrietta:** The Henrietta is a chemical tanker of 10.000 dwt, built in The Netherlands and delivered in 2001. NBZ is 10% owner of the vessel. The charterer (Pritchard Gordon) has taken the vessel on a 6 years bareboat contract until November 2021. The vessel mainly operates in the Caribbean. The bareboat charter contract includes put and call options. NBZ exposure per the end of the 2nd quarter 2020: Usd 250K.

» **Gas Mariner, Gas Master:** The Gas Mariner and the Gas Master are LPG Carriers of 3.400 dwt, built in Turkey and delivered in 2007. NBZ is 5,25% owner of the vessels. Currently the vessels are operated by B Gas Ltd on medium

term within the North West European Area. NBZ exposure per the end of the 2nd quarter 2020: Usd 600K.

» **Elbia, Elenia:** The Elbia and the Elenia are Handysize Bulk Carriers of 35.000 dwt, built in Korea and delivered in 2011. NBZ is 3% owner of the vessels. The vessels are currently operated by Nordic Hamburg on a medium term TC basis. NBZ exposure per the end of the 2nd quarter 2020: Usd 400K.

» **Caribe Cristina, Caribe Maria:** The Caribe Cristina and the Caribe Maria are chemical tankers of 11.300 dwt, built in Korea and delivered in 2006 and 2007. The deal was originally structured with 3 vessels, but recently the Caribe Ilse was sold. NBZ is 7% owner of the vessels. The vessels are on bareboat charter to Caribe Tankers. The bareboat charter includes put and call options. NBZ exposure per the end of the 2nd quarter 2020: Usd 650K.

» **Thor Dahl Shipping A:** In 2017 NBZ obtained an ownership of 3% in Thor Dahl Container DIS, owner of the Thorsky and the Thorswind, both 2169 TEU container vessels built in Germany and delivered in 1999. At the end of 2019, the investment was restructured whereby the vessels were sold to Thor Dahl Shipping AS (TDS). In exchange, the investors received an interest in TDS. Since then NBZ has an interest in TDS of 3,5%. Besides the Thorsky and the Thorswind, TDS also owns a 34% participation in the Thorstar, a 2800 TEU vessel, built in 2003. All these 3 vessels are time chartered out for 6-12 months at rates in the range of Usd 12-16.000 per day. It is the intention to sell this participation in 2021. NBZ exposure per the end of the 2nd quarter 2020: Usd 350K.

» **Azra-S and Ozden-S:** The Azra-S and the Ozden-S are chemical tankers of 5.800 dwt, built in Turkey and delivered in 2006/07. NBZ is 7% owner of the vessels. Both vessels are on TC to North Sea Tankers BV (Rotterdam), for 6 to 12 months. NBZ exposure per the end of the 2nd quarter 2020: Usd 450K.

» **Kempton:** The Kempton is a LPG carrier of 5.000 dwt, built in Japan and delivered 2000. NBZ owns 18% of the vessel. The vessel is on bareboat till 2025 to Transgas, Peru. The bareboat agreement includes a put option at the end of the contract period. NBZ exposure per the end of the 2nd quarter 2020: Usd 400K.

» **Vectis Eagle, Vectis Falcon, Vectis Harrier, Vectis Osprey (Vectis vessels):** The Vectis vessels are multipurpose (MPP) geared (2 x 80t) vessels of 8.600 dwt, built in The Netherlands and delivered 2012. NBZ is 5,6% owner of the vessels. The vessels are on medium term time charter for 6 to 12 months. NBZ exposure per the end of the 2nd quarter 2020: Usd 1150K.

» **FWN Bonafide, FWN Rapide, FWN Solide, FWN Splendide (FWN vessels):** The FWN vessels are multipurpose (MPP) geared (2 x 80t) vessels of 10.500 dwt, built in The Netherlands and delivered in 2006. NBZ is 11,8% owners of these vessels. The vessels are on time charter to Forest Wave till October 2024. There is a put/call arrangement for 50% of the shares. NBZ exposure per the end of the 2nd quarter 2020: Usd 1250K.

Governance

It is important to have open communications with our shareholders. We keep our shareholders abreast of fund developments on our website but also by quarterly messages and our quarterly and annual financial reports.

General Meeting of Shareholders

The ultimate power within NBZ lies with the investors in NBZ. The most important tasks of the General Meeting of Shareholders are, among others, the election of the Supervisory Board and the adoption of the Annual Accounts.

Management

Annexum Beheer BV has been registered and AFM licensed and is entitled to act as Manager. The AFM, the Netherlands Authority for the Financial Markets in Amsterdam supervises the behavior of everyone operating on the market with respect to saving, lending, investing and assurance.

Supervisory Board

The Supervisory Board supervises the policy pursued by the management, taking account of the interests of all the

company's stakeholders. All investment proposals need to be approved by the Supervisory Board. Bote de Vries is chairman of the Supervisory Board and Robert Verburgt is member of the Supervisory Board.