STAINLESS TANKERS

TUFTON

1Q25 Results Presentation

08 May 2025

Disclaimer

DISCLAIMER AND FORWARD-LOOKING STATEMENTS

The preparation of interim financial statements requires Stainless Tankers ASA's (the "Company", "we" or "our") management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

This presentation includes forward-looking statements which are based on management's current expectations and projections about future events. All statements other than statements of historical facts included herein, including statements regarding our future financial position, market outlook and future economic projections and assumptions and risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, may be deemed to be forward-looking statements. Words such as "believe", "expect", "anticipate", "may", "assume", "plan", "intend", "will", "should", "estimate", "risk" and similar expressions or the negatives of these expressions are intended to identify forward-looking statements.

By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements and readers of this presentation should not place undue reliance on these forward-looking statements. For additional information on risk factors related to the Company and its business, reference is made to our information document dated 27 April 2023.

Although management believes that the expectations reflected in the forward-looking statements are reasonable, we cannot assure that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other persons assume responsibility for the accuracy and completeness of the forward-looking statements. Any forward-looking statement speaks only as of the date which such statement is made, and we undertake no obligation to update any of these statements after the date of this presentation.

Agenda

Highlights

Chemical Tanker Rates & Outlook

Financial Review

Q&A

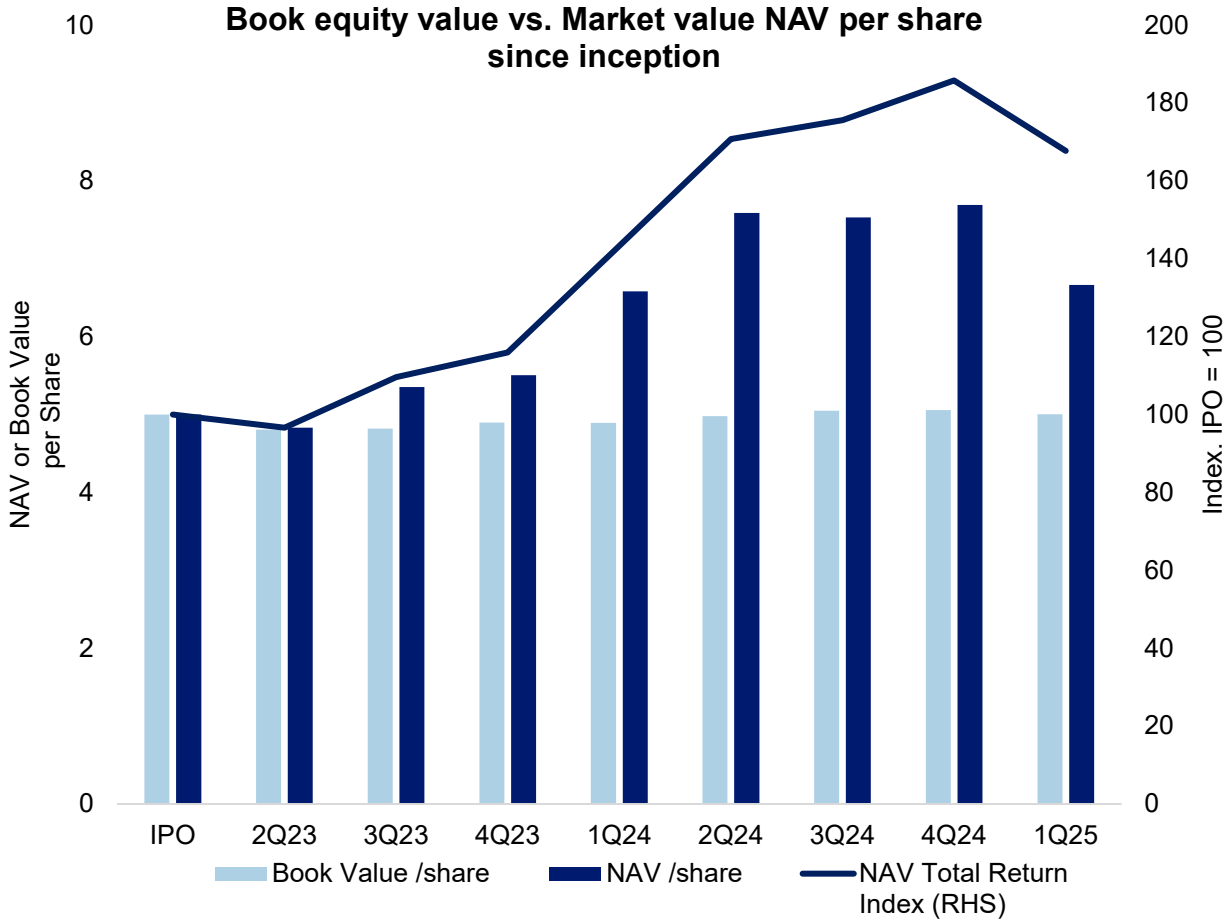
Appendix - 1Q 2025 Financial Statements

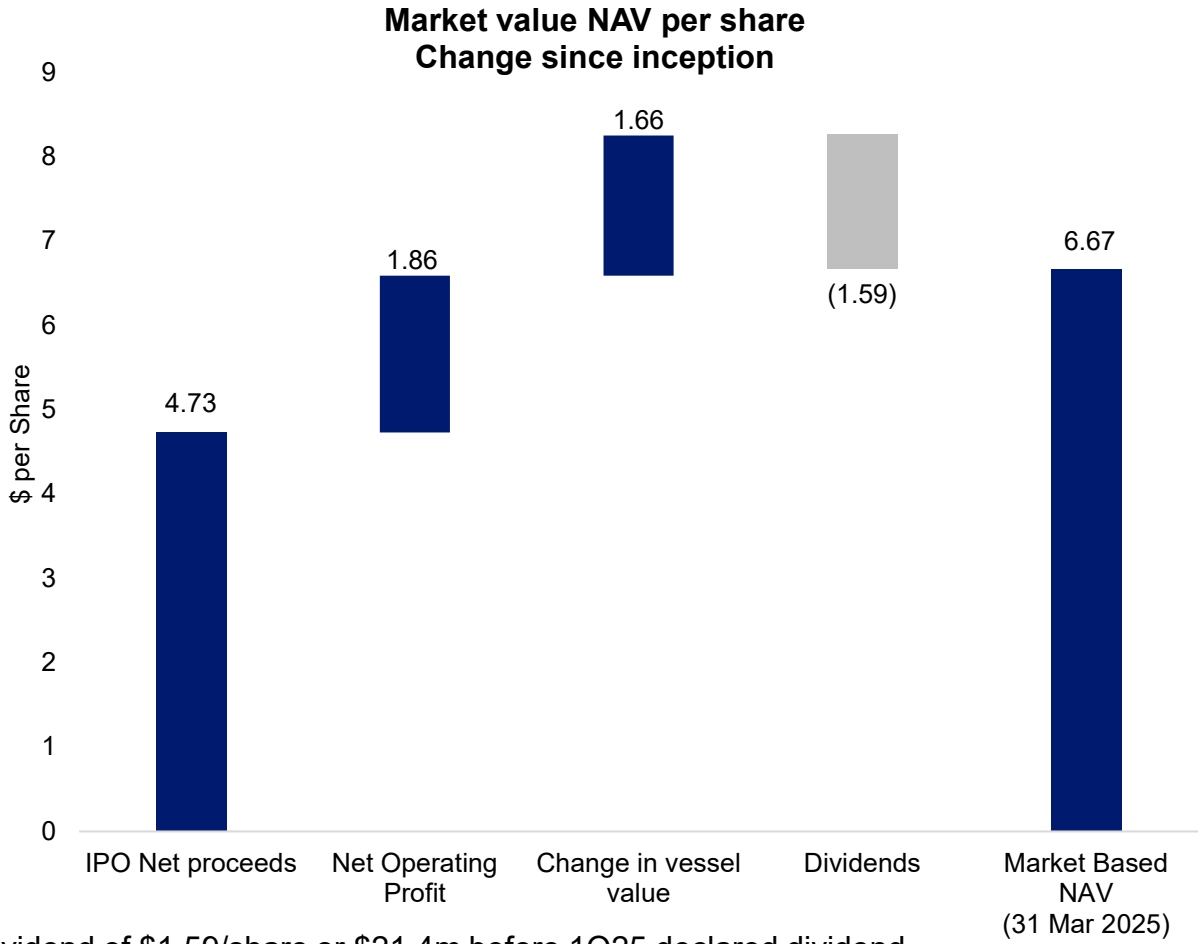
Highlights

NAV performance	1Q25 NAV currently estimated at $6.67 per share (NOK 68.6 per share) after cumulative dividend paid of $1.59 per share (NOK 16.6). NAV Total Return ($) since inception including dividends is 68%
1Q25 results	EBITDA of $8.2m and net income of $4.4m on net revenue of $11.9m, earnings impacted by the weaker 1Q25 pool TCE at $17k per day
Market rates	Pool TCEs averaged $17k/day over the quarter showing a slow recovery in April (~$18.5k/day). We expect a slow recovery with 2025 averaging around $19k/day
Balanced market	Annual fleet growth of ~3.4% to 2027 suggests balanced market compared to ~4% CAGR trend demand growth
Dividend distributions[1]	The Company declared a regular 1Q25 dividend of $0.275/share (c. NOK 2.8/share), representing an annualised yield of 22% on invested equity, and a special dividend following the sale of Marmotas and Monax of $0.225/share (c. NOK 2.3/share), payable on or about June 2nd. Since IPO the Company has returned a total of $2.09/share (approx. NOK 21.5/share) representing over 40% of the IPO proceeds.
2025 Outlook	Despite geopolitical uncertainty, we remain cautiously optimistic for the rest of the year

1. STST will make dividend distributions in the form of return of paid-in-capital

NAV performance since inception



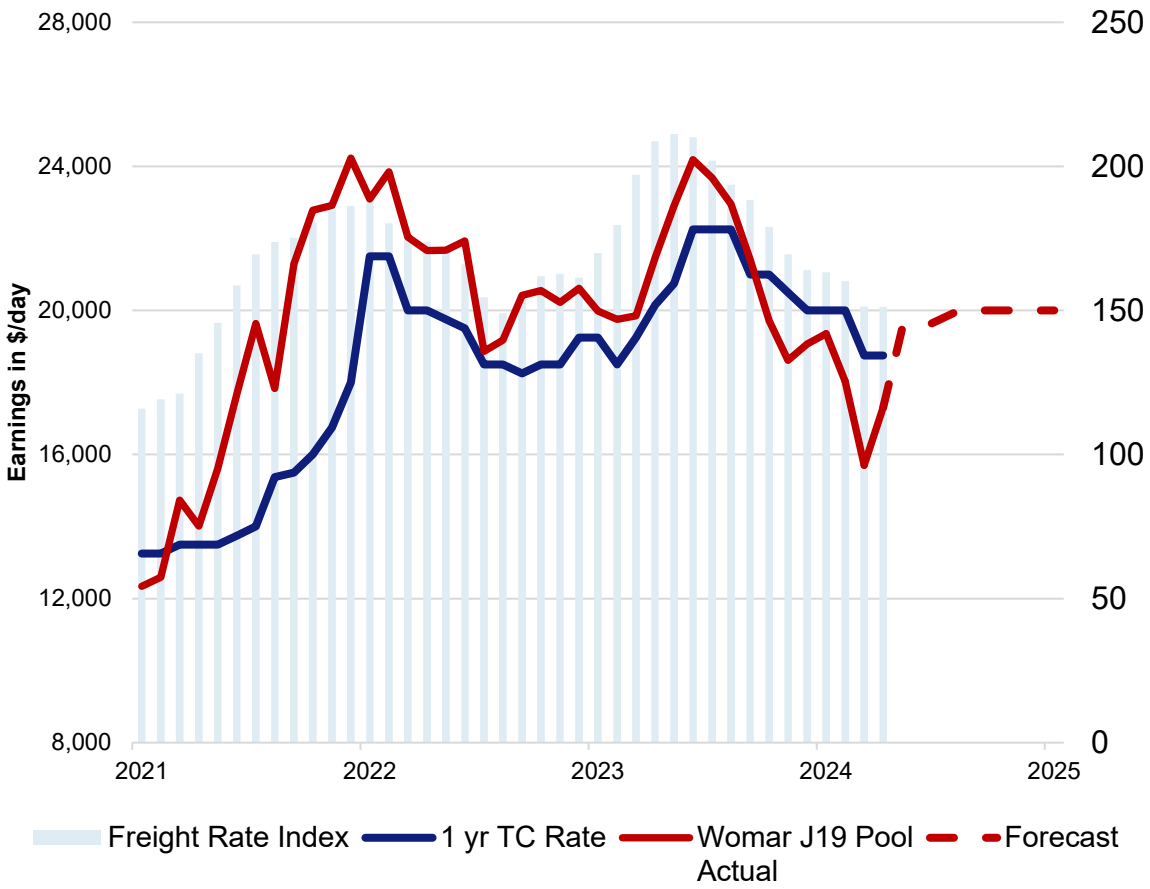


- Since inception, market value NAV/share has increased to $6.67. Cumulative dividend of $1.59/share or $21.4m before 1Q25 declared dividend
- NAV Total Return* of c.68% since inception and -9.8% in 1Q25
- Vessel values fell during 1Q25 due to the market weakness. To better reflect market valuations, we have switched from using only VesselsValue (“VV”) estimates to an average of VV and broker valuations

* NAV Total Return calculated on a per share basis since IPO assuming dividends reinvested

Rate recovery expected in the short term

Womar net pool earnings and market time charter rates



Highlights

- **1Q25 net pool TCE of $17k/day, was below budget ($18.1k/day). 1-yr market time charter rates fell to $18.5k/day at the end of the quarter**
- **After an intra-quarter low in February, pool TCE recovered in March and continued to rise in April (~$18.5k/day as of end of April). We continue to expect a slow recovery with 2025 averaging around $19k/day***
- **Higher level of 2025 deliveries expected for chemical tankers (c.5% of fleet). Against this, reversal of OPEC cuts from April and increasing refinery runs should absorb more tanker capacity with further upside potential from geopolitics**
- **Geopolitics supportive: Product and chemical tanker relatively less impacted by tariffs (please see next page). Continued Suez canal disruption and reversal of OPEC cuts are demand positive**

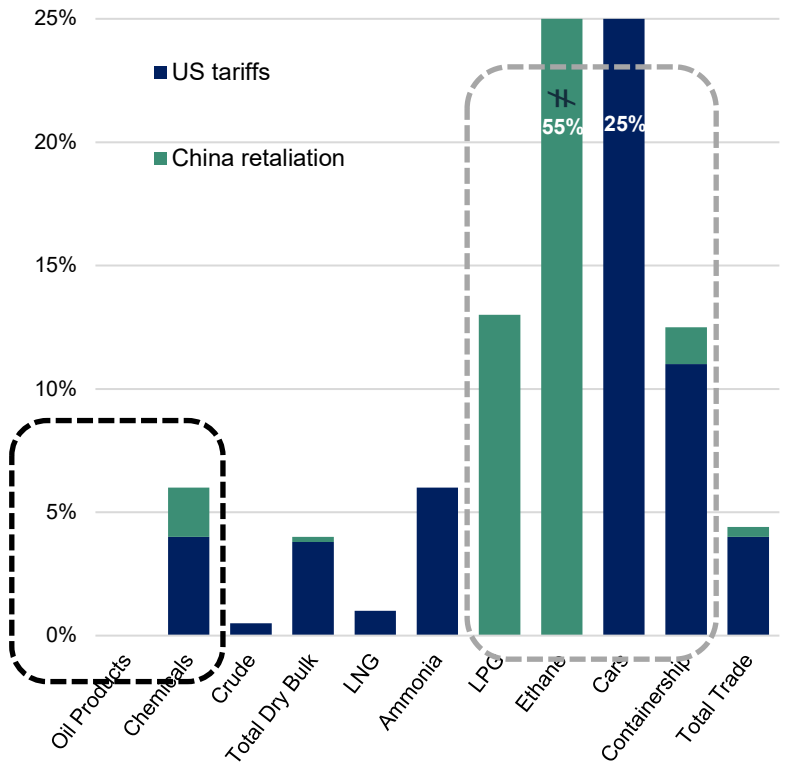
Source: Clarksons SIN, Womar

* $18,500/day in April followed by $20,000/day thereafter

Geopolitics and disruption

Tariffs on Seaborne Trade

(% of global tonnes, by segment)



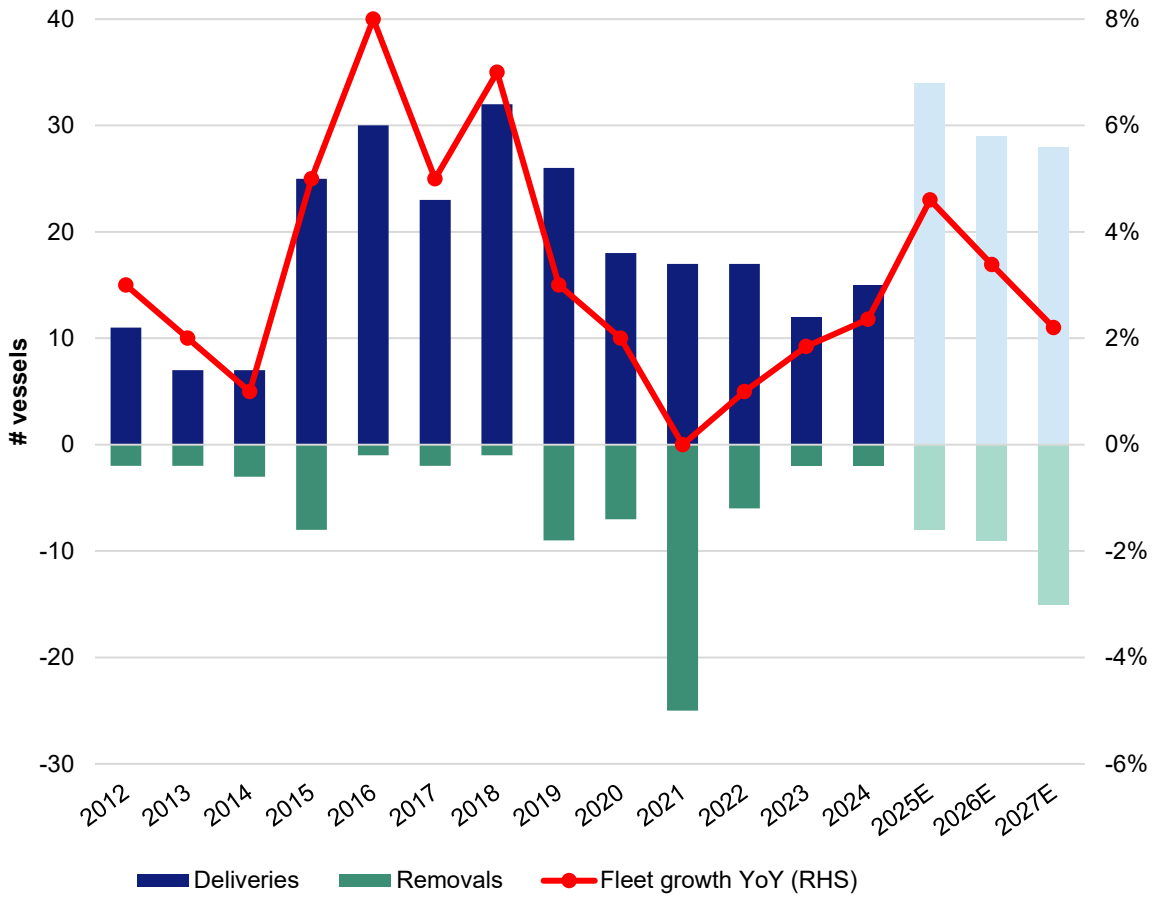
Highlights

- **US tariffs: Some segments like Tankers are likely to see little/ no direct impact. Further, tariff increases on most countries other than China have been paused for 90-days from early April. Tariff regimes continue to evolve**
- **Contrary to indications earlier in the year, bombing of Houthi rebels in Yemen, along with renewed hostilities in Gaza, suggest that disruption of traffic via the Suez Canal may continue in the near term. Potential impact of ongoing disruption covered in the 4Q24 report**
- **Similarly, current indications suggest we are no closer to a peace deal in Ukraine than December. Any US-led peace deal is likely to take time to percolate across Europe.**
- **Ongoing references at public events/ conferences suggest that further US sanctions against Venezuela and Iran remain under consideration**
- **A USTR proposal to charge Chinese vessels significantly higher costs for calling at US ports was submitted in April. The current proposal does not apply to US exports or Chinese built vessels below 55,000 dwt. The measures therefore do not apply to any of STST vessels. In any case, Charterers are primarily responsible for port charges. Even if applicable, our Japanese built vessels should benefit**

Source: Tufton, Clarksons SIN

Limited fleet growth supports positive outlook

Net fleet development[1]



Highlights

In our segment[1]

- **5 vessels were delivered in 1Q25**
- **As of 17 April, the orderbook was c.15% of global fleet (versus c.12% previously). Scheduled deliveries:**
  - **29 during 2025E (vs. 30 last quarter)**
  - **29 during 2026E (vs. 21 last quarter)**
  - **28 in 2027E (vs. 19 last quarter)**
- **8 vessels are expected to be removed in 2025 (no change versus previous). Considering the growing pool of removal candidates (>25 years old) and recent market volatility, we have increased our removals forecast by 13 vessels over 2026-27**
- **Forecast annual fleet growth of ~3.4% to 2027, compared long term demand growth CAGR of ~4% indicates balanced market in the medium term but 2025 likely to be challenging with ~4.6% fleet growth vs. ~2% demand growth**

Source: Clarkson SIN, Banchero Costa, Steem 1960, Tufton estimates

1) 10,000-25,000 dwt stainless steel chemical tankers

1Q25 Financial performance

	Select Financials	1Q25	4Q24
Fleet stats	Calendar days	786	828
	Available ship days	786	828
	Vessel days under ownership %	*100.0%*	*100.0%*
	Revenue ship days	724	811
	Utilization %	*92.1%*	*97.9%*
	Net pool TCE ($/day)	16,922	19,014
Condensed income statement (in $'000)	(+) Net revenue	11,894	15,271
	(-) Opex	(6,190)	(5,909)
	(-) SG&A	(593)	(526)
	(+/-) Gain/(loss) on disposal	3,096	-
	(=) EBITDA	8,208	8,836
	(-) Depreciation	(2,250)	(3,214)
	(+/-) Financial income/(expense)	(1,584)	(1,834)
	(+/-) Other income/(expense)	(8)	8
	Net Income	4,365	3,796
Select balance sheet items (in $'000)	Cash and cash equivalents [1]	3,613	1,699
	Fleet book value [2]	119,578	132,287
	Fleet market value [3]	142,005	167,850
	Net outstanding loan balance [4]	60,754	74,209
	Net loan outstanding to market value % [5]	*42.8%*	*44.2%*

Comments and notes

- **During the quarter, all vessels were trading in the Womar pool**
- **Utilisation decreased to 92.1% from 97.9% in Q4, mainly due to the drydocking of Lavraki**
- **Lavraki completed its 4th Intermediate Survey on March 26 at a cost of $1.4m. While in drydock, damages were observed on the main engine bearings. Repairs are in progress and are estimated to complete by mid of May**
- **Marmotas was delivered on 7 March and Monax on 23 April to their respective buyer**
- **Q1 revenue at $11.9m, impacted by the lower pool earnings as the market weakened and the off-hire days**
- **Net income of $4.4m, up from $3.8m in Q4 mainly impacted by the lower revenue offset by the gain on disposal of Marmotas**
- **Free cash balance excluding all restricted cash balances and reserve accounts at $3.6m**
- **Fleet market value at $142.0m; NAV at $90.0m or $6.67/share (c. NOK 68.6/share)**
- **LTV based on fleet market value decreased to 42.8% in Q1**
- **1Q25 dividend of $0.275/share (c. NOK 2.8/share), representing an annualised yield of 22% on invested equity, and a special dividend following the sale of Marmotas and Monax of $0.225/share (c. NOK 2.3/share), payable on or about June 2nd. Since IPO the Company has returned a total of $2.09/share (approx. NOK 21.5/share) representing over 40% of the IPO proceeds**

1) Excluding all restricted cash balances
2) Net book fleet value based on fleet value at purchase net of accumulated depreciation
3) Based on the sale price for Monax and the average of the valuations obtained by VesselsValue and Steem1960 as at 31st March
4) Net outstanding loan balance comprise of loan balance outstanding not including capitalised costs LESS minimum liquidity requirement
5) LTV % is based on net outstanding loan balance LESS restricted cash per vessel DIVIDED by fleet market value, as per the facility agreement

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Thank You

Appendix - Financial statements (Income Statement)

Consolidated statement of income statement and other comprehensive income

In USD	Q1 2025 (unaudited)	Q1 2024 (unaudited)
Operating revenue	12,797,237	16,004,793
Vessel voyage expenses	(903,145)	(713,945)
Vessel operating expenses	(6,189,551)	(6,442,449)
Administrative expenses	(600,110)	(719,225)
Other income	234	404
Gain/(loss) on disposal	3,093,920	-
EBITDA	**8,198,584**	**8,129,578**
Depreciation and amoritsation	(2,250,315)	(3,020,279)
Operating result (EBIT)	**5,948,269**	**5,109,299**
Financial income	70,690	56,015
Financial expenses	(1,646,829)	(2,160,043)
Profit before tax (EBT)	**4,372,131**	**3,005,271**
Taxes	(7,500)	(8,534)
Profit and other comprehensive income for the period	**4,364,631**	**2,996,737**

Appendix - Financial statements (Balance Sheet)

Consolidated statement of financial position

In USD	31 Mar 2025 (unaudited)	31 Dec 2024 (audited)
ASSETS		
Non-current assets		
Vessels and drydocking costs	107,606,913	108,397,228
Total non-current assets	**107,606,913**	**108,397,228**
Current assets		
Trade and other receivables	11,646,761	11,571,629
Cash and cash equivalent	3,613,220	1,698,966
Assets held for sale	11,971,372	23,889,661
Total current assets	**27,231,353**	**37,160,257**
Total assets	**134,838,266**	**145,557,484**
EQUITY AND LIABILITIES		
Equity		
Share capital	13,072,672	13,072,672
Share premium	29,351,047	33,063,547
Retained earnings	25,151,370	20,786,739
Total equity	**67,575,088**	**66,922,957**
Non-current liabilities		
Interest-bearing debt - non-current	44,551,449	46,321,620
Total non-current liabilities	**44,551,449**	**46,321,620**
Current liabilities		
Interest-bearing debt - current	16,950,622	28,554,997
Trade and other payables	3,877,014	1,807,066
Warrants	1,846,592	1,920,845
Accrued taxation	37,500	30,000
Total current liabilities	**22,711,728**	**32,312,908**
Total equity and liabilities	**134,838,266**	**145,557,484**

Appendix - Financial statements (Cash Flow Statement)

Consolidated statement of cash flows

In USD	Q1 2025 (unaudited)	Q1 2024 (unaudited)
Profit and other comprehensive income for the period	4,372,131	3,005,271
Adjustments for:		
Financial income	(70,690)	(56,015)
Financial expenses	1,646,829	2,160,043
Depreciation and amortisation	2,250,315	3,020,279
Gain/(loss) on disposal	(3,093,920)	
Cash flow from operating activities before changes in working capital	**5,104,665**	**8,129,578**
Changes in working capital		
Increase in trade and other receivables	90,814	3,367,424
Increase in trade and other payables	2,069,949	941,177
Decrease in warrants	(74,253)	-
Accrued/(Deferred) income	-	(473,116)
Cash flow from operating activities	**7,191,174**	**11,965,063**
Acquisition of vessels	-	(12,233)
Disposal of vessels	15,012,209	-
Drydocking costs	(1,460,000)	-
Interest received	70,690	56,015
Change in restricted cash for drydocking reserves	(165,946)	(4,287,362)
Cash flow from investing activities	**13,456,954**	**(4,243,580)**
Dividends paid	(3,712,500)	(3,037,500)
Borrowing costs	-	(56,096)
Repayment of debt	(13,454,375)	(2,565,000)
Interest paid on interest-bearing debt	(1,566,999)	(2,071,530)
Cash flow from financing activities	**(18,733,874)**	**(7,730,126)**
Net change in cash and cash equivalents	1,914,253	(8,643)
Cash and cash equivalents at beginning of period	1,698,966	2,345,378
Cash and cash equivalents at end of period	**3,613,220**	**2,336,735**