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Άλλες Ανακοινώσεις

S.D. STANDARD DRILLING PLC

SDSD

SDSD entering the Tanker market

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Attachment:

1. **SDSD 21012020**

Non Regulated

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OSE NOTIFICATION

SDSD: ENTERS THE TANKER MARKET – VLCC DELIVERY IN JANUARY 2020

(Limassol, 21 January 2020) S.D. Standard Drilling Plc (Standard Drilling, OSE:SDSD) today announces that the company enters the tanker market by acquiring a 33.3% ownership in a new built VLCC with delivery from the yard, Daewoo Shipbuilding & Marine Engineering Co in Korea, later this week. The purchase price of the VLCC is USD 106 million. Partnership with leading financial and operational partners provides a strong platform for investing in the VLCC market.

Standard Drilling has entered into an agreement to invest USD 36.5 million, including working capital, corresponding to 33.3 % ownership, in a VLCC tanker with delivery from Daewoo Shipbuilding & Marine Engineering Co in January 2020. The investment is financed with 100% equity. The VLCC, with hull number 5469 and which will be named “Gustavia S”, will be owned by a company registered on Marshall Islands and owned 1/3 respectively by Standard Drilling, and two highly experienced and well known shipping investors.

The VLCC is a 300 000 TDW ECO Design Crude Oil Tanker built by Daewoo Shipbuilding & Marine Engineering Co and fitted with scrubber technology delivered by Wärtsila. TMS Tankers Ltd will act as technical and commercial manager.

“With delivery from the yard in January 2020, the new built VLCC will enter the tanker market at a time with significant demand for new build capacity fitted with scrubber technology. The joint investment with two well-reputed shipping investors and experienced operational managers brings efficient operations and a scalable platform in the VLCC market,” says Martin Nes, chairman of Standard Drilling.

During 2019 Standard Drilling sold in total four (4) medium sized and two (2) large size PSV’s with an ownership of ~34% and 100% respectively. The total estimated gross profit was approximately USD 11 million

“Standard Drilling will continue to pursue attractive business opportunities and asset investments within the shipping and offshore industry, in line with the strategy of the Company that has been repeatedly communicated to the market,” says Nes.

Standard Drilling will have a bank balance of approximately USD 22 million after the VLCC investment, including pro-rata cash held by S.D Standard Drilling Plc, subsidiaries and investments.

In addition to the investment described above, Standard Drilling control, directly and indirectly, a fleet of 13 PSVs; four (4) large PSVs 100% owned and nine (9) medium sized PSVs with approximately 26 % ownership, including one (1) vessel on a bare boat contract.

ENDS

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