



Hunter Group ASA

Q4 2024 results

27 February 2025

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.

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Responsibility statement



The Board of Directors and the CEO confirm that to the best of our knowledge the condensed set of financial statements (unaudited) as of 31 December 2024 and the fourth quarter of 2024, which have been prepared in accordance with IAS 34 – Interim Financial Reporting, gives a true and fair view on the Group’s consolidated assets, liabilities, financial position and results of the operation for the period, and that the interim management report includes a fair review of the information required under the requirements in the Norwegian Securities Trading Act.

Oslo/Verbier, 26 February 2025

The board of directors and Chief Executive Director

Hunter Group ASA

Morten Eivindssøn Astrup
Chairman of the board

Bertel Otto Bryde Steen
Board member

Kristin Hellebust
Board member

Erik A. S. Frydendal
CEO

Highlights – Q4 2024



Financial highlights	Q4 2024
Net TC result (loss)	USD (3.62m)
Unrealized non-cash TC position result (loss)	USD (7.54m)
Total operating expenses	USD (0.36m)
Adj. net profit (loss) ¹	USD (3.87m)
Avg. spot-linked TC-out rate	USD 32,050/d
Avg. fixed TC-in rate	USD 51,750/d
Avg. TC-margin (loss)	USD (19,700)/d
Vessel days:	184 / 184
Cash and working capital	USD 12.49m

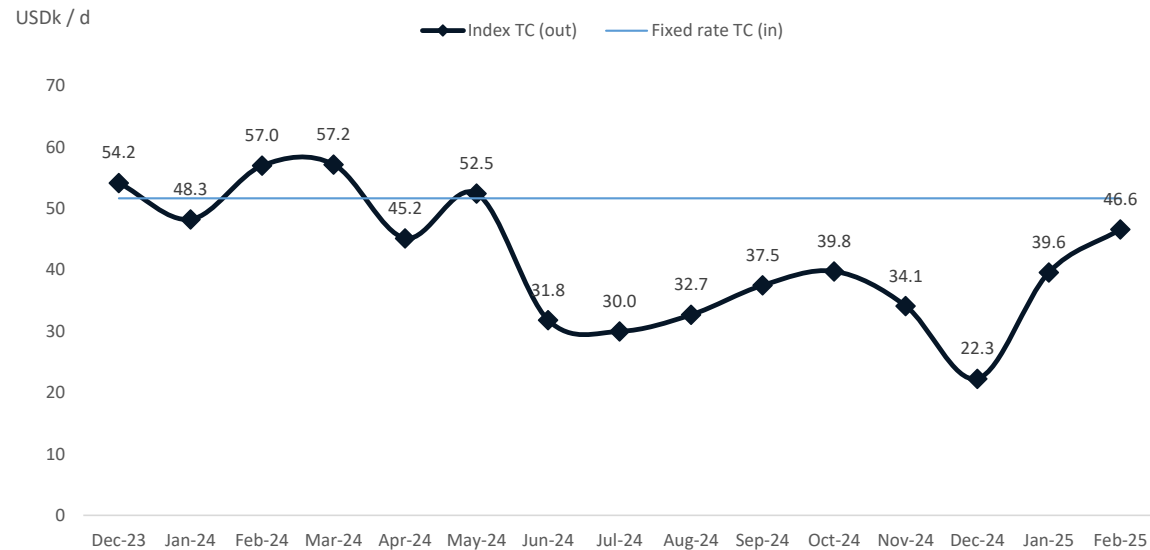
- The realized net TC result was negative USD 3.62m for the quarter, impacted by a weaker than expected tanker market
- Non-cash reversal of previous TC gains of USD 7.54m due to lower TC market rates at year end
 - Accounting rules require the value of the TC contracts to be included in the balance sheet, hence the change in the estimated value is reflected in the income statement
 - The estimated value is calculated on an NPV basis, with 1 – 3 year TC market rates as proxies for future index-linked TC rates
- Total operating expenses were USD 0.36m during the quarter, consisting primarily of run-rate G&A costs
- Index-linked TC-rates averaged USD 32,050 for the quarter
 - Average fixed TC-in rate of USD 51,750 per day
 - Average TC margin (loss) of USD (19,700) per day
 - 100% utilization, operating all available 184 days
- Index-linked TC rates have averaged USD 46,340/d so far in February, an increase of ~110% compared with December 2024
 - So far in Q1, index-linked spot rates has averaged approx. USD 42,680/d

1) Excluding unrealized non-cash TC position result (loss)

Significant rate improvement so far in Q1



Avg. TC performance (USDk/d)



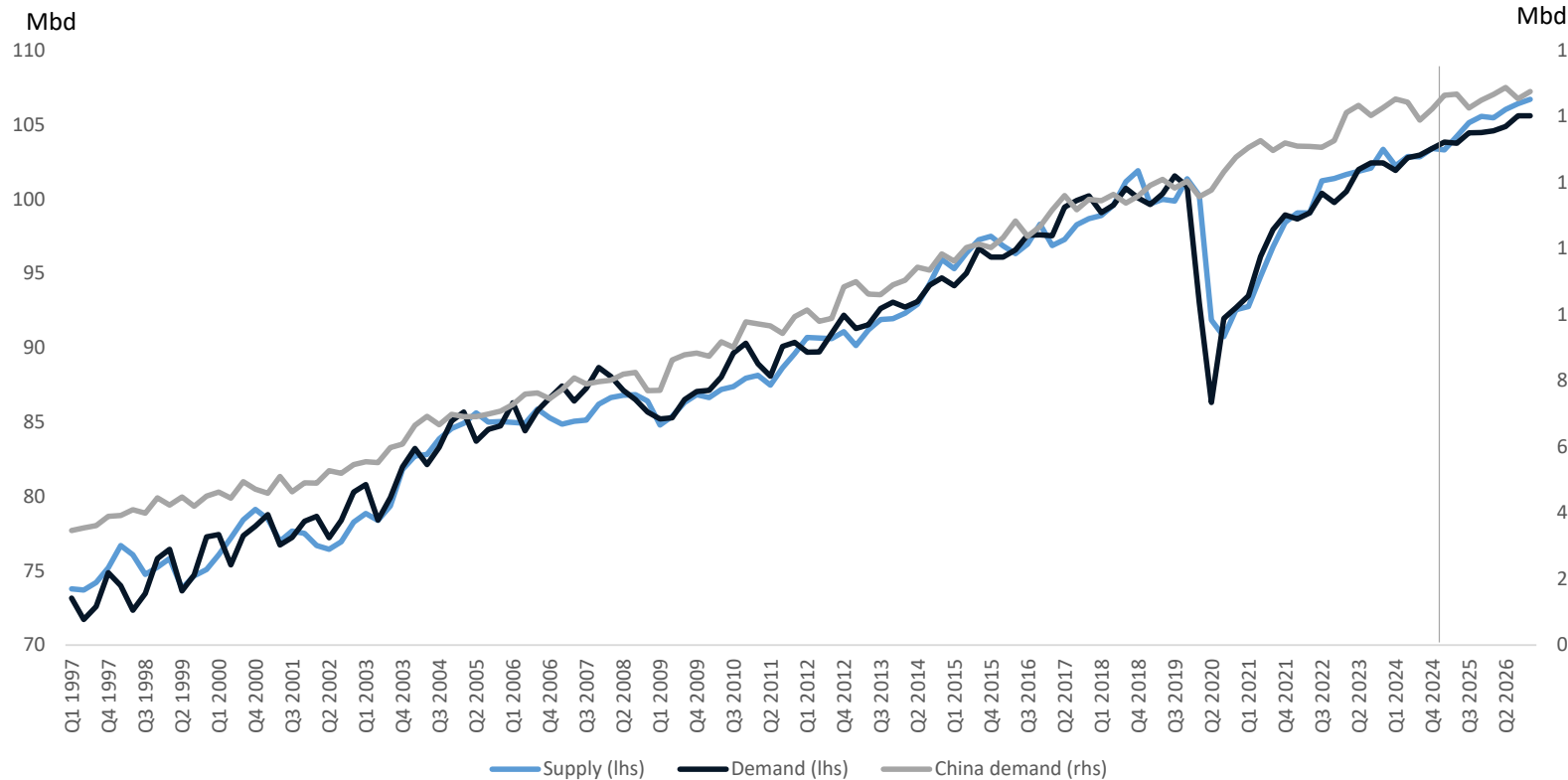
- During Q4 the VLCC market defied seasonal patterns and significantly underperformed our expectations, primarily due to growing use of the sanctioned “shadow fleet”
- Robust fundamentals and tighter enforcement of sanctions have so far led to higher rates in Q1 and a significantly improved outlook
- Index-linked TC rates have averaged USD 46,340/d so far in February, an increase of ~110% compared with December 2024
- Several factors give cause for optimism going forward
 - Oil demand and supply keep growing, implying significant ton-mile growth
 - Peace agreements could cause transition from shadow fleet to “compliant” fleet
 - U.S. sanctions of 160+ tankers to take effect from mid March
 - Maximum Pressure against Iran has potential to add demand for 50+ VLCCs
 - Aging fleet – 20% of the fleet is more than 20 years old
 - Only 4 VLCCs to be delivered in 2025, i.e. 0.4% gross fleet growth

Key TC figures	As of 26 February 2025
Avg. floating index TC-out:	USD 40,280/d
Avg. fixed rate TC-in:	USD 51,845/d
Total TC days:	803 / 803
Avg. TC end dates	Dec '26 / Mar ' 27

Oil market fundamentals remain robust



Long term global oil market trends

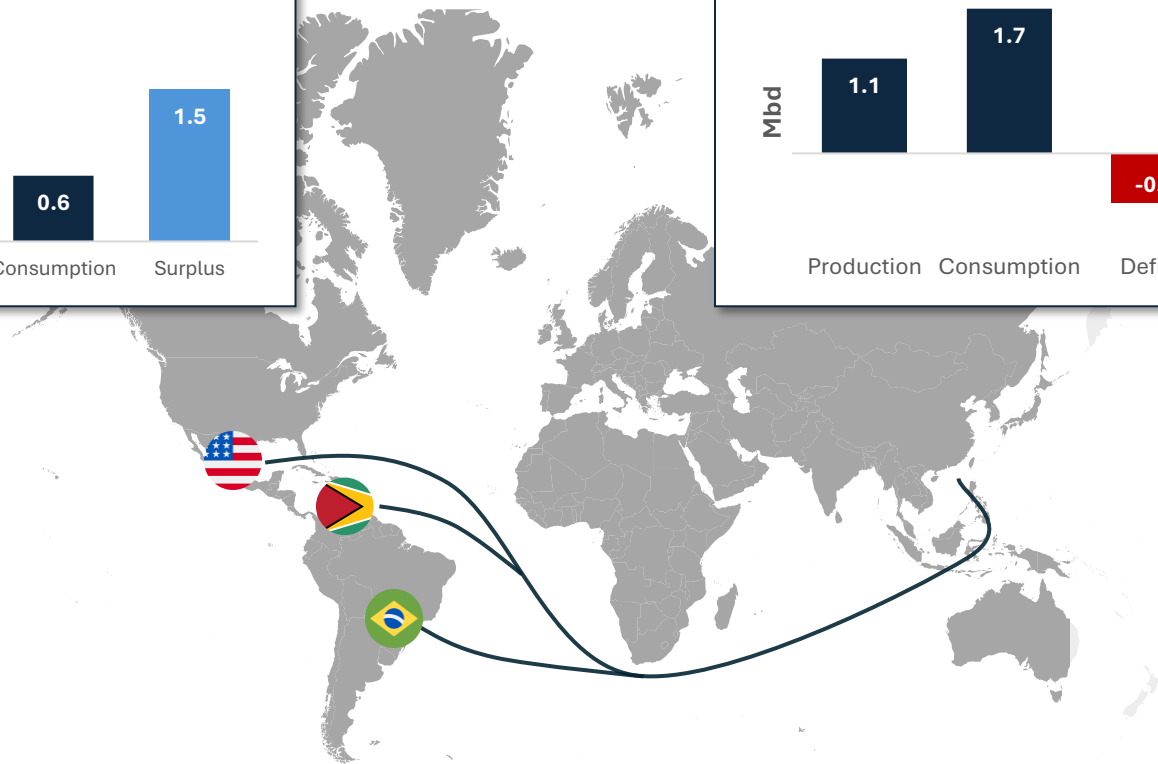
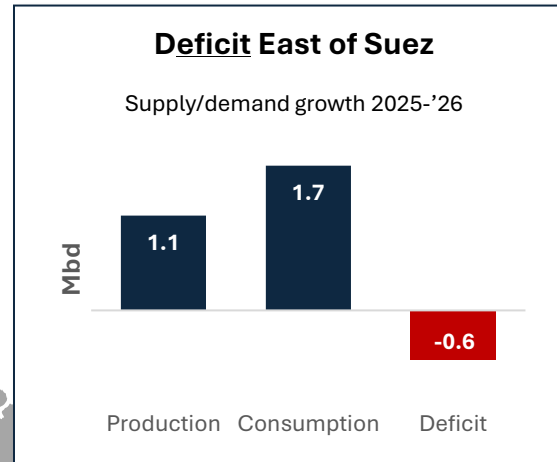
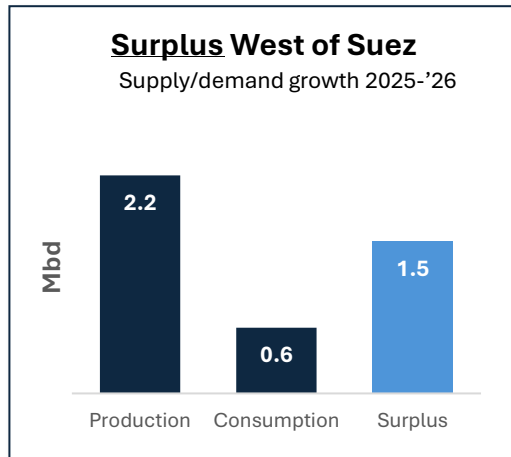


- Global oil demand is forecasted to continue to grow by around 2.4mbd over the next two years
 - The majority of the demand growth will happen in Asia, with China to account for approx. 500kbpd despite economic headwinds
- Global supply growth is expected to outpace demand with an increase of approx. 3.3mbd, likely leading to inventory builds and potential oil price contango
 - A large portion of new supply is expected to come from Atlantic producers, i.e. long-haul exports with U.S., Brazil and Guyana to account for approx. 1.4mbd

Export growth will be ton-mile intensive



Supply and demand of oil by location 2025-26

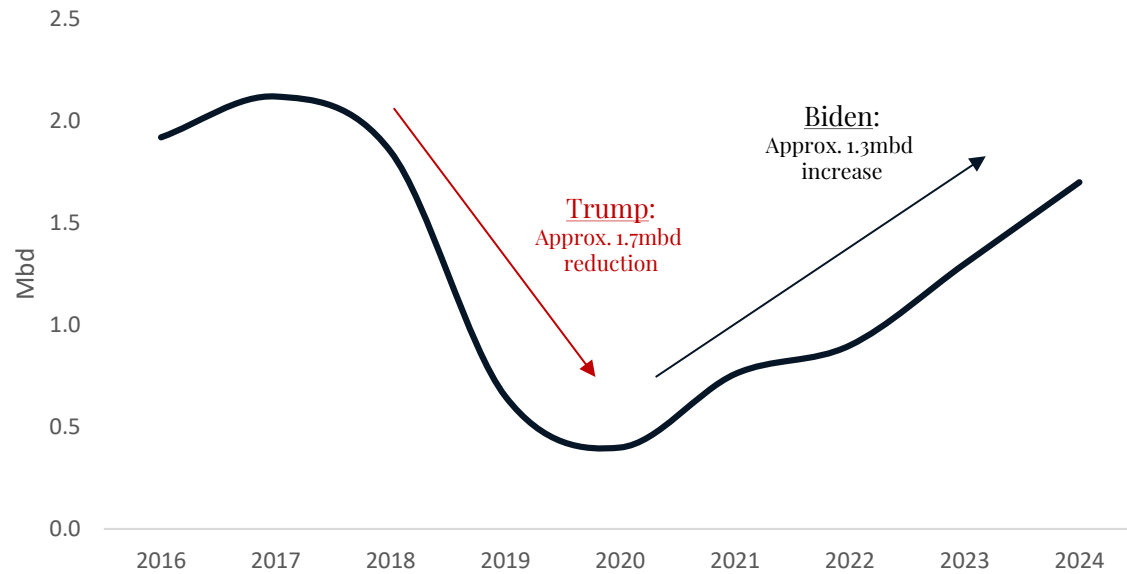


60x VLCCs could be needed¹

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

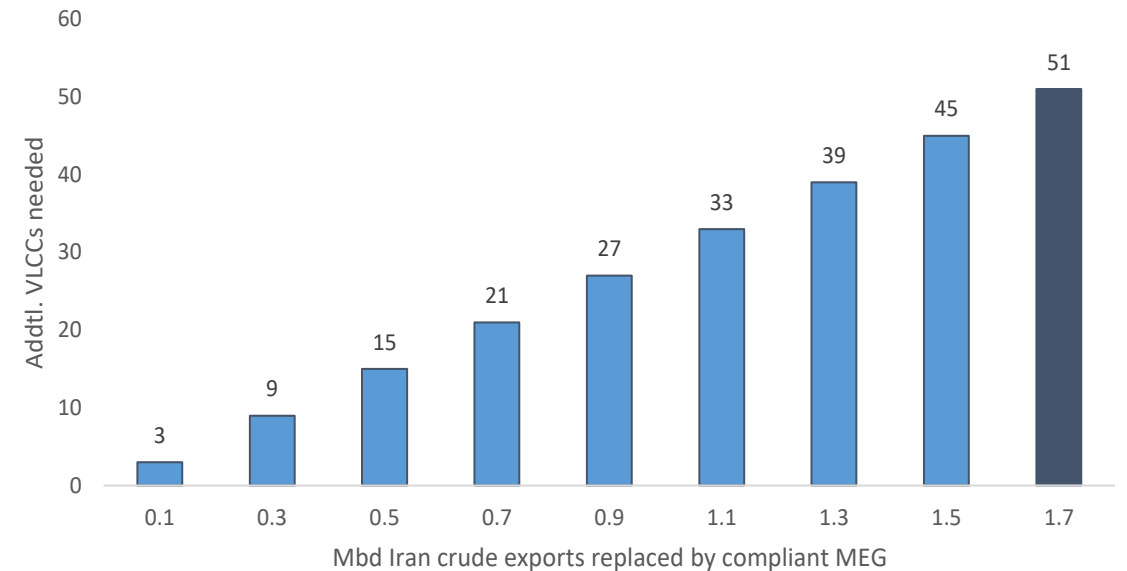
- The US, Brazil and Guyana are expected to produce 1.14mbd more than they consume in 2025-26
- If this oil surplus is exported to the Far East, as much as 60 additional VLCCs could be needed

Iranian crude oil exports p.a.



- 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

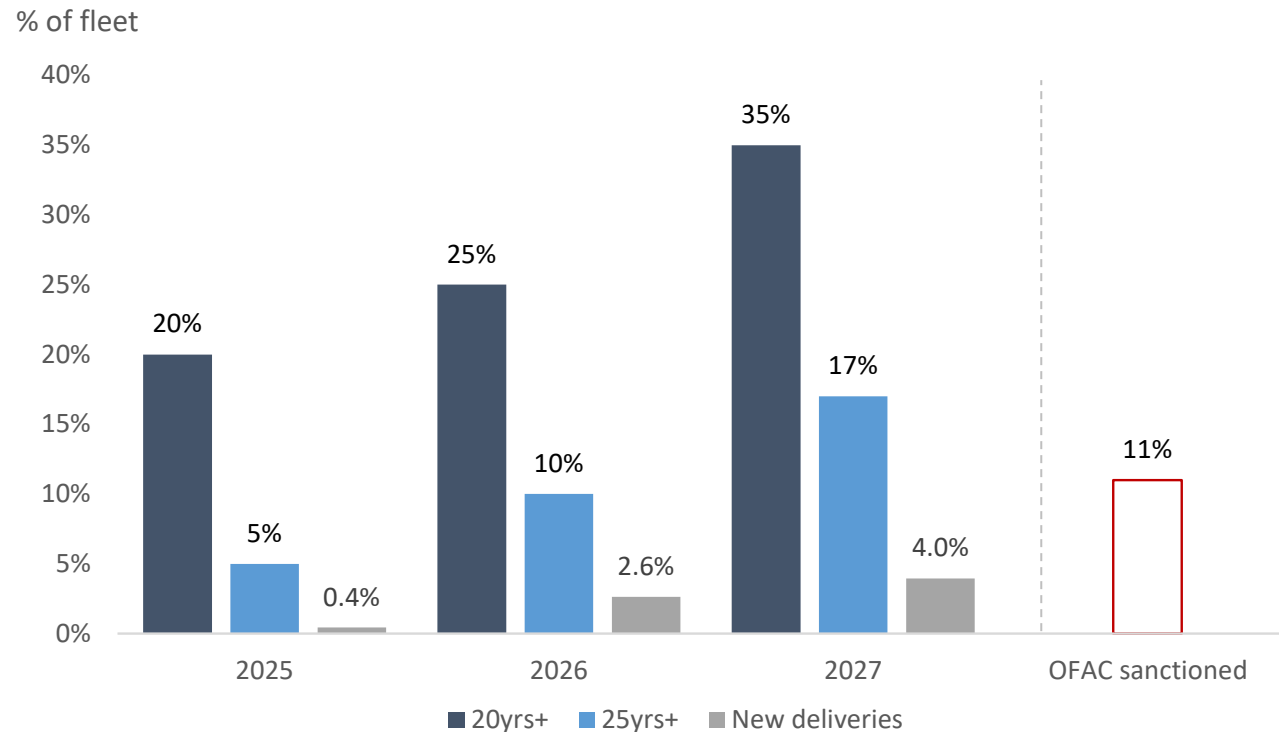


- Trump’s “Maximum Pressure” campaign against Iran aims at reducing Iranian oil exports to zero
- If this goal is achieved, and 1.7mbd of Iranian exports are replaced by compliant MEG barrels, as much as 51 additional VLCCs could be needed

Massive scrapping overhang – few deliveries



Growing potential for negative fleet growth



- Few VLCCs will be delivered during the next two years
 - Only 4 are scheduled for delivery this year, while 24 are in the books for 2026
- In 2026 more than 200 VLCCs, or around 25% of the fleet, will be 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, i.e. unlikely to return to commercial trading
 - Recent data suggests increased willingness from owners of “shadow” tonnage to accept steep discounts to market scrap prices
- In the last 10 and 20 years, an average of approx. 38 VLCCs have been delivered per year

Strong oil market fundamentals

Longer sailing distances

Maximum Pressure all over - Sanctions to take effect

Few deliveries and aging fleet – potentially negative fleet growth

Financial statements – Q4 2024



Income statement – Q4 2024

(Unaudited figures in USD 1 000)	Quarters			Year to date	
	4Q 2024	4Q 2023	Note	12/31/2024	31.12.2023
Revenues					
Net realized time chartering result	-3,625	52	7	-8,302	52
Unrealized change in fair value of time charters	-7,537	1,782	7	-1,832	1,782
Other income	3	121		10	121
Total revenues	-11,158	1,955		-10,124	1,955
Operating expenses					
Depreciation and amortisation expense	18	19		73	74
Other operating expenses	29	17	7	456	17
General and administrative expenses	309	384		1,434	1,324
Total operating expenses	356	420		1,962	1,415
Operating profit (loss) from continuing operations	-11,514	1,535		-12,086	540
Net financial income (loss)	103	520		215	-134
Profit (loss) before taxes from continuing operations	-11,411	2,055		-11,871	406
Tax on ordinary result	0	0		0	0
Net profit (loss) from continuing operations	-11,411	2,055		-11,871	406
Discontinued operations					
Net profit (loss) from discontinued operations	0	8		0	893
Net profit (loss)	-11,411	2,063		-11,871	1,299
Earnings per share discontinued operations	0.00	0.00		-0.09	0.01
Earnings per share diluted discontinued operations	0.00	0.00		-0.09	0.01
Earnings per share continuing operations	-0.08	0.02		-0.10	0.01
Earnings per share diluted continuing operations	-0.08	0.02		-0.10	0.01
(Unaudited figures in USD 1 000)					
	Quarters			Year to date	
	4Q 2024	4Q 2023		12/31/2024	31.12.2023
Net profit (loss)	-11,411	2,055		-11,871	406
Other comprehensive income, items to be reclassified to profit & loss					
Translation differences	0	0		0	0
Comprehensive income for the period from continuing operations	-11,411	2,055		-11,871	406
Total comprehensive income attributable to:					
Equity holders of the parent	-11,411	2,055		-11,871	406
Total comprehensive income from continuing operations	-11,411	2,055		-11,871	406

Balance sheet – Q4 2024

(Unaudited figures in USD 1 000)	Note	12/31/2024	9/30/2024	12/31/2023
NON-CURRENT ASSETS				
Other intangible assets		12	12	0
Total intangible assets		12	12	0
Other tangible assets	5	192	190	78
Investment in shares		429	492	492
TOTAL NON-CURRENT ASSETS		634	694	570
CURRENT ASSETS				
Trade and other receivables		0	0	0
Other short-term financial assets	6	4,693	4,628	2,500
Back-to-back time charters	7	-50	7,487	1,782
Other short-term assets		45	17	424
Total current assets		4,688	12,131	4,706
Cash and cash equivalents		7,794	10,527	3,236
TOTAL CURRENT ASSETS		12,483	22,658	7,942
TOTAL ASSETS		13,116	23,352	8,512
Equity and Liabilities				
EQUITY				
Share capital (134,825,243 shares)	2	508	508	180
Own shares	2	0	0	0
Share premium	2	15,960	15,960	1,897
Other equity		-5,753	5,657	6,118
TOTAL EQUITY		10,715	22,125	8,195
LIABILITIES				
Interest-bearing debt		126	0	11
Total non-current liabilities		126	0	11
Trade payables		1,632	467	121
Accrued public charges and indirect taxes		191	31	41
Current portion of interest-bearing debt		63	188	67
Other current liabilities		390	542	77
Total current liabilities		2,275	1,227	306
TOTAL LIABILITIES		2,401	1,227	317
TOTAL EQUITY AND LIABILITIES		13,116	23,352	8,512

Financial statements – Q4 2024



Cash flow statement – Q4 2024

<i>(Unaudited figures in USD 1 000)</i>	4Q 2024	4Q 2023	Note	12/31/2024	12/31/2023
Profit (loss) before taxes continuing operations	-11,411	2,055		-11,871	406
Net profit (loss) before tax discontinued operations	0	8		0	893
Profit (loss) before tax	-11,411	2,063		-11,871	1,299
Depreciation	18	19		73	74
Financial income	-352	-433		-532	-454
Financial expenses	2	1		4	6
Change in accounts receivables and accounts payables	1,165	66		1,511	2,209
Change in working capital items	7,517	-1,714		2,672	-3,851
Net cash flow from operating activities	-3,062	2		-8,143	-717
Investments in PP & E	0	-3		-12	-4
Interest received	352	433		532	454
Investments in other financial investments	-2	-2,984		-2,130	-2,992
Net cash flow to investment activities	350	-2,554		-1,609	-2,542
Interest paid	-2	-1		-4	-6
Installment leasing-debt (IFRS 16)	-19	-19		-77	-74
Capital contribution	0	1,951		14,391	1,951
Dividend paid	0	0		0	-132,243
Net cash flow from financing activities	-21	1,932		14,311	-130,372
Total net changes in cash flow	-2,732	-620		4,558	-133,630
Currency effect on cash	0	0		0	0
Cash and cash equivalents beginning of period	10,527	3,855		3,236	136,866
Cash and cash equivalents end of period	7,795	3,235		7,794	3,236

Changes to equity – Q4 2024

<i>(Unaudited figures in USD 1 000)</i>	Note	Share Capital	Own Shares	Share premium	Currency translation	Retained earnings	Total equity
Equity as of 01.01.2023		126	-2	0	-2,289	140,603	138,438
Net profit 2023						1,299	1,299
Other comprehensive income						0	0
Total comprehensive income 2023						1,299	1,299
Dividend paid				0	0	-132,243	-132,243
Private placement 6 December 2023		54	0	1,897	0	0	1,951
Exercise of options		0	2	0	0	-1,291	-1,289
Share based payment				0	0	40	40
Equity as of 31.12.2023		180	0	1,897	-2,289	8,407	8,195
Net profit 2024						-11,871	-11,871
Other comprehensive income						0	0
Total comprehensive income 2024						-11,871	-11,871
Private placement 6 February 2024		252		10,986	0	0	11,238
Private placement 13 March 2024		76		3,077	0	0	3,153
Equity as of 31.12.2024		508	0	15,960	-2,289	-3,464	10,715

1. Accounting principles

These condensed interim financial statements of Hunter Group were authorized for issue by the Board of Directors on 26 February 2025.

The interim condensed consolidated financial statements for the three and twelve months ending 31 December 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of 31 December 2023.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

2. Equity transactions

On 19 January 2023, the General Assembly approved the proposal from the Board of Directors of 29 December 2022 to distribute a total dividend NOK 2.31 per share of which NOK 0.51 was conducted as a reduction of the Company's equity capital, while the NOK 1.80 per share dividend was distributed as earned capital.

On February 14, 2023, leading employees of the Company exercised all of their options for 7,850,000 shares in the Company.

On 4 July 2023 a reverse share split of 20:1 ratio was registered with the Norwegian Register of Business Enterprises according to the General Assembly decision. Following the registration, the share capital of the Company is NOK 1,100,000 (rounded) divided into 28,768,101 shares, each with a nominal value of NOK 0.038 (rounded).

The exercising of the options for the primary insiders in February 2023 resulted in an equity effect of NOK 1.25 million. The reclassification from General and administrative expenses to equity was performed in 3Q 2023 with effect from February 2023.

On 6 December 2023 the private placement of 14,333,333 new shares at a subscription price of NOK 1.50 was registered.

On 6 February 2024 the private placement of 70,857,143 new shares at a subscription price of NOK 1.75 raised gross proceeds of approximately USD 12 million.

Hunter Group ASA registered on 13 March 2024 a private placement of 6,666,666 new shares, each at an offer price of NOK 1.50, and 14,200,000 new shares, each at an offer price of NOK 1.75. The Company's new share capital is NOK 5,155,285.33, divided into 134,825,243 shares, each with a nominal value of NOK 0.038 (rounded).

3. Segment information

The Group operates 1 segment that focuses on the administration of back-to-back charterparties for VLCCs based on floating index-linked charter-out rates less fixed charter-in rates.

Notes to the financial statements – Q4 2024



4. Transactions with related parties

The following table provides the total amount of transactions with related parties affiliated with the board or the executive management of Hunter Group ASA for 2024. All related party transactions have been entered into on an arm's length basis.

Transactions with related parties	31.12.2024	31.12.2023
Purchased services in USD 1 000	0	13

The Group has used the services of the law firm Ro Sommernes DA for legal advice in 2023. The Company's former chairman Henrik Christensen (until March 2023) is a partner in Ro Sommernes DA.

The Company rents office space from Dronningen Eiendom AS, a company owned by Sundt AS, a previous shareholder in the Company. The rental agreement is for 36 months, and the contract was renewed for an additional 36 months starting from 1 November 2024.

5. Property, plant & equipment

(Unaudited figures in USD 1 000)

Per 31 December 2024	IFRS 16 PP&E	Other tangible assets	Other intangible assets	Total
Cost at 1 January 2024	223	22	0	421
Additions	188	0	12	200
Sales	0	0	0	0
Cost at 31 December 2024	411	22	12	445
Accumulated depreciations at 31 December 2024	-222	-18	0	-347
Book value at 31 December 2024	189	4	12	205
This year's depreciation	73	0	0	73

6. Investments in other financial assets

In 4Q 2023 the Group invested USD 492 thousand for 4 % in Njord Bay AS. Njord Bay AS owns the vessel MV Baltic Bay.

In connection with the TC contracts, the Company has provided a security deposit of USD 2.5 million in an account at Mercuria, and a security deposit of USD 2.0 million in an account at Trafigura. The security deposits is earning interests and is restricted until the end of the charter parties.

The fair value of the TC contracts is calculated as the net present value of the expected floating index-linked spot rate above the fixed rate. 1 year and three-year TC market rates are used as a proxy for future spot rates. Broker commission is 1 % of the realized spot rate income.

7. Revenues and other income

	4Q YTD 2024	3Q YTD 2024	2Q YTD 2024	1Q 2024	2023
Realized floating index-linked spot rates	25 812	19 915	13 777	5 903	1 655
Paid fixed rates	-34 113	-24 591	-15 069	-5 651	-1 603
Broker commission (1 % of realized floating index-linked spot rates)	-258	-199	-138	-59	-17
Net realized result from lease-leaseback	-8 560	-4 876	-1 430	193	35
Change in fair value of the three-year back-to-back charterparty	-1 832	5 704	7 816	6 291	1 782

Financial assets at fair value through profit or loss	31.12.2024	30.09.2024	30.06.2024	31.03.2024	31.12.2023
Three-year back-to-back charterparty eco-designed and scrubber fitted VLCC	-50	7 487	9 599	8 073	1 782

Financial assets at fair value through profit or loss consist of two three-year back-to-back charterparty on an eco-design and scrubber fitted VLCCs, with internationally renowned counterparties. The Company charters in the vessels on average fixed rates of USD 51,750 per day, while chartering the vessels out on floating index-linked spot rates. The index-linked spot rates are based on the recognized VLCC benchmark TD3C. The vessels were delivered in December 2023 and March 2024.

8. Subsequent events

No subsequent events to report



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