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CSSF RAIF code V00001660

A specialized Luxembourg fund for investments in ocean going, dry-bulk vessels

A. THE OPPORTUNITY

Ideal timing for entry into dry bulk shipping investments...

The Initiators: The shipping tradition of Diamantis Pateras Maritime Ltd. (DPML) joins forces and resources with public markets corporate expertise of the principals of Nautilus Energy Management Corp. (NEMC) to create and support a Fund to target all-equity, dry-bulk vessel acquisitions.

The vehicle: a SCS, open-end, Luxembourg investment fund under a RAIF 'umbrella' with an external AIFM regulated by Luxembourg's CSSF

Trading of the vessels produces significant "free cash flow" thus enables meaningful dividend with significant upside once the dry bulk market normalizes upwards to historical average levels. Excellent expectation of returns at exit.

The Investment Environment:

- Shipping is highly cyclical and capital intensive
- Dry bulk market is bouncing off historically low levels – a rebound has commenced and is expected to further improve in the medium-term
- Target all-equity acquisitions: Debt Service, the main risk facing most companies, is mitigated and provides low break-even and significant "free cash flow"
- Wide availability of quality vessels from distressed sellers

B. ASSETS TO BE ACQUIRED

Handysize-Supramax vessels, the workhorses of dry-bulk shipping...

- 4 -10yr old, 30-65,000dwt, self-loaders/unloaders of high-specification and built
Opportunistic purchases of younger vessels could be considered within the investment mandate
- Greater diversity in types of cargoes, trade routes and ports served. Favorable market fundamentals-low orderbook, old fleet
- Vessels to be commercially and technically managed by DPML and NEMC respectively

C. THE STRATEGY

'Get paid to wait'...

- Acquisitions to be mostly equity only; with zero-debt, aiming to safeguard credible dividend distribution even at current rates
- Vessels to be employed on short-term Time-Charterers to first class Charterers in the present hire market
- Aiming to timely acquire a modern fleet and benefit through trading and vessel sales at higher (appreciated) prices as market improves
- Dividend/distribution policy: At least annually of the distributable cash from vessel's operations, after reasonable reserves

D. MARKET OVERVIEW (indicative figures may be outdated, current figures may differ)

Type	ASSET VALUES (USD \$)						1-yr CHARTER RATES (USD \$/day)			Orderbook (% of existing fleet) (1)	Fleet 15+yrs (% of existing fleet) (1)
	Current Vessel Prices (2)		15-yr Historical Average Vessel Prices (1)		15-yr Historical Max Vessel Prices (1)		Current 1yr TC Rate (1)	15yr Historical average rate (1)	15yr Historic Max rate (1)		
	5yr old	10yr old	5yr old	10yr old	5yr old	10yr old					
Handysize	<u>14m</u>	<u>9.75m</u>	21.6m	17.3m	54m	44m	10.500	10.500	40.800	7%	22%
Supramax	<u>16m</u>	<u>12.5m</u>	28.1m	21.5m	78m	64m	13.000	16.300	66.300	5%	15%

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E. THE OFFERING

Well structured, properly governed and supervised, tax efficient fund

- SevenSeas is a RAIF, open-end, Luxembourg 'umbrella' fund – its first Sub-fund is **"7SEAS ONE"**
- Target size **\$100m.**
- Lock-up period: three (3) years no redemption (units can be sold to third parties)
- General Partner: SevenSeas Capital Management
- AIFM: Fuchs Asset Management S.A., an Authorised-Alternative Investments Fund Manager Licensed and supervised by Luxembourg's CSSF
- Depository & Central Administrator: EFG Bank (Luxembourg) S.A.
- External Auditor: Ernst & Young (Luxembourg) S.A.
- GP's compensation: 1,5 %/ 20% (Yearly: 1,5% on NAV, at Exit: 20% on profits exceeding 6% annualized return to LPs)

Risk Protection

- Checks and Balances through the presence of independent third party service providers, supervised by CSSF
- Market insurance covers for the vessel's hull, machinery, Protection & Indemnity
- Loss of Hire Cover on vessels' earnings
- Capital Protection Cover on invested capital

F. INITIATORS AND MANAGERS

Hands-on management with deep operational knowledge and financial expertise

- SevenSeas is founded by DPML (Stephanos Pateras & Stefanos Michalis) and NEMC (Akis Tsirigakis & George Syllantavos)
- Akis Tsirigakis, the GP's CEO, has 35 yrs experience in ship-owning and shipmanagement, has founded three (3) public-NASDAQ-listed via IPO in the USA funds or SPAC (Special Purpose Acquisition Companies), a type of close-end, quasi-private equity fund structure and headed as CEO several public Companies including Star Bulk Carriers (Nasdaq:SBLK), the largest Dry Bulk public company. Holds MSc and BSc in Naval Architecture, University of Michigan, Ann Arbor
- Stefanos Michalis, the GP's COO, has 12yrs experience in shipping and 3yrs experience in P/E; is currently Managing Director of DPML and has been founding shareholder and Vice Chairman of Epic Gas Carriers, a global leading operator of LPG carriers. Holds MSc in Operational Research, London School of Economics and BSc in Management Systems, City University
- DPML, the Commercial Manager of the vessels, headed by Stephanos D. Pateras, is the Pateras family shipping company. A traditional company of Greece with a shipping history tracing back to the 19th century, having managed most types of vessels over the years, operating under Greek Law '89 (www.dpateras.com)
- NEMC, the Technical Manager of the vessels, co-headed by Akis Tsirigakis and George Syllantavos, is a modern, cost-efficient ship-management company based in Athens, leveraging the extensive ship management expertise and public company governance and reporting standards of its principals, operating under Greek Law '89
- Investment Committee shall consist of seasoned and well respected shipping professionals along with independent members, including one appointed by the AIFM, and shall be supervised by the AIFM per CSSF requirements

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DISCLAIMER

RELIANCE ON THIS PROMOTION FOR THE PURPOSE OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE AN INDIVIDUAL TO A SIGNIFICANT RISK OF LOSING ALL OF THE PROPERTY OR OTHER ASSETS INVESTED.

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SevenSeas Investment Fund (the "Fund") is a common limited partnership (*société en commandite simple* – SCA) incorporated under the laws of Luxembourg as an investment company with variable capital – reserved alternative investment fund (*fonds d'investissement alternatif réservé*) under the law of 23 July 2016 relating to reserved alternative investments funds (the "2016 Law"). The Fund is managed by SevenSeas Capital Management, as general partner (the "General Partner") and Fuchs Asset Management S.A., as alternative investment fund manager. The Fund is not subject to direct supervision by the Luxembourg supervisory authority for the financial sector (*Commission de Surveillance du Secteur Financier*).

The initiator of the Fund is SevenSeas Capital Management, a Luxembourg company owned by two of the founding partners: Diamantis Pateras Maritime Ltd ("DPML") and Nautilus Energy Management Corp. ("NEMC").

DPML and NEMC are not involved directly in the investment management of the Fund and cannot be held liable for any information contained herein or in any document relating to the Fund, nor for any decision taken or investment made by the Fund.

The Fund is issuing shares (the "Shares") of one or several separate sub-funds (individually a "Sub-Fund" and collectively the "Sub-Funds") on the basis of the information contained in its articles of incorporation (the "Articles") and its placement memorandum (the "Placement Memorandum"), and any document referred to therein. These documents are available for investors in the Fund. Shares may only be subscribed on the basis of such documents.

The Shares of the Fund and each Sub-Fund are reserved to Eligible Investors. Eligible Investors include well-informed investors (*investisseurs avertis*) within the meaning of article 2 (1) of the 2016 Law. For further details please refer to the definitions "Eligible Investors" and "Well-Informed Investor" set out in the Placement Memorandum. The General Partner has full discretion to accept investors in the Fund. Prospective investors should consider their own personal circumstances and seek additional advice from their advisers as to possible consequences of a subscription of Shares.

This Document may in no event be construed as any form of advice provided in relation to the Fund.

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- Risk of capital loss: the investor is warned that the performance of the Fund may not comply with its objectives and the investor's capital may not be fully reimbursed
- Risk of liquidity: the General Partner guarantees no liquidity until the winding up of the Fund
- Operational, regulatory and legal risks

Any person wishing to apply for Shares should contact the General Partner for further information.

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