

Capital Tankers Corp.

Investor Presentation

March 2026



Disclaimer

- Unless otherwise indicated, the information materials in this presentation and its appendices (collectively the "**Presentation**") have been produced by Capital Tankers Corp. (the "**Company**", and, together with the Company's subsidiaries, the "**Group**") solely for information purposes.
- The Presentation is intended for information purposes only, and does not itself constitute, and should not in itself be construed as, an offer, invitation or recommendation to purchase, sell or subscribe for any securities in any jurisdiction.
- The Presentation and its contents are strictly confidential and by attending any meeting where this Presentation is made, or by receiving or reading any of the Presentation material, the recipient acknowledges that it has received the information as set forth hereunder and agrees to be bound by the limitations and provisions set out herein. For the purposes of this notice, "Presentation" means and includes this document and its appendices, any oral presentation given in connection with this Presentation, any question and answer session during or after such oral presentation and any written or oral material discussed or distributed during or after receiving or having been present at any meeting where this Presentation has been made.
- The Presentation may not be copied, distributed, reproduced, published or passed on, directly or indirectly, in whole or in part, or disclosed by any recipient, to any other person (whether within or outside such person's organisation or firm) or published in whole or in part, by any medium or in any form for any purpose or under any circumstances without the Company's prior written approval.
- Each recipient should seek its own independent advice in relation to any financial, legal, tax, accounting or other specialist advice. In particular, nothing herein shall be taken as constituting the giving of an investment advice and this Presentation is not intended to provide, and must not be taken as, the exclusive basis of any investment decision and should not be considered as a recommendation by the Company (or any of its affiliates) that any recipient enters into any transaction. Neither the Company nor any of its directors, employees, agents, affiliates, advisors or any person acting on their behalf, are providing legal, accounting or tax advice and you are strongly advised to consult your own independent advisors on any legal, tax or accounting issues relating to these materials.
- This presentation and other information provided to you contain forward-looking statements. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation: those regarding the Group's intentions, beliefs or current expectations concerning, among other things, its future financial conditions and performance, results of operations and liquidity; its strategy, plans, objectives, prospects, growth, goals and targets; future developments in the markets in which it participates or is seeking to participate; and anticipated regulatory changes in the industry in which it operates. Forward-looking statements include the words "aim", "anticipate", "assume", "believe", "can have", "continue", "could", "estimate", "expect", "forecast", "intend", "may", "plan", "risk", "should", "suggest", "will", "would" and similar expressions or the negatives of these expressions. These forward-looking statements generally relate to plans and objectives for future operations and are based upon management's reasonable estimates as of the date of this presentation (unless expressly stated or qualified as of a different date). By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. Actual results may differ from projected results due to unforeseen developments. All forward-looking statements apply only as of the date hereof and we undertake no obligation to update this information. The information contained in this document is provided as at the date of this document only.
- The information contained in this Presentation has not been independently verified and no representation or warranty, express or implied, is or will be made as to and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this Presentation. The information set out herein speaks only as of the date hereof and may be subject to change based upon a number of factors, including, without limitation, macroeconomic and equity market conditions, investor attitude and demand, the business prospects of the Company and other specific issues. All information presented or contained in this presentation is subject to change without notice. The information contained in this presentation is current only as of the date hereof. Neither the Company nor any of its respective affiliates, directors, officers, employees, agents, affiliates, advisors or any person acting on their behalf is under any obligation to keep current the information contained in this presentation. Without prejudice to the foregoing, the information in this presentation is being provided on a non-reliance basis, and neither the Company nor any of its respective affiliates, directors, officers, employees, agents, affiliates, advisors or any person acting on their behalf owe or assume any duty, liability or responsibility to you or any other person who has access to this presentation or the corresponding information (or any part of it) for any information or opinion contained in it (including, inter alia, projections and forward-looking statements), or any omission from it, nor do they accept any liability whatsoever for any loss howsoever arising (whether direct or indirect, in contract, tort or otherwise). As a result, you are solely responsible for making your own independent appraisal of and investigations into the Group and the transactions and products referred to in this presentation and should not rely on any information in this presentation as constituting investment advice. No liability whatsoever for any loss, howsoever arising, from any use of this presentation or its contents is accepted by any such person in relation to such information. To the extent applicable, certain industry and market data contained in this presentation has come from official or third-party sources. Third-party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the fairness, quality, accuracy, relevance, completeness or sufficiency of such data. The Company has not independently verified the data contained therein.

01

Investment Case



This is Capital Tankers Corp

Company at a glance

- **Owned fleet of 30 tankers across VLCC, Suezmax and Aframax/LR2 segments:**
 - 6 vessels operating, with 7 vessels to be added in 2Q2026
 - Fleet to expand to 17 vessels by Nov 2026 and to 30 by 2Q2028
- **13 option vessels** (2 Suezmax and 11 VLCC) with deliveries in 2028, **available to Capital Tankers at yard cost until YE 2026**, and under ROFR thereafter
- **23 LNG Dual fuel capable or ready vessels**, providing significant fuel and emissions savings
- **March 17 Capital Tankers started trading on Euronext Growth in Oslo following \$435 million IPO** – the largest shipping IPO in the last 20 years with offering oversubscribed multiple times
- Following the successful Euronext Growth listing, the Company plans to **uplist to the main list of the Oslo Stock Exchange** and pursue a **U.S. listing in due course⁽¹⁾**



Ultra modern fleet

12x VLCC, 10x Suezmax and 8x Aframax/LR2
9x sailing vessels, 21x on order + 13x options



High specification dual-fuel fleet

Majority of fleet LNG dual-fuel scrubber fitted with significant fuel and emissions savings potential



Focus on shareholder returns

Targeting 70 – 80%⁽²⁾ of FCFE to be distributed to shareholders



Tanker market strength

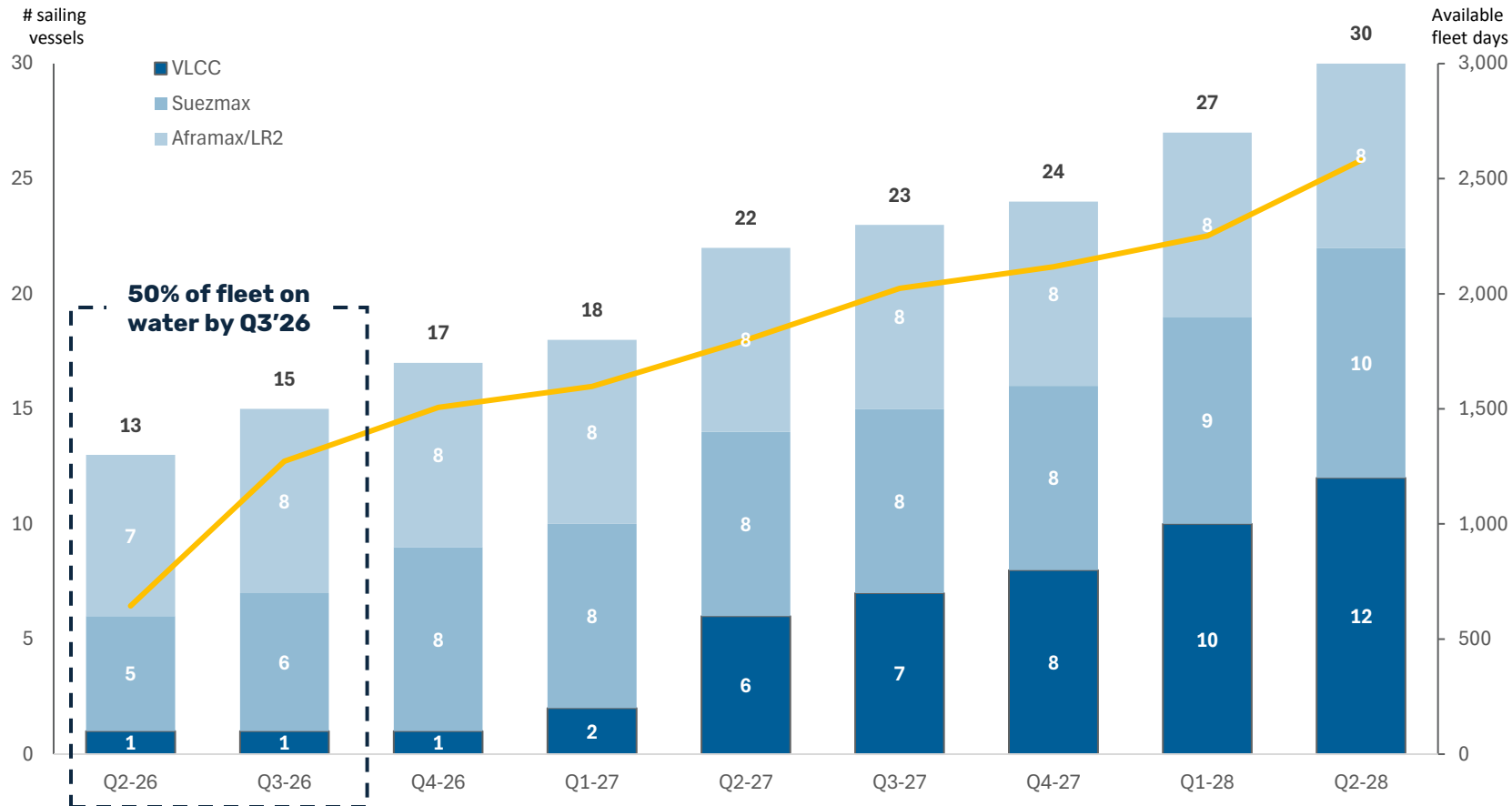
Supportive long-term fundamentals
Operational leverage through spot exposure



Super-eco fleet with scrubbers and DF LNG capabilities

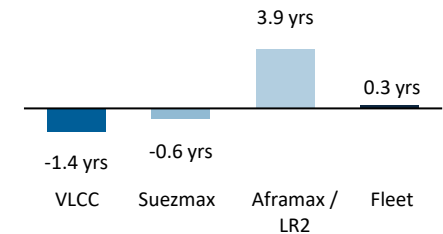
Prompt delivery of newbuilds boosts cash flow generation

Ramp up of delivered vessels and available sailing days

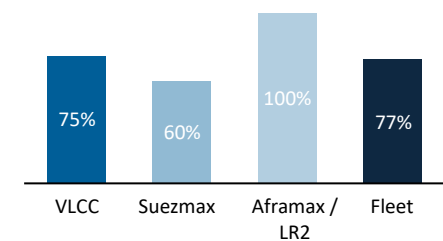


Key attributes

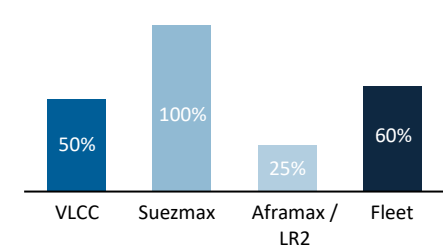
Average age



LNG Dual Fuel (%)



Scrubber (%)



Operational Update

Deliveries ahead of schedule - expanding operating footprint quickly



Aristotelis II

VLCC
306,113 DWT, scrubber fitted, super-eco vessel built 2026
Hengli

**Delivered to
CAPT**

February 10

On 12-month Time Charter
at \$100,000 per day

**Vessel financing
drawn**



**New facility of
\$75 million**

Books Close

February 26



Argeus I

Suezmax
155,352 DWT, scrubber fitted, super-eco vessel built 2025
LNG Dual Fuel capable
New Times

March 5

Trading Spot



Archigos

Suezmax
156,727 DWT, scrubber fitted, super-eco built 2026
Hyundai Samho

March 5

Trading Spot



**New facility of
\$62 million**



Alexander

Aframax
113,370 DWT, eco vessel built 2018
LNG Dual Fuel capable
Hyundai Samho

March 9

Trading Spot

First Day of Trading

March 17

Overview of Capital Tankers' super-eco fleet

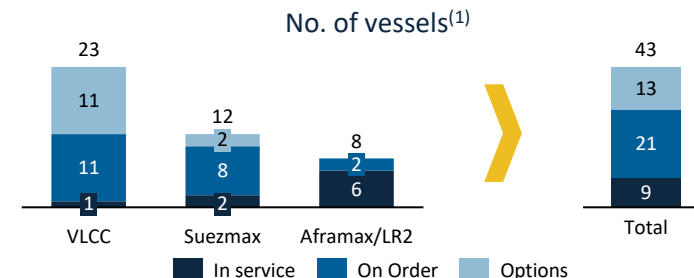
In Service							
#	Vessel	Type	Built	Shipyard	Country	Dual Fuel	Scrubber
1	Alexander	Aframax	Jul-18	HD Hyundai Samho	South Korea	LNG Capable	-
2	Adam ⁽¹⁾	Aframax	Oct-18	HD Hyundai Samho	South Korea	LNG Capable	-
3	Alfred ⁽¹⁾	Aframax	Nov-18	HD Hyundai Samho	South Korea	LNG Capable	-
4	Albert ⁽¹⁾	Aframax	Apr-19	HD Hyundai Samho	South Korea	LNG Capable	-
5	Aisopos	LR2	Jan-25	New Times SB	China	LNG Ready	Fitted
6	Aiolos	LR2	Jan-25	New Times SB	China	LNG Ready	Fitted
7	Argeus I	Suezmax	Aug-25	New Times SB	China	LNG Capable	Fitted
8	Aristotelis II	VLCC	Feb-26	Hengli Shipbuilding	China	-	Fitted
9	Archigos	Suezmax	Mar-26	HD Hyundai Samho	South Korea	-	Fitted
Total: 9x			3.6yrs			7x	5x

On Order							
#	Vessel	Type	Delivery	Shipyard	Country	Dual Fuel	Scrubber
1	Ataraktos	Suezmax	Apr-26	HD Hyundai Samho	South Korea	-	Fitted
2	Aristoklis	Suezmax	Apr-26	New Times SB	China	LNG Capable	Fitted
3	Archelaos	Suezmax	Jun-26	New Times SB	China	LNG Capable	Fitted
4	Androklos	LR2	May-26	New Times SB	China	LNG Capable	-
5	Aristodimos	Suezmax	Aug-26	New Times SB	China	LNG Capable	Fitted
6	Athinagoras	LR2	Aug-26	New Times SB	China	LNG Capable	-
7	Ayrton	Suezmax	Oct-26	New Times SB	China	LNG Capable	Fitted
8	Amor	Suezmax	Nov-26	New Times SB	China	LNG Capable	Fitted
9	Alterego II	VLCC	Jan-27	Hanwha Ocean	South Korea	LNG Ready	Fitted
10	Amfitrion II	VLCC	Apr-27	Dalian Shipyard	China	LNG Capable	-
11	Alexandros II	VLCC	Apr-27	Hanwha Ocean	South Korea	LNG Ready	Fitted
12	Alexander The Great II	VLCC	Jun-27	Dalian Shipyard	China	LNG Capable	-
13	Apollonas II	VLCC	May-27	Hanwha Ocean	South Korea	LNG Ready	Fitted
14	Anemos II	VLCC	Sep-27	Dalian Shipyard	China	LNG Capable	-
15	Akadimos	VLCC	Dec-27	Dalian Shipyard	China	LNG Capable	-
16	Amyntas II	VLCC	Mar-28	Dalian Shipyard	China	LNG Capable	-
17	Arkesios	VLCC	Feb-28	Hengli Shipbuilding	China	-	Fitted
18	Akeraios	Suezmax	Mar-28	HD Hyundai Samho	South Korea	-	Fitted
19	Aktor	VLCC	Jun-28	Hengli Shipbuilding	China	-	Fitted
20	Alkaios	Suezmax	Apr-28	HD Hyundai Samho	South Korea	-	Fitted
21	Atromitos II	VLCC	May-28	Dalian Shipyard	China	LNG Capable	-
Total: 22x			-1.1yrs			16x	13x

Shipbuilding contract options ⁽²⁾									
#	Vessel	Type	Delivery	Shipyard	Country	Dual Fuel	Scrubber	Option Price	
1	Aison	VLCC	Feb-28	Hengli Shipbuilding	China	-	Fitted	120	
2	Amphiaros	VLCC	Feb-28	Hengli Shipbuilding	China	-	Fitted	120	
3	Ainos	VLCC	Feb-28	Hengli Shipbuilding	China	-	Fitted	120	
4	Aischinis	VLCC	Feb-28	Hengli Shipbuilding	China	-	Fitted	120	
5	Allegros	Suezmax	Jun-28	HD Hyundai Samho	South Korea	-	Fitted	89.5	
6	Aineas	VLCC	Feb-28	Hengli Shipbuilding	China	-	Fitted	120	
7	Amphiktyon	VLCC	Apr-28	Hengli Shipbuilding	China	-	Fitted	118	
8	Adimantos	VLCC	Mar-28	Hengli Shipbuilding	China	-	Fitted	119	
9	Agasthenes	VLCC	Mar-28	Hengli Shipbuilding	China	-	Fitted	119	
10	Aithros	VLCC	Sep-28	Hengli Shipbuilding	China	-	Fitted	119	
11	Antipatros	VLCC	Oct-28	Hengli Shipbuilding	China	-	Fitted	118	
12	Antisthenes	VLCC	Nov-28	Hengli Shipbuilding	China	-	Fitted	118	
13	Argonaut II	Suezmax	Oct-28	HD Hyundai Samho	South Korea	-	Fitted	89.5	
Total: 13x			-2.2 yrs			0x	13x	1,490	

Capital Tankers holds thirteen shipbuilding options from CMTC at contract price, expiring at the end of 2026. These contracts include a right of first refusal for the Company if the options are not exercised

Capital Tankers' fleet of 30+13 super-eco modern vessels

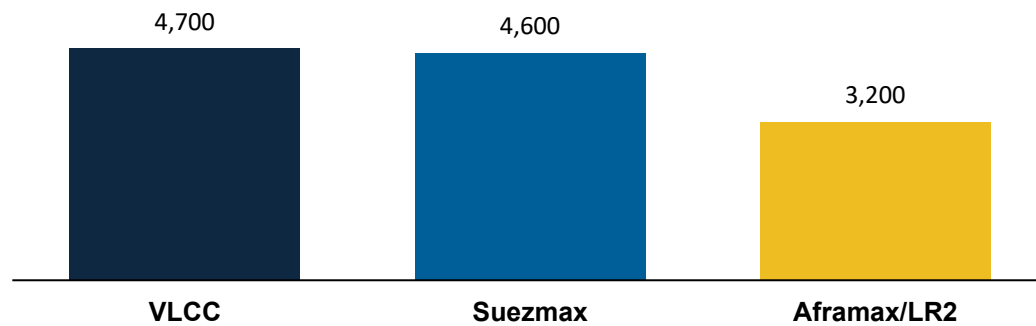


Modern tonnage provides structural earnings premium

Significant fuel and regulatory cost benefits compared to eco vessels

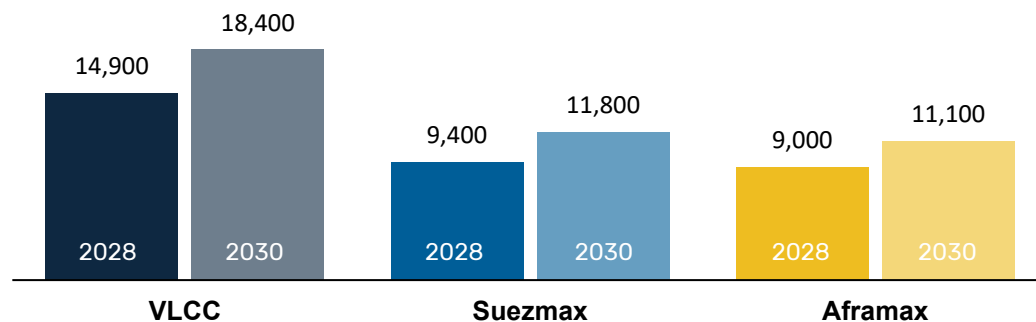
Immediate efficiency advantage vs 2015 eco vessels

Capital Tankers' newbuildings' minimum TCE premium vs 2015 Eco vessels (\$/day), using conventional fuel only



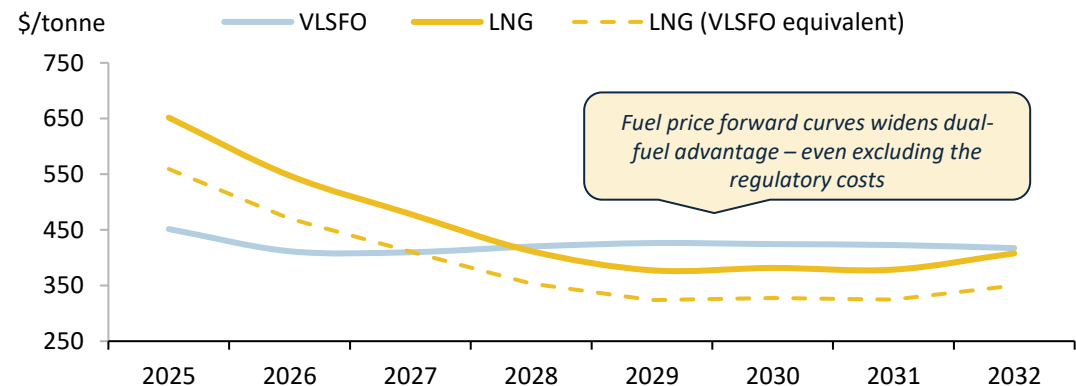
Premium expands significantly based on forward curve pricing

Capital Tankers' LNG dual-fuel newbuildings' potential TCE premium vs 2015 Eco vessels (\$/day), using LNG dual fuel optionality⁽¹⁾



- ✓ Earnings premium potential of ~\$9-15k/day by 2028 at forward curve pricing and regulatory frameworks (EU ETS and Fuel EU)
- ✓ Additional upside of ~\$2.1-3.5k/day, assuming IMO GFS/GFI is implemented
- ✓ Fuel optionality allowing switching to VLSFO delivering ~\$3-5k/day vs 2015 Eco VLCC, protecting TCE premium against regulatory uncertainty and fuel price volatility
- ✓ Consumption reduction of up to 29%, emission reduction by 37% and regulatory costs reduction by up to 69% vs 2015 ECO VLCC
- ✓ Additional upside from surplus generation due to LNG of \$3.6k/day
- ✓ Current LNG BV (bunker) capacity 565k cbm (53 vessels) orderbook of 41 vessels will increase global capacity to 1,320k cbm ~ 230% increase
- ✓ Supply wave of LNG liquefaction is coming - 222mt already has FID status - 150mt will be operational by 2030

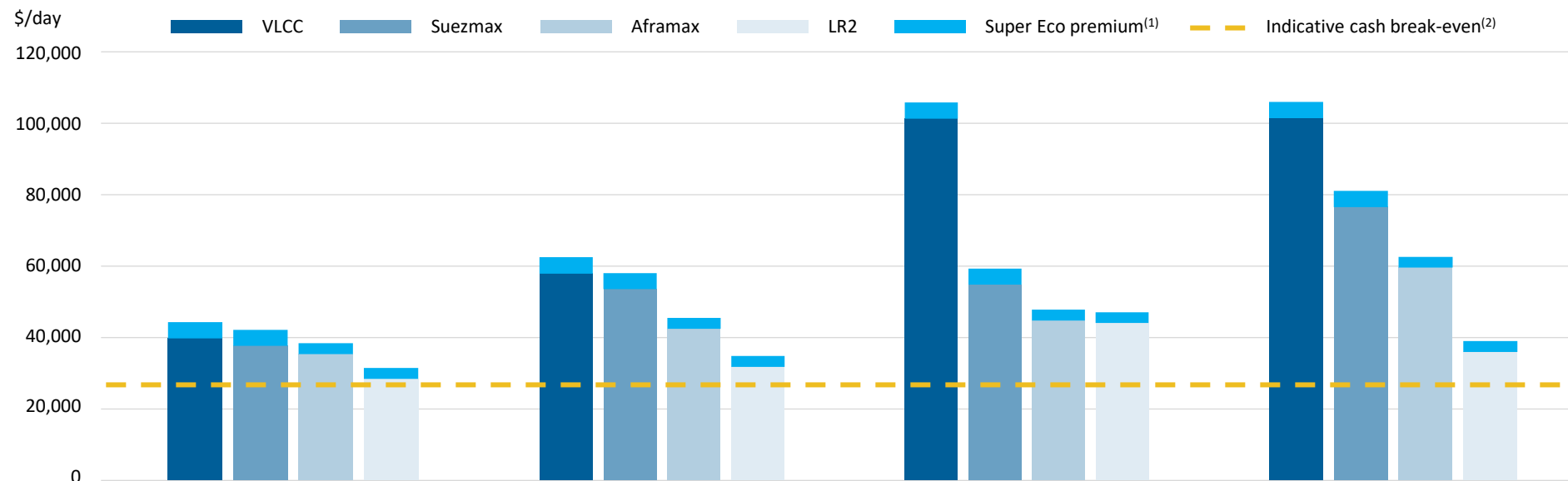
Forward LNG/VLSFO spread tightening⁽¹⁾



Significant cash generation driving shareholder returns

Strong earnings capacity with moderate cash break-even

Pro forma earnings scenarios and indicative cash break-even of fully delivered fleet (\$m) - *ILLUSTRATIVE*



\$/day	20y avg. (inflation adj.) ⁽³⁾	2025 avg.	1 yr TC	4Q'25	Premiums ⁽⁴⁾
VLCC	40,583	59,147	103,500	103,661	4,700
Suezmax	38,439	54,709	56,000	78,235	4,600
Aframax	36,130	43,380	45,750	60,879	3,200
LR2	29,044	32,449	45,000	36,747	3,200
EBITDA⁽⁴⁾	340	490	710	800	
<i>EV/EBITDA</i>	<i>10.3x</i>	<i>7.2x</i>	<i>5.0x</i>	<i>4.4x</i>	
FCF⁽⁴⁾	150	300	520	610	
<i>FCF yield</i>	<i>9%</i>	<i>18%</i>	<i>31%</i>	<i>36%</i>	

Notes: (1) Assuming 2028 fwd VLSFO price of \$411/t and consumption of 2015-built vessel of 44/32/27 t/d vs. Capital's vessel avg. consumption of 35/27/26 t/d for VLCC, Suezmax and Aframax/LR2; (2) Indicative cash break even of fully delivered fleet.

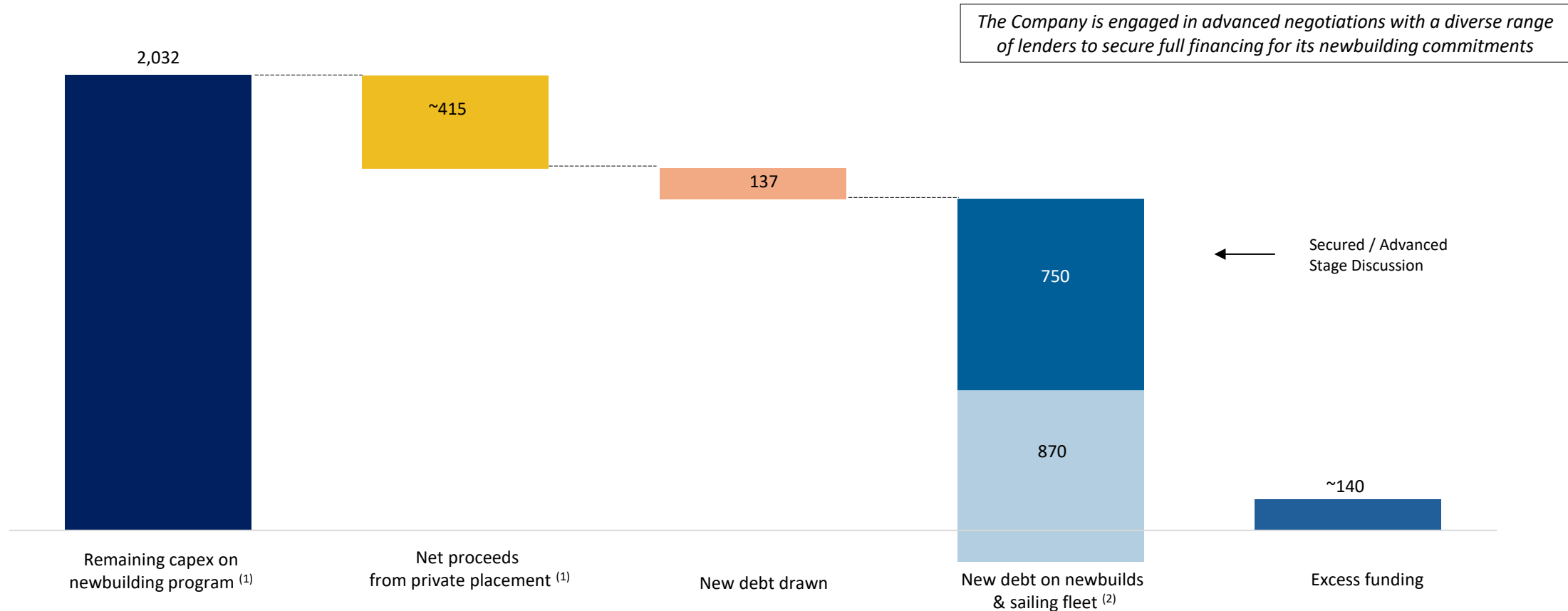
(3) Historical CPI inflation figures applied. (4) Including super-eco premium.

Source: Clarksons SIN

Newbuilding program is set to be fully financed

Based on conservative leverage parameters

Pro forma funding of remaining capex (\$m) ⁽¹⁾



Note: (1) As of February 26, 2026
(2) Includes new debt facility to be drawn on the Argeus I

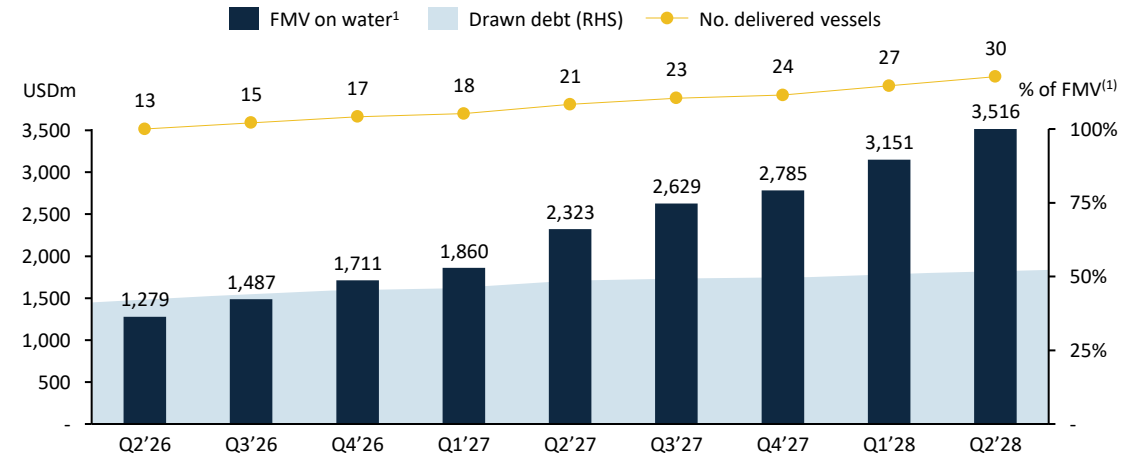
Debt secured at highly competitive terms

Competitive financing terms with expected average margin of ~1.7% over SOFR

Overview of arranged and contemplated debt facilities

#	Vessel	Type	Delivery	Existing Debt (\$m)	New Debt (\$m)	Gross LTV (pct)	Status
1	Alexander	Aframax	Jul-18	-	-	-	-
2	Adam	Aframax	Oct-18	-	-	-	-
3	Alfred	Aframax	Nov-18	-	-	-	-
4	Albert	Aframax	Apr-19	-	-	-	-
5	Aisopos	LR2	Jan-25	41	-	50%	Drawn
6	Aiolos	LR2	Jan-25	41	-	50%	Drawn
7	Argeus I	Suezmax	Aug-25	-	65	58%	In progress
8	Aristotelis II	VLCC	Feb-26	-	75	49%	Drawn
9	Archigos	Suezmax	Mar-26	-	62	60%	Drawn
10	Ataraktos	Suezmax	Apr-26	-	62	59%	In progress
11	Aristoklis	Suezmax	Apr-26	-	65	57%	In progress
12	Archelaos	Suezmax	Jun-26	-	68	60%	In progress
13	Androklos	LR2	May-26	-	50	53%	In progress
14	Aristodimos	Suezmax	Aug-26	-	68	60%	In progress
15	Athinagoras	LR2	Aug-26	-	50	53%	In progress
16	Ayrton	Suezmax	Oct-26	-	65	57%	In progress
17	Amor	Suezmax	Nov-26	-	65	58%	In progress
18	Alterego II	VLCC	Jan-27	-	81	55%	Contemplated
19	Amfitrion II	VLCC	Apr-27	-	96	62%	In progress
20	Alexandros II	VLCC	Apr-27	-	81	55%	Contemplated
21	Alexander The Great II	VLCC	Jun-27	-	96	62%	In progress
22	Apollonas II	VLCC	May-27	-	79	53%	Contemplated
23	Anemos II	VLCC	Sep-27	-	90	57%	Contemplated
24	Akadimos	VLCC	Dec-27	-	90	57%	Contemplated
25	Amyntas II	VLCC	Mar-28	-	90	60%	Contemplated
26	Arkesios	VLCC	Feb-28	-	77	60%	Contemplated
27	Akeraios	Suezmax	Mar-28	-	58	65%	Contemplated
28	Aktor	VLCC	Jun-28	-	77	60%	Contemplated
29	Atromitos II	VLCC	May-28	-	90	60%	Contemplated
30	Alkaios	Suezmax	Apr-28	-	58	65%	Contemplated
Total				81	1,755	52%	

Pro forma fleet gross LTV of ~52% on a fully delivered basis (\$m)

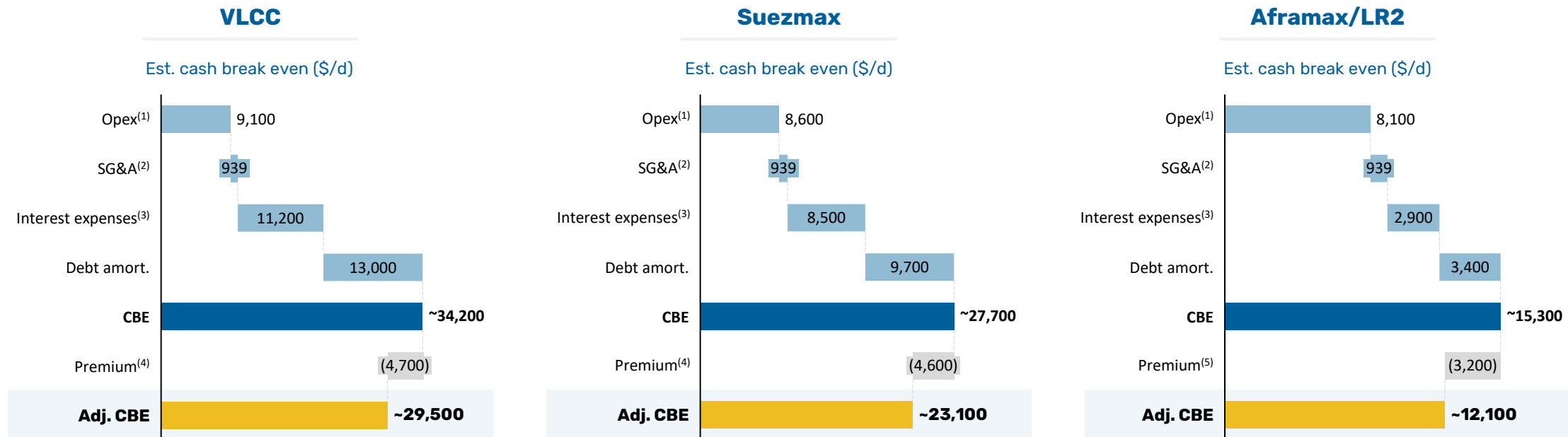


Extensive relationships with top shipping lenders

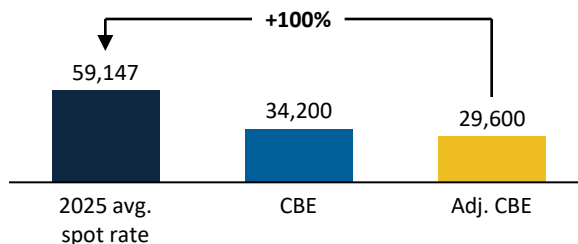


Illustrative cash break-even levels

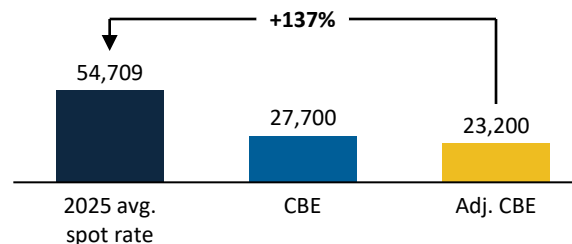
Lean organization and modern fleet enables competitive cash break-even levels



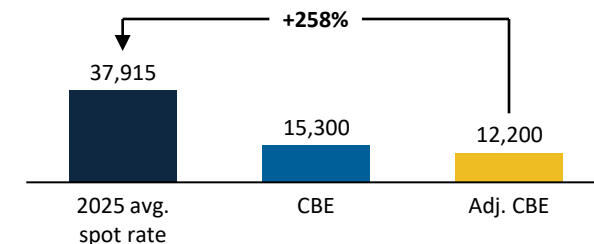
Versus 2025 avg. spot rate



Versus 2025 avg. spot rate



Versus 2025 avg. spot rate



Notes: (1) Includes \$550/d management fee. (2) SG&A at fully delivered fleet (\$7m / 30 ships / 365 + 300 Heidmar fees). (3) Assuming 3.5% SOFR. (4) Comparing Capital's vessels and fuel specifications versus 2015 built ECO vessels. Using 2028 forward curves. (5) Average estimated savings for Aframax/LR2s to be delivered. Fleetwide premium of +\$800/d due to optimization for LNG propulsion. Source: Company information, Bloomberg, Clarksons SIN.

Capital allocation focused on shareholder return

Significant distribution of free cash flow to shareholders



Maintain strong liquidity and balance sheet resilience

- Ongoing deleveraging and conservative leverage targets
- Ample liquidity runway
- Prudent refinancing and maturity management



Targeting to returning capital to shareholders

- Clear dividend policy anchored to cash flow generation
- 30-40% of FCFE⁽¹⁾ during construction period
- 70-80% of FCFE⁽¹⁾ once fleet is fully delivered



Disciplined allocation to accretive growth investments

- Opportunistic deployment of capital when compelling returns are available
- Emphasis on value creation through accretive expansion

02

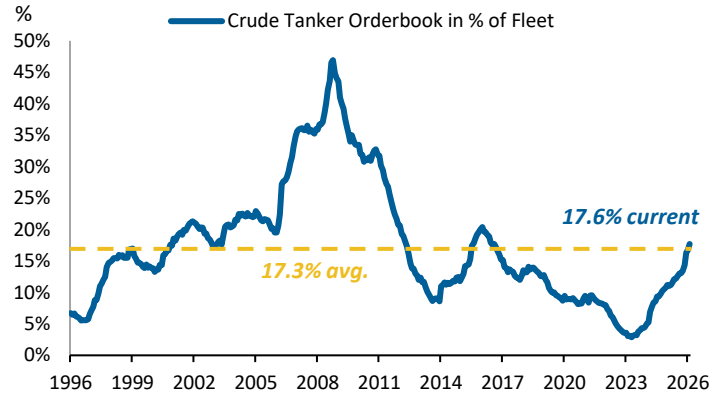
Market Opportunity



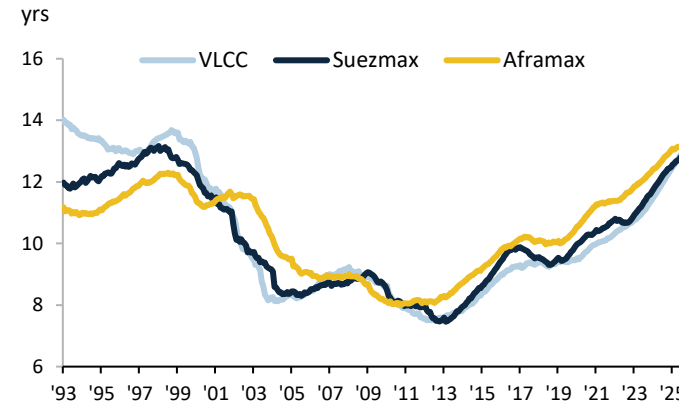
Market strength supported by long-term fundamentals

Rates supported by structural demand and constrained effective supply

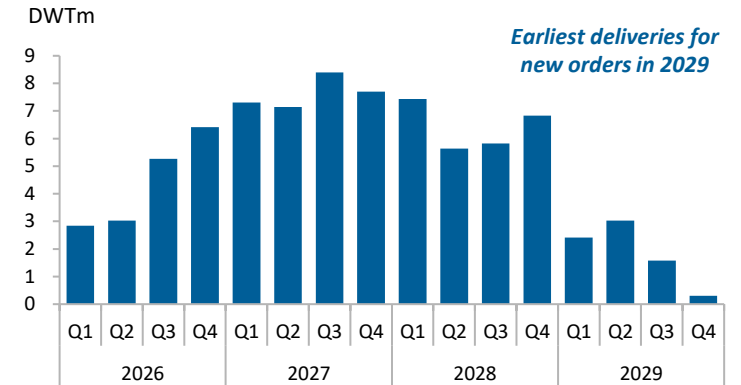
Crude tanker orderbook is increasing...



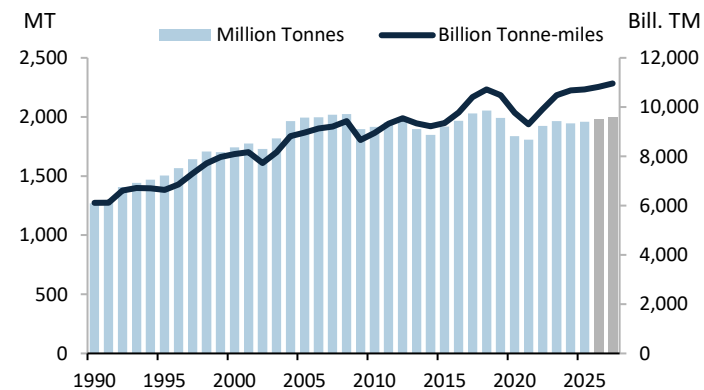
... but aging fleet is a bigger issue



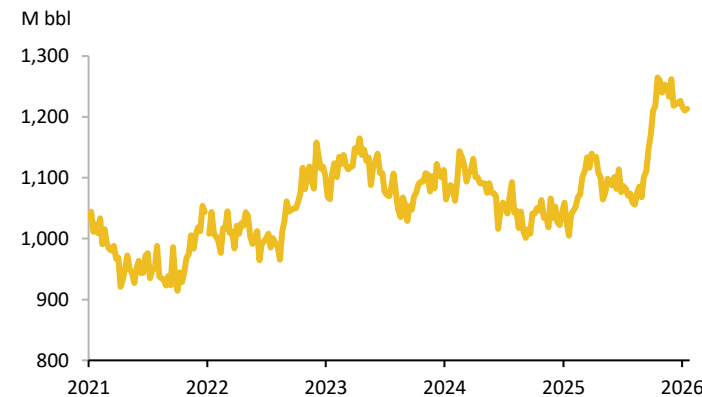
Long lead times for newbuild deliveries



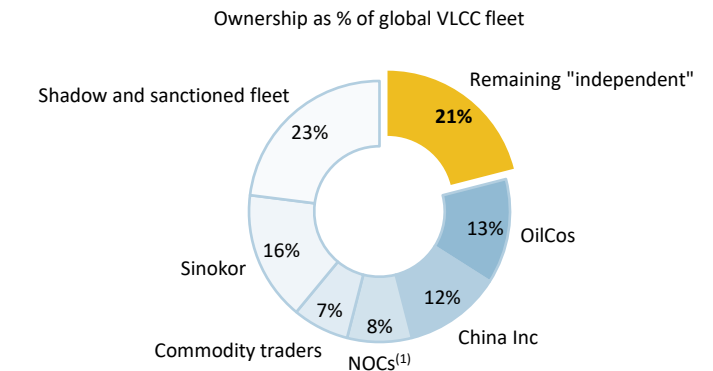
Seaborne crude trade is increasing



Global conflicts and trade inefficiencies adding to more oil in transit



Elevated S&P activity in recent months, resulting in consolidating VLCC ownership

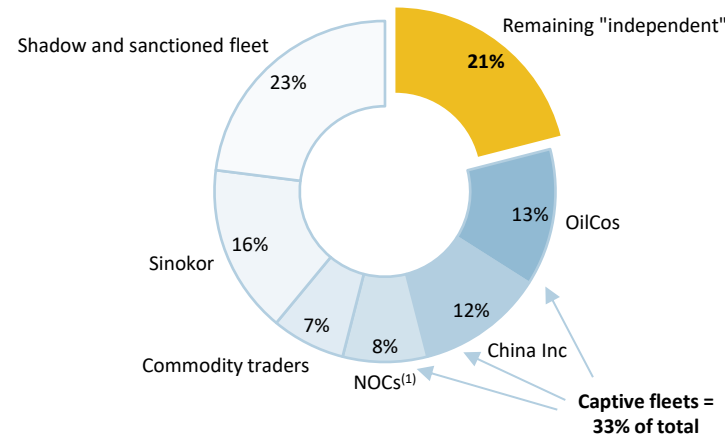


Note: (1) NOCs are National Oil Companies, state-owned oil producers that operate their own shipping fleets.
Source: Clarksons SIN, Fearnleys.

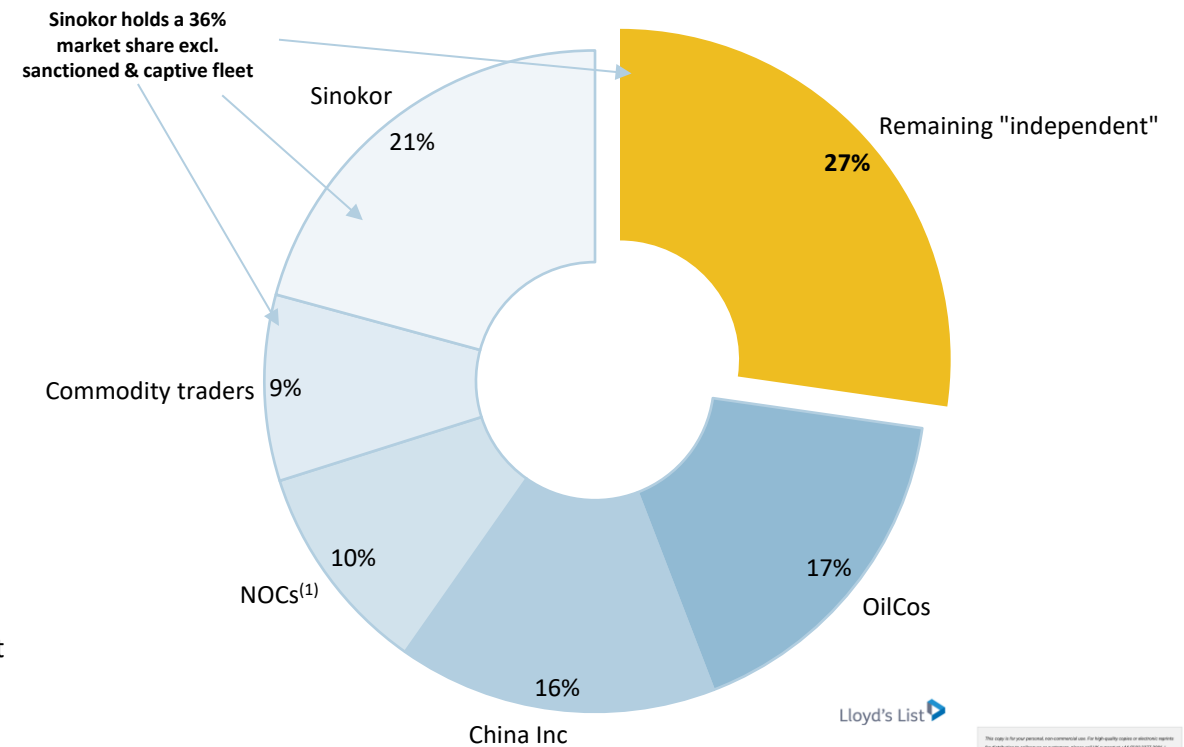
Tanker market share dynamics are changing

Emergence of "aggregator" with substantial more share than peers is new for tanker market

VLCC market shares - highest concentration ever?



VLCC market shares, adjusted for sanctioned vessels



Why does this matter?



Focus on investment suggests committed approach toward change over time



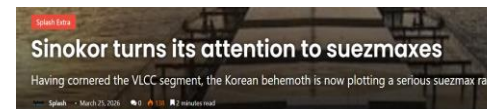
VLCC sector tends to lead the wider tanker market categories with effects cascading down



Large capital commitment behind this consolidation

Is VLCC consolidator Sinokor Maritime about to raid the suezmax sector?

TradeWinds
The Global Shipping News Source



Lloyd's List

This site is for your personal, non-commercial use. For high quality copies or electronic reports for distribution to colleagues or customers, please call UK support at +44 (0)20 3377 3300 / 0800 800 800 or visit Lloyd's List.

MSC-Sinokor partnership appears to target suezmax sector as secondhand VLCC handovers accelerate

- The crude oil tanker fleet partnership between Gioiello Agency's MSC and Sinokor may be growing beyond VLCCs
- Last week it emerged that MSC subsidiary SAS Shipping Agencies Services is expected to acquire a 50% stake in Sinokor

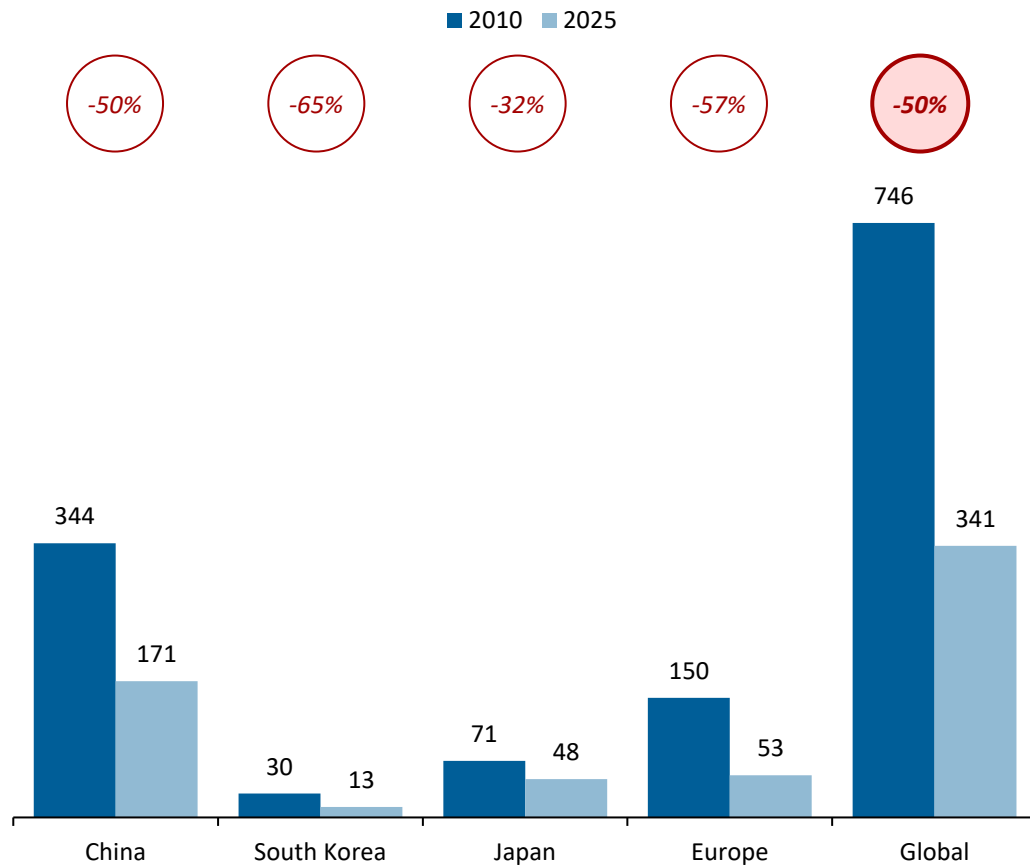
24 Nov 2024 **ANALYSIS** all
by Rob Williams - robert.williams@lloydslist.com

A move into suezmax tankers would intensify a big buying spree since December, during which the MSC and Sinokor collaboration bought a huge fleet of secondhand VLCCs

Shrinking yard capacity and booked out yard slots

Number of active yards has decreased sharply

of active yards



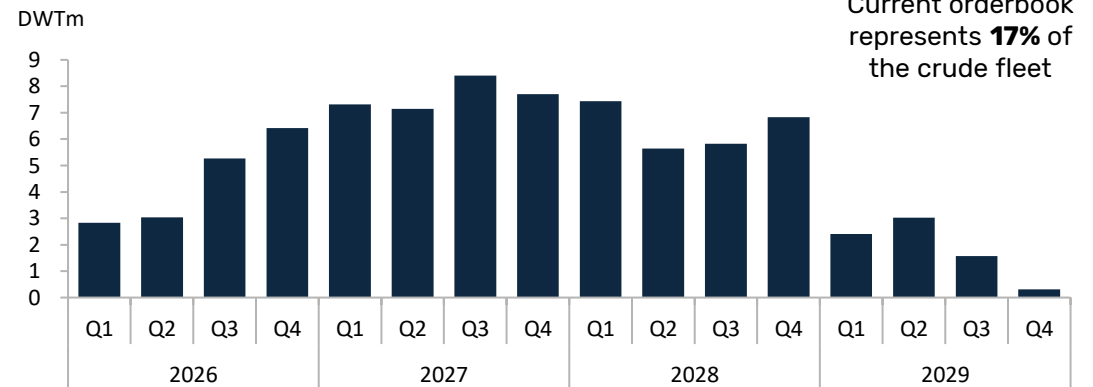
Effective ship building capacity significantly constrained

Container and LNG newbuilding rush taking up yard slots

Aging fleet replacement will constrain tanker newbuild orders

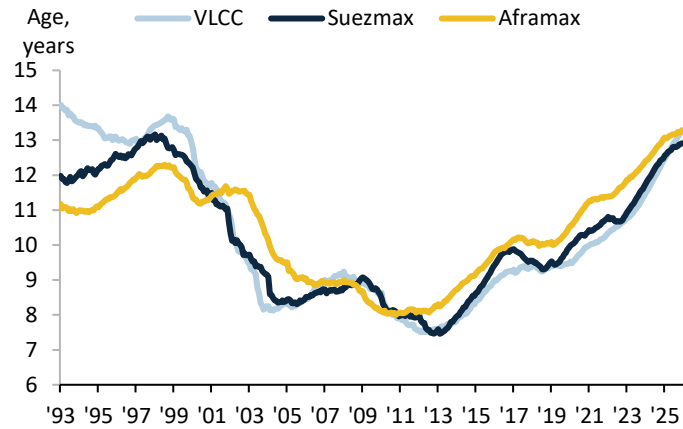
Ships ordered now will not be delivered before 2029

Crude tanker delivery schedule



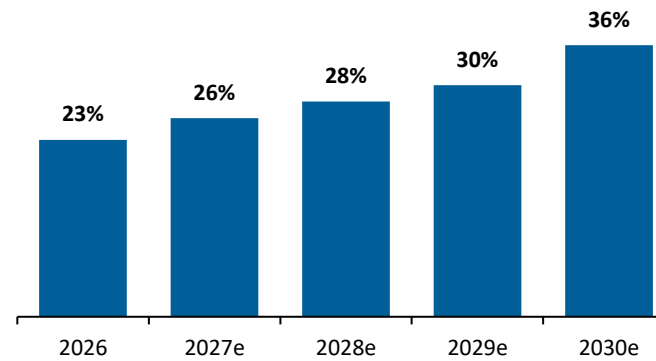
Fleet age matters in the crude tanker market

Avg. age of the fleet highest since 2000

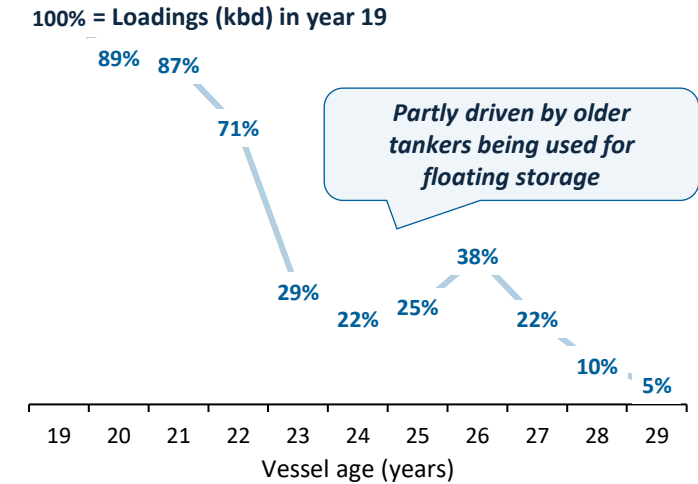


Share of fleet above 20 yrs increasing rapidly

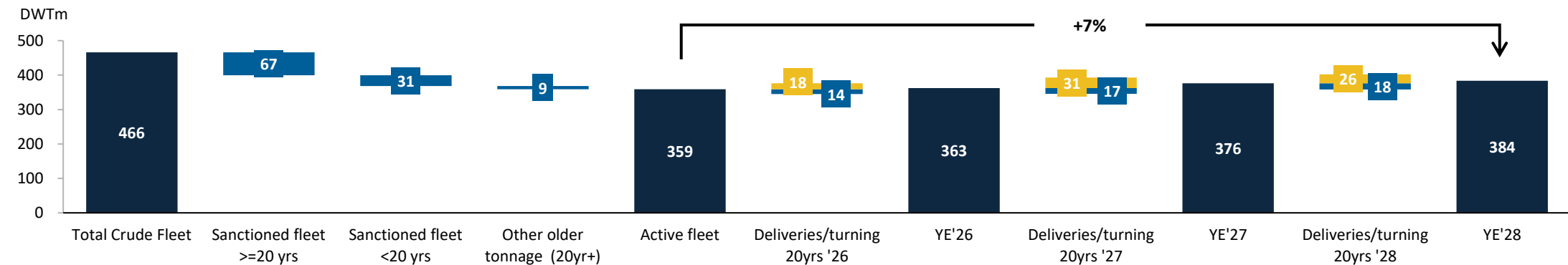
% of total crude fleet



Loadings drop significantly after vessels turn 23 yrs



Modest growth in the compliant fleet when adjusting for the ageing fleet

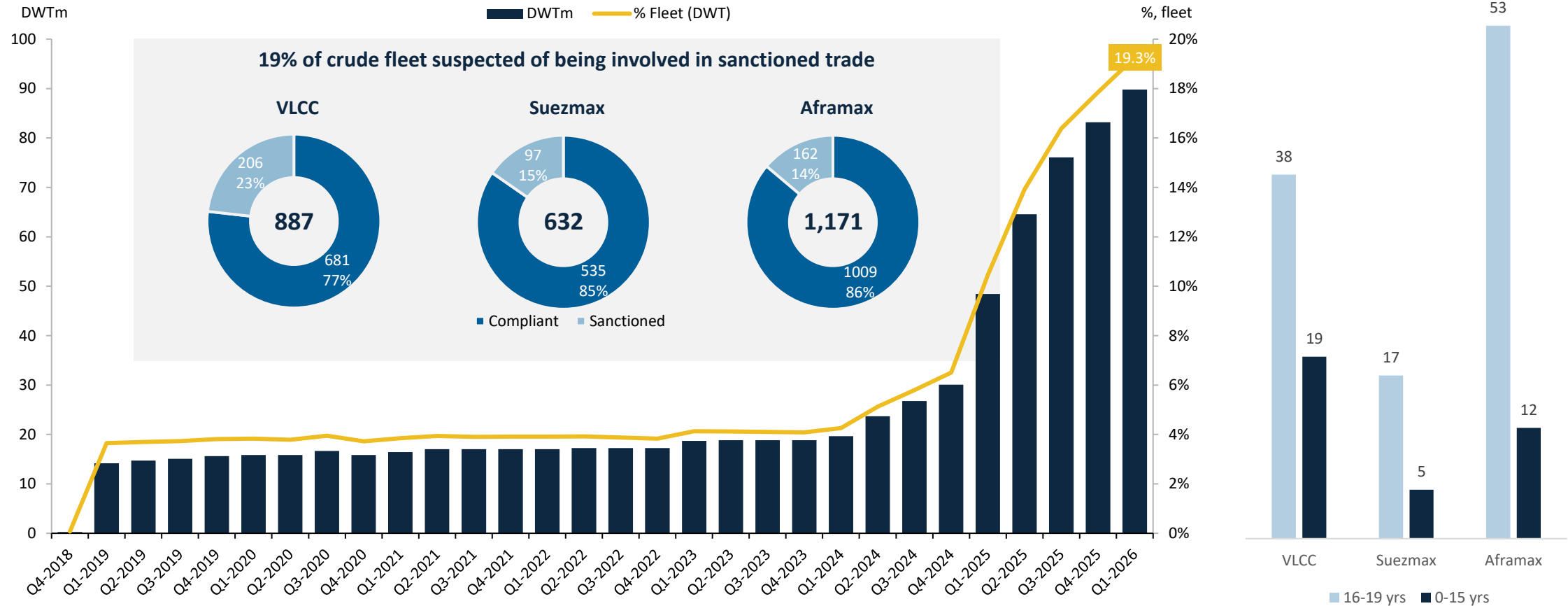


Sanctioned crude tanker fleet – is largely > 20 years

Sanctioned vessels are unlikely to make a return to normal trading given age profile

Large overlap of older vessels which are also sanctioned

sanctioned vessels under 20 years



03

Latest Market Developments



Where does this rank with the past? Unprecedented

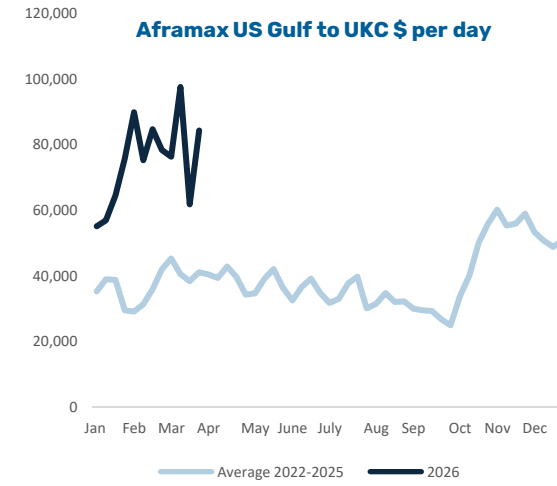
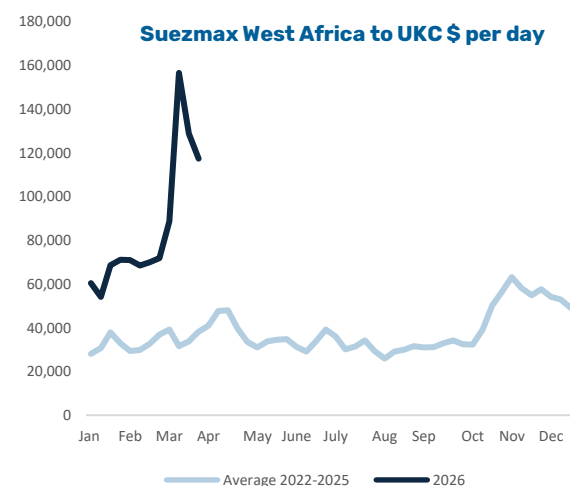
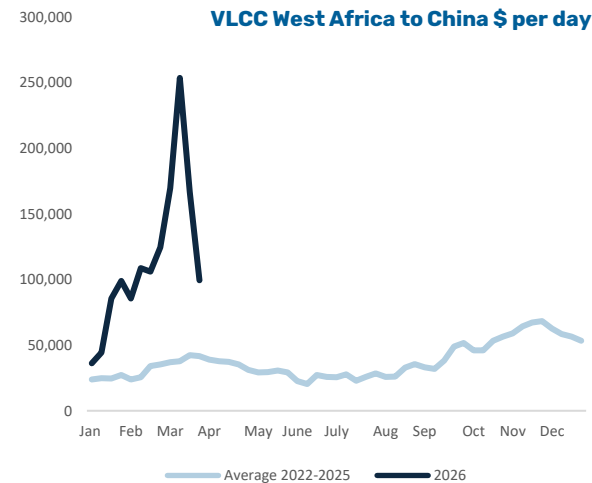
Past incidents have seen reduced capacity for key waterway but not effectively shut

Straits of Hormuz not been effectively closed before

When markets priced a Hormuz closure before			
Historic overview			
Period	Incident	Market reaction	Outcome
1973-10 – 1974-03	Arab oil embargo (first major realisation Gulf supply could be weaponised)	Brent equivalent quadrupled to ≈\$11/bbl (2024 \$ ≈\$70)	Strait stayed open
1979 – 1980	Iranian Revolution and start of the Iran-Iraq war; sporadic mining of Gulf approaches	Spot crude jumped from \$13 to \$34/bbl in 12 months	No closure
1984 – 1988	“Tanker War” – Iran & Iraq attacked >400 merchant ships; IRGC laid mines; US-led Operation Earnest Will escorted tankers	Insurance premia and VLCC spot freight briefly rose >4x; crude spikes short-lived	Traffic fell ~25% at outset but normalised; only ≈ 2% of ships were prevented from transiting
1990-08 – 1991-02	Iraq invaded Kuwait; fear Saddam might strike tankers or Saudi terminals	Brent jumped \$17 → \$36/bbl, topping \$40 intraday	Coalition kept sea-lanes open
2011-12 – 2012-03	Iran threatened to close Hormuz if EU & US tightened oil sanctions	Brent rose from \$107 to \$125/bbl; implied vol >45%	No military action; flows uninterrupted
2018-07	Iran warned it could “block” the strait after US quit the JCPOA	Brent reached >\$79/bbl but only briefly	No disruption
2019-05 – 2019-08	Limpet-mine attacks on six tankers; Iranian seizure of Stena Impero	Brent +4% day-of; war-risk insurance \$50k → \$185k per VLCC	Physical flows steady
2020-01-03	US drone strike on Qassem Soleimani	Brent +4%, then faded within a week	Strait open
2023-10 – 2025-06	Israel-Hamas war widened; Apr-Jun 2025 Israeli strikes on Iranian energy/military sites	Intraday Brent spike of 7% on 2025-06-13	AIS data show ~20 mb/d still transiting

Source: Reuters, Bloomberg, FT, NYT, Economist, Brookings, IEA, EIA, Morgan Stanley Research

Freight rate response also unprecedented



Source: Clarksons SIN

Geopolitics & War causing disruption & inefficiencies

Conflict is driving another level of inefficiencies and disruptions

US & Canada as crude export markets - key

- Uplift in US export production unlikely but Atlantic barrels likely to be sourced by Asian buyers

Middle East chokepoints and enforcement friction tighten effective supply:

- Iran friction forcing delays; Hormuz escalation has repriced tanker risk (EIA)
- SoH closure has shifted transits to Red Sea / Suez with further some tanker trades re-routing, extending voyages and tightening effective supply

SPR releases

- 400m bbls agreed to be released from strategic reserves
- However flow rate is only 1mbpd with source mostly from Western economy locations

Canada one of few locations seeing production growth can export directly to Far East

US crude exports capable 5m bpd – 5-year average 3.8mbpd

- Current very strong demand from USGC ports for tonnage

Venezuela

- Exports to US highest since 2019 @360k bpd

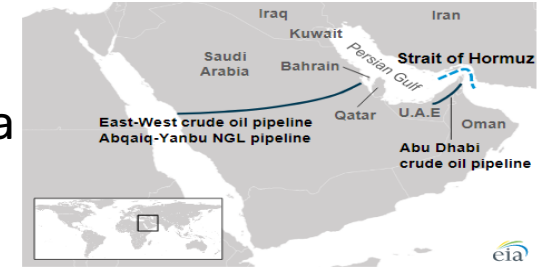
Far East Economies

- Most economies highly import dependent on crude and other energy sources
- Majority of crude from AG destination is Far East
- China insulated with SPR build to 1.5bn barrels of crude

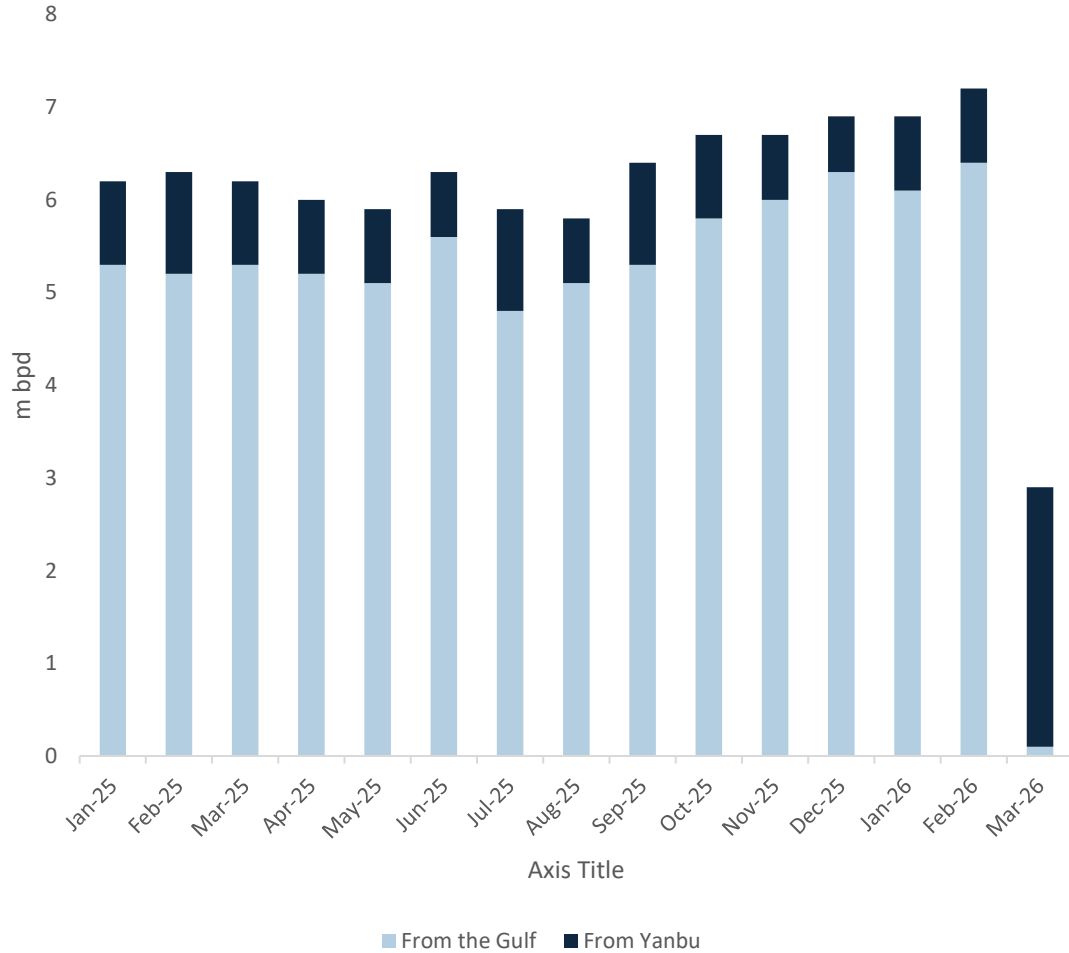
Longer ton miles for Atlantic barrels to replace lost Middle East

Yanbu trade replacing 40% of Saudi barrels

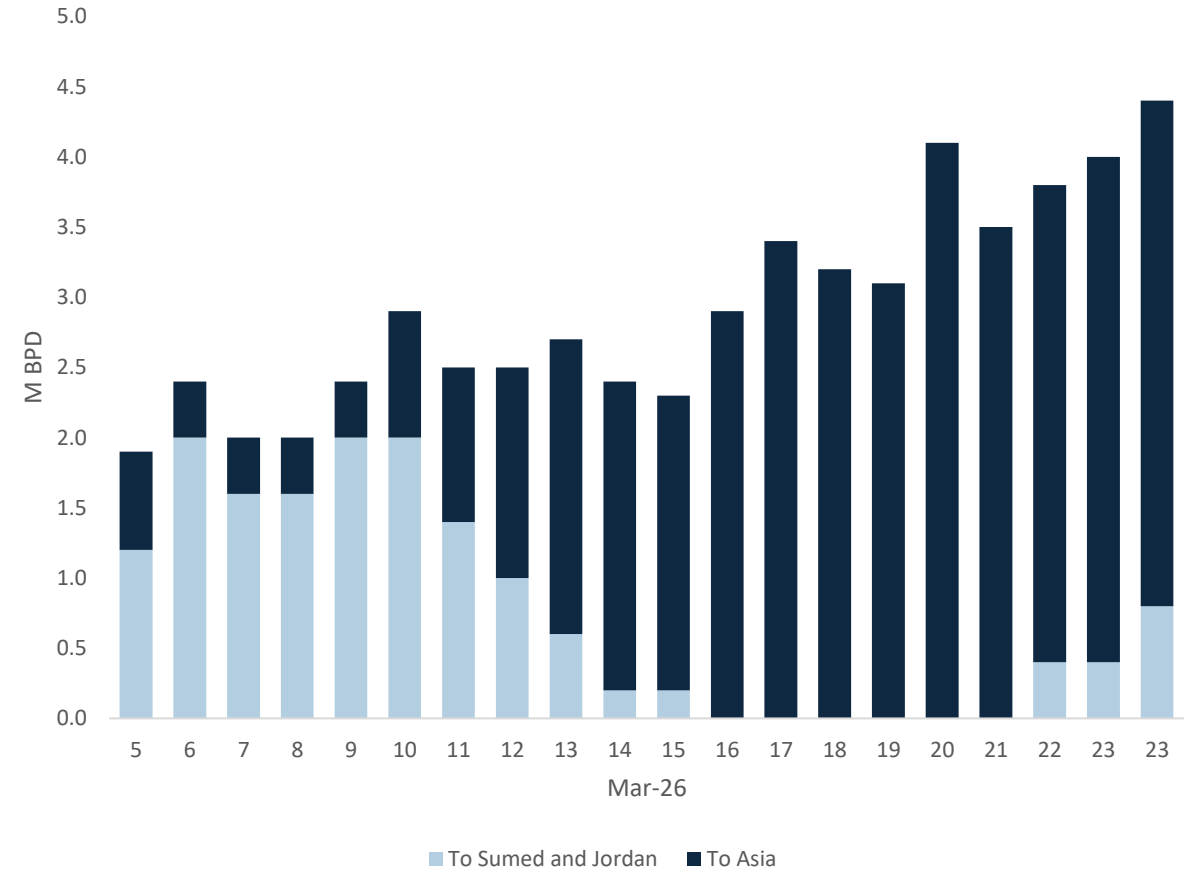
Barrels lost from Arabian Gulf now transiting causing congestion in Red Sea



Saudi Crude Exports



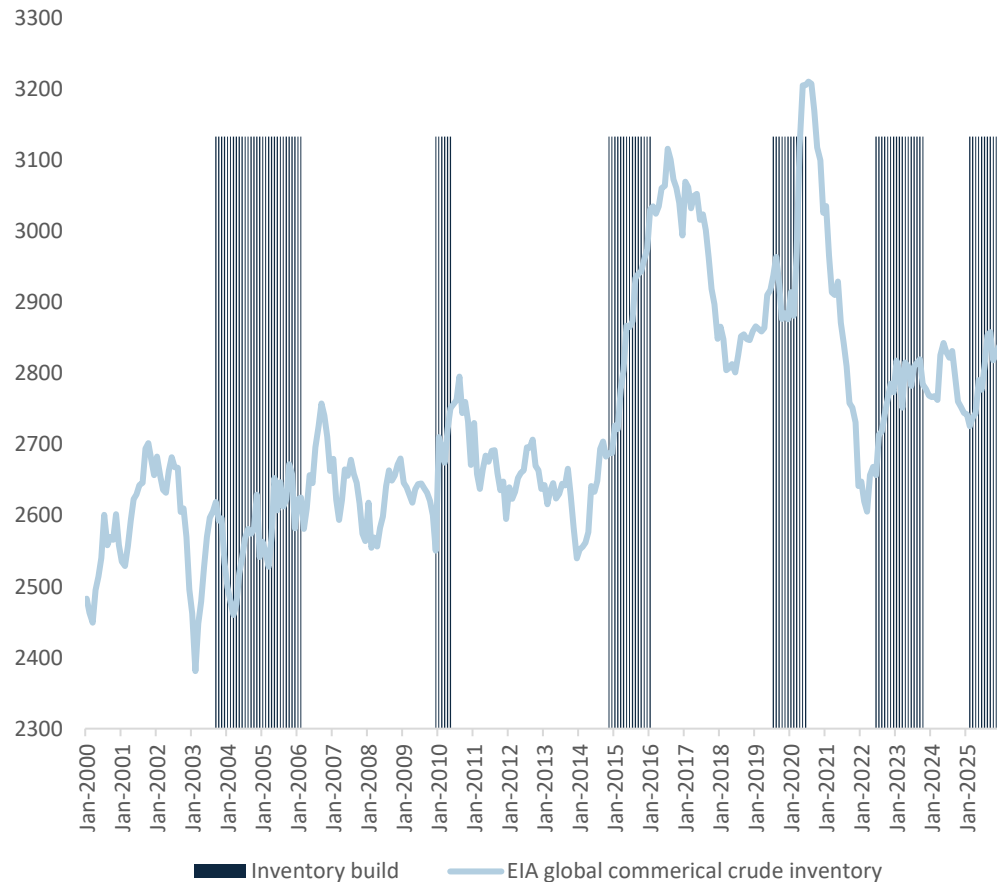
Yanbu Crude Exports



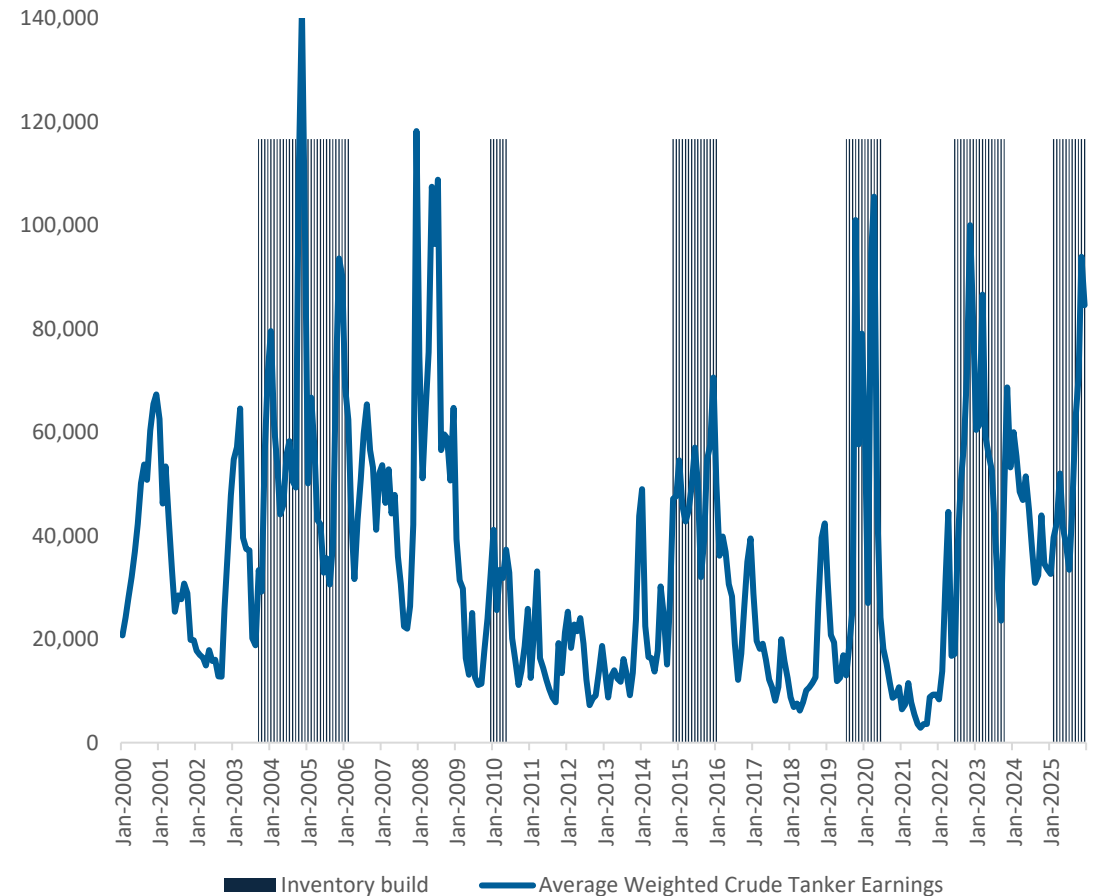
Whenever the world normalizes – Crude inventory will rise

Commercial & Strategic need for higher reserves & energy security will likely drive inventory build

Inventory builds between 2009-10, 2014-2016 & 2019-2020.....



...Historically have led to elevated freight rate cycles



Source: Clarksons SIN, EIA

Source: Clarksons SIN, EIA

