

RESULTS AND HIGHLIGHTS

FOURTH QUARTER 2022



RESULTS

Profit for the period: USD 205 million
(Q4 2021: USD 123 million).

Profit/loss for the period per business unit:

- Assets & Logistics: USD 73 million (USD 3 million).
- Freight Services & Trading: USD 131 million (USD 120 million).



BUSINESS HIGHLIGHTS

- Net asset value (NAV) of Assets & Logistics (including NORDEN's cash position) at DKK 422 per share.
- Dry cargo earnings generated from a short position (more cargoes than tonnage), profitable cover contracts and asset sales.
- Tanker earnings generated through high exposure as tanker rates continued to surge.



MARKETS

- Dry cargo: Market rates further weakened following less congestion and container spillover effects. While coal volumes remained high, there were less commodity volumes transported in markets outside of China.
- Tankers: Soaring and volatile market rates across Atlantic and Pacific basins. Refineries working at full capacity and very high exports out of China and Russia.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

USD million	Q4 2022				Q4 2021			
	Assets & Logistics	Freight Services & Trading	Eliminations	Total	Assets & Logistics	Freight Services & Trading	Eliminations	Total
Segment information								
Revenue - services rendered, external	61.6	1,264.1	-	1,307.7	15.9	1,136.4	-	1,152.3
Revenue - services rendered, internal	100.0	-	-100.0	-	85.8	-	-85.8	-
Revenue - sublease financial income	0.8	0.4	-	1.2	0.3	0.2	-	0.5
Voyage costs	-7.2	-451.2	1.8	-456.6	-2.7	-372.7	5.6	-369.8
T/C equivalent revenue	155.2	795.3	-98.2	852.3	99.3	763.9	-80.2	783.0
Other operating income	-0.1	2.3	-	2.2	0.3	1.8	-0.2	1.9
Charter hire and OPEX element	-39.8	-557.4	98.2	-499.0	-30.0	-548.1	80.4	-497.7
Operating costs owned vessels	-17.5	-1.5	-	-19.0	-20.0	-0.2	-	-20.2
Contribution margin	97.8	238.7	-	336.5	49.6	217.4	-	267.0
Overhead and administration costs	-9.4	-40.9	-	-50.3	-3.4	-43.1	-	-46.5
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	88.4	197.8	-	286.2	46.2	174.3	-	220.5
Profit/loss from sale of vessels, etc.	31.8	-0.1	-	31.7	3.5	-	-	3.5
Depreciation, amortisation and impairment losses	-43.8	-64.0	-	-107.8	-42.7	-49.8	-	-92.5
Profit/loss from investments in joint ventures	0.8	-	-	0.8	3.2	-	-	3.2
Profit from operations (EBIT)	77.2	133.7	-	210.9	10.2	124.5	-	134.7
Financial income	4.7	2.7	-	7.4	-0.3	-0.1	-	-0.4
Financial expenses	-8.7	-1.8	-	-10.5	-7.4	-2.9	-	-10.3
Profit before tax	73.2	134.6	-	207.8	2.5	121.5	-	124.0
Tax for the period	-	-3.2	-	-3.2	-	-1.4	-	-1.4
Profit for the period	73.2	131.4	-	204.6	2.5	120.1	-	122.6

CONSOLIDATED STATEMENT OF CASH FLOWS

USD million	Q4 2022	Q4 2021	Q1-Q4 2022	Q1-Q4 2021
Profit/loss for the period	204.6	122.6	743.5	204.5
Reversal of items from the income statement	66.2	93.6	371.1	308.6
Change in working capital	160.3	124.1	183.5	-96.4
Instalments on sublease receivables	17.0	11.0	52.9	24.8
Income tax, paid	-6.6	-6.7	-8.1	-7.6
Cash flow from operating activities	441.5	344.6	1,342.9	433.9
Investments in vessels and vessels held for sale and other tangible assets	-138.9	-90.5	-205.5	-92.1
Additions in prepayments on newbuildings	-3.3	-77.0	-122.6	-155.8
Investments in joint ventures	-0.8	-2.4	7.2	-2.4
Proceeds from sale of vessels and newbuildings	252.5	78.2	574.0	159.8
Sale of securities	-12.6	-	-12.6	-
Change in cash and cash equivalents with rate agreements of more than 3 months, etc.	-0.6	-5.8	-182.6	93.1
Cash flow from investing activities	96.3	-97.6	57.9	2.6
Free cash flow	411.7	153.7	1,078.8	40.3
Dividend paid to shareholders	-138.9	-	-376.2	-53.0
Acquisition of treasury shares	-41.0	-21.9	-129.8	-33.1
Proceeds from share options	-0.1	0.3	4.2	6.6
Proceeds from issue of bonds	-	-	-	98.7
Proceeds from loans	38.6	40.9	60.6	417.1
Repayment of bonds	-	-	-25.5	-
Repayment of loans	-117.5	-50.7	-180.4	-395.1
Instalments on lease liabilities	-121.1	-88.8	-466.4	-268.4
Financial payments, received	7.9	-	12.3	0.3
Financial payments, paid	-13.5	-10.3	-50.5	-35.0
Cash flow from financing activities	-385.4	-130.5	-1,151.7	-261.9
Net cash flow	152.4	116.5	249.1	174.6

USD million	Q4 2022	Q4 2021	Q1-Q4 2022	Q1-Q4 2021
Liquidity at beginning of the period	479.8	273.9	389.3	217.1
Exchange rate adjustments	6.1	-1.1	-0.1	-2.4
Change in liquidity for the period	152.4	116.5	249.1	174.6
Liquidity at end period	638.3	389.3	638.3	389.3
Cash and cash equivalents with rate agreements of more than 3 months, etc.	204.0	21.4	204.0	21.4
Cash and cash equivalents at end period acc. to the statement of financial position	842.3	410.7	842.3	410.7
USD million			31/12 2022	31/12 2021
<i>Which can be explained as follows</i>				
Demand deposits and cash balance			267.1	200.1
Money market investment			503.5	154.1
Other cash and cash equivalents			71.7	56.5
			842.3	410.7