

Interim report, 1 January–30 September 2023

Sale and delivery of two vessels – in a turbulent world

■ Total income

Q3 SEK 20.7 (118.2) million

9 months SEK 231.1 (423.1) million

■ EBITDA

Q3 SEK –6.4 (38.0) million

9 months SEK 103.4 (170.4) million

■ Result before tax

Q3 SEK –21.8 (–22.8) million

9 months SEK 24.4 (–16.7) million

■ Result per share after tax

Q3 SEK –0.43 (–0.48)

9 months SEK 0.41 (–0.37)

Events in the third quarter

- Sale and delivery of *Stena Premium* and *Stena Progress*.
- All loans from related parties repaid.

Key figures	Quarter 3 (Jul–Sep)		9 months (Jan–Sep)		Full year
	2023	2022	2023	2022	2022
Total income, SEK million	20.7	118.2	231.1	423.1	686.1
of which result from ship sales	–6.1	2.9	112.4	41.9	193.9
EBITDA, SEK million	–6.4	38.0	103.4	170.4	374.1
EBITDA, USD million	–0.7	3.4	9.8	17.2	37.0
Operating result, SEK million	–12.6	–3.6	56.6	42.8	216.9
Result before tax, SEK million	–21.8	–22.8	24.4	–16.7	126.1
Result after tax, SEK million	–20.5	–22.8	19.5	–17.6	123.3
Equity ratio, %	91	20	91	20	33
Return on equity, %	37	neg	37	neg	36
Available liquid funds, including unutilised credit facilities, SEK million	243.4	86.1	243.4	86.1	98.0
Result per share after tax, SEK	–0.43	–0.48	0.41	–0.37	2.58
Equity per share, SEK	9.43	7.12	9.43	7.12	8.60
Lost-time injury frequency	0	0	0	0	0

Accounting policies, see page 15. Definitions, see page 13.

Two sales, a debt-free vessel and all liabilities repaid

The third quarter of 2023 and the weeks that followed have been a clear reminder of the troubled times we live in. A tense geopolitical situation, with rapidly escalating conflicts and tragic acts of terrorism, can have a major impact on society, the economy and trade.

SHIPPING IS ONE OF THE INDUSTRIES most quickly affected by drastic changes in the world around us. War can bring sanctions and changed trade patterns, while changing oil prices are fully correlated with ship fuel prices and pandemics lead to delays to crew changes and entry into port. The weather phenomenon also plays a role. For example, at the time of writing, unusually low water in the Panama Canal is causing weeks-long queues to pass through.

So how can you prepare for changes like these? Well obviously, you can't fully prepare for them. But for a shipowner, it's about trying to read the big, long-term trends and combining that with facts about the order book, price levels and earnings. You also need to have the capacity and ability to act on the "black swans" that can quickly trigger a major change in the freight market. The biggest swings in the freight market in recent years have been initiated by pandemics (Covid), wars and political decisions that in many cases came as a surprise to most people.

The longer-term consequences of the heightened geopolitical uncertainty include a marked increase in the focus on

national and regional energy security. This, in turn, will have knock-on effects on shipping, partly in terms of changed cargo flows and partly in the form of increased demand for more niche vessels.

Sales and deliveries

In the third quarter, we continued to capitalise on the record-high market with successful sales and deliveries of the two product tankers *Stena Premium* (2011) and *Stena Progress* (2009). The sales were motivated by the historically high vessel values we have seen since Q2 2022 and the existing five-year charters to Stena Bulk that the vessels have been on since Q3 2021. Given the strong vessel market and the age of the vessels, we came to the conclusion that we would get a better return by selling the vessels than keeping them. The medium-term charter contract on which Stena Bulk employed the vessels to the end customer has also been significantly below current market levels and would only have generated very limited profit-sharing over and above the agreed base rate of USD 15,500 per day and vessel during the next few years.



We also took into account the fact that future changes in IMO regulations may require further investments in the P-MAX vessels, which would have been easier to justify economically if they had been less old.

In the case of both sales, the buyer took over responsibility for an existing sub-charter which could not be broken and runs until the end of 2024. This fact is reflected in the price.

Despite a lower price than if the vessels had been sold charter-free, we are convinced that it was the right decision for the Company to take advantage of current market levels and pay off all debt.

Result

After two successful sales, liquidity increased by a total of SEK 75.2 million in the quarter. Result after tax for the quarter amounted to SEK -20.5 (-22.8) million, which was mainly a consequence of the sale of *Stena Premium* and *Stena Progress* and existing charters. Result after tax for the first nine months of 2023 was SEK 19.5 (-17.6) million.

In line with the fleet reduction, we started to trim the Group's administrative costs.

One vessel left in the fleet

After the deliveries of *Stena Premium* and *Stena Progress* – in Uruguay and Trinidad – Concordia Maritime now has one remaining vessel in the fleet: *Stena Polaris*, built in 2010. The vessel has been valued at USD 29.1 million by three independent ship brokers (as of 30 September). However, this is on a charter-free basis, which is not the case. Given the contract on which the vessel is currently sailing (bareboat charter, with the charterer responsible for crew and operation, see page 4), the price of a sale today, which would require a novation of the existing charter to the buyer, would be lower. Broker estimates during October are in the range of USD 19.5 million to USD 24.5 million.

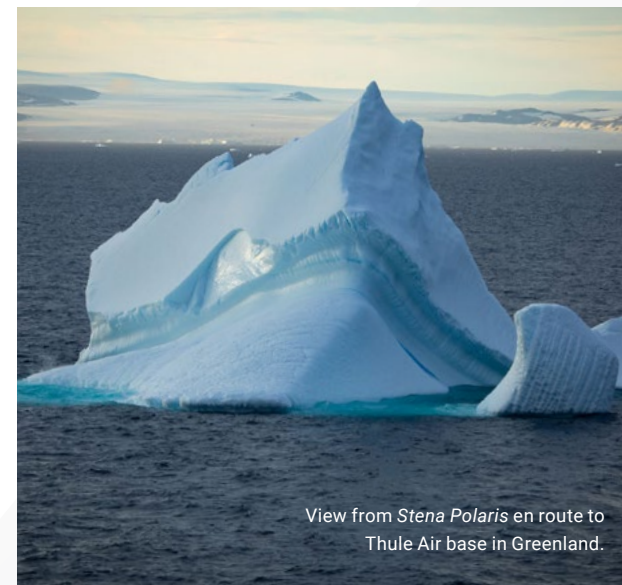
Future and opportunities

We continue to work on laying the foundations for the next phase in Concordia Maritime's history. We can see that the Company is now completely debt-free (apart from normal operating liabilities). The balance sheet includes a vessel with no associated loans, built in 2010, with a carrying amount of SEK 215.4 million. The Company also has available liquid funds of SEK 243.4 million. In total, this corresponds to SEK 458.8 million. Equity per share amounted to SEK 9.43 (7.12) at the end of the quarter. The Company is also one of only three listed shipping companies in Sweden and the only shipping company on the Stockholm Stock Exchange. The combination of the Company's assets, a 135-year history and a good reputation provides a good basis for future initiatives.

A number of projects and concrete transactions with various counterparties have been worked on during the year, particularly in the segments mentioned above: offshore wind, dry cargo carriers and intermediate product tankers. All of them show exciting development, with the green transition driving innovation and change. We and the Board have evaluated several business openings. The work continues and the Company has high hopes for the future, but without being under time pressure to conclude a deal quickly. As all our shareholders are aware, shipping is a cyclical sector in which timing is of key importance.

Gothenburg, November 2023,

Erik Lewenhaupt, CEO



View from *Stena Polaris* en route to Thule Air base in Greenland.

Business activities

Result after tax for the quarter was SEK –20.5 (–22.8) million. EBITDA was SEK –6.4 (38.0) million. The change, excluding vessel sales, compared with the corresponding quarter in the previous year is largely an effect of the fleet reduction. The sale of *Stena Premium* and *Stena Progress* during the quarter had a negative effect of SEK –6.1 million on the result. This is because the selling price was affected by the underlying charter contract.

STENA PROGRESS AND STENA PREMIUM were sold and delivered to their new owner during the quarter. After repayment of loans and liabilities to related parties, the transaction generated cash proceeds of approximately SEK 100 million, while total cash flow for the third quarter amounted to SEK 75.2 million.

Stena Progress and *Stena Premium* have been on a five-year charter to Stena Bulk since 2021, guaranteeing a base rate of USD 15,500 per vessel and day, with profit-sharing for any surplus levels, calculated on the basis of average earnings per vessel per half-year. Stena Bulk has in turn chartered out the vessels. On the sale date, both vessels were on contracts that run until the end of 2024. The transaction means that the buyer takes over responsibility for these contracts from Stena Bulk. The sale price is affected by the buyer's earnings for the vessels during the remaining contract period.

All loans repaid

When *Stena Provence* was delivered in early 2023, SEK 156 million of the bank borrowing was repaid. A further SEK 89 million was repaid when *Stena Penguin* was delivered. The delivery of *Stena Premium* and *Stena Progress* during the third quarter enabled a repayment of SEK 327 million in loans and liabilities to related parties. In total, the sales have resulted in

Concordia Maritime being virtually debt-free. The remaining liabilities are current operating liabilities and an overdraft facility. Available liquid funds, including unutilised credit facilities, amounted to SEK 243.4 (86.1) million at the end of the quarter.

The fleet

Now that *Stena Progress* and *Stena Premium* have been sold, Concordia Maritime's fleet consists of one vessel, *Stena Polaris*, which has been chartered out on a bareboat contract to US Crowley Government Services Inc. since early 2022.

In turn, Crowley has leased the vessel with an American crew to the the US Military Sealift Command. The contract with Crowley includes extension options*, and earnings correspond to a time charter contract of approximately USD 18,000 per day.

There are no loans associated with *Stena Polaris*. Broker valuations for the vessel as of 30 September 2023 amount to an average of USD 29.1 million (SEK 316 million) on a charter-free basis. Given the existing charter, the fair value is currently lower (see CEO's overview). The carrying amount as of 30 September was SEK 215.4 million.

It should also be noted that vessel values are significantly influenced by freight market development.

The Group's total income and earnings

SEK millions	Q3		Full year
	2023	2022	2022
Total income	20.7	118.2	686.1
of which result from ship sales	–6.1	2.9	193.9
Operating result	–12.6	–3.6	216.9
Result after tax	–20.5	–22.8	123.3
Result per share after tax, SEK	–0.43	–0.48	2.58

Liquidity and financial position

SEK millions	30 Sep 2023	30 Sep 2022
Available liquid funds	243.4	86.1
Interest-bearing liabilities	8.9	1,053.9
Equity	450.1	340.0
Equity ratio, %	91	20

*The charter period runs with extension options to the end of 2026 or until the vessel reaches 20 years of age (2030).

EBITDA per quarter

USD millions	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Product tankers, time charter	0.4	0.6	0.2	5.4	4.9	6.6	5.1	5.7	1.7
Product tankers, spot, owned and leased tonnage	0.0	0.0	0.0	-0.3	-0.1	0.1	0.3	-0.7 ²⁾	-2.0 ¹⁾
Sale of vessels	-0.8	7.0	4.2	15.4	-0.4	—	-1.4	—	-3.6
Product tankers, total	-0.4	7.6	4.4	20.5	4.4	6.6	4.0	5.0	-3.7
Suezmax, spot, owned and leased tonnage	0.0	0.0	0.0	0.0	-0.5	0.9	0.5	0.4	-0.1
Suezmax, spot, short-term chartered tonnage	—	—	—	—	—	—	—	-0.1	-2.0
Sale of vessels	0.0	0.0	0.0	0.0	0.6	4.1	—	—	—
Suezmax, total	0.0	0.0	0.0	0.0	0.1	5.0	0.5	0.3	-2.1
Admin. and other	-0.3	-0.7	-0.8	-0.8	-1.1	-1.0	-1.2	-0.9	-0.8
Total	-0.7	6.9	3.6	19.7	3.4	10.6	3.2	4.4	-6.6

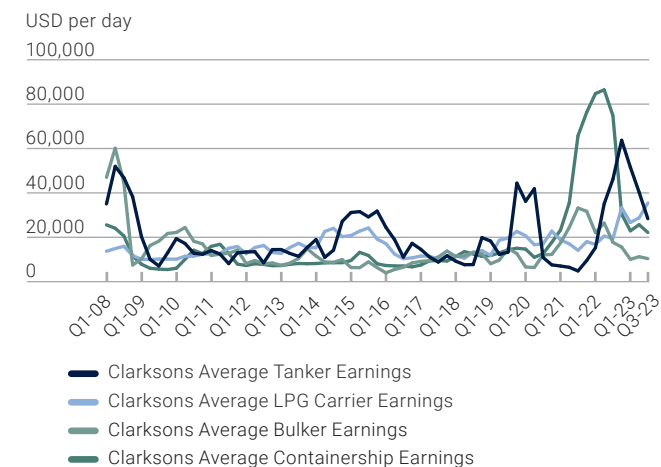
1) Total includes effect of bunker hedge of USD -0.3 million.

2) Total includes effect of bunker hedge of USD -0.9 million.

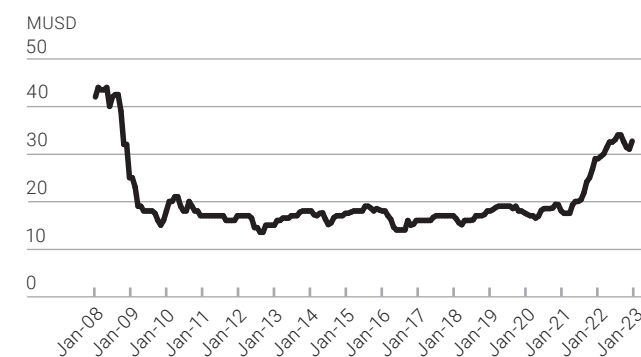
Income per vessel category

SEK millions	Q3		9 months		Full year
	2023	2022	2023	2022	2022
Product tankers, time charter	26.1	107.8	118.6	336.9	424.0
Product tankers, spot	0.8	6.5	0.1	6.5	29.7
Result from vessel sales	-7.2	1.9	110.1	1.9	147.0
Product tankers, total income	19.6	116.1	228.9	345.3	600.7
Suezmax, spot	0.0	1.1	0.0	37.9	38.6
Result from vessel sales	1.1	1	2.2	40	46.9
Suezmax, total income	1.1	3.9	2.2	77.9	85.4
Other	0.0	0	0.0	0	0.0
Total income	20.7	118.2	231.1	423.2	686.1

Historical earnings, large vessel segment



Vessel values, product tankers (MR 10 years)



Source: Clarksons

Repairs and drydock

There were no scheduled drydock visits and no repairs in drydock during the quarter.

Changes in translation and hedging reserves

The Parent Company's functional currency is SEK, but the majority of the transactions in the Group are in USD. The Group's result is generated in USD, which means the result in SEK is a direct function of the SEK/USD exchange rate trend.

The closing balance for the translation reserve in equity amounted to SEK 473.1 (523.5) million at the reporting date. The changes are recognised in equity through OCI. The translation differences will be recycled to profit or loss when the foreign subsidiaries are wound up.

Investments and deposits

Investments in property, plant and equipment during the quarter amounted to SEK 0.0 (0.0) million. Concordia Maritime deposited a total of USD 16 million in fixed rate accounts during the quarter, with terms of one and two months. The total investment, corresponding to SEK 174.6 (0.0) million, is reported under short-term investments in the Company's balance sheet.

Contingent liabilities

In 2023, Concordia Maritime, like a large number of others in the shipping sector, received a letter from the Nigerian tax authorities demanding retrospective taxation of contracts calling at Nigerian ports between 2010 and 2019. The Company is evaluating the legal viability of the claims and potential financial exposure with legal advisors and industry associations.

Employees

The number of employees in the Group on 30 September 2023 was 4 (4). The Group had 0 (379) temporary seagoing employees.

Parent Company

The Parent Company's sales for the quarter amounted to SEK 0.7 (0.0) million, with intragroup invoicing representing 0.7 (0.0) million of this amount. The Parent Company's available liquid funds at the end of the quarter amounted to SEK 171.6 (86.1) million, which includes receivables from Group companies in the cash pool and unutilised credit facilities.

Risks and risk management

Concordia Maritime operates in a market where demand for the Company's services is affected by business cycles and seasonal effects, as well as factors of a more temporary nature.

The main risks associated with Concordia Maritime's operations and the industry – and which could have a significant negative impact on the Group's operations, strategy, profitability, cash flow, shareholder value or reputation – are divided into four categories: strategic risks, operational risks, compliance risks and financial risks. Sustainability risks are integrated into the risk categories. More information about risks and risk management can be found in Concordia Maritime's 2022 annual report, which is available at www.concordiamaritime.com.



Environmental and safety reporting

NONE OF CONCORDIA MARITIME'S VESSELS were involved in any incident that resulted in discharges of bunker oil or cargo during the quarter. No Concordia Maritime vessel was involved in any piracy-related incidents. Both *Stena Premium* and *Stena Progress* have been delivered to new owners during the quarter. The only remaining vessel as of 30 September 2023 is *Stena Polaris*. The vessel is chartered on a bareboat basis to Crowley, which handles the vessel's reporting to authorities etc. Emissions and safety data for the vessel are therefore not included in Concordia Maritime's reporting.

External controls

One vetting inspection was conducted during the quarter.

Safety

	Q3 2023	Q3 2022	Full year 2022	Target 2023
LTI	0	0	0	0
LTIF	0	0	0	0
Number of inspections with more than five observations (owned vessels)	0	0	0	0
Average number of vetting observations per inspection (owned vessels)	3	2.75	2.8	>3
Number of PSC inspections with detentions	0	0	0	0
Number of piracy-related incidents	0	0	0	0
Damage to property	0	0	3	0
Medical treatment case	0	0	1	0
Restricted work case	0	0	1	0
High potential near miss	0	0	3	0
High risk observation	0	0	0	0



Photo: Unsplash

Group

Income statement

SEK millions	Q3 2023	Q3 2022	9 months 2023	9 months 2022	Full year 2022
Consolidated income statement					
Average exchange rate SEK/USD	10.81	10.55	10.59	9.92	10.12
Time charter income, leasing of vessels	15.4	45.1	60.4	138.8	176.5
Time charter income, operational services	10.7	62.7	58.2	198.1	247.6
Spot charter income	0.7	7.5	0.1	44.4	68.2
Result from vessel sales	-6.1	2.9	112.4	41.9	193.9
Total income	20.7	118.2	231.1	423.1	686.1
Voyage-related operating costs	-1.0	-0.3	-10.6	-5.5	-9.9
Operating costs, ships	-8.6	-35.5	-45.3	-103.5	-119.6
Personnel costs, temporary seagoing	-12.1	-35.8	-47.8	-115.5	-150.1
Personnel costs, land-based	-1.3	-1.8	-8.0	-7.0	-9.4
Other external expenses	-4.1	-6.8	-16.1	-21.3	-22.9
Depreciation/impairment	-6.2	-41.6	-46.7	-127.6	-157.2
Total operating costs¹⁾	-33.4	-121.9	-174.4	-380.3	-469.2
Operating result	-12.6	-3.6	56.6	42.8	216.9
Interest and similar income	1.1	-1.1	1.4	0.6	0.7
Interest and similar expense	-10.4	-18.0	-33.5	-60.2	-91.6
Financial net	-9.2	-19.1	-32.2	-59.6	-90.9
Result before tax	-21.8	-22.8	24.4	-16.7	126.1
Tax	1.4	0.0	-4.9	-0.8	-2.7
Result after tax	-20.5	-22.8	19.5	-17.6	123.3

¹⁾ Accounting policies, see page 15.

Group

Other comprehensive income

SEK millions	Q3 2023	Q3 2022	9 months 2023	9 months 2022	Full year 2022
Result after tax	-20.5	-22.8	19.5	-17.6	123.3
Items that have been/can be transferred to result for the period					
Translation differences	3.7	20.8	20.0	63.4	43.4
Changes in fair value of cash flow hedges for the period	0.0	0.0	0.0	-6.2	-6.2
Changes in fair value of cash flow hedges transferred to result for the period	0.0	-0.6	0.0	4.1	4.1
Reversal of translation differences related to divested vessels	0.0	0.0	0.0	0.0	-50.5
Comprehensive income for the period	-16.8	-2.6	39.5	43.7	114.2

Per-share data

	Q3 2023	Q3 2022	9 months 2023	9 months 2022	Full year 2022
Number of shares	47,729,798	47,729,798	47,729,798	47,729,798	47,729,798
Result per share, before/after dilution	-0.43	-0.48	0.41	-0.37	2.58
Equity per share, SEK	9.43	7.12	9.43	7.12	8.60

Group

Condensed balance sheet

SEK millions	30 Sep 2023	30 Sep 2022	31 Dec 2022
Closing exchange rate SEK/USD	10.91	11.09	10.43
Assets			
Ships and equipment	215.4	943.0	883.2
Financial assets	0.0	19.6	5.6
Total non-current assets	215.4	962.5	888.8
Current receivables	37.1	85.1	92.1
Short-term deposits	174.6	0.0	0.0
Cash and bank balances ¹⁾	67.1	89.7	110.4
Assets held for sale	0.0	528.9	152.4
Total current assets	278.8	703.8	354.9
Total assets	494.2	1,666.30	1,243.7
Equity and liabilities			
Equity	450.1	340.0	410.5
Non-current liabilities	0.0	553.2	516.8
Current liabilities	44.1	773.1	316.4
Total equity and liabilities	494.2	1,666.3	1,243.7

1) Including restricted funds of SEK 0.0 (26.0) million.

Changes in equity

SEK millions	Share capital	Other paid-in capital	Translation reserve	Hedging reserve	Fair value reserve	Retained earnings	Total
Changes Jan-Sep 2022							
Opening balance 01.01.2022	381.8	61.9	460.2	2.1	0.0	-609.6	296.3
Comprehensive income for the period	0.0	0.0	63.4	-2.1	0.0	-17.6	43.7
Share capital reduction	-194.3	0.0	0.0	0.0	0.0	194.3	0.0
Closing balance 30.09.2022	187.5	61.9	523.5	0.0	0.0	-432.9	340.0
Changes Jan-Sep 2023							
Opening balance 01.01.2023	187.5	61.9	453.1	0.0	0.0	-292.0	410.5
Comprehensive income for the period	0.0	0.0	20.0	0.0	0.0	19.5	39.6
Closing balance 30.09.2023	187.5	61.9	473.1	0.0	0.0	-272.5	450.1

Group

Condensed cash flow statement

SEK millions	Q3 2023	Q3 2022	9 months 2023	9 months 2022	Full year 2022
Operating activities					
Result before tax	-21.8	-22.8	24.4	-16.7	126.1
Adjustments:					
Depreciation/impairment	6.2	41.6	46.7	127.6	157.2
Result, sale of non-current assets	6.1	0.0	-112.4	0.0	-193.9
Other items	-143.0	-163.5	-137.8	-36.9	3.6
Cash flow from operating activities before changes in working capital	-152.5	-144.6	-179.0	74.0	93.0
Changes in working capital	-54.8	124.2	-39.1	13.3	29.3
Cash flow from operating activities	-207.3	-20.4	-218.1	87.3	122.3
Investing activities					
Sale of non-current assets	415.3	155.7	912.2	715.5	1,148.2
Investment in non-current assets	0.0	0.0	-2.6	-0.8	-0.8
Other financial items	0.0	2.2	0.0	0	0.0
Cash flow from investing activities	415.3	158.0	909.6	714.7	1,147.4
Financing activities					
Amortisation of loans	-132.8	-136.0	-578.6	-388.0	-828.0
Other financing	0.0	0.0	0.0	-351.6	-351.6
Cash flow from financing activities	-132.8	-136.0	-578.6	-739.6	-1,179.6
Cash flow for the period	75.2	1.5	112.9	62.4	90.1
Balance at beginning of period (Note 1)	156.2	81.6	110.4	15.9	15.9
Exchange differences (Note 2)	10.2	6.6	18.2	11.5	4.5
Balance at end of period (Note 1)	241.6	89.7	241.6	89.7	110.4
Note 1. Balance consists of cash, bank balances, short-term deposits and credit facility					
Note 2. Exchange differences attributable to:					
Cash and cash equivalents at beginning of period	1.1	0.8	4.8	2.1	1.4
Cash flow for the period	9.0	5.8	13.4	9.4	3.1
Total exchange differences	10.2	6.6	18.2	11.5	4.5

Parent Company

Condensed income statement

SEK millions	9 months 2023	9 months 2022	Full year 2022
Net sales	3.0	0.3	2.6
Operating costs, ships	0.0	0.0	0.3
Other external expenses	-11.9	-9.2	-12.2
Personnel expenses	-4.8	-4.0	-5.5
Operating result	-13.7	-12.9	-14.8
Result from subsidiaries	0.0	0.0	0.0
Other interest and similar income	11.7	18.9	37.4
Interest and similar expense	-54.8	-112.9	-104.4
Result before tax	-56.8	-106.9	-81.8
Tax	0.0	0.0	0.0
Result after tax	-56.8	-106.9	-81.8

Condensed balance sheet

SEK millions	30 September 2023	30 September 2022	Full year 2022
Assets			
Financial assets	0.0	7.1	0.0
Investments in Group companies	675.5	675.5	675.5
Non-current receivables, Group companies	62.4	780.1	297.6
Total non-current assets	737.9	1,462.70	973.1
Current receivables	0.7	0.7	0.6
Receivables from Group companies	91.2	22	310.2
Short-term deposits	174.6	0.0	0.0
Cash and bank balances	0.0	0.0	0.0
Total current assets	266.5	22.7	310.9
Total assets	1,004.4	1,485.40	1,284.0
Equity and liabilities			
Equity	187.0	218.8	243.8
Non-current liabilities	27.5	497.2	469.2
Current liabilities	789.9	769.4	570.9
Total equity and liabilities	1,004.4	1,485.40	1,284.0

Definitions

Bareboat charter

The shipowner charters out its ship uncrewed for a long period at fixed rates.

Carbon Intensity Indicator (CII)

An IMO regulation to assess a vessel's operational efficiency and which is gradually tightened.

Consecutive Voyage Charter (CVC)

Consecutive Voyage Charter.

CO₂ Carbon dioxide.

Damage to property

An event that results in damage to the vessel, and/or vessel equipment costing more than USD 2,000 to repair (excludes system/equipment failure).

Depreciation

Accounting deductions made in the company's financial statements in order to compensate for wear and ageing of its vessels and equipment.

DWT Deadweight tonnage – a measure of a vessel's maximum weight capacity.

Energy Efficiency eXisting ship Index (EEXI)

An IMO measure and regulation to assess a vessel's operational efficiency and which is gradually tightened.

Energy Efficiency Operational Indicator (EEOI)

An operational measure to assess a vessel's energy efficiency and CO₂ emissions.

FFA

Forward Freight Agreement - a financial contract entitling the holder to buy or sell freight prices at a future date.

High potential near miss

Incident that could have resulted in a serious accident.

HSFO High sulphur fuel oil.

Lost-time injury (LTI)

An accident that results in an individual being unable to carry out his or her duties or return to work on a scheduled shift on the day after the injury, unless this is due to delays getting medical treatment ashore. Also includes fatalities.

Lost-time injury frequency (LTIF)

Safety performance measure which is the number of LTIs per million exposure hours in man-hours (LTIF = LTIs x 1,000,000/ exposure hours).

LSFO Low sulphur fuel oil.

Medical treatment case (MTC)

Work-related injury requiring treatment by a doctor, dentist, surgeon or qualified health professional. MTC does not include LTI, RWC, hospitalisation for observation or a consultative examination by a doctor.

MGO Marine gas oil.

NO_x Nitrogen oxides.

Restricted work case (RWC)

An injury that results in an individual being unable to carry out normal duties during a scheduled work shift or being temporarily or permanently assigned other duties on the day after the injury.

SO_x Sulphur oxides.

Spot market (open market)

Chartering of vessels on a voyage-by-voyage basis, with freight rates fluctuating virtually daily. The shipowner pays for the bunker oil and port charges.

Time charter

The shipowner charters out its ship complete and crewed for a long period at fixed rates. The charterer pays for the bunker oil and port charges.

Alternative performance measures¹⁾

Cash flow from operating activities

Result after financial net plus depreciation minus tax paid (cash flow before change in working capital and investments and before effect of ship sales). The Company believes that the key figure provides a deeper understanding of the Company's profitability.

EBITDA

Performance measure indicating operating result before interest, taxes, impairment, depreciation and amortisation. The Company believes that the key figure provides a deeper understanding of the Company's profitability.

Equity ratio

Equity as a percentage of total assets. The Company believes that the key figure makes it easier for investors to form a picture of the Company's capital structure.

Result before tax adjusted for impairment

Performance measure which indicates result before tax and impairment. The Company believes that the key figure provides a deeper understanding of the Company's profitability and better comparability over reporting periods.

Return on capital employed

Result after financial net plus finance costs as an average of the last twelve months expressed as a percentage of average capital employed on a 12-month rolling basis. Capital employed refers to total assets minus non-interest-bearing liabilities, including deferred tax liability. The Company believes that the key figure provides a deeper understanding of the Company's profitability.

Return on equity

Result after tax as an average of the last twelve months expressed as a percentage of average equity on a 12-month rolling basis. The Company believes that the key figure provides a deeper understanding of the Company's profitability.

Return on total capital

Result after financial net plus finance costs as an average of the last twelve months expressed as a percentage of average total assets on a 12-month rolling basis. The Company believes that the key figure provides a deeper understanding of the Company's profitability.

¹⁾ Alternative performance measures as defined by the European Securities and Markets Authority (ESMA).

Reconciliation of alternative performance measures

EBITDA

SEK millions	Q3 2023	Q3 2022	9 months 2023	9 months 2022	Full year 2022
Operating result	-12.6	-3.6	56.6	42.8	216.9
Depreciation/impairment	6.2	41.6	46.7	127.6	157.2
EBITDA	-6.4	38.0	103.4	170.4	374.1

Result excluding impairment and tax

SEK millions	Q3 2023	Q3 2022	9 months 2023	9 months 2022	Full year 2022
Result after tax	-20.5	-22.8	19.5	-17.6	123.3
Impairment	0.0	0.0	0.0	0.0	0.0
Tax	-1.4	0.0	4.9	0.8	2.7
Result excluding impairment and tax	-21.8	-22.8	24.4	-16.7	126.1

Result per share excluding impairment and tax

	Q3 2023	Q3 2022	9 months 2023	9 months 2022	Full year 2022
Result excluding impairment and tax, SEK million	-21.8	-22.8	24.4	-16.7	126.1
Number of shares	47,729,798	47,729,798	47,729,798	47,729,798	47,729,798
Result per share excluding impairment and tax, SEK	-0.46	-0.48	0.51	-0.35	2.64

Return on equity

SEK millions	9 months 2023	9 months 2022	Full year 2022
Result after tax (average for LTM)	160.4	-325.4	123.3
Equity (average for LTM)	435.0	314.0	342.5
Return on equity	36.9%	neg	36.0%

Return on capital employed

SEK millions	9 months 2023	9 months 2022	Full year 2022
Result after financial net (average for LTM)	24.4	-16.7	126.1
Finance costs (average for LTM)	64.9	78.5	91.6
Result after financial net plus finance costs	89.4	61.7	217.6
Total assets (average for LTM)	902.9	1,866.1	1,650.4
Non-interest-bearing liabilities (average for LTM)	-229.3	-249.6	-260.4
Capital employed	673.6	1,616.5	1,390.0
Return on capital employed	13.3%	3.8%	15.7%

Return on total capital

SEK millions	9 months 2023	9 months 2022	Full year 2022
Result after financial net (average for LTM)	24.4	-16.7	126.1
Finance costs (average for LTM)	64.9	78.5	91.6
Result after financial net plus finance costs	89.4	61.7	217.6
Total assets (average for LTM)	902.9	1,866.1	1,650.4
Return on total capital	9.9%	3.3%	13.2%

Equity ratio

SEK millions	9 months 2023	9 months 2022	Full year 2022
Equity	450.1	340.0	410.5
Total assets	494.2	1,666.3	1,243.7
Equity ratio	91%	20%	33%

Accounting policies

This interim financial report in summary for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and relevant provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act.

For the Group and Parent Company, the same accounting policies have been applied as in the most recent annual report.

The Concordia Maritime Group applies International Financial Reporting Standards (IFRS) as adopted by the EU. The Group applies the same accounting policies and calculation methods in the quarterly reports as in the annual report for 2022, in addition to those described in this report.

The Group's interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act.

The report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act. The Board of Directors and CEO confirm that the interim report provides a true and fair overview of the operations, financial position and performance of the Parent Company and Group, and describes material risks and uncertainties faced by the Parent Company and Group companies. This interim report has been reviewed by the Company's auditors.

Gothenburg, 15 November 2023

Erik Lewenhaupt
CEO



Audit review report

Concordia Maritime AB
Corp. ID 556068-5819

Introduction

We have reviewed the condensed set of financial statements in the interim report for Concordia Maritime AB (publ) for the third quarter and the nine months ended 30 September 2023. The Board of Directors and CEO are responsible for the preparation and presentation of this interim financial report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on this interim report based on our review.

Scope of the review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified during an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report has not been prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act for the Group and the Swedish Annual Accounts Act for the Parent Company.

Gothenburg, 15 November 2023
Öhrlings PricewaterhouseCoopers AB

Fredrik Göransson
Authorised Public Accountant

Quarterly overview

SEK millions	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Profit/loss items									
Total income ¹⁾	20.7	114.7	95.6	263.0	118.2	180.8	124.1	151.2	165.6
Operating costs excluding impairment ¹⁾	-33.4	-59.8	-81.3	-88.9	-121.9	-121.9	-136.6	-173.4	-283.1
Operating result (EBIT)	-12.6	54.9	14.3	174.1	-3.6	58.9	-12.5	-290.0	-117.5
of which result from sale of investments in jointly-controlled entities (vessels)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial net	-9.2	-11.6	-11.4	-31.3	-19.1	-22.5	-18.0	-18.2	-24.0
Result before tax	-21.8	43.3	2.9	142.8	-22.8	36.5	-30.4	-308.2	-141.4
Result after tax	-20.5	37.0	3.0	140.9	-22.8	35.7	-30.5	-307.8	-141.4
Cash flow from operating activities	-207.3	-47.2	36.4	35.0	-20.4	78.5	29.2	-1.4	10.2
EBITDA	-6.4	72.1	37.6	203.7	38.0	102.7	29.7	36.6	-56.8
Balance-sheet items									
Ships (number)	215.4 (1)	661.6 (3)	862.0 (4)	1,035.6 (5)	1479.1 (7)	1,534.5 (8)	1,586.7 (9)	1,973.3 (11)	2,252.9 (11)
Ships under construction (number)	0	0	0	0	0	0	0	0	0
Liquid funds incl. investments	241.6	156.2	136.4	110.4	89.7	81.6	19.9	15.9	34.5
Other assets	37.1	35.3	32.7	97.7	104.7	112.8	138.3	117.5	131.9
Interest-bearing liabilities	8.9	138.4	360.0	577.3	1,053.9	1,133.6	1,425.2	1,587.6	1,587.1
Other liabilities and provisions	35.8	237.1	258.7	255.9	272.4	276.1	251.7	222.8	236.1
Equity	450.1	466.9	412.4	410.5	340.0	342.6	276.9	296.3	596.2
Total assets	494.2	842.5	1,031.1	1,243.7	1,666.3	1,737.7	1,953.8	2,106.7	2,419.3
Key figures, %									
Equity ratio	91	55	40	33	20	20	14	14	25
Return on total capital	10	77	6	13	3	5	2	-27	-10
Return on capital employed	13	98	8	16	4	5	2	-24	-11
Return on equity	37	39	42	36	-104	-117	-122	-112	-62
Operating margin	-61	48	15	66	-3	33	-10	-192	-87
Share data									
Total income ¹⁾	0.43	2.40	2.00	5.51	2.48	3.79	2.60	3.17	3.47
Operating costs excluding impairment	-0.70	-1.25	-1.70	-1.86	-2.55	-2.55	-2.86	-3.63	-5.93
Operating result	-0.26	1.15	0.30	3.65	-0.08	1.23	-0.26	-6.08	-2.46
Financial net	-0.19	-0.24	-0.24	-0.66	-0.40	-0.47	-0.38	-0.38	-0.50
Result after tax	-0.43	0.78	0.06	2.95	-0.48	0.75	-0.64	-6.45	-2.96
Cash flow from operating activities	-4.34	-0.99	0.76	0.73	-0.43	1.64	0.61	-0.03	0.21
EBITDA	-0.13	1.51	0.79	4.27	0.80	2.15	0.62	0.77	-1.19
Equity	9.43	9.78	8.64	8.60	7.12	7.18	5.80	6.21	12.49

Definitions, see page 13.

¹⁾Accounting policies, see page 15.

Related party transactions

Concordia Maritime has a small internal organisation, and purchases services from related-party companies in the Stena Sphere, which include Stena Bulk AB. The latter company conducts tanker business that coincides with Concordia Maritime in some respects.

As *Stena Polaris* was chartered out to Crowley, the time charter agreement with Stena Bulk was put on hold. If *Stena Polaris* were redelivered to Concordia Maritime, it would be possible to resume the time charter agreement under its original duration until 2026. Under the agreement, Concordia Maritime has the right to dispose of vessels during the charter period and then break the charter contract with Stena Bulk. If there are underlying contracts between Stena Bulk and the end customer, these may constitute grounds for compensation.

Overview of transactions with Stena Sphere

■ Vessel sales

Stena Bulk is entitled to charge commission of 1 percent on vessel sales.

■ Operation and manning of the Group's vessels (ship management)

Payment is based on a fixed price per year and vessel, with an additional payment for manning of vessels.

■ Commercial operation, administration, marketing, insurance, technical monitoring and development of Concordia Maritime's fleet.

Payment is based on a fixed price per month and vessel. With regard to technical consulting services for newbuild projects, an hourly rate is applied on a cost-plus basis, which is then charged to the project.

■ Office rent and office services

A fixed annual price is charged.

Purchase of services from Stena Sphere

SEK MILLIONS	Q3		9 months		Full year
	2023	2022	2023	2022	2022
Crewing	13.4	37.8	54.9	131.6	170.8
Administration	0.7	0.6	1.5	2.5	3.6
Chartering & commercial operation	0.0	13.9	0.0	15.3	15.6
Group total	14.1	52.3	56.4	149.4	190.0
Parent total	0.2	0.3	0.7	0.8	1.4

All related party transactions are conducted on commercial terms and at market-related prices.



Other information

Fleet employment

Ships	DWT	Ice class	Year	Employment
P-MAX				
Stena Polaris	65,200	1A	2010	Bareboat charter to Crowley with annual extension options to the end of 2026 or until the vessel reaches 20 years of age. CPP ¹⁾ , Atlantic and Mediterranean.

1) Clean Petroleum Products



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Calendar

Q4 2023	8 February 2024
Q1 2024	14 May 2024
2024 AGM	14 May 2024

This information is information that Concordia Maritime Aktiebolag (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was provided by the contact persons above for publication on 15 November 2023 at 10.00 CET.

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