Marcon International, Inc.

Vessels and Barges for Sale or Charter Worldwide

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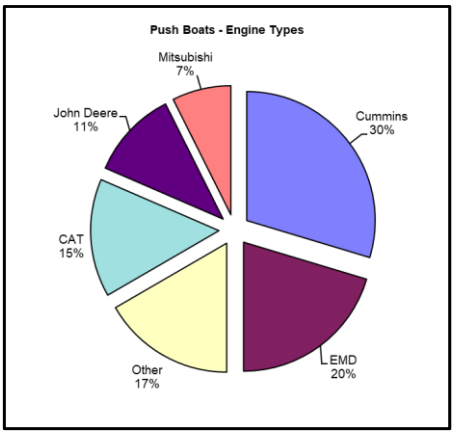
Inland Pushboat Market Report

Of the 13,409 vessels (excluding barges) Marcon currently tracks, 810 are inland river pushboats with 60 officially on the market for sale (46 U.S. flag and 14 foreign flag). Eight of the boats with age listed were built within the last ten years. 31 boats are forty-five years of age or older. The oldest listed were built in 1944, a 76', 1,150BHP vessel and a 127', 3,600BHP vessel, both on the U.S. West Coast. This is counterbalanced by two 2022-built vessels, a 25.9', 420BHP and a 72', 2,000BHP vessel located in the U.S. Great Lakes and U.S. Midwest, respectively. Marcon also has seven inland river pushboats listed for charter – five U.S. and two foreign.

Market Overview

The number of inland river push boats officially on the market for sale in total is 60, up 21, or 53.85%, from one year ago in December 2021 and down 53 or 46.90% from November 2017. Composition of horsepower range in the last year has changed with the biggest shifts being seven more each under 999BHP and 1,000-2,000BHP range. Under 900BHP have an average age of 1990 compared to 1993 last year. We have five more 3,000-4,000BHP with average age 1970 vs 1967 and two more 2,000-3,000HP with average age 1998 vs 1997 last year. Due to lack of tonnage to fill enquiries, we believe that this increase is more a reflection of lack of updates from owners about changes in vessel availability than a dumping of vessels onto the market. We do not have any push boats offered greater than 5,000HP, reflecting that higher horsepower units are working consistently. For now, 13.33% of the push boats available are less than 10 years old, down from 17.95% reported one year ago but up from 10.00% reported five years ago. In looking at overall fleet age and then by U.S.-flagged versus foreign flagged, over the past five years we can see that while overall and U.S.-flagged fleet age remained fairly steady, foreign-flagged fleet age increased significantly as older units were placed on the market due to no work amid the global economic crisis. Specifically, the average age of all on the market through Marcon last year and five years ago was 38 and 39 years, respectively, compared to 40 years now. Mostly older foreign-flagged vessels have gone on the market, with average age going from 26 years in 2017 to 41 years now. U.S.-flagged push boats went from 41 years old five years ago to 37 last year to back to 40 years old as of this report date.

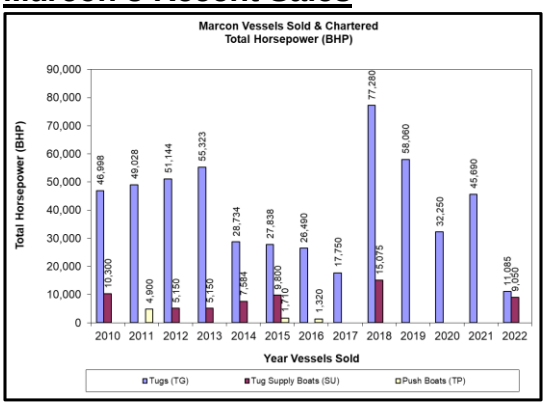
Of the 54 vessels listed for sale where engine type is known, 16 are powered with Cummins, followed by 11 with EMDs, eight with CATs, six with John Deere, Mitsubishi with four and nine comprised of seven other types. Most of the inland river pushboats Marcon has listed for sale are located in the U.S. with 46 vessels or 77%; followed by seven or 11% in Europe, five in Latin America and one each in Canada and with *"undisclosed"* location. While our focus is on the U.S. market, there has been a decline of vessels offered in the U.S. as percentage of all available for sale noted a year ago when it dropped to 64% compared to 84% in 2017, but it has now increased up to 77%. Compared to five years ago, there are fewer push boats available in Europe (12% in 2017 to 11% now) but more in Latin America (2% in 2017 to 8% now).



Marcon closed 18 sales and one charter in 2022, after ending 2021 with ten sales and one charter in 2021 and 2020 with 22 sales and charters completed. We had an uptick in business toward the end of 2022 with several sales already booked for early 2023. We remain hopeful, with the current pace of business, to return to pre-Covid sales levels by the end of 2023.

Marcon International, Inc.
Inland Push Boat Market Report – December 2022

Marcon's Market Comments
The U.S. inland market finished the year a mixed bag for 2022. On the downside, poor weather and low water levels on the Mississippi River System caused major delays. Historic low water levels due to drought, limited loading drafts and the number of barges in tows. Due to the tonnage limitation per barge, cost per ton for barge transportation of corn and soybeans flew to record levels. On the upside, operators saw high utilization and strong charter rates. The inland tank barge market continued to see around 90% utilization and strong charter rates. Going into 2023, lack of crews remains a serious concern with uncertainty high as to how to resolve the issue and when that can be done. Whether with barges or pushboats, Marcon continues to see a very limited supply of good second-hand tonnage for sale.

Marcon's Recent Sales


In 2022, Marcon closed 18 sales and one charter, comprised of a 70,000bbl ocean tank barge, three ocean deck barge totaling 18,952dwt, three inland deck barges totaling 14,350dwt, five tugs totaling 11,085BHP, two anchor handling tug supply vessels totaling 9,050BHP, two platform supply vessels, a landing craft and two crew boats. In 2021, Marcon completed 11 sales and charters, including nine tugs totaling 45,690BHP, a 164,000BBL ocean tank barge and a 17,586dwt ocean deck barge. Since 1981, Marcon has sold or chartered 36 inland river pushboats totaling 80,780BHP, 383 tugs (1,247,772HP), 111 inland hopper barges (171,006dwt), 95 inland deck barges totaling 199,617dwt capacity and 64 inland tank barges with an aggregate capacity of 1,047,848 barrels, out of 1,545 vessels and barges sold or chartered worldwide.

Featured Listings for Sale Direct from Owners
Marcon currently has 81 inland river pushboats, hopper barges and tank barges for sale worldwide, of which 28 are non-U.S. and 53 U.S. flag, plus numerous other vessels and barge not officially on the market which may develop on a private & confidential basis.

File: TP06023 Push Boat: 25.5' loa x 14.0' beam x 5.0' depth. Built in 2014 by Stockton, Missouri. U.S. flag. GRT: 14. Winch: Manual face winches. Main Engines: 2 x John Deere 6068 total 600BHP. 2 - FP 32.8" x 24" props. Truckable push boat. Reportedly in good overall condition. Tier 3 Main engines. Upper control station. **U.S. West Coast.**

File: TP06045 Push Boat: 45.0' loa x 14.0' beam x 5.00' light draft x 5.70' loaded draft. Built in 1953 by Milwaukie, OR. U.S. flag. GRT: 24. Class: USCG COI Sub. M - Exp. 13 Dec 2026. Main Engines: 2 x John Deere 6090 total 650BHP. 2 - FP props. Inland River Towboat. Push knees forward. **U.S. West Coast.**

USDA Grain Transportation Update:
New Research Examines Viability of Inland Ports in the West
This article describes recent USDA-funded research from Cyrus Ramezani and Chris Carr[1] at California Polytechnic State University, San Luis Obispo. The abstract and a downloadable pdf of the full report are available here.

USDA Agricultural Marketing Service
U.S. DEPARTMENT OF AGRICULTURE

As a sizeable and growing component of grain export markets, containerized grain exports represented 10-11% (around 9.4 million metric tons) of all waterborne grain exports from 2019 to 2021—up from around 7% in 2010. By far the biggest ports for containerized grain exports are the Ports of Los Angeles and Long Beach in California, which comprise the San Pedro Bay (SPB) port complex. Combined, the Ports of Los Angeles and Long Beach accounted for 47% of waterborne, containerized grain exports from January to October of 2022, and 43% for the same 2021 period. Given their key role in handling container exports, these ports are critical to an efficient U.S. grains market. Over the past 2 years, cargo flows through the SPB port complex have exceeded capacity, contributing to a nationwide supply chain crisis. Still, container volumes through SPB ports are expected to rise in coming years, alongside growth in both international trade and the use of mega-ships. Widely embraced to help solve seaport congestion in general, the development of inland ports has, likewise, long been seen as a solution to SPB's specific problems. Several inland port facilities have been proposed to complement SPB logistics. However, substantial hurdles to developing inland ports near the SPB complex have delayed the projects. Looking at several proposed inland port facilities, this article summarizes the authors' research into these facilities' potential roles in the SPB logistics infrastructure and their main challenges to development.

The Role for Inland Ports

The primary objective in developing inland ports is to streamline freight movement and reduce congestion and pollution at the seaports. Projects to directly expand the seaport—such as adding warehouse space or improving vessel, rail, or truck transportation systems—can achieve the same aims. However, expansion can cost more than building inland ports. Excessive traffic congestion, high land prices, and increased environmental and zoning regulations all make it costly to directly expand the seaport. Inland ports potentially offer a way to store and distribute products in lower cost and less congested areas, while enhancing seaports' productivity through improved intermodal logistics. The ideal inland port location must balance a host of considerations, including the benefits of proximity to the seaport and population centers, proximity to food production and manufacturing areas, and the ability to generate enough right-size containers at the right times. Because the promise of lower transportation costs is a key factor in inland ports' feasibility, the ideal inland port location must also balance various transportation cost tradeoffs. Tradeoffs include issues of rates and competition, traffic congestion, equipment availability, and cost savings from rail versus truck.

Potential Inland Ports to Complement the SPB Ports

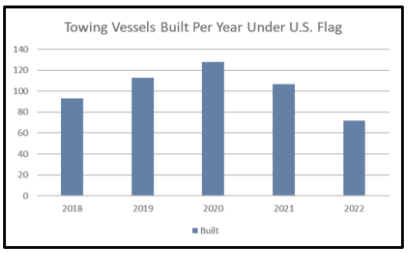
California. The authors first consider the potential for inland ports in the region around Los Angeles, called the Inland Empire, as well as in California's Central Valley, which stretches diagonally across the center of the State. The Inland Empire would be well suited to an inland port because of its proximity to large population centers and major logistics hubs. Additionally, the area is well connected, with two existing intermodal containerized rail services and access to several interstate highways. The region also processes high volumes of e-commerce, which the authors deem crucial for the economic viability of a new inland port. Another attractive inland port location, the Central Valley, would provide an inland port with access to a major agricultural production center. An inland port in the Central Valley could potentially reduce transportation and agricultural production center. Despite the manifold benefits the completed ports would bring, major regulatory barriers face any development of an inland port facility in the Inland Empire or Central Valley. The authors found that environmental regulations are the most binding constraint for these California projects—as distinct from the proposed projects in other States, which have less environmental regulation. Additionally, the public input period, permitting processes, and zoning and land-use regulations can also delay development and increase project costs. The formidable red tape, in turn, can deter private investment in inland ports. The authors' analysis suggests the proposed California inland ports may take as long as 10 years to be operational.

Utah. The authors also examined the role of inland ports in States near California. For instance, their analysis suggests a proposed inland port in Salt Lake City, UT, which has secured key private investors and public funding, is likely to improve fluidity at SPB ports.[2] The facility's assets include population density (projected to rise from 3.3 million in 2020 to 5.8 million by 2065) and large, logistics-dependent industries. Salt Lake City is well connected to SPB ports, as well as the Port of Oakland, by both rail and highway. The region is served by Union Pacific Railroad (UP) and BNSF Railway (BNSF), as well as short line and switching railroads. By enabling truckers to pick up cargo locally, rather than from the SPB ports, the inland port would provide quick access to the Mountain West region and help alleviate congestion. Although the Utah inland port may not benefit grain exporters very much directly, it may help by streamlining operations of the SPB ports. Still, one fairly direct benefit for grain shippers may lie in the Utah inland port's use as a transload location for containerized grain en route to SPB ports.

Arizona and Nevada. The authors examined the strengths and weaknesses of other inland ports in Arizona and Nevada. Arizona has an inland port in operation and a potential facility under development. The Port of Tucson is a full-service inland port, rail yard, and intermodal facility. However, its rail service is limited to one railroad, and the volume of goods coming from SPB is relatively small (1.04 million tons). Inland Port Arizona, a new facility being developed near Phoenix, has the advantages of a large population base, growing warehouse and distribution centers, and access to major highways and rail. However, while served by both UP and BNSF, the facility is not on UP's mainline. The study found that recently proposed inland ports in Nevada face challenges from environmental opposition and have relatively small volumes originating from SPB ports.

Inland Ports and Policy Solutions: Keys to SPB Fluidity?
Rising demand for agricultural commodities and the growth in intermodal transportation have spurred containerized agricultural trade, including that which flows through SPB ports. While relieving the burden on seaports, inland ports could potentially bring empty containers closer to agricultural production centers, reducing transport costs and improving timely delivery to key export markets. According to the authors, the proposed Central Valley inland port system could be key to overcoming many of the region's agricultural export challenges. In the nearer term, the authors found, inland ports outside of California, such as the Utah inland port—as well as direct improvements to seaport warehousing and transportation infrastructure—may help improve SPB fluidity. The authors conclude, "a funding program to support shipping bulk exports for transshipment within the proximity of ports could reduce overall transport costs. Alternatively, programs that increase the delivery of empty containers to food production areas, or more generally subsidies that reduce effective transport costs for agricultural exports, may be needed." *(Article courtesy of: GTRContactUs@usda.gov, Alexis.Heyman@usda.gov, Jesse.Gastelle@usda.gov)*

Vessel News



According to the **U.S. Coast Guard Merchant Vessels of the U.S.** database updated 3 January 2023, 72 towing vessels are listed with 2022 build dates. These range from 24' to 136' LOA, 610BHP to 7,125BHP (where BHP given) vessels. In 2021, 107 towing vessels were built or completed; following 128 built or completed in 2020, 113 in 2019 and 93 in 2018.

Carrying petrochemical products throughout the entire U.S. inland waterway system requires a fine-tuned fleet. Since forming in 1995, **Golding Barge Line** has earned customers' trust through efficient and dependable service on the water from Kentucky to Texas. Golding Barge runs a highly specialized operation. The company's boats are custom-built to the company's unique specifications and powered by Cat® marine solutions, including 3500 series engines. That practice continues with the company's current build expected for delivery in 2023. Golding Barge's new boat will be its first vessel built for U.S. EPA Tier 4 emission standards and will be powered by three 3512E Cat engines. When starting the design process back in 2021, the company considered all components of the new vessel's construction – accounting for owning and operating costs in addition to performance and reliability. *"We're building a boat that we designed from the ground up, and we designed it around what we know,"* says Rusty Moore, vice president of operations for Golding Barge. *"The efficiency and reliability of the Cat 3500 engine series, which we know very well, was the determining factor in choosing the new boat's engines."* The Golding Barge team consulted its Cat dealer, **Puckett Power Systems**, to determine the best engine solution: Engine selection was a critical factor. In coordination with Puckett, Moore and the Golding Barge team chose the fuel-efficiency-optimized Cat® 3512E engine system. It was the right fit for maximum performance and low operating costs and offered the same powerful, reliable core engine the company has come to count on. *"The 3512 Cat engine in the current configuration is the backbone of our operation,"* says Moore. *"We like the engine, the performance and the cost to operate. All of those things are heavily weighted toward us staying with the 3512 in our future builds."* Powered by a triple-screw 3512E configuration, Golding Barge has confidence that its first Tier 4 vessel will move efficiently – in terms of fuel consumption and operating costs – when the new vessel takes to the mainline river in 2023. *"This boat is a 40- to 50-year investment and was built with flexibility in mind,"* says Moore. *"It will be able to push anything from aggregate to oil. We trust that this vessel is going to work a long time."*

UZMAR and **Hidrovias do Brasil S.A.** had a steel cutting ceremony for two new push boats back in July 2021 and after about a year, the first vessel has been launched in the last week of July 2022. After successfully delivering eight diesel-electric shallow draft river push boats in 2014 - 2015; UZMAR Shipyard, has been awarded a contract for two more new push boats. **Robert Allen Ltd**. designed vessels are measuring 45.6m in LOA, with a breadth of 16.5m, and will be providing a bollard pull of 65mt. The tugs are diesel-electric triple-screw, shallow-draft vessels, and they are driven by three azimuth drive propellers in tunnels. The hull, machinery casing, deckhouse, wheelhouse, and funnels are welded steel construction and the hull form is expected to incorporate a tunnel stern to permit the fitting of large diameter propeller L-drive units to maximize propulsive efficiency in the shallow water environment. The diesel-electric power generation system comprises three resiliently mounted medium-speed generator sets. The engines are designed to operate on either Heavy Fuel Oil (HFO) or Marine Gas Oil (MGO). The shallow draft constraint will dictate that the utmost attention will be paid to weight control through-out the design and construction of every aspect of the vessel. In order to meet demands for maneuverability, maximized fuel economy, and comply with the crash stop requirement, extensive analysis was performed by Robert Allan Ltd., and as a result, the hull shape, tunnel geometry, and propulsive components have been optimized for those specific requirements. As a pioneer builder of the signature

projects, UZMAR Shipyard is proud to have been involved in this innovative project as these diesel-electric push boats will raise the standards of efficiency and safety in the river transport industry. The second of the RApide 4600 vessels will be launched in September 2022 and be ready for delivery soon after. The new 46m-long tugs are designed for pushing barge convoys on inland waterways and they will operate along rivers in northern Brazil, often in remote locations and under challenging conditions. The vessels will be specifically crafted to push barge convoys of the following size: LOA (five barges) 299m; Breadth overall (five barges) 53.0m; Light barge draft 0.50m; Maximum barge draft 3.36m (11'-0"); Barge Depth 4.27m (14'-0"); Maximum convoy deadweight = 48,000mt. Technical Aspects: General particular; Length (Hull): 45.60m; Breadth (Moulded): 16.50m; Depth (Moulded): 4.00m; Minimum operational draft: 2.10m; Nominal design draft: 2.50m; Max air draft (@ 2.5m WL: 13.60m. Classification Plan Approval: BV Design Basis: ABS A1, River service towing vessel, AMS; Accommodation - Total 18 Person. Machinery Main gen-sets: 3 x 1,725 EkW @ 1,200RPM; Propulsion: 3 x FPP L-DRIVE.

The newly developed versatile inland vessel **Damen** Riverbuster 1909 is developed to operate at inland and coastal waters in a wide variety of deployments such as towing, barge handling, marine construction and dredging support. The Riverbuster 1909 provides state-of-the-art solutions for new European emission standards and noise regulations. Recently, the European Stage V non-road emission standards have come into effect, as well as new crew comfort (noise) regulations. Modular The Riverbuster 1909 is intended to be a fully configurable, modular platform, which can be fitted out with project-specific equipment such as forward and rear towing or anchor handling winches, two sets of hydraulic tugger winches, several deck crane options, two sets of 20-foot container twist locks, hydraulic towing pins, and a foldable A-frame for plough dredging. The wheelhouse is hydraulically lifted to enable a viewing height of 11 metres. Still, the vessel remains very compact with a shallow draught of only 1.75 metres and an air draught of 4.20 metres, which allows the Riverbuster to reach almost any inland destination. The vessel's aft skeg allows for complete groundings, opening opportunities for close dredging assistance. Adding to vessel versatility, several diesel-direct and diesel-electric thruster options can be chosen, driven by either Volvo Penta or MAN Rollo engines, offering power ranging between 750 and 1,500kW – which generate 12.5 to 25mt bollard pull. Fully-electric propulsion by means of swappable battery containers on deck is also an option available, allowing for zero- emission transport along fixed routes. Optimisation Zero emissions and sustainability are the main targets for Damen when designing new vessels. This always poses a challenge for vessel types that generally operate without a fixed route and often in remote locations. To achieve outmost sustainability, the Riverbuster design is optimised; hull shape, emission reduction and fuel consumption have all been redesigned to reduce the carbon footprint and with it, lower operating costs. Damen is expecting a rise in demand for newbuilds that fully comply with European legislation, all while reducing their ecological footprint by means of reduced emissions and lower fuel consumption. The new regulations will provide a foothold for the modernisation of the market, and with the announcement of a future emission labelling system for inland waterway transport vessels, will undoubtedly increase day rates in the longterm.

Damen Marine Components (DMC) has received another order for the supply of FLEX Tunnels, complete rudder systems and Rotor Manoeuvring Systems (RMS), for two new pusher-barge combinations. The client is **Den Breejen Shipyard** from Hardinxveld-Giessendam. This yard will build the pusher-barge combinations on behalf of **Rhenus PartnerShip GmbH & Co. KG** in Duisburg. This is a rare collaboration with these being the first complete inland vessels to be built in the Netherlands in a long time. The FLEX Tunnels will be installed in the two newly built pusher-barge combinations. The highly-regarded retractable tunnel system significantly increases the efficiency and versatility of a ship. DMC is also supplying complete six-rudder systems. The bows of the barges will be fitted with Rotor Manoeuvring Systems (RMS). These systems, which have been supplied by Damen Marine Components since the late 1980s, guarantee the ship's course stability, even in shallow waters and in strong crosswinds. Inland shipping entrepreneurs' interest in RMS has grown strongly in recent years, with more ships being designed for navigation at low water levels. RMS not only makes the vessels safer, it also provides significant savings in fuel consumption. Den Breejen Shipyard has commissioned DMC to design, manufacture and install a complete package for two pusher-barge combinations. In addition to the FLEX Tunnels and RMS with all associated hydraulics and controls, DMC is also supplying two Optima nozzles, two high-efficiency propellers, two drive systems to simultaneously synchronise six rudders (three for each rudder), plus a type SP2700 control system. This is not the first time that DMC has equipped ships with FLEX Tunnels for Rhenus. The very first ship with FLEX Tunnels, the *"Rhenus Duisburg"*, was put into operation ten years ago and is still in operation without any problems. The hull design was developed by maritime research centre DST (**Development Centre for Ship Technology and Transport Systems**) in Duisburg. The first ship is expected to be commissioned by Rhenus in October 2023, with the second following in February 2024.

Lithuanian ship designer **Western Baltic Engineering** (WBE) unveiled two new models of its groundbreaking electric 'pusher' vessel series, known as the ELECTRIC EEL, at the Work Boat trade fair in New Orleans as it seeks to support the decarbonisation of America's vast inland waterways network. The vessels are the latest editions to the first series of battery powered 'pushers' ever designed. Known as EE20 and EE26 the latest vessels are being adapted from the original model EE27 launched by WBE in August. They offer different functionality including the ability to 'pull' as well as greater power and range capabilities. WBE's senior sales manager, Chris Cowan says the vessels were being launched at Work Boat as they are suited to much of America's extensive inland waterways network which is under greater pressure to reduce emissions under US Environmental Protection Agency (EPA) regulations and IMO GHG targets. He pointed to research from ABS which estimates that vessels on the US inland waterways emitted 5.67 billion kilograms of CO2 in 2018 from around 4,000 towboats, hauling 25,000 barges and carrying 630 million tons of cargo along 25,000 miles of waterway every year. *"We see huge potential for the vessels to be designed in Lithuania and then built at US yards. We have adapted our design in response to market demand in Europe following the EE27's launch in August this year. The EE27 is set to be built for the Lithuanian Inland Waterways Authority next year. But to operate on the Danube and Rhine we recognised the design needed to be adaptable particularly for the deeper waters. With a greater capabilities the designs can operate in the deeper rivers around America, plus they fit with the US drive to switch to more electric propelled craft."* Chris said the Electric Eel concept is capturing barge operators imagination. *"We've had a terrific response since launching the EE20,"* he said. *"But some operators wanted different functionality. As a result both the EE20 and EE26 models are being innovated to meet specific customer requirements. Notably both can operate in deeper water, with a 2.5m and 2.6m draft respectively compared to 1.2m for the EE27. In addition, both new vessels have greater power with four TEU size battery containers being installed instead of two, enabling range capacity to be boosted from 300km to 375km while the EE26 can push or pull two 1,600mt barges and the EE20 can push 2,500mt compared with 2,000mt on the EE27."* Chris said the EE26 is the most radical departure in the series yet as it will offer a 'pull' as well as 'push' function to manoeuvre non propelled barges. As a result of the design innovations all models will now operate on a methanol back up generator which can completely replace or supplement the battery power as required and offers a safe return to port solution. The ELECTRIC EEL series of vessels are designed to replace diesel pushers which presently dominate the market for 'pushing' non-propelled barges around inland waterways. Pressure is further increasing from the European Union which wants to shift freight to Europe's inland waterways via more green powered vessels. On the Danube alone there is a fleet of 332 diesel pushers pushing more than 2,000 non-propelled barges. The ELECTRIC EEL series will operate on batteries designed by Andorra based **AYK Energy** which recently signed a design partnership with WBE. AYK president Chris Kruger confirmed the new partnership will focus on deploying its Aries + model 17.6kW hour li-ion batteries with the potential to expand to its 23.3kW hour Centarus & Aquarius ranges.

Company News

Algoma Central Corporation reported its results for the three months ended September 30, 2022. (All amounts in thousands.) Revenues increased 14% during the 2022 third quarter to $199,327 compared to $174,734 for the same period in 2021 while net earnings increased 6% in the same period. The **Domestic Dry-Bulk** marine transportation segment includes ownership and management of the operational and commercial activities of the Company's 18-vessel fleet. The dry-bulk vessels carry cargoes of raw materials such as iron ore, grain, salt and aggregates and operate throughout the Great Lakes – St. Lawrence Waterway, from the Gulf of St. Lawrence through all five Great Lakes. The **Product Tankers** marine transportation segment includes ownership and management of the operational and commercial activities of seven Canadian flag tanker vessels operating on the Great Lakes, the St. Lawrence Seaway and the east coast of North America, and ownership of one tanker vessel operating in international waters under bareboat charter.

Domestic Dry-Bulk segment revenue increased 6% to $115,996 compared to $109,591, reflecting increased fuel recoveries and improved overall base freight rates. Despite lower revenue days during the 2022 third quarter, overall volumes were slightly higher offsetting the impact of lower vessel utilization on two vessels. Operating earnings decreased 7% to $30,453 compared to $32,795 driven primarily by higher layup and repair spending to activate idled vessels in preparation for the fall grain harvest in Canada. Overall base freight rates in the Domestic Dry-Bulk segment have steadily improved across all sectors and fuel prices are remaining high driving increased fuel cost recoveries. Despite the lower revenue days, overall volumes were slightly higher, particularly in the construction and salt sectors, resulting in a change in vessel trading patterns as average cargo sizes were larger and overall trip times were shorter. The increase in fuel prices also affects operating costs; however, fuel costs are passed on to customers through the fuel component of freight rates. The slight increase to overall volumes during the quarter was primarily driven by increased cargoes in the construction and salt sectors. Aggregates were in higher demand as a result of a large infrastructure project in Ontario and a rise in production levels drove an increase in salt shipments. This was offset by lower volumes in the iron and steel and agriculture sectors. Iron and steel volumes were lower due to a decrease in export ore cargoes and agriculture volumes have not fully recovered from the drought in 2021.

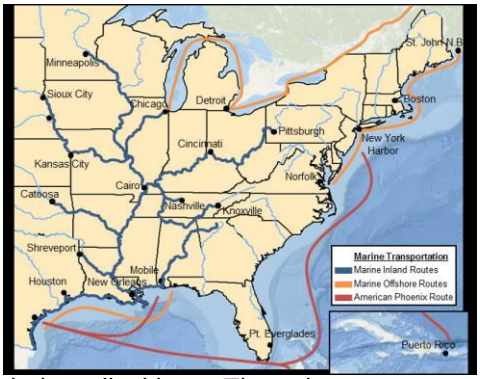
Revenue for **Product Tankers** increased 55% to $32,749 compared to $21,186. Higher customer demand resulting in a 32% increase in revenue days drove higher revenues in the Product Tanker segment. For the year to date period higher fuel cost recoveries and demand increased revenue in the segment, partially offset by unplanned outages on two vessels. Customer demand, and consequently fleet utilization, is returning to more normal levels compared to significant reductions in demand from our major customer during 2021 which resulted in the temporary lay-up of two vessels. The increase was also attributable to higher fuel cost recoveries.

Outlook: **Domestic dry-bulk** cargo volumes are expected to be strong across all commodities, driving full fleet utilization for the balance of the year. The Western Canada grain crop size has returned to trend line level which, combined with continued demand for Eastern export capacity due to the Ukraine conflict, has allowed any open capacity to be filled at prices reflecting the strong market conditions. **Product Tanker** demand is expected to remain steady and Algoma expects the fleet will continue to be well utilized in the fourth quarter. Customer demand and vessel supply for the Ocean segment is fairly well balanced for the remainder of the year. Aggregate volumes are expected to be impacted by a facility closure in Mexico and the US residential market is expected to slow down but overall construction sector demand remains strong as infrastructure investments are picking up. Algoma is expecting costs to continue to be impacted by inflation and global fuel prices will likely remain higher than normal.

Genesis Energy, L.P. reported its results for third quarter of 2022. Net Income Attributable to Genesis Energy, L.P. of $3.4 million for the third quarter of 2022 compared to Net Loss Attributable to Genesis Energy, L.P. of $20.9 million for the same period in 2021. In addition to both on and offshore pipelines & refinery services, Genesis operates 82 *"brown water"* barges and 33 inland river pushboats with a total capacity of abt. 2.3m BBL. Offshore marine *"blue water"* operations include nine boats and nine coastwise barges (abt. 0.9m BBL capacity), plus the 330,000BBL capacity ocean-going tanker *"American Phoenix"*.

Grant Sims, CEO of Genesis Energy, said, *"We are once again very pleased with the financial performance of our market leading businesses for the third quarter….The fundamentals and macro conditions for our business segments continue to remain strong, and we believe this backdrop provides the foundation for us to continue to improve our balance sheet, generate increasing amounts of discretionary cash flow, and create value for everyone in our capital structure in the coming years….As we look ahead to 2023 and what risks might be on the horizon, we remain confident our market leading businesses are well positioned to navigate any reasonably expected policy induced recession or potential economic slowdown. We have a tremendous amount of momentum supporting volume growth and increasing financial results out of the GoM, none of which should be impacted by an economic slowdown or a near-term reduction in oil prices. The current structural tightness in the soda ash market combined with the rapidly increasing demand for soda ash as a fundamental building block for the transition to a lower carbon world will, in our opinion, to continue to provide support for soda ash prices, even if all or parts of the world see a slowdown in economic activity. It appears to us that this structurally tight market will persist over the course of 2023 during which time we expect to be increasing our ability to produce and sell soda ash by some 700,000 tons with the full 1.2 to 1.3 million tons annually from our Granger facility available in 2024. Our remaining business segments remain steady, and we believe each will continue to benefit from their respective market dynamics over the next year…."*

"Our marine transportation segment performed in-line with our expectations as market conditions continue to remain strong. During the third quarter, we continued to see tremendously high utilization for all classes of our vessels as demand for Jones Act tanker tonnage remains extremely robust due to strong refinery utilization and the increasing need for movements from the Gulf Coast to the East Coast for certain products. As a result of these conditions, and no availability of equipment in the spot market, the demand for both our inland and offshore vessels, especially our larger horsepower vessels, continued to increase, thus allowing us to operate at effectively 100% utilization while also steadily increasing our day rates. This structural tightness has recently been exacerbated by record low water levels on the Mississippi River, which has caused increased traffic, navigational delays and longer than normal wait times to move through locks, and thus further reduced the practical availability of marine equipment available to make moves up or down the Mississippi River. It is important to note that we have not experienced any negative financial effects as a result of such conditions on the Mississippi River since we operate on a day rate plus fuel basis without going 'off the clock' due to navigational issues, whereas traditional dry cargo or line-haul carriers generally operate on a per ton mile rate structure. The 'American Phoenix' completed her scheduled dry-docking near the end of the third quarter and started her most recent charter…through the end of this year at a rate meaningfully higher than her previous charter. We also recently entered into a longer-term contract with another…party starting in January 2023 at a rate equal to or better than her current charter. These contracted day rates are fast approaching the original rates she commanded when we first purchased the vessel in 2014. This new arrangement will last at least six months and more likely than not throughout calendar 2023. Regardless of a slowdown in the broader economy or a policy induced recession in the United States, we expect the Jones Act compliant marine vessel market to remain tight, driven in large part by the lack of new construction, regardless of class, and the normal retirement of older tonnage."



Marine transportation Segment Margin for the 2022 Quarter increased $6.3 million, or 69%, from the 2021 Quarter. This increase is primarily attributable to higher utilization and day rates in Genesis' inland business and higher day rates in its offshore business, including the *"M/T American Phoenix"* (while it was on hire), during the 2022 Quarter. Genesis has continued to see an increase in demand and utilization of its vessels due to increased refinery utilization and the increased need for movements from the Gulf Coast to the East Coast for certain products. While it has continued to see increases in its day rates from both the 2021 Quarter and sequentially from the second quarter of 2022, Genesis has continued to enter into short term contracts (less than a year) in the inland and offshore markets because it believes the day rates currently being offered by the market have yet to fully recover from their cyclical lows. These increases were partially offset by the contribution to Genesis' reported Segment Margin from the *"M/T American Phoenix"*, as it was in its planned mandatory regulatory dry-dock from July 21, 2022 to September 16, 2022, at which time it went back on hire and is under contract for the remainder of 2022 with an investment grade customer at a more favorable rate than 2021 and the first eight months of 2022.

Kirby Corporation of Houston, Texas' reported net earnings attributable to Kirby for the fourth quarter ended December 31, 2022 of $37.3 million compared with net earnings of $11.0 million for the 2021 fourth quarter. Excluding one-time items in both quarters, adjusted net earnings attributable to Kirby were $40.3 million, compared with earnings of $16.7 million one year ago. Consolidated revenues for the 2022 fourth quarter were $730.2 million compared with $591.3 million reported for the 2021 fourth quarter. David Grzebinski, Kirby's President and Chief Executive Officer, commented, *"Kirby's fourth quarter earnings showed significant growth year-over-year driven by improved fundamentals in both businesses. Looking forward into 2023, the outlook for marine transportation and distribution and services is very favorable, and we expect continued growth in earnings during the year. In inland marine, we experienced steady market conditions with barge utilization rates in the 90% range and pricing increases on term contract renewals in the low teens year-over-year. As anticipated, the efficiency of our operations declined in the fourth quarter due to low water conditions on the Mississippi River and the onset of winter weather conditions, which contributed to a 147% increase in delay days as compared to the third quarter. Despite these headwinds, inland marine showed continued improvement in margins with operating margin improving into the low teens."* Mr. Grzebinski continued, *"In our coastal marine business, overall market conditions remained steady during the fourth quarter with low to mid-90% utilization in barges and continued improvement in spot market and term contract pricing. These trends were partially offset by unfavorable weather conditions and planned maintenance leading to a slight sequential decrease in operating margins into the low single digits."*

Marine Transportation revenues for the 2022 fourth quarter were $422.7 million compared with $350.6 million for the 2021 fourth quarter. Operating income for the 2022 fourth quarter was $46.7 million compared with $25.7 million for the 2021 fourth quarter. Segment operating margin for the 2022 fourth quarter was 11.1% compared with 7.3% for the 2021 fourth quarter. In the **inland market**, average 2022 fourth quarter barge utilization was in the 90% range

compared to the mid to high 80% range in the 2021 fourth quarter. Operating conditions were unfavorable with increased weather and navigational delays contributing to a 33% increase in delay days year-over-year. During the quarter, average spot market rates increased in the low single digits sequentially and in the low to mid-20% range compared to the 2021 fourth quarter. Term contracts that renewed in the fourth quarter increased in the 10%-15% range on average compared to a year ago. Revenues in the inland market increased 24% compared to the 2021 fourth quarter primarily due higher barge utilization, pricing, and fuel rebills. Operating margins improved sequentially and year-over-year to the low teens. The inland market represented 80% of segment revenues in the fourth quarter of 2022. In **coastal**, market conditions improved modestly during the quarter, with Kirby's barge utilization remaining in the low to mid-90% range. Pricing in the spot market increased in the low to mid-single digits sequentially and term contract renewals increased low teens year-over-year. Revenues in the coastal market were 8% higher compared to the 2021 fourth quarter and represented 20% of segment revenues. The coastal business had a positive operating margin in the low-single digits during the quarter.

Commenting on the 2023 full year outlook, Mr. Grzebinski said, *"We exited 2022 with solid strength in our businesses. The marine market remains healthy and we expect favorable market conditions in 2023. Our barge utilization is strong in both inland and coastal, and rates are steadily increasing….Overall, we expect our businesses to deliver improved financial results in the coming quarters. While all of this is encouraging, we are mindful of economic challenges related to higher interest rates and a potential recession. Labor constraints and inflationary pressures appear to be moderating but continue to contribute to rising costs across our businesses. With these factors in mind, we will continue to focus on managing costs and driving cash flow from operations….consistent with our balanced approach to capital allocation, we will continue to evaluate accretive acquisitions and high-return organic growth opportunities to drive continued long-term shareholder value creation. In **inland marine**, the 2023 outlook anticipates favorable market conditions with continued growth in customer demand, steady volumes from refinery and petrochemical plants, and modest net new barge construction in the industry. These factors are expected to result in barge utilization rates in the low to mid-90% range throughout the year. Overall, inland revenues are expected to grow by low double digits on a full year basis. Barring further cost inflation and rising fuel costs, the Company expects operating margins to be in the mid-teens on average for the full year with improvement as the year progresses. In **coastal marine**, Kirby expects modestly improved customer demand through the balance of the year with barge utilization in the low to mid-90% range. Rates are expected to continue slowly improving, though meaningful gains remain challenged by underutilized barge capacity across the industry. Revenues and operating margins are expected to be impacted by an approximate doubling of planned shipyard maintenance days with ballast water treatment installations on certain vessels. For the full year, coastal revenues are expected to be flat compared to 2022. Coastal operating margins are expected to near break-even to low single digits on a full year basis."*

November 21st, **Middle River Marine, LLC**. announced the acquisition of assets of **Kindra Lake Towing LP**, of Chicago. The agreement will expand MRM's bulk material logistic operations with the addition of five vessels, marine equipment, and a harbor slip in South Chicago. This agreement creates an organization better able to serve customers and grow in the marketplace. Middle River will expand its affreightment, towing, fleeting and terminal services to customers on the Illinois Waterways, including Lake Michigan. Additionally, Middle River is excited to increase its workforce and add more experience to our team. This marks another step forward in MRM's ability to serve the construction materials, agricultural products, and industrial commodities in Illinois, Northwest Indiana, and the Great Lakes. *"Our people make the difference and we're happy to welcome new coworkers to expand the MRM team,"* said Aaron Halcomb, President of Middle River Marine. *"For our customers, this further extends our ability to economically, efficiently, and sustainably meet their logistics needs."* Kindra, through its two companies, began in South Chicago in 1983 cleaning and repairing barges. Beginning in 1992, Kindra began moving barges between South Chicago and Burns Harbor, Gary, Buffington, and Indiana Harbor in Northwest Indiana as well as Lemont, Illinois. They have provided Coast Guard approved fleeting areas for tank barges as well as marine equipment and services for special projects. John Kindra, President of Kindra Lake Towing said, *"Since starting Kindra Lake Towing in 1992 with three tugboats, it has been fun, challenging, rewarding and a pleasure growing our companies. We have grown internally through the development and promotion of our employees. Our continued success has been due to the loyalty of our customers."* Middle River Marine began river and rail terminal operations on the Great Lakes and the Illinois river system in 1998. Terminal operations now include South Chicago, Calumet Park, Lemont, Joliet, Rock Creek, and Henry. MRM's marine operations now include eleven vessels, and 88 barge fleet with over 120 total coworkers.

Arcosa, Inc announced that third quarter ended September 30, 2022 revenues increased 8% from third quarter 2021 to $603.9 million, while net income was $32.0 million. Said Antonio Carrillo, President and Chief Executive Officer: *"…Demand conditions in our growth businesses remained favorable, and we continued to execute well in our cyclically challenged businesses. During the quarter, we took proactive pricing actions across our portfolio of businesses to counter inflationary pressures leading to higher overall margins and free cash flow compared to last year….Our cyclical businesses performed in-line with our expectations. As anticipated, improved profitability in our steel components businesses serving the North American railcar market was offset by lower profitability in our barge and wind towers businesses. Order inquiries in our barge business increased consistent with the positive outlook for a dry barge replacement cycle, though the actual level of orders received during the quarter remained constrained by high steel prices."* **Transportation Products** – Revenues were $82.7 million, a slight increase year-over-year as a 37% increase in steel components revenues was largely offset by a 13% decrease in revenues from inland barges. The increase in steel components revenues reflected higher deliveries as the North American railcar market shows signs of a modest recovery. The decline in inland barge revenues was due to lower tank barge deliveries. During the quarter, Arcosa received orders of approximately $48 million in its barge business, representing a book-to-bill of 0.94X. These orders add to Arcosa's backlog visibility for 2023 and enhance its flexibility as it waits for an anticipated market recovery. Barge backlog at the end of the quarter was $128.9 million compared to $130.2 million at the end of the third quarter of 2021. Arcosa expects to deliver 22% of its current backlog in 2022 with the remainder scheduled to deliver in 2023.