

Tomini enters talks in China for \$100m to finance sextet

Dubai-based shipowner reveals it is seeking leasing deals to cover bulker newbuildings

Jonathan Boonzaier
Dubai

Tomini Shipping is in talks with Chinese leasing companies to secure \$100m in financing to cover six bulkers it has on order at Chinese yards.

"We are talking to two leasing companies right now," chief executive Nitin Mehta told TradeWinds on the sidelines of the Marine Money Gulf Ship Finance Forum on Thursday last week.

The financing is to cover three 64,000-dwt vessels being built at Cosco Shipping Heavy Industry's Yangzhou yard and three 82,000-dwt ships on order at Taizhou Kouan Shipbuilding.

Mehta revealed it is not the first time privately-owned Tomini has financed vessels through Chinese leasing schemes.

In December, the company lined up a \$50m deal with the leasing arm of China Construction Bank (CCB) to cover four recently delivered ultramax bulkers.

Mehta described the move as a refinancing, as the vessels were originally financed by a United Arab Emirates bank.

"We moved the financing across to CCB as the local bank was not a

shipping bank, so we did not see any new opportunities to grow further with them," he said.

Mehta was full of praise for the professionalism of the Chinese leasing companies and the speed at which they work.

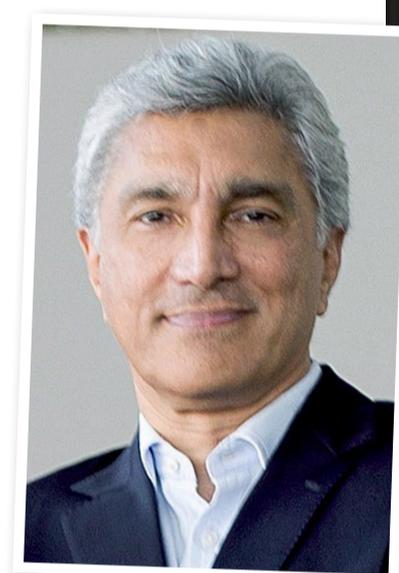
"They are very commercially minded and they move very quickly. Our first leasing deal went very smoothly. We closed the whole thing within eight weeks," he said.

While Tomini's first deal with a Chinese leasing company was smoothly executed, Mehta said it is best to approach leasing companies through a local intermediary who can make the necessary introductions. This is especially important for private companies.

"In our case, it was the shipyard that provided the introduction. The leasing companies feel more comfortable working with a company that is unknown to them if they can see that other companies are comfortable doing so," he explained.

Tomini's main shareholders are its chairman, Imtiaz Shaikh, and his family. The company started out as the shipping arm of the family's Pakistan-based cotton trading business.

Focused exclusively on the dry



bulk sector, it currently has seven supramax and ultramax bulkers in service.

It recently sold several older bulkers ahead of taking delivery of the newbuildings that are currently under construction in China. Delivery of these will begin within the next few months.

All ships are commercially managed out of Denmark by Alpina Chartering.



TOMINI SHIPPING: Company chief executive Nitin Mehta (above) confirmed talks. Inset, Tomini chairman Imtiaz Shaikh

Photos: Jonathan Boonzaier and Tomini Shipping

Japanese VLCC tipped for scrap

Andy Pierce

Tanker players are watching to see if a Japanese-owned VLCC will become the second scrap sale of 2019 in the large tanker market.

After scrap sales boomed last year, the VLCC demolition market has all but ground to a halt.

Market sources said the 265,300-dwt Super Zearth (built 1995) is being circulated for sale, with owner Idemitsu Tanker said to have made the ship available for inspection in Singapore.

While Idemitsu is open to buyers who want to continue trading the vessel, brokers believe the ship will more likely go for demolition.

VesselsValue pegs the ship's value at \$16.7m, which is viewed as its scrap price.

It is the oldest of four VLCCs in the Idemitsu fleet. The company is set to take delivery of a newbuilding from Namura Shipbuilding in the first half of this year.

According to International Seaways, a total of 34 VLCCs were sold for scrap last year, along with 20 suezmaxes and 46 aframax.

This year, only the 299,700-dwt Marine Star (built 1994) has left the VLCC fleet.

Hadjiyiannis swells boxship fleet to 10 with swoop on Patjens mini-panamax

Harry Papachristou

Interests tied to Greek-Cypriot shipowner Andreas Hadjiyiannis have acquired their fourth containership since October, bringing the group's boxship fleet to more than 10 units.

Online shipping directories show the 5,040-teu, mini-panamax boxship Herma P (built 2006) as trading in the fleet of Hadjiyiannis company Cyprus Sea Lines under its new name, City of Alexandria.

Athens-based brokers say the vessel changed hands for \$9.6m, which would be slightly more than its scrap value. Other market sources in the Greek capital, however, say that clients of Cyprus Sea Lines have acquired the vessel for a little over \$8m.

Officials at the ship's previous owner, Reederei Stefan Patjens, declined to comment.

Patjens has already sold the 5,041-teu sistership Elise (built 2006) for demolition, as



ANDREAS HADJIYIANNIS:
Owner of Cyprus Sea Lines
Photo: Michael Juliano

TradeWinds reported last month. That ship went for \$460 per ldt, or \$9.4m, according to European scrap and containership brokers.

The deals come as the idle fleet of traditional panamax boxships has reached its highest level in more than two years.

The Herma P, as well as a third sistership, the Allise P (built 2007), were without employment and

market observers had speculated they could be sold.

They were part of a quartet Patjens ordered at Hyundai Heavy Industries in 2004, reportedly for \$57m each. Patjens sold the fourth ship in that series — the 5,044-teu Kaethe P (built 2006) — as early as September 2017 to US-based Mangrove Partners for \$9.5m.

After spending nearly \$100m in

the secondhand market last year on three VLCCs and as many suezmaxes, Hadjiyiannis has been buying containerships with gusto lately.

Since October, clients of Cyprus Sea Lines have acquired three post-panamax boxships from Japan's NYK Line. At least two of these purchases were attached to chartering deals with liner giant Mediterranean Shipping Co.

The vessels concerned are the 6,492-teu sisterships NYK Aphrodite (built 2003), which was renamed MSC Dardanelles; the NYK Artemis (built 2003), which now trades as the MSC Bosphorus; and the NYK Apollo (built 2002).

Hadjiyiannis also owns dry bulk outfit Cyprus Maritime and tanker company Hellenic Tankers. A founding member and the president of the Cyprus Union of Shipowners, Hadjiyiannis is also a director of several major classification societies and international shipping organisations.