There comes a perfect moment at sea when the sails and the wind align. Everything falls into place and the journey begins. Getting it right from day one means everything.
This presentation includes certain statements regarding Tankerska Next Generation Inc. („TNG“) which are not historical facts and are forward-looking statements. Words such as "believe", "anticipate", "estimate", "expect", "intend", "predict", "project", "could", "may", "will", "plan" and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. These risks, uncertainties and other factors include, among other things, the timing, certainty and effects of future vessel acquisitions and deliveries, pricing of resale and newbuild tankers, including the relative pricing of second-hand, resale and newbuild tankers, TNG’s ability to contract bank financing required for future vessel acquisitions, tanker fleet utilization and chartering opportunities, the sufficiency of working capital for short-term liquidity requirements, estimated bunker consumption savings of proposed fuel-saving modifications for existing vessels as well as expected consumption savings embedded in the future vessels, TNG’s business strategy and expected capital spending or operating expenses, competition in the tanker industry, shipping market trends, TNG’s financial condition and liquidity, including ability to obtain financing in the future to fund capital expenditures, acquisitions and other general corporate activities, TNG’s ability to enter into fixed-rate charters after the current charters expire. Exhaustive list of these and other risks, uncertainties and other factors is available under Section 2, “Risk Factors” of the TNG Prospectus, approved by Croatian Financial Services Supervisory Agency („HANFA“). By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. Even though TNG believes that the forward-looking statements in this presentation are based on reasonable assumptions, actual results may differ from those projected by the forward-looking statements.

These materials include non-IFRS measures, such as EBITDA. TNG believes that such measures serve as an additional indicator of the TNG’s operating performance. However such measures are not replacements for measures defined by and required under IFRS. In addition, some key performance indicators utilized by TNG may be calculated differently by other companies operating in the sector. Therefore the non-IFRS measures and key performance indicators used in these materials may not be directly comparable to those of the TNG’s competitors.
Our story

TNG was incorporated in August 2014, with its 2 conventional MR product tankers, and a newbuilding contract for delivery of an additional eco design tanker, with expected delivery in Q4 2015.

Getting investors on board - IPO and SPO, TNG gained strong partners in institutional and private investors, raising over HRK 300m (USD 47million).

Building the fleet brought challenges before the management. Meeting them with success, TNG today has a fleet of 6 fully employed product tankers, sailing the globe.
About Us
Our Mission

TANKERSKA NEXT GENERATION

reliable, efficient and responsible provider of seaborne transportation
About us

Our Strategy

Modern technology – ECO design

World Class Performance

Our strategy is to be a reliable, efficient and responsible provider of seaborne refined petroleum product transportation services and to manage and expand the fleet to maximize value for TNG’s shareholders.
TNG

About Us

1. Modern product tankers (new technology) with an accent on eco design

2. 60 year long relationships with leading global oil companies, traders and shipping community

3. Intention to predominately employ the fleet on multi-year time charters
About us
Organizational structure

PUBLIC INVESTORS
49%

TANKERSKA PLOVIDBA
51%
Non-Competition Agreement

Croatia
100%

TNG International
Marshall Islands
100%

Fontana Liberia

Teuta Liberia

Vukovar Marshall Islands

Zoilo Marshall Islands

Pag Marshall Islands

Management Agreement (Shipman)
Investment highlights

- **Transparency**
  Complies with corporate governance regime

- **Long term relationships**
  with leading global oil companies

- **Modern tankers**
  New technology – ECO design MR product

- **Lean structure**
  Organizational structure with operational superiority

- **Dividend payout policy**
  Complete 2015 net profit will be distributed to shareholders

- **Secular industry trends**

- **Management**
  Strong and experienced team with a focused strategy
TNG was incorporated in August 2014, followed by Tankerska Plovidba contributing its 2 existing conventional MR product tankers, cash and one fully funded eco-design newbuild with expected delivery in Q4 2015 – MT Dalmacija.

In February 2015 other investors had the opportunity to partake in the IPO of TNG. Through IPO, TNG gained strong partners in institutional and private investors as HRK 208m (USD 31m) was raised in the process (HRK 65 per share).

The funds raised through the IPO, together with bank debt, were utilized to acquire two newbuilding contracts for MR vessels. First of two – MT Vukovar was delivered in April 2015, and the second – MT Zoilo in July 2015, both vessels are fully operational from the day of delivery.
Capital raising continued in Q2, the major shareholders contributed another HRK 104m (USD 16m) in June. TNG has utilized raised funds in July 2015 and acquired the contract for a newbuilding vessel – MT Pag which was delivered in December 2015.

With the final acquisitions of MT Dalmacija in November 2015, and MT Pag in December 2015 - TNG has a fleet of 6 MR tankers.

First fully operational quarter of the fleet brings TNG’s revenue to 105,300 USD per day.
About us

Ownership development

Pre-listing
- Tankerska Plovdiva d.d. 100%
- 4,000,000 shares

After IPO
- Tankerska Plovdiva d.d. 55.56%
- Free float 19.16%
- Institutional investors 24.99%
- 7,200,000 shares

After SPO
- Tankerska Plovdiva d.d. 51.01%
- Free float 18.20%
- Institutional investors 30.79%
- 8,733,345 shares
TPNG-R-A
Public offers in 2015

Feb 2015

IPO

USD 31 mil raised
2 newbuildings acquired

Offer size: 3.2 mil shares
Offer price: USD 9.60 per share

78 DAYS from secured financing to commercial exploitation

Jun 2015

SPO

USD 16 mil raised
1 newbuilding acquired

Offer size: 1.5 mil shares
Offer price: USD 10.20 per share

48 DAYS from SPO to acquiring contract for a newbuilding
TNG's fleet consists of 6 MR Product Tankers with the average age of 2 years per vessel. Total fleet capacity amounts to 300,000 dwt.
TNG’s MR product tankers

- **Vukovar**
  - 49,990 dwt
  - Hyundai Mipo
  - April 2015

- **Pag**
  - 49,990 dwt
  - SPP
  - December 2015

- **Dalmacija**
  - 49,990 dwt
  - SPP
  - November 2015

- **Vinjerac**
  - 51,935 dwt
  - Treći Maj
  - April 2011

- **Zoilo**
  - 49,990 dwt
  - Hyundai Mipo
  - July 2015

- **Velebit**
  - 52,554 dwt
  - Treći Maj
  - October 2011
Stable vessels’ value
ECO vessels expected to keep value during the next cycle downturn

Efficiency
Product is operating during the whole year
Eco-design MR saves 5-6 tonnes of fuel per day

Cost benefits
Lower vessel operating expenses, estimated at 7,180 USD per day FY 2015

Intangible benefits
Charterer preferences for a ‘greener’ vessel

Stable vessels’ value
ECO vessels expected to keep value during the next cycle downturn

Diversified fleet
diversified fleet of 4 ECO vessels and 2 ICE class vessels which can operate in icy waters

Our fleet

Our fleet

300.000 dwt

2 ICE Class

4 ECO design
Average daily revenues (in USD per day)

- Pag: 19.300
- Velebit: 18.500
- Dalmacija: 17.750
- Vinjerac: spot market
- Zoilo: 17.750
- Vukovar: 17.250

Our fleet

Vessel revenues
**Benefits of the ECO fleet**

**ECO design vessel improvements**

- Improved engines and improved larger propellers that decrease fuel consumption
- Substantial fuel consumption reduction
- Improved hydrodynamics such as hull optimization
- Energy saving devices and low friction paint to maximize the vessel’s speed at a given level of propulsion
- Hydrodynamic improvements can also provide savings in fuel consumption

Eco design MT Vukovar – improvements in propulsion and hydrodynamics

- Long stroke engine
- Electronic engine control
- Improved large propeller
- Hull optimization
- Low friction paint
- Energy saving devices
# TNG’s MR product tankers

<table>
<thead>
<tr>
<th></th>
<th>MT Pag</th>
<th>MT Dalmacija</th>
<th>MT Vukovar</th>
<th>MT Zoilo</th>
<th>MT Velebit</th>
<th>MT Vinjerac</th>
</tr>
</thead>
<tbody>
<tr>
<td>MR Product</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Eco design</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>ICE class</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>Charterer</td>
<td><img src="image" alt="TRAFIGURA" /></td>
<td><img src="image" alt="TRAFIGURA" /></td>
<td><img src="image" alt="ECORPIO" /></td>
<td><img src="image" alt="TRAFIGURA" /></td>
<td><img src="image" alt="CCI" /></td>
<td><img src="image" alt="SPOT" /></td>
</tr>
<tr>
<td>Daily hire (USD)</td>
<td>19.300</td>
<td>17.750</td>
<td>17.250</td>
<td>17.750</td>
<td>18.500</td>
<td>?</td>
</tr>
<tr>
<td>Employed till</td>
<td>Dec 2016</td>
<td>Nov 2018</td>
<td>May 2018</td>
<td>Aug 2018</td>
<td>Sep 2016</td>
<td>SPOT</td>
</tr>
</tbody>
</table>
2015 AT A GLANCE

First year of operations sets out strong revenue base and increases financial stability and operations profitability.
Capital investments overview

Total capital investments in 2015

960,000,000 ~ HRK

Over 300 crewman engaged on 6 vessels
Business Analysis

Financial results FY 2015

$ 5,030,000

Net profit in year One
Business Analysis

Financial results FY 2015

$ 8.812 mil
EBITDA

$ 19.935 mil
REVENUES

44,2%
EBITDA margin
MARKET OUTLOOK
Stable trends in expected hire rates for both conventional and eco-design MR tankers, although market shows some level of volatility.

Structural changes in the wake of relocation refining capacities supported the demand for vessels.

In the segment of product tankers 177 new units added in 2015 (6% increase from 2014), and during first four months of 2016 34 new additions.

MR tanker day-rates are currently reflecting the 5 year average for the 2nd quarter, with a slight downturn from the higher levels achieved in the beginning of 2016.

MR tanker newbuilding purchase price is currently fluctuating at 35 mil. USD, while a 5 year old vessel of the same characteristics is sold on 2nd hand market at 33 mil. USD.

Source: ABN Shipping daily, 18th May 2016
Market outlook

Changing refinery landscape

Net Refinery Additions

Barrels per day

2014 2015 2016 2017

Actual Forecast

New refineries

Closed refineries

Tankerska Next Generation
Development of seaborne trade in oil products (bil. tonnes)

Historical and projected supply growth - product tankers
%year on year growth

Product tanker demand has been more robust than crude demand

- The dislocation of refineries away from points of consumption has driven strong product growth
- Refined product trade is much more complicated than crude trade due to refinery capacity and technology, government regulations of fuel standards, and arbitrage opportunities

Source: J.P. Morgan
Refined Product Tanker Trade Routes

- **Northern Europe to North America (Gasoline)**
- **North America to Europe (Diesel)**
- **United States to South America**
- **Europe to Mediterranean (Gasoline, Naphtha, Gas Oil, Diesel)**
- **Middle East to Europe (Gas Oil, Jet Fuel)**
- **Middle East to Far East (Naphtha)**
- **South Korea to Japan (Gas Oil, Gasoline)**
- **Caribbean to North America (Gasoline, Naphtha, Gas Oil)**
FINANCIALS

FY 2015
Q1 2016
### Financial Overview

<table>
<thead>
<tr>
<th></th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Q1 2015</th>
<th>Q1 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessels’ revenues</td>
<td>1,573</td>
<td>19,935</td>
<td>2,592</td>
<td>9,587</td>
</tr>
<tr>
<td>(USD 000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA (USD 000)</td>
<td>1,378</td>
<td>8,812</td>
<td>1,261</td>
<td>5,568</td>
</tr>
<tr>
<td>EBIT (USD 000)</td>
<td>778</td>
<td>4,894</td>
<td>684</td>
<td>3,649</td>
</tr>
<tr>
<td>Net profit (USD 000)</td>
<td>1,967</td>
<td>5,030</td>
<td>2,387</td>
<td>2,565</td>
</tr>
</tbody>
</table>

### Operating Overview

<table>
<thead>
<tr>
<th></th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Q1 2015</th>
<th>Q1 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Time Charter</td>
<td>8,200</td>
<td>16,340</td>
<td>14,400</td>
<td>17,970</td>
</tr>
<tr>
<td>(USD per day)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating days in the period</td>
<td>180</td>
<td>1,191</td>
<td>180</td>
<td>546</td>
</tr>
<tr>
<td>Average number of vessels</td>
<td>2.0</td>
<td>3.3</td>
<td>2.0</td>
<td>6.0</td>
</tr>
<tr>
<td>Number of vessels at period end</td>
<td>2.0</td>
<td>6.0</td>
<td>2.0</td>
<td>6.0</td>
</tr>
</tbody>
</table>
Operating metrics

<table>
<thead>
<tr>
<th>OPERATING METRICS</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>Q1 2015</th>
<th>Q1 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD/day Rates</td>
<td>8,200</td>
<td>16,340</td>
<td>14,400</td>
<td>17,559</td>
</tr>
<tr>
<td>Time Charter</td>
<td>-</td>
<td>15,257</td>
<td>13,756</td>
<td>16,874</td>
</tr>
<tr>
<td>OPEX (USD/day)</td>
<td>n/a</td>
<td>7,180</td>
<td>5,978</td>
<td>6,348</td>
</tr>
<tr>
<td>Daily expenses</td>
<td>503</td>
<td>503</td>
<td>457</td>
<td></td>
</tr>
<tr>
<td>Management fee</td>
<td>6,677</td>
<td>5,475</td>
<td>5,891</td>
<td></td>
</tr>
<tr>
<td>Operating days</td>
<td>182</td>
<td>1,191</td>
<td>180</td>
<td>546</td>
</tr>
<tr>
<td>Revenue days</td>
<td>182</td>
<td>1,191</td>
<td>180</td>
<td>546</td>
</tr>
<tr>
<td>Fleet utilization</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Average no. of vessels</td>
<td>2.0</td>
<td>3.3</td>
<td>2.0</td>
<td>6.0</td>
</tr>
</tbody>
</table>
## Financial results

### PROFIT AND LOSS STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>Q1 2015</th>
<th>Q1 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,573</td>
<td>19,935</td>
<td>2,611</td>
<td>9,656</td>
</tr>
<tr>
<td>Vessel revenues</td>
<td>1,573</td>
<td>19,935</td>
<td>19</td>
<td>69</td>
</tr>
<tr>
<td>Other revenues</td>
<td>0</td>
<td>0</td>
<td>2,592</td>
<td>9,587</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>(154)</td>
<td>(11,123)</td>
<td>(1,350)</td>
<td>(3,446)</td>
</tr>
<tr>
<td>Commissions and voyage costs</td>
<td>n/a</td>
<td>(1,313)</td>
<td>(116)</td>
<td>(374)</td>
</tr>
<tr>
<td>OPEX</td>
<td>n/a</td>
<td>(8,552)</td>
<td>(1,076)</td>
<td>(3,466)</td>
</tr>
<tr>
<td>General and administrative</td>
<td>(154)</td>
<td>(1,258)</td>
<td>(158)</td>
<td>(248)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(601)</td>
<td>(3,918)</td>
<td>(577)</td>
<td>(1,919)</td>
</tr>
<tr>
<td>Financial gains</td>
<td>1,458</td>
<td>1,878</td>
<td>1,865</td>
<td>-</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(269)</td>
<td>(1,742)</td>
<td>(162)</td>
<td>(1,082)</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>1,378</td>
<td>8,812</td>
<td>1,261</td>
<td>5,568</td>
</tr>
<tr>
<td><strong>NET INCOME</strong></td>
<td>1,967</td>
<td>5,030</td>
<td>2,387</td>
<td>2,565</td>
</tr>
</tbody>
</table>
### Balance sheet

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessels in operation</td>
<td>58,423</td>
<td>206,292</td>
<td>57,847</td>
<td>204,372</td>
</tr>
<tr>
<td>Vessels under construction</td>
<td>14,590</td>
<td>0</td>
<td>44,353</td>
<td>-</td>
</tr>
<tr>
<td>Cash and equivalents</td>
<td>3,693</td>
<td>10,221</td>
<td>6,578</td>
<td>9,593</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>77,520</strong></td>
<td><strong>218,058</strong></td>
<td><strong>109,049</strong></td>
<td><strong>216,539</strong></td>
</tr>
<tr>
<td>Shareholders’ equity and reserves</td>
<td>43,933</td>
<td>92,365</td>
<td>74,431</td>
<td>94,931</td>
</tr>
<tr>
<td>Debt</td>
<td>33,098</td>
<td>121,300</td>
<td>32,350</td>
<td>119,355</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>445</td>
<td>2,894</td>
<td>2,269</td>
<td>2,253</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td><strong>77,520</strong></td>
<td><strong>218,058</strong></td>
<td><strong>109,050</strong></td>
<td><strong>216,539</strong></td>
</tr>
</tbody>
</table>
Fleet value as at 31 Mar 2016

- Fleet value: USD 204.4 mil
- Net Asset Value (NAV): USD 94.9 mil
- NAV per share: 10.87 USD

Capital structure

- Conservative leverage for industry standards
- Debt / (debt+capital): 53%
- Financing of new vessels: 40% equity/60% debt

Financing strategy

- Long-term relationship with leading global shipping banks
- Long debt maturities – larger refinancing after 2020
Tankerska's Next Generation's 2nd Annual General MEETING will be held at Tankerska's Plovidba „Društveni dom” on June 10th 2016.
TPNG-R-A on Zagreb Stock Exchange

- 2015 year end closing price: HRK 75.00 (30th Dec 2015)
- Latest closing price: HRK 79.98 ~ USD 12.03 (18th May 2016)

Market Capitalization (18 May 2016):

HRK 698,492,933 ~ USD 105,083,937

- Proposed dividend FY 2015: HRK 3.95
- 2015 Dividend yield: 5%
Thank you!

"There comes a perfect moment at sea when the sails and the wind align. Everything falls into place and the journey begins. Getting it right from day one means everything."

We’d be happy to answer any of your queries, just contact us:

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F: +385 23 202 580