

CONTAINERS

Greek owner Contships reveals asset sales and new charters as it publishes financial results for first time



World's biggest independent owner of boxships between 900 and 1,500 teu fell to a loss in third quarter

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By Gary Dixon

Greece's Contships group has revealed a series of vessel sales and charters as part of its first-ever results statement.

Shipowning company Contships Logistics Corp sold \$100m of bonds in Oslo in January, and has now followed up with its annual report.

The net loss for the fourth quarter was \$3.1m, down from a profit of \$771,000 in the same period of the prior year.

Revenue was down at \$47m, against \$62.5m in 2023.

Profit for the full year was \$34m, compared to \$65m the year before.

Founder and controlling shareholder Nikolas Pateras set up the group in 2015, forming Contships Logistics in 2021 to consolidate his ownership and investment in the container feeder segment.

The fleet is commercially and technically managed in-house by affiliate Contships Management.

Charter coverage for 2025 is now at 73%, with the backlog worth \$171m.

This figure is up from 65% and \$122m at the time of the bond issuance, according to Fearnley Securities, which was joint bookrunner for the notes sale.

“All in all, a good report from Contships, we believe,” the investment bank said.

During the fourth quarter, the group completed the disposal of five boxships for an aggregate sale price of \$29.3m, with another two going this year.

In the same period, the group acquired one feeder ship for \$13.5m.

Now Contships Logistics has agreed to sell the 1,100-teu Contship Med (built 2004) for \$5.1m.

VesselsValue assesses the unit as worth \$7m.

The number of ships will stand at 39 vessels when these deals are completed.

Contships also said it had fixed out a total of nine vessels to Zim, CMA CGM, Cosco Shipping Holdings, MSC Mediterranean Shipping Co and AP Moller-Maersk for terms of between eight months and two years.

Rates varied between \$12,500 per day and \$17,500 per day.

Utilisation was 96% for the three months ended 31 December.

The group achieved an average time-charter equivalent rate of \$11,117 per day.

Bank debt stood at \$173.6m at year-end, while cash and cash equivalents amounted to \$29m.

Strong rates for feeder units

Contships said the container shipping market remained strong into early 2025, following sustained gains throughout 2024 driven by Red Sea rerouting.

“Although spot freight rates have softened from mid-2024 highs, they remain approximately double end-2023 levels. Charter rates continue to rise, reaching record highs outside the Covid era,” the owner added.

Vessels below 2,000 teu continue to be fixed at rates above their previous fixtures and for longer periods, Contships explained.

The recently agreed ceasefire in Gaza raises the prospect of a return to Red Sea transits, though no immediate changes to deployment patterns are expected, it added.

“A gradual unwinding of rerouting is anticipated throughout 2025, which is expected to result in a modest decline in teu-mile demand by year-end,” the company argued.

Support for rates?

“However, adjustments to service schedules and potential logistical disruptions may support rates in the near term,” Contships concluded.

The January bond sale was the first in the Nordic market by a private Greek owner.

The coupon on the five-year, sustainability-linked bonds was set at 9%, sources familiar with the transaction told TradeWinds.

The owner raised the cash for general corporate purposes, including debt refinancing and ship acquisitions.

Contships has bought almost 60 vessels on the secondhand market in its decade of operations.