Fourth quarter 2019 presentation

6 March 2019

Save a tree – presentation can be found at www.huntergroup.no

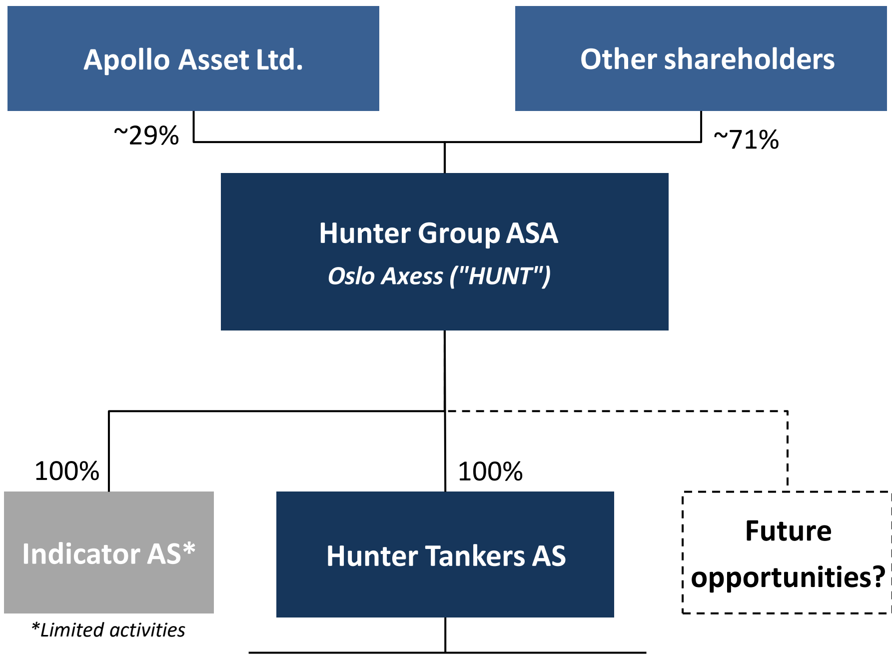
Forward Looking Statements

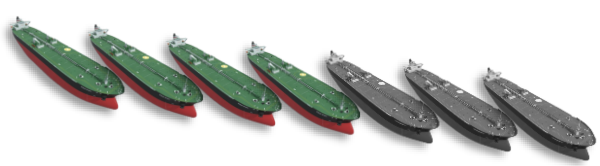
CERTAIN STATEMENTS INCLUDED IN THIS DOCUMENT CONTAIN FORWARD-LOOKING STATEMENTS. FORWARD-LOOKING STATEMENTS INCLUDE STATEMENTS CONCERNING PLANS, OBJECTIVES, GOALS, STRATEGIES, FUTURE EVENTS OR PERFORMANCE, AND UNDERLYING ASSUMPTIONS AND OTHER STATEMENTS, WHICH ARE OTHER THAN STATEMENTS OF HISTORICAL 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.

Hunter Group ASA – A publicly traded investment company

Company overview





4x VLCCs on the water
3x VLCC delivering Q2-Q3 '20

Top 10 shareholders (as of 5 March 2020)

Investor	Shares (m)	Ownership
APOLLO ASSET LIMITED	168	29.1%
SONGA	50	8.6%
SUNDT AS	46	7.9%
SWAP INVEST AS	16	2.7%
BNP PARIBAS SECURITIES SERVICES	15	2.6%
VERDIPAPIRFONDET DNB SMB	9	1.6%
VERDIPAPIRFONDET FONDSFINANS NORGE	8	1.3%
VERDIPAPIRFONDET NORDEA KAPITAL	7	1.2%
NORDNET LIVSFORSIKRING AS	6	1.0%
HALVORSENS FABRIKK AS	6	1.0%
Sum top 10	**328**	**57.0%**
Total	**575**	**43.0%**

- Owns 7x ECO scrubber-fitted VLCC newbuilds from DSME, ordered for avg. all-in price of ~$86m
  - Sister vessel recently sold for $106m
- Superior access to cargo flow provided by Tankers International, the world's largest VLCC pool
- Quality and bespoke technical management services provided by OSM in Arendal

Q4 2019 highlights

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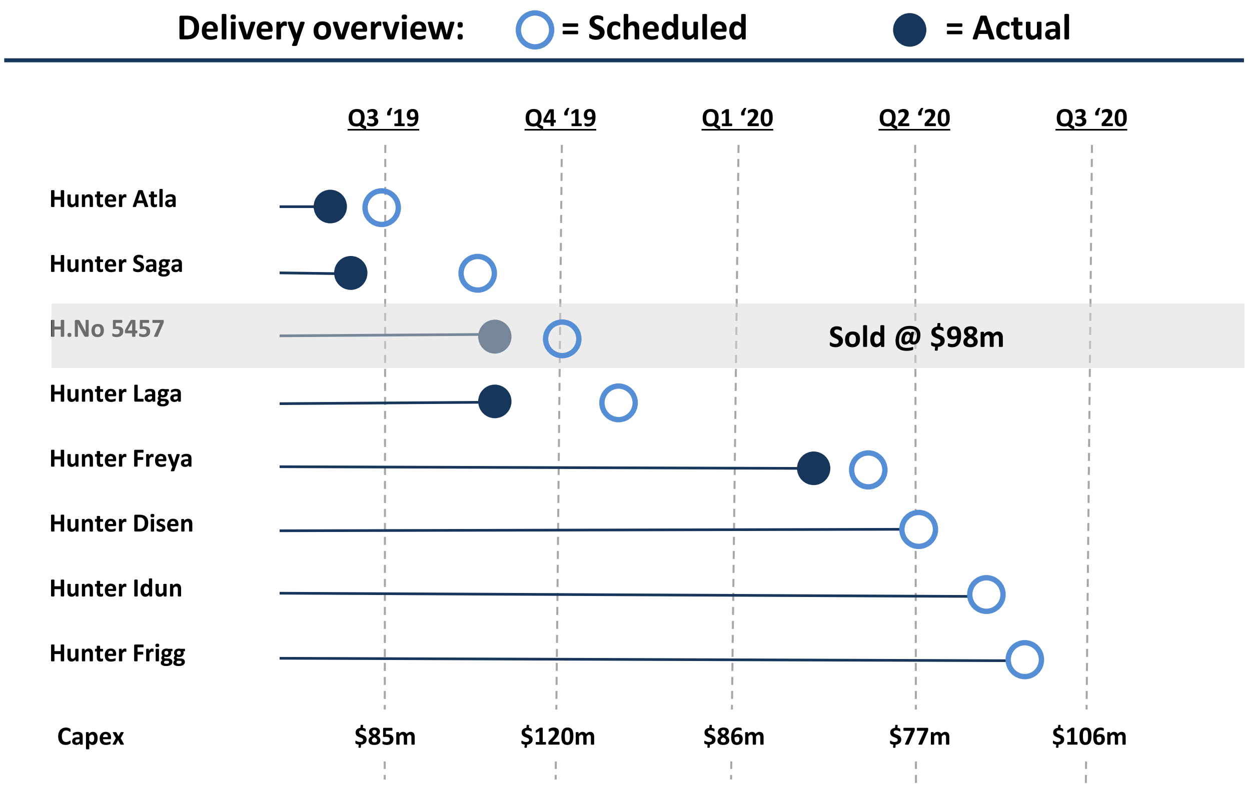
Key events

- Took delivery of Hunter Saga and Hunter Laga, 40 and 80 days ahead of schedule, respectively, significantly improving Q4 earnings power
- Completed the sale of H.No. 5457 for $98m, resulting in gain of $12.3m and positive cash effect of $46.1m
- Secured a $220 million takeout loan for the remaining four vessels with 275bps margin and 16-year repayment profile
- Fourth quarter daily pool revenues of $66,600
- As of 28 February 2020, 70% of available pool days had been booked at an average TCE of approx. $88,300

Q4 2019 financial highlights	
Operating days	231
Pool days	181
Revenue	**$24.4m**
Pool revenue	*$12.0m*
Gain on sale	*$12.3m*
Operating expenses	**3.4m**
Opex incl. insurance	*1.4m*
Cash based G&A	*0.2m*
"Start-up" voyage expenses	*1.97m*
Net income	**$16.1m**
Yard instalments	$120m
Remaining capex	$269m
Cash balance	$52.5m
Interest-bearing debt	$180.0m

Deliveries ahead of schedule improving earnings power



- All four deliveries so far taken place ahead of original schedule
  - Hunter Atla: 37 days
  - Hunter Saga: 40 days
  - Hunter Laga: 80 days
  - Hunter Freya: 18 days

Increasing earnings power by a combined 175 days

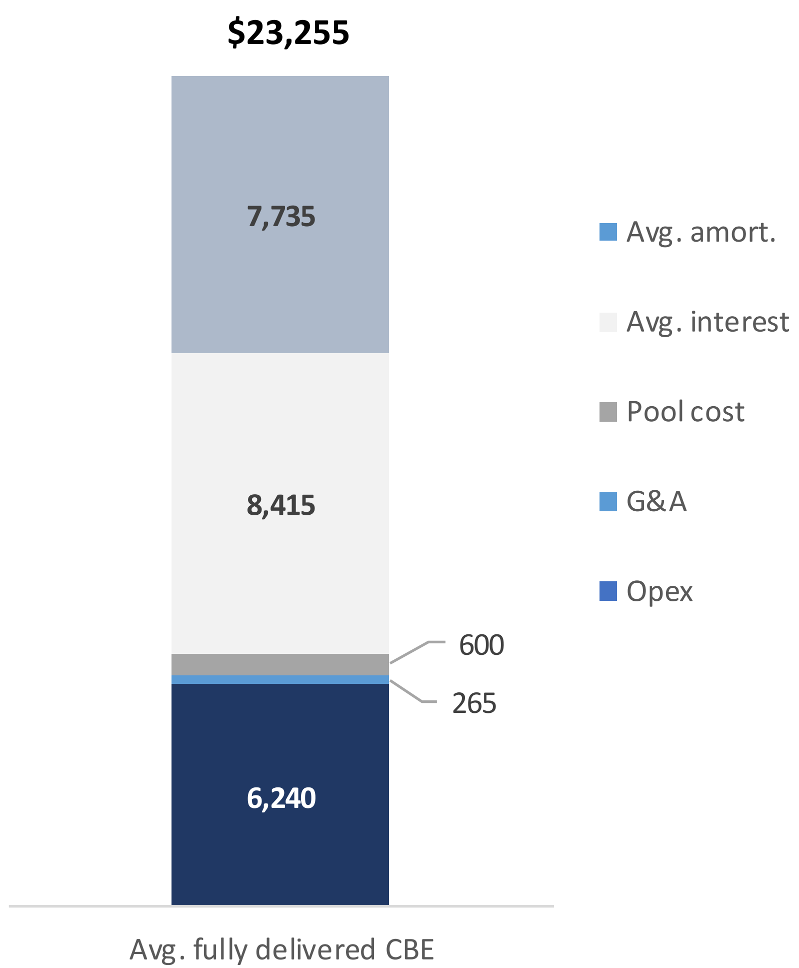
Fully delivered cash breakeven of $23,255 per day

- Opex of $6,240/day per day, including insurance
- G&A of $265/day per vessel on fully delivered basis
- Pool cost of $600 per vessel per day
- Three vessels on 180m sale leaseback to SFL at $19,500/day, with full flexibility
  - 7% all in interest cost
  - 20-year repayment profile
- Four vessels financed by $220m facility with
  - 3M Libor + 275bps
  - 16 year repayment profile

Cash breakeven of $23,255 per day - fully delivered

~Equal to worldscale 30-35 on benchmark AG-East route

Average fully delivered cash breakeven



Wide dayrate differentials depending on age and fuel…

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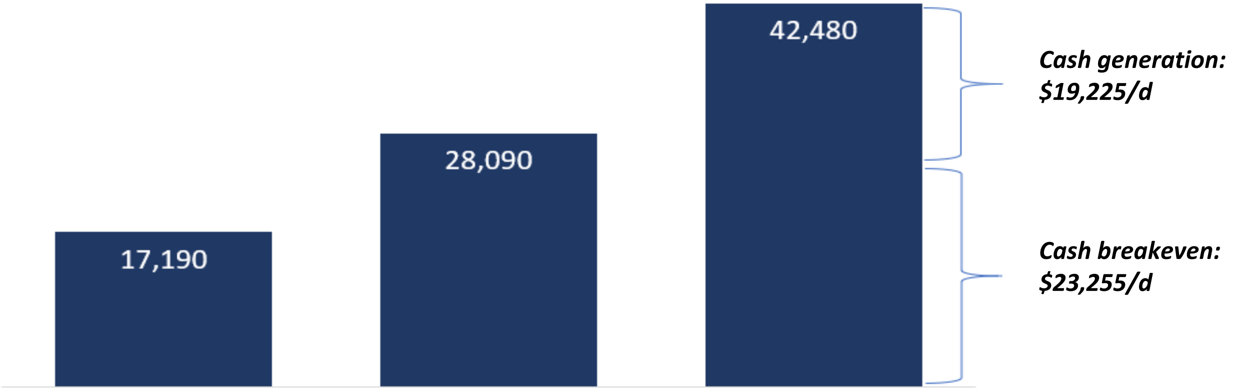
Current dayrates for AG-China voyage @ WS49.5

Devon 2002 built wo. scrubber

"Benchmark" 2010 built wo. scrubber

Hunter Freya

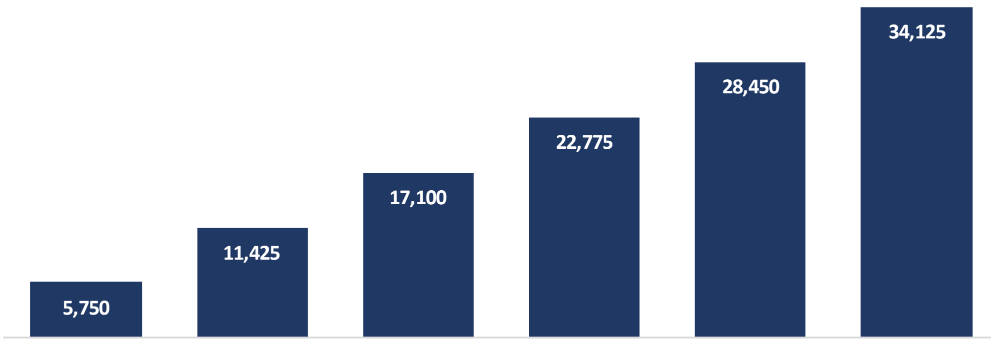


Avg. consumption	*Tons/day*	*90*	*65*	*45*
Fuel type	*-*	*VLSFO*	*VLSFO*	*HSFO*
Fuel price	*$/ton*	*436*	*436*	*310*
Worldscale rate	%	49.5	49.5	49.5
Flat rate	$/ton	19	19	19
Cargo amount	Tons	270,000	270,000	270,000
Gross freight	**USD**	**2,539,350**	**2,539,350**	**2,539,350**
Demurrage	"	250,000	250,000	250,000
Port/broker cost	"	-250,000	-250,000	-250,000
Fuel cost	"	-1,765,800	-1,275,300	-627,750
Net freight	**"**	**773,550**	**1,264,050**	**1,911,600**
Trip duration	Days	45	45	45
Dayrate		**17,190**	**28,090**	**42,480**

Source: Company, Fearnleys

Substantial savings to be had - also on lower spreads

Hunter Freya fuel savings vs. benchmark VLCC ($/day)



Spread	$/t	0	75	150	225	300	375
HSFO	“	250	350	450	550	650	750
VLSFO	“	250	275	300	325	350	375

- Quoted VLCC dayrates are on the basis of a 10-year old “benchmark” vessel
- 2010-built vessels were ordered in a market environment where fuel efficiency was less important
- Hence, dayrates for modern scrubber-equipped VLCCs are higher

Hunter Freya

VS

“Benchmark” 2010 built w.o. scrubber

Avg consumption: 45 tons HSFO per day — 60 tons of VLSFO per day

Expect rebound from recent market weakness

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So far in 2020

- 41 new vessels absorbed in market
  - 15 newbuildings so far in 2020
  - 26 Cosco VLCCs reentered the fleet
- Seasonal weakness with Lunar new year and refinery maintenance
- Coronavirus causing drop in Chinese oil demand of 3-5mbd
  - 87% reduction in road travel post lunar new year
  - 83% reduction in rail travel - “ -
  - 77% air travel - “ -

Modern scrubber equipped vessels bottomed at ~$30,000day

What to expect going forward

- Chinese coronavirus situation under control, and people are returning to work
- 3.5 trillion yuan ($505bn) Chinese stimulus pledged so far
  - 7 out of 31 provincial governments
- Will lead to catch-up effect to regain lost activity
- 103 VLCCs scheduled for scrubber retrofits
- Low fleet growth and a high number of older vessels are cash flow negative in current environment
- No new vessel orders due to regulatory uncertainty around future decarbonization requirements

All time low orderbook and non-existent new ordering

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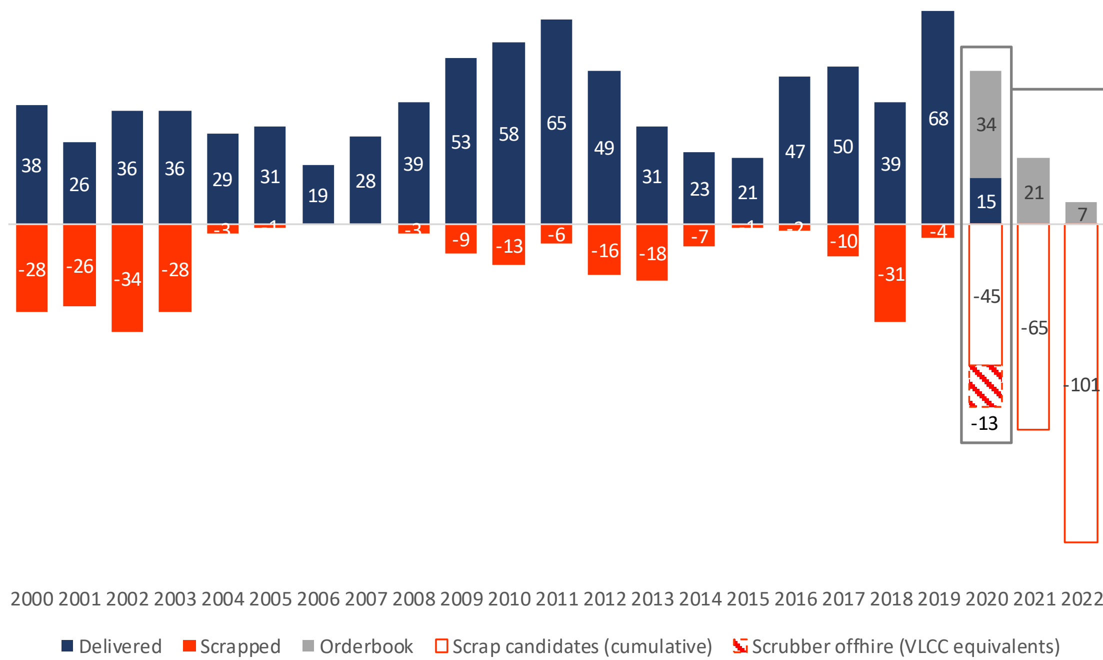
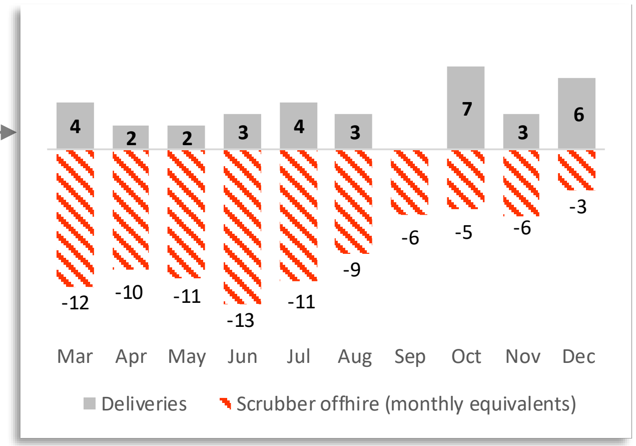
Fleet overview



Rem. 2020 deliveries and scrubber offhire*



** VLCC equivalents basis 45 days for scrubber installation*

- 801 VLCCs currently on the water
- All time low orderbook of ~7.7%, with 62 VLCCs
- 101 VLCCs turning 20 years old or more by 2022, equal to 12.6% of current fleet
- 103 VLCCs scheduled for scrubber retrofit in 2020, equal to 13 VLCC years assuming 45 days in drydock
- Limited new orders due to uncertainty around decarbonization requirements
  - LNG dual fuel VLCCs currently priced with $15-20m premium

Source: Company, Fearnleys

God must be a shipowner…

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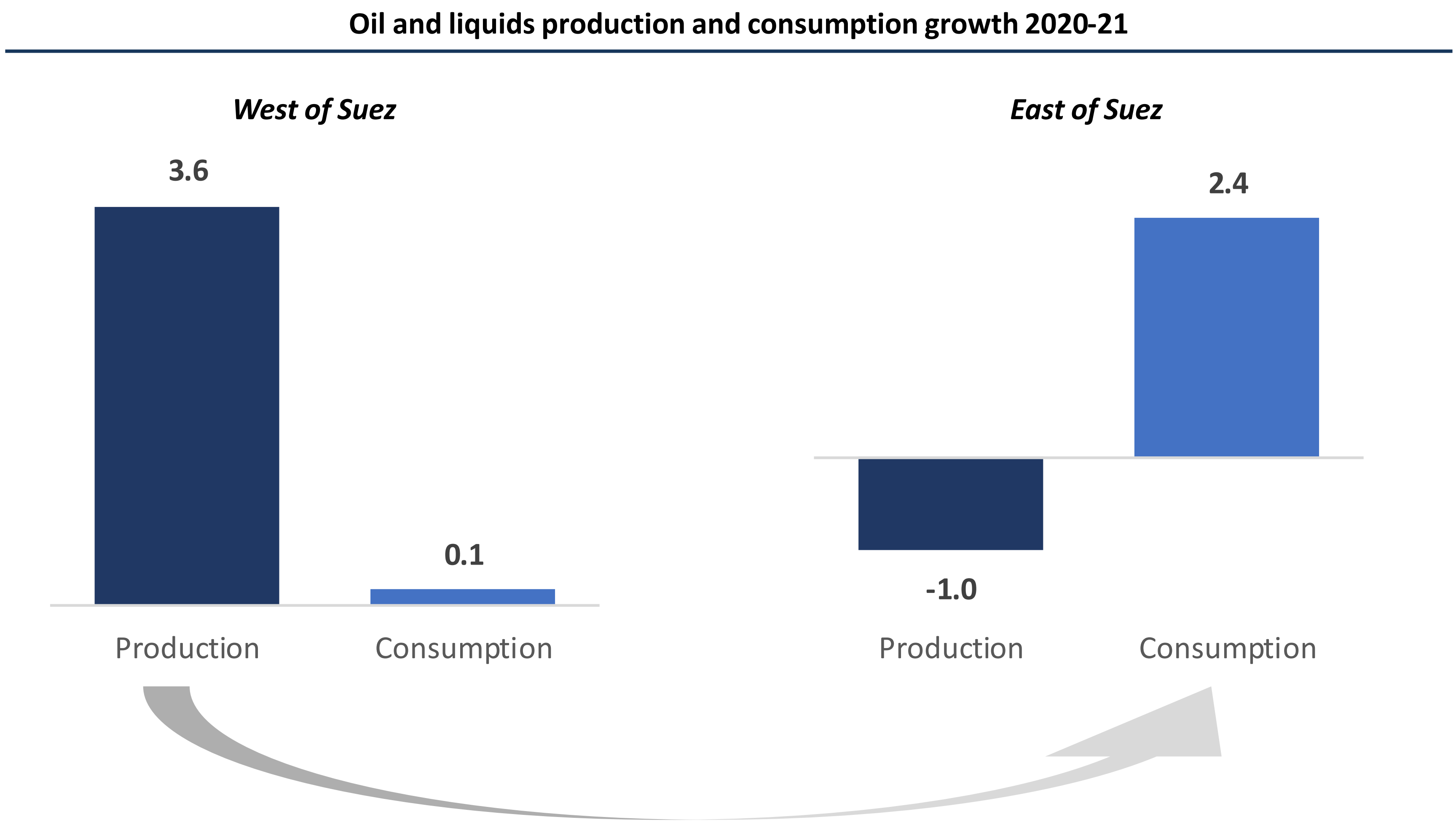

Requires seaborne transportation

Production growth next ~2 years to require ~160 VLCCs

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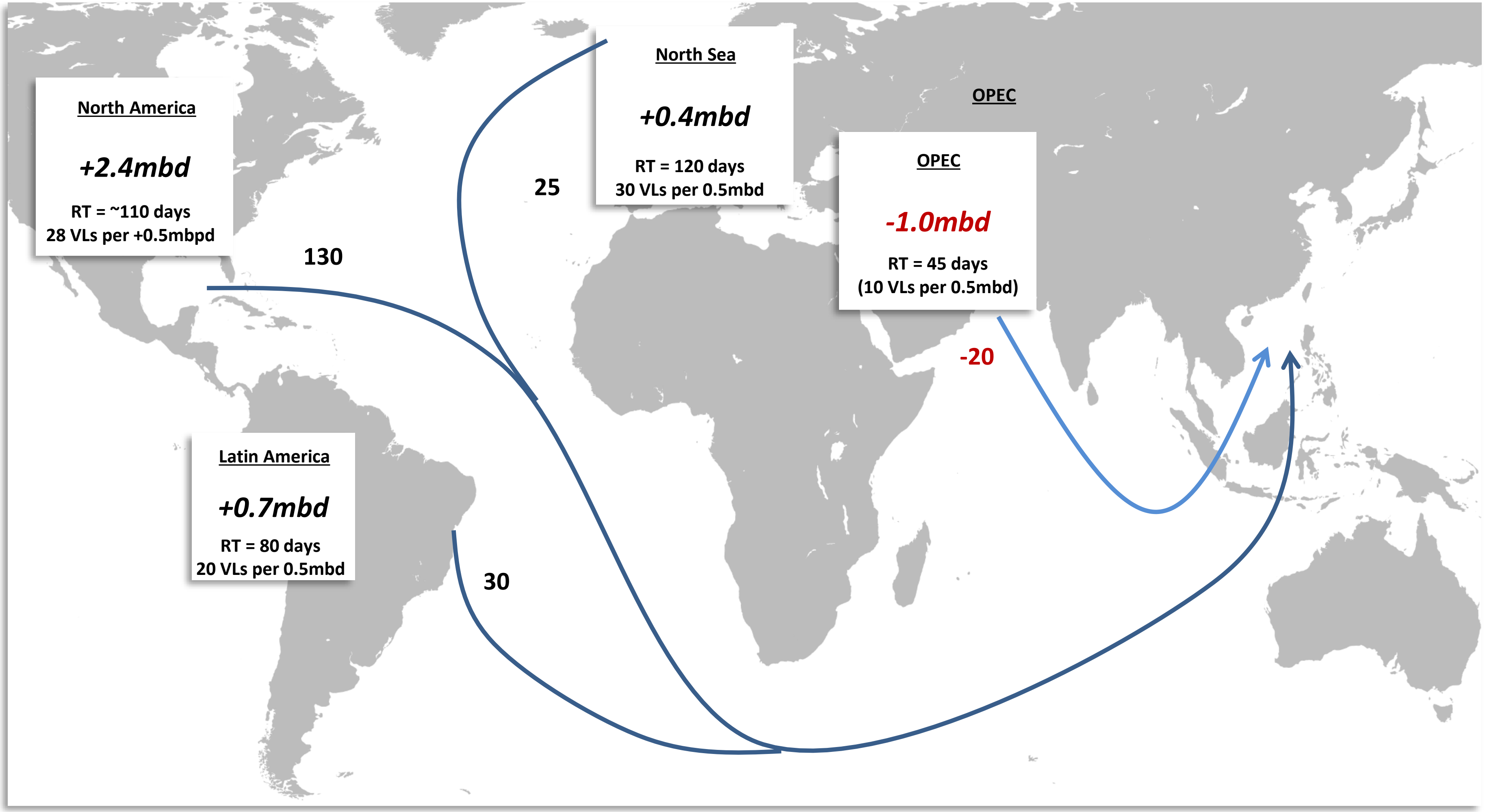
US/MEG/NS oil production growth 2020-21 and VLCCs required



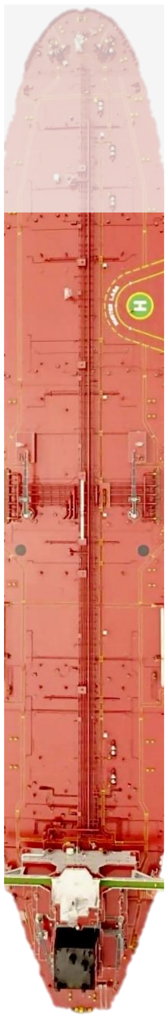
At NOK 3.5/share - Hunter VLCCs valued at 87m

Implied pricing per VLCC

Last close	NOK	3.5
USDNOK	x	9.3
Shares (fully dil)*	Million	592
Market cap	**USDm**	**223**
Cash	"	53
Net other*	"	12
Interest bearing debt	"	180
Remaining capex	"	269
EV	"	**608**
VLCCs	#	7
Implied value per VLCC	**USDm**	**87**

** Adj. for warrants/options*

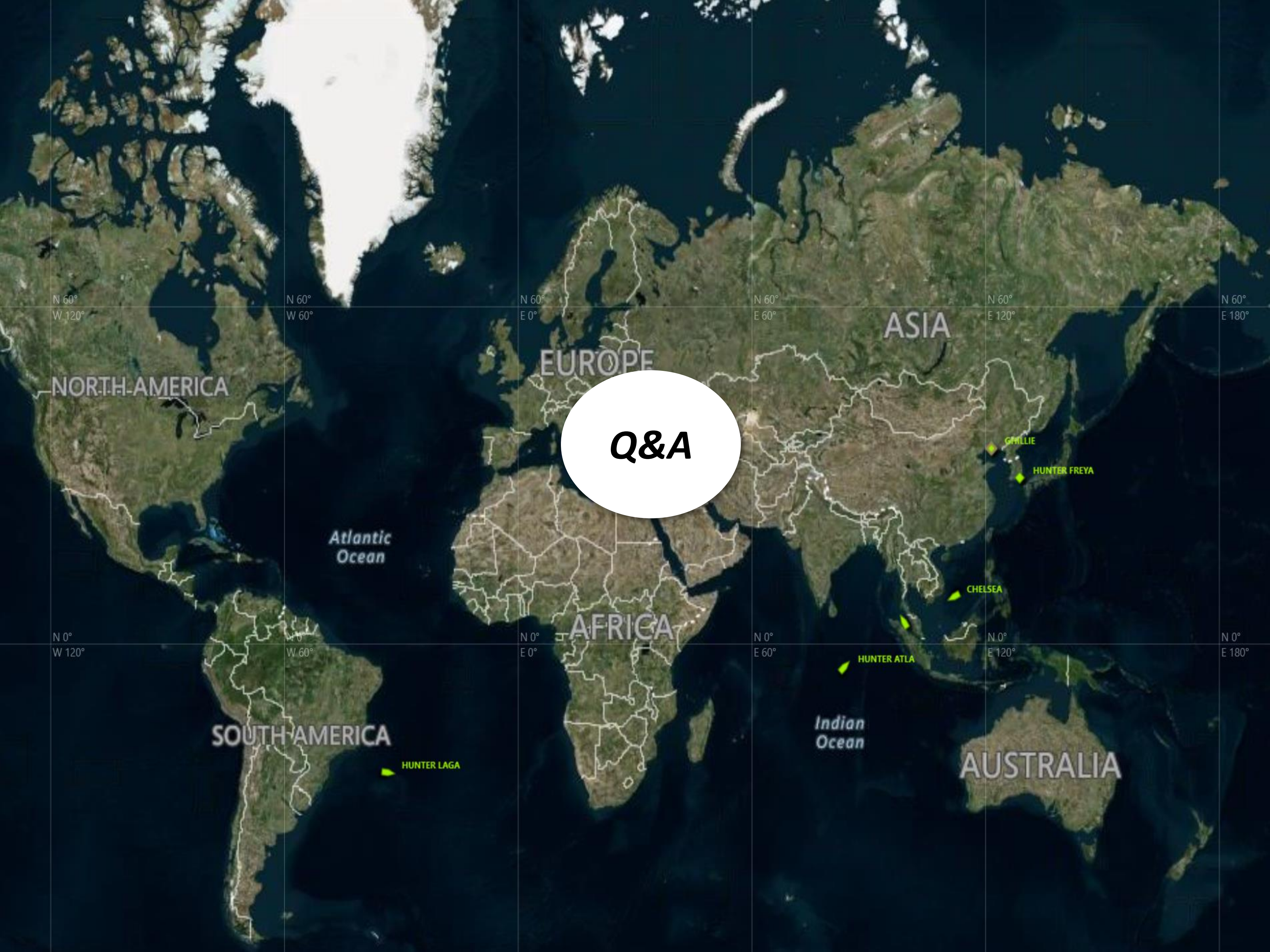
FMV $103.5
avg. two brokers



$16.5m = 16% discount

~$87m = 84% of FMV

Q&A


NORTH AMERICA
EUROPE
ASIA
AFRICA
SOUTH AMERICA
AUSTRALIA
Atlantic Ocean
Indian Ocean
GHILLIE
HUNTER FREYA
CHELSEA
HUNTER ATLA
HUNTER LAGA
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P&L

(Unaudited figures in USD 1 000)	Quarters Q4 2019	Q4 2018	Note	Year to date 12/31/2019	12/31/2018
Continuing operations					
Revenues					
Pool revenues	12,026	0	8	12,026	0
Other income	97	52	5, 7	378	52
Net gain on sale of assets	12,308	0		12,308	0
Total Revenues	**24,431**	**52**		**24,712**	**52**
Operating expenses					
Vessel operating expenses	1,442	0		1,442	0
Voyage expenses	1,968	0	1	1,968	0
Depreciation and amortisation expense	1,886	0	1, 7, 8	1,915	0
General and administrative expenses	410	506	4	1,113	2,816
Total operating expenses	**5,706**	**506**		**6,438**	**2,816**
Operating profit (loss) continuing operations	**18,726**	**-454**		**18,274**	**-2,765**
Net interest expense	-2,559	314	8	-2,465	874
Net other financial items	-59	1,321		144	2,406
Net financial income (loss)	**-2,618**	**1,635**		**-2,321**	**3,280**
Profit (loss) before taxes from continuing operations	**16,107**	**1,180**		**15,953**	**515**
Tax on ordinary result	0	76		0	-374
Net profit (loss) from continuing operations	**16,107**	**1,256**		**15,953**	**142**
Discontinued operations					
Net profit (loss) from discontinued operations	0	0		0	-4,410
Net profit (loss)	**16,107**	**1,256**		**15,953**	**-4,268**

Balance Sheet

(Unaudited figures in USD 1 000)	Note	12/31/2019	9/30/2019	12/31/2018
NON-CURRENT ASSETS				
VLCC vessels	8	254,234	84,837	0
VLCC vessels under construction	5, 8	79,663	162,387	56,682
Other tangible assets	7, 8	217	158	10
Total tangible assets		**334,114**	**247,382**	**56,692**
TOTAL NON-CURRENT ASSETS		334,114	247,382	56,692
CURRENT ASSETS				
Trade and other receivables		7,351	0	83
Other short-term receivables		818	1,217	147
Total current receivables		**8,170**	**1,217**	**231**
Other financial investments		0	0	24,758
Total other financial investments		**0**	**0**	**24,758**
Cash and cash equivalents	**6**	**52,455**	**9,725**	**35,001**
TOTAL CURRENT ASSETS		60,625	10,942	59,990
TOTAL ASSETS		**394,739**	**258,323**	**116,681**

Equity and Liabilities

EQUITY				
Share capital (575 362 013 shares)	2	82,625	82,625	55,376
Share premium	2	112,626	112,467	61,123
Other equity		15,953	0	0
TOTAL EQUITY		211,204	195,092	116,499
LIABILITIES				
Non-current interest-bearing debt	7, 8	174,494	58,730	0
Total non-current liabilities		**174,494**	**58,730**	**0**
Trade creditors		3,077	552	132
Accrued public charges and indirect taxes		15	16	9
Current portion of interest-bearing debt	8	5,932	1,440	0
Other current liabilities	4	16	2,492	42
Total current liabilities		**9,040**	**4,500**	**182**
TOTAL LIABILITIES		183,534	63,230	182
TOTAL EQUITY AND LIABILITIES		**394,739**	**258,323**	**116,681**

Cash flow

(Unaudited figures in USD 1 000)	Quarters Q4 2019	Q4 2018	Note	Year to date 31.12.2019	12/31/2018
Profit (loss) before tax from continuing operations	16,107	807		15,953	142
Profit (loss) before tax discontinued operations	0	0		0	-4,410
Profit (loss) before tax	16,107	807		15,953	-4,268
Depreciation	1,886	0	8	1,915	1,126
Gain on sale of VLCC	-12,308	0	5	-12,308	0
Net write-down intangible assets and capitalized grants	0	0		0	2,228
Interest received	-506	-314		-509	-874
Interest paid	2,882	0	8	2,974	33
Change in working capital items	-6,673	116		-4,818	-1,222
Net cash flow from operating activities	**1,388**	**609**		**3,208**	**-2,977**
Investments in VLCC newbuilds and PP & E	-122,358	-25,683	5, 8	-312,840	-59,672
Sale of VLCC	46,136	0	5	46,136	0
Investments in other financial investments	0	-31,172		0	-81,502
Sale of other financial investments	0	55,349		24,758	55,349
Net cash flow from investment activities	**-76,222**	**-1,507**		**-241,946**	**-85,825**
Interest received	506	314		509	874
Interest paid	-2,882	0	8	-2,974	-33
Proceeds from borrowings financial institution	120,184	0	8	180,184	-84
Installment leasing-debt (IFRS 16)	-19	0		-48	0
Capital contribution	0	0	2	79,168	92,738
Transaction cost capital contribution	-225	329	2	-647	-1,625
Net cash flow from financing activities	**117,565**	**643**		**256,192**	**91,870**
Total net changes in cash flow	**42,730**	**-255**		**17,454**	**3,068**
Currency effect on cash	0	-2,202		0	-2,125
Cash and cash equivalents beginning of period	9,725	37,459		35,001	34,059
Cash and cash equivalents end of period	**52,455**	**35,001**		**52,455**	**35,001**

Hunter Group ASA
Org. nr. 985 955 107

Dronningen 1
0287 Oslo, Norway
+47 975 31 227
info@huntergroup.no