



Commodities International
Shipping and Survey



CISS GROUP North America Ltd.
15 Unit, 9278 Slopes Mews St., Burnaby
V5A 0G1, Canada
north.america@ciiss-group.com,
inspection@ciiss-group.com
www.ciiss-group.com

VESSEL MARKET PRICE VALUATION

based on the General Condition Report from October 13th, 2024

Job №/ Ref №: CAN00003

DISCLAIMER

The content of this document and all attached materials in General Condition Report from October 13th, 2024, including but not limited to, designs, specifications, technical data, plans, diagrams, photos, or any similar material provided by **CISS GROUP North America LTD.** shall be treated as confidential, even if not explicitly marked as such, and shall not be disclosed to any person or entity unless authorized in accordance with this provision and the terms herein.

The report is based on a superficial inspection carried out with the intent of providing a general opinion of the "Surveyor." This survey report records information and findings made during the inspection of external decks, interior spaces, engine room space, and side areas examined. The client's acceptance and use of this report confirm the client's understanding that the report was prepared based on information deemed truthful following reasonable investigation and inquiry, but not guaranteed. The information was obtained and relied upon for accuracy without further verification. Acceptance and use of this report confirm the client's understanding that no determination of stability or structural strength was made, nor any opinion expressed on the same.

This report is issued for the use of **Hodder Tugboats CO. LTD.**, its agents, financial institutions and insurers.

At the request of the management of **Hodder Tugboats CO. LTD.**, a representative of **CISS GROUP North America LTD.** – Director, Dmytro FILIPCHYK conducted an inspection of the tug « **H.N. HODDER** », primarily for the purpose of assessing its current estimated market value. A corresponding report has been prepared and delivered to the management of Hodder Tugboats CO. LTD.

The valuation of the « **H.N. HODDER** » tug, owned by Hodder Tugboats CO. LTD., was conducted using the traditional market value calculation method based on international practices employed by leading marine survey companies. These adhere to IMO standards and incorporate modern valuation techniques and analytics of the residual and commercial market value of both the tug as a whole and its primary components, equipment, and systems. This experience involves a multi-stage approach considering physical, technical, and economic depreciation factors.



Commodities International
Shipping and Survey



CISS GROUP North America Ltd.

15 Unit, 9278 Slopes Mews St., Burnaby
V5A 0G1, Canada
north.america@ciiss-group.com,
inspection@ciiss-group.com
www.ciiss-group.com

As part of our evaluation, we also examined current prices for similar vessels in operation. We analyzed data on comparable vessels of similar age, type, and class, available from local brokers as well as brokers on the East and West Coasts of Canada. We conducted online research on comparable vessels offered for sale in the North American market overall.

In addition to this information, we considered the cost of recent upgrades conducted on the tug « **H.N. HODDER** », as reported by Hodder Tugboats CO. LTD., all costs in Canadian dollars provided by Lynne MORES from the accounting department.

We note that all upgrades were carried out to a high standard using quality equipment and materials, as confirmed by the inspection and photographic report.

The valuation shown below is calculated based on the groups of components that constitute the vessel. We assess the value of each group of components based on today's replacement cost at a Canadian shipyard.

We then evaluate the residual value of this group of components based on the remaining service life of each group. Significant reconstruction of part of this group with newer models increases the corresponding part of the overall residual value of this group of components.

It should be noted that certain features of the vessel may not meet current regulations. An example might be the main engines, which may not meet IMO CO₂ and SO₂ emissions standards but are accepted in their previously installed form.

Increased costs for upgrading the vessel to meet today's assembly requirements are not included in the valuation.

The component group categories for the vessel in question include:

- **Design:** Includes all costs for design, approval, and inspection for local assembly. No value is assigned to designs that would require substantial revisions due to new technology or regulations.
- **Hull:** Includes the hull, superstructure, all permanently attached steel structures, foundations, fendering, tanks, and fixed piping systems.
- **Deck Equipment:** Includes anchor windlasses, towing winch, towing lines, steel wire, nylon ropes, fendering, mooring equipment, and safety lines and equipment. Since towing lines, nylon ropes, mooring lines, and safety ropes are considered consumable items, their residual value is calculated as half of their service life and represented as 50% of the replacement cost. For other components of the mooring system, the residual value is assessed at 75–80%.
- **Engine Room:** Includes the main engines, gearboxes, shafts, propeller, rudders, and steering system, as well as controls and all related elements.
- **System Equipment:** Includes all systems and mechanisms for the operation of the vessel in its mission. These elements include power generation and distribution, lighting, fuel management, controls, alarms, pumps, and hydraulics. This also includes the vessel's interior outfitting and all systems necessary for crew comfort and support.



**Commodities International
Shipping and Survey**



CISS GROUP North America Ltd.

15 Unit, 9278 Slopes Mews St., Burnaby
V5A 0G1, Canada
north.america@ciiss-group.com,
inspection@ciiss-group.com
www.ciiss-group.com

- **Electronics:** Includes all communication and navigation electronic devices. As these are upgraded based on maintenance costs, residual value is considered at half of their service life and displayed as 50% of replacement and for some details 75-80%.

Physical Wear and Tear: Reflects wear on the hull, superstructure, engine, and other physical components such as navigation systems. We considered the vessel's potential remaining lifespan, calculating depreciation based on vessel age, design life, and maintenance condition.

Technical Obsolescence: Measures the extent to which vessel technologies are outdated compared to newer models. This form of obsolescence can be curable if modernization is financially viable.

Economic Depreciation: External market factors, such as demand for tug services, regulations (e.g., environmental standards), and industry conditions (e.g., raw material demand) affect the valuation.

Even well-maintained vessels can lose value if the market is saturated or if the tug type is no longer in high demand. However, although our valuation does not include any business value, the vessel's market value is certainly dependent on its revenue-generating potential.

Since the retrofit has significantly modernized the vessel, its income-generating potential in the local towing market has also increased significantly, making the vessel more desirable in the local market.

Replacement Cost:

Appraisers often determine the current replacement cost of a similar, recently built tug and adjust it for depreciation. In doing so, they consider not only the physical aspects but also the operational performance and efficiency of modern tugs. For a tug built in 1981, brokers and appraisers may also take into account the potential salvage value and the vessel's overall condition. The valuation may be further influenced by the tug's service history, reputation in the industry, and location.

From a legal standpoint, the valuation may be affected by compliance with international safety and operational standards. The estimated value does not account for the vessel's current maintenance or restoration status, nor its regulatory certification.

Appraisal Considerations:

The appraised vessel is assessed as if its machinery is midway through its service life between major overhauls, and its certificates, dry-dockings, etc., are at mid-intervals.



**Commodities International
Shipping and Survey**



CISS GROUP North America Ltd.

15 Unit, 9278 Slopes Mews St., Burnaby
V5A 0G1, Canada
north.america@ciiss-group.com,
inspection@ciiss-group.com
www.ciiss-group.com

Valuation Approach:

The market value is defined as the price agreed upon between a seller who is willing but not obligated or forced to sell, and a buyer who is ready, willing, and able to purchase but not under immediate necessity, with both parties fully informed about the vessel.

This approach assumes that the tug's condition reflects standard operational status and compliance but without consideration of any urgent repairs or modifications required for certifications.

Final Statement and Signature:

This report is provided confidentially for the exclusive use of Hodder Tugboats CO. LTD., without prejudice to the rights and/or interests of other involved parties, and may not be used for any other purpose, nor relied upon by any other person.

The acceptance and use of this report by the client confirms that the client understands the report is based on information believed to be true following reasonable investigation and inquiry, but it is not guaranteed to be so.

Unless otherwise stated by our representative – company Director Dmytro FILIPCHYK (who performed the inspection), the issuance of our condition report is based on

(a) external conditions observed by our representative on mechanisms or spaces that are typically closed, and

(b) on information provided to our representative. Should misleading or erroneous information be provided, our condition report will be considered withdrawn.

As far as can be determined from a general inspection of this vessel, it is the opinion of the undersigned, as noted below, that the vessel is in good technical condition. This inspection was carried out without disassembly, opening of normally concealed areas, watertight integrity tests, or testing of machinery. Moreover, no determination has been made as to undamaged or damaged stability, or internal structural integrity.

Our surveyor did not conduct any sea trials, and we do not have information regarding the vessel's performance while underway. Additionally, no diagnostics were carried out on the main engines, their systems, or associated machinery. Other critical components, such as the propellers and steering system, were also not tested.

This document does not constitute a seaworthiness certificate but serves as an opinion, given without prejudice, that provided the recommendations contained herein are adhered to, the intended voyage and/or transportation does not pose any special hazards beyond those typically accepted by insurers.

This inspection was carried out, and the Report is submitted without prejudice.



**Commodities International
Shipping and Survey**



**FOSFA
INTERNATIONAL**

CISS GROUP North America Ltd.

15 Unit, 9278 Slopes Mews St., Burnaby

V5A 0G1, Canada

north.america@ciiss-group.com,

inspection@ciiss-group.com

www.ciiss-group.com

TUG BOAT "H.N. HODDER" DEVICES AND EQUIPMENT ON BOARD

Date: 10th of October, 2024

Nº	Equipment Name	Number of pieces	Min Price per unit (CAD)	Average unit price (CAD)	Max Price per unit (CAD)	Min Price (CAD)	Average (CAD)	Max Price (CAD)	For price validation, including accounting	Depreciation (amortization)	Real market price valuation, CAD
Design and hull construction											
1	Vessel Design and 3D Modeling	1	80 000	140 000	200 000	80 000	140 000	200 000	140 000	75%	105 000
2	Systems Engineering and Integration	1	60 000	105 000	150 000	60 000	105 000	150 000	105 000	75%	78 750
3	Technical Drawings for Shipyard	1	50 000	75 000	100 000	60 000	80 000	100 000	80 000	75%	60 000
4	Cost of hull construction	1	2 040 000	2 170 000	2 300 000	2 040 000	2 170 000	2 300 000	2 170 000	33%	716 100
5	Machinery Installation	1	300 000	400 000	500 000	300 000	400 000	500 000	400 000	75%	300 000
6	General fitting out	1	400 000	550 000	700 000	400 000	550 000	700 000	550 000	75%	412 500
7	Auxiliary system integration	1	100 000	125 000	150 000	100 000	125 000	150 000	125 000	75%	93 750
8	Electrical cables and EA systems installation	1	150 000	225 000	300 000	150 000	225 000	300 000	225 000	75%	168 750
9	Hydraulic and safety systems integration	1	100 000	150 000	200 000	100 000	150 000	200 000	150 000	75%	112 500
10	Hull Painting (Marine Grade Paint)	1	350 000	425 000	500 000	350 000	425 000	500 000	425 000	33%	140 250
11	Final Class Inspections, Testing, and Certifications	1	50 000	75 000	100 000	50 000	75 000	100 000	75 000	33%	24 750
Total for Design and hull construction:			3 680 000	4 440 000	5 200 000	3 690 000	4 445 000	5 200 000	4 445 000		2 212 350
Propeller and Propeller Shafts											
1	Fixed Pitch Propeller (FPP)	2	20 000	30 000	40 000	40 000	60 000	80 000	60 000	80%	48 000
2	Propeller shaft	2	10 000	17 500	25 000	20 000	35 000	50 000	35 000	80%	28 000
3	Installation of both the propeller and prop. shaft	2	5 000	10 000	15 000	10 000	20 000	30 000	20 000	100%	20 000
Total for Propeller and Propeller Shafts:			35 000	57 500	80 000	70 000	115 000	160 000	115 000		96 000
Fendering System											
1	Mooring Rubber System, price for per (m)	30	300	450	600	9 000	13 500	18 000	13 500	50%	6 750
2	Fendering System, Fore/Aft	2							14 580	75%	10 935
3	Berthing Protection System	14	200	350	500	2 800	4 900	7 000	4 900	50%	2 450
Total for Fendering System:			500	800	1 100	11 800	18 400	25 000	32 980		20 135
Superstructure and Main Deck											
1	AJR Marine Windows (small, closed)	12	500	1 000	1 500	6 000	12 000	18 000	12 000	90%	10 800
2	AJR Marine Windows (large, side open)	6	1 000	1 500	2 000	6 000	9 000	12 000	9 000	90%	8 100
3	Marine-grade aluminum door	1	1 500	2 250	3 000	1 500	2 250	3 000	2 250	70%	1 575
4	Watertight door	6	1 000	3 000	5 000	6 000	18 000	30 000	18 000	70%	12 600
5	Cabin's door	6	500	1 250	2 000	3 000	7 500	12 000	7 500	70%	5 250
6	Hatch cover for emergency evacuation Bow deck	1	2 000	3 000	4 000	2 000	3 000	4 000	3 000	70%	2 100
7	Hatch cover for emergency evacuation Aft Deck	1	2 000	3 000	4 000	2 000	3 000	4 000	3 000	70%	2 100
8	Mooring and towing bollards	4	1 000	1 750	2 500	4 000	7 000	10 000	7 000	60%	4 200
Total for Superstructure and Main Deck:			9 500	16 750	24 000	30 500	61 750	93 000	61 750		46 725
Main Deck (Devices and equipment)											
1	Mooring and towing bollards	5	1 000	1 750	2 500	5 000	8 750	12 500	8 750	60%	5 250
2	Main anchor	1	800	1 000	1 200	800	1 000	1 200	1 000	50%	500
3	Spare anchor	1	800	1 000	1 200	800	1 000	1 200	1 000	50%	500
4	Anchor chain (galvanized steel)	40	15	30	45	600	1 200	1 800	1 200	60%	720
5	Anchor windlasses (hydraulic)	1	5 000	10 000	15 000	5 000	10 000	15 000	10 000	60%	6 000
6	Mooring lines green (6x25m)	150	25	38	50	3 750	5 625	7 500	5 625	70%	3 938
7	Mooring lines red (6x25m)	150	25	38	50	3 750	5 625	7 500	5 625	70%	3 938
8	Hydraulic towing winch for 50 mt and more	1	50 000	75 000	100 000	60 000	75 000	100 000	75 000	60%	45 000
9	Stern towing winch fairlead roller 42" x 8"	1	3 000	6 500	10 000	3 000	6 500	10 000	6 500	75%	4 875
10	Towline/steel wire (per meter), 2x20mm 2x50m	140	10	13	15	1 400	1 750	2 100	1 750	65%	1 138
11	Remote contr. syst. and tow. winch control sys.	1	7 000	13 500	20 000	7 000	13 500	20 000	13 500	70%	9 450
12	Standard watertight Freeman hatches	3	1 500	3 250	5 000	4 500	9 750	15 000	9 750	75%	7 313
13	Deck ventilation ducts and equipment, bow	1	1 000	3 000	5 000	1 000	3 000	5 000	3 000	75%	2 250
14	Deck ventilation ducts and equipment, aft	2	4 000	7 000	10 000	8 000	14 000	20 000	14 000	75%	10 500
15	Marine aluminum accommodation ladder	1	5 000	8 500	12 000	5 000	8 500	12 000	8 500	75%	6 375
16	Exhaust system pipes	2	1 000	2 000	3 000	2 000	4 000	6 000	4 000	75%	3 000
17	Clamps and seals for pipes	2	50	125	200	100	250	400	250	75%	188
Total for Main Deck:			80 225	132 743	185 260	101 700	169 450	237 200	169 450		110 933
Boat deck											
1	Big plastic toolbox	1	50	100	150	50	100	150	100	75%	75
2	Newmar Deck Horn, MH-420	1	200	250	300	200	250	300	250	75%	188
Total for Boat deck:			250	350	450	250	350	450	350		263
Fly bridge (Navigational Equipment)											
1	Flybridge dedicated control system duplicating control from the bridge	1	7 000	11 000	15 000	7 000	11 000	15 000	11 000	75%	8 250
2	Electrical terminal box	1	400	700	1 000	400	700	1 000	700	75%	525
3	The Hella Marine NavLED PRO Masthead Navigation Lamp	1	220	293	365	220	293	365	293	75%	219
4	Naviled PRO 2LT 959 900 (navigation lights.) Price for a set of two pieces	1	400	500	600	400	500	600	500	75%	375
5	Emergency Spill Kit	1	700	1 100	1 500	700	1 100	1 500	1 100	75%	825
6	Main mast	1	15 000	22 500	30 000	15 000	22 500	30 000	22 500	75%	16 875
7	Navigation lights appropriate for towing operations for set of two pieces	2	400	500	600	800	1 000	1 200	1 000	75%	750
8	Newmar Deck Horn, MH-420	1	200	250	300	200	250	300	250	75%	188
9	Hikvision surveillance camera, CCTV	4	150	250	350	600	1 000	1 400	1 000	75%	750
10	Kahlenberg Air Horn, Zero Series A-23	1	1 500	2 250	3 000	1 500	2 250	3 000	2 250	75%	1 688
Total for Fly bridge:			25 970	39 343	52 715	26 820	40 593	54 365	40 593		30 444
Navigational Wheelhouse (Devices and Equipment)											
Main equipment:											
1	Steering Wheel and Helm	1	15 000	25 000	35 000	15 000	25 000	35 000	25 000	60%	15 000
The main control station on the bridge:											
2	- Rudder Angle Indicator (Kobelt)	3	400	650	900	1 200	1 950	2 700	1 950	75%	1 463
3	- Autopilot System (Simrad)	1	4 000	6 000	8 000	4 000	6 000	8 000	6 000	75%	4 500
4	- Canstar Marine Controls	1	1 500	2 250	3 000	1 500	2 250	3 000	2 250	75%	1 688
5	The throttle and control levers	3	1 000	2 250	3 500	3 000	6 750	10 500	6 750	75%	5 063
3	Jog Lever (Steering Control) - Manufactured by Jastram	1	2 000	3 000	4 000	2 000	3 000	4 000	3 000	75%	2 250
4	Rudder Angle Indicator (Kobelt)	1	1 500	2 250	3 000	1 500	2 250	3 000	2 250	75%	1 688

This certificate is issued to any job or services carried out within the GENERAL TERMS AND CONDITION OF BUSINESS printed overleaf. This certificate is not intended to relieve the parties of any relevant sales contract from their contractual obligations. The Company's responsibility under this Certificate is limited to proven negligence and will in no case be more than ten times the amount of the fees.



**Commodities International
Shipping and Survey**



**FOSFA
INTERNATIONAL**

CISS GROUP North America Ltd.

15 Unit, 9278 Slopes Mews St., Burnaby
V5A 0G1, Canada
north.america@ciiss-group.com,
inspection@ciiss-group.com
www.ciiss-group.com

5	Abort/Reset Lever (Winch Control)	1	1 000	1 750	2 500	1 000	1 750	2 500	1 750	75%	1 313
6	Winch Brake Pressure Gauge (Green Line)	1	200	400	600	200	400	600	400	75%	300
7	Furuno RSB-0070-086A radar system	2	5 320	5 320	5 320	10 640	10 640	10 640	10 640	75%	7 980
8	Mackay Marine ECDIS	1	20 000	30 000	40 000	20 000	30 000	40 000	30 000	75%	22 500
9	High-quality marine compass	1	500	1 000	1 500	500	1 000	1 500	1 000	75%	750
10	The searchlight joystick control by The Carlisle & Finch Co.	2	1 000	2 000	3 000	2 000	4 000	6 000	4 000	75%	3 000
11	ALP610 Alarm Panel	1	1 000	2 000	3 000	1 000	2 000	3 000	2 000	75%	1 500
12	Furuno VHF Radio	1	1 000	1 750	2 500	1 000	1 750	2 500	1 750	75%	1 313
13	Furuno Navtex Receivers	1	1 500	2 250	3 000	1 500	2 250	3 000	2 250	75%	1 688
14	Furuno Universal AIS system, FA-150	1	4 000	5 250	6 500	4 000	5 250	6 500	5 250	75%	3 938
15	Newmar PI-10 marine intercom system	1	100	115	130	100	115	130	115	75%	86
16	Furuno Bridge Navigational Watch Alarm System (BNWAS) BR-500	1	3 000	4 000	5 000	3 000	4 000	5 000	4 000	75%	3 000
17	Furuno GP-39 (GPS navigator)	1	500	650	800	500	650	800	650	75%	488
18	Sailor 6222 VHF DSC radio by Cobham	2	1 500	2 000	2 500	3 000	4 000	5 000	4 000	75%	3 000
19	Raymarine depth sounder	1	500	1 000	1 500	500	1 000	1 500	1 000	75%	750
20	Raymarine wind system	1	1 200	1 350	1 500	1 200	1 350	1 500	1 350	75%	1 013
21	JRC GPS Compass with a 3D Dynamic Sensor	1	4 000	6 000	8 000	4 000	6 000	8 000	6 000	75%	4 500
22	ICOM IC-M605 VHF marine transceiver	1	1 200	1 350	1 500	1 200	1 350	1 500	1 350	75%	1 013
23	Weems & Plath marine therms & hygro HQ	1	150	225	300	150	225	300	225	75%	169
24	Rule bilge pump control panel	1	100	200	300	100	200	300	200	75%	150
25	DC distribution panel by Comar Electrical Services Ltd	1	2 000	3 500	5 000	2 000	3 500	5 000	3 500	75%	2 625
26	Emergency tiller system	1	300	350	400	300	350	400	350	75%	263
27	Intellian i3 antenna control unit	1	3 000	3 500	4 000	3 000	3 500	4 000	3 500	75%	2 625
28	Additional equipment:					0	0	0	0	75%	0
29	Brass barometer by Weems & Plath	1	300	450	600	300	450	600	450	75%	338
30	Mackay CCTV Surveillance System monitor	1	2 000	3 000	4 000	2 000	3 000	4 000	3 000	75%	2 250
31	Hikvision surveillance camera, as part of the CCTV system	2	150	325	500	300	650	1 000	650	75%	488
32	Marine-grade desk lamps with adjustable arms	1	100	200	300	100	200	300	200	75%	150
33	Specialized marine helm seat	1	400	700	1 000	400	700	1 000	700	50%	350
34	Lenovo laptop	1	600	1 050	1 500	600	1 050	1 500	1 050	50%	525
35	Marine navigator table and storage bench	1	1 200	1 850	2 500	1 200	1 850	2 500	1 850	75%	1 388
36	Marine-grade fan	3	100	175	250	300	525	750	525	75%	394
37	Marine Binoculars	1	400	550	700	400	550	700	550	75%	413
Total for Wheelhouse:			83 720	125 660	167 600	94 690	141 455	188 220	141 455		101 904
Galley (Devices and equipment)											
1	Microwave (Comfee brand)	1	150	200	250	150	200	250	200	75%	150
2	Refrigerator	1	700	1 000	1 300	700	1 000	1 300	1 000	75%	750
3	Stove/Oven (Danby)	1	700	950	1 200	700	950	1 200	950	75%	713
4	Toaster	1	60	80	100	60	80	100	80	75%	60
5	Black+Decker Goffee Maker	1	80	115	150	80	115	150	115	75%	86
6	Cabinets (Upper and Lower Storage Cabinets)	2	300	450	600	600	900	1 200	900	75%	675
7	Countertop (L-shaped countertop with sink)	1	300	450	600	300	450	600	450	75%	338
8	Sink	1	100	150	200	100	150	200	150	75%	113
9	Knives Set and Magnetic Holder	1	100	175	250	100	175	250	175	75%	131
10	Dish Rack and Other Small Accessories	1	100	150	200	100	150	200	150	75%	113
11	Other Furniture (Small table, chairs, or stools)	1	200	300	400	200	300	400	300	75%	225
12	Bread Maker	1	200	300	400	200	300	400	300	75%	225
13	Small heater	1	80	115	150	80	115	150	115	75%	86
14	Hikvision surveillance camera, CCTV	2	150	325	500	300	650	1 000	650	75%	488
Total for Galley:			3 220	4 760	6 300	3 670	5 535	7 400	5 535		4 151
Mess room (Devices and equipment)											
1	Eco-leather Couch with chest of drawers	1	1 500	2 500	3 500	1 500	2 500	3 500	2 500	75%	1 875
2	Table with Cabinet	1	300	450	600	300	450	600	450	75%	338
3	Simple wooden accessory shelf	1	50	50	50	50	50	50	50	75%	38
4	Hikvision surveillance camera, CCTV	2	150	325	500	300	650	1 000	650	75%	488
Total for Mess room:			2 000	3 325	4 650	2 150	3 650	5 150	3 650		2 738
Crew Accommodation (Devices and Equipment)											
Accommodation, crew cabins											
1	Bunk bed with built-in drawers at the bottom	1	600	900	1 200	600	900	1 200	900	75%	675
2	Single bunk bed with built-in drawers at the bottom	2	200	300	400	400	600	800	600	75%	450
3	Built-in wardrobe	4	100	200	300	400	800	1 200	800	75%	600
4	Wall-mounted Drop-leaf Table	4	60	70	80	240	280	320	280	75%	210
5	Built-in cabinet with mirror	4	100	200	300	400	800	1 200	800	75%	600
6	Small under-sink cabinet	4	150	275	400	600	1 100	1 600	1 100	75%	825
7	Stainless steel or metal sink	4	80	140	200	320	560	800	560	75%	420
8	Faucet/valve with drain system	4	100	150	200	400	600	800	600	75%	450
9	Small plastic waste bin	4	10	20	30	40	80	120	80	75%	60
10	The fan by "Simple Deluxe"	4	50	75	100	200	300	400	300	75%	225
11	Towel bar or drying rack	4	50	75	100	200	300	400	300	75%	225
12	Small room/cabin heater	4	50	100	150	200	400	600	400	75%	300
13	Small air purifiers	4	50	125	200	200	500	800	500	75%	375
14	GEPROSMA Super Bright Rechargeable Searchlight	4	50	85	120	200	340	480	340	75%	255
15	Vacuum cleaner	1	100	200	300	100	200	300	200	75%	150
16	Simple wall-mounted lamp type 1	10	30	55	80	300	550	800	550	75%	413
17	Simple wall-mounted lamp type 2	4	50	100	150	200	400	600	400	75%	300
18	"Mackay CCTV Surveillance System"	4	300	450	600	1 200	1 800	2 400	1 800	75%	1 350
Technical rooms											
19	Haier Washing Machine (Model: HLP21N)	1	400	500	600	400	500	600	500	75%	375
20	Kenmore Dryer	1	600	750	900	600	750	900	750	75%	563
21	Freezer (Generic Black Freezer)	1	700	850	1 000	700	850	1 000	850	75%	638
22	Shower stall and curtain	1	150	225	300	150	225	300	225	75%	169
23	Shower rack (wall-mounted)	1	20	35	50	20	35	50	35	75%	26
24	Toilet	1	150	275	400	150	275	400	275	75%	206
25	Toilet paper holder and basic accessories	1	10	20	30	10	20	30	20	75%	15
26	Sink and faucet/valve	1	100	150	200	100	150	200	150	75%	113
27	Small heater (visible near the toilet)	1	50	100	150	50	100	150	100	75%	75

This certificate is issued to any job or services carried out within the GENERAL TERMS AND CONDITION OF BUSINESS printed overleaf. This certificate is not intended to relieve the parties of any relevant sales contract from their contractual obligations. The Company's responsibility under this Certificate is limited to proven negligence and will in no case be more than ten times the amount of the fees.



Commodities International
Shipping and Survey



FOSFA
INTERNATIONAL

CISS GROUP North America Ltd.

15 Unit, 9278 Slopes Mews St., Burnaby

V5A 0G1, Canada

north.america@ciiss-group.com,

inspection@ciiss-group.com

www.ciiss-group.com

28	Miscellaneous items (soap holder, small storage, etc.)	1	10	20	30	10	20	30	20	75%	15
29	Medical Cabinet	1	200	350	500	200	350	500	350	75%	263
30	First Aid Kit	1	50	100	150	50	100	150	100	75%	75
31	Phillips HeartStart Defibrillator	1	1 500	2 000	2 500	1 500	2 000	2 500	2 000	75%	1 500
Total for Crew Accommodation:			6 070	8 895	11 720	10 140	15 885	21 630	15 885		11 914
Engine Room (Devices and Equipment)											
Propulsion Systems:											
1	The Mitsubishi marine engine S6A3, 483 HP	2	45 000	52 500	60 000	90 000	105 000	120 000	105 000	75%	78 750
2	MGX516DC 4.52:1 (Marine Gearbox) / 22.09.2020	2							100 007	75%	75 008
3	Engine Exhaust gas pipes Insulation	2	500	750	1 000	1 000	1 500	2 000	1 500	75%	1 125
4	Isuzu 4HK1XYBW engine (16 valve) with 203 HP	1	13 000	16 500	20 000	13 000	16 500	20 000	16 500	75%	12 375
5	PAR-MAX Plus Water System Pump (Model 82400-0292)	1	250	300	350	250	300	350	300	75%	225
6	Honda gasoline-powered water pump	1	600	900	1 200	600	900	1 200	900	75%	675
7	Ingersoll Rand air compressor	1	2 500	4 000	5 500	2 500	4 000	5 500	4 000	75%	3 000
8	Header tank for engine coolant	2	800	1 150	1 500	1 600	2 300	3 000	2 300	75%	1 725
9	Zexel high-pressure fuel injection pump	1	2 000	3 000	4 000	2 000	3 000	4 000	3 000	75%	2 250
10	Cooling radiators for engine systems	2	2 500	3 750	5 000	5 000	7 500	10 000	7 500	75%	5 625
Electrical Equipment:											
12	Main Electrical Switchboard Panel	1	5 000	11 000	17 000	5 000	11 000	17 000	11 000	75%	8 250
13	Marinco ChargePro 20 Amp battery charger	1	200	225	250	200	225	250	225	75%	169
14	Odyssey Extreme Series Batteries PC925 series	2	300	375	450	600	750	900	750	75%	563
15	Sure Power DC-DC Converter	1	500	700	900	500	700	900	700	75%	525
16	Power Distribution Module (PDM) 24V	1	200	400	600	200	400	600	400	75%	300
17	General Electric transformer, rated at 10 KVA	1	500	850	1 200	500	850	1 200	850	75%	638
18	Eaton Electrical Control Panels	1	500	1 250	2 000	500	1 250	2 000	1 250	75%	938
19	Hydraulic Control Panels	2	2 000	3 500	5 000	4 000	7 000	10 000	7 000	75%	5 250
20	Mastervolt Battery Chargers	2	1 000	2 000	3 000	2 000	4 000	6 000	4 000	75%	3 000
21	Electrical Distribution Box	1	500	1 000	1 500	500	1 000	1 500	1 000	75%	750
22	Rheem water heater	1	800	1 000	1 200	800	1 000	1 200	1 000	75%	750
23	Newmar Phase Three PT-14W battery charger	1	500	650	800	500	650	800	650	75%	488
24	Marine-grade cables	5000	3	7	10	15 000	32 500	50 000	32 500	75%	24 375
25	PAR-MAX Plus Water System Pump (Model 82400-0292)	1	250	300	350	250	300	350	300	75%	225
26	Electrical Panels (120V)	1	2 000	2 500	3 000	2 000	2 500	3 000	2 500	75%	1 875
27	Electrical Panels (240V)	1	2 000	2 500	3 000	2 000	2 500	3 000	2 500	75%	1 875
28	Isuzu Diesel engine control panel	1	400	700	1 000	400	700	1 000	700	75%	525
29	Control panel for the tugboat's electrical systems, engine (WINCH ENG), main engine (MENG), and parallel switches	1	1 000	1 500	2 000	1 000	1 500	2 000	1 500	75%	1 125
30	Marine battery boxes black	5	50	100	150	250	500	750	500	75%	375
31	Marine battery boxes white	4	50	100	150	200	400	600	400	75%	300
29	Deep-cycle marine batteries 2x1 box	18	150	325	500	2 700	5 850	9 000	5 850	75%	4 388
Filters and separators:											
30	Racor fuel filter/water separators	6	150	250	350	900	1 500	2 100	1 500	75%	1 125
31	- Replacement filter elements	6	30	45	60	180	270	360	270	75%	203
32	Racor fuel filter by Parker	2	500	700	900	1 000	1 400	1 800	1 400	75%	1 050
33	Donaldson Duramax Hydraulic Filters	2	30	45	60	60	90	120	90	75%	68
34	20-inch water filtration system	1	80	140	200	80	140	200	140	75%	105
35	- Replacement filter elements	1	20	40	60	20	40	60	40	75%	30
36	Heavy-duty oil filter Baldwin B17648	1	40	50	60	40	50	60	50	75%	39
37	Fleetguard air filter AH 19327	2	250	275	300	500	550	600	550	75%	413
38	- Replacement filter elements AF972M	2	140	170	200	280	340	400	340	75%	255
Additional equipment:											
39	Hikvision surveillance camera CCTV	6	150	325	500	900	1 950	3 000	1 950	75%	1 463
40	Manual chain hoist	1	150	275	400	150	275	400	275	75%	206
41	Basic metal workbench and tools	1	450	675	900	450	675	900	675	75%	506
42	Mastercraft tool chest	1	200	350	500	200	350	500	350	75%	263
43	Emergency magnetic LED work lights	5	55	178	300	275	888	1 500	888	75%	666
Total for Engine Room:			87 298	117 349	147 400	160 085	225 093	290 100	325 100		243 825
Fire Fighting Equipment in accordance with Fire Plan											
1	CO2 suppression system for engine room	1	15 000	30 000	45 000	15 000	30 000	45 000	30 000	100%	30 000
2	Fire Extinguishers 5 lbs Wheelhouse	2	100	115	130	200	230	260	230	100%	230
3	Fire Extinguishers 10lbs Wheelhouse	2	150	175	200	300	350	400	350	100%	350
4	Badger Fire Extinguisher Engine room	4	150	175	200	600	700	800	700	100%	700
5	Fire Extinguishers 5 lbs Galley	1	80	100	120	80	100	120	100	100%	100
6	Fire bucket Boat deck	2	50	75	100	100	150	200	150	100%	150
7	Marine-grade fire suppression system Aft deck	1	2 000	6 000	10 000	2 000	6 000	10 000	6 000	50%	3 000
8	Fire hose Aft deck	1	50	75	100	50	75	100	75	50%	38
9	Fire Extinguishers 5 lbs Crew Accommodation	1	100	115	130	100	115	130	115	100%	115
10	Fire Extinguishers 10lbs Technical room	2	150	175	200	300	350	400	350	100%	350
11	Firefighter axe Technical room	1	50	100	150	50	100	150	100	100%	100
Total for Fire Equipment :			17 880	37 105	56 330	18 780	38 170	57 560	38 170		35 133
Safety Equipment in accordance with Safety Plan											
1	Mustang Survival Life Jackets (SOLAS Certified) Wheelhouse	2	150	200	250	300	400	500	400	75%	300
2	Ocean Signal EPIRB1 Pro Boat deck	1	670	795	920	670	795	920	795	85%	676
3	Lifebuoy with a lifeline Boat deck	2	130	175	220	260	350	440	350	75%	263
4	Lifebuoy with a lifeline Fly bridge	2	130	175	220	260	350	440	350	75%	263
5	SART Boat deck	1	1 100	1 250	1 400	1 100	1 250	1 400	1 250	75%	938
6	"Man Overboard MK9" emergency signaling device Boat deck	1	300	375	450	300	375	450	375	75%	281
7	Survivetek/ZODIAC, SAS 6-person SOLAS B-compliant life raft Fly bridge	2	3 500	6 750	10 000	7 000	13 500	20 000	13 500	85%	11 475
8	Mustang Survival Life Jackets (SOLAS Certified) Crew cabin	4	150	200	250	600	800	1 000	800	75%	600
9	FitzWright immersion/survival suit Crew cabin	4	795	855	915	3 180	3 420	3 660	3 420	85%	2 907
Total for Safety Equipment:			6 925	10 775	14 625	13 670	21 240	28 810	21 240		17 702
Light Equipment											
1	Basic Marine-Grade deck lights	10	150	250	350	1 500	2 500	3 500	2 500	75%	1 875

This certificate is issued to any job or services carried out within the GENERAL TERMS AND CONDITION OF BUSINESS printed overleaf. This certificate is not intended to relieve the parties of any relevant sales contract from their contractual obligations. The Company's responsibility under this Certificate is limited to proven negligence and will in no case be more than ten times the amount of the fees.



Commodities International
Shipping and Survey



FOSFA
INTERNATIONAL

CISS GROUP North America Ltd.

15 Unit, 9278 Slopes Mews St., Burnaby

V5A 0G1, Canada

north.america@ciiss-group.com,

inspection@ciiss-group.com

www.ciiss-group.com

2	Wedo Marine LED Spotlights on the House Top	1	150	325	500	150	325	500	325	75%	244
3	Carlisle & Finch Co. Model 104105 Spotlights	2	3 000	4 500	6 000	6 000	9 000	12 000	9 000	75%	6 750
4	Marine LED Spotlights IP65 protection on the Boat deck 400W	2	400	550	700	800	1 100	1 400	1 100	75%	825
5	Marine LED Spotlights IP65 protection on the Main mast 400W	4	400	550	700	1 600	2 200	2 800	2 200	75%	1 650
6	Wedo Marine LED Spotlights on the Fly bridge 100W	2	150	200	250	300	400	500	400	75%	300
7	Marine LED Spotlights IP65 protection on the Aft deck 100W	2	150	175	200	300	350	400	350	75%	263
8	Carlisle & Finch Co. spotlight Aft deck	1	1 000	1 500	2 000	1 000	1 500	2 000	1 500	75%	1 125
9	Emergency light	6	100	175	250	600	1 050	1 500	1 050	75%	788
10	Marine-grade recessed lighting fixtures	6	60	105	150	360	630	900	630	75%	473
11	Ceiling-mounted LED or fluorescent lamp in the Engine room	8	200	275	350	1 600	2 200	2 800	2 200	75%	1 650
Total for Light Equipment:			5 760	8 605	11 450	14 210	21 255	28 300	21 255		15 941
TOTAL FOR DEVICES AND EQUIPMENT:								5 437 412			2 950 156
REPAIR AND MAINTENANCE											
1	DBC Marine Safety						01.07.2021	2 345	75%		1 759
2	Wolff Marine Supply						12.07.2021	2 443	75%		1 832
3	Western Marine Com						26.07.2021	1 677	75%		1 258
4	Hercules SLR Inc.						28.07.2021	18 678	75%		13 934
5	Target Marine						31.07.2021	1 055	75%		799
6	Bracewell Marine inspect, repair weld rubber						11.08.2021	7 834	75%		5 876
7	Clark Services & Ins						17.08.2021	1 862	75%		1 396
8	Receiver General for						18.08.2021	1 647	75%		1 235
9	Tom-Mac Shipyards, modify main engine						26.08.2021	3 423	75%		2 567
10	Mackay Communication, Travel/installation/consumables/materials - Installation of Furuno radar						27.08.2021	7 688	75%		5 766
11	Target Marine, All labour						31.08.2021	19 148	75%		14 361
12	Shelter Island Marina						31.08.2021	4 656	75%		3 492
13	Target Marine						31.08.2021	4 501	75%		3 376
14	Comar Electrical Ser intercom phone supply						31.08.2021	1 707	75%		1 280
15	Clark Services & Ins, heat shield blanket						08.09.2021	1 409	75%		1 057
16	Mackay Communication, Diagnostic of Furuno radar - Had issues						24.09.2021	1 492	75%		1 119
17	Target Marine						30.09.2021	1 381	75%		1 035
18	Olympic Drives & Eq, jog lever, x2						29.10.2021	1 915	75%		1 436
19	Kobelt Manufacturing, hydraulic reverser						29.10.2021	1 494	75%		1 121
20	Target Marine						31.10.2021	1 109	75%		831
21	Wolff Marine Supply, 510-W LED spotlight, X2						31.10.2021	1 505	75%		1 129
22	Target Marine						31.10.2021	1 109	75%		831
23	Mackay Communication, jog lever, switches (2)						10.11.2021	1 106	75%		829
24	To install back-up steering system						23.11.2021	3 169	75%		2 392
25	Comar Electrical Ser install backup steering system						23.11.2021	3 047	75%		2 285
26	Comar Electrical Ser Wheelhaus lite repair						08.02.2022	1 195	75%		896
27	Target Marine, All labour						31.03.2022	4 217	75%		3 163
28	Handy Andy Maintenance, muffler(2) x parts						14.04.2022	11 085	75%		8 314
29	Bracewell Marine Group, install Bow rubber fender, paint engine room						17.06.2022	107 469	75%		80 601
30	Schuyler Rubber Bow Fender						30.06.2022	14 581	75%		10 935
31	Chris Small Marine 2022 Vessel survey						31.07.2022	1 066	75%		800
32	Clark Services & Ins, heat shield blanket						01.08.2022	1 301	75%		976
33	DBC Marine Safety Fire safety inspection						24.08.2022	2 151	75%		1 613
34	Hom Dpot-tools & clean a supply						13.09.2022	1 447	75%		1 085
35	SVD Machining, Welding and fabricating						16.09.2022	5 532	75%		4 149
36	Pacific Wire Rope Lt						16.09.2022	1 543	75%		1 157
37	Jastram-Technologie search lite, joystick						30.09.2022	9 995	75%		7 496
38	Pacific Wire Rope Lt, socket towline assembly						03.10.2022	2 764	75%		2 073
39	Tri-Metal Fabricators						27.10.2022	1 995	75%		1 496
40	The Home Depot						31.10.2022	1 080	75%		810
41	Target Marine						31.10.2022	1 269	75%		952
42	Jastram-Technologie search lite						01.11.2022	10 773	75%		8 079
43	Leading Edge Propeller, Repair of propeller						14.11.2022	1 926	75%		1 445
44	Comar Electrical Ser						14.11.2022	1 341	75%		1 006
45	Foam Shop Rmnd-mattress(4)+cov						16.11.2022	1 906	75%		1 429
46	Arrow Marine Services, Work on rudder, propeller removal, haul in/out rudder/prop removal						22.11.2022	5 289	75%		3 967
47	Frontier Power Prod						25.11.2022	1 058	75%		794
48	Target Marine						30.11.2022	2 211	75%		1 658
49	Comar Electrical Ser						30.11.2022	7 971	75%		5 978
50	Comar Electrical Ser						09.12.2022	1 677	75%		1 258
51	Pacific Wire Rope Ltd						13.02.2023	1 907	75%		1 431
52	Tom Mac Shipyards, Repair of fuel tank leak						16.03.2023	7 569	75%		5 677
53	Comar Electrical Ser						22.03.2023	1 877	75%		1 408
54	Western Marine Com						10.05.2023	1 681	75%		1 261
55	The Home Depot						31.05.2023	1 507	75%		1 130
56	Uline Canada Corp						05.06.2023	1 165	75%		874
57	Mackay Communication						14.06.2023	1 332	75%		999
58	Pacific Wire Rope Ltd						29.06.2023	12 024	75%		9 018
59	Redden Net and Rop						10.07.2023	1 338	75%		1 003
60	Mackay Communication						10.07.2023	1 082	75%		811
61	Int'l Paint-paint, sealant, thinner						12.07.2023	1 198	75%		899
62	BAND RELINED - MISC / NEW BAND TO BE CREATED						17.07.2023	1 650	75%		1 238
63	H-E Parts: anchor winch brake ba						17.07.2023	1 766	75%		1 324
64	Global Star -annual satellite subs						18.07.2023	1 518	75%		1 139
65	COMBO LADDER 27'5MOT 17 ROUND RUNGS						20.07.2023	1 400	75%		1 050

This certificate is issued to any job or services carried out within the GENERAL TERMS AND CONDITION OF BUSINESS printed overleaf. This certificate is not intended to relieve the parties of any relevant sales contract from their contractual obligations. The Company's responsibility under this Certificate is limited to proven negligence and will in no case be more than ten times the amount of the fees.



Commodities International
Shipping and Survey



FOSFA
INTERNATIONAL

CISS GROUP North America Ltd.
15 Unit, 9278 Slopes Mews St., Burnaby
V5A 0G1, Canada
north.america@ciiss-group.com,
inspection@ciiss-group.com
www.ciiss-group.com

66	SVD Machining, Machine aluminum bronze follower						24.07.2023	1 676	75%	1 257
67	DBC Maine Safety, Fire equipment inspection						01.08.2023	1 438	75%	1 079
68	Ocean Controls Services, Diagnostic, tested disk brake						21.09.2023	1 426	75%	1 069
69	Pacific Wire Rope, Labour to install tow line						15.11.2023	2 139	75%	1 604
70	Klassen Diesel Sales						27.11.2023	1 081	75%	811
71	Western Nameplates						28.11.2023	1 837	75%	1 378
72	Greggs Distributors, Consumables – Antifreeze						20.12.2023	1 598	75%	1 199
73	DBC Marine Safety, Liferaft inspection and materials						16.02.2024	2 519	75%	1 889
74	Target Marine, All labour						25.03.2024	13 284	75%	9 963
75	HN Ground g Settle't adj:claim						30.04.2024	5 838	75%	4 378
76	P.S.I. Fluid Power Ltd						02.05.2024	1 439	75%	1 080
77	Hub Power Ltd.						02.05.2024	1 506	75%	1 130
78	Frontier Power Ltd.						28.05.2024	1 441	75%	1 081
79	Vancouver Lieraft &						05.07.2024	3 500	75%	2 625
80	Frontier Power Produ						09.08.2024	1 046	75%	785
81	GlobalStar-satellite phone service						21.08.2024	1 541	75%	1 156
Total for REPAIR AND MAINTENANCE:								382 496		286 872
TOTAL:		172 045	270 668	369 290	208 740	330 530	452 320	5 819 908		3 237 027



Commodities International
Shipping and Survey



CISS GROUP North America Ltd.

15 Unit, 9278 Slopes Mews St., Burnaby

V5A 0G1, Canada

north.america@ciiss-group.com,

inspection@ciiss-group.com

www.ciiss-group.com

FINAL CONCLUSION

Based on our comprehensive assessment and analysis of the vessel's current condition, we believe the calculated valuation of **CAD 3,237,027** may be overly optimistic when compared to prevailing market conditions. Several factors suggest that a more realistic market value range would be between **CAD 2,800,000 and CAD 2,900,000**. This conclusion is drawn from the following considerations:

1. **Vessel Age:** The tug's age significantly affects its attractiveness as a long-term investment. As vessels age, they naturally require more intensive maintenance and become less appealing to buyers seeking reliable, cost-efficient options with longer service lifespans.
2. **Surface Rust and Appearance:** The presence of rust on the vessel's exterior directly impacts its marketability and perceived value. Addressing these cosmetic and structural issues by removing rust and repainting will be necessary to maintain the vessel's integrity and appearance, but these costs are likely to be factored into a buyer's offer, driving down the sale price.
3. **Engine Room and Bilge Condition:** The engine room is spacious, well-organized, well-lit, and overall in good condition. Minimal water accumulation is observed in the bilge areas. The vessel is equipped with two six-cylinder turbocharged Mitsubishi main diesel engines with closed-loop cooling systems, designed for heavy-duty operations, providing sufficient power reserve for tugs of this class. The auxiliary machinery is in operational condition with no visible signs of wear. Overall, the equipment is clean and well-maintained, with no visible indications of leaks or damage. The electrical system has been upgraded with new wiring and securely protected connections. All electrical systems and equipment appear in excellent, nearly new condition. Regular, technically proficient maintenance and the high level of care given to the main engines and the entire engine room not only preserve the vessel's condition but also enhance its potential to maintain or even increase its market value in the years to come.
4. **Hull Integrity and Corrosion Concerns:** Corrosion near the shaft and the need for detailed inspections of the hull's thickness and the need for a non-destructive test of weld seams highlight potential structural vulnerabilities. Any buyer will consider these issues a priority for maintenance, influencing their perception of the vessel's reliability and durability, and thus, its value.



Commodities International
Shipping and Survey



CISS GROUP North America Ltd.

15 Unit, 9278 Slopes Mews St., Burnaby

V5A 0G1, Canada

north.america@ciiss-group.com,

inspection@ciiss-group.com

www.ciiss-group.com

5. **External appearance of deck equipment and mechanisms:** Appearance of the towing equipment, towing winch, ropes, and deck machinery, despite being operational, may negatively influence a buyer's perception of the vessel's overall reliability and durability, potentially leading to a decrease in its market value.
6. **Uncertainty in Performance and Lack of Sea Trials:** While the engine room, with its engines in excellent condition, and the modernized bridge with advanced control, communication, and navigation systems are observable, the absence of sea trials or diagnostics for critical systems such as the main engines, steering gear, and propeller introduces uncertainty about the vessel's performance capabilities. This unknown factor significantly affects market pricing, as buyers tend to be cautious when performance data is unavailable
7. **Technical Obsolescence:** Despite the excellent condition and comprehensive modernization of the bridge equipped with advanced redundant control, communication, and navigation systems and the excellent state of the engine room, the main engines and other systems possess a finite operational life. Over time, these systems may become both technologically and physically obsolete, eventually failing to meet current technological standards. This obsolescence implies potential future costs for upgrades or replacements, which could, in turn, reduce the vessel's market value.
8. **Depreciation and Amortization in Initial Valuation:** It is important to note that the calculated cost of the initial valuation of **CAD 3,237,027** included depreciation and amortization, reflecting the current condition of the vessel rather than the cost of replacing it with new parts. This figure represents the vessel's adjusted book value, which may not directly correlate with its market replacement cost, further justifying a downward adjustment in the sale price.
9. **Market Conditions and Economic Depreciation:** The demand for older tugboats remains relatively low on the market. This saturation creates downward pressure on pricing, making it difficult to achieve the initially calculated value in the current competitive environment.
10. **Limited Revenue-Generating Potential in a Changing Market:** Although the vessel has been retrofitted to enhance its income potential in local markets, the evolving landscape



Commodities International
Shipping and Survey



CISS GROUP North America Ltd.

15 Unit, 9278 Slopes Mews St., Burnaby

V5A 0G1, Canada

north.america@ciiss-group.com,

inspection@ciiss-group.com

www.ciiss-group.com

of maritime regulations and technology could limit its long-term profitability. Buyers will weigh this potential risk against the vessel's current price.

11. Uninspected Underwater Hull Condition: The lack of inspection of the underwater hull introduces an element of risk regarding hidden damages or issues that could affect the vessel's seaworthiness. This omission creates uncertainty that typically leads to more conservative market valuations.

12. Increased Buyer Caution: In today's market, buyers of marine assets tend to be more cautious and risk-averse, preferring vessels that offer clear compliance with modern standards and minimal need for immediate repairs. This trend puts older, non-compliant vessels at a disadvantage in pricing negotiations.

Final Conclusion: The culmination of these technical, regulatory, and market-related factors leads us to a well-supported conclusion that the vessel's realistic market value is more accurately positioned within the range of **CAD 2,800,000 to 2,900,000**. This range reflects not only the vessel's physical and operational condition but also aligns with current industry trends, buyer expectations, and the evolving standards of environmental and technical compliance.

While the initial valuation of **CAD 3,237,027** takes into account depreciation and amortization, as well as retrofitting efforts, it does not directly represent the cost of replacing the vessel with new parts. Given the practical realities of the market, the adjusted valuation reflects a more attainable price range that considers the vessel's current state, operational efficiency, and compliance readiness."

October 13th, 2024

Director, Dmytro FILIPCHYK

