



Imperial Petroleum Inc.

Q4 & 12M 2024

Financial & Operating Results

February 13, 2025



## Disclaimer

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This presentation contains forward-looking statements within the meaning of applicable federal securities laws. Such statements are based upon current expectations that involve risks and uncertainties. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, words such as “may,” “will,” “should,” “estimates,” “intends,” and similar expressions are intended to identify forward-looking statements. Actual results and the timing of certain events may differ significantly from the results discussed or implied in the forward-looking statements. Among the factors that might cause or contribute to such a discrepancy include, but are not limited to the risk factors described in the Company’s Registration Statement filed with the Securities and Exchange Commission, particularly those describing variations on charter rates and their effect on the Company’s revenues, net income and profitability as well as the value of the Company’s fleet.



## Key Highlights

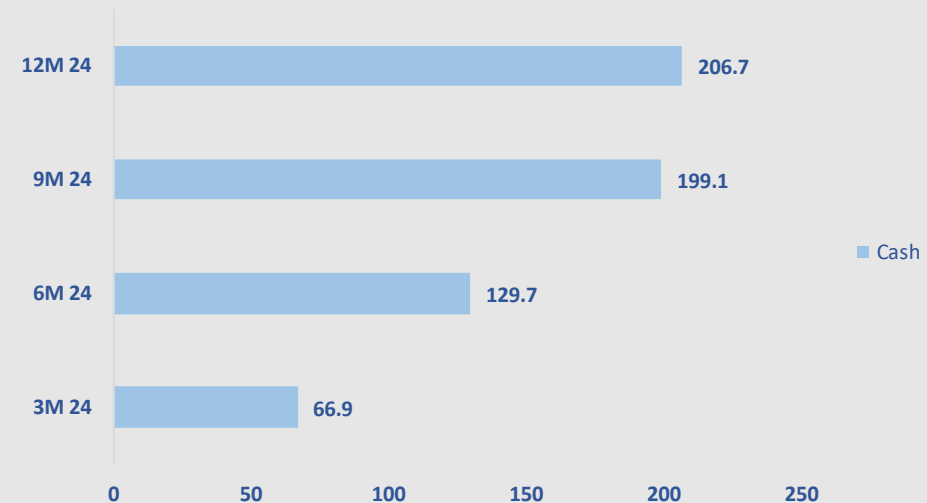
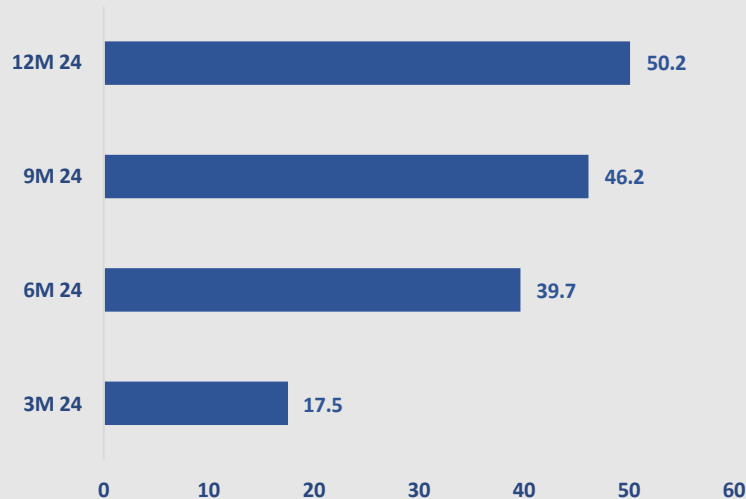
### Operations & Growth

- ❑ **Fleet operational utilization** of 86% for Q4 24' versus 68.5% in Q4 23'.
- ❑ Almost 180% increase in Q4 24' time charter coverage compared to Q4 23' as two of our product tankers were under TC employment for the whole period.
- ❑ For the 12M 24' period our operational utilization was 78.3%; about 69% of our fleet calendar days were dedicated to spot activity while almost 29% to time charter activity.
- ❑ Delivery of the product tanker, Clean Imperial (2009 built) on January 10<sup>th</sup> 2025; with this vessel addition our **tanker fleet totals 9 ships** while our total fleet totals twelve ships.

### Financial

- ❑ **Revenues** of \$26.2 million in Q4 24' compared to \$29.9 million in Q4 23' - a 12.4% decline due decreased market rates particularly for crude tankers.
- ❑ **Net income** of \$3.9 million in Q4 24' versus \$6.5 million in Q4 23' (**foreign exchange loss incurred in Q4 24' amounted to c.\$3.3 million**)
- ❑ **EBITDA** of \$6.4 million for Q4 24'.
- ❑ **Cash and cash equivalents** including time deposits of **\$206.7 million** as of December 31, 2024 versus c.\$124 million as of December 31, 2023 equivalent to a c. 66.7% increase.
- ❑ **For the 12M 24' period** our total **net profit** was in the order of \$50.2 million while our **operating cash flow** amounted to \$77.7 million.
- ❑ Recurring profitability and debt free capital structure facilitate robust cash flow generation and low breakevens.

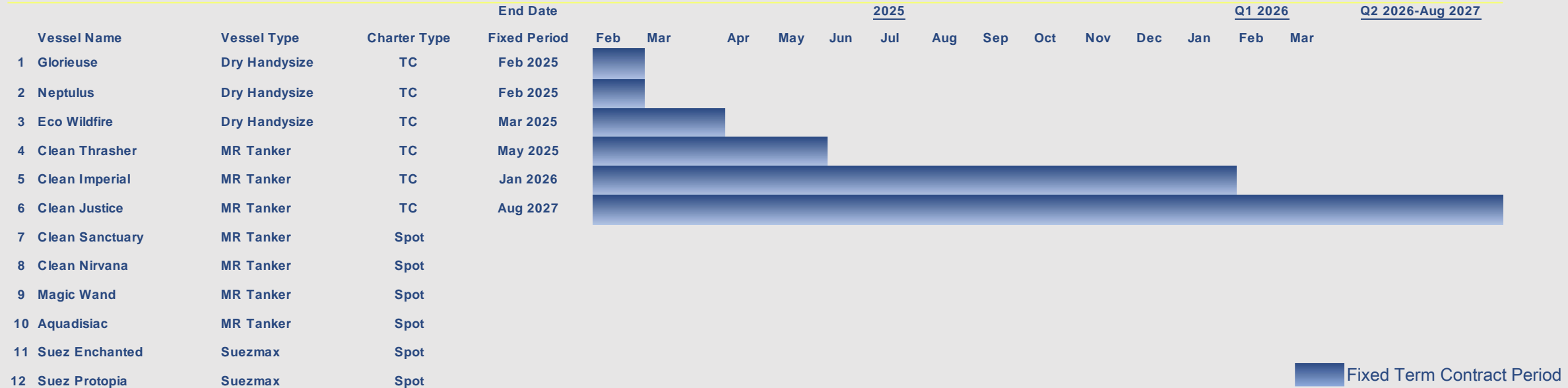
### Selected Company Financial Data (\$ millions)





## Fleet Employment Status

- Our time charter coverage for the remainder of 2025 is about 23%.
- As customarily our three handysize drybulk vessels are employed on short TCs, while three of our MR tankers are under time charters up until May 2025, January 2026 and August 2027.



- Modern Tanker spot daily charter rates are depicted below.
- From Q2 24' onwards crude oil demand was affected by the closing of West- East arbitrage while for products reduced refinery runs, contributed to normalizing earnings.
- In Q4 24' higher cargo flows following the autumn refinery maintenance season were supportive for product tanker rates.
- Within January 2025 tanker rates were affected by the imposed sanctions on the dark fleet and recently, by the US tariffs on China, Canada and Mexico.

	Latest	As of end Q4 24'	As of end Q3 24'	As of end Q2 24'	As of end Q1 24'	As of end Q4 23'
MRs	\$17,100	\$22,200	\$16,400	\$38,200	\$34,800	\$33,000
Suezmax	\$36,800	\$30,400	\$29,400	\$41,700	\$39,700	\$60,400



# Tanker Market- Outlook for 2025

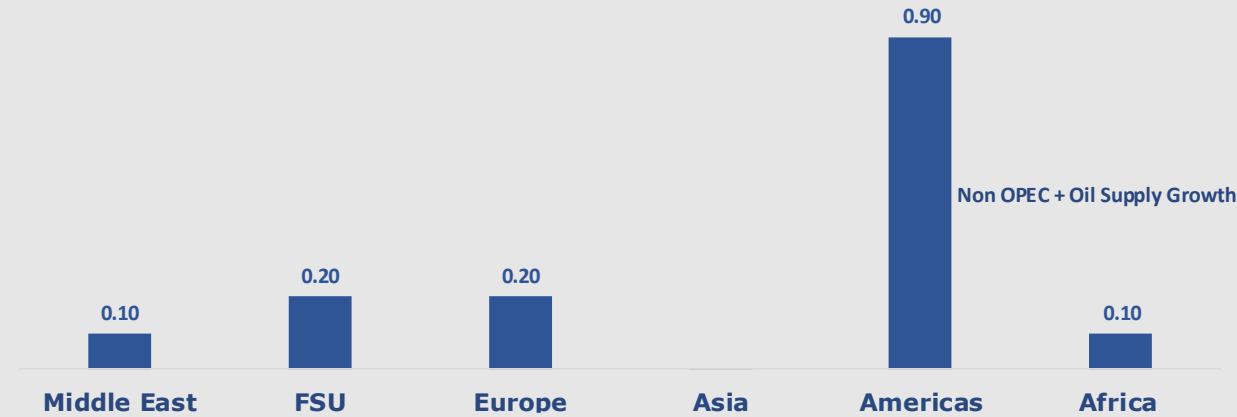
In 2025

- Oil demand will be backed by emerging economies and the expected recovery of China's economy.
- Oil supply will be fueled mostly by non – OPEC+ output increase.

Quarterly changes in Chinese oil demand

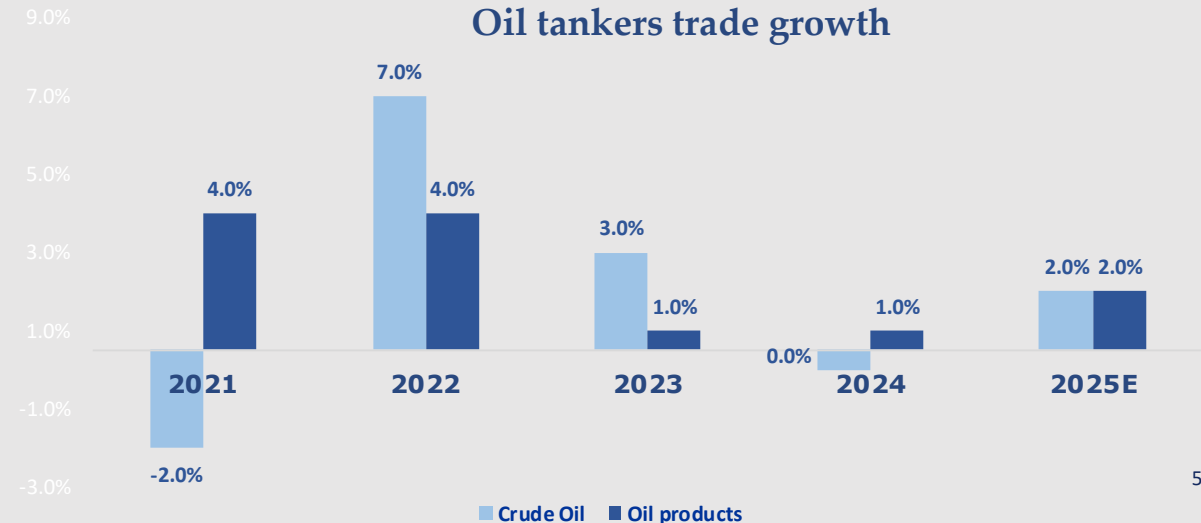


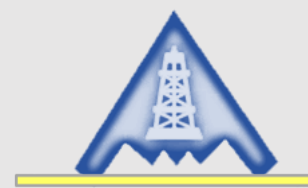
2025 Non OPEC+ oil supply growth (mbd)



- Oil tankers trade growth for 2025 is anticipated to reach 2%, however:
  - the ongoing geopolitical tensions,
  - trade wars- US tariffs on China, Canada and Mexico
  - growth rate of chinese oil demand along with
  - the implications of recently imposed sanctions to the dark fleet could impact this expectation.

Oil tankers trade growth





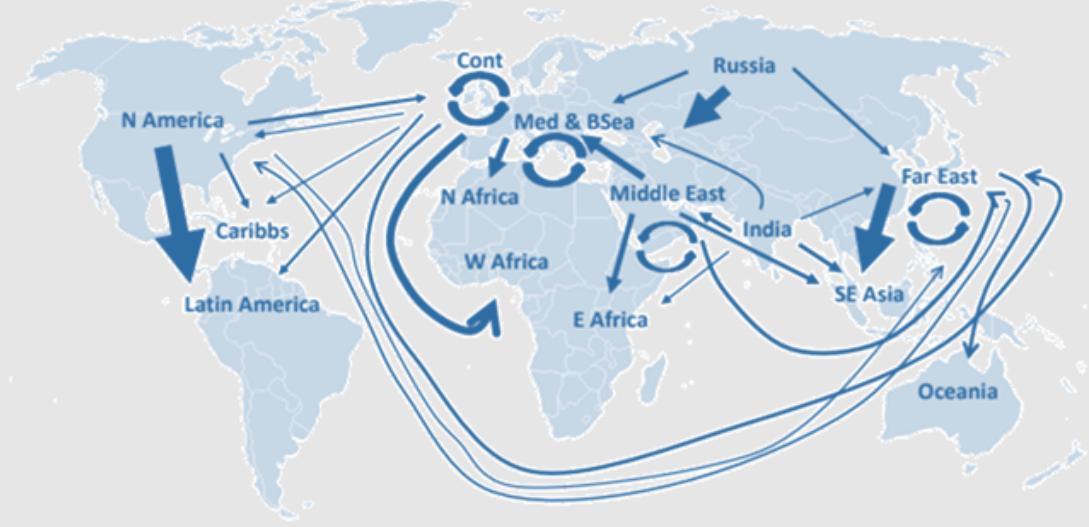
# Tanker Market- Outlook for 2025

- Geopolitical tensions have created complex and dynamic trade patterns.
- An unwinding of trade disruptions might alter current trade- thus affecting rates and tonne mile distances.

## Crude oil trade



## Clean products trade



- Sanctions on the dark fleet imposed within January 2025 have begun to favor compliant tanker fleet.

### 2024

- **Russian Crude exports:** 3.35 mbd  
95% to India, China and Turkey
- **Russian Product exports:** 2.24 mbd  
84% to Africa, Latam, Turkey and non OECD Asia

### 2025

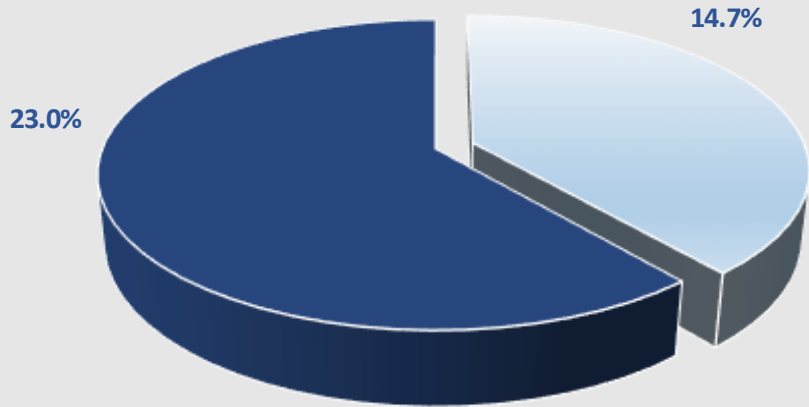
- 452 tankers (c. 8% of total fleet) sanctioned by either US, EU or UK.
- Chinese coastal region of Shandong which accounts for 50% of China's crude imports and 81% of crude imports from Iran and Venezuela announced that it will not receive vessels sanctioned by OFAC.
- Market priced an increase in demand for non sanctioned crude.



# Tanker Market-Fleet Fundamentals

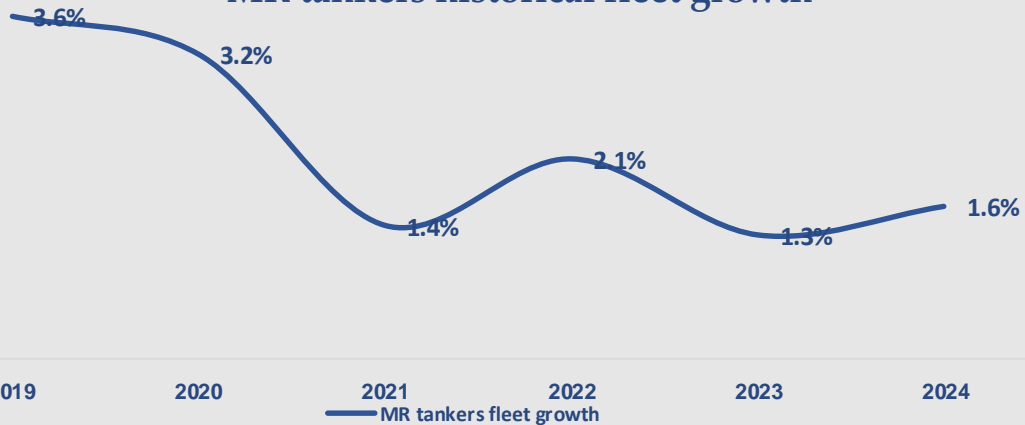
- ❑ Tanker supply outlook remains favorable for both suezmax and MR tankers.
- ❑ Aging fleet lessens the impact of current orderbook.

### MR tankers fleet fundamentals

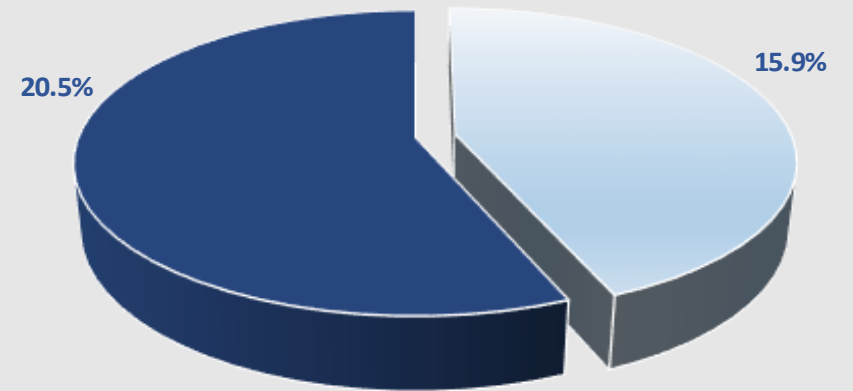


■ Orderbook to fleet Ratio   
 ■ Fleet % above 20 years of age

### MR tankers historical fleet growth

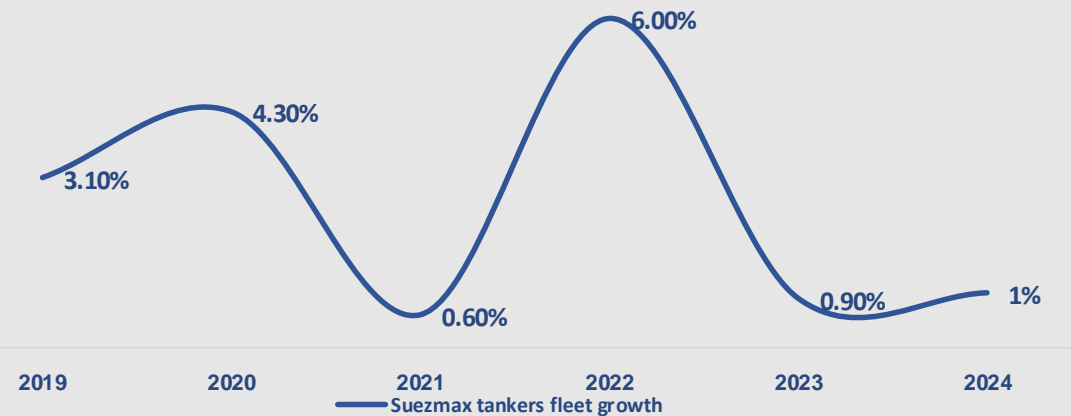


### Suezmax tanker fleet fundamentals



■ Orderbook to fleet Ratio   
 ■ Fleet % above 20 years of age

### Suezmax tankers historical fleet growth



## Financial Results Q4 24' & 12M 24'



Income Statement (Amounts in USD'000s)	Q4 2023	Q4 2024	12M 2023	12M 2024
Voyage revenues	29,882	26,212	183,726	147,480
Voyage costs	(13,819)	(8,460)	(62,531)	(52,025)
<b>Net revenues</b>	<b>16,063</b>	<b>17,751</b>	<b>121,195</b>	<b>95,455</b>
Running costs	(5,659)	(6,651)	(25,642)	(26,373)
Management fees	(364)	(445)	(1,606)	(1,672)
Drydocking Costs	(2,455)	(195)	(6,552)	(1,691)
G&A	(1,173)	(995)	(4,934)	(4,894)
Depreciation	(3,485)	(4,466)	(15,629)	(16,992)
Impairment loss			(8,996)	
Other operating Income				1,900
Net gain/ (loss) of sale of vessels			8,183	(1,590)
<b>Income from operations</b>	<b>2,926</b>	<b>4,998</b>	<b>66,018</b>	<b>44,143</b>
Interest and finance costs		(4)	(1,822)	(16)
Interest expense related party	(11)	(273)		(382)
Interest Income	1,261	2,269	4,470	6,669
Interest Income related party	744		1,363	1,637
Dividend Income from related party	192	192	404	763
Foreign exchange (loss)/gain	1,352	(3,264)	700	(2,655)
<b>Net income/(Loss)</b>	<b>6,464</b>	<b>3,918</b>	<b>71,134</b>	<b>50,158</b>
<b>Adjusted Net Income/(Loss)</b>	<b>7,216</b>	<b>4,583</b>	<b>74,382</b>	<b>55,155</b>
<b>EBITDA</b>	<b>7,956</b>	<b>6,392</b>	<b>82,751</b>	<b>59,242</b>
<b>Adjusted EBITDA</b>	<b>8,708</b>	<b>7,057</b>	<b>85,999</b>	<b>64,229</b>
<b>Average Number of Vessels</b>	<b>9.0</b>	<b>11.0</b>	<b>10.0</b>	<b>10.4</b>

### Q4 24' Vs Q4 23'

- ❑ **Revenues** of \$26.2 million down 12.4% due to lower market rates especially for suezmax tankers.
- ❑ **Voyage Costs** down by 39% due to a decline in transit from Suez canal and an increase in time charter coverage.
- ❑ **Running Costs** up by 17.5% as our fleet increased by 2 vessels.
- ❑ Strong income from time deposits of \$2.3 million.
- ❑ Sharp FX loss of \$3.3 million due to a decline of EUR/\$ exchange rate
- ❑ **EBITDA** of c. \$6.4 million in Q4 24'.
- ❑ **Net Income** of c. \$3.9 million in Q4 24'

### 12M 24'

- ❑ For **12M 24'** net income came in at \$50.2 million while EBITDA c. \$ 59 million.





## Financial Results Q4 24' & 12M 24'

### Balance Sheet

(Amounts in \$'000s)

12M 2023      12M 2024

#### Assets

Cash & cash equivalents	91,928	79,784
Time deposits	32,100	126,949
Receivables from related party	37,907	
Other assets	21,255	21,745
Vessel, net	180,847	208,230
Investment in Related Party	12,799	12,799
<b>Total Assets</b>	<b>376,835</b>	<b>449,505</b>

#### Liabilities & Stockholders Equity

Payable to related party	2,324	18,726
Trade accounts payable	8,277	5,244
Other liabilities	3,928	4,868
Total stockholders' equity	362,305	420,668
<b>Total Liabilities &amp; Stockholders Equity</b>	<b>376,835</b>	<b>449,505</b>

❑ Free cash (incl. time deposits) as of December 31, 2024 of c. \$207 million.

❑ 12M 23' → 12M 24':

➤ c. 67% increase in available cash- yielding interest from time deposits

➤ c. 15% increase in fleet book value as a result of fleet expansion

➤ c.16% increase in equity value driven by the accumulation of earnings

❑ Flexible capital structure governed by high liquidity, zero debt and minimum liabilities.

# Financial Snapshot

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## Liquidity and Gearing

c.\$207 million of cash  
as of December 31,  
2024

c.\$78 million of  
operating cash flow  
for 12M 24'

Zero Debt

34%  
Net Income  
Margin for  
12M 24'

## Profitability, Growth and Values

c. \$26,300 TCE for 12M  
24' per fleet voyage day

c. \$9,000  
daily cash flow  
breakeven per vessel

\$6.7 million of  
income from  
time deposits  
for 12M 24'

Values for older  
tankers are stabilizing  
while values for dry  
vessels are falling

## Considerations Going Forward

How will geopolitical  
pressures unravel?

Will the US trade war  
lead to a decline in  
seaborne trade?

Will Chinese oil  
demand increase in the  
near term?

Will OPEC+ adhere to  
its production cuts?

## Investment Highlights

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1

Own a high-quality fleet of crude oil, product tankers and dry bulk carriers

2

Giving value back to shareholders through timely share buybacks and warrant repurchases

3

Active employment of vessels based on charter market developments

4

Debt free company with ample liquidity and recurring profitability, trading at a heavy discount to NAV

5

Track record of cost-efficient vessel operations along with maintaining a healthy capital structure

6

Experienced management and board of directors