



Investor Presentation

DNB Offshore Shipping Conference

March 2019

Forward Looking Statements

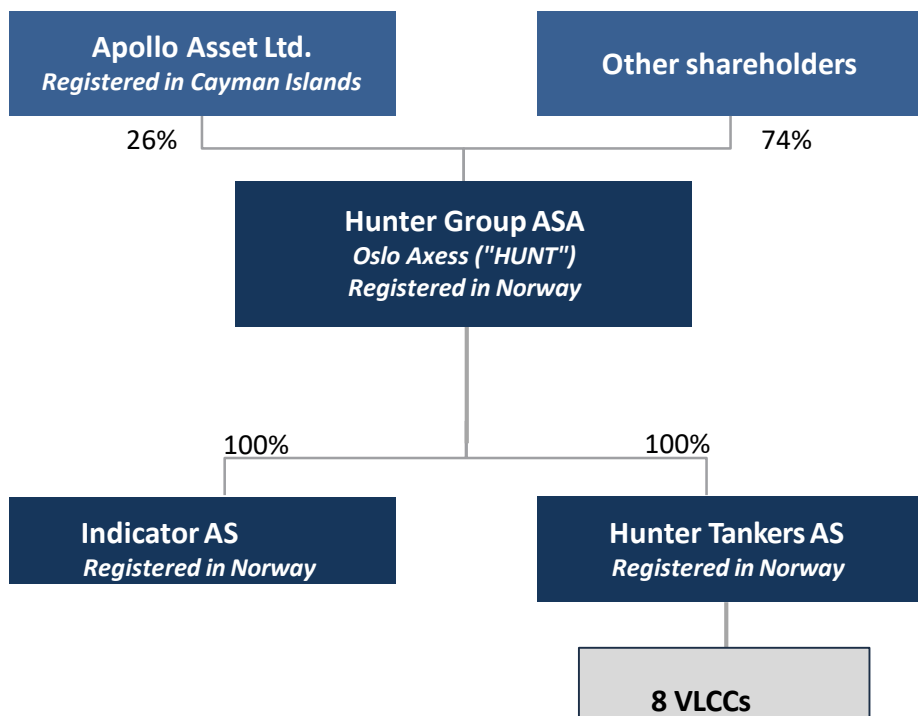
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THIS PRESENTATION IS NOT AN OFFER TO PURCHASE OR SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE OR SELL, ANY SECURITIES OR A SOLICITATION OF ANY VOTE OR APPROVAL.

Agenda

- 1. Hunter Group ASA**
2. Investment Case
3. Q&A

Hunter Group ASA – A publicly traded investment company

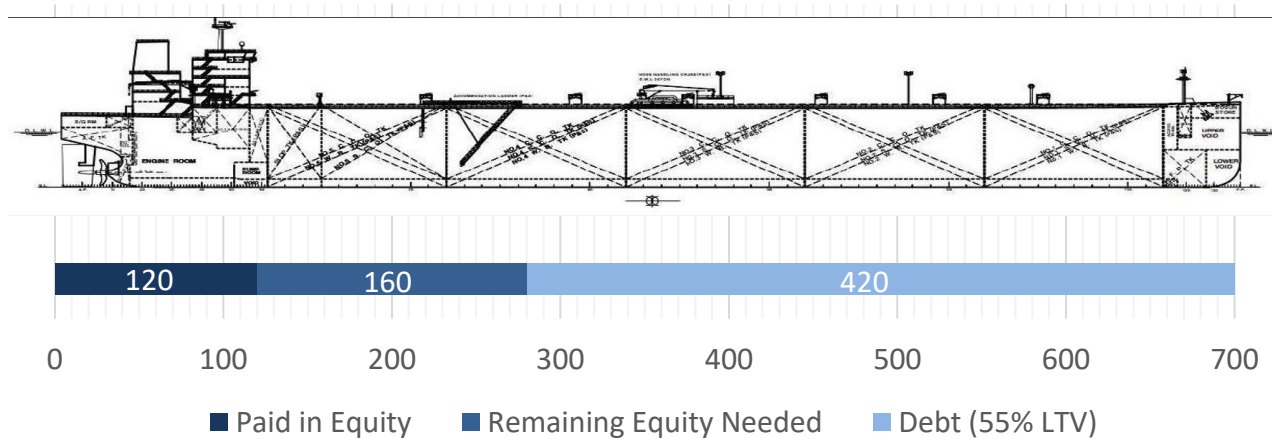


Top 10 Investors per 4/3-2019			
	Investor	Shares	Pct.
1	Apollo Asset Limited	103,500,000	26.89%
2	Songa Trading Inc.	29,980,501	7.79%
3	Sundt AS	25,387,605	6.60%
4	State Street Bank and Trust	11,405,758	2.96%
5	Swap Invest AS	9,647,000	2.51%
6	BNP Paribas Sec. Services	9,231,600	2.40%
7	Fondsfinans Norge	9,000,000	2.34%
8	Titan Opportunities Fund	7,398,173	1.92%
9	Verdipapirfondet DNB SMB	7,329,239	1.90%
10	Halvorsens Fabrikk AS	7,062,169	1.83%
11	Norron SICAV - Target	6,077,533	1.58%
12	INVESCO PERP EURAN SMLER FD	5,037,867	1.31%
13	Middelborg Invest AS	4,500,292	1.17%
14	Fondsfinans Norden	4,268,477	1.11%
15	Verdipapirfondet Nordea Avk.	4,137,200	1.07%
16	Verdipapirfondet Nordea Kap.	3,835,644	1.00%
17	DNB Luxemburg	3,532,613	0.92%
18	DNB Navigator	3,461,791	0.90%
19	Verdipapirfondet Delphi Norge	3,391,388	0.88%
20	Argentum Fondsinvesteringer AS	3,046,800	0.79%
Top 20		261,231,650	67.87%
Total		384,908,013	100.00%

H.No	Yard Price	Delivery	Status	2019				2020		
				Q1	Q2	Q3	Q4	Q1	Q2	Q3
5455	82.5	Oct. '19	On order							
5456	82.5	Nov. '19	On order							
5460	82.5	Dec. '19	On order							
5467	82.8	Jan. '20	On order							
5465	82.8	Mar. '20	On order							
5466	82.8	May '20	On order							
5467	82.8	July '20	On order							
5470		July '20	On order							

Hunter Group ASA – Financing, Technical & Commercial Mgt.

8X



Technical Management: 3 managers shortlisted

Commercial Management: 2 solutions shortlisted

Debt financing: Process well under way, expected to be concluded by May 17th

Hunter Group ASA – World Class, scrubber fitted, eco, SMART vessels

Main particulars

Builder	DSME
LOA	336.0m
LBP	330.0m
Builder	60.0m
D	29.5m
Td	20.5m
Ts	21.6m
DWT at Td	279,850
DWT at TS	299,550
Service speed	14.8knots
Cruising range	~31,700Nmiles
Energy saving device	DSMEduct
Class	LR, +100A1, Double Hull Oil Tanker, CSR, ESP, ShipRight (ACS(B, C), CM), *IWS, LI, DSPM4, +LMC, IGS, UMS, NAV1, with the descriptive notes COW(LR), ShipRight (BWMP(T), VECS, SCM, IHM)
Flag	Marshall Islands
Crew	30 persons + 6 Suezcrew

Tank capacity

Cargo tanks incl. slop tanks	~340,000m3
Water ballast tanks	~92,000m3
Heavy fuel oil tanks	~6,500m3
Diesel oil tanks	~700m3
Fresh water tanks	~600m3

Main engine

Type	B&W 7G80ME-C9.5 x1 set (Derated)
MCR	24,510kW x 66.4 rpm
NCR	17,160kW x 59.0 rpm
DFOC	~62.9MT/day

IMO Nox tier III application

Main engine	LPSCR
Diesel G.E	SCR

Hull structure

Steel material	Normal strength steel and higher strength steel portion of ~62%
Design fatigue life	25 years for longitudinal stiffener's connections to transverse webs/bulkheads in cargo area

Painting

W.B. tanks	2 x Epoxy anti corrosive, 320 mic. (IMO PSPC-WBT)
Cargo Tanks	2x Epoxy anti corrosive, 320 mic. (deckhead & tank bottom as per IMO PSPC-COT)
Underwater	Tin free self-polishing anti-fouling paint (Lifetime 60 months)

Cargo and ballast system

Cargo pump	3 x 5,500 m3/h x 150 mTH
Cargo stripping pump	1 x 400 m3/h x 150 mTH
Cargo stripping eductor	2 x 750m3/h
Inert gas system	1 x Flue gassystem
Tank cleaning heater	None
Water ballast pump	2 x 3,000 m3/h x 40 mTH (1 x Elec. Motor driven, 1 x Steam turbine driven)
Tank cleaning heater	2 x 3,000 m3/h, Electrolysis heater

Deck machinery

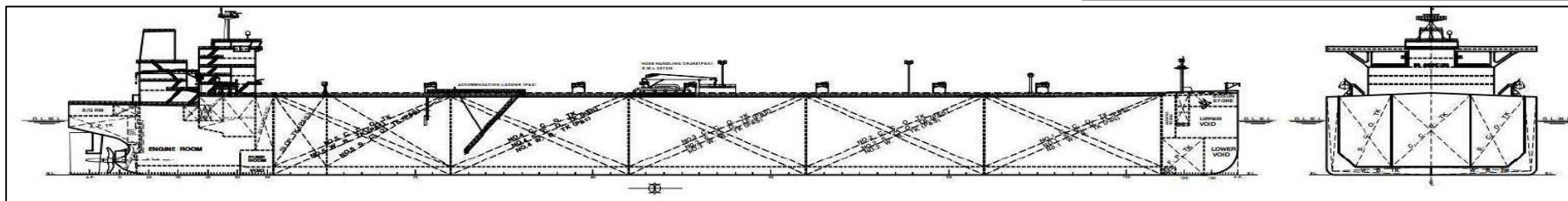
Steering	1 x El.-hyd., 2 ram-4 cyl. type
Deck machinery	El.-hyd. high pressure type
Provision crane	2 x El.-hyd., luffing jib type, 10.0 tons(SWL) for port side 3.0 tons (SWL) for stbd. side

Steam generation

Aux. boiler	2 x 45,000 kg/h x 20 bar g.
Donkey boiler	1 x 3,000 kg/h x 6 bar g.
Exh. gas economizer	1 x 1,400 kg/h x 6 bar g.

Electric power generation

Diesel generator	3 x 1,460 kW, AC 450 V, 60 Hz
Em'cy generator	1 x 350 kW, AC 450 V, 60 Hz



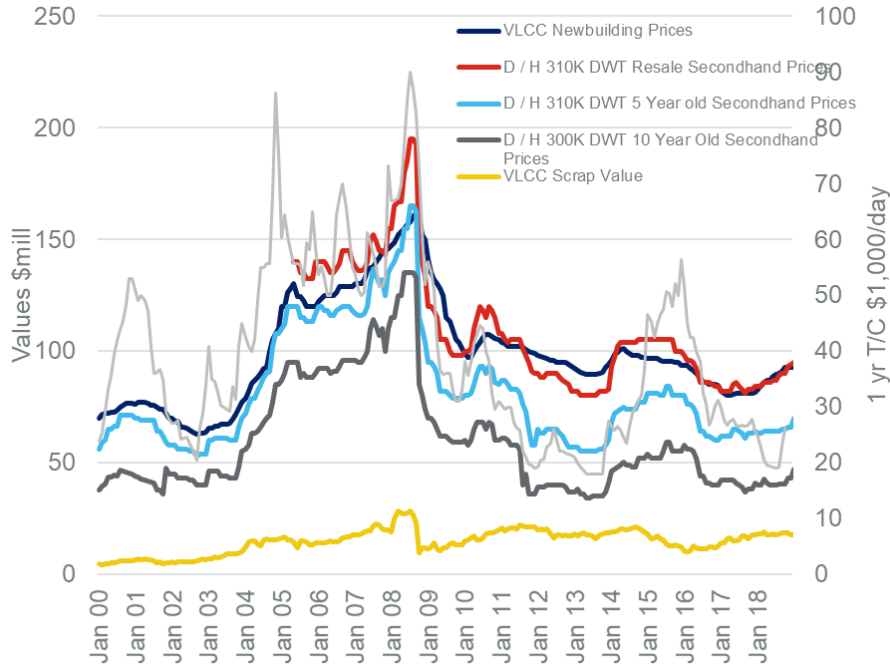
Source: DSME

Agenda

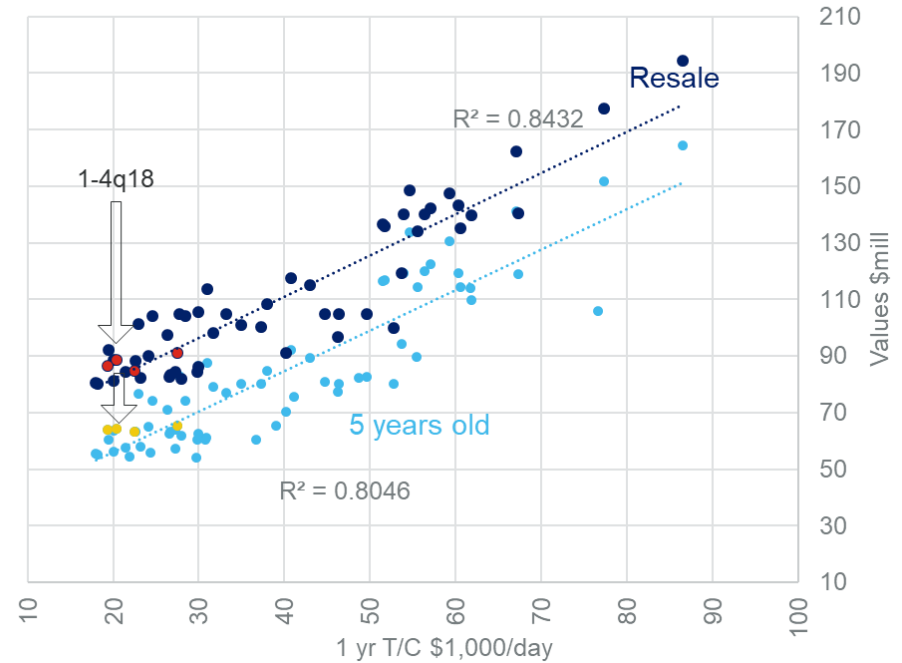
1. Hunter Group ASA
2. **Investment Case**
3. Q&A

Investment case – VLCC values should benefit from tighter market balance...

Values in million USD 2000 – 2018

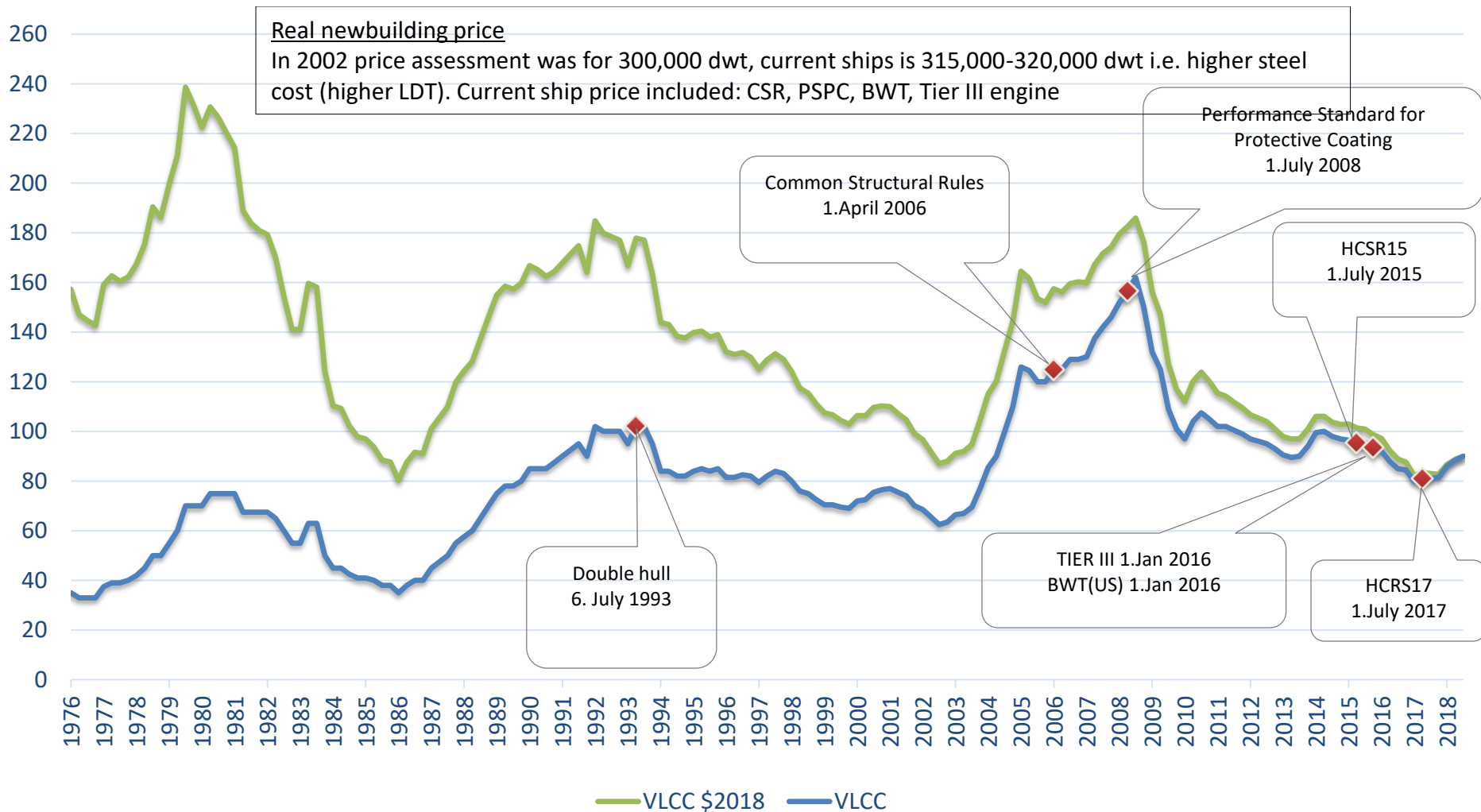


Values Resale/5 years old vs 1 year T/C



Source: Clarksons Platou

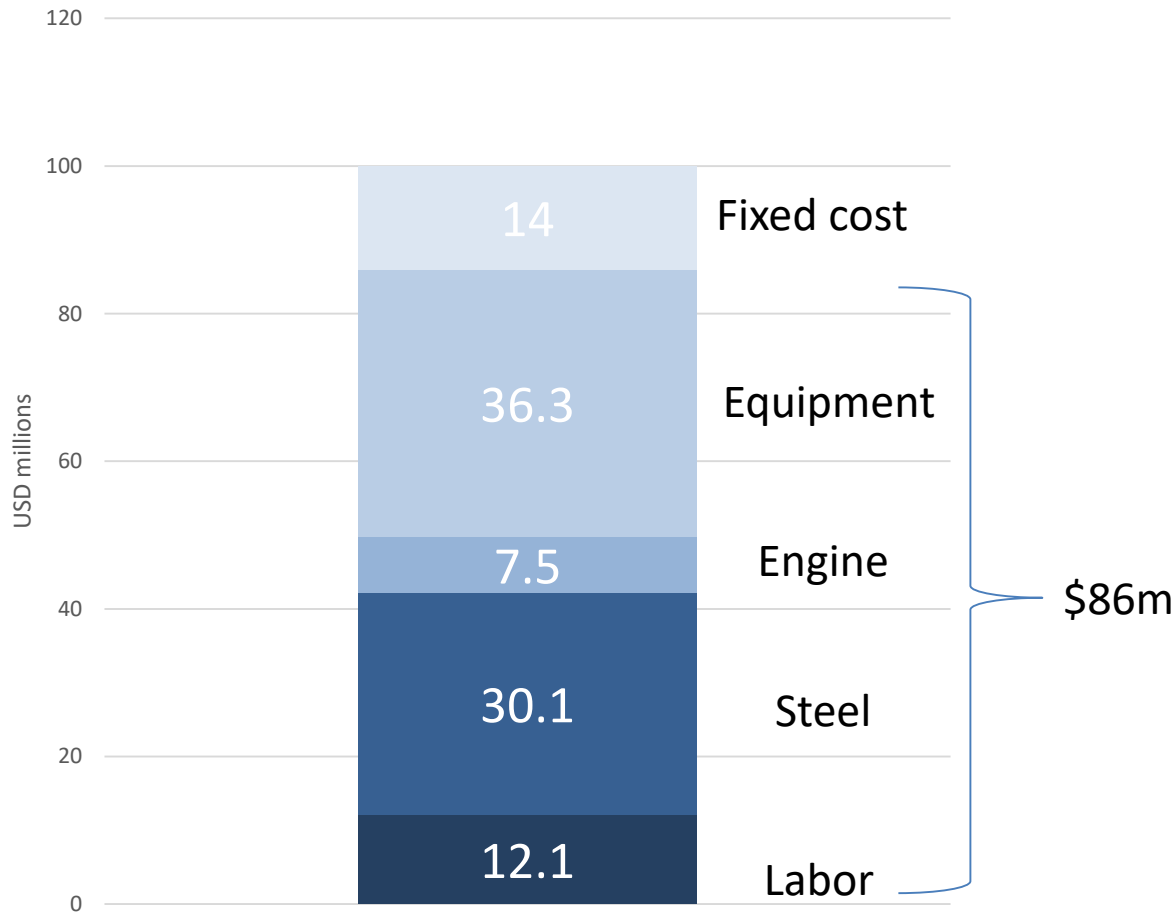
Investment case – VLCC’s attractively priced historically...



Source: Clarksons Platou

Investment Case – VLCC building cost is currently not covering fixed cost

Estimated building cost for 2018 Eco VLCC at Korean yard



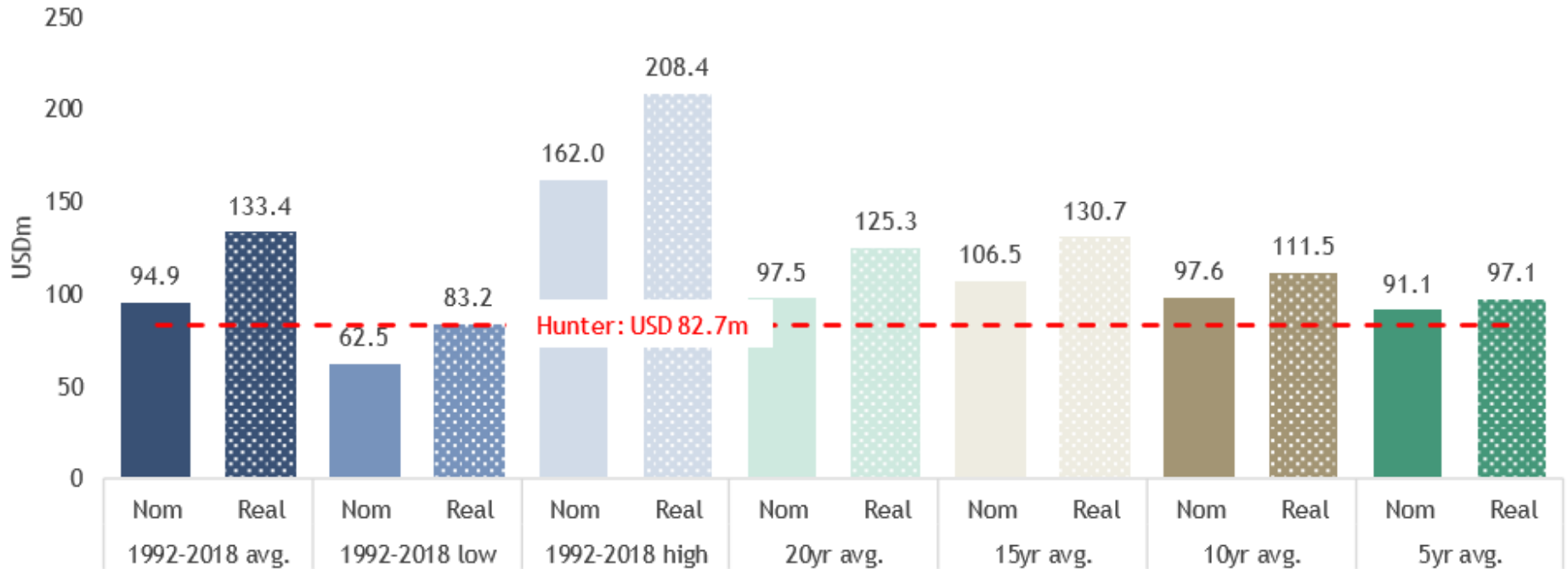
Assumptions	
Steel weight (tons)	44,440
Steel price (USD/ton)	640
Engine size (bhp)	43,000
Engine price (Tier III, USD/bhp)	173
Manhours	394,800
Hourly wage USD	30.80

Japan	103,0
China	93,1

Source: Clarksons Platou, Company

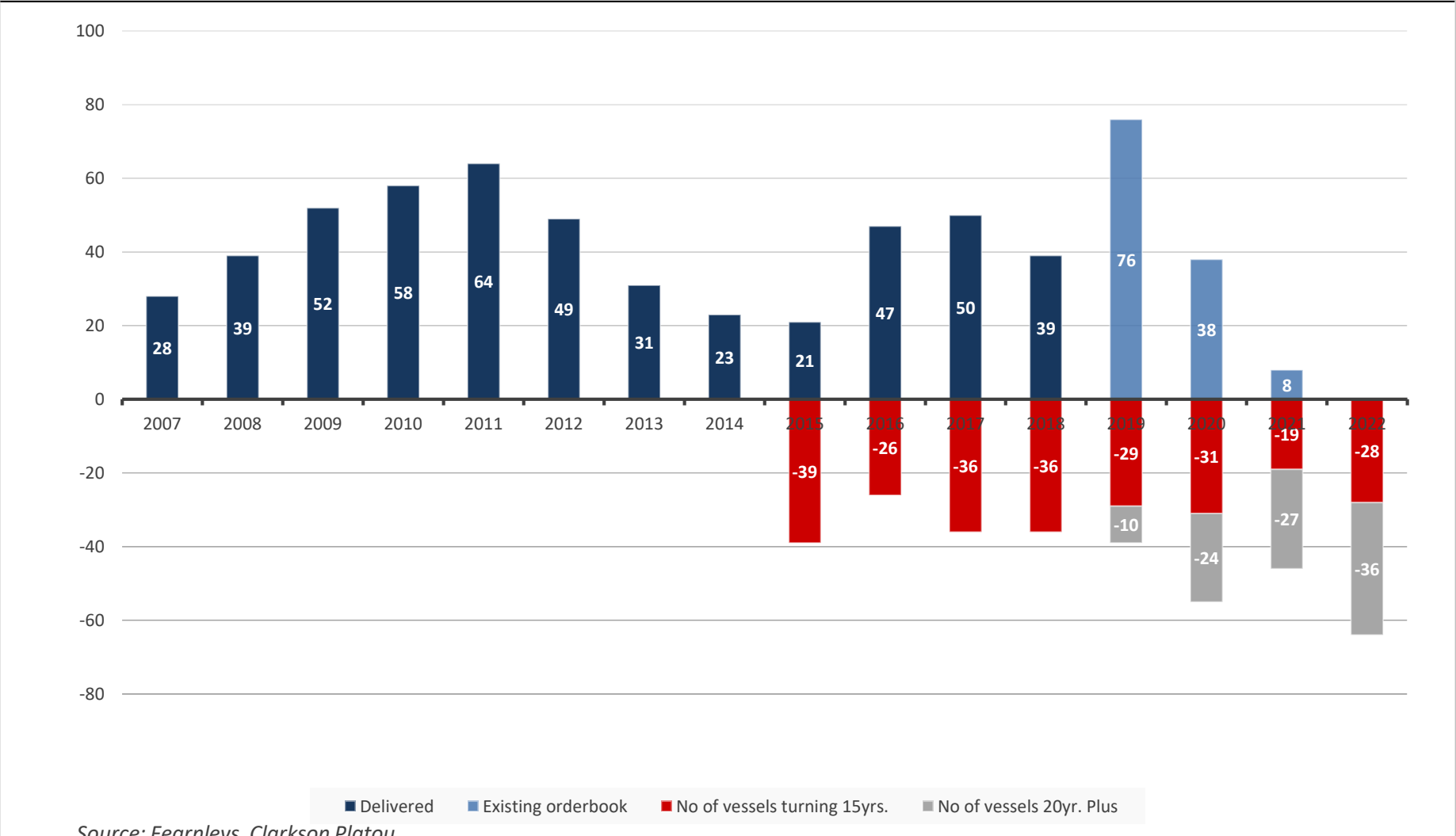
Investment Case – 8 vessels with an average price of USD 83m (x scrubber)

Volatile?

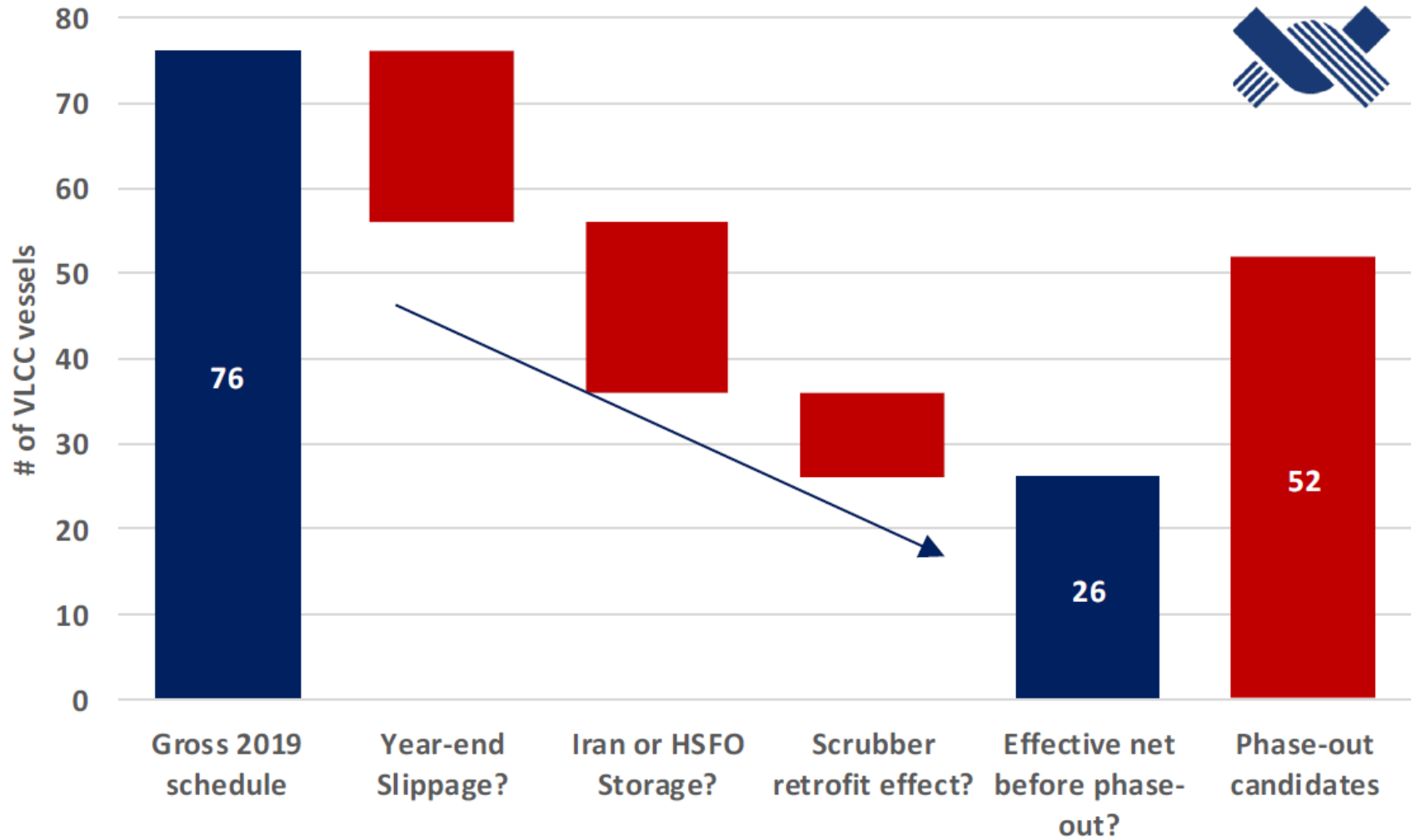


Source: Artic Securities Research, Arctic Shipping, Company

Investment Case – VLCC Orderbook

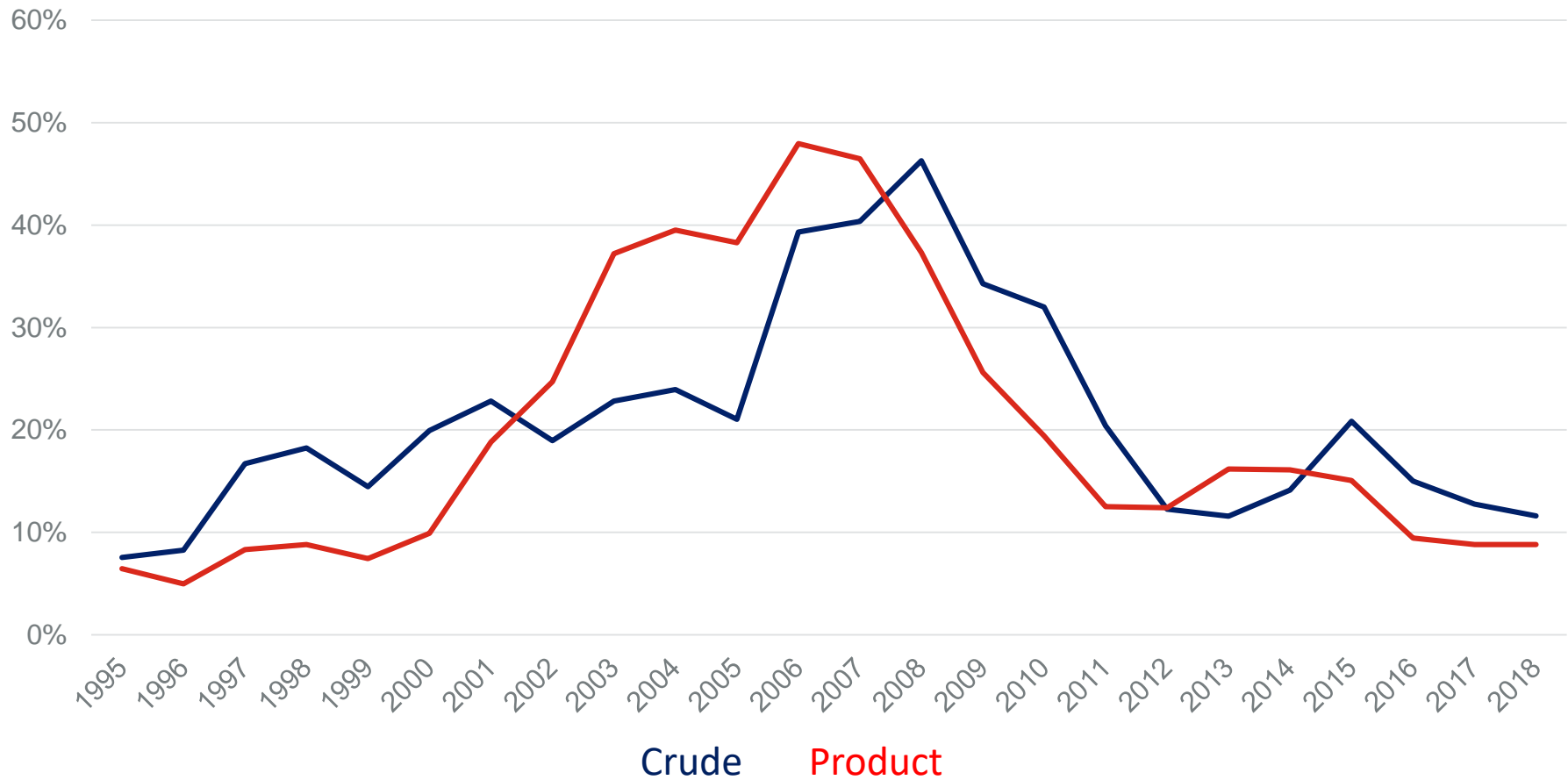


Investment Case – Gross and net fleet growth not the same...



Source: Fearnleys

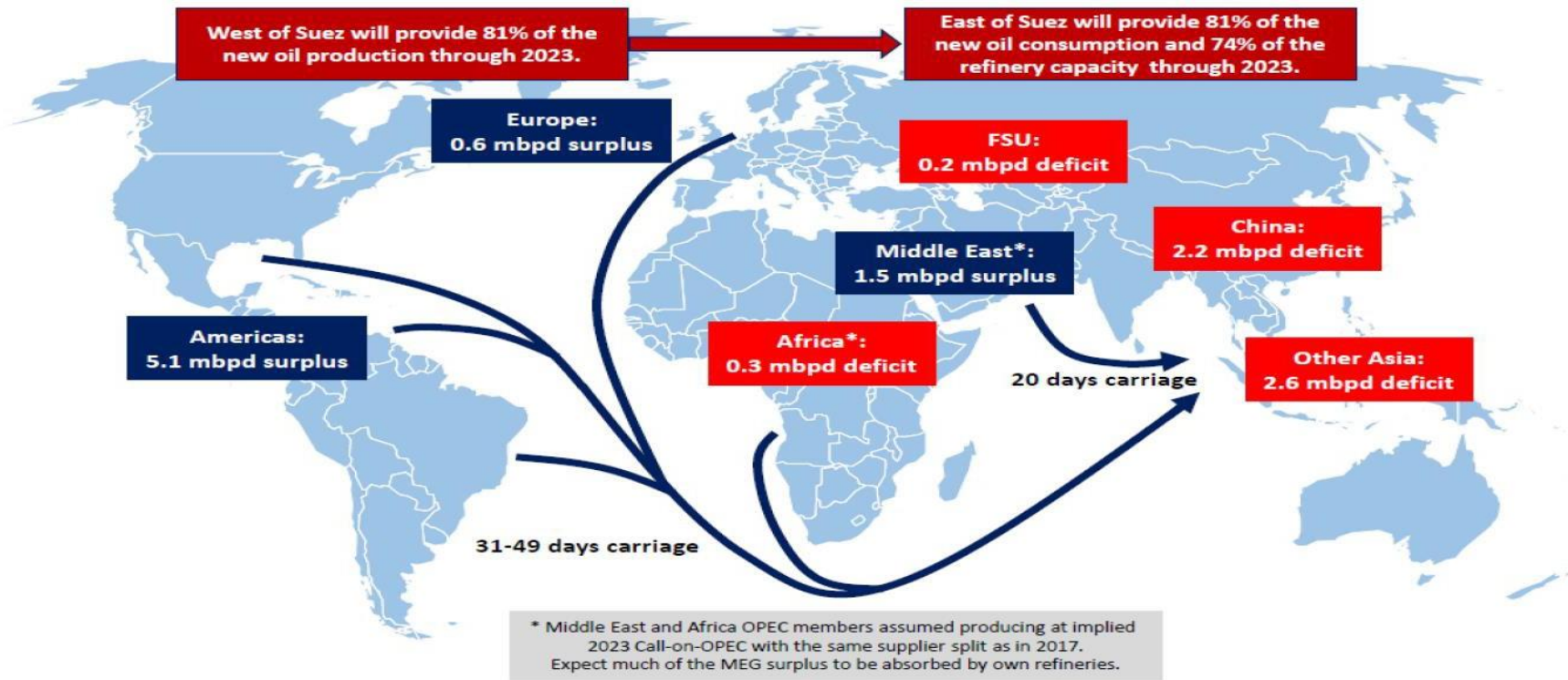
Investment Case – Orderbooks currently at low levels (per Dec 2018 mdwt.)



Source: Clarkson Platou

Investment Case – New trade patterns increase ton miles

New oil production vs. New Oil Consumption 2023 vs. 2017



Ton mile estimates	
2019	4%
2020	5%

Source: Fearnresearch,, Clarksons Platous

Investment Case – In the spot market; consumption matters... (USD 400,3/t)



HUNTER NB TBN	
Vessel	VLCC
Built year	2019
Built country'	South Korea
Fuel type	HFO
Fuel year	2019

Assumptions		
Fuel consumption, laden	Mt/day	48
Fuel consumption, ballast	Mt/day	35
TCE (basis WS 50)		30 720

Bunker for RV	Tons	1 852
Bunker fuel cost	USD/day	16 356



Kidan 2010 built	
Vessel	VLCC
Built year	2010
Built country'	South Korea
Fuel type	HFO
Fuel year	2019

Assumptions		
Fuel consumption, laden	Mt/day	77
Fuel consumption, ballast	Mt/day	59
TCE (basis WS 50)		21 060

Bunker for RV	Tons	2 803
Bunker fuel cost	USD/day	24 758

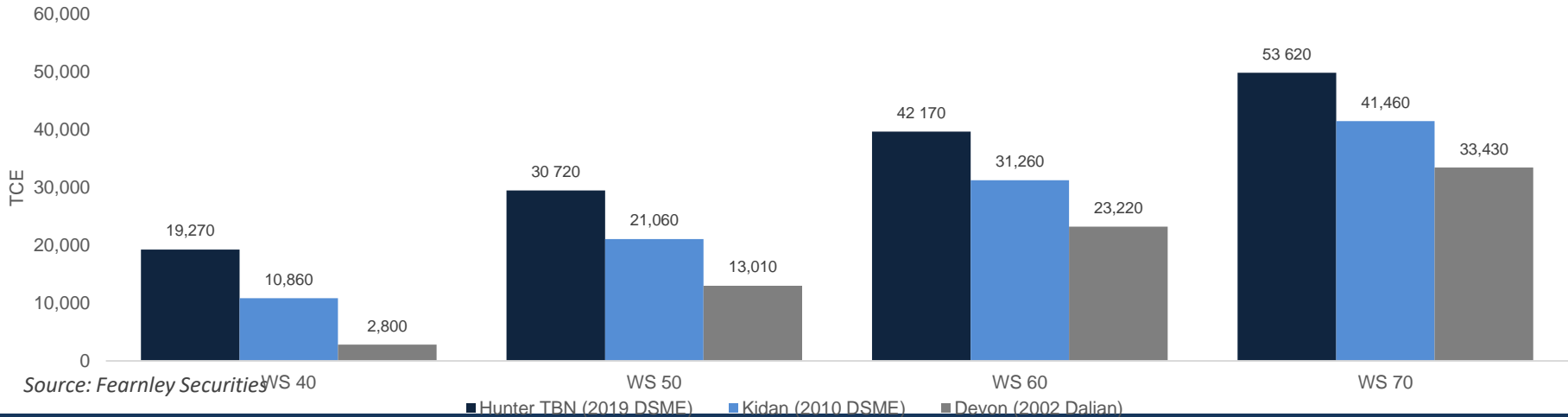


Devon 2002 built	
Vessel	VLCC
Built year	2003
Built country'	China
Fuel type	HFO
Fuel year	2019

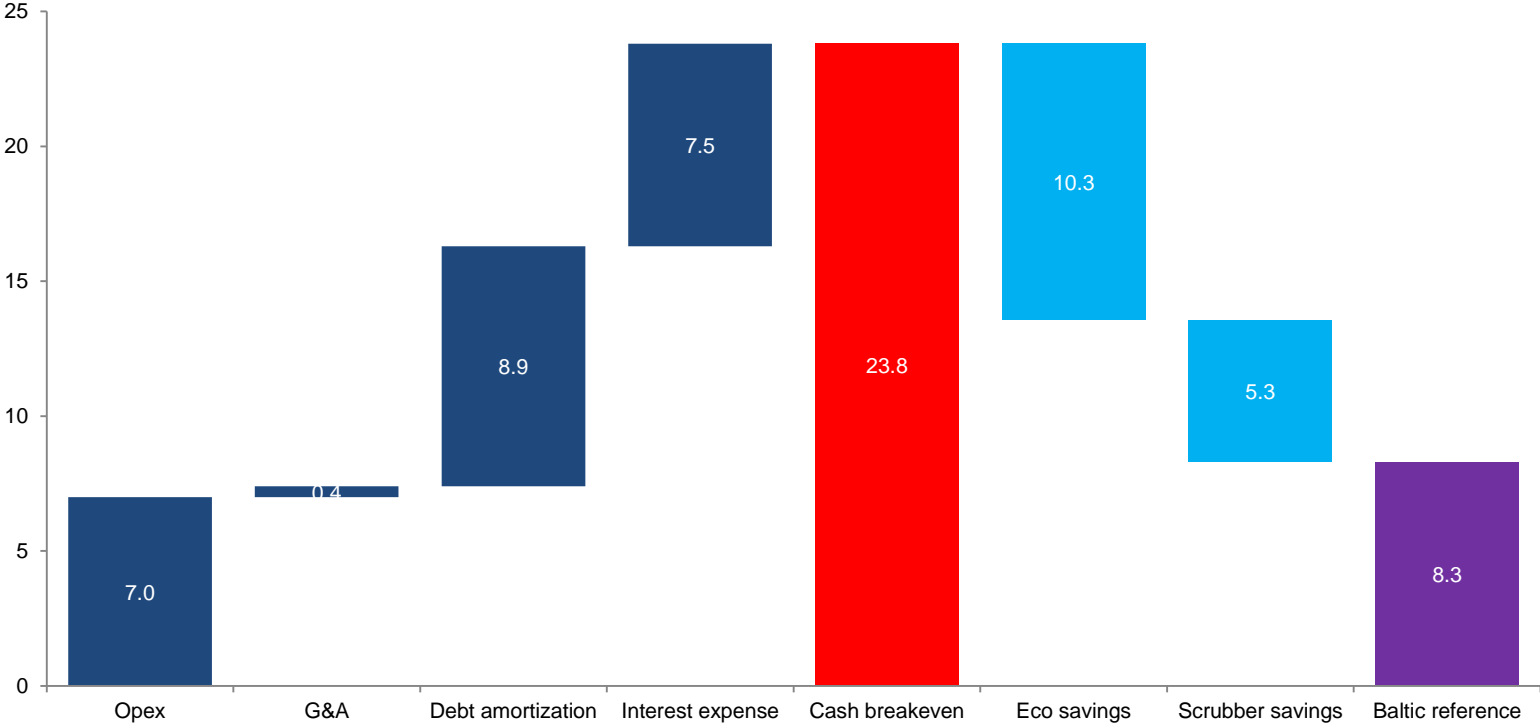
Assumptions		
Fuel consumption, laden	Mt/day	95
Fuel consumption, ballast	Mt/day	85
TCE (basis WS 50)		13 010

Bunker for RV	Tons	3 715
Bunker fuel cost	USD/day	32 816

WS comparison - ECO vs 2010 vs 2002



Investment Case – Adjusted CBE of USD 8,300/day



Savings assumptions

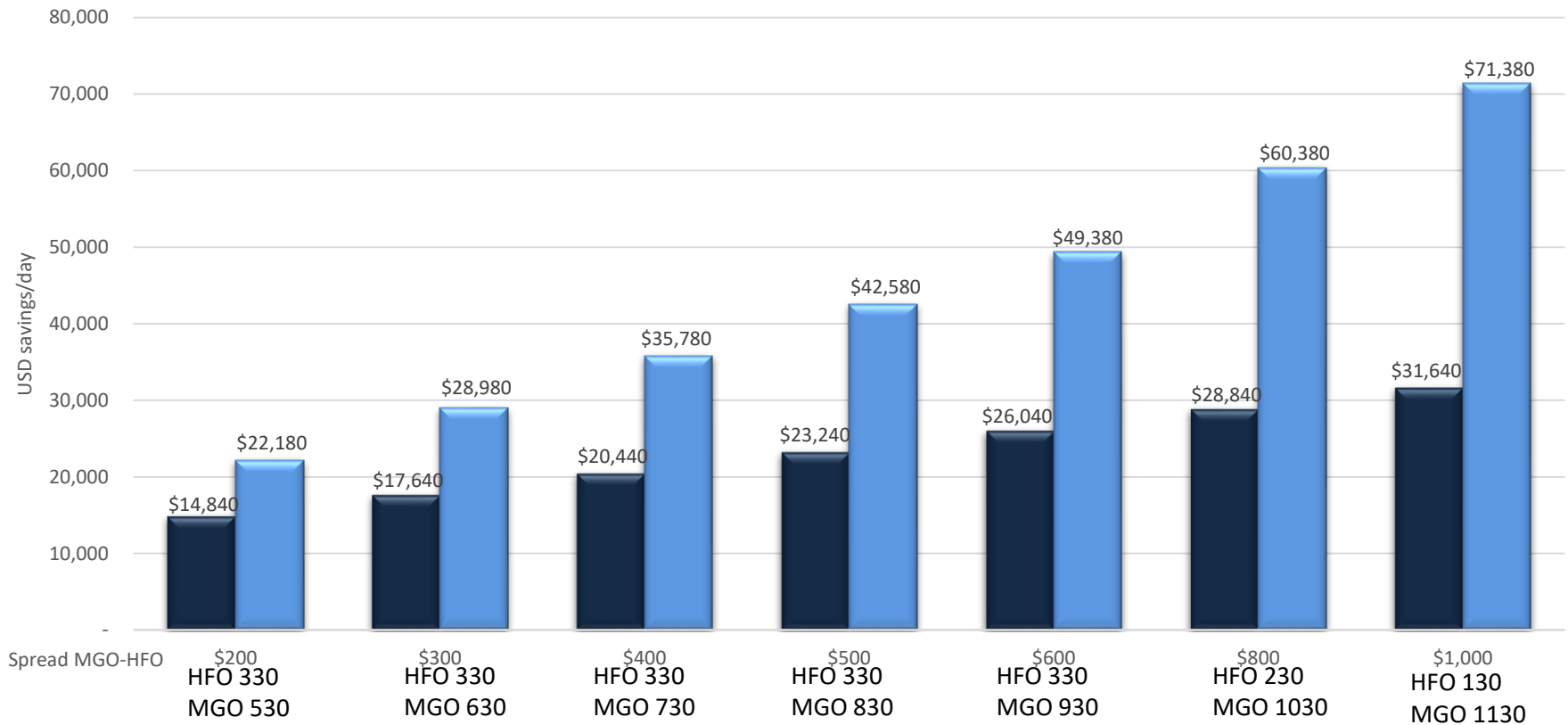
Non-Eco consumption	70
Eco consumption	45
HFO price	410
HFO - MGO spread	210

Note: 16 year amortization profile

Source: Fearnleys

Investment Case: Potential Fuel Savings/ship/day vs. Non-Eco

Fuel savings Eco w/scrubber vs. Eco vs. Non-Eco



■ ECO ■ ECO w/scrubber

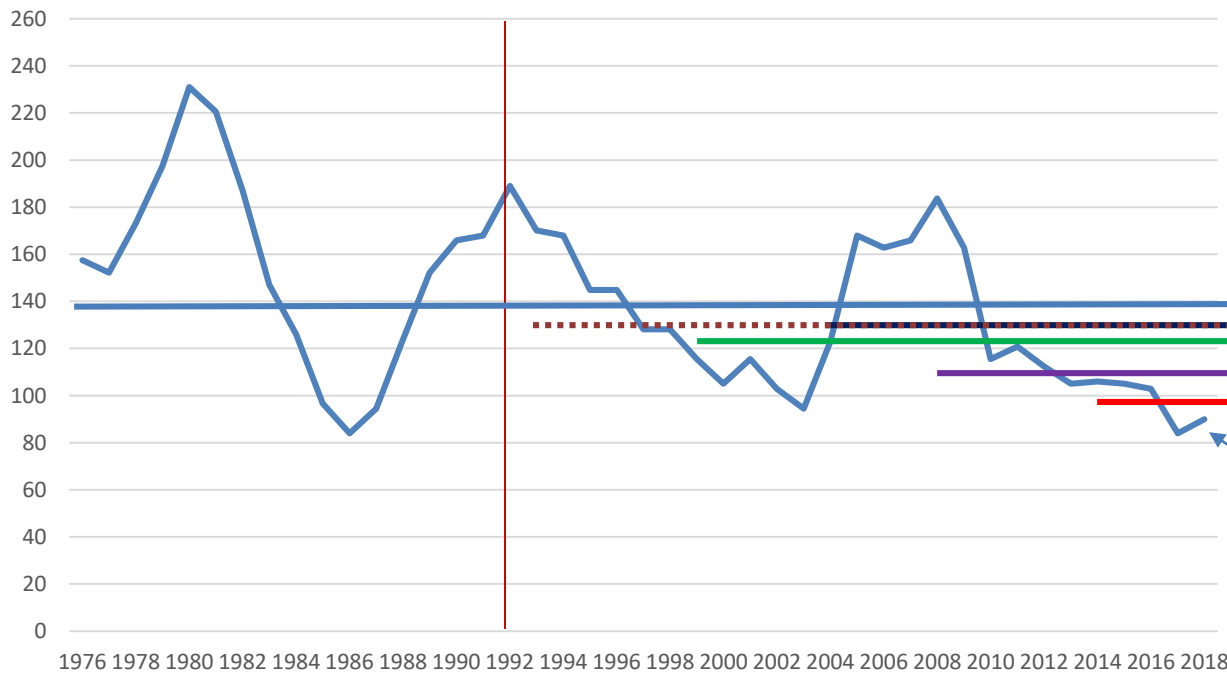
Assumptions:

@13 knots	Laden	Ballast	50/50
ECO	48	32	40
ECO w/scrubber	50	35	42
2010 Korean VLCC Non Eco	77	59	68

Conclusion – Vessel prices have started to move up, but will they continue?

“This time it is different...”

Real Newbuilding Price for VLCC's in 2018 USD



Average since 1976: USD 139M

Avg. last 5 years: USD 98M

Avg. last 10 years: USD 110M

Avg. last 15 years: USD 127M

Avg. last 20 years: USD 122M

Avg. last 25 years: USD 126M

\$ 82,8m

Source: Clarkson, Company

Agenda

1. Hunter Group ASA
2. Investment Case
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Q&A



Source: Company Filings

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