



CERTAIN STATEMENTS INCLUDED IN THIS DOCUMENT CONTAIN FORWARD-LOOKING STATEMENTS. FORWARD-LOOKING STATEMENTS INCLUDE STATEMENTS CONCERNING PLANS, OBJECTIVES, GOALS, STRATEGIES, FUTURE EVENTS OR PERFORMANCE, AND UNDERLYING ASSUMPTIONS AND OTHER STATEMENTS, WHICH ARE OTHER THAN STATEMENTS OF HISTORICAL FACTS. THE WORDS “BELIEVE,” “ANTICIPATE,” “INTENDS,” “ESTIMATE,” “FORECAST,” “PROJECT,” “PLAN,” “POTENTIAL,” “MAY,” “SHOULD,” “EXPECT” “PENDING” AND SIMILAR EXPRESSIONS IDENTIFY FORWARD-LOOKING STATEMENTS. THE FORWARD-LOOKING STATEMENTS IN THIS DOCUMENT ARE BASED UPON VARIOUS ASSUMPTIONS, MANY OF WHICH ARE BASED, IN TURN, UPON FURTHER ASSUMPTIONS, INCLUDING WITHOUT LIMITATION, MANAGEMENT’S EXAMINATION OF HISTORICAL OPERATING TRENDS, DATA CONTAINED IN HUNTER GROUP’S RECORDS AND OTHER DATA AVAILABLE FROM THIRD PARTIES. ALTHOUGH HUNTER GROUP BELIEVES THAT THESE ASSUMPTIONS WERE REASONABLE WHEN MADE, BECAUSE THESE ASSUMPTIONS ARE INHERENTLY SUBJECT TO SIGNIFICANT UNCERTAINTIES AND CONTINGENCIES WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT AND ARE BEYOND HUNTER GROUP’S CONTROL, YOU CANNOT BE ASSURED THAT HUNTER GROUP WILL ACHIEVE OR ACCOMPLISH THESE EXPECTATIONS, BELIEFS OR PROJECTIONS. THE INFORMATION SET FORTH HEREIN SPEAKS ONLY AS OF THE DATES SPECIFIED AND HUNTER GROUP UNDERTAKES NO DUTY TO UPDATE ANY FORWARD-LOOKING STATEMENT TO CONFORM THE STATEMENT TO ACTUAL RESULTS OR CHANGES IN EXPECTATIONS OR CIRCUMSTANCES. IMPORTANT FACTORS THAT, IN HUNTER GROUP’S VIEW, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE DISCUSSED IN THE FORWARD-LOOKING STATEMENTS INCLUDE, WITHOUT LIMITATION: THE STRENGTH OF WORLD ECONOMIES AND CURRENCIES, GENERAL MARKET CONDITIONS, INCLUDING FLUCTUATIONS IN CHARTERHIRE RATES AND VESSEL VALUES, CHANGES IN DEMAND IN THE TANKER MARKET, INCLUDING BUT NOT LIMITED TO CHANGES IN OPEC’S PETROLEUM PRODUCTION LEVELS AND WORLD WIDE OIL CONSUMPTION AND STORAGE, CHANGES IN HUNTER GROUP’S OPERATING EXPENSES, INCLUDING BUNKER PRICES, DRYDOCKING AND INSURANCE COSTS, THE MARKET FOR HUNTER GROUP’S VESSELS, AVAILABILITY OF FINANCING AND REFINANCING, ABILITY TO COMPLY WITH COVENANTS IN SUCH FINANCING ARRANGEMENTS, FAILURE OF COUNTERPARTIES TO FULLY PERFORM THEIR CONTRACTS WITH US, CHANGES IN GOVERNMENTAL RULES AND REGULATIONS OR ACTIONS TAKEN BY REGULATORY AUTHORITIES, POTENTIAL LIABILITY FROM PENDING OR FUTURE LITIGATION, GENERAL DOMESTIC AND INTERNATIONAL POLITICAL CONDITIONS, POTENTIAL DISRUPTION OF SHIPPING ROUTES DUE TO ACCIDENTS OR POLITICAL EVENTS, VESSEL BREAKDOWNS, INSTANCES OF OFF-HIRE AND OTHER IMPORTANT FACTORS.

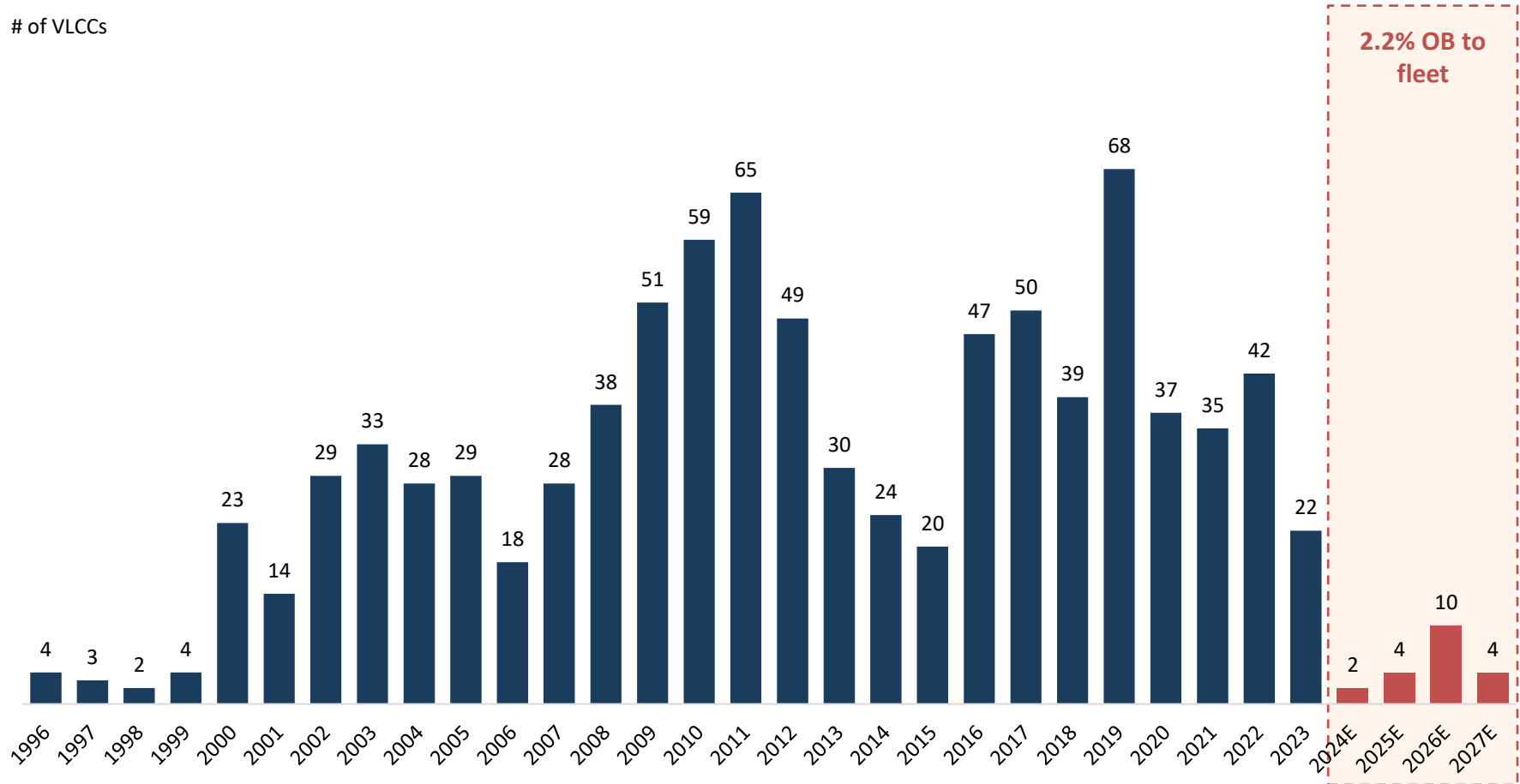
THIS PRESENTATION IS NOT AN OFFER TO PURCHASE OR SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE OR SELL, ANY SECURITIES OR A SOLICITATION OF ANY VOTE OR APPROVAL.

<b>Market thesis</b>	<ul style="list-style-type: none"><li>• The orderbook for VLCCs is at the lowest level in more than 30 years in combination with a record high portion of the fleet being older than 15 years</li><li>• Yards are in general full until 2027. The earliest possible VLCC newbuild slot is Q4 2026/Q1 2027, i.e. supply growth is given for the next ~3 years</li><li>• Consensus scrubber/eco VLCC spot rate expectations of more than USD 80,000 per day on average for the next three years</li></ul>
<b>3-year TC-in</b>	<ul style="list-style-type: none"><li>• Currently two VLCCs chartered in on fixed rates</li><li>• One vessel lifted 30th November 2023 on a fixed rate of USD 52,500 per day, the second one lifted 17th January 2024 on a fixed rate of USD 51,000 per day</li><li>• Opportunities for additional transactions at similar terms</li><li>• 20-year average spot rate is around USD 55,000 per day<sup>1</sup></li></ul>
<b>Back-to-back index charter-out</b>	<ul style="list-style-type: none"><li>• Back-to-back floating index-linked spot rate (VLCC benchmark TD3C) capturing every daily VLCC spot market movement with maximum utilization</li><li>• Back-to-back structure with similar contract format enables majority of risk to be passed on to vessel charterer</li></ul>
<b>Eliminating residual risk with unprecedented visibility on the orderbook</b>	<ul style="list-style-type: none"><li>• Asset values are too high to justify buying steel, with required lifetime rates at approx. USD 56,400 per day for a \$128m VLCC newbuild<sup>2</sup></li><li>• Aging fleet impacted by upcoming regulations and charter's ESG focus</li></ul>

# Virtually zero growth in the VLCC fleet next four years

Only 20 VLCCs expected to be delivered 2024-'27<sup>1</sup>

# of VLCCs

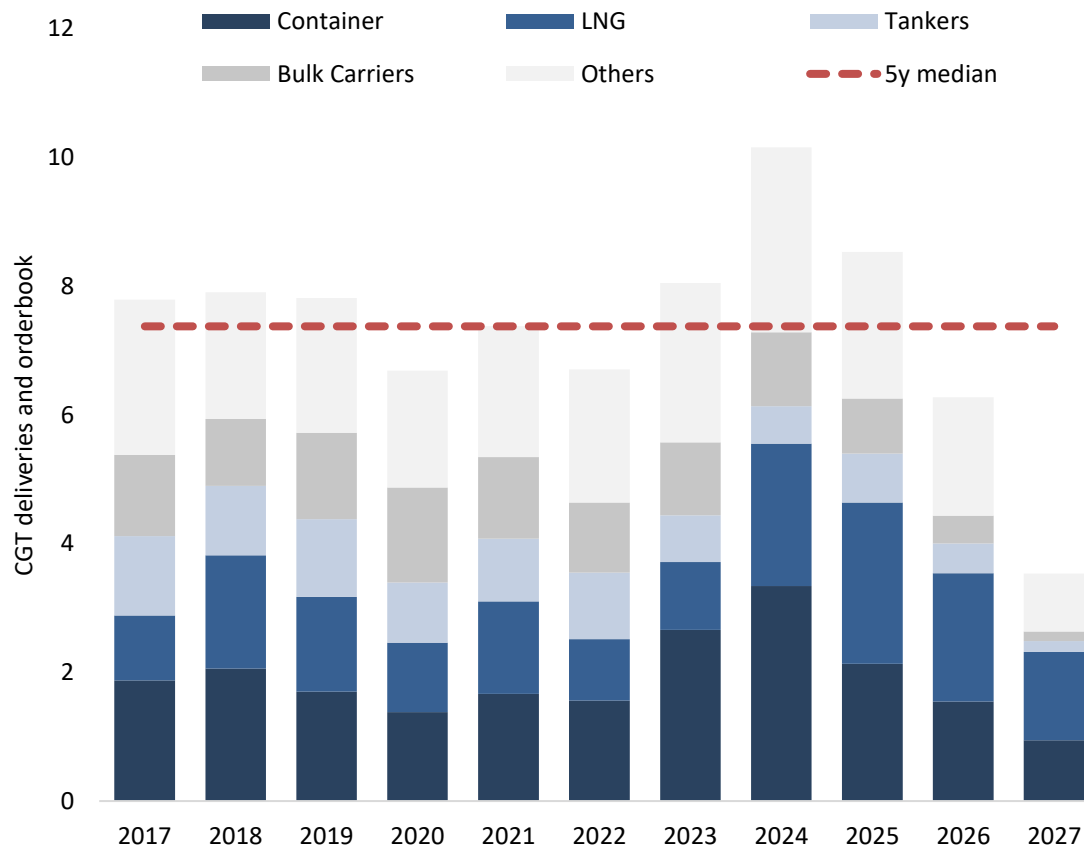


2.2% OB to fleet

# Yards are in general fully booked until 2027

## Supply growth visibility for the next 3 years

World deliveries & orderbook by segment

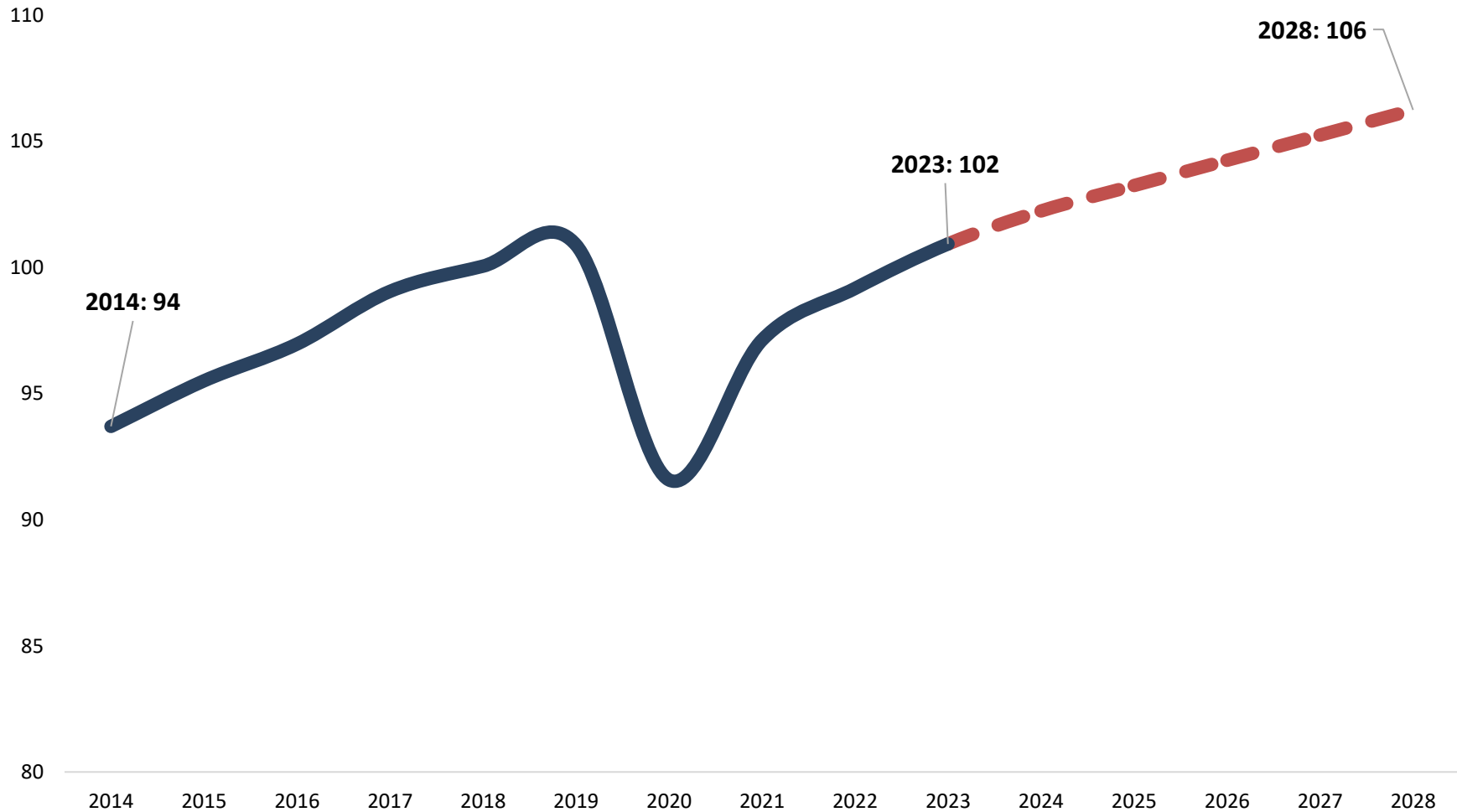


## Comments

- The yards are at full capacity and prioritizing higher margin segments like LNG, Container and LPG
- Number of large yards capable of building 20k+ dwt vessels has declined abt. 60% since last NB peak in 2009

# Oil demand expected to increase steadily

Million barrels per day

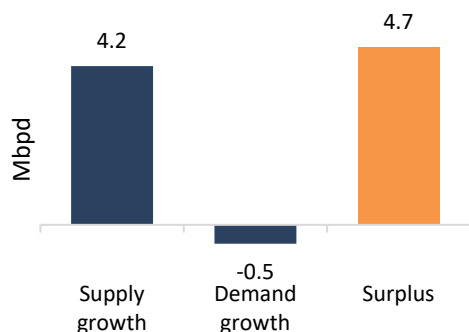


# Supply/demand imbalance drives VLCC tonne-mile growth

As oil production moves further from demand there will be a potential need for about 30 new VLCC equivalents per year

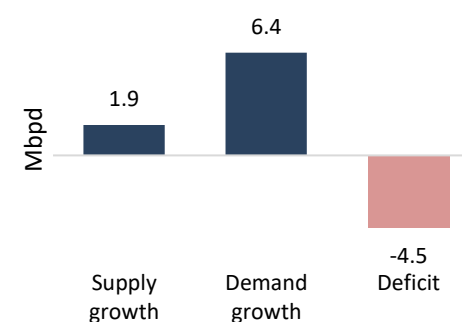
## Oil surplus West of Suez

Oil supply/demand growth 2022-'28 West of Suez



## Oil deficit East of Suez

Oil supply/demand growth 2022-'28 East of Suez



## Largest oil supply growth 2022-'28

Country	Supply growth (Mbp/d)	VLCC equivalents need (to China) <sup>1</sup>
	2.6	145 VLCC eqv.
	1.0	40 VLCC eqv.
	0.9	44 VLCC eqv.

## VLCC eqv. need per 1mbpd production growth (to China)



56



40



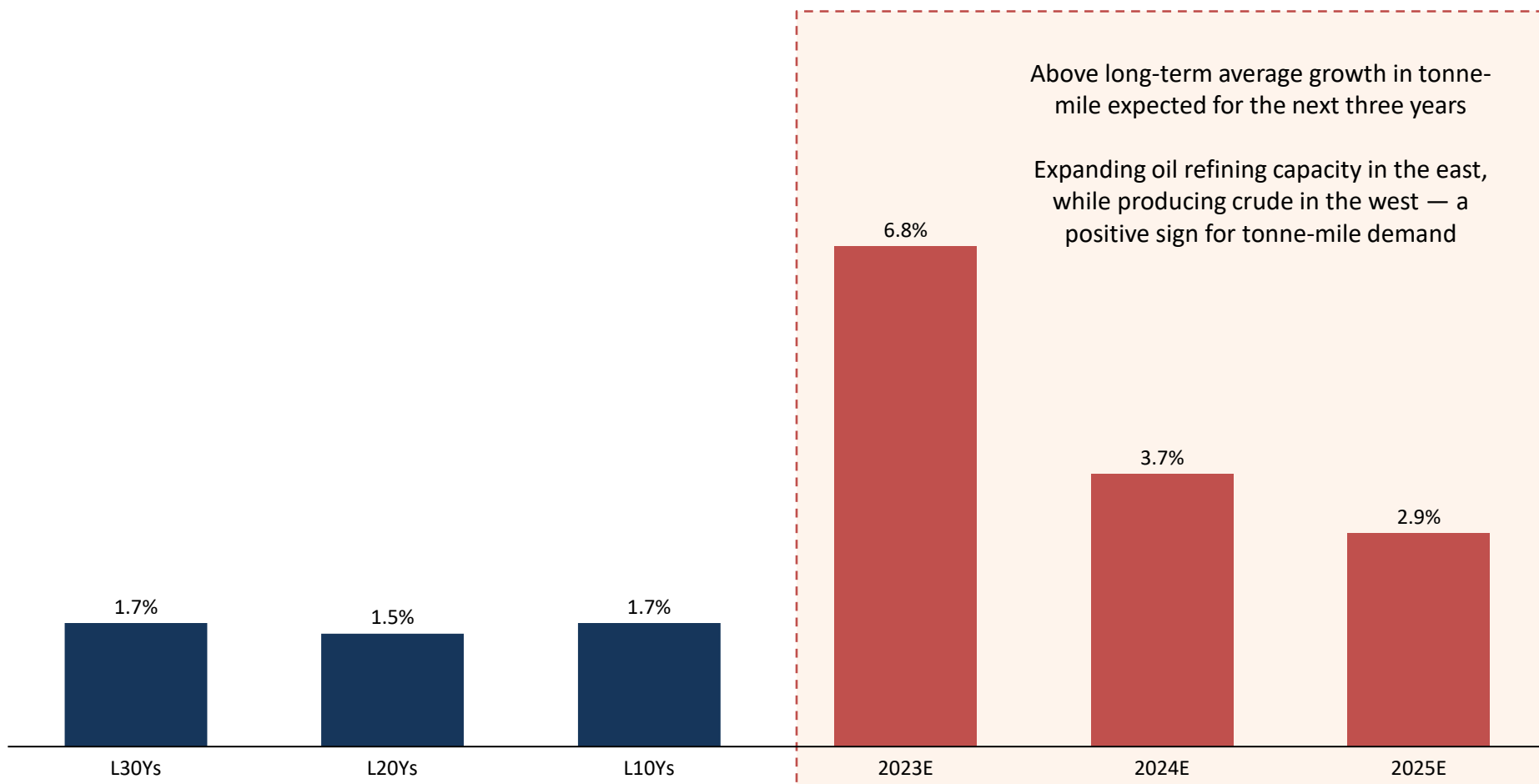
49

## Comments

- East of Suez demand will grow by around 1mbd per year until 2028, while the majority of production growth will happen west of Suez
- A 1 mb/d increase in US production would necessitate the use of 56 VLCCs, while a similar cut in OPEC+ production would only reduce VLCC demand by 24

# Above average tanker demand growth in coming years

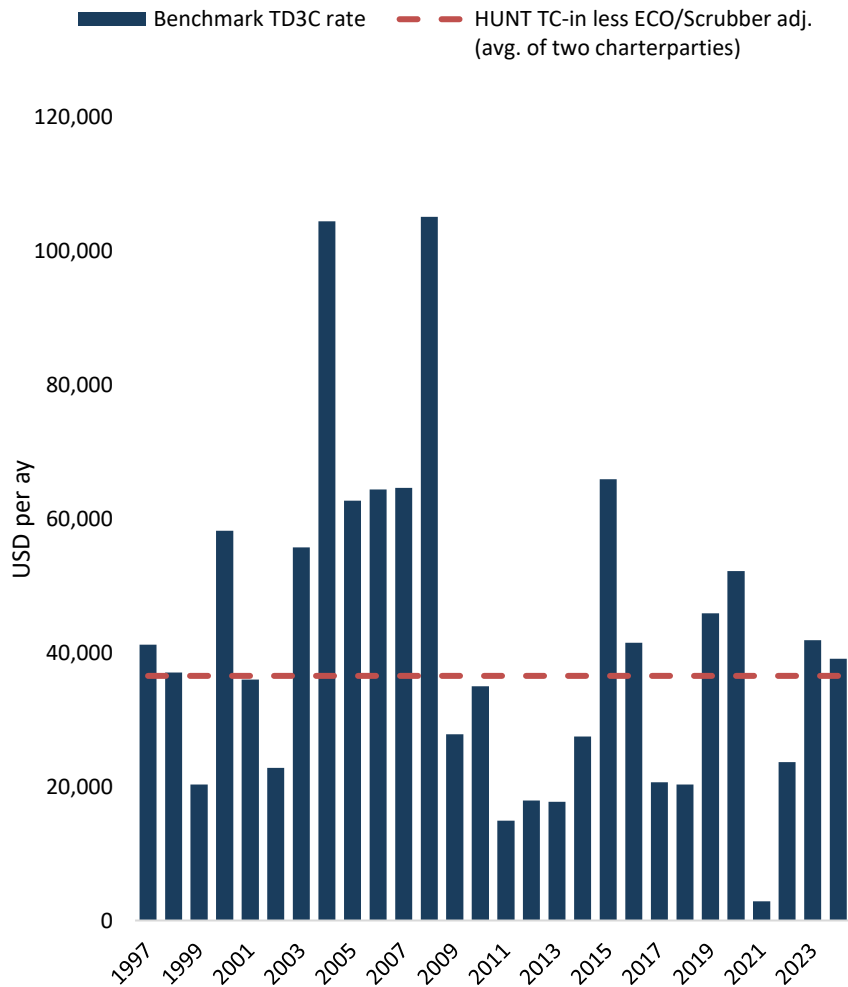
World seaborne crude oil trade, billion tonne-miles (% Yr/Yr)



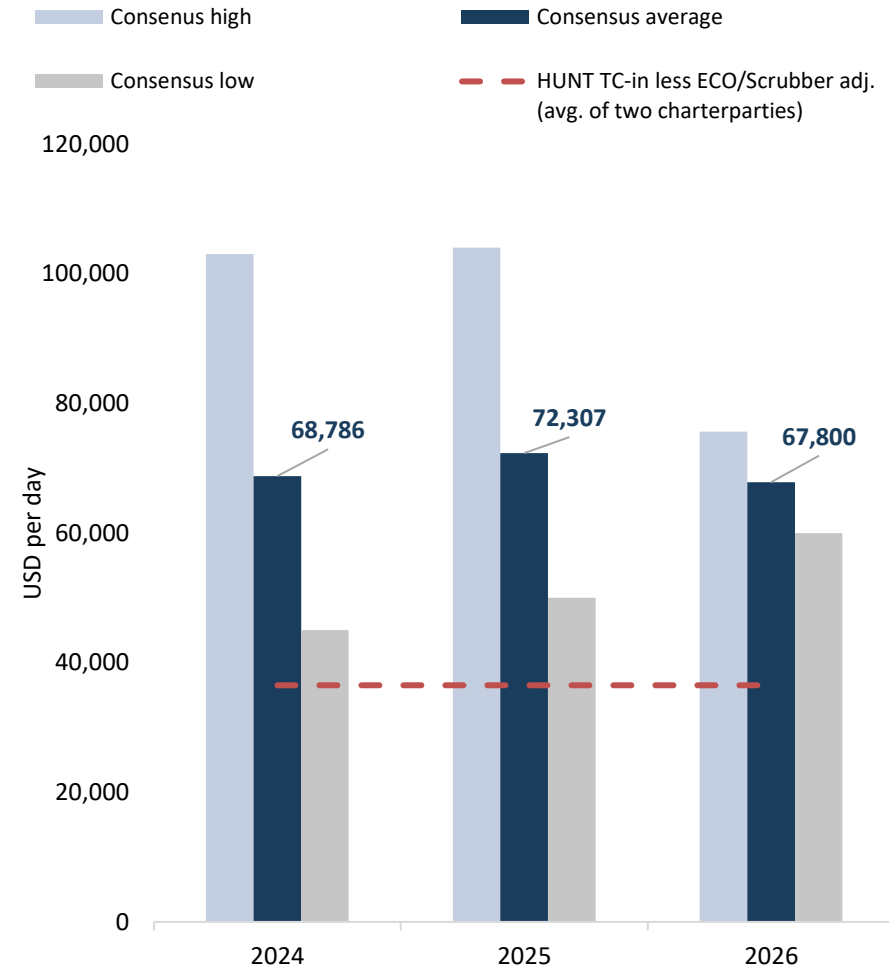


# Consensus estimates suggest a tight VLCC market

### Historical annual benchmark rate versus HUNT TC-in<sup>1</sup>



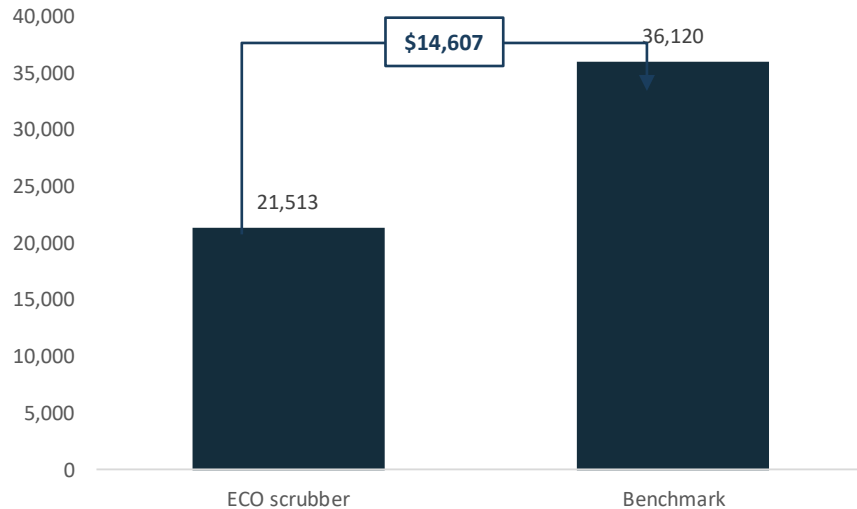
### Average consensus benchmark rate estimates<sup>2</sup>



Note: 1) HUNT TC-in rate (avg of two charterparties, USD 52,500/day and USD 51,000/day) adjusted for average ECO/Scrubber premium of USD 15,226/day since January 2020, 2) Consensus includes: ABGSC, Clarksons, Arctic, Cleaves, DNB, Pareto and Fearnley estimates

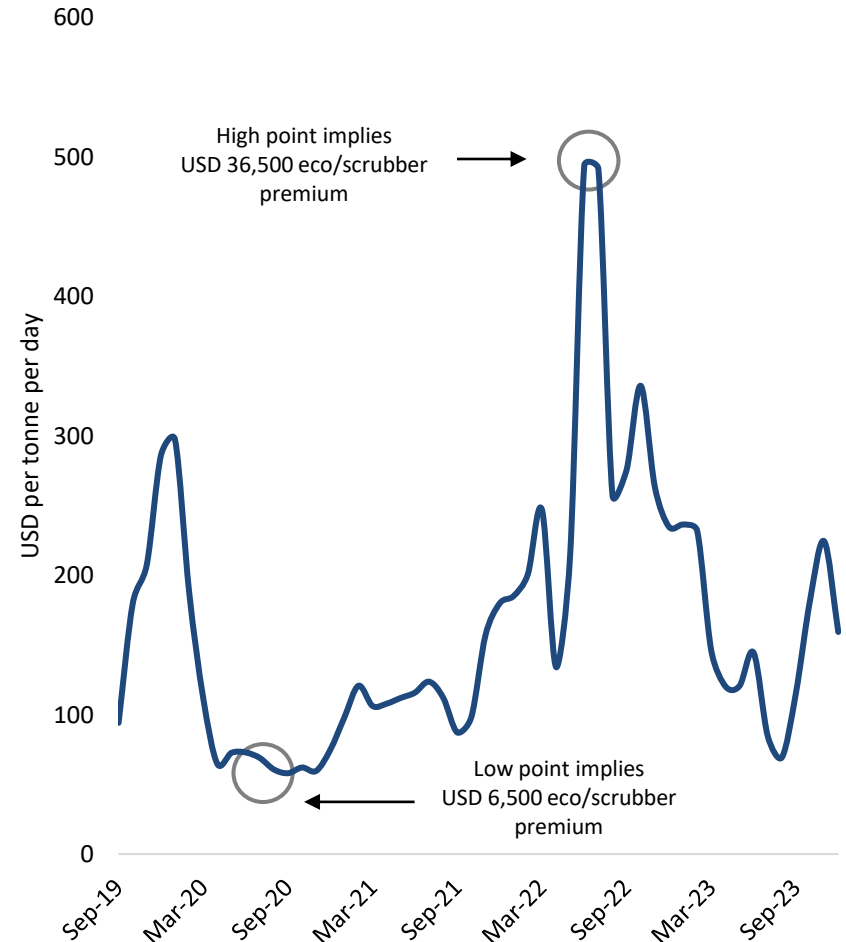
# ECO/scrubber savings currently at about \$14,600/day

Current fuel cost per day – TD3C roundtrip case study<sup>1</sup>



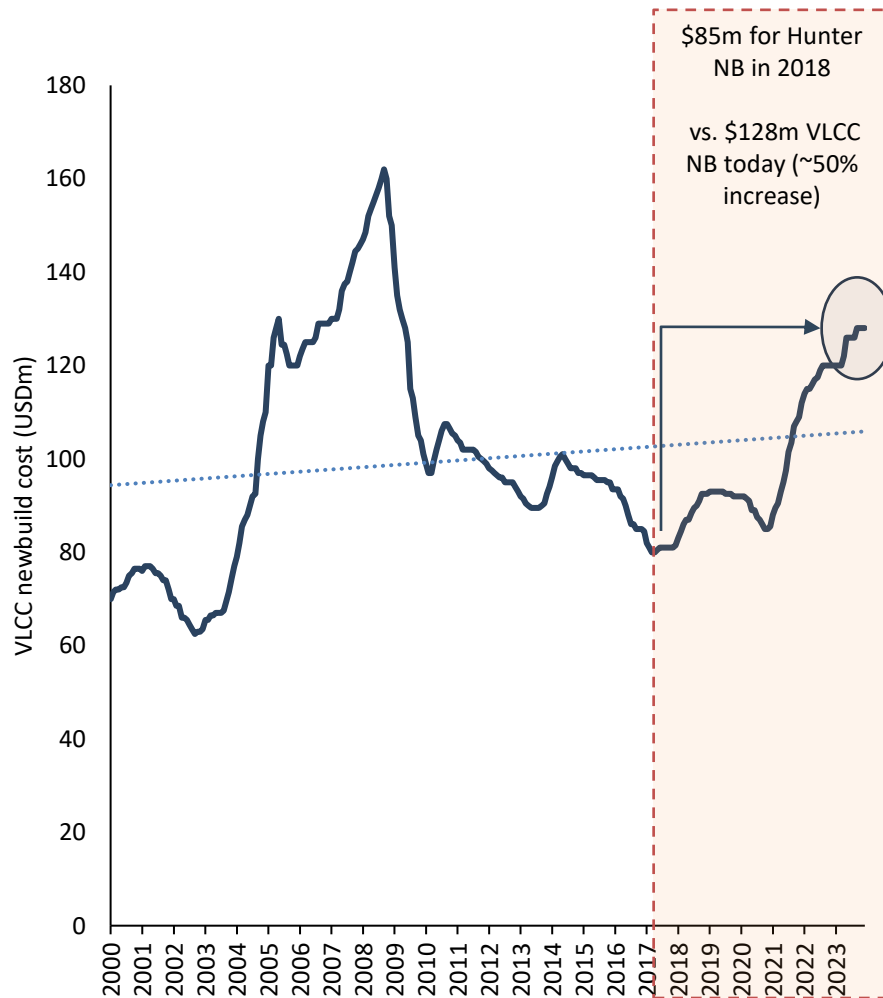
TD3C case study		ECO w. scrubber	Benchmark = non-ECO wo. Scrubber	
<b>Main fuel</b>		<b>HSFO</b>	<b>VLSFO</b>	<b>Diff</b>
Tons consumed	#	1,872	2,507	636
Fuel price	USD/t	450	592	142
<b>Main fuel cost</b>	<b>USD</b>	<b>842,221</b>	<b>1,484,321</b>	<b>642,100</b>
<b>ECA fuel</b>		<b>MGO</b>	<b>MGO</b>	
Tons consumed	#	207	256	48
Fuel price	USD/t	761	761	-
<b>ECA fuel cost</b>	<b>USD</b>	<b>157,802</b>	<b>194,721</b>	<b>36,919</b>
<b>Total fuel cost</b>	<b>USD</b>	<b>1,000,023</b>	<b>1,679,042</b>	<b>679,019</b>
TD3C roundtrip	Days	46.5	46.5	-
<b>Fuel cost per day</b>	<b>USD/d</b>	<b>21,513</b>	<b>36,120</b>	<b>14,607</b>

Historical HSFO vs. VLSFO spread



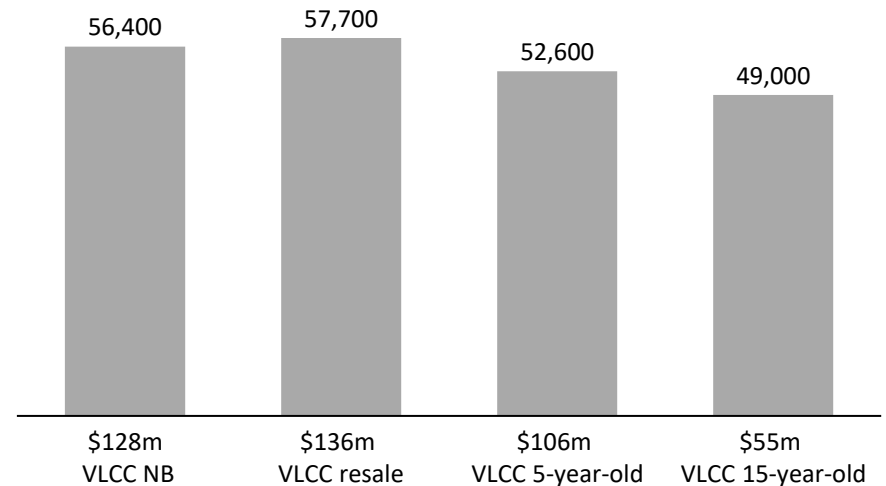
# ~50% increase in VLCC NB cost since 2018

## Newbuild cost development since 2000



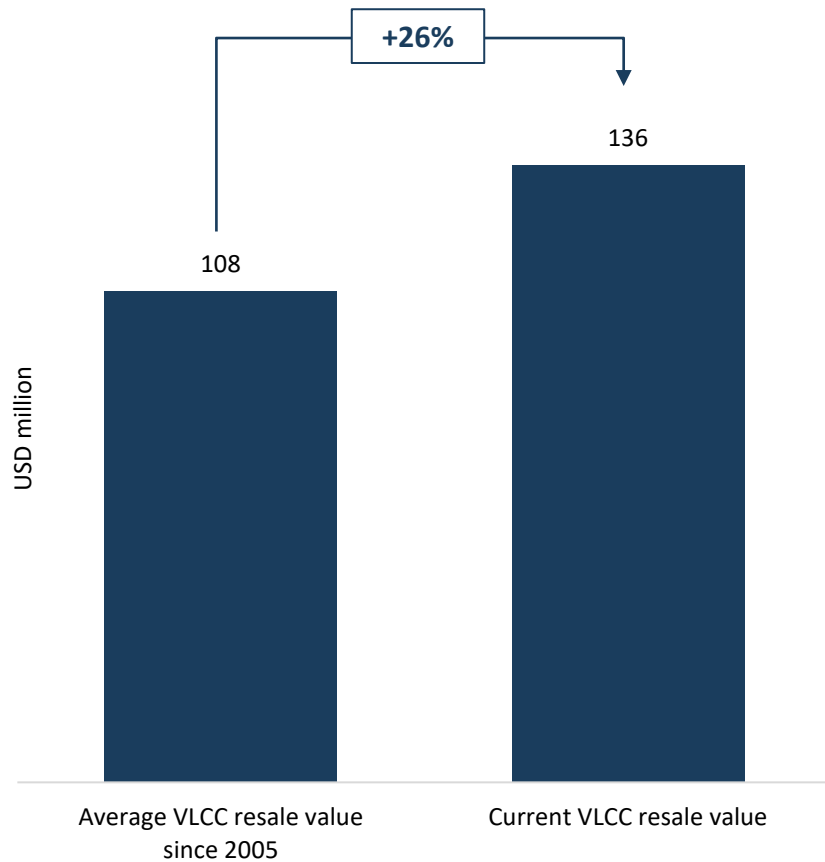
## Lifetime benchmark rates required for 10% unlevered return

- VLCC newbuild cost has increased significantly
  - ~50% increase in newbuild cost since 2018
- 10% unlevered return implies a lifetime \$57,700 per day rate for a resale VLCC
- Resale prices at USD 136m is 26% above average 2006-YTD USD 104m

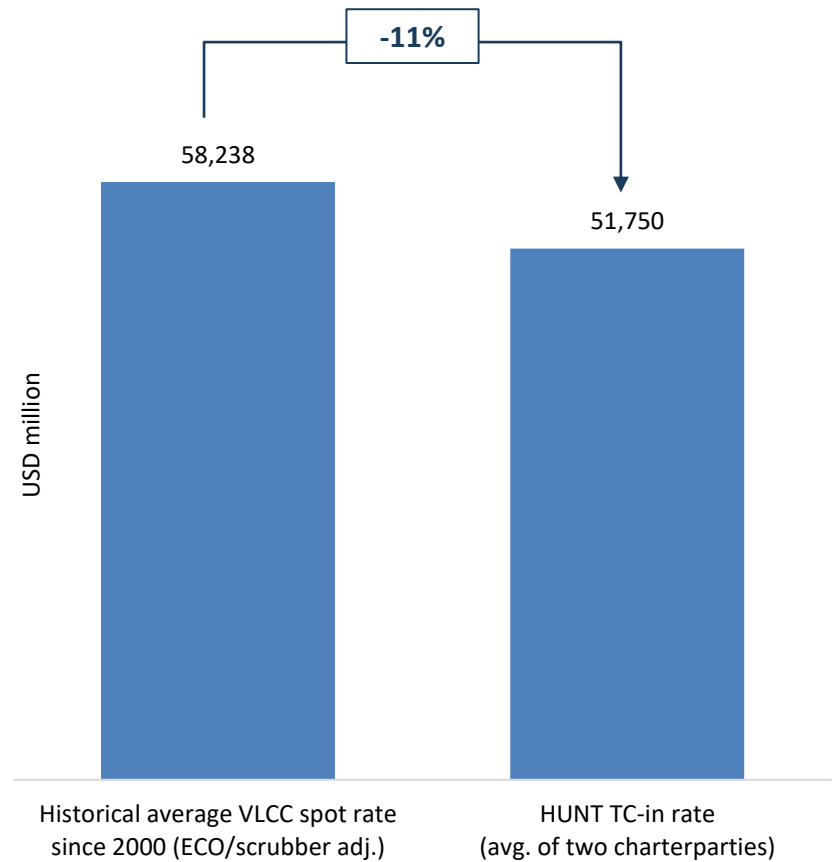


# Currently a dislocation between ship values and TC rates

VLCC resale values are 26% above historical average

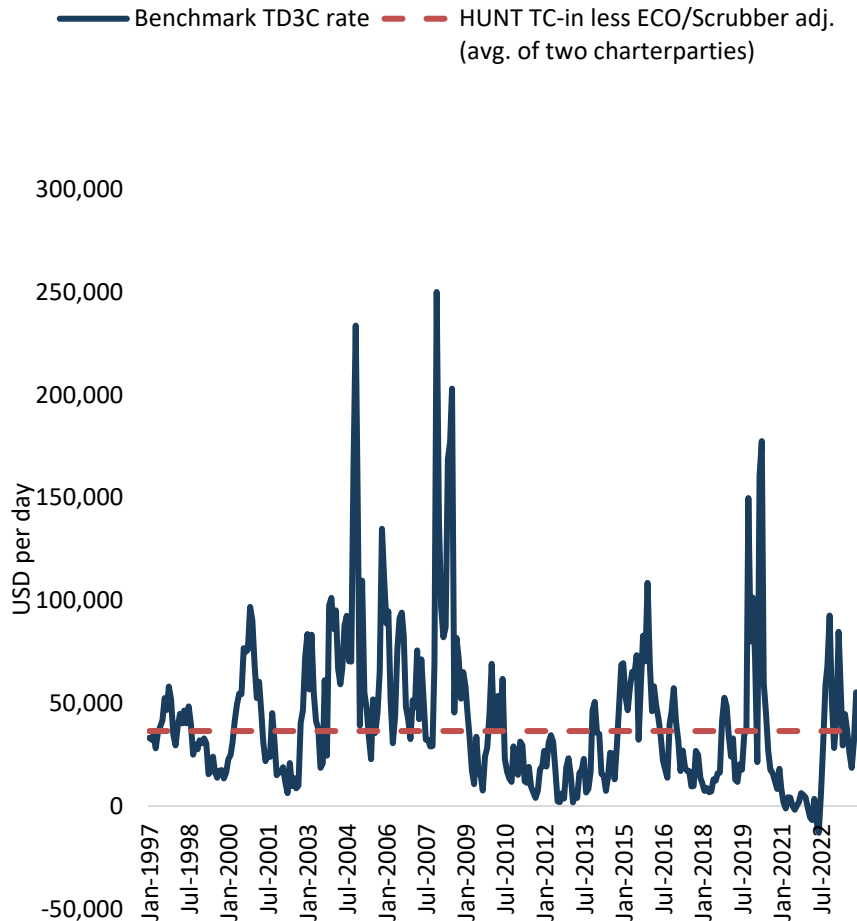


While the 3-year TC rate<sup>1</sup> is 11% lower than historical spot rates



# Clear benefits of an index charter

### Historical monthly benchmark rate versus HUNT TC-in<sup>1</sup>



### Benefits of index charters relative to operating in the spot market

- ✓ Exposure to every single market movement
- ✓ 365 operational days
- ✓ No off-hire due to bunkering
- ✓ No idle time (difficult to match laycan with optimal vessel speed)
- ✓ The average VLCC is fixed 5 times in a year. 5x 10 days gives you exposure to 50/365 days. Even with a large fleet you are not going to capture all rate fluctuations, for better or worse.

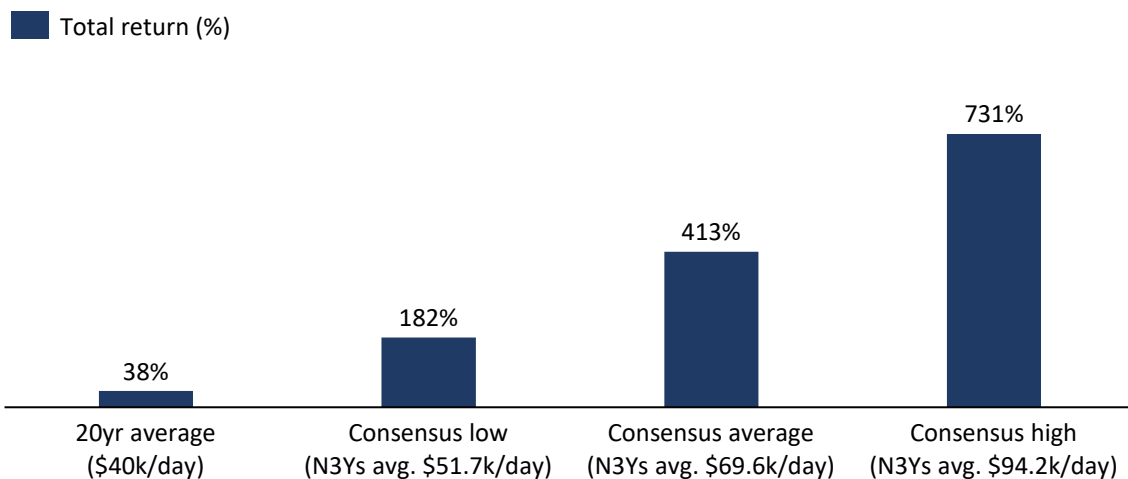


Pure play VLCC exposure

Zero asset value risk

# Attractive return potential in a tightening market

## Return scenario for two TC-in VLCCs



- On average consensus benchmark rates and a USD 15,266 per day ECO/Scrubber premium<sup>1</sup> the total potential return is 413% for a three-year period
- The high end of the analyst range implies a return potential of over 700% for the same period of more than 700%

	2023	2024	2025	2026
Benchmark rate	USD/d	68,786	72,307	67,800
Scrubber/eco premium <sup>1</sup>	"	15,266	15,266	15,266
<b>Scrubber/eco rate</b>	"	<b>84,052</b>	<b>87,573</b>	<b>83,066</b>
TC-in rate <sup>2</sup>	"	51,750	51,750	51,750
Broker commission	"	841	876	831
G&A	"	1,500	1,500	1,500
Margin	"	29,961	33,447	28,985
# vessels	#	2x	2x	2x
<b>Cash flow</b>	<b>USDm</b>	<b>21.9</b>	<b>24.4</b>	<b>21.2</b>
Q3 equity <sup>4</sup>	4.2	-	-	-
New equity <sup>4</sup>	14.0	-	-	-
Interest earned <sup>3</sup>	-	1.1	2.5	4.1
<b>Cash balance</b>	<b>18.2</b>	<b>41.1</b>	<b>68.0</b>	<b>93.2</b>
<b>Total return</b>	<b>%</b>	<b>126%</b>	<b>274%</b>	<b>413%</b>

Note: 1) Average spread since IMO 2020 2) Assuming blended TC-in rate of USD 52,500/day and USD 51,000/day 3) Interest earned in money market fund or similar earning 6% p.a. 4) Starting cash balance of USD 4.2m and private placements of NOK equivalent of USD 12 million 10<sup>th</sup> January 2024, and NOK equivalent of USD 2 million 30<sup>th</sup> November 2023.

**Hunter Group ASA**  
Org. nr. 985 955 107

Dronningen 1  
0287 Oslo, Norway  
+47 975 31 227  
[info@huntergroup.no](mailto:info@huntergroup.no)