

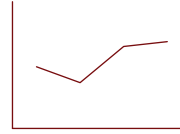
RESULTS AND HIGHLIGHTS

FOURTH QUARTER 2023



RESULTS AND GUIDANCE

- NORDEN in the fourth quarter generated a net profit of USD 43 million for the fourth quarter compared to USD 205 million in Q4 2022.
 - EBITDA of USD 119 million (USD 286 million).
 - Return on Invested Capital (ROIC) of 14%.
 - Positive free cash flow of USD 30 million.
- Both business units contributed positively to the Group result.
 - Freight Services & Trading: USD 2 million.
 - Assets & Logistics: USD 41 million.
- Based on the current market outlook, NORDEN expects a net profit for 2024 in the range of USD 150-250 million (FY USD 400 million). In the full-year guidance for 2024 are included gains from sale of vessels of USD 59 million (FY 2023 USD 79 million), related to already signed and agreed transactions.



BUSINESS HIGHLIGHTS

- Freight Services & Trading in the fourth quarter reported a margin of USD 48 per day down from USD 738 per day in Q3 2023. The lower margins were related to increasing charter cost in both dry cargo and tankers, related to stronger demand from China and the disruptions related to the Panama Canal and the Red Sea, leading to higher charter rates.
- The acquired Projects & Parcelling activities continued the positive development with commercial and cost synergies and generated an EBITDA of USD 4 million in the quarter.
- Assets & Logistics through a high coverage earnings generated a stable result in the quarter compared to Q3 2023, with limited gains from sales of vessels. NAV by end of the quarter was DKK 353 per share, slightly lower compared to Q3 2023 (DKK 360) before adjusting for interim dividends.



MARKETS

- The market development in the fourth quarter was stronger than expected in dry cargo due to a tight supply-demand balance with continued strong demand growth in China and RoW supporting a global growth of 5% Y/Y in Q4.
- Combined with the disruptions to the supply situation from the Panama Canal and Red Sea the market rates increased significantly quarter-on-quarter in Q4, especially in the Capesize segment. Average market rates in the fourth quarter in Supramax and Capesize increased by 41% and 111%, respectively and average MR rates by 19% compared to Q3 2023.
- Vessel values on back of the stronger earnings perspectives and limited yard capacity, further increased during the quarter, with 5-year values for Supramax vessels up 4%, Capesize 13% and MR 11% compared to Q3 2023.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS



USD million	Q4 2023				Q4 2022			
	Freight Services & Trading	Assets & Logistics	Eliminations	Total	Freight Services & Trading	Assets & Logistics	Eliminations	Total
Segment information								
Revenue - services rendered, external	775.9	63.1	-	839.0	1,239.5	47.5	-	1,287.0
Revenue - services rendered, internal	-	81.4	-81.4	-	-	100.0	-100.0	-
Revenue - sublease financial income	1.7	-	-	1.7	7.0	14.9	-	21.9
Voyage costs	-336.1	-9.9	1.4	-344.6	-451.2	-7.2	1.8	-456.6
T/C equivalent revenue	441.5	134.6	-80.0	496.1	795.3	155.2	-98.2	852.3
Other operating income	5.4	-0.1	-	5.3	2.3	-0.1	-	2.2
Charter hire and OPEX element	-383.3	-35.5	80.0	-338.8	-557.4	-39.8	98.2	-499.0
Operating costs, owned vessels	-	-16.1	-	-16.1	-1.5	-17.5	-	-19.0
Contribution margin	63.6	82.9	-	146.5	238.7	97.8	-	336.5
Overhead and administration costs	-20.1	-7.3	-	-27.4	-40.9	-9.4	-	-50.3
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	43.5	75.6	-	119.1	197.8	88.4	-	286.2
Profit/loss from sale of vessels, etc.	-	3.0	-	3.0	-0.1	31.8	-	31.7
Depreciation, amortisation and impairment losses	-40.7	-35.9	-	-76.6	-64.0	-43.8	-	-107.8
Profit/loss from investments in joint ventures	-	-0.1	-	-0.1	-	0.8	-	0.8
Profit from operations (EBIT)	2.8	42.6	-	45.4	133.7	77.2	-	210.9
Financial income	3.3	10.5	-	13.8	2.7	4.7	-	7.4
Financial expenses	-4.2	-8.4	-	-12.6	-1.8	-8.7	-	-10.5
Profit before tax	1.9	44.7	-	46.6	134.6	73.2	-	207.8
Tax for the period	0.1	-3.6	-	-3.5	-3.2	-	-	-3.2
Profit for the period	2.0	41.1	-	43.1	131.4	73.2	-	204.6

CONSOLIDATED STATEMENT OF CASH FLOWS



USD million	Q4 2023	Q4 2022	Q1-Q4 2023	Q1-Q4 2022
Profit/loss for the period	43.1	204.6	400.1	743.5
Reversal of items from the income statement	74.0	66.2	216.0	371.1
Change in working capital	-26.5	160.3	-71.7	183.5
Instalments on sublease receivables	35.5	17.0	130.2	52.9
Income tax, paid	-1.7	-6.6	-3.8	-8.1
Cash flow from operating activities	124.4	441.5	670.8	1,342.9
Investments in vessels and vessels held for sale and other tangible assets	-19.0	-138.9	-272.9	-205.5
Prepayments on newbuildings	-26.9	-3.3	-76.8	-122.6
Investments in joint ventures	-	-0.8	-	7.2
Acquisition of business and investments	0.5	-	-69.6	-
Proceeds from sale of vessels and newbuildings	38.3	252.5	388.9	574.0
Change in financial receivables	-0.2	-12.6	8.5	-12.6
Change in money market investments, rate agreements >3 mths.	-41.4	-0.6	-26.5	-182.6
Cash flow from investing activities	-48.7	96.3	-48.4	57.9
Dividend paid to shareholders	-45.9	-138.9	-308.9	-376.2
Acquisition of treasury shares	-32.3	-41.0	-127.5	-129.8
Proceeds from share options	-	-0.1	-	4.2
Proceeds from loans	-	38.6	-	60.6
Repayment of bonds	-2.8	-	-2.4	-25.5
Repayment of loans	-89.4	-117.5	-109.6	-180.4
Instalments on lease liabilities	-82.8	-121.1	-366.7	-466.4
Financial income, received	9.0	7.9	35.6	12.3
Financial expenses, paid	-13.3	-13.5	-53.2	-50.5
Cash flow from financing activities	-257.5	-385.4	-932.7	-1,151.7
Net cash flow	-181.8	152.4	-310.3	249.1
Liquidity at beginning of the period	505.5	479.8	638.3	389.3
Exchange rate adjustments	3.0	6.1	-1.3	-0.1
Change in liquidity for the period	-181.8	152.4	-310.3	249.1
Liquidity at end period	326.7	638.3	326.7	638.3
Cash and cash equivalents with rate agreements of >3 mths, etc.	230.5	204.0	230.5	204.0
Cash and cash equivalents at end period acc. to the statement of financial position	557.2	842.3	557.2	842.3

USD million	Q4 2023	Q4 2022	Q1-Q4 2023	Q1-Q4 2022
Cash flow from operating activities	124.4	441.5	670.8	1,342.9
Cash flow from investing activities	-48.7	96.3	-48.4	57.9
Change in money market investments, rate agreements >3 mths.	41.4	0.6	26.5	182.6
Instalments on lease liabilities	-82.8	-121.1	-366.7	-466.4
Financial income, received	9.0	7.9	35.6	12.3
Financial expenses, paid	-13.3	-13.5	-53.2	-50.3
Free cash flow	30.0	411.7	264.6	1,078.8
Acquisition of business and investments	0.5	-	69.6	-
Adjusted free cash flow	29.5	411.7	334.2	1,078.8
			31/12 2023	31/12 2022
<i>Cash and cash equivalents 31 December can be explained as follows</i>				
Demand deposits and cash balance			142.5	267.1
Money market investment			361.2	503.5
Other cash and cash equivalents			53.5	71.7
			557.2	842.3