



NRP



NRP Project Finance

Market update first half 2023



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- Portfolio update H1-2023

Dear investors and business relations,

We are pleased to provide you with an update on our shipping portfolio's performance during the first half of 2023. It has been a promising period, marked by steady progress for our portfolio in a somewhat volatile market.

In January, we took delivery of UOG Hermes, following the establishment of United Overseas Products II AS. In February, we supported a Norwegian shipowner with arranging financing for an offshore supply vessel, and we also sold MV Kuo Lung. In May, we sold MV Ocean Globe concluding a successful project for our investors, and in June, we took delivery of 3x MPP vessels, fixed on long-term contract in our newly established project together with Reederei Heino Winter.

Comments from our project brokers

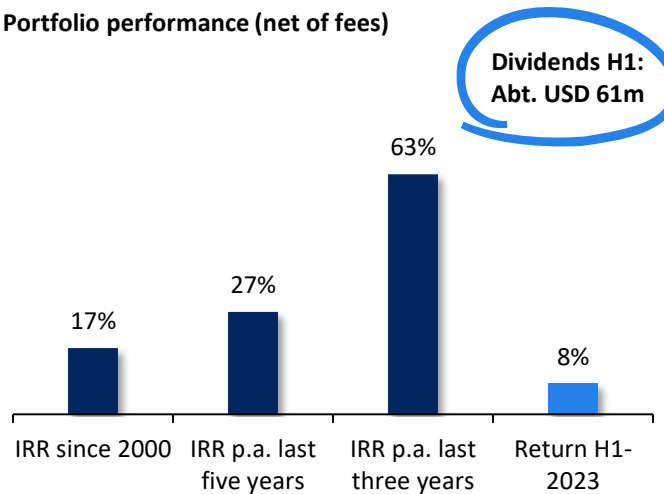
Offshore: The market has continued to firm in 2023, with a sold out north sea market and increasing demand from West Africa and Brazil, as well as offshore wind driving up rates. Though asset values have come up, the high replacement cost and lack of available financing continues to deter any newbuilding orders for high-end vessels whilst activity is projected to increase.

Bulk: After several months in a downward spiral, the market seems to have gained positive momentum last weeks with increased activity from larger players wanting to position themselves for the expected rebound, focusing on modern ECO tonnage. Asset values have come down and relatively few new orders being placed should bode well for a firmer market in Q4-2023.

Tank: We believe the market will stay strong for some time but remain cautious to enter the market due to a historical

The portfolio achieved a return of 8% during H1-2023 and we are pleased to have distributed abt. USD 61m to our investors during the same period.

Portfolio performance (net of fees)



high entry-level, increasing the downside risk if the market turns – as it probably will at some point.

MPP: The market shows attractive supply/demand features making it a highly interesting investment case. Growing demand from both offshore wind and the oil & gas market is expected to boost demand for MPP vessels going forward. This combined with a historical low orderbook and an aging fleet (50% of the world fleet is older than 15 years) should bode well for a firm market.

Container: After a couple of unprecedented years, vessel values and earnings vice the market is again becoming investable as rates and values seems to have stabilized. Though we remain selective in our approach focusing on entry-level, spec and coverage, knowing the large orderbook that will play a crucial role going forward.