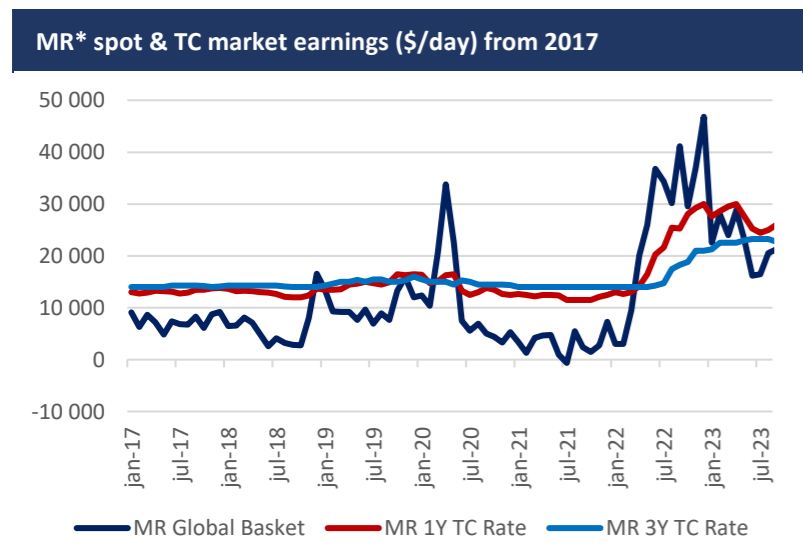


## Monthly Oil and Tanker Market Update January 8, 2024

### Disclaimer

This report and/or presentation is based on our knowledge of relevant market conditions. Our estimates are made on the basis of this knowledge, but other circumstances, or new circumstances, as well as general uncertainty could cause the market to develop differently. We take general reservation for misprints. Concordia Maritime is not responsible or liable for any damages or losses resulting or arising directly or indirectly from your use of the report.

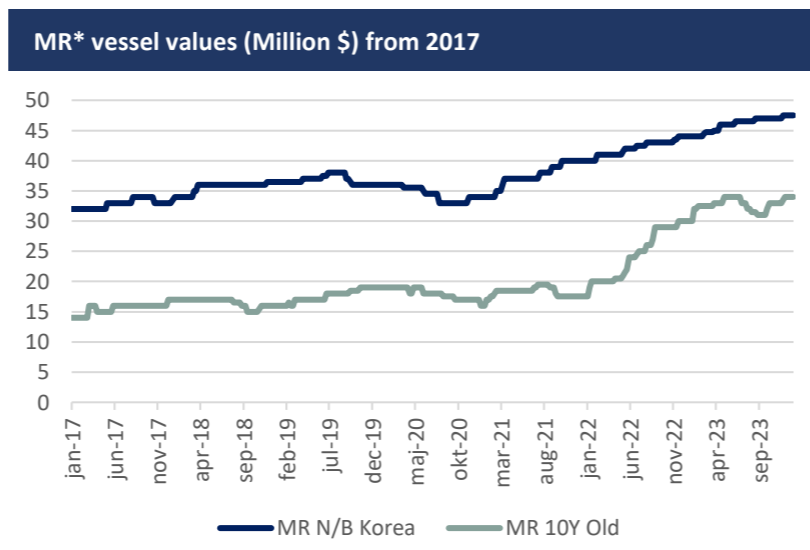
### Product tanker earnings



| Employment           | Avg for Dec | Trend 1 month | YTD Avg | 12 month ago | 36 month ago |
|----------------------|-------------|---------------|---------|--------------|--------------|
| Spot global basket** | 25 844      | ↑             | 22 313  | 46 815       | 5 288        |
| T/C 1 year           | 26 750      | →             | 27 060  | 30 000       | 12 500       |
| T/C 3 years          | 22 500      | →             | 22 641  | 21 000       | 14 333       |

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

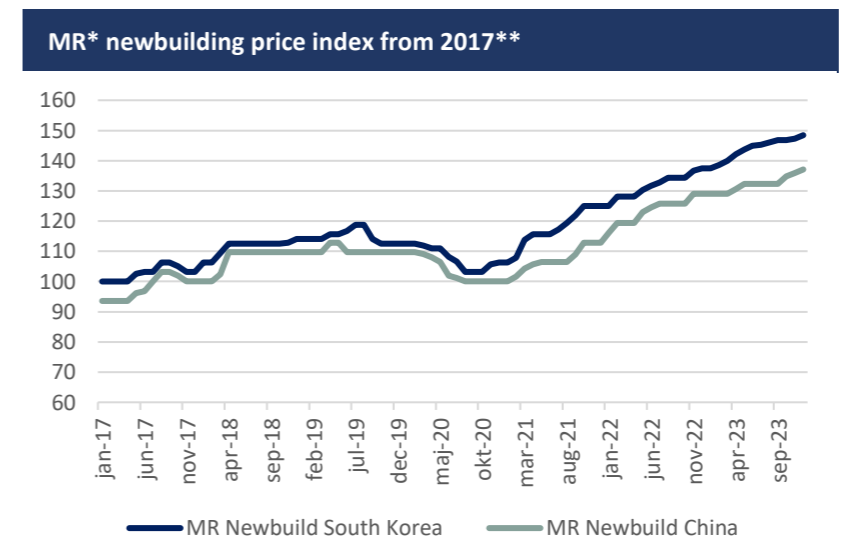
### MR vessel values



| Ship type  | Estimate | Trend 1 month | YTD Avg | 12 month ago | 36 month ago |
|------------|----------|---------------|---------|--------------|--------------|
| N/B Korea  | 47,5     | →             | 45,9    | 44,0         | 34,0         |
| N/B China  | 42,5     | →             | 40,8    | 40,0         | 31,0         |
| PPT resale | 52,5     | ↑             | 49,2    | 47,0         | 34,0         |
| 5 yr old   | 43,5     | →             | 41,5    | 40,0         | 26,0         |
| 10 yr old  | 34,0     | ↑             | 32,6    | 30,0         | 17,0         |
| 15 yr old  | 24,0     | ↑             | 22,9    | 20,0         | 11,0         |

\*MR 47,000 DWT, non-scrubber

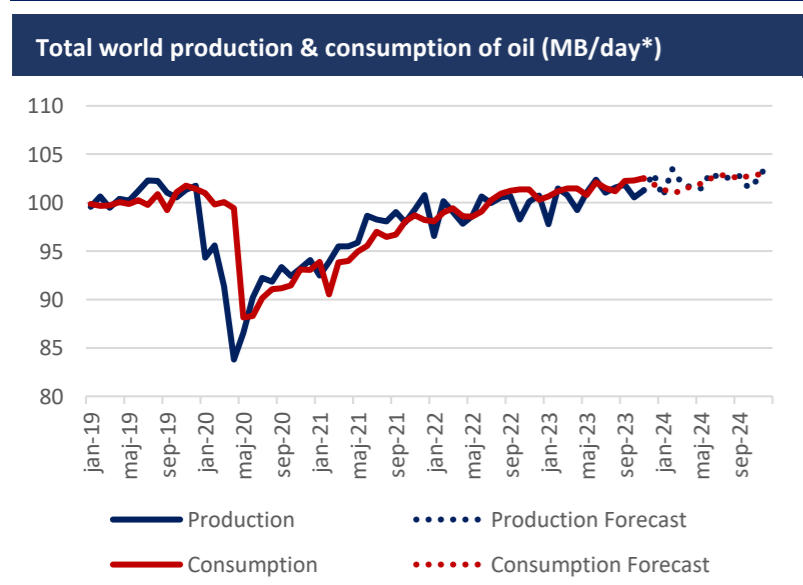
### MR fleet size



| Tanker (MR)        | Avg for Dec | 12 month ago |
|--------------------|-------------|--------------|
| Fleet size (No)    | 1 740       | 1 711        |
| Orderbook (No)     | 159         | 108          |
| Delivered (No)     | 35 YTD      | 66 YTD       |
| Scrapped (No)      | 4 YTD       | 12 YTD       |
| 15+ years old (No) | 591         | 474          |
| 20+ years old (No) | 152         | 113          |

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

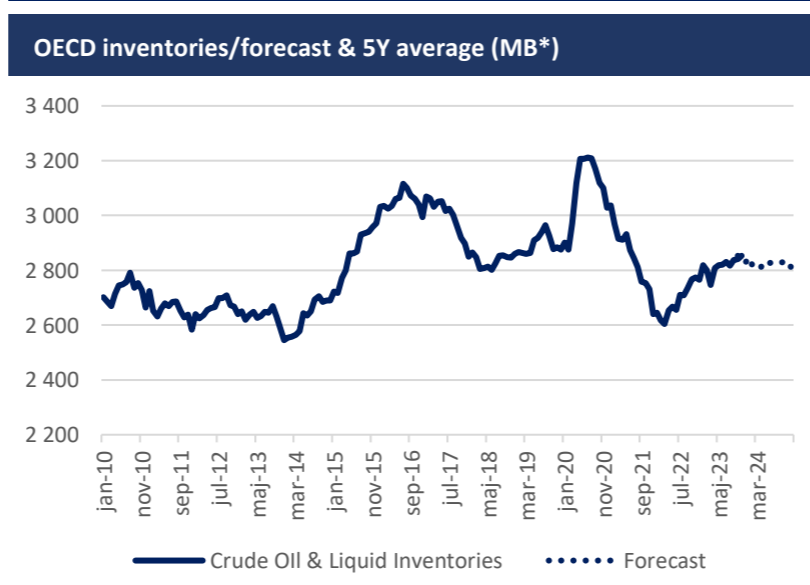
### Crude oil – volumes



| Volumes                | Nov   | 1 month change | 6 month change |
|------------------------|-------|----------------|----------------|
| Crude production m/bd* | 101,3 | +0,7%          | -1,1%          |
| Crude consumption m/bd | 102,5 | +0,3%          | +0,4%          |

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

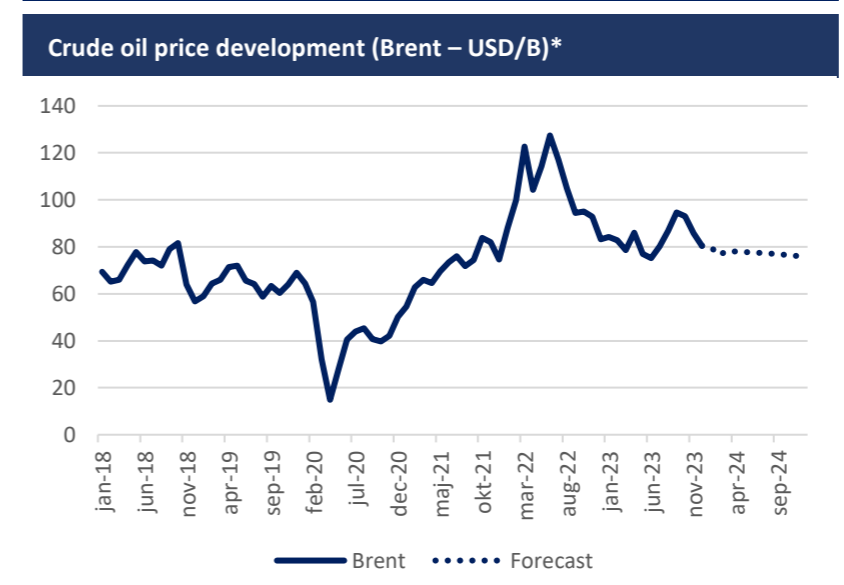
### Crude oil & product inventories



| Inventories      | Nov   | 1 month change | 6 month change |
|------------------|-------|----------------|----------------|
| OECD inventories | 2 853 | +0,4%          | +1,2%          |
| 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                   | Dec  | 1 month change | 6 month change |
|-------------------------|------|----------------|----------------|
| Brent oil price, \$/BBL | 80,5 | -6,2%          | +7,1%          |
| WTI oil price\$/BBL     | 71,9 | -7,4%          | +2,4%          |

\*Refinitiv

Comment from Erik Lewenhaupt  
 CEO, Concordia Maritime

#### Onwards and upwards?

2023 has been an eventful year with historically good returns due to changed trading patterns, firm demand and limited supply growth. We start this year with uncertainty due to wars, economic development and regulatory changes. The saying “expect the best but prepare for the worst” fits well. We thank HowRob for their excellent supply of data for this report as we head into 2024.

#### Freight market

The global MR index basket (non-eco non-scrubber fitted vessels) averaged \$25.8 k/day in Dec, rounding up the year with average earnings of \$22.3 k/day – down 15% from \$26.4 k/day in 2022. For a 12-months T/C the conditions were reversed. December ended at \$26.8 k/day and the full year average at \$27 k/day versus \$20.7 k/day average in 2022. A 3-year charter rate ended in Dec at \$22.5 k/day.

Shipping news are currently dominated by the attacks in the Red Sea where ~10% of global seaborne trade pass through. Since Nov 18th, there has been 25 attacks against merchant vessels. Add the ongoing delays at the Panama Canal and the ton-mile outlook looks volatile, especially for container and LNG segments.

#### S+P

End year transactions shows continued strength in values. At the end of the year a 5-year-old MR tanker was valued at \$43.5 mill. The yearly average was \$41.6 mill - up 21% from 2022's average \$34.3 mill. For older tonnage the YoY change in percentage terms was even higher.

#### Newbuilding and scrapping

The continued firm market in 2023 pushed newbuilding orders higher YoY in spite the price levels. Orders for product tankers and mid-size crude carriers grew the most. The VLCC orderbook still the lowest at 2.4%. The MR orderbook grew to 9.1%.

In 2023 the tanker fleet grew by 1.9% in dwt, the container fleet grew by 7.8% in TEU, and dry bulk grew by 3% in dwt. China's first domestically built large cruise ship has started its maiden voyage. The Adora Magic City, with capacity for 5,200 passengers was built by CSSC's Shanghai Waigaoqiao yard. It is a big step up the value chain for Chinese shipbuilding. Recycling activity remain limited with a lack of tonnage being circulated. Total tanker volume scrapped were 0.9 mdwt versus 5.2 mdwt last year - and 14.2 mdwt in 2021.

#### Crude market

Brent averaged \$83 in 2023, outlook is uncertain for 2024. OPEC announced an additional 2.2 mb/d cuts for Q1, but markets viewed it as insufficient. Angola announced its exit from OPEC following disputes over production quotas. Chinese authorities released 179 m mt of crude import quotas for 2024, which compares to 112 m mt in the first quota for 2023. In Dec OFAC tightened its guidance on implementation of the price cap policy for crude and products of Russian origin.

#### Environment

COP28 outcome received mixed reception. The agreement target transition away from fossil fuels, tripling renewable energy capacity and doubling global energy efficiency by 2030. The EU ETS has now started to include shipping emissions, starting with a 40% phase-in period, rising to 70% in 2025 and 100% in 2026. Dual fuel vessels accounted for 49% of the total orderbook in 2023 (gross tonnage), according to Clarkson. LNG accounted for most of those orders, followed by methanol.