

MERIAURA

In the frontline of sustainable shipping

August 2022

Meriaura is a family-owned, Finnish shipping company offering marine transport solutions, crew and technical management services, logistics solutions and environmental technology.



1. The Meriaura Story
2. Operations, structure and business areas
3. Management & personnel
4. Fleet overview
5. Financial overview

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The Meriaura Story

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First ten years







1986:
Meriaura Ltd. was established by Mr. Mälkiä and his friends to support non-commercial activities with a tugboat.

1993:
Commercial activities commence by ice breaking, project and bulk cargo transportation by tugs and pontoons.

1996:
The acquisition of the first dry cargo ship and VG-Shipping Ltd established.

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Expansion

2001:
Pernotrans Ltd. is acquired and Meriaura begins providing logistics services in shipbuilding and stevedoring. Fleet consists of 4 dry cargo vessels, chartering is growing.

2004 - 2009:
The company continues to grow rapidly by expanding the number of contract customers, acquiring new vessels and new staff.

2010 - 2012:
The group invests in renewable energy and commissions two newbuildings. Open deck ‘Meri’ joins the fleet and ‘Aura’ is converted to a cable laying vessel for offshore windfarms.

Today:
Meriaura operates a fleet of 16 vessels, owning five of them and employs 148 people.

2018 - 2019:
Meriaura introduces carbon neutral EcoVoy-contract. VG-Shipping launches a zero waste program for its fleet.

2016:
Meriaura celebrates 30 years of operation and 2 energy efficient newbuildings, new generation VG Eco-Coasters, join the fleet.



Operations, structure and business areas

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Operations and structure (1/2)

Meriaura operates 16 vessels mainly in the Baltic and North Sea areas:

- Five vessels fully owned by Meriaura
- All owned vessels have ice-class 1A
- Chartered fleet from reliable and long term tonnage providers

Meriaura's operational and commercial pillars stands on many pillars:

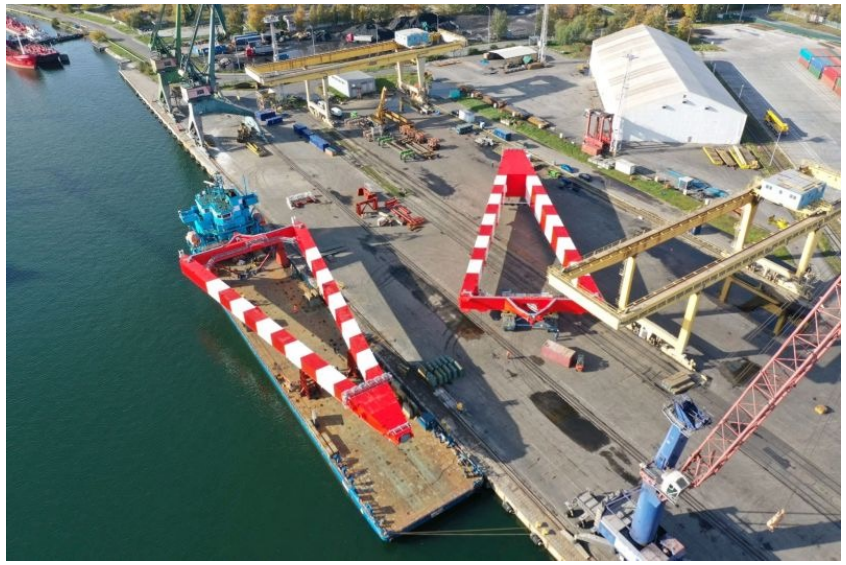
- Bulk and project sea transport
- Project freight forwarding
- Manning and technical maintenance of own vessels
- Vessel operation, crewing- and management services to others
- Port agency & handling services
- Many forms of land-based services, incl. 24/7 duty officer service
- The Gypsum project (coastal water protection)
- Operations are ISO9001 certified

The main business segments are:

- Dry bulk transports including a wide range of commodities such as bioenergy, minerals, recyclables, grains, feed materials and fertilizers
- Transport of demanding special/heavy project parcels



M/V Lottaland transporting horticultural peat from Finland to the Netherlands. Agricultural products are one the main segments of Meriaura's business. *August 2021.*



M/V Meri transporting the legs of a Goliath crane from Poland to France - a special transport requiring careful planning and close co-operation between several parties. *November 2021.*

Operations and structure (2/2)



The main owners of Meriaura, Jussi Mälkiä & Riinu Walls.

Meriaura is owned by family-owned holding company **VG-Shipping Oy**:

- Founder Jussi Mälkiä controls, directly and indirectly, over 85 % of the shares
- Daughter Riinu Walls represents the other significant shareholder, i.e. 10 %

Current structure

- VG-Shipping Oy is the Group's mother company
  - VG-Shipping Oy owns 100 % of Meriaura Oy

- VG EcoFuel Oy and Biolinja Oy are brand-wise part of "Meriaura Group", but owned by Auramare Oy, which is a holding company owned by Jussi Mälkiä

- After the transaction VG-Shipping will own 70 % of Savosolar Oyj, which owns 100 % of Meriaura Oy
  - The business operations of VG Ecofuel will also be transferred to Savosolar Oyj

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Forerunner in sustainable shipping



More sustainable shipping means many things, large and small. Meriaura has introduced an ambitious **Zero Waste** program for its vessels – and has collected trash drifted ashore. *September 2021.*

Meriaura is a forerunner in developing more environmentally friendly vessels, vessel designs and clean energy transportation more broadly:

The EcoVoy Shipping Contract reduces transports emissions

- Near carbon neutral transport-shipping contract based on Meriaura's low-consumption biofuel-powered EcoCoaster vessels
- Transport emissions are between 92-96 % lower than with fossil fuels
- Piloted in active marine traffic in 2019/2020 and is expected to be fully operational in 2022/23

VG Marine EcoFuel powers vessels in a sustainable way

- Biofuel from industrial side streams, recycled materials and used vegetable oils sourced in the Nordic Region
- Produced by VG EcoFuel Oy and production audited by DNV GL, has sustainability system certificate

Route optimisation with **Fleetrange IoT**

- IoT-based technology for connecting and visualizing the fleet in real-time, introduced in 2017
- Combines geographic information of the vessels with digitalized route planning, improving fleet efficiency
- Meriaura's tailor-made Fleetrange IoT optimizes voyage planning, minimizes ballast voyages and improves energy efficiency
- Enables Meriaura to provide clients with CO2-report for each voyage

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Toward greener shipping

Meriaura is engaged in a major development project aiming at a fully carbon neutral shipping & logistical concept. The project includes:

- Prototype vessel design with high fuel efficiency and 100% renewable energy (combining biofuel & batteries)
- Optimised structure for all the components (containers, megaunits, cargo handling)
- Digital control systems for cargo flows and schedule optimization
- Operational concept (with sellable IPR:s) in 2024
- The leading vessel designer **Elomatic Oy** is the main partner in the project
- Project partly financed by Business Finland



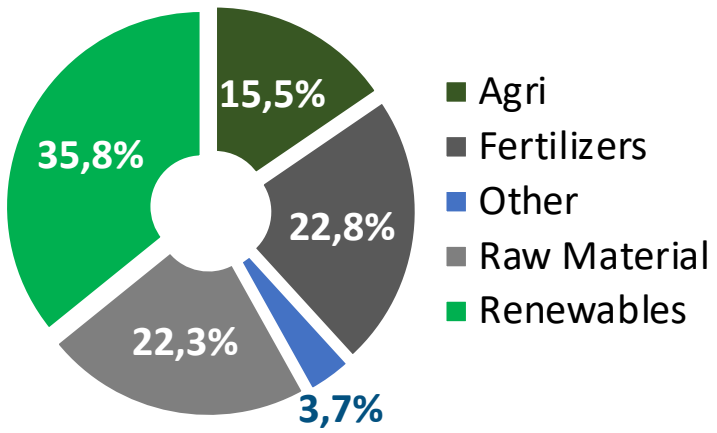
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Industrial dry bulk

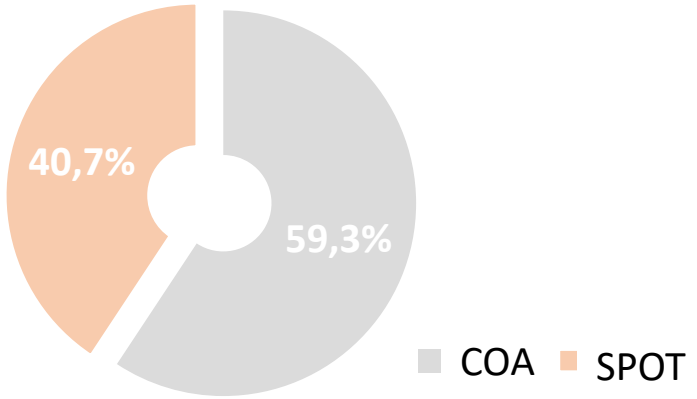
Bulk segment generates approx. 2/3 of Meriaura´s total revenue

- Total vessel capacity abt. 50 000 dwcc
- Main trading area is the Baltic and North Seas
  - Annual capacity close to 3 million tons
- High contract coverage and long-term customer base
- Strong focus on operational efficiency:
  - The average ballast voyage/total voyage (Jan – Dec 2021) = 27,15 %
  - Efficiency (sea voyage Nm * load capacity used / tot. voyage Nm) = 66,41 %
  - Average capacity utilization (Jan – Dec 2021) = 91,16 %

Bulk segments 2021 % of revenue



Contract Types (2021)
% of revenue



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Heavy cargo and special projects

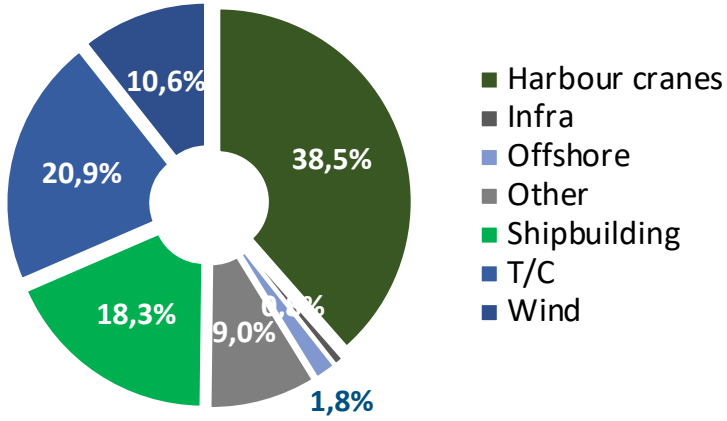
Meriaura is a specialist in heavy and oversized cargo projects in the Northern European seas:

- The project vessels frequently transports windmill equipment, harbour cranes but also a wide range of other heavy and unique transports
- The segment generated appr. one-third of the Group's revenue in 2021, and is a promising growth area
- About 20 % of the special cargo voyages were under long-term contracts and a significant proportion of spot customers are also long-term clients
- Special fleet, equipment, in-house engineering and ingenuity enable long-term partnerships, forming the backbone of the business
- Core services include calculating and preparing stowage plans, stability calculations and survey reports



Special projects can involve anything transportable. Here, m/v Aura is helping to build a bridge in Turkey. *September 2021.*

Project Segments (2021)
% of revenue



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Personnel & Management

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Management team and Owners



Bengt-Erik Rosin, Managing Director of Meriaura Oy

- Mr. Rosin has 25+ years of experience in various management positions within the agricultural industry, resale, and logistics. He joined Meriaura in 2014 and began as Managing Director in December 2018. He has a Master's degree in Forest and Agricultural Science and a Bachelor's degree in Economics.



Thomas Friis, Fleet Director

- Mr. Friis has worked in various roles in shipping since 2002. He joined Meriaura in 2015 and has worked in crewing, quality management and development. He holds a Master Mariner Degree from UAS Sydväst.



Jutta Seppänen , Administrative Director

- Ms. Seppänen joined Meriaura group in 2016 having 6+ years of experience with corporate law and over a year of experience with change management. She manages the human resources, general administration, and legal affairs of Meriaura, leading the HR team. She also acts as secretary to the BOD. Licenced legal counsel with Masters Degree in law.



Mathias Landor, COO

- Mr. Landor has almost 10 years' experience onboard dry-bulk vessels, ultimately reaching the position of First Mate. He joined Meriaura's on-shore team in 2018 and holds a Master Mariner and Master´s degree in International Maritime Management.



Miia Peltonen, CFO

- Ms. Peltonen has 20+ years of experience in accounting. Prior to joining Meriaura Group she worked as Service Director in a company providing versatile consulting, accounting and reporting services and software. She has experience from various accounting and reporting tasks as well as change management in accounting teams. She holds a Master Degree in Economics and is also a certified accountant.



Riinu Walls, Director, Business Development Board Member, owner

- Over 10 years experience from operations and chartering, of which the last years as head of the Bulk-Chartering team. Since she was "born" into the company, founded by her father, she has a broad holistic knowledge of the company and its history. She holds an MBA in International Maritime Management.



Jussi Mälkiä, Chairman & President, main owner

- Founder of the company, seen-it-all in shipping, environmental enthusiast, entrepreneur in many other business via two separate holding companies.

Personnel (1/2)

Wide range of competencies bring competitive edge.

- Meriaura has personnel for agency, brokering, chartering, ship management, crewing, marine superintendent, cargo planning, ISM & ISPS management services
- An example of unique specialty: shipping specific payroll and financial management with tailor-made IT
  - Cannot be purchased from ‘off-the-shelf’ providers in Finland and is even offered to other companies
- Ongoing online recruiting underpins a talent database allowing for quick and flexible staffing

Equality in Meriaura

- There are as many women as men in the office personnel, with the average age of 42 years
- Measures to balance family and work life include possibility to work part-time and flexible working hours
- The sea personnel consist of 106 men and 6 women, with the average age of 41 years
- Work satisfaction surveys consistently indicate personnel is satisfied with Meriaura as an employer

Personnel (2/2)

Masters form the core for shipping.

- Meriaura currently employs 21 masters
- 19 of whom have been granted pilot exemptions, thereby saving pilot fees and bringing operational advantages
- With capable Masters outnumbering its own vessels Meriaura can use chartered vessels effectively

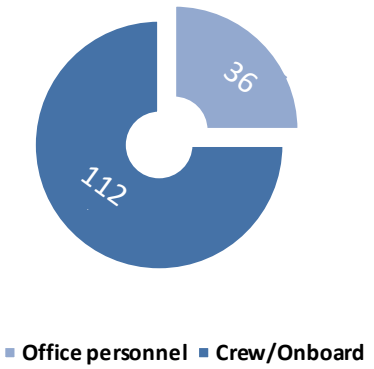
Crewing and ship-management for external customers

- Besides crewing service Meriaura offers a wide range of shipping related services for external customers and partners
- These services cover, among others, the management of vessel technology, crew-related issues, safety issues, classifications and docking



Crewing, operation and technical management of r/v Aranda, research vessel owned by Finnish Environment Institute, renewed by Meriaura in 2020 by public tender, is an example of highly seasonal client requirements, demanding great flexibility from the provider.

Personnel by function
(08/2022 = 148)



Fleet Overview



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Multipurpose deck cargo carrier MERI

Particulars

Name:	Meri
Call sign:	OJPH
IMO Nr:	9622502
Flag/Port:	Turku / Finland
Built:	2012 Finland
Class:	Lloyds Register
Ice Class:	1A
P&I:	Alandia

Measurements

GT:	3360
NT:	1008
DWT:	4835 t
DWCC:	4500 t

Main dimensions

LOA	105,4 m
Breadth:	18,8 m
Draft min/max:	3,0 / 4,9 m
Deck:	85,7 x 18,8 m
Total deck area:	1610 m2

Propulsion

Main engines:	3 x 1200 kW Wärtsilä 6L20 IFO or MDO or LBF
Thrusters:	2 x 1400 kW Schottel SRP 2020 FPP
Bowthruster:	Yes, 2 x 450 kW Schottel CPP
Speed:	12 kn
DP possibility:	DP1
DAS:	Double Acting Ship, designed to run ahead in open water and astern in ice





Multipurpose deck cargo carrier AURA

Particulars

Name:	Aura
Call sign:	OJMS
IMO Nr:	9395276
Flag/Port:	Turku / Finland
Built:	2008 Poland
Class:	Lloyds Register
Ice Class:	1A
P&I:	Alandia

Measurements

GT:	3259
NT:	978
DWT:	4967 t
DWCC:	4500 t

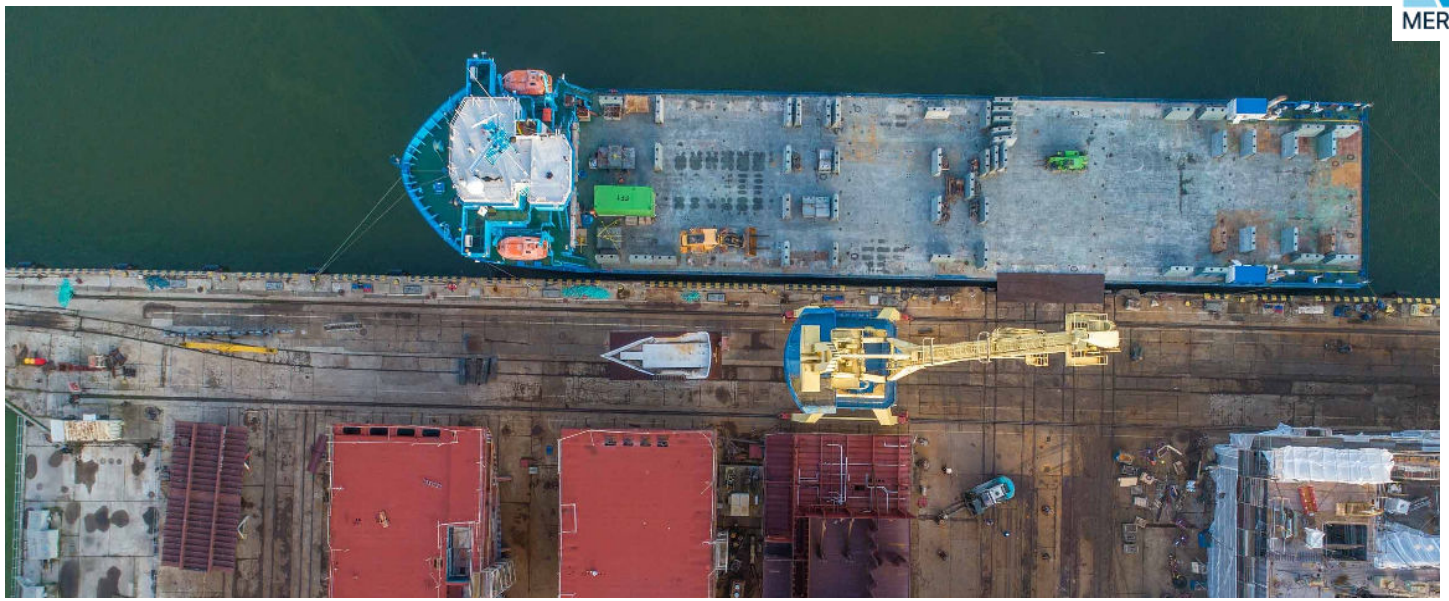
Main dimensions

LOA / LPP:	101,8 m / 95,50 m
Breadth:	18,8 m
Draft min/max:	3,0 / 4,6 m
Deck:	82,8 x 18,8 m
Total deck area:	1554 m2

Propulsion

Main engines:	2 x 2200 kW Wärtsilä 6R32
Aux engine:	Scania 276 kW
Thrusters:	2 x 1600 kW Aquamaster US255CP
Bowthruster:	Yes, 450 kW ZF Marine VDF
Speed:	11-12 kn
DP possibility:	DP2

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M/V EEVA VG

Particulars

Name:	Eeva VG
Call sign:	OJRM
IMO Nr:	9769104
Flag/Port:	Turku / Finland
Built:	2016 Royal Bodewes
Class:	BV I
Ice Class:	1A
P&I:	Alandia

Measurements

GT:	3405
NT:	1636
DWT:	5019 t
DWCC:	4850 t / 4700 t

Main dimensions

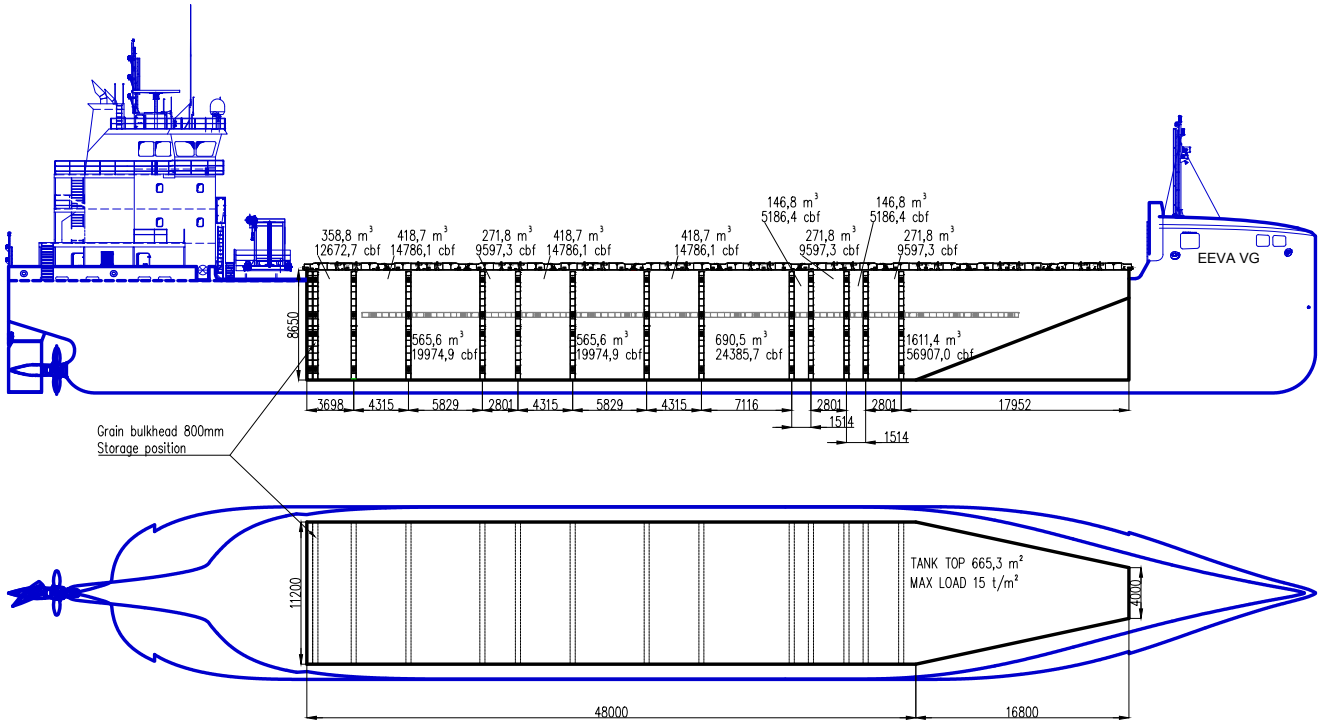
LOA:	103,00 m
Breadth:	13,60 m
Mld Depth:	7,80 m
Draught:	6,13 m (summer)
Air draught:	23,5 m
Waterline to hatch:	abt. 5,7m (in ballast conditions)

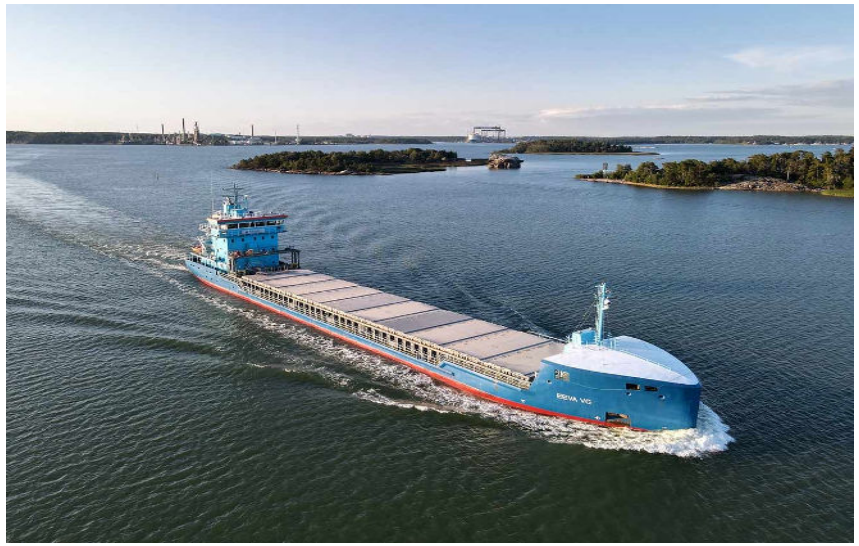
Cargo hold

Dimensions:	64,80 x 11,20 x 8,65 m
Grain:	216.000 cbft, 6116 m3
Tank top:	15 t/m2
Hatch:	2 t/m2,
Bulkheads:	2
Cement holes:	10

Propulsion

Main Engine:	ABC
ME Output:	1650 kW
Total shaft pwr:	2484 kW with electric booster
Bowthruster:	Yes, 500 kW
Speed:	10,5 kn





M/V AAVA VG

Particulars

Name:	Aava VG
Call sign:	5BDM4
IMO Nr:	9179361
Flag/Port:	Cyprus/Limassol
Built:	1998 The Netherlands
Class:	GL
Ice Class:	1A
P&I:	Alandia

Measurements

GT:	2863
NT:	1527
DWT:	4137 / 4007 t
DWCC:	3950 / 3850 t

Main dimensions

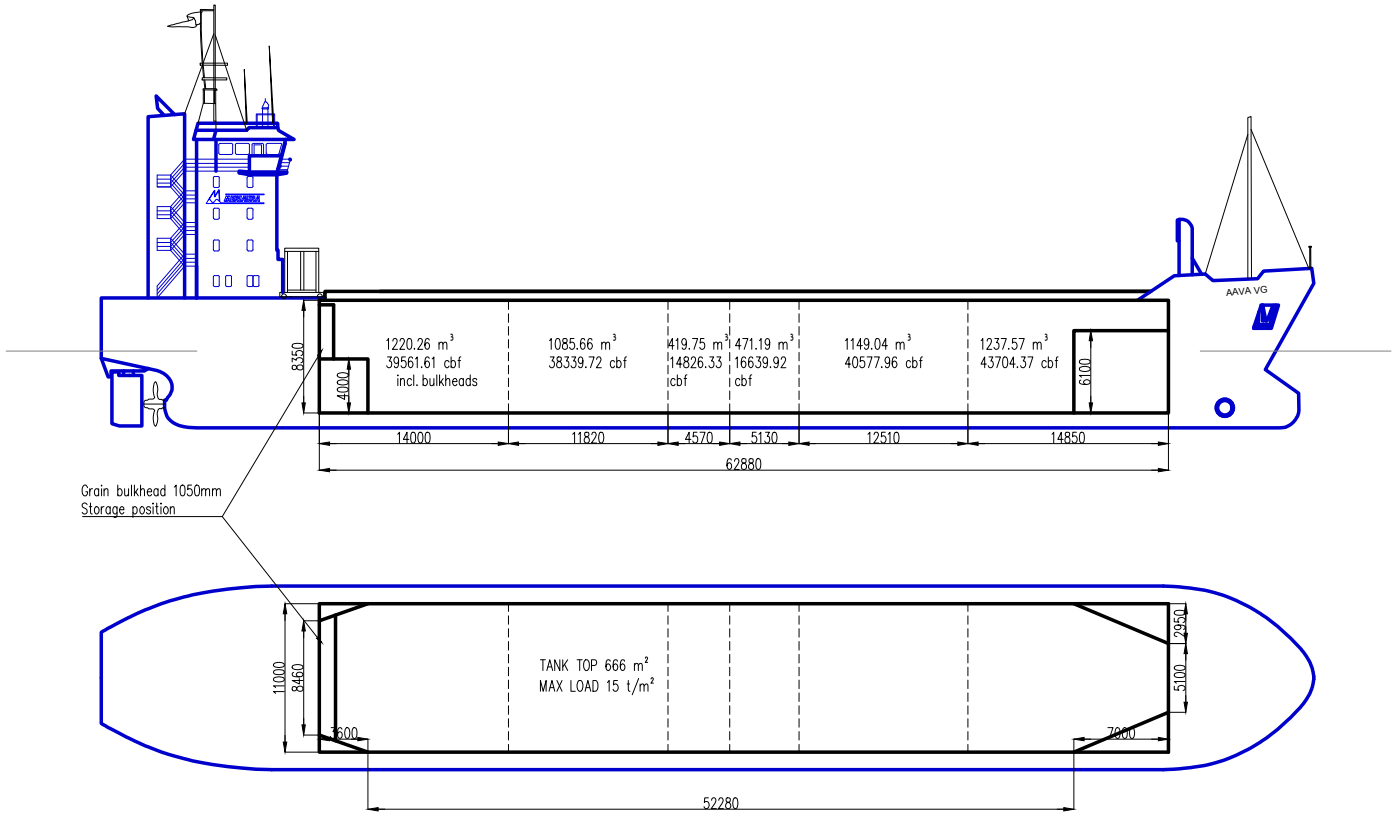
LOA:	89,72 m
Breadth:	13,60 m
Mld Depth:	7,2 m
Draught:	5,83 m
Air draught:	28,8 m (in ballast)
Waterline to hatch:	abt. 5,3m (in ballast conditions)

Cargo hold

Dimensions:	62,88 x 11,00 x 8,3 m
Grain:	197.120 cbft, 5582 m3
Tank top:	15 t/m2
Hatch:	1,6 t/m2,

Propulsion

Main Engine:	MAK 6M453C
ME Output:	2200 kW
Bowthruster:	Yes, 250 kW
Speed:	10,5 kn





M/V HELENA VG

Particulars

Name:	Helena VG
Call sign:	5BSL5
IMO Nr:	9505326
Flag/Port:	Cyprus/Limassol
Built:	2011
Class:	KR (Korean register)
Ice Class:	1A
P&I:	Alandia

Measurements

GT:	2415
NT:	1361
DWT:	3300
DWCC:	2950 t / 2850 t

Main dimensions

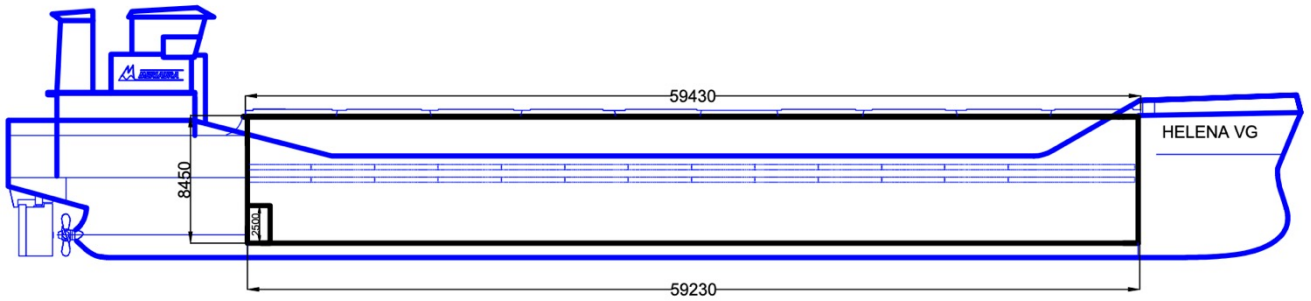
LOA:	86,00 m
Breadth:	12,40 m
Mld Depth:	6,7 m
Draught:	5,30 m
Air draught:	21,15 m (in ballast) 19,4m (loaded)
Waterline to hatch:	3,25m (in ballast conditions)

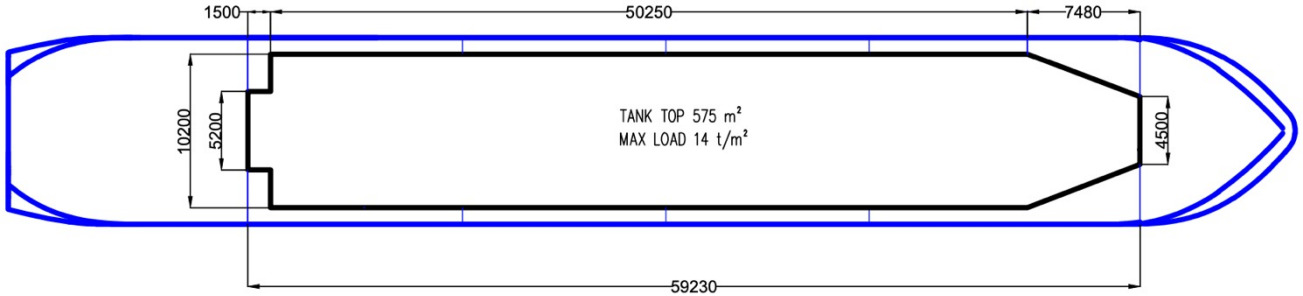
Cargo hold

Dimensions:	59,25 x 10,20 x 8,45 m
Grain:	175.550 cbft, 4971 m3
Tank top:	14 t/m2
Hatch:	1,6 t/m2,
Bulkheads:	2 / 7 positions
Tweendeck	2 heights

Propulsion

Main Engine:	MAK 6M25
ME Output:	1980 kW
Bowthruster:	Yes, 200 kW
Speed:	12,5 kn







Timechartered tonnage

- Currently 10 dry-bulk vessels on time charter
  - Cargo capacity 2100 – 4850 tn
  - All vessels, except one are ice-classed
  - All except one vessel are flying EU-flag
  - Two vessels partly and one vessel fully owned by VG-Shipping
- Long-term cooperation with selected ship-owners
  - Contract periods varies from 12 upto 60 months
  - Vessels typically stay in the fleet for several years and most contracts have been prolonged several times
  - Majority of the time chartered vessels have Masters with pilot exemption for Finnish ports, either arranged by the Owners themselves or as a service from Meriaura crewing



Baltic Sailor 2950 t



Lottaland 3950 t

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Financial Overview



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KEY FINANCIALS

Meriaura's

- Revenue for the first half of 2022 EUR 33.2 million, up 30 % from previous year
- Operating income EUR 4.06 million
- Value of owned fleet according to independent evaluators abt. 43,5 m€
- Personnel 148 people

VG Ecofuel's

- Revenue EUR 0.6 million in January–June, up 30% from previous year
- Operating income EUR 0.2 million

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