

Team Tankers International

2nd Quarter 2019 Results, Earnings call, 14 August 2019



Disclaimer

This presentation may contain forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including Team Tankers International's management's examination of historical operating trends. Although Team Tankers International (the "Company") believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control, the Company cannot give assurance that it will achieve or accomplish these expectations, beliefs or intentions.

Important factors that, in the Company's view, could cause actual results to differ materially from those discussed in this report include the strength of world economies and currencies, general market conditions including fluctuations in charter hire rates and vessel values, changes in demand in the chemical tanker market, changes in the Company's operating expenses including bunker prices, dry-docking and insurance costs, 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, and other important factors described from time to time in the reports filed by the Company. Neither Team Tankers International nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements.

Agenda

Company overview and highlights

Financials

Market Fundamentals and Outlook

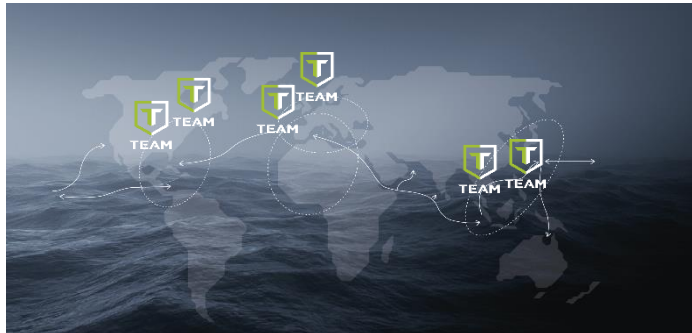
Summary

TEAM | A Leading Chemical Tanker Company

Fleet and Global Network

48 Vessels (35 owned, 13 charters).

92 onshore employees.



Westport | Houston | Copenhagen
Singapore | Marbella | Manila

Strategic focus

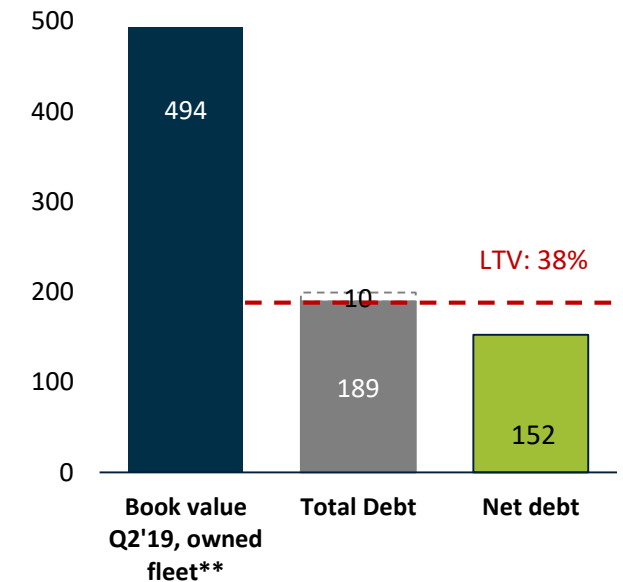
The Company's strategic focus is on:

- **Global Coated fleet** (35 vessels).
- **Regional Stainless-Steel fleet** (13 vessels).

Strong Balance Sheet

54.6% Book equity ratio.

\$47 million in liquidity.*



*Cash plus undrawn credit of \$10 million, as of Q2 2019.

**Book value includes held-for-sale vessels

Highlights Q2 2019

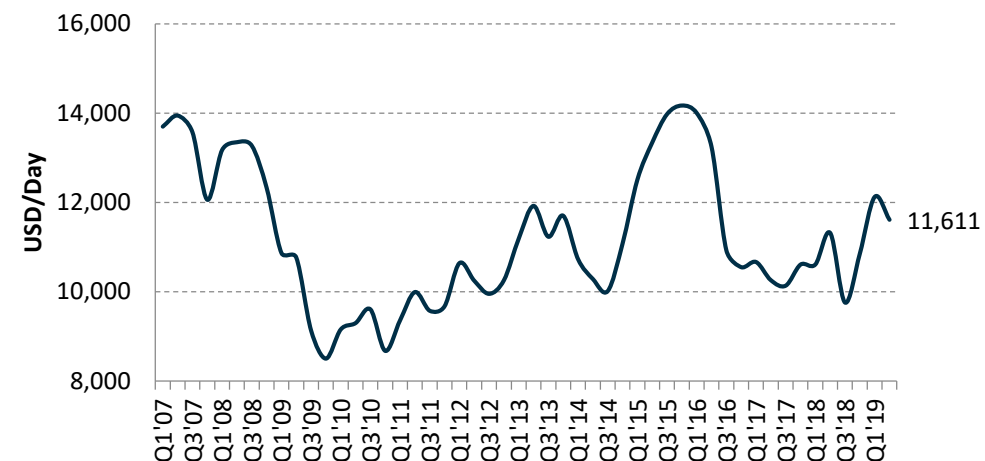
\$11,611 TCE (Q1 '19: 12,123).

\$11.8 EBITDA (Q1 '19: 14.0).

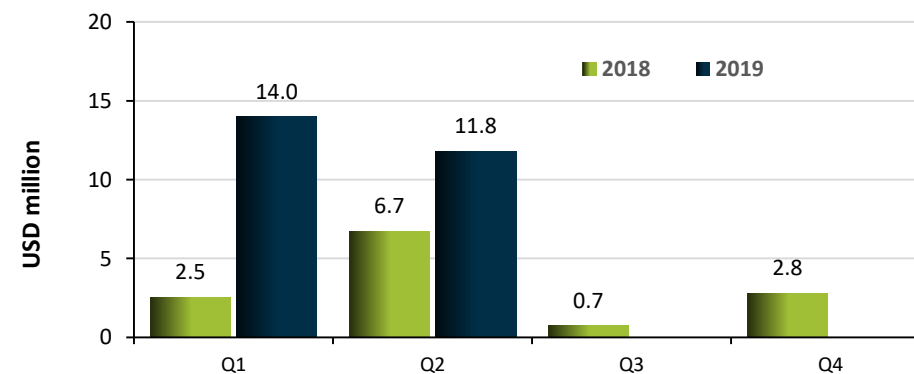
\$-17.4 Net loss (Q1 '19: -7.9 net loss).

54.6% Equity ratio.

Average Time Charter Equivalent



EBITDA development



Focused Fleet

TEAM has focused its business around three core vessel classes:

The Global Coated fleet consists of:



- Deep sea coated fleet (25-54k dwt IMO 2 focused).

- Ships in fleet: 23

- Top 10 in the world



- Regional coated fleet (10-16k dwt).

- Ships in fleet: 12

- #2 in the world



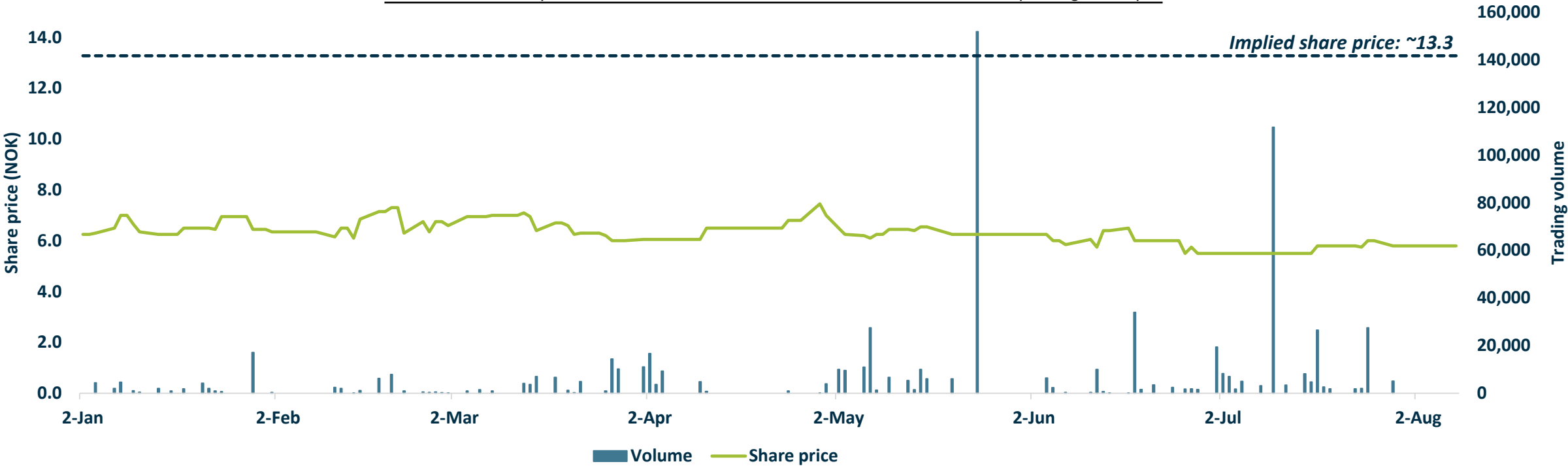
- Regional stainless steel fleet (7-12k dwt).

- Ships in fleet: 13

- #1 in the world

Fleet Changes

Fleet disposals, owned	Vessel	DWT	Built	Tanks	Transaction
May 2019	Team Tapatio	44,999	2003	Coated	Sale and TC back
July 2019	Sichem Paris	13,079	2008	Coated	Sale and TC back
Est. Aug 2019 delivery	Tambourin	44,999	2004	Coated	Sale, pending delivery
Est. Q4 2019 delivery	Team Tarantella	44,999	2002	Coated	Sale, pending delivery



Note: 8.94 USDNOK per 7 August. Implied share price basis sales value discount to book of past 4 sold ships: Team Tapatio, Sichem Paris, Tambourin and Team Tarantella.

Favorable Orderbook

Favorable orderbook for TEAM's core vessel classes



■ Deep Sea Coated IMO 2 focused (25 - 54k dwt)

- Existing fleet: 11.4 million dwt
- Orderbook: 6.0%
- Team fleet average age – 10.4 years
- World fleet average age – 10.0 years



■ Regional Coated (10 - 16k dwt)

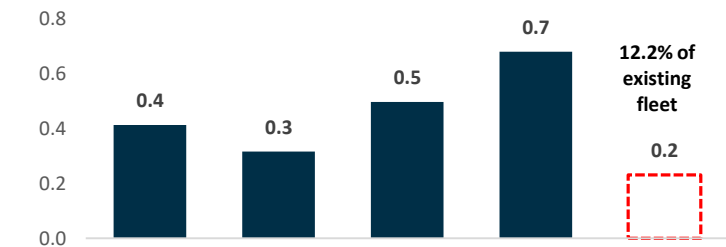
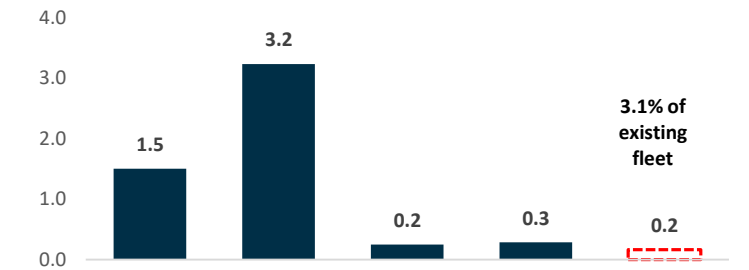
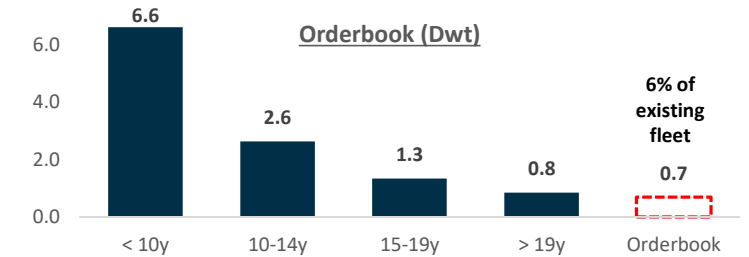
- Existing fleet: 5.3 million dwt
- Orderbook: 3.1%
- Team fleet average age – 12.0 years
- World fleet average age – 11.3 years



■ Regional Stainless Steel (7 - 12k dwt)

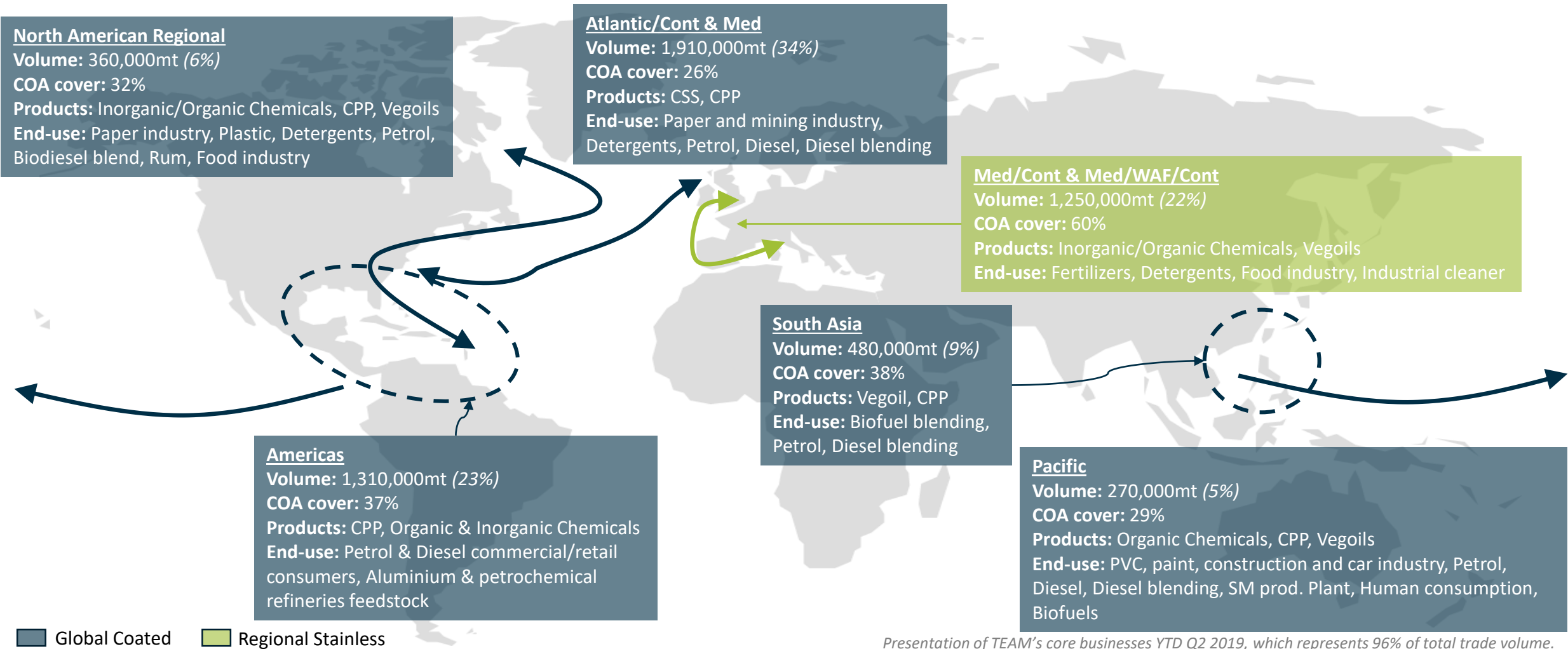
- Existing fleet: 1.9 million dwt
- Orderbook: 12.2%
- Team fleet average age – 13.1 years
- World fleet average age – 15.8 years

The Global Coated fleet



Source: Drewry & TEAM

Customer Focus Through Global Network

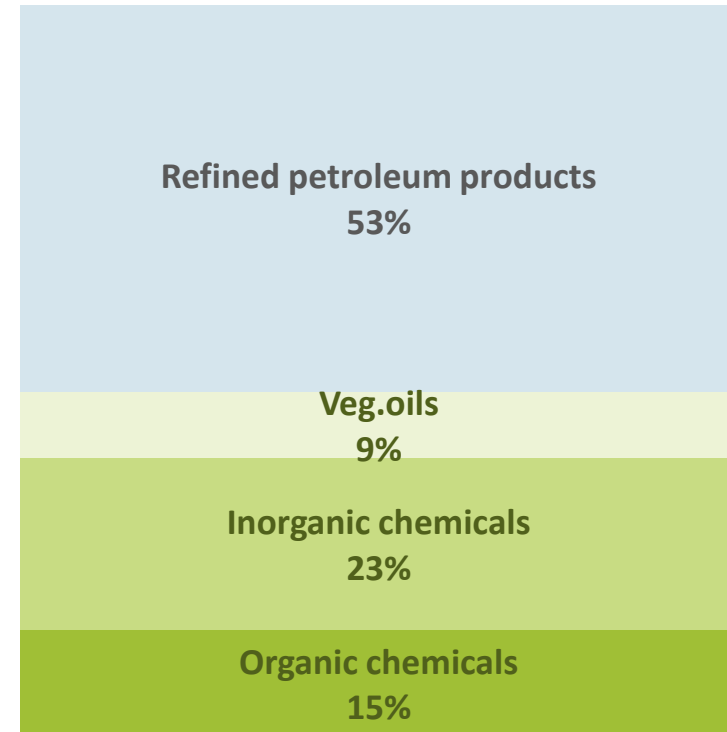


Presentation of TEAM's core businesses YTD Q2 2019, which represents 96% of total trade volume.

Customer Focus

- We have blue-chip customer support with strong contract coverage, many on evergreen basis, and additional volumes from preferred supplier relationships.
- 61 different products carried for our customers in 1H 2019.
- We can carry chemicals, veg.oils and refined petroleum products to optimize utilization and swing between strong markets.

Cargo lifting YTD Q2 2019



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Income Statement

USD million	Q2 2019	Q1 2019	Q2 2018
Freight revenue	81.1	83.6	85.9
Voyage expenses	-31.7	-33.5	-34.7
Freight income on T/C basis	49.4	50.1	51.2
Ship operating expenses	-30.3	-27.3	-26.3
Charterhire expenses	-1.7	-2.4	-10.0
G&A expenses	-5.6	-6.4	-8.2
EBITDA	11.8	14.0	6.7
Depreciation and amortization	-17.3	-16.9	-10.8
Other gains / (losses)	-6.9	-0.2	12.4
EBIT	-12.4	-3.1	8.3
Interest income	0.0	0.1	0.2
Interest expenses	-4.1	-4.1	-2.9
Other financial items	-0.9	-0.8	-1.2
Net profit / (loss)	-17.4	-7.9	4.4
<i>Earnings per share - basic (USD)</i>	<i>-0.08</i>	<i>-0.04</i>	<i>0.02</i>
<i>Earnings per share - diluted (USD)</i>	<i>-0.08</i>	<i>-0.04</i>	<i>0.02</i>

- Freight income on T/C basis of \$49.4 million (\$50.1 million in Q1'19).
 - TCE of \$11,611 pd, down 4.2% from Q1'19, driven by lower realized net results on our larger vessels.
- IFRS 16 regulation implemented 1 Jan 2019.
 - Replaces straight-line operating lease expenses with depreciation charges for the lease asset and interest expenses on the lease liability in the P&L.
- EBITDA of \$11.8 million (\$14.0 million in Q1'19).
 - Charterhire expenses decreased due to redelivery of leases in Q1'19.
- Other gains/(losses) includes the sale of four ships.
 - One 13k coated vessel and three 45k coated vessels.
- Interest expenses of \$4.1 million (\$4.1 million in Q1'19).
- Net loss of \$17.4 million (net loss of \$7.9 million in Q1'19).

Balance Sheet

USD million	Q2 2019	Q1 2019
Vessels	468.7	499.2
Right-of-use assets, Vessels	57.7	50.8
Right-of-use assets, Office Leases	3.7	3.9
Other equipment	1.3	1.3
Other non-current assets	1.0	5.3
Total non-current assets	532.3	560.5
Inventories	13.2	15.7
Trade and other receivables	51.4	55.9
Other current assets	2.1	2.9
Cash and cash equivalents	37.0	25.8
Total current assets	103.7	100.3
Vessels held for sale	24.9	12.5
TOTAL ASSETS	660.9	673.3
Total Equity	360.9	378.0
Long-term debt	155.9	166.1
Long-term lease obligations	38.7	33.4
Other non-current liabilities	0.1	0.1
Total non-current liabilities	194.7	199.6
Trade and other payables	34.7	38.4
Short-term debt	33.7	22.0
Short-term lease obligations	26.7	25.5
Other current liabilities	10.3	9.8
Total current liabilities	105.3	95.7
Total liabilities	300.0	295.3
TOTAL EQUITY AND LIABILITIES	660.9	673.3

- Strong balance sheet and adequate liquidity position.
 - \$47.0 million liquidity.
 - Low leverage.
- Equity ratio of 54.6%.
- IFRS 16 regulation.
 - Require recognition of right-of-use assets and lease liabilities for long-term operating leases.
- Fleet changes
 - One 45k coated vessel sold in May '19, time-chartered back for 3 years.

Cash Flow Statement

USD million	Q2 2019	Q1 2019
Operating activities		
Profit / (loss) before taxes	-17.4	-7.9
Depreciation and amortization	17.3	16.9
Loss/(gain) on sale of vessels	6.9	0.2
Net interest expenses	4.1	4.0
Foreign currency (gain) / loss, net	0.0	0.1
Share based incentive expenses	0.4	0.6
Working capital and other adjustments	7.7	-7.1
Net cash flow from operating activities	19.0	6.7
Investing activities		
Vessel sale proceeds	12.2	6.2
Capitalized dry dock expenditures	-9.8	-3.5
Capital expenditures, other equipment	0.0	-0.2
Interest received	0.0	0.1
Net cash flow from investing activities	2.3	2.6
Financing activities		
Credit facility proceeds	10.0	0.0
Repayment of long term debt	-9.0	-4.0
Repayment of obligations under leases	-7.5	-6.8
Interest paid	-3.8	-3.7
Payment of other financial costs, net	-0.1	-2.6
Net cash flow from financing activities	-10.3	-17.2
Net change in cash and cash equivalents	11.0	-7.8
Cash balance at beginning of period	25.8	33.7
Net foreign exchange difference on cash	0.1	-0.2
Cash and cash equivalents at end of period	37.0	25.8
Undrawn portion of revolving credit facility	10.0	20.0

- Positive cash flow from operating activities of \$19.0 million.
 - Partly driven by positive working capital development.
- Positive investment cash flow of \$2.3 million.
 - Sold a 45k coated vessel in May '19.
- Total net financing cash impact of \$10.3 million.
 - \$10.0 million RCF drawdown.
 - \$9.0 million repayment of long-term debt.
 - \$7.5 million lease repayment.
 - \$3.8 million interest expense.
- Liquidity (cash and undrawn) \$47.0 million.
 - Cash of \$37.0 million, undrawn revolver of \$10.0 million.

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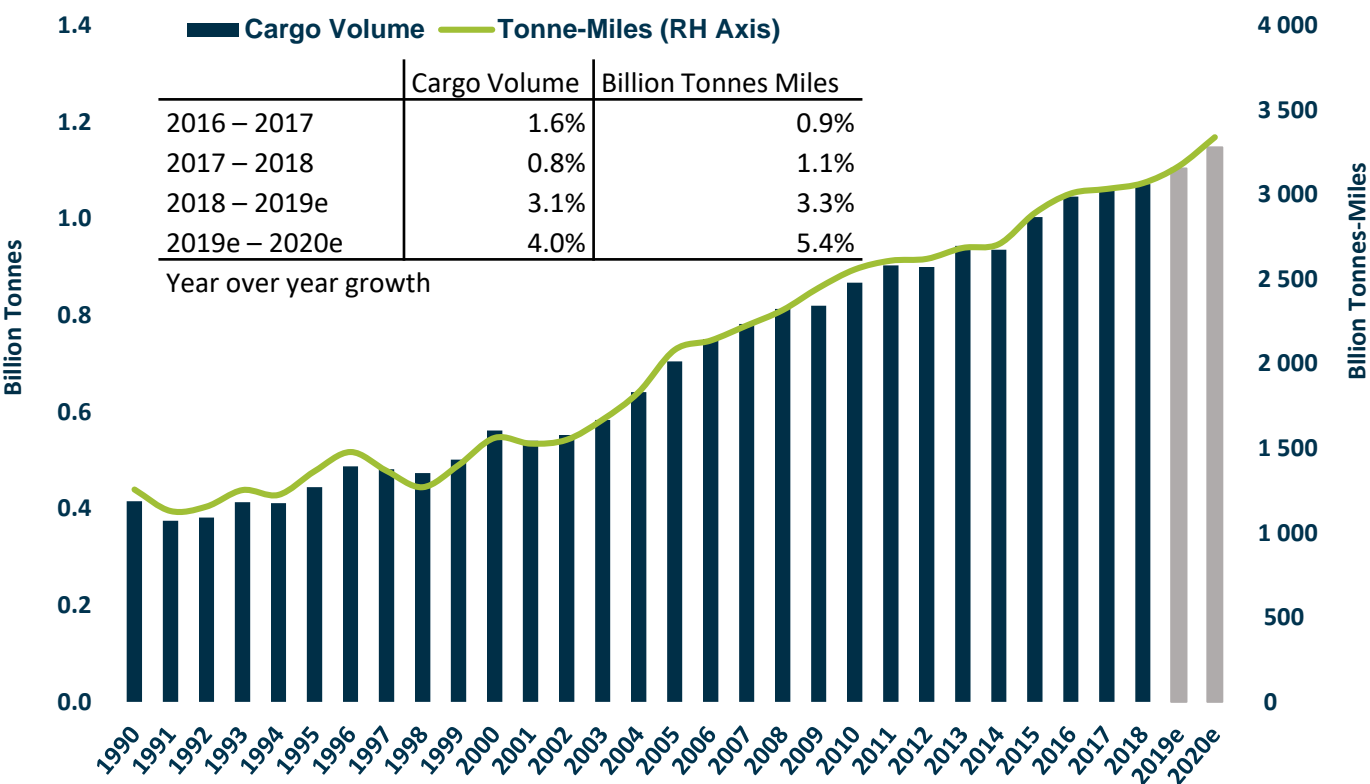
Market Fundamentals and Outlook

Summary

Positive Demand Trends

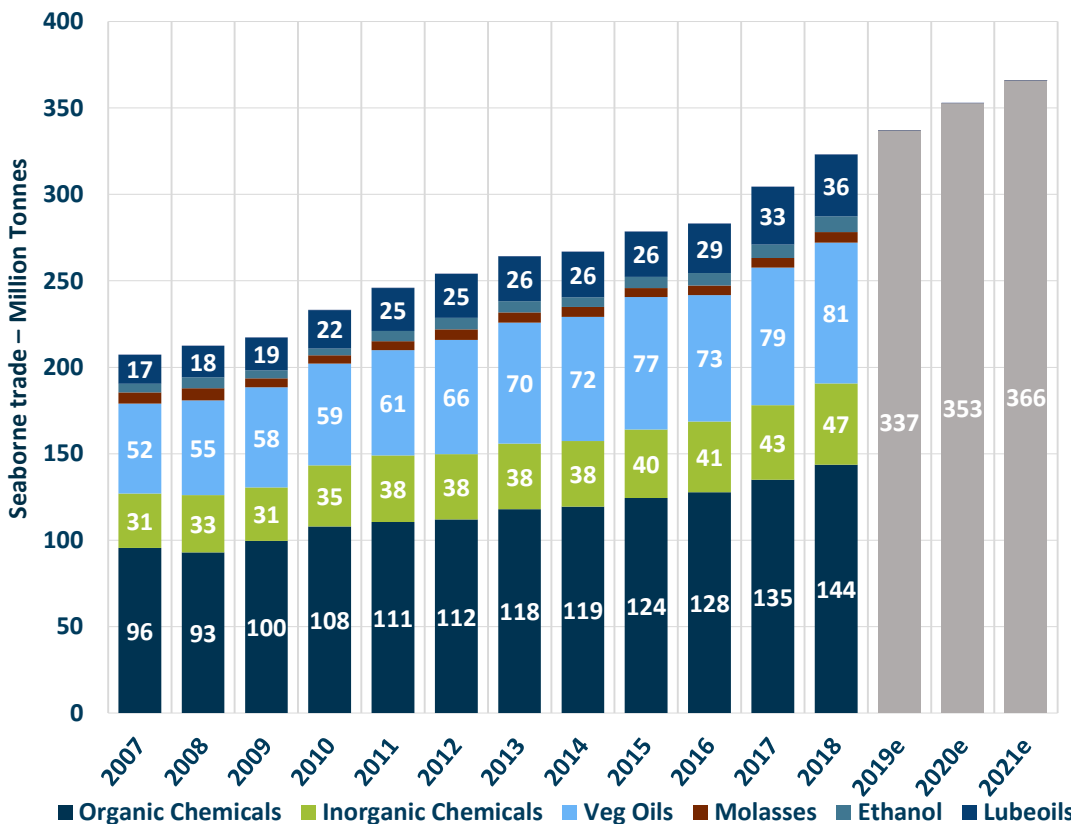
Demand for both refined petroleum products and specialty chemicals continues to show robust growth.

World Seaborne Oil Products Trade



Source: Clarksons Platou

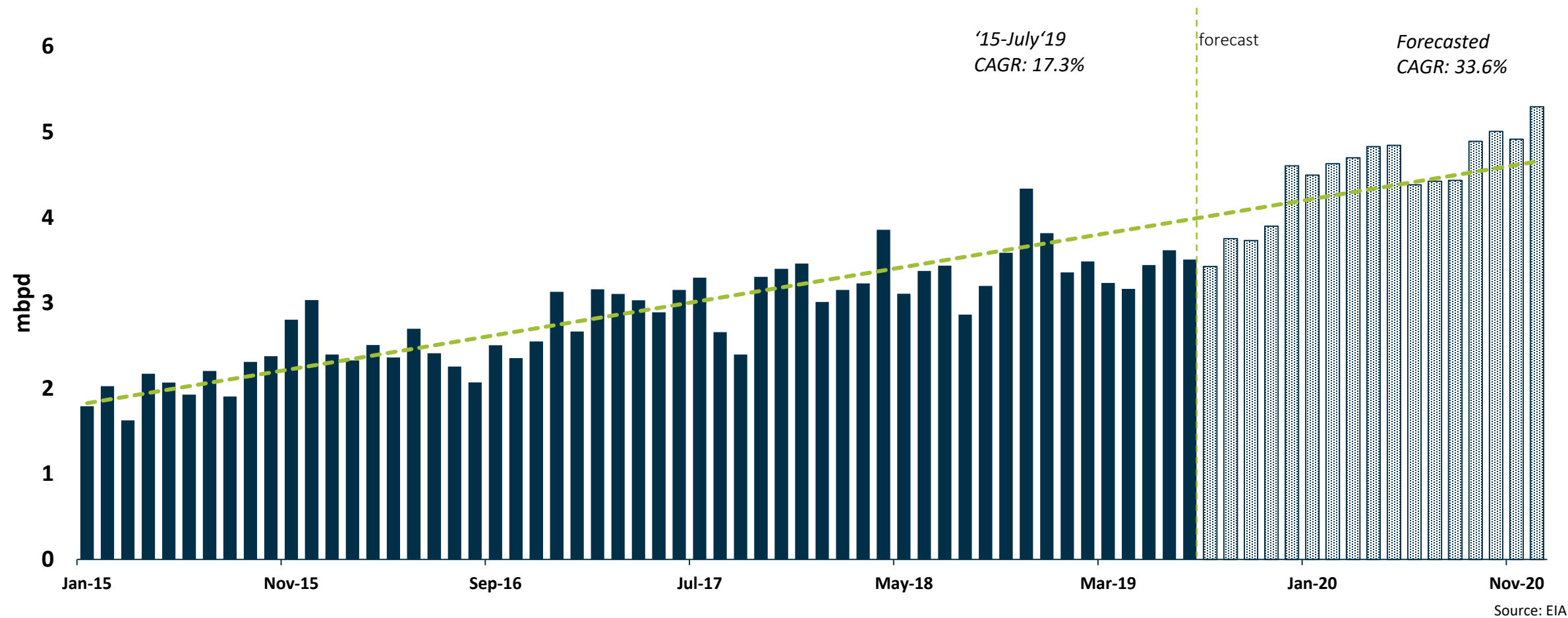
Seaborne Trade Growth by Sub-Group



Source: Clarksons Platou

US Net Product Exports – No Signs of Stopping

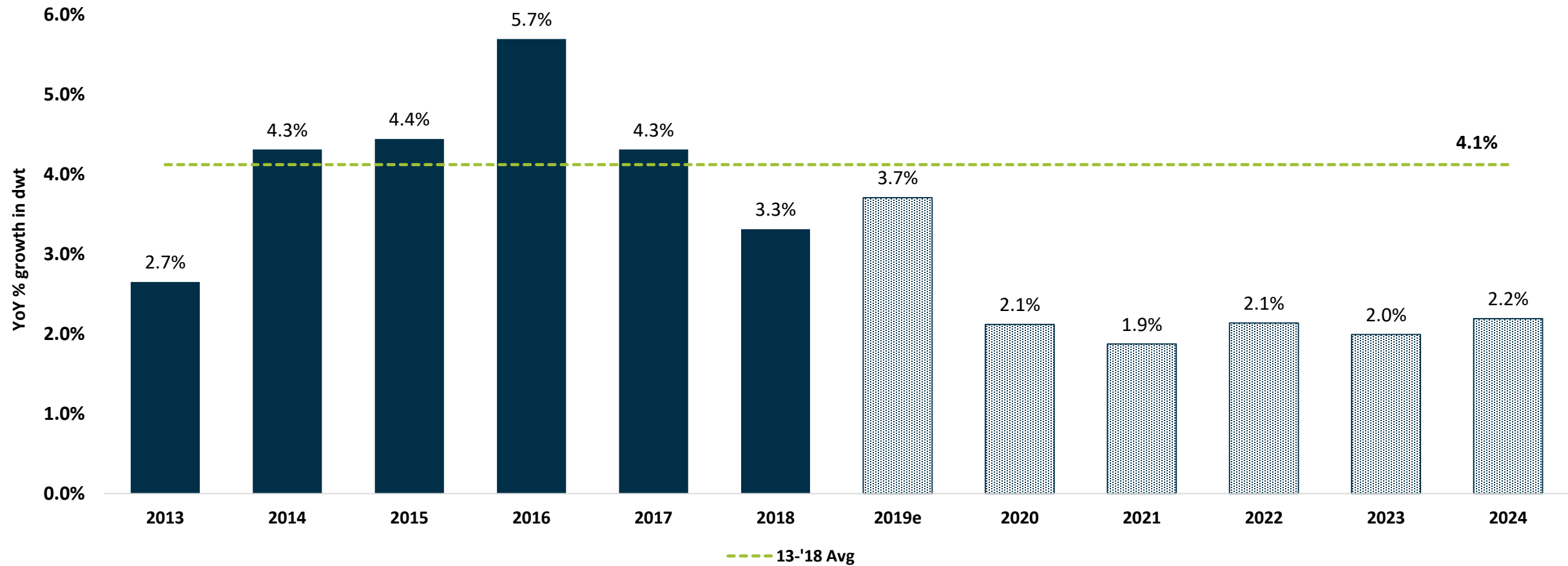
Annual US product net exports expected to reach 5.29 mbpd by end of 2020



Source: EIA

Fleet Outlook – Tighter Supply

Chemical Tanker Fleet Growth Forecasted to Remain Low, Contributing in a Tighter Supply Side Picture



Source: Drewry Maritime Research

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- Second quarter 2019 results - TCE of \$11,611 per day and EBITDA of \$11.8 million.
 - Moderate softening in the market in Q2'19, extending into Q3'19.
- Market improvements expected towards the end of 2019 and into 2020.
- Well positioned for rate recovery and industry consolidation.
 - Strong long-term market fundamentals.
- Team is actively seeking further strategic opportunities.



Team Tankers International

14 August 2019



Fleet Overview

Vessel	Built	Age	DWT	Coating	Tanks	Technical manager	Flag	Ownership	Lease
Sichem Croisic	2001	18.5	7,721	Stainless Steel	18	V.Ships France	Malta	Owned	
Sichem Lily	2009	10.5	8,109	Stainless Steel	12	V.Ships France	Malta	Owned	
Sichem Orchid	2008	10.6	8,115	Stainless Steel	12	V.Ships France	Malta	Owned	
Sichem Iris	2008	10.9	8,139	Stainless Steel	12	V.Ships France	Malta	Operational lease	BB
Sichem Palace	2004	14.8	8,807	Stainless Steel	12	V.Ships France	Malta	Owned	
Sichem Ruby	2006	12.7	8,824	Stainless Steel	12	V.Ships France	Malta	Owned	
Sichem Amethyst	2006	12.7	8,817	Stainless Steel	12	V.Ships France	Malta	Owned	
Team Sapphire	2004	14.7	8,907	Stainless Steel	16	V.Ships France	Malta	Owned	
Black Star	2011	7.6	9,438	Stainless Steel	20	Scorpio Marine Management	Malta	Operational lease	TC
Blue Star	2011	8.1	9,438	Stainless Steel	20	MTM Ship Management Pte	Malta	Operational lease	TC
Tour Pomerol	1998	20.8	10,379	Stainless Steel	31	V.Ships France	Malta	Owned	
Sichem Challenge	1998	20.5	12,180	Stainless Steel	22	Selandia India	Bermuda	Owned	
Sichem Mississippi	2008	10.5	12,273	Stainless Steel	20	V.Ships France	Panama	Operational lease w/P.O.	BB
Sichem Marseille	2007	11.9	12,927	Coated	14	Selandia India	Bermuda	Owned	
Tromso	2008	10.9	12,934	Coated	10	World Tankers Management	Bahamas	Operational lease	TC
Sichem New York	2007	12.2	12,945	Coated	14	V.Ships UK	Bermuda	Owned	
Sichem Montreal	2008	10.7	13,056	Coated	14	V.Ships UK	Bermuda	Owned	
Sichem Beijing	2007	11.7	13,068	Coated	14	Selandia India	Bermuda	Owned	
Sichem Hong Kong	2007	11.7	13,069	Coated	14	ASP Singapore	Bermuda	Owned	
Masagana	2008	10.9	13,079	Coated	14	Selandia India	Bermuda	Operational lease	TC
Sichem Melbourne	2007	11.8	12,936	Coated	14	Selandia India	Marshall Island	Operational lease	BB
Sichem Mumbai	2006	12.7	13,084	Coated	14	V.Ships UK	Bermuda	Owned	
Sichem Manila	2007	12.4	13,125	Coated	14	Selandia India	Malta	Owned	
Sichem Singapore	2006	13.3	13,141	Coated	14	Selandia India	Malta	Owned	
Sichem Rio	2006	13.1	13,162	Coated	14	Selandia India	Malta	Owned	

Fleet Overview

Vessel	Built	Age	DWT	Coating	Tanks	Technical manager	Flag	Ownership	Lease
Team Hawk	2008	10.7	25,385	Coated	14	V.Ships UK	Malta	Owned	
Team Falcon	2009	10.4	25,419	Coated	14	V.Ships UK	Malta	Owned	
Sichem Eagle	2008	10.9	25,421	Coated	14	V.Ships UK	Malta	Operational lease	BB
Sichem Osprey	2009	10.2	25,431	Coated	14	V.Ships UK	Malta	Owned	
Team Explorer	2007	12.0	46,026	Coated	22	Selandia India	Bermuda	Owned	
Team Discoverer	2008	10.8	46,043	Coated	22	Team Tankers	Bermuda	Owned	
Team Leader	2009	10.3	46,070	Coated	22	Team Tankers	Bermuda	Owned	
Siteam Adventurer	2007	11.6	46,099	Coated	22	Team Tankers	Bermuda	Owned	
Team Voyager	2008	11.2	46,190	Coated	22	Selandia India	Bermuda	Owned	
Cavatina	2010	9.5	44,999	Coated	22	Team Tankers	Liberia	Owned	
Team Calypso	2010	8.6	44,999	Coated	22	Team Tankers	Liberia	Owned	
Team Corrido	2011	8.0	44,999	Coated	20	Team Tankers	Liberia	Owned	
Team Tosca	2004	15.0	44,999	Coated	16	Team Tankers	Liberia	Owned	
Team Tarantella	2002	16.8	44,999	Coated	16	Team Tankers	Liberia	Owned	
Endo Breeze	2003	15.7	44,999	Coated	16	Columbia	Liberia	Operational Lease	TC
Team Toccata	2004	15.4	44,999	Coated	16	Team Tankers	Liberia	Owned	
Tambourin	2004	14.6	44,999	Coated	16	Team Tankers	Liberia	Owned	
Team Amorina	2012	7.3	46,070	Coated	12	Team Tankers	Liberia	Owned	
Allegro	2012	6.6	46,070	Coated	12	Team Tankers	Liberia	Owned	
Silver Linda	2015	4.1	49,746	Coated	14	Thome	Panama	Operational lease	TC
Tintomara	2003	16.4	44,999	Coated	16	Fareast Shipmanagement	Liberia	Operational lease	TC
Silver Houston	2015	4.2	49,746	Coated	14	Thome	Panama	Operational lease	TC
Silver Eleanor	2015	4.2	49,746	Coated	14	Columbia	Marshall Island	Operational lease	TC