

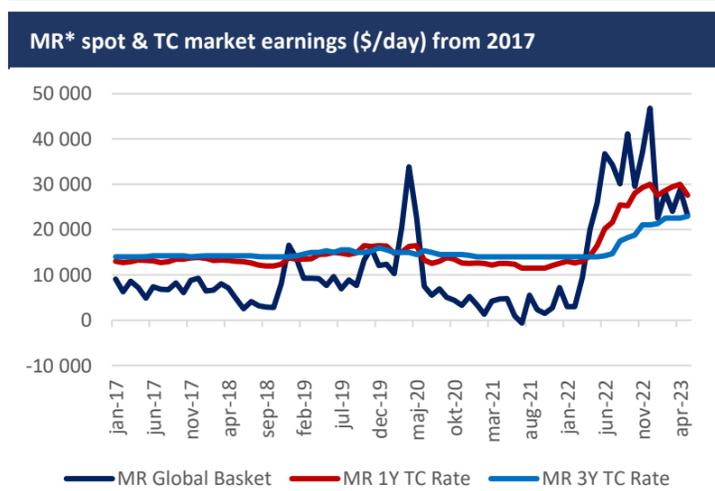


Monthly Oil and Tanker Market Update June 2, 2023

Disclaimer

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Product tanker earnings



Employment	Avg for Maj	Trend 1 month	YTD Avg	12 month ago	36 month ago
Spot global basket**	23 134	➔	25 320	25 941	22 622
T/C 1 year	27 600	➔	28 665	16 500	16 500
T/C 3 years	22 950	➔	22 350	14 000	14 500

*MR 47,000 DWT, non-scrubber, built after 2010
 **Global basket- simple Avg of Baltic exchange index routes TC2, TC14, TC10, TC11, and TC12

MR vessel values



Ship type	Estimate	Trend 1 month	YTD Avg	12 month ago	36 month ago
N/B Korea	46	➔	45	41	36
N/B China	41	➔	40	37	34
PPT resale	50	⬆️	47	40	39
5 yr old	42	➔	41	31	30
10 yr old	34	⬆️	32	21	19
15 yr old	24	⬆️	22	13	12

*MR 47,000 DWT, non-scrubber

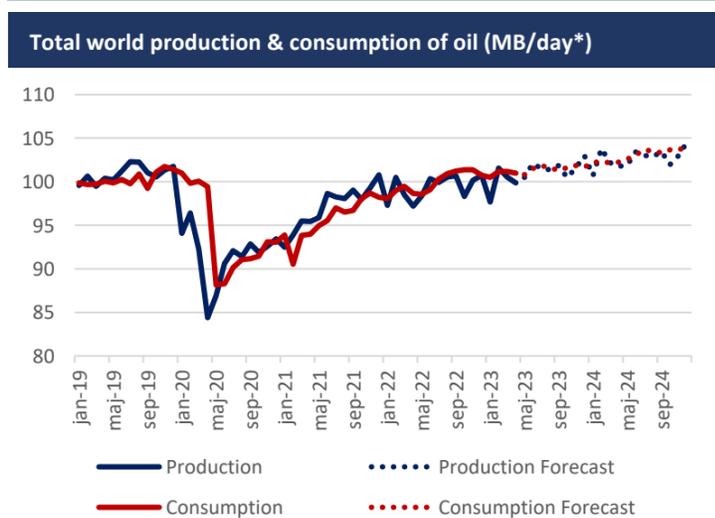
MR fleet size



Tanker (MR)	Avg for Maj	12 month ago
Fleet size (No)	1 727	1 670
Orderbook (No)	122 (7%)	141 (8%)
Delivered (No)	18 YTD	
Scrapped (No)	2 YTD	
15+ years old (No)	593 (34%)	n.a.
20+ years old (No)	154 (9%)	n.a.

*MR 47,000 DWT, non-scrubber
 **Jan 2010 = Index 100

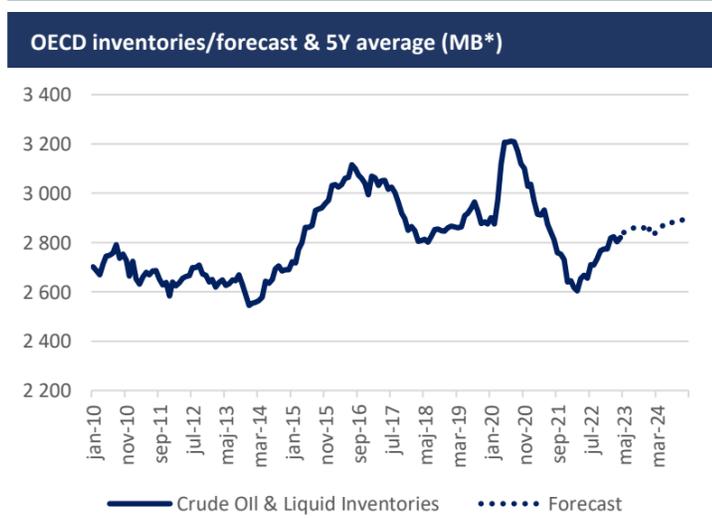
Crude oil – volumes



Volumes	Apr	1 month change	6 month change
Crude production m/bd*	99,9	-0,7%	-0,3%
Crude consumption m/bd	101,0	-0,2%	-0,4%

*Million barrels per day.
 U.S. Energy Information Administration | Short-Term Energy Outlook

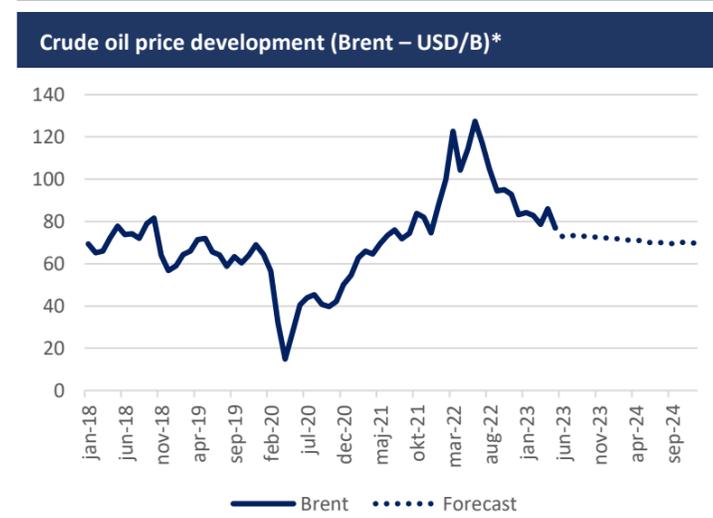
Crude oil & product inventories



Inventories	Apr	1 month change	6 month change
OECD inventories	2 820	+0,6%	+1,9%
Avg 2007-2021	2 933	n.a.	n.a.

*Million barrels. U.S. Energy Information Administration (EIA) -
 OECD End-of-period Commercial Crude Oil and Other Liquids Inventories

Crude oil – price



Price	Maj	1 month change	6 month change
Brent oil price, \$/BBL	77,0	-10,4%	-17,1%
WTI oil price\$/BBL	71,6	-9,9%	-15,1%

*Refinitiv

Comment from Erik Lewenhaupt
 CEO, Concordia Maritime

Steady forward

Freight market
 MR global earnings started the month around \$25 k/day in a sliding market but eventually ended in a firmer territory around \$35 k/day. Average for May was \$23,100 k/day, which is minus 20% compared to the average last 6 months. In the crude market Suezmax average moved from \$45 to \$60 k/day over the month.

Period
 The “dent” in MR spot market has now affected timecharter rates and a 12-month charter today is priced around \$27 k/day compared to \$30 k/day end April. There is still activity in the market for all types of tonnage, but the majority is for periods of less than 12 months. Even so a two-year MR charter was reported done at \$30 k/day but that may be with some delay in reporting. For large crude tankers, the market is in a standoff where charterers aren't willing to pay rates at or above 'last done' and owners not ready to give away any previous gains.

Oil market
 Q1 trade data show volumes for petroleum products have increased an estimated 8% y-o-y according to IEA. Going forward 2023 IEA expects global end-user demand will rise by 2mbd in H2 from H1. Eyes are fixed on the next OPEC+ meeting on the 4th of June (Sunday). Saudi Arabia's energy minister has warned speculators to “watch out” but the consensus now seems to be no further cuts for now.

Newbuilding
 Ordering of product tankers has continued even though yard prices are at a very elevated level. The total number of ordered product tankers in 2023 are approaching 100 YTD, many of them MR and LR2's. Almost double the number compared to same period last year. For crude tankers, the number are low.

Scrapping continues on a very low level
 Last few years tanker recycling has fluctuated wildly. The 2020/2021/2022 total was 24/115/61 ships. We have so far this year only seen a handful of product tankers and no crude carriers going for recycling. It is reported that India plans a ban on merchant vessels above the age of 25 – which potentially could speed up recycling for vintage ships. Meanwhile Bloomberg reported on May 19th that China is ‘ramping up safety checks’ on older ships. It may be unlikely that India and China will initiate regulation that can affect their import capabilities of crude but regardless positive development of increased safety focus and a level playing field.

