Hunter Group ASA

Investor Presentation

6 February 2025

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Outlook 2025

Strong oil market fundamentals

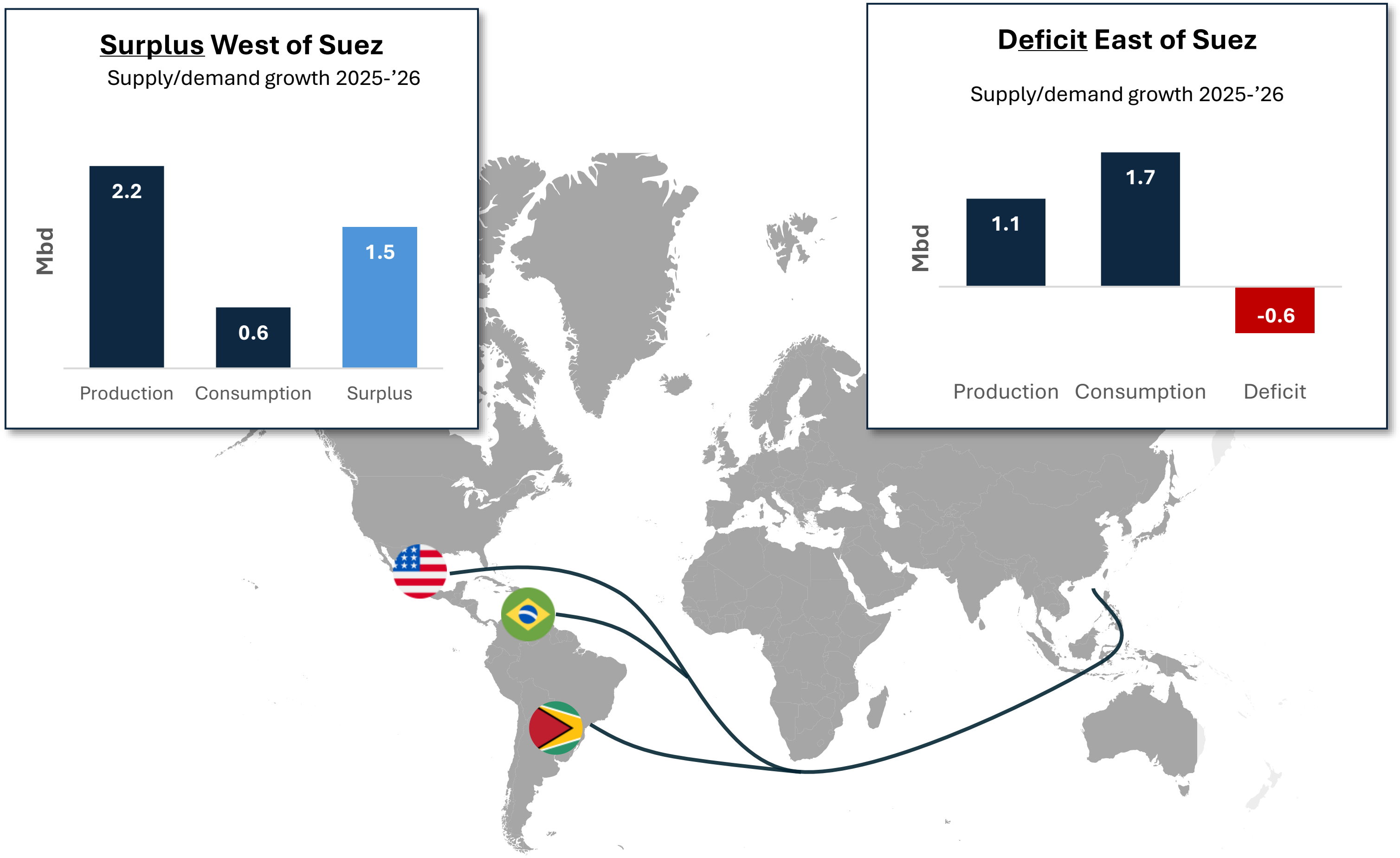
Effective sanctions

Disruption to oil flows

“Zero” fleet growth before scrapping

Ton-mile intensive export growth

Supply and demand of oil by location 2025-26



60x VLCCs could be needed[1]

Country	Supply growth (mbd)	Demand growth (mbd)	Surplus (Mbd)	VLCC equivalents needed
	0.82	0.22	0.60	35x
	0.31	0.07	0.24	10x
	0.30	0.01	0.29	15x
Sum	**1.43**	**0.29**	**1.14**	**60x**

- The US, Brazil and Guyana are expected to produce 1.14mbd more than they consume in 2025-26
- If this oil surplus is exported to the Far East, as much as 60 additional VLCCs could be needed

Source: EIA, Company
1) Assuming exported to Far East

Compliance key for effectiveness of sanctions

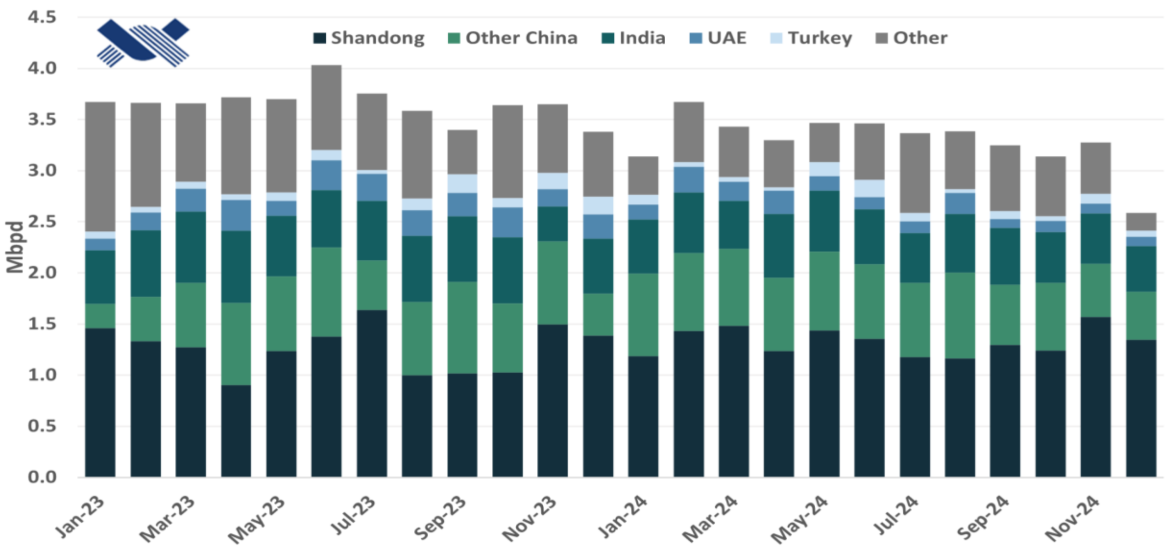
- 10% of the global tanker fleet is now on the US' OFAC sanctions list, which is widely considered the harshest
  - The OFAC sanctioned tanker fleet carried 3.3mbd of crude oil in 2024, i.e. 4.8% of total seaborne volumes
  - 80% of this went to Shandong (China) and India

- Following a grace period, OFAC sanctioned vessels to be prohibited from discharging at Shandong and Indian ports
  - A replacement of Shandong's ~1.5mb crude oil imports with compliant MEG barrels could boost VLCC demand by up to 45 vessels

10%+ of tanker the fleet is now OFAC sanctioned

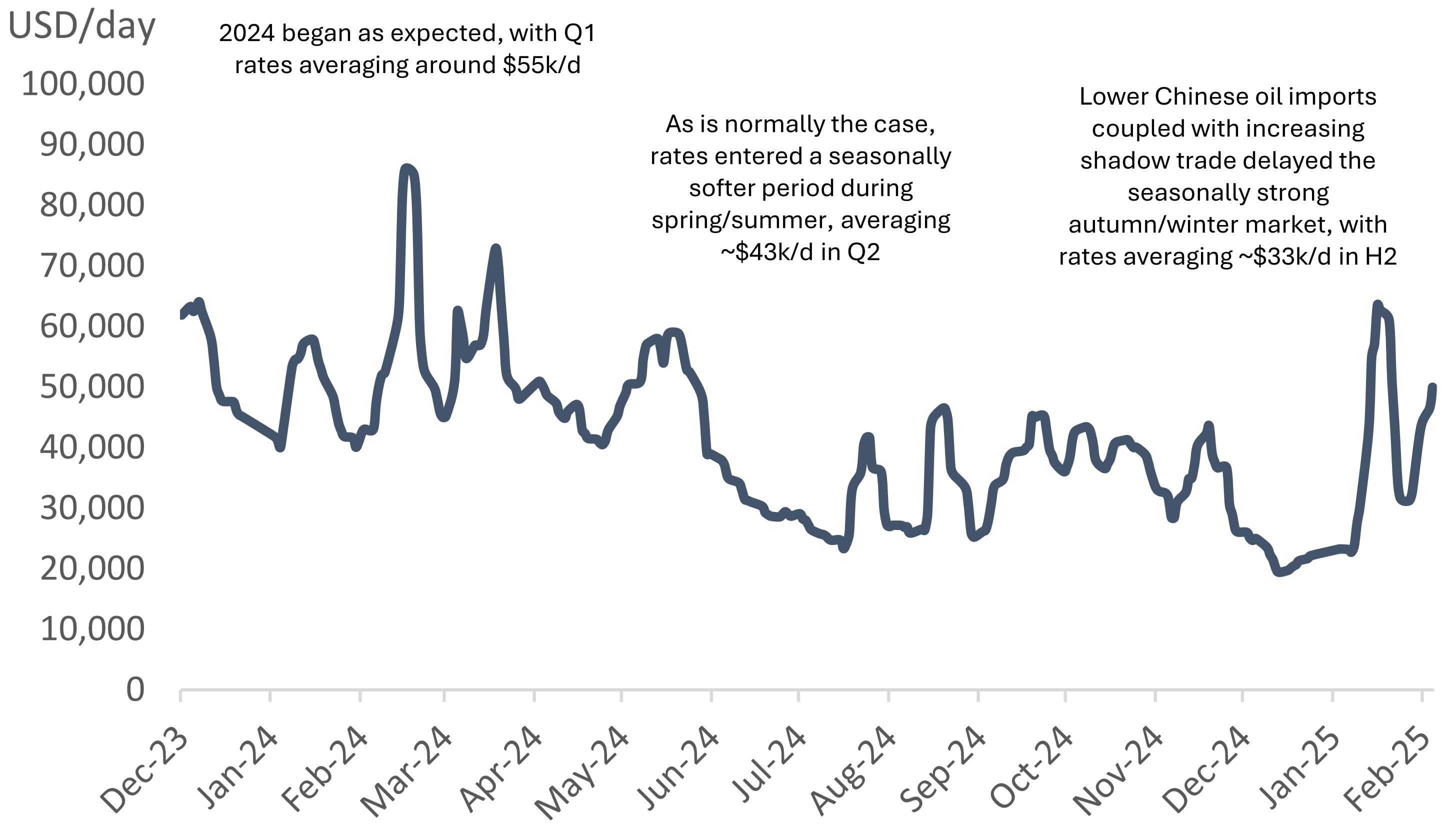
Vessel type	Fleet size	OFAC sanctioned vessels	% of fleet on OFAC	Addtl. vessels on UANI
VLCC	906	91	10%	57
Suez/LR3	669	66	10%	16
Afra/LR2	1.163	145	12%	48

80% of OFAC tankers went to Shandong (China) and India

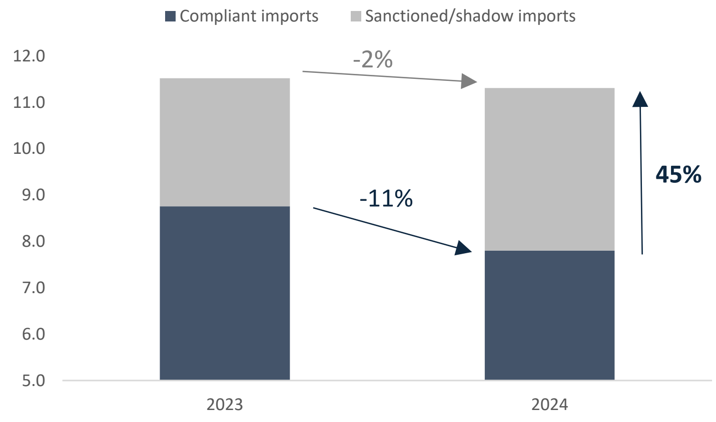


Rates negatively impacted by shadow fleet in 2024

Achieved VLCC rates



Chinese oil imports

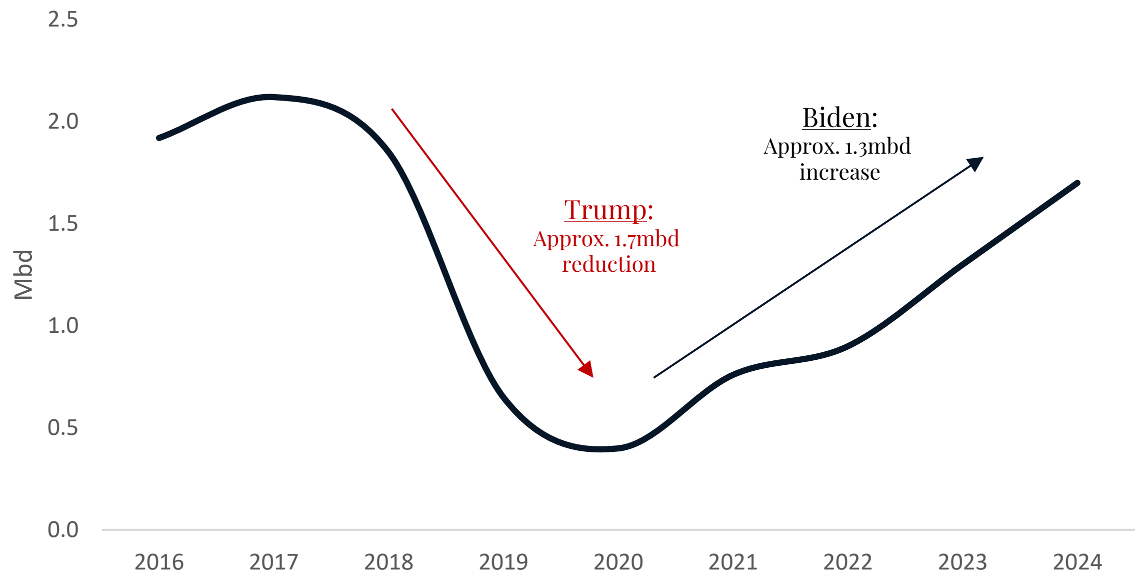


- Total Chinese crude oil imports declined by approx. 250kbd in 2024 vs. 2023, while the share sourced from shadow markets increased by approx. 750kbpd
- Consequently, imports from compliant markets dropped by approx. 1.0mbd, or ~11%
- A complete replacement of sanctioned/shadow imports would mean a 45% increase in compliant imports

Source: EIA, Company

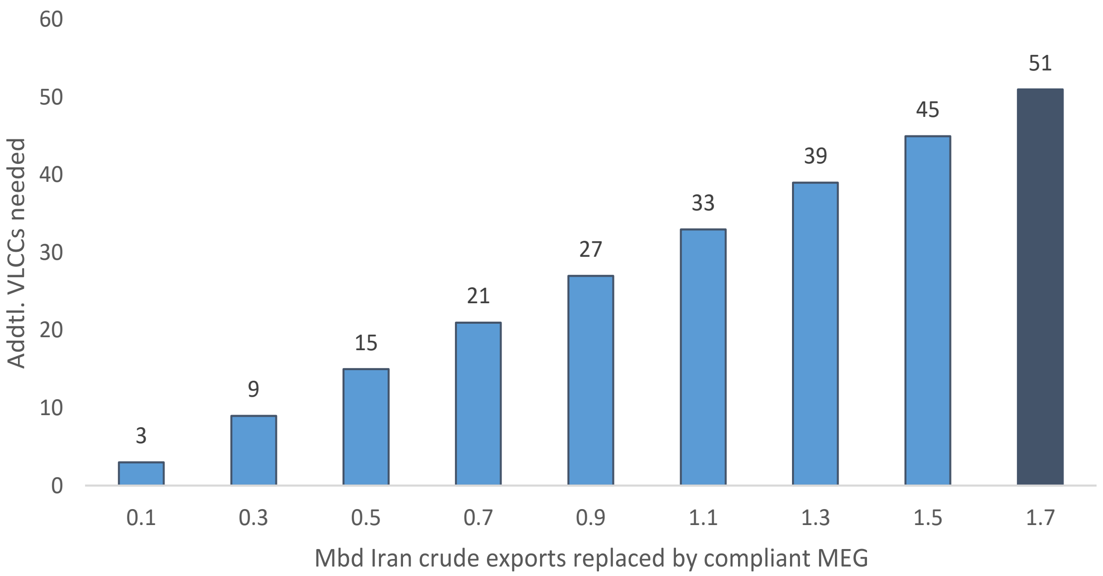
Maximum Pressure

Iranian crude oil exports



- Iranian oil exports peaked in 2017 at an average of ~2.1mbd
- Sanctions and pressure during Trump's previous term reduced Iranian oil exports to only 0.4mbd on average
- A weaker stance against Iran during Biden, enabled exports to climb back to ~1.7mbd during 2024

Large number of VLCCs needed to replace Iranian exports



- Trump's "Maximum Pressure" campaign against Iran aims at reducing Iranian oil exports to zero
- If this goal is achieved, and 1.7mbd of Iranian exports are replaced by compliant MEG barrels, as much as 51 additional VLCCs could be needed

Source: EIA, Company

Tariffs

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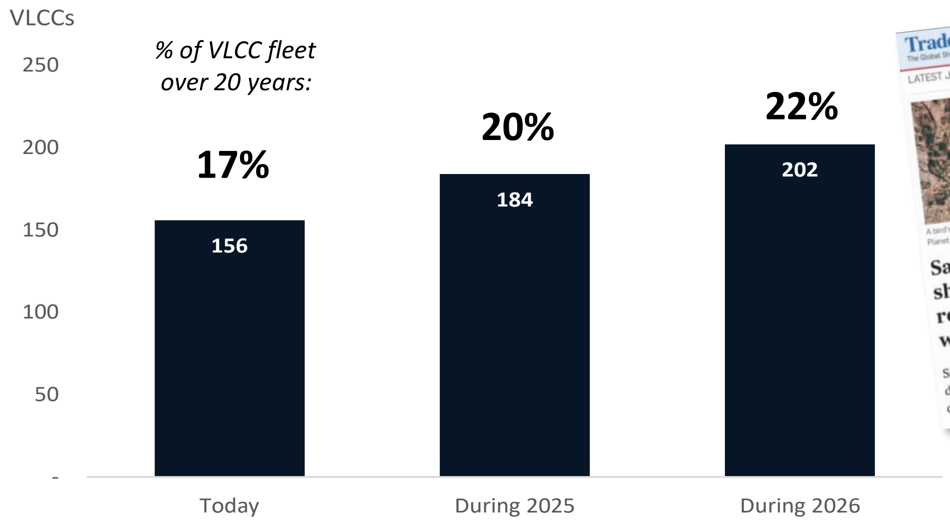
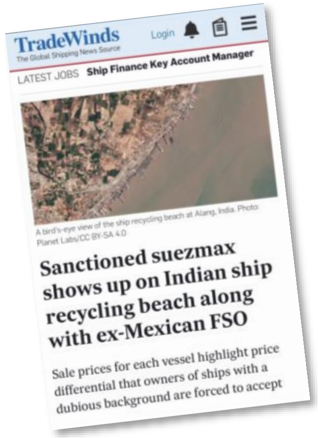
Massive scrapping overhang – few deliveries

VLCCs turning 20 years or more





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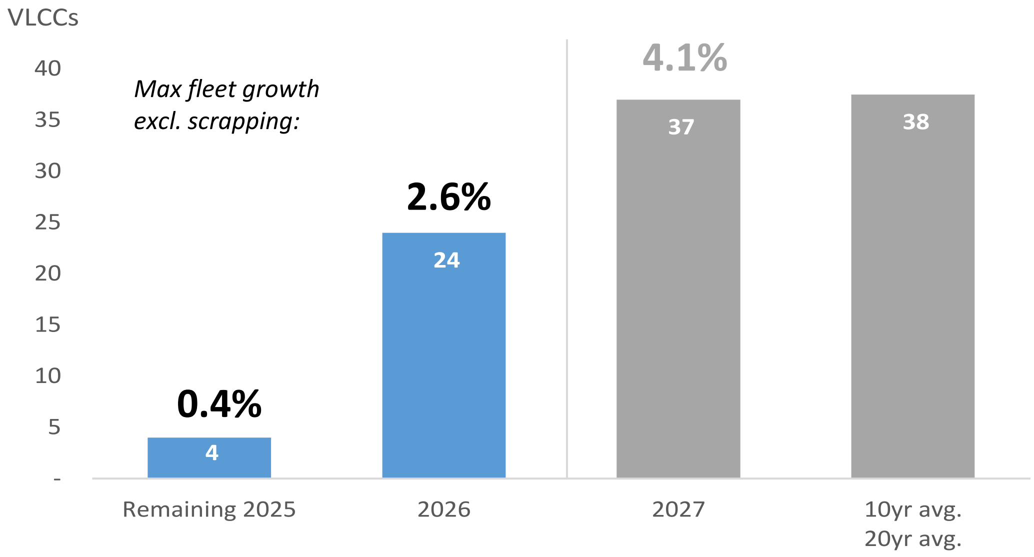
A bird's-eye view of the ship recycling beach at Alang, India. Photo: Planet Labs/CC BY-SA 4.0

Sanctioned suezmax shows up on Indian ship recycling beach along with ex-Mexican FSO

Sale prices for each vessel highlight price differential that owners of ships with a dubious background are forced to accept

Few VLCC deliveries near term



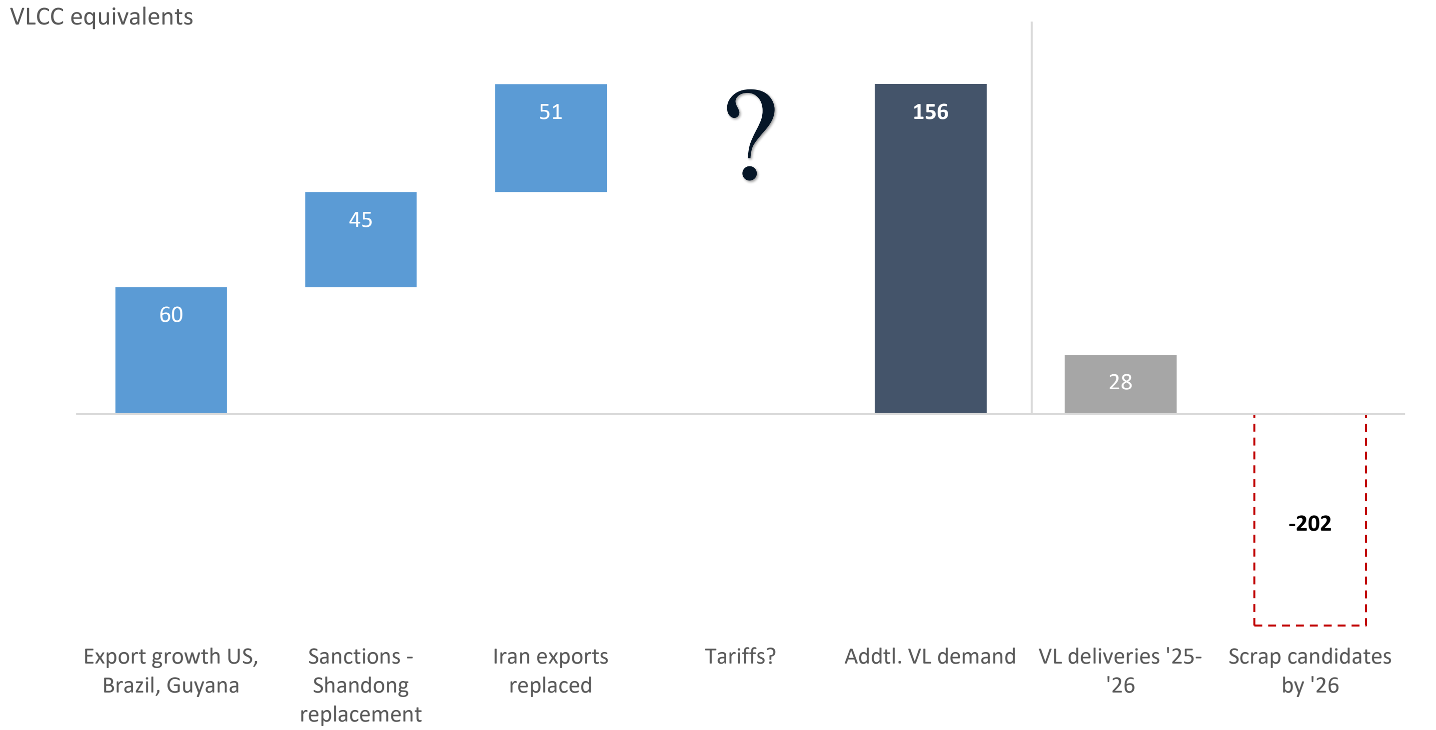
- A record number of 156 VLCCs, or 17% of the fleet, are currently 20 years or older, i.e. the historical average scrapping age
- A large portion of these vessels are either sanctioned or involved in shadow trades
- Recent data suggests increased willingness from owners of “shadow” tonnage to accept steep discounts to market scrap prices

- There are very few VLCCs up for delivery in the next two years, i.e. remaining duration of our TCs
- Only 4 are scheduled for delivery this year, while 24 are in the books for 2026
- During both the last 10 years and 20 years, an average of approx. 38 VLCCs have been delivered per year

Source: Fearnley, Company

Massive positive trigger potential ahead

Potential VLCC demand vs. supply growth 2025-26



- The VLCC market balance is looking increasingly tight
- There is tangible potential for near term demand growth of more than 150 VLCC equivalents
- Only 28 VLCCs are scheduled for delivery the next two years
- More than 200 VLCCs will be more than 20 years old in 2026

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