

# Supertanker culminates deal by three dragons

**Long-time friends from Hong Kong and Japan share birth year and the launch of a massive new oil carrier**

**Keith Wallis**  
keith.wallis@scmp.com

Wah Kwong Maritime Transport, Hong Kong's largest independent tanker owner, has taken delivery of its latest ship, a massive US\$140 million supertanker capable of carrying two million barrels of oil.

The ship, the 298,000 deadweight tonne Trikwong Venture, sailed from Dalian Shipbuilding Industry in northern China on Thursday to begin a five-year charter to Dalian Ocean Shipping, an offshoot of the mainland's biggest shipping company, Cosco.

With the Year of the Dragon just over a week away, delivery of the ship was especially significant because it followed a deal put together 42 months ago by three "dragons". Sa-

brina Chao Sih-ming, Wah Kwong's vice-chairman, said these were: her father, George Chao Sze-kwong; Takeshi Matsui, president and chief executive of Japan's Sanko Steamship; and Shigeru Matsui, chief executive of shipbroker Matsui. All were born in the Year of the Dragon.

While all three men are long-time friends, the Trikwong Venture is the first ship to be jointly owned by Wah Kwong and Sanko, which is Japan's fourth-largest shipping company by fleet size. Sanko is also the first Japanese ship owner to have a stake in a new ship built at Dalian Shipbuilding.

There are further strong mainland links to the ship. The tanker, which is expected to carry a portion of China's oil imports, was partly financed with a loan from the Bank of China and is manned by an all-Chinese crew.

The ship is also the first in the Wah Kwong fleet to have a dedicated citadel, which the crew can use to shelter in while continuing to operate the ship in case the tanker is attacked and boarded by pirates.

Chao indicated the company was still in the market to acquire additional ships.

"The most important thing for Wah Kwong is to be prepared for any opportunity that comes along," she

## 440,000

The approximate capacity, in deadweight tonnes, of the largest oil tankers in service today

- One such ship can carry Britain's oil consumption for a day



**The Trikwong Venture was built in Dalian.** Photo: SCMP Pictures

said. The firm owns 17 tankers, including five supertankers – known as very large crude carriers (VLCCs) – together with 11 dry cargo ships that carry cargoes such as iron ore, coal and grain.

Wah Kwong also has a 319,000 tonne VLCC on order at Shanghai Waigaoqiao Shipbuilding. The ship, which is due for delivery in April of next year, will be jointly owned by Wah Kwong and New York-listed ship operator Teekay Tankers.

The supertanker costs US\$98 million and will be chartered to a major Chinese shipping company for five years.

Matsui did not rule out further ship-ownership joint ventures with Wah Kwong.

But delivery of the vessel took place amid "challenging" market conditions, Chao said, as the growth in cargo volumes failed to keep pace with the amount of new tonnage being delivered.

Daily rates to charter a supertanker for one year were around US\$18,000 this week, according to Fearnley, a Norwegian shipbroking house. While this was an increase from US\$17,000 per day last week, it is still down from last year's high of US\$29,500 per day.