An aerial photograph of a large industrial ship, likely a liquefied natural gas (LNG) carrier, sailing on the open sea. The ship is viewed from an elevated angle, showing its deck, superstructure, and the wake it leaves behind. The water is dark blue, and the sky is a lighter blue. The ship's hull is dark, and the superstructure is white with some blue accents. A large circular logo is visible on the side of the superstructure.

Hafnia Limited

# Condensed Consolidated Interim Financial Information Q2 and H1 2023



“Despite high volatility in the product tanker market in the second quarter, I am pleased to announce that Hafnia has delivered another strong result in Q2. We achieved a net profit of USD 213.3 million, bringing our net profit in the first six months of 2023 to USD 469.9 million. This notably propels Hafnia’s total profit to over USD 1 billion in the last 12 months. At the end of the quarter, we have a net asset value (NAV) of approximately USD 3.5 billion, representing a NAV per share of ~USD 7.0 (NOK 75.6).

I am happy to announce a 60% dividend pay-out of USD 0.2528 per share or USD 128.0 million (based on a net LTV ratio of 30.1%) for this quarter. This brings Hafnia’s total dividends in the last four quarters to USD 581.0 million, representing a total payout ratio of 57.3%, further reinforcing our ability to sustain and deliver strong shareholder returns.

Hafnia continues our efforts in transitioning towards a greener maritime sector, and I am proud to share some exciting updates within our fleet during our second quarter. We recently announced the conclusion of a joint venture agreement with SOCATRA on our order of four dual-fuel Methanol Chemical IMO-II MR newbuilds, constructed at Guangzhou Shipyard International (GSI) in China. Three of the vessels will be scheduled for delivery in 2025, with the fourth in 2026. Upon delivery, the vessels will be chartered out on long term time-charter arrangements to our long-standing partner Total Energies.

This represents another step in Hafnia’s decarbonization journey, and our first venture into a future green methanol landscape - as an alternative marine fuel with a net-zero trajectory. While this is Hafnia’s first investment into methanol as a fuel, this is not our first step in the dual-fuel sector. As part of our Vista joint venture, we have in the second quarter already taken delivery of our second of four LR2 LNG dual-fuelled newbuilds.

In line with our fleet renewal strategy, we have also welcomed the delivery of two MR IMO-II chemical vessels into our fleet during the quarter, as well as another LR1 IMO-II chemical vessel in July. These acquisitions strengthen our presence in the deep-sea chemical market and enable us to offer additional sailings and increased flexibility to our valued partners and clients in the segment.

Product tanker market conditions are expected to remain strong for the remainder of the year. High refinery margins, a rebound in Chinese demand and declining European product inventories are set to create a higher demand for product tankers. Although contracting activities have recently started to increase for delivery in 2026/27, supply will be tight in the coming years, and combined with an ageing fleet, we expect higher utilization and stronger freight rates. I remain confident that the fundamentals continue to favour the product tanker market.

As of 23 Aug 2023, we have for Q3 covered 78% of the earning days at an average of USD 27,616 per day and 46% covered at USD 27,102 per day for the rest of 2023.

Looking ahead, I am optimistic that Hafnia continues to make the right steps in our commitment to a greener future and in leveraging our strategically positioned modern fleet. As always, I am grateful for the commitment of the Hafnia team onshore and at sea, who set the course in the Hafnia way.”

- Mikael Skov, CEO Hafnia

# Summary

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# Highlights – Q2 and H1 2023

## Financial – Q2

Time Charter Equivalent (TCE) earnings for Hafnia Limited (the "Company" or "Hafnia", together with its subsidiaries, the "Group") were USD 349.3 million in Q2 2023 (Q2 2022: USD 348.3 million) resulting in an average TCE of USD 33,449 per day.

EBITDA was USD 261.6 million in Q2 2023 (Q2 2022: USD 257.5 million).

In Q2 2023, Hafnia recorded a net profit of USD 213.3 million equivalent to earnings per share<sup>1</sup> of USD 0.42 per share (Q2 2022: net profit of USD 186.2 million equivalent to earnings per share of USD 0.41 per share).

The commercially managed pool business generated an income of USD 10.1 million (Q2 2022: USD 8.5 million).

As of 23 August 2023, 78% of total earning days of the fleet were covered for Q3 at USD 27,616 per day.

## Financial – H1

Time Charter Equivalent (TCE) earnings for Hafnia Limited (the "Company" or "Hafnia", together with its subsidiaries, the "Group") were USD 726.5 million in H1 2023 (H1 2022: 511.7 million). EBITDA was USD 557.6 million in H1 2023 (H1 2022: 345.0 million).

In H1 2023, Hafnia recorded a net profit of USD 469.9 million and earnings per share<sup>1</sup> of USD 0.93 per share (H1 2022: net profit of USD 207.5 million and earnings per share of USD 0.46 per share).

The commercially managed pool business generated an income of USD 21.2 million (H1 2022: USD 14.5 million).

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<sup>1</sup>Based on weighted average number of shares as at 30 June 2023

## Market

Global oil markets have gradually recalibrated, after a turbulent year upended by Russia's invasion of Ukraine. Market inefficiencies have gradually been alleviated as trading patterns have settled amid the sanctions regime.

Despite high volatility and seasonal maintenance on refineries, the spot market for product tanker earnings remained strong, driven by increasing Chinese import activity. According to IEA, global oil demand reached record levels in June at 103.0 million barrels per day, mainly attributed to solid summer air travel and surging Chinese petrochemical activity. Global oil demand is expected to increase by 2.2 million barrels per day to an average of 102.2 million barrels per day for 2023, with China accounting for most of the growth.

Despite that, the market is expected to tighten further in the coming months. Global oil supply dropped by 0.9 million barrels per day in July, mainly due to OPEC+ production cuts from a persistent reduction in Saudi production. This led to an OPEC+ bloc production drop of 1.2 million barrels per day. Despite that, global oil supply is projected to increase by 1.5 million barrels per day in 2023 to a record average supply of 101.5 million barrels per day, with non-OPEC+ and specifically US driving the increase.

At the beginning of Q3, the spot market has softened, but earnings remain healthy overall due to a strong earnings recovery during August.

Refinery margins today supersede 2022 levels, following a spike in gasoline and diesel cracks. Refinery throughputs are set to peak in August at 83.9 million barrels daily. Refiners are struggling to keep up with the growth in oil demand, as shift to new feedstocks, outages and high temperatures have forced them to run at reduced rates.

As a result, both crude and product inventories have dropped significantly. We expect further reductions as Saudi Arabia and Russia extend supply cuts at least through September. According to IEA, OECD Europe industry stocks plunged by 18.9m barrels in June, mainly driven by draws in oil product stocks, which declined by 16.6 million barrels. The biggest draw occurred in middle distillates of 11 million barrels, and motor gasoline fell 2 million barrels to record low levels. This likely represents a significant increase in ton-miles on the horizon to replenish inventories.

On the tonnage supply side, tanker newbuild orders have picked up, led by ordering appetite in the product tanker sector. The product tanker order book as a percentage of the fleet has also ticked up to 9.3% as of August. Despite that, the fleet profile of product tankers is getting increasingly old. Scrapping levels are also expected to exceed deliveries for 2023. We anticipate the tonnage supply balance to drop significantly from 2023 into 2024 due to the ageing fleet profile, scrapping, and Russian trading.

Looking forward, if capital discipline is maintained on the ordering side, we expect the market to remain firm on solid supply versus demand fundamentals. Rebounding demand in China, firm Atlantic exports, and limited fleet growth in 2023 and 2024 are expected to support the overall outlook.

## Fleet

At the end of the quarter, Hafnia had 113 owned vessels<sup>1</sup> and 15 chartered-in vessels. The total fleet of the Group comprises 8 LR2s, 34 LR1s (including three bareboat-chartered in and four time-chartered in), 61 MRs of which eight are IMO II (including 10 time-chartered in and six bareboat chartered in), 24 Handy vessels of which 18 are IMO II (including 18 bareboat-chartered in) and one Specialized vessel which is time-chartered in.

The average estimated broker value of the owned fleet was USD 4,260 million, of which the LR2 vessels had a broker value of USD 507 million, the LR1 fleet had a broker value of USD 1,146 million<sup>2</sup>, the MR fleet had a broker value of USD 1,804 million<sup>3</sup> and the Handy vessels had a broker value of USD 803 million<sup>4</sup>.

The fleet chartered-in had a right-of-use asset book value of USD 45.4 million with a corresponding lease liability of USD 51.8 million.

Hafnia will pay a quarterly dividend of USD 0.2528 per share. Record date will be 1 September 2023 with ex. Dividend date of 31 August 2023 and payment on 12 September 2023. Please see separate announcement for dividend.

The condensed consolidated interim financial information for the six month period from 1 January 2023 to 30 June 2023 has not been audited or reviewed by the Group's auditors.

### Conference call

Hafnia will host a conference call for investors and financial analysts at 8:30 pm SGT/2:30 pm CET/8:30 am EST on 25 August 2023.

The investor presentation will be available via live video webcast via the following link: [Click here](#)

Or call in (audio only): +44 20 7660 8381, London, UK

### Hafnia

Mikael Skov, CEO Hafnia: +65 8533 8900  
[www.hafniabw.com](http://www.hafniabw.com)

<sup>1</sup>Including bareboat chartered in vessels; six LR1s and two LR2s owned through 50% ownership in the Vista Joint Venture and two MRs owned through 50% ownership in the Andromeda Joint Venture

<sup>2</sup>Including USD 238 million relating to Hafnia's 50% share of six LR1s and two LR2s owned through 50% ownership in the Vista Joint Venture

<sup>3</sup>Including USD 48 million relating to Hafnia's 50% share of two MRs owned through 50% ownership in the Andromeda Joint Venture; and IMO II MR vessels

<sup>4</sup>Including IMO II Handy vessels

## Safe Harbour Statement

### Disclaimer regarding forward-looking statements in the interim report

This interim report includes “Forward-looking Statements” that reflect Hafnia’s current views with respect to future events and financial and operational performance.

These Forward-looking Statements may be identified by the use of forward-looking terminology, such as the terms “anticipates”, “assumes”, “believes”, “can”, “could”, “estimates”, “expects”, “forecasts”, “intends”, “may”, “might”, “plans”, “should”, “projects”, “will”, “would” or, in each case, their negative, or other variations or comparable terminology. These Forward-looking Statements are, as a general matter, statements other than statements as to historic facts or present facts and circumstances. They include statements regarding Hafnia’s intentions, beliefs or current expectations concerning, among other things, financial strength and position of the Group, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to the Group’s future business development, financial performance and the industry in which the Group operates.

Prospective investors in Hafnia are cautioned that Forward-looking Statements are not guarantees of future performance and that the Group’s actual financial position, operating results and liquidity, and the development of the industry and potential market in which the Group may operate in the future, may differ materially from those made in, or suggested by, the Forward-looking Statements contained in this report. Hafnia cannot guarantee that the intentions, beliefs or current expectations upon which its Forward-looking Statements are based, will occur.

By their nature, Forward-looking Statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the Forward-looking Statements. These Forward-looking Statements speak only as at the date on which they are made. Hafnia undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral Forward-looking Statements attributable to Hafnia or to persons acting on Hafnia’s behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this report.

# Key figures

USD million	Q1 2023	Q2 2023	H1 2023
<b>Income Statement</b>			
Operating revenue	597.1	482.0	1,079.1
TCE income	377.2	349.3	726.5
EBITDA	296.0	261.6	557.6
Operating profit (EBIT)	280.7	229.5	510.2
Financial items	(28.0)	(19.8)	(47.8)
Share of profit from associate and joint ventures	5.8	5.1	10.9
Profit before tax	258.6	214.7	473.3
Profit for the period	256.6	213.3	469.9
<b>Balance Sheet</b>			
Total assets	3,931.5	4,086.7	4,086.7
Total liabilities	1,825.6	1,910.9	1,910.9
Total equity	2,105.9	2,175.8	2,175.8
Cash and cash equivalents	268.3	241.5	241.5
<b>Key financial figures</b>			
Return on Equity (RoE) (p.a.) <sup>1</sup>	49.9%	40.8%	44.9%
Return on Invested Capital (p.a.) <sup>2</sup>	32.7%	26.4%	29.3%
Equity ratio	54.2%	53.9%	53.9%
Net loan-to-value (LTV) ratio <sup>3</sup>	31.4%	30.1%	30.1%

<sup>1</sup> Annualised

<sup>2</sup> ROIC is calculated using annualised EBIT less tax.

<sup>3</sup> Net loan-to-value is calculated as vessel bank and finance lease debt (excluding debt for vessels sold but pending legal completion), debt from the pool borrowing base facilities less cash and working capital advanced to the external pool participants, divided by broker vessel values (100% owned vessels).



For the 3 months ended 30 June 2023	LR2	LR1	MR <sup>5</sup>	Handy <sup>6</sup>	Specialized	Total
Vessels on water at the end of the period <sup>1</sup>	6	28	59	24	1	118
Total operating days <sup>2</sup>	546	2,517	5,144	2,180	57	10,444
Total calendar days (excluding TC-in)	546	2,248	4,342	2,184	-	9,320
TCE (USD per operating day)	36,926	41,119	30,954	30,100	15,994	33,449
OPEX (USD per calendar day) <sup>3</sup>	8,206	7,731	7,621	7,846	-	7,728
G&A (USD per operating day) <sup>4</sup>						1,141

## Vessels on balance sheet

As at 30 June 2023, total assets amounted to USD 4,086.7 million, of which USD 2,737.3 million represents the carrying value of the Group's vessels including dry docking but excluding right-of-use of assets, is as follows:

Balance Sheet USD million	LR2	LR1	MR <sup>5</sup>	Handy <sup>6</sup>	Total
Vessels (including dry-dock)	256.7	644.8	1,259.9	575.9	2,737.3

<sup>1</sup> Excluding six LR1s and two LR2s owned through 50% ownership in the Vista Joint Venture and two MRs owned through 50% ownership in the Andromeda Joint Venture

<sup>2</sup> Total operating days include operating days for vessels that are time chartered-in.

<sup>3</sup> OPEX includes vessel running costs and technical management fees.

<sup>4</sup> G&A includes all expenses and is adjusted for cost incurred in managing external vessels.

<sup>5</sup> Inclusive of eight IMO II MR vessels.

<sup>6</sup> Inclusive of 18 IMO II Handy vessels.

## Cash and cash flows

Cash and cash equivalents amounted to USD 241.5 million as of 30 June 2023 (30 June 2022: USD 87.5 million).

Operating activities generated a net cash inflow of USD 172.3 million in Q2 2023 (Q2 2022: net cash inflow of USD 126.4 million).

Cash flows from operating activities were principally utilised for vessel drydocking costs, repayments of bank borrowings and interest, and payment of dividends.

Investing activities resulted in a net cash inflow of USD 2.1 million in Q2 2023 (Q2 2022: net cash outflow of USD 192.6 million).

Financing activities resulted in a net cash outflow of USD 201.2 million in Q2 2023 (Q2 2022: net cash inflow of USD 79.7 million).





## Dividend policy

Hafnia will target a quarterly payout ratio of net profit, adjusted for extraordinary items, of:

- 50% payout of net profit if Net loan-to-value is above 40%,
- 60% payout of net profit if Net loan-to-value is above 30% but equal to or below 40%,
- 70% payout of net profit if Net loan-to-value is above 20% but equal to or below 30%, and
- 80% payout of net profit if Net loan-to-value is equal to or below 20%

Net loan-to-value is calculated as vessel bank and finance lease debt (excluding debt for vessels sold but pending legal completion), debt from the pool borrowing base facilities less cash and working capital advanced to the external pool participants, divided by broker vessel values (100% owned vessels).

The final amount of dividend is to be decided by the Board of Directors. In addition to cash dividends, the Company may buy back shares as part of its total distribution to shareholders.

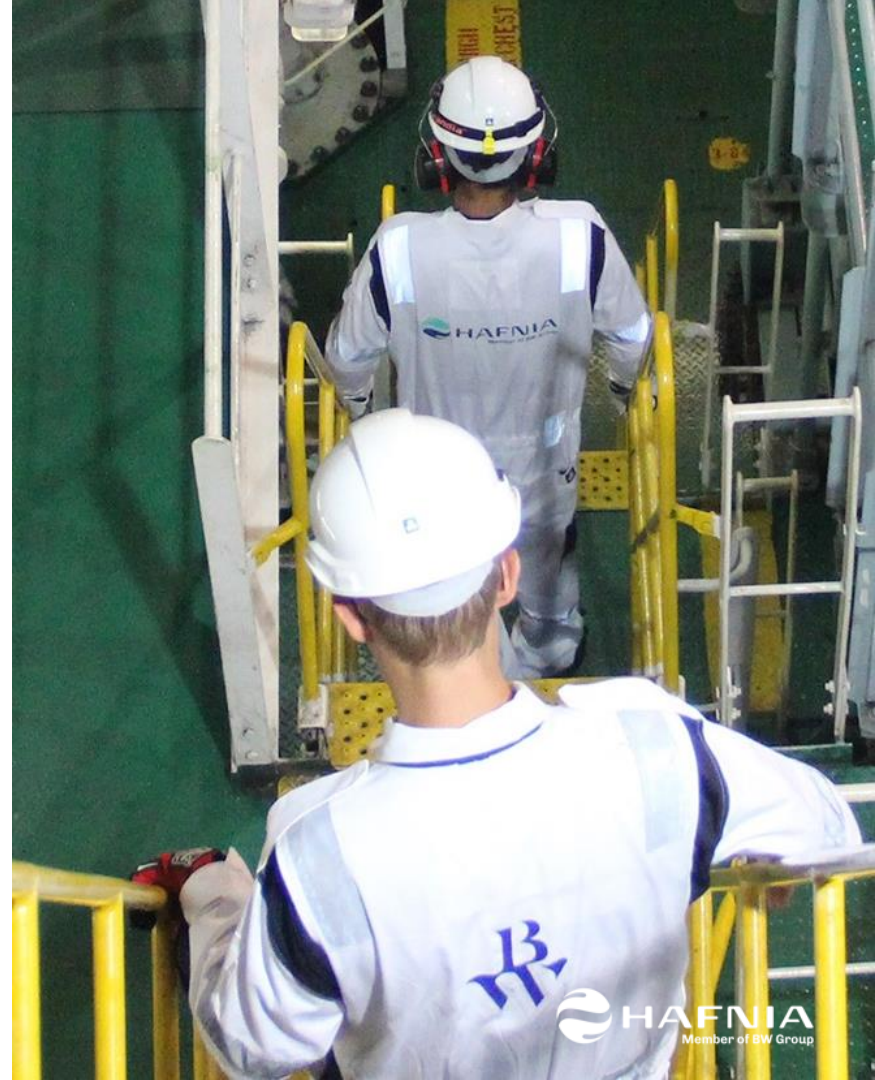
In deciding whether to declare a dividend and determining the dividend amount, the Board of Directors will take into account the Group's capital requirements, including capital expenditure commitments, financial condition, general business conditions, legal restrictions, and any restrictions under borrowing arrangements or other contractual arrangements in place at the time.

## Dividend for Q2

The board has set the quarterly payout ratio at 60% for Q2 2023.

## Coverage of earning days

As of 23 August 2023, 78% of the total earning days in Q3 2023 were covered at USD 27,616 per day. The table on the next page shows the figures for Q3 2023, Q3 to Q4 2023 and the full year of 2024.



Fleet overview	Q3 2023	Q3 to Q4 2023	2024
<b>Owned ships, # of vessels</b>			
LR2	6.0	6.0	6.0
LR1	10.0	10.0	10.0
MR <sup>2</sup>	43.0	43.0	43.0
Handy <sup>3</sup>	6.0	6.0	6.0
Specialized	-	-	-
<b>Total</b>	<b>65.0</b>	<b>65.0</b>	<b>65.0</b>
<b>Charter-in and leaseback ships, # of vessels</b>			
LR2	-	-	-
LR1	19.0	19.0	16.9
MR <sup>2</sup>	16.0	15.1	11.0
Handy <sup>3</sup>	18.0	18.0	18.0
Specialised	1.0	0.6	-
<b>Total</b>	<b>54.0</b>	<b>52.7</b>	<b>45.9</b>
<b>Vista joint venture ships<sup>1</sup>, # of vessels</b>			
LR2	2.2	2.6	3.8
LR1	6.0	6.0	6.0
MR <sup>2</sup>	2.0	2.0	2.0
Handy <sup>3</sup>	-	-	-
Specialized	-	-	-
<b>Total</b>	<b>10.2</b>	<b>10.6</b>	<b>11.8</b>

Coverage of earning days is prepared as of 23 August 2023.

<sup>1</sup>The figures are presented on a 100% basis. The JV vessels are owned through Hafnia's 50% participation in the Vista and Andromeda joint ventures

<sup>2</sup>Inclusive of eight IMO II vessels

<sup>3</sup>Inclusive of 18 IMO II vessels

	Q3 2023	Q3 to Q4 2023	2024
<b>Total ships, # of vessels</b>			
LR2	8.2	8.6	9.8
LR1	35.0	35.0	32.9
MR <sup>1</sup>	61.0	60.1	56.0
Handy <sup>2</sup>	24.0	24.0	24.0
Specialized	1.0	0.6	-
<b>Total</b>	<b>129.2</b>	<b>128.3</b>	<b>122.7</b>
<b>Covered, %</b>			
LR2	90%	64%	39%
LR1	67%	35%	-
MR <sup>1</sup>	79%	49%	16%
Handy <sup>2</sup>	85%	47%	3%
Specialized	99%	99%	-
<b>Total</b>	<b>78%</b>	<b>46%</b>	<b>12%</b>
<b>Covered rates, USD per day</b>			
LR2	28,161	27,185	25,675
LR1	28,225	28,070	-
MR <sup>1</sup>	27,202	26,525	22,130
Handy <sup>2</sup>	27,786	27,669	24,144
Specialized	14,417	14,417	-
<b>Total</b>	<b>27,616</b>	<b>27,102</b>	<b>23,178</b>

Coverage of earning days is prepared as of 23 August 2023.

<sup>1</sup>Inclusive of eight IMO II vessels

<sup>2</sup>Inclusive of 18 IMO II vessels

# Tanker segment results

LR2	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Operating days (owned)	552	552	540	546
Operating days (TC - in)	-	-	-	-
TCE (USD per operating day) <sup>1</sup>	35,301	41,402	40,791	36,926
Calendar days (excluding TC - in)	552	552	540	546
OPEX (USD per calendar day)	8,061	8,235	7,492	8,206

MR <sup>2</sup>	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Operating days (owned)	4,269	4,204	4,206	4,312
Operating days (TC - in)	789	826	798	832
TCE (USD per operating day) <sup>1</sup>	36,153	39,412	34,223	30,954
Calendar days (excluding TC - in)	4,324	4,324	4,230	4,342
OPEX (USD per calendar day)	7,212	7,431	7,330	7,621

LR1	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Operating days (owned)	2,667	2,737	2,389	2,154
Operating days (TC - in)	438	367	357	363
TCE (USD per operating day) <sup>1</sup>	44,345	43,746	43,268	41,119
Calendar days (excluding TC - in)	2,779	2,760	2,540	2,248
OPEX (USD per calendar day)	7,298	7,678	7,717	7,731

HANDY <sup>3</sup>	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Operating days (owned)	2,176	2,199	2,099	2,180
Operating days (TC - in)	-	-	-	-
TCE (USD per operating day) <sup>1</sup>	27,890	32,596	31,144	30,100
Calendar days (excluding TC - in)	2,307	2,208	2,160	2,184
OPEX (USD per calendar day)	6,589	7,128	7,418	7,846

<sup>1</sup> TCE represents gross TCE income after adding back pool commissions.

<sup>2</sup> Inclusive of IMO II MR vessels.

<sup>3</sup> Inclusive of IMO II Handy vessels.

Chemical - Stainless	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Operating days (owned)	317	35	-	-
Operating days (TC - in)	-	-	-	-
TCE (USD per operating day) <sup>1</sup>	21,699	21,243	-	-
Calendar days (excluding TC - in)	372	35	-	-
OPEX (USD per calendar day)	6,879	10,369	-	-

Specialized	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Operating days (owned)	-	-	-	-
Operating days (TC - in)	-	-	-	57
TCE (USD per operating day) <sup>1</sup>	-	-	-	15,994
Calendar days (excluding TC - in)	-	-	-	-
OPEX (USD per calendar day)	-	-	-	-

<sup>1</sup> TCE represents gross TCE income after adding back pool commissions.



## Risk factors

The Group's results are largely dependent on the worldwide market for transportation of refined oil products. Market conditions for shipping activities are typically volatile and, as a consequence, the results may vary considerably from year to year. The market in broad terms is dependent upon two factors: the supply of vessels and the demand for oil products. The supply of vessels depends on the number of newbuilds entering the market, the demolition of older tonnage and legislation that limits the use of older vessels or sets new standards for vessels used in specific trades. The demand side depends mainly on developments in global economic activity.

The Group is also exposed to risk in respect of increases in operating costs, such as fuel oil costs. Fuel oil prices are affected by the global political and economic environment. For voyage contracts, the current fuel costs are priced into the contracts. Other risks that Management takes into account are interest rate risk, credit risk, liquidity risk and capital risk. These risks, along with mitigation strategies, are further described in section 3.3 of the Annual Report 2022 and note 25 of the consolidated financial statements of the Group for the financial year ended 2022 and are principal risks for the remaining six months of 2023.



**Condensed Consolidated  
Interim Financial Information (“Interim Financial Information”)  
for the period from 1 January 2023 to 30 June 2023**

# Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of consolidated interim financial information ('Interim Financial information') for the period from 1 January to 30 June 2023 has been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the Group's assets, liabilities, financial position and income statement as a whole. We also confirm, to the best of our knowledge, that the Interim Financial information includes a fair review of important events that have occurred during the six months period ended 30 June 2023 and their impact on the Interim Financial Information, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

Andreas Sohmen-Pao

John Ridgway

Peter Read

Ouma Sananikone

Erik Bartnes

24 August 2023

# Condensed consolidated interim statement of comprehensive income

	For the 3 months ended 30 June 2023 USD'000	For the 3 months ended 30 June 2022 USD'000	For the 6 months ended 30 June 2023 USD'000	For the 6 months ended 30 June 2022 USD'000
Revenue	482,043	467,764	1,079,149	735,095
Voyage expenses	(132,695)	(119,457)	(352,609)	(223,409)
<b>TCE income<sup>1</sup></b>	<b>349,348</b>	<b>348,307</b>	<b>726,540</b>	<b>511,686</b>
Other operating income	10,129	8,521	21,239	14,506
Vessel operating expenses	(65,493)	(70,971)	(130,148)	(128,360)
Technical management expenses	(5,785)	(6,058)	(11,810)	(10,905)
Charter hire expenses	(8,123)	(8,612)	(15,010)	(17,616)
General and administrative expenses	(18,518)	(13,729)	(33,240)	(24,314)
<b>Operating profit before depreciation and amortisation</b>	<b>261,558</b>	<b>257,458</b>	<b>557,571</b>	<b>344,997</b>
Depreciation and amortisation charges	(51,868)	(52,974)	(103,861)	(101,958)
Gain on disposal of assets	19,828	2,439	56,515	577
<b>Operating profit</b>	<b>229,518</b>	<b>206,923</b>	<b>510,225</b>	<b>243,616</b>
Interest income	5,515	1,042	10,424	1,942
Interest expense	(21,509)	(23,974)	(50,709)	(39,301)
Other finance expense	(3,884)	(1,843)	(7,564)	(3,116)
<b>Finance expense – net</b>	<b>(19,878)</b>	<b>(24,775)</b>	<b>(47,849)</b>	<b>(40,475)</b>
Share of profit from associate and joint ventures	5,140	7,245	10,962	8,295
<b>Profit before income tax</b>	<b>214,780</b>	<b>189,393</b>	<b>473,338</b>	<b>211,436</b>
Income tax expense	(1,513)	(3,190)	(3,436)	(3,922)
<b>Profit after tax</b>	<b>213,267</b>	<b>186,203</b>	<b>469,902</b>	<b>207,514</b>

<sup>1</sup>TCE income" denotes "time charter equivalent income" which represents revenue from time charters and voyage charters less voyage expenses comprising primarily commission, fuel oil and port charges. TCE is a standard measure used in the shipping industry for reporting of income, providing improved comparability across different types of charters.

	Note	For the 3 months ended 30 June 2023 USD'000	For the 3 months ended 30 June 2022 USD'000	For the 6 months ended 30 June 2023 USD'000	For the 6 months ended 30 June 2022 USD'000
<b>Other comprehensive income:</b>					
<b>Items that may be subsequently reclassified to profit or loss:</b>					
Foreign operations - foreign currency translation differences		-	5	(71)	3
Cash flow hedges					
- Fair value gains		18,032	18,367	16,143	44,041
- Reclassification to profit or loss		(8,283)	938	(16,692)	2,477
<b>Other comprehensive income/(loss), net of tax</b>		<b>9,749</b>	<b>19,310</b>	<b>(620)</b>	<b>46,521</b>
<b>Total comprehensive income for the period</b>		<b>223,016</b>	<b>205,513</b>	<b>469,282</b>	<b>254,035</b>
<b>Earnings per share attributable to the equity holders of the Company</b>					
Basic no. of shares		504,148,220	455,457,878	504,148,220	455,457,878
Basic earnings in USD per share		0.42	0.41	0.93	0.46
Diluted no. of shares		507,376,238	465,758,764	507,376,238	465,758,764
Diluted earnings in USD per share		0.42	0.40	0.42	0.45

# Condensed consolidated balance sheet

	As at 30 June 2023 USD'000	As at 31 December 2022 USD'000
Vessels	2,672,606	2,728,319
Dry docking and scrubbers	64,740	79,210
Right-of-use assets	45,380	67,904
Other property, plant and equipment	1,049	1,130
<b>Total property, plant and equipment</b>	<b>2,783,775</b>	<b>2,876,563</b>
Investment in associate and joint ventures	49,821	39,359
Other investment	4,235	3,825
Restricted cash <sup>4</sup>	37,289	4,780
Loans receivable from joint venture	76,912	74,213
Deferred tax assets	36	36
Derivative financial instruments	67,909	69,184
Intangible assets	1,936	2,590
<b>Total other non-current assets</b>	<b>238,138</b>	<b>193,987</b>
<b>Total non-current assets</b>	<b>3,021,913</b>	<b>3,070,550</b>
Loans receivable from pool participants	95	45,998
Inventories	10,743	10,094
Trade and other receivables <sup>1</sup>	807,532	616,348
Derivative financial instruments	4,974	1,424
Cash and cash equivalents	241,465	174,440
<b>Total current assets</b>	<b>1,064,809</b>	<b>848,304</b>
<b>Total assets</b>	<b>4,086,722</b>	<b>3,918,854</b>

	As at 30 June 2023 USD'000	As at 31 December 2022 USD'000
Share capital	5,069	5,035
Share premium	1,044,849	1,023,996
Contributed surplus	537,112	537,112
Other reserves	53,779	73,650
Treasury shares	(3,490)	(12,675)
Retained earnings	538,529	381,886
<b>Total shareholders' equity</b>	<b>2,175,848</b>	<b>2,009,004</b>
Borrowings	1,246,281	1,455,171
<b>Total non-current liability</b>	<b>1,246,281</b>	<b>1,455,171</b>
Current income tax liabilities	4,231	4,737
Derivative financial instruments	542	93
Trade and other payables <sup>3</sup>	323,281	129,733
Borrowings <sup>2</sup>	336,539	320,116
<b>Total current liabilities</b>	<b>664,593</b>	<b>454,679</b>
<b>Total liabilities</b>	<b>1,910,874</b>	<b>1,909,850</b>
<b>Total equity and liabilities</b>	<b>4,086,722</b>	<b>3,918,854</b>

<sup>1</sup> Trade and other receivables include USD 46.5 million of receivables from the buyers to be used to repay the associated lease liabilities outstanding for Hafnia Spark and Hafnia Stellar up to and until legal completion of the sale of these vessels; and USD 261.3 million of receivables representing pool assets arising from a change of Hafnia's LR1, LR2, MR and Handy commercial pool structures to a disponent owner model.

<sup>2</sup> Borrowings include USD 46.5 million of lease liabilities associated with Hafnia Spark and Hafnia Stellar which will be extinguished on legal completion of the sale of these vessels. Borrowings also include USD 107.5 million of bank borrowings relating to pool financing, of which approximately USD 48.3 million is attributable to working capital advanced to external pool participants and has been adjusted in calculation of Net LTV.

<sup>3</sup> Trade and other payables include USD 213.0 million of payables representing pool liabilities arising from a change of Hafnia's LR1, LR2, MR and Handy commercial pool structures to a disponent owner model.

<sup>4</sup> Restricted cash includes USD 33.2 million in escrow as at the end of the reporting period for the purchase of Hafnia Pioneer.

# Condensed consolidated interim statement of changes in equity

	Share Capital USD'000	Share Premium USD'000	Contributed Surplus USD'000	Translation reserve USD'000	Hedging reserve USD'000	Treasury shares USD'000	Capital reserves USD'000	Share-based payment reserve USD'000	Retained earnings USD'000	Total USD'000
<b>Balance at 1 January 2023</b>	5,035	1,023,996	537,112	29	68,458	(12,675)	(710)	5,873	381,886	2,009,004
Purchase of treasury shares	34	20,853	-	-	-	(20,887)	-	-	-	-
Equity-settled share-based payment	-	-	-	-	-	-	-	1,466	-	1,466
Share options exercised	-	-	-	-	-	30,072	(16,631)	(4,086)	-	9,355
Dividends paid	-	-	-	-	-	-	-	-	(313,259)	(313,259)
<b>Total comprehensive income</b>										
Profit for the financial period	-	-	-	-	-	-	-	-	469,902	469,902
Other comprehensive loss	-	-	-	(71)	(549)	-	-	-	-	(620)
<b>Balance at 30 June 2023</b>	<b>5,069</b>	<b>1,044,849</b>	<b>537,112</b>	<b>(42)</b>	<b>67,909</b>	<b>(3,490)</b>	<b>(17,341)</b>	<b>3,253</b>	<b>538,529</b>	<b>2,175,848</b>
<b>Balance at 1 January 2022</b>	<b>3,703</b>	<b>704,834</b>	<b>537,112</b>	<b>(35)</b>	<b>348</b>	<b>(12,832)</b>	<b>-</b>	<b>4,837</b>	<b>(125,955)</b>	<b>1,112,012</b>
Issue of common shares (net of capitalised equity raise costs)	1,297	303,681	-	-	-	12,832	-	-	-	317,810
Equity-settled share-based payment	-	-	-	-	-	-	-	857	-	857
Dividends paid	-	-	-	-	-	-	-	-	(10,499)	(10,499)
<b>Total comprehensive income</b>										
Profit for the financial period	-	-	-	-	-	-	-	-	207,514	207,514
Other comprehensive income	-	-	-	3	46,518	-	-	-	-	46,521
<b>Balance at 30 June 2022</b>	<b>5,000</b>	<b>1,008,515</b>	<b>537,112</b>	<b>(32)</b>	<b>46,866</b>	<b>-</b>	<b>-</b>	<b>5,694</b>	<b>71,060</b>	<b>1,674,215</b>

# Condensed consolidated statement of cash flows

	For the 3 months ended 30 June 2023 USD'000	For the 3 months ended 30 June 2022 USD'000	For the 6 months ended 30 June 2023 USD'000	For the 6 months ended 30 June 2022 USD'000
<b>Cash flows from operating activities</b>				
Profit for the financial period	213,267	186,203	469,902	207,514
Adjustments for:				
- depreciation and amortisation charges	51,868	52,974	103,861	101,958
- gain on disposal of assets	(19,828)	(2,439)	(56,515)	(577)
- interest income	(5,515)	(1,042)	(10,424)	(1,942)
- interest expense	21,509	23,974	50,709	39,301
- other finance expense	3,884	1,843	7,564	3,116
- income tax expense	1,513	3,190	3,436	3,922
- share of profit of equity accounted investees, net of tax	(5,140)	(7,245)	(10,962)	(8,295)
- equity-settled share-based payment transactions	652	464	1,466	857
Operating cash flow before working capital changes	262,210	257,922	559,037	345,854
Changes in working capital:				
- inventories	(2,759)	324	(649)	(1,795)
- trade and other receivables	(194,024)	(200,575)	(218,497)	(261,896)
- trade and other payables	109,568	71,278	192,672	76,612
Cash generated from operations	174,995	128,949	532,563	158,775
Income tax paid	(2,695)	(2,575)	(3,942)	(3,585)
<b>Net cash provided by operating activities</b>	<b>172,300</b>	<b>126,374</b>	<b>528,621</b>	<b>155,190</b>
<b>Cash flows from investing activities</b>				
Loan to joint venture company	-	(8,550)	-	(8,550)
Repayment of loan by pool partners	43,671	-	45,654	-
Dividend received from joint venture	500	-	500	-
Acquisition of other investment	(160)	(10)	(410)	(278)



	For the 3 months ended 30 June 2023 USD'000	For the 3 months ended 30 June 2022 USD'000	For the 6 months ended 30 June 2023 USD'000	For the 6 months ended 30 June 2022 USD'000
Loan to pool participants	-	(5,244)	-	(7,377)
Purchase of property, plant and equipment	(93,850)	(213,767)	(95,905)	(433,316)
Purchase of intangible assets	-	(19)	-	(41)
Acquisition of subsidiaries, net of cash acquired	-	-	-	4,195
Equity investment in joint venture	-	-	-	(1,814)
Proceeds from disposal of vessels	47,541	34,434	143,253	43,344
Interest income received	4,352	606	7,848	951
<b>Net cash provided by/(used in) investing activities</b>	<b>2,054</b>	<b>(192,550)</b>	<b>100,940</b>	<b>(402,886)</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings from external financial institutions	126,106	212,782	200,530	440,257
Proceeds from employee share option plan	334	-	8,912	-
Proceeds from borrowings from a related party	-	2,500	-	3,750
Proceeds from issuance of share capital, net of transaction costs	-	97,600	-	96,662
Repayment of borrowings to external financial institutions	(68,974)	(123,528)	(195,065)	(150,180)
Repayment of borrowings to a related party	-	(10,000)	-	(10,000)
Repayment of borrowings to non-related parties	(5,315)	(21)	(5,447)	(174)
Repayment of finance liabilities	(64,039)	(37,217)	(172,402)	(55,631)
Repayment of other lease liabilities	(12,026)	(27,802)	(23,921)	(40,104)
Payment of financing fees to external financing institutions	(93)	(761)	(1,340)	(2,046)
Interest paid to external financial institutions	(13,805)	(22,940)	(48,721)	(35,385)
Interest paid to third party	(5,642)	(3)	(5,645)	(10)
Other finance expense paid	(3,686)	(435)	(6,178)	(1,534)
Dividends paid	(154,055)	(10,499)	(313,259)	(10,499)
<b>Net cash (used in)/provided by financing activities</b>	<b>(201,195)</b>	<b>79,676</b>	<b>(562,536)</b>	<b>235,106</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(26,841)</b>	<b>13,500</b>	<b>67,025</b>	<b>(12,590)</b>
Cash and cash equivalents at beginning of the financial period	268,306	73,985	174,440	100,075
<b>Cash and cash equivalents at end of the financial period</b>	<b>241,465</b>	<b>87,485</b>	<b>241,465</b>	<b>87,485</b>

# Notes to the condensed consolidated interim financial information

These notes form an integral part of and should be read in conjunction with the accompanying condensed consolidated interim financial information.



## General information

Hafnia Limited (the “Company”), is incorporated and domiciled in Bermuda. The address of its registered office is Washington Mall Phase 2, 4th Floor, Suite 400, 22 Church Street, HM 1189, Hamilton HM EX, Bermuda.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are shipowning and chartering.

This Interim Financial information was authorised for issue by the Board of Directors of the Company on 24 August 2023.

## 2

## Basis of preparation

### Statement of compliance

The Interim Financial Information have been prepared in accordance with International Financial Reporting Standards (“IFRS”), and have been prepared under the historical cost convention, except as disclosed in the accounting policies below.



## Changes in accounting policies

*New standard and amendments to published standards, effective in 2023 and subsequent years*

The following new standard and amendments, which are relevant to the Group's operations but have not been early adopted, have been published and are mandatory for accounting periods beginning on or after 1 January 2023 (or otherwise stated) or later periods:

- (a) Amendments:
  - Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
  - Definition of Accounting Estimate (Amendments to IAS 8)
  - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
  
- (b) New standard:
  - IFRS 17 Insurance contracts

The application of these amendments to standards and interpretations does not have a material effect on the Interim Financial Information.

A number of new standards, interpretations, and amendments to standards will become effective for annual periods beginning after 1 January 2023, and early adoption is permitted. In preparing these financial statements, the Group has not early adopted any new or amended standards or interpretations, except for Amendments to IAS 1: Classification of Liabilities as Current or Non-current, which were issued in January 2020 and deferred to no earlier than 1 January 2024. In previous years, the Group had early adopted Amendments to IAS 1 from 1 January 2020.



## Significant accounting policies

The Interim Financial Information for the six-month period from 1 January 2023 to 30 June 2023 has been prepared in accordance with IAS 34 'Interim Financial Reporting'. The Interim Financial Information should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2022, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Interim Financial Information does not include all the information required for a complete set of financial statements prepared in accordance with IFRS standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

In the preparation of this set of Interim Financial Information, the same accounting policies have been applied as those used in the preparation of the annual consolidated financial statements for the financial year ended 31 December 2022.

The condensed consolidated interim financial information for the six month period from 1 January 2023 to 30 June 2023 has not been audited or reviewed by the Group's auditors.

## Critical accounting estimates and assumptions

The preparation of the Interim Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Interim Financial Information, the significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended 31 December 2022.

## Change in presentation of commercial pool operations

In 2023, a subsidiary of the Group, also a Pool Manager, became the disponent owner of the vessels managed by the LR1, LR2, MR<sup>1</sup> and Handy<sup>2</sup> commercial pools due to a change in their operating structures as agreed with all participating shipowners. As a result, the Group has consolidated all assets and liabilities, represented by working capital, of the LR1, LR2, MR<sup>1</sup> and Handy<sup>2</sup> commercial pools. The Group continues to recognize revenue and related voyage expenses based on pool points only for its owned/leased vessels deployed in the pools.

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<sup>1</sup>Excluding IMO II MR pool

<sup>2</sup>Excluding IMO II Handy pool

## Revenue

	For the 3 months ended 30 June 2023 USD'000	For the 3 months ended 30 June 2022 USD'000	For the 6 months ended 30 June 2023 USD'000	For the 6 months ended 30 June 2022 USD'000
Revenue from voyage charter	446,451	448,153	1,017,527	694,413
Revenue from time charter	35,592	19,611	61,622	40,682
<b>Total revenue</b>	<b>482,043</b>	<b>467,764</b>	<b>1,079,149</b>	<b>735,095</b>

The Group's revenue is generated from the following main business segments: LR2 Product Tankers, LR1 Product Tankers, MR Product Tankers (inclusive of IMO II vessels), Handy Product Tankers (inclusive of IMO II vessels), Chemical-Stainless Product Tankers and Specialized Product Tankers. In 2022, the Group exited the Chemical-Stainless segment after disposing of its Chemical-Stainless vessels that were previously acquired through the acquisition of subsidiary, Chemical Tankers Inc ("CTI").

Consistent with global tanker market trends, the Group has seasonality of operations. Revenues generated by vessels have historically been stronger during winter months (December-February) and weaker during summer months (June-August).

Disaggregation of revenue by business segments is presented in Note 13.



## Property, plant and equipment

	Right-of-use assets USD'000	Vessels USD'000	Dry docking and scrubbers USD'000	Other property, plant and equipment USD'000	Total USD'000
<i>Cost</i>					
At 1 January 2023	190,878	3,698,658	138,001	1,369	4,028,906
Additions	-	88,037	7,813	59	95,909
Disposal of vessels	-	(283,828)	(12,550)	-	(296,378)
Write-off on completion of dry docking cycle	-	-	(1,575)	-	(1,575)
At 30 June 2023	190,878	3,502,867	131,689	1,428	3,826,862
<i>Accumulated depreciation and impairment charge</i>					
At 1 January 2023	122,974	970,339	58,791	239	1,152,343
Depreciation charge	22,524	66,403	14,139	140	103,206
Disposal of vessels	-	(206,481)	(4,406)	-	(210,887)
Write-off on completion of dry docking cycle	-	-	(1,575)	-	(1,575)
At 30 June 2023	145,498	830,261	66,949	379	1,043,087
<i>Net bookvalue</i>					
At 30 June 2023	45,380	2,672,606	64,740	1,049	2,783,775

	Right-of-use assets USD'000	Vessels USD'000	Dry docking and scrubbers USD'000	Other property, plant and equipment USD'000	Total USD'000
<i>Cost</i>					
At 1 January 2022	188,983	2,874,159	116,673	380	3,180,195
Acquisition of subsidiaries	-	876,246	16,754	9	893,009
Additions	1,895	406,828	39,320	980	449,023
Disposal of vessel	-	(400,805)	(20,870)	-	(421,675)
Disposal of CTI's vessel owning subsidiaries	-	(57,770)	(1,256)	-	(59,026)
Write-off on completion of dry docking cycle	-	-	(12,620)	-	(12,620)
At 31 December 2022	190,878	3,698,658	138,001	1,369	4,028,906
<i>Accumulated depreciation and impairment charge</i>					
At 1 January 2022	77,454	964,625	53,259	114	1,095,452
Depreciation charge	45,520	133,116	29,228	125	207,989
Disposal of vessel	-	(126,945)	(11,032)	-	(137,977)
Disposal of CTI's vessel owning subsidiaries	-	(457)	(44)	-	(501)
Write-off on completion of dry docking cycle	-	-	(12,620)	-	(12,620)
At 31 December 2022	122,974	970,339	58,791	239	1,152,343
<i>Net book value</i>					
At 31 December 2022	67,904	2,728,319	79,210	1,130	2,876,563

- a. The Group organises the commercial management of the fleet of product tanker vessels into six individual commercial pools: LR1, LR2, MR, Handy, Chemical - MR and Chemical - Handy. Each individual commercial pool constitutes a separate cash-generating unit (“CGU”). For vessels deployed on a time-charter basis outside the commercial pools, each of these vessels constitutes a separate CGU.

Management is required to assess whenever events or changes in circumstances indicate that the carrying value of these CGUs may not be recoverable. Management measures the recoverability of each CGU by comparing its carrying amount to its ‘recoverable value’, being the higher of its fair value less costs of disposal or value in use (“VIU”) based on future discounted cash flows that CGU is expected to generate over its remaining useful life.



As at 30 June 2023, the Group assessed whether these CGUs have indicators of impairment by reference to internal and external factors. The market valuation of the fleet of vessels, as appraised by independent shipbrokers, is one key test performed by the Group.

Based on this assessment, alongside with other industry factors, the Group concluded that there are no indicators of impairment as of 30 June 2023 (31 December 2022: none).

- b. The Group has mortgaged vessels with a total carrying amount of USD 2,737.3 million as at 30 June 2023 (31 December 2022: USD 2,807.5 million) as security over the Group's bank borrowings.





## Shareholders' equity

### a. Authorised share capital

The total authorised number of shares is 750,000,000 (30 June 2022: 600,000,000) common shares at par value of USD 0.01 per share.

## b. Issued and fully paid share capital

	Numbers of shares	Share capital USD'000	Share premium USD'000	Total USD'000
<b>At 1 January 2022</b>	<b>370,244,325</b>	<b>3,703</b>	<b>704,834</b>	<b>708,537</b>
Shares issued for acquisition of CTI	92,112,691	921	206,459	207,380
New shares issued	37,600,000	376	97,170	97,546
<b>At 30 June 2022</b>	<b>499,957,016</b>	<b>5,000</b>	<b>1,008,463</b>	<b>1,013,463</b>
<b>At 1 January 2023</b>	<b>503,388,593</b>	<b>5,035</b>	<b>1,023,996</b>	<b>1,029,031</b>
Purchase of treasury shares cum issuance of shares	3,431,577	34	20,853	20,887
<b>At 30 June 2023</b>	<b>506,820,170</b>	<b>5,069</b>	<b>1,044,849</b>	<b>1,049,918</b>

On 27 January 2022, the Company completed the acquisition of 100% of Chemical Tankers Inc and its subsidiaries. Ordinary shares and the existing treasury shares of the Company were issued to CTI's shareholders, and the fair value is deemed to be the fair value of the net assets of CTI that are acquired. This resulted in an increase in the Company's share capital and share premium, while reducing its treasury shares.

On 9 May 2022, Hafnia issued 37,600,000 new shares with a par value of USD 0.01 per share in connection with a successful private placement.

On 1 March 2023, the Company entered into a share lending agreement with BW Group, whereby BW Group lent 3,431,577 shares of the Company. The borrowed shares were redelivered by way of the Company issuing new shares to BW Group at a subscription price of US\$0.01 per share. Following this transaction, the Company had 3,431,577 newly issued shares and 3,431,577 treasury shares.

## c. Other reserves

(i)	As at 30 June 2023 USD'000	As at 31 December 2022 USD'000
<b>Composition:</b>		
Translation reserve	(42)	29
Hedging reserve	67,909	68,458
Share based payment reserve	3,253	5,873
Capital reserve	(17,341)	(710)
	<b>53,779</b>	<b>73,650</b>
(ii)	For the 6 months ended 30 June 2023 USD'000	For the 6 months ended 30 June 2022 USD'000
<b>Movements of the reserves are as follows:</b>		
<u>Hedging reserve</u>		
At beginning of the financial period	68,458	348
Fair value gains on cash flow hedges	16,143	44,041
Reclassification to profit or loss	(16,692)	2,477
<b>At end of the financial period</b>	<b>67,909</b>	<b>46,866</b>

## Borrowings

	As at 30 June 2023 USD'000	As at 31 December 2022 USD'000
<b>Current</b>		
Loans from non-related parties	43	673
Bank borrowings	180,873	103,807
Financing liabilities	116,338	170,731
Other lease liabilities	39,285	44,905
<b>Total current borrowings</b>	<b>336,539</b>	<b>320,116</b>
<b>Non-current</b>		
Loans from non-related parties	-	4,756
Bank borrowings	458,330	622,569
Financing liabilities	775,436	798,273
Other lease liabilities	12,515	29,573
<b>Total non-current borrowings</b>	<b>1,246,281</b>	<b>1,455,171</b>
<b>Total borrowings</b>	<b>1,582,820</b>	<b>1,775,287</b>



As at 30 June 2023, bank borrowings consist of eight credit facilities from external financial institutions, namely USD 473 million, USD 374 million, USD 216 million, USD 106 million, USD 84 million, USD 39 million and two borrowing base facilities respectively (31 December 2022: USD 473 million, USD 374 million, USD 216 million, USD 106 million, USD 100 million, USD 84 million and USD 39 million). These facilities are secured by the Group's fleet of vessels. The table below summarises key information of the bank borrowings:

Facility amount	Carrying amount USD m	Maturity date	Repayment profile USD'000	For the financial year ended 31 December 2023	For the financial year ended 31 December 2024
USD 473 million facility	129.0		USD 473 million facility	14,495	28,992
- USD 413 million term loan		2026	USD 374 million facility	7,937	15,873
- USD 60 million revolving credit facility		2026	USD 216 million facility	6,300	12,600
USD 374 million facility	79.4		USD 106 million facility	4,428	8,856
- USD 274 million term loan		2028	USD 84 million facility	3,120	6,240
- USD 100 million revolving credit facility		2028	USD 39 million facility	1,669	3,338
USD 216 million facility	149.5	2027	Up to USD 175 million borrowing base facility		
USD 106 million facility	95.1	2025	Up to USD 175 million borrowing base facility (with an accordion option of up to USD 75 million)	107,500	-
USD 84 million facility	58.8				
- USD 68 million term loan		2026			
- USD 16 million revolving credit facility		2026			
USD 39 million facility	20.4				
- USD 30 million term loan		2025			
- USD 9 million revolving credit facility		2025			
Up to USD 175 million borrowing base facility					
Up to USD 175 million borrowing base facility (with an accordion option of up to USD 75 million)	107.5	2023			

As at 30 June 2023, the financing liabilities consist of various facilities provided by external leasing houses. The vessels under these facilities are legally owned by the leasing houses and leased back to Hafnia. The maturity dates of the facilities range from 2023 to 2033.

During the current period, the Group re-financed certain sales-and-leaseback financing arrangements for a number of chemical tankers under the terms as stated above. The Group also obtained short-term borrowing base facilities to finance its pool operations. The borrowing base facilities are secured with trade receivables of the Group and repayable with reduction in the balance of security.

The carrying amounts relating to the 12 LR1 vessels was USD 368.8 million (31 December 2022: USD 383.5 million), 25 CTI vessels was USD 472.2 million (31 December 2022: 26 vessels and USD 512.6 million), and other finance leases was USD 50.8 million (31 December 2022: USD 73.1 million).

### Interest rates

The weighted average effective interest rates per annum of total borrowings, excluding the effect of interest rate swaps, at the balance sheet date are as follows:

	As at 30 June 2023	As at 31 December 2022
Bank borrowings	6.8%	6.0%
Financing liabilities	7.5%	7.4%

### Carrying amounts and fair values

The carrying values of the bank borrowings and financing liabilities approximate their fair values as they are re-priceable at one to three months intervals.

## Commitments

Operating lease commitments - where the Group is a lessor

The Group leases vessels to non-related parties under non-cancellable operating lease agreements. The Group classifies these leases as operating leases as the Group retains substantially all risks and rewards incidental to ownership of the leased assets.

The undiscounted lease payments under operating leases to be received after the reporting date are analysed as follows:

USD'000	As at 30 June 2023	As at 31 December 2022
Less than one year	<b>99,566</b>	65,878
One to two years	<b>38,310</b>	11,712
Two to five years	<b>14,848</b>	20,640
	<b>152,724</b>	<b>98,230</b>

Capital commitments - Joint ventures

The Group has equity interests in joint ventures and is obliged to provide its share of working capital for the joint ventures' newbuild programme through either equity contributions or shareholder's loans.

The future minimum capital contributions to be made at the reporting date but not yet recognised are as follows:

USD'000	As at 30 June 2023	As at 31 December 2022
Less than one year	<b>63,300</b>	<b>83,450</b>
One to two years	<b>34,375</b>	-
More than five years	<b>53,625</b>	-
	<b>151,300</b>	<b>83,450</b>





## Share-based payment arrangements

The Company operates equity-settled, share-based long term incentive plans (“LTIP”) in which the entity receives services from employees as consideration for equity instruments (share options) in the group; and grants restricted share units (“RSUs”) to employees in which the entity receives services from employees as consideration for equity instruments (share units) in the group.

### Share option programme (equity-settled)

On 28 February 2023, the Company granted a total of 1,849,428 share options to key management and senior employees under the LTIP 2023 share option program. These share options will vest on 28 February 2026 at an exercise price of NOK 74.62. The vesting condition of the granted options is 3 years’ service from grant date.

All share options and share units are to be settled by physical delivery of shares and will become void if the employee rescinds their position before the vesting date.

The fair value of services received in return for share options granted is based on fair value of share options granted, measured using the Black-Scholes model.

The following inputs were used in the measurement of the fair values at respective grant dates of the share options.

Measurement of grant date fair value of share options	LTIP 2023
Grant date	28 February 2023
Share price (NOK)	64.46
Exercise price (NOK)	74.62
Time to maturity (years)	4.5
Risk free rate	3.53%
Volatility	50.00%
Dividends	-
Annual tenure risk	7.50%
Share options granted	1,849,428
Fair value at grant date (USD)	1,463,658

Volatility has been estimated as a benchmark volatility by considering the historical average share price volatility of a comparable peer group of companies.

### Restricted share units (equity-settled)

On 15 March 2022, the Group granted a total of 462,357 restricted share units ("RSU 2022") to key management and senior employees. All restricted share units are to be settled by physical delivery of shares to the employees when they vest on 15 March 2025. The vesting condition of RSU 2022 is to fulfil a 3 year service period.

### Measurement of grant date fair values of restricted share units

The fair value of restricted share units at grant date was measured at the market value of the Company's stock on the date of the grant.

The following inputs were used in the measurement of the fair values at the grant dates of the restricted share units.

Measurement of grant date fair value of restricted share units	RSU 2022
Grant date	15 March 2022
Grant date fair value (NOK)	20.01
Grant date fair value (USD)	2.21
Annual tenure risk	7.50%
Restricted share units granted	462,357
Fair value at grant date (USD)	808,875

# Financial information

	Carrying amount			Fair value			
	Fair value hedging instruments/ Mandatorily at FVTPL - others USD'000	Financial assets at amortised cost USD'000	Total USD'000	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
<b>At 30 June 2023</b>							
<b>Financial assets measured at fair value</b>							
Forward freight agreements	4,218	-	4,218	-	4,218	-	4,218
Interest rate swaps used for hedging	68,665	-	68,665	-	68,665	-	68,665
	<b>72,883</b>	<b>-</b>	<b>72,883</b>	<b>-</b>	<b>72,883</b>	<b>-</b>	<b>72,883</b>
<b>Financial assets not measured at fair value</b>							
Restricted cash	-	37,289	37,289	-	-	-	-
Loans receivable from joint venture	-	76,912	76,912	-	76,912	-	76,912
Loans receivable from pool participants	-	95	95	-	95	-	95
Trade and other receivables <sup>1</sup>	-	768,097	768,097	-	-	-	-
Cash and cash equivalents	-	241,465	241,465	-	-	-	-
	<b>-</b>	<b>1,123,858</b>	<b>1,123,858</b>	<b>-</b>	<b>77,007</b>	<b>-</b>	<b>77,007</b>

<sup>1</sup> Excludes prepayments

	Carrying amount			Fair value			
	Fair value hedging instruments USD'000	Financial liabilities at amortised cost USD'000	Total USD'000	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
<b>At 30 June 2023</b>							
<b>Financial liabilities measured at fair value</b>							
Forward exchange contracts	(222)	-	(222)	-	(222)	-	(222)
Forward freight agreements	(320)	-	(320)	-	(320)	-	(320)
	<b>(542)</b>	<b>-</b>	<b>(542)</b>	<b>-</b>	<b>(542)</b>	<b>-</b>	<b>(542)</b>
<b>Financial liabilities not measured at fair value</b>							
Bank borrowings	-	(639,203)	(639,203)	-	(639,203)	-	(639,203)
Loans from non-related parties	-	(43)	(43)	-	(43)	-	(43)
Financing liabilities	-	(891,774)	(891,774)	-	(891,774)	-	(891,774)
Trade and other payables	-	(323,281)	(323,281)	-	-	-	-
	<b>-</b>	<b>(1,854,301)</b>	<b>(1,854,301)</b>	<b>-</b>	<b>(1,531,020)</b>	<b>-</b>	<b>(1,531,020)</b>

	Carrying amount			Fair value			
	Fair value hedging instruments/ Mandatorily at FVTPL - others USD'000	Financial assets at amortised cost USD'000	Total USD'000	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
<b>At 31 December 2022</b>							
<b>Financial assets measured at fair value</b>							
Forward exchange contracts	438	-	438	-	438	-	438
Forward freight agreements	308	-	308	-	308	-	308
Interest rate swaps used for hedging	69,136	-	69,136	-	69,136	-	69,136
Interest rate caps	726	-	726	-	726	-	726
	<b>70,608</b>	<b>-</b>	<b>70,608</b>	<b>-</b>	<b>70,608</b>	<b>-</b>	<b>70,608</b>
<b>Financial assets not measured at fair value</b>							
Loans receivable from joint venture	-	74,213	74,213	-	74,213	-	74,213
Loans receivable from pool participants	-	45,998	45,998	-	45,998	-	45,998
Trade and other receivables <sup>1</sup>	-	594,746	594,746	-	-	-	-
Restricted cash	-	4,780	4,780	-	-	-	-
Cash and cash equivalents	-	174,440	174,440	-	-	-	-
	<b>-</b>	<b>894,177</b>	<b>894,177</b>	<b>-</b>	<b>120,211</b>	<b>-</b>	<b>120,211</b>

<sup>1</sup> Excludes prepayments



	Carrying amount			Fair value			
	Fair value hedging instruments USD'000	Financial liabilities at amortised cost USD'000	Total USD'000	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
<b>At 31 December 2022</b>							
<b>Financial liabilities measured at fair value</b>							
Forward freight agreements	(93)	-	(93)	-	(93)	-	(93)
	<b>(93)</b>	<b>-</b>	<b>(93)</b>	<b>-</b>	<b>(93)</b>	<b>-</b>	<b>(93)</b>
<b>Financial liabilities not measured at fair value</b>							
Bank borrowings	-	(726,376)	(726,376)	-	(726,376)	-	(726,376)
Financing liabilities	-	(969,004)	(969,004)	-	(969,004)	-	(969,004)
Loans from non-related parties	-	(5,429)	(5,429)	-	(5,429)	-	(5,429)
Trade and other payables	-	(129,733)	(129,733)	-	-	-	-
	<b>-</b>	<b>(1,830,542)</b>	<b>(1,830,542)</b>	<b>-</b>	<b>(1,700,809)</b>	<b>-</b>	<b>(1,700,809)</b>

There were no changes in methods of estimation of fair values of financial assets and liabilities during the reporting period. Information about fair value estimation of financial assets and liabilities is disclosed in the annual consolidated financial statements for the financial year ended 31 December 2022.

## Significant related party transactions

In addition to the related party information disclosed elsewhere in the Interim Financial Information, the following significant transactions took place between the Group and related parties during the financial period on commercial terms agreed by the parties:

	For the 3 months ended 30 June 2023 USD'000	For the 3 months ended 30 June 2022 USD'000	For the 6 months ended 30 June 2023 USD'000	For the 6 months ended 30 June 2022 USD'000
<b>Sale and purchase of services</b>				
Support service fees paid/ payable to related parties	1,633	1,442	3,325	2,717
Rental paid/ payable to related party	219	210	437	281
<b>Transactions with joint venture</b>				
Management fees received/receivable from joint venture	153	159	249	318
Interest income receivable from joint venture	1,332	399	2,699	811

Related parties refer to companies controlled by Sohmen family interests. On 9 May 2022, BW Group Limited ceased to be the immediate holding company of the Group but remains as the single largest shareholder, owning an equity stake of 48.56% as at 30 June 2023. Prior to May 2022, BW Group was the controlling shareholder of the Group. BW Group is wholly-owned by Sohmen family interests.

# Segment Information

For the 3 months ended 30 June 2023	LR2 <sup>1</sup> USD'000	LR1 <sup>2</sup> USD'000	MR <sup>3</sup> USD'000	Handy <sup>4</sup> USD'000	Chemical – Stainless USD'000	Specialized USD'000	Total USD'000
Revenue	25,455	146,501	216,649	91,965	(54)	1,527	482,043
Voyage expenses	(5,294)	(43,015)	(57,395)	(26,352)	(18)	(621)	(132,695)
<b>TCE income</b>	<b>20,161</b>	<b>103,486</b>	<b>159,254</b>	<b>65,613</b>	<b>(72)</b>	<b>906</b>	<b>349,348</b>
Other operating income	347	1,834	3,371	1,508	-	1,840	8,900
Vessel operating expenses	(4,040)	(15,596)	(30,089)	(15,831)	63	-	(65,493)
Technical management expenses	(373)	(1,538)	(2,602)	(1,272)	-	-	(5,785)
Charter hire expenses	-	(2,391)	(4,990)	-	-	(742)	(8,123)
Operating EBITDA	16,095	85,795	125,944	50,018	(9)	2,004	278,847
Depreciation charge	(3,426)	(14,023)	(25,779)	(8,249)	-	-	(51,477)
							<b>227,370</b>
Unallocated							(12,590)
<b>Profit before income tax</b>							<b>214,780</b>
Segment assets	279,286	885,770	1,619,992	695,395	48,547	1,876	3,530,866
Unallocated							555,856
Segment liabilities	15,971	100,613	196,033	43,260	462	243	356,582
Unallocated							1,554,292

<sup>1</sup>Vessels between 85,000 DWT and 124,999 DWT in size and provides transportation of clean petroleum oil products.

<sup>2</sup>Vessels between 55,000 DWT and 84,999 DWT in size and provides transportation of clean and dirty petroleum products.

<sup>3</sup>Vessels between 40,000 DWT and 54,999 DWT in size and provides transportation of clean and dirty oil products, vegetable oil and easy chemicals; inclusive of IMO II vessels

<sup>4</sup>Vessels between 25,000 DWT and 39,999 DWT in size and provides transportation of clean and dirty oil products, vegetable oil and easy chemicals; inclusive of IMO II vessels

For the 6 months ended 30 June 2023	LR2 <sup>1</sup> USD'000	LR1 <sup>2</sup> USD'000	MR <sup>3</sup> USD'000	Handy <sup>4</sup> USD'000	Chemical – Stainless USD'000	Specialized USD'000	Total USD'000
Revenue	54,950	334,864	478,920	209,143	(255)	1,527	1,079,149
Voyage expenses	(12,775)	(112,564)	(148,443)	(78,170)	(36)	(621)	(352,609)
<b>TCE income</b>	<b>42,175</b>	<b>222,300</b>	<b>330,477</b>	<b>130,973</b>	<b>(291)</b>	<b>906</b>	<b>726,540</b>
Other operating income	828	5,557	6,398	3,680	(705)	1,840	17,598
Vessel operating expenses	(7,728)	(33,373)	(58,492)	(30,565)	10	-	(130,148)
Technical management expenses	(731)	(3,312)	(5,206)	(2,561)	-	-	(11,810)
Charter hire expenses	-	(4,765)	(9,503)	-	-	(742)	(15,010)
Operating EBITDA	34,544	186,407	263,674	101,527	(986)	2,004	587,170
Depreciation charge	(6,814)	(28,898)	(50,955)	(16,399)	-	-	(103,066)
							<b>484,104</b>
Unallocated							(10,766)
<b>Profit before income tax</b>							<b>473,338</b>
Segment assets	279,286	885,770	1,619,992	695,395	48,547	1,876	3,530,866
Unallocated							555,856
Segment liabilities	15,971	100,613	196,033	43,260	462	243	356,582
Unallocated							1,554,292

<sup>1</sup>Vessels between 85,000 DWT and 124,999 DWT in size and provides transportation of clean petroleum oil products.

<sup>2</sup>Vessels between 55,000 DWT and 84,999 DWT in size and provides transportation of clean and dirty petroleum products.

<sup>3</sup>Vessels between 40,000 DWT and 54,999 DWT in size and provides transportation of clean and dirty oil products, vegetable oil and easy chemicals; inclusive of IMO II vessels

<sup>4</sup>Vessels between 25,000 DWT and 39,999 DWT in size and provides transportation of clean and dirty oil products, vegetable oil and easy chemicals; inclusive of IMO II vessels

For the 3 months ended 30 June 2022	LR2 <sup>1</sup> USD'000	LR1 <sup>2</sup> USD'000	MR <sup>3</sup> USD'000	Handy <sup>4</sup> USD'000	Chemical – Stainless USD'000	Total USD'000
Revenue	25,889	213,602	144,367	36,083	47,823	467,764
Voyage expenses	(7,056)	(100,194)	(706)	1,451	(12,952)	(119,457)
<b>TCE income</b>	<b>18,833</b>	<b>113,408</b>	<b>143,661</b>	<b>37,534</b>	<b>34,871</b>	<b>348,307</b>
Other operating income	24	1,062	3,347	1029	24	5,486
Vessel operating expenses	(3,467)	(19,513)	(27,597)	(10,693)	(9,701)	(70,971)
Technical management expenses	(291)	(1,468)	(2,218)	(944)	(1,137)	(6,058)
Charter hire expenses	-	(3,625)	(4,987)	-	-	(8,612)
Operating EBITDA	15,099	89,864	112,206	26,926	24,057	268,152
Depreciation charge	(3,426)	(14,738)	(25,088)	(3,219)	(6,184)	(52,655)
						<b>215,497</b>
Unallocated						(26,104)
<b>Profit before income tax</b>						<b>189,393</b>
Segment assets	426,910	1,020,102	1,540,152	676,164	262,800	3,926,128
Unallocated						139,782
Segment liabilities	2,900	26,399	88,030	37,417	14,028	168,774
Unallocated						2,222,921

<sup>1</sup>Vessels between 85,000 DWT and 124,999 DWT in size and provides transportation of clean petroleum oil products.

<sup>2</sup>Vessels between 55,000 DWT and 84,999 DWT in size and provides transportation of clean and dirty petroleum products.

<sup>3</sup>Vessels between 40,000 DWT and 54,999 DWT in size and provides transportation of clean and dirty oil products, vegetable oil and easy chemicals; inclusive of IMO II vessels

<sup>4</sup>Vessels between 25,000 DWT and 39,999 DWT in size and provides transportation of clean and dirty oil products, vegetable oil and easy chemicals; inclusive of IMO II vessels

For the 6 months ended 30 June 2022	LR2 <sup>1</sup> USD'000	LR1 <sup>2</sup> USD'000	MR <sup>3</sup> USD'000	Handy <sup>4</sup> USD'000	Chemical – Stainless USD'000	Total USD'000
Revenue	40,826	289,767	275,426	68,295	60,781	735,095
Voyage expenses	(9,720)	(139,915)	(54,357)	(6,254)	(13,163)	(223,409)
<b>TCE income</b>	<b>31,106</b>	<b>149,852</b>	<b>221,069</b>	<b>62,041</b>	<b>47,618</b>	<b>511,686</b>
Other operating income	48	2,231	5,177	1,701	139	9,296
Vessel operating expenses	(6,738)	(32,776)	(52,359)	(19,424)	(17,063)	(128,360)
Technical management expenses	(567)	(2,528)	(4,227)	(1,780)	(1,803)	(10,905)
Charter hire expenses	-	(7,807)	(9,809)	-	-	(17,616)
Operating EBITDA	23,849	108,972	159,851	42,538	28,891	364,101
Depreciation charge	(6,839)	(26,247)	(49,278)	(8,457)	(10,495)	(101,316)
						<b>262,785</b>
Unallocated						(51,349)
<b>Profit before income tax</b>						<b>211,436</b>
Segment assets	426,910	1,020,102	1,540,152	676,164	262,800	3,926,128
Unallocated						139,782
Segment liabilities	2,900	26,399	88,030	37,417	14,028	168,774
Unallocated						2,222,921

<sup>1</sup>Vessels between 85,000 DWT and 124,999 DWT in size and provides transportation of clean petroleum oil products.

<sup>2</sup>Vessels between 55,000 DWT and 84,999 DWT in size and provides transportation of clean and dirty petroleum products.

<sup>3</sup>Vessels between 40,000 DWT and 54,999 DWT in size and provides transportation of clean and dirty oil products, vegetable oil and easy chemicals; inclusive of IMO II vessels

<sup>4</sup>Vessels between 25,000 DWT and 39,999 DWT in size and provides transportation of clean and dirty oil products, vegetable oil and easy chemicals; inclusive of IMO II vessels

## Subsequent events

On 3 July 2023, Hafnia took delivery of an IMO II - LR1 vessel, Hafnia Pioneer.



Vessel	DWT	Year Built	Type
Hafnia Bering	39,067	Apr-15	Handy
Hafnia Magellan	39,067	May-15	Handy
Hafnia Malacca	39,067	Jul-15	Handy
Hafnia Soya	38,700	Nov-15	Handy
Hafnia Sunda	39,067	Sep-15	Handy
Hafnia Torres	39,067	May-16	Handy
Saturn <sup>2</sup>	13,051	Mar-09	Specialized
Hafnia Kallang	74,000	Jan-17	LR1
Hafnia Nile	74,000	Aug-17	LR1
Hafnia Seine	76,580	May-08	LR1
Hafnia Shinano	74,998	Oct-08	LR1
Hafnia Tagus	74,000	Mar-17	LR1
Hafnia Thames	74,999	Aug-08	LR1
Hafnia Yangtze	74,996	Jan-09	LR1
Hafnia Yarra	74,000	Jul-17	LR1
Hafnia Zambesi	74,982	Jan-10	LR1
Hafnia Africa	74,539	May-10	LR1
Hafnia Asia	74,539	Jun-10	LR1
Hafnia Australia	74,539	May-10	LR1
Hafnia Hong Kong <sup>1</sup>	75,000	Jan-19	LR1
Hafnia Shanghai <sup>1</sup>	75,000	Jan-19	LR1
Hafnia Guangzhou <sup>1</sup>	75,000	Jul-19	LR1
Hafnia Beijing <sup>1</sup>	75,000	Oct-19	LR1
Sunda <sup>2</sup>	79,902	Jul-19	LR1
Karimata <sup>2</sup>	79,885	Aug-19	LR1

Vessel	DWT	Year Built	Type
Hafnia Shenzhen <sup>1</sup>	75,000	Aug-20	LR1
Hafnia Nanjing <sup>1</sup>	74,999	Jan-21	LR1
Kamome Victoria <sup>2</sup>	69,998	May-11	LR1
Peace Victoria <sup>2</sup>	77,378	Oct-19	LR1
Hafnia Excelsior	74,665	Jan-16	LR1
Hafnia Executive	74,431	May-16	LR1
Hafnia Prestige	74,997	Nov-16	LR1
Hafnia Providence	74,997	Aug-16	LR1
Hafnia Pride	74,997	Jul-16	LR1
Hafnia Excellence	74,613	May-16	LR1
Hafnia Exceed	74,665	Feb-16	LR1
Hafnia Expedite	74,634	Jan-16	LR1
Hafnia Express	74,663	May-16	LR1
Hafnia Excel	74,547	Nov-15	LR1
STI Precision	74,997	Oct-16	LR1
Hafnia Experience	74,670	Mar-16	LR1
Hafnia Despina	115,000	Jan-19	LR2
BW Galatea	115,000	Mar-19	LR2
BW Larissa	115,000	Apr-19	LR2
BW Neso	115,000	Jul-19	LR2
BW Thalassa	115,000	Sep-19	LR2
BW Triton	115,000	Oct-19	LR2
Hafnia Languedoc <sup>1</sup>	115,000	Mar-23	LR2
Hafnia Loire <sup>1</sup>	115,000	May-23	LR2

<sup>1</sup> 50% owned through the Vista Joint Venture

<sup>2</sup> Time chartered in vessel

Vessel	DWT	Year Built	Type
Beagle <sup>2</sup>	44,995	Mar-19	MR
Boxer <sup>2</sup>	49,852	Jun-19	MR
Basset <sup>2</sup>	49,875	Nov-19	MR
Bulldog <sup>2</sup>	49,856	Feb-20	MR
BW Bobcat	49,999	Aug-14	MR
BW Cheetah	49,999	Feb-14	MR
BW Cougar	49,999	Jan-14	MR
BW Eagle	49,999	Jul-15	MR
BW Egret	49,999	Nov-14	MR
BW Falcon	49,999	Feb-15	MR
BW Hawk	49,999	Jun-15	MR
BW Jaguar	49,999	Mar-14	MR
BW Kestrel	49,999	Aug-15	MR
BW Leopard	49,999	Jan-14	MR
BW Lioness	49,999	Jan-14	MR
BW Lynx	49,999	Nov-13	MR
BW Merlin	49,999	Sep-15	MR
Hafnia Myna	49,999	Oct-15	MR
BW Osprey	49,999	Oct-15	MR
BW Panther	49,999	Jun-14	MR
Hafnia Petrel	49,999	Jan-16	MR
Hafnia Puma	49,999	Nov-13	MR
Hafnia Raven	49,999	Nov-15	MR
BW Swift	49,999	Jan-16	MR
BW Tiger	49,999	Mar-14	MR
BW Wren	49,999	Mar-16	MR
Hafnia Andromeda	49,999	May-11	MR
Hafnia Ane	49,999	Nov-15	MR
Hafnia Crux	52,550	Feb-12	MR

Vessel	DWT	Year Built	Type
Hafnia Daisy	49,999	Aug-16	MR
Hafnia Henriette	49,999	Jun-16	MR
Hafnia Kirsten	49,999	Jan-17	MR
Hafnia Lene	49,999	Jul-15	MR
Hafnia Leo	52,340	Nov-13	MR
Hafnia Libra	52,384	May-13	MR
Hafnia Lise	49,999	Sep-16	MR
Hafnia Lotte	49,999	Jan-17	MR
Hafnia Lupus	52,550	Apr-12	MR
Hafnia Mikala	49,999	May-17	MR
Hafnia Nordica	49,994	Mar-10	MR
Hafnia Pegasus	50,326	Oct-10	MR
Hafnia Phoenix	52,340	Jul-13	MR
Hafnia Taurus	50,385	Jun-11	MR
Hafnia Andrea	49,999	Jun-15	MR
Hafnia Caterina	49,999	Aug-15	MR
Orient Challenge <sup>2</sup>	49,972	Jun-17	MR
Orient Innovation <sup>2</sup>	49,972	Jul-17	MR
Yellow Stars <sup>3</sup>	49,999	Jul-21	MR
Clearocean Milano <sup>2</sup>	50,485	Oct-21	MR
Clearocean Ginkgo <sup>2</sup>	49,999	Aug-21	MR
Dee4 Larch <sup>2</sup>	49,737	Aug-16	MR
PS Stars <sup>3</sup>	49,999	Jan-22	MR
Challenge Procyon <sup>2</sup>	4,596	Apr-11	MR

<sup>2</sup> Time chartered in vessel<sup>3</sup> 50% owned through the Andromeda Joint Venture

Vessel	DWT	Year Built	Type
Hafnia Almandine	38,506	Feb-15	IMO II - Handy
Hafnia Amber	38,506	Feb-15	IMO II - Handy
Hafnia Amethyst	38,506	Mar-15	IMO II - Handy
Hafnia Ametrine	38,506	Apr-15	IMO II - Handy
Hafnia Aventurine	38,506	Apr-15	IMO II - Handy
Hafnia Andesine	38,506	May-15	IMO II - Handy
Hafnia Aronaldo	38,506	Jun-15	IMO II - Handy
Hafnia Aquamarine	38,506	Jun-15	IMO II - Handy
Hafnia Axinite	38,506	Jul-15	IMO II - Handy
Hafnia Amessi	38,506	Jul-15	IMO II - Handy
Hafnia Azotic	38,506	Sep-15	IMO II - Handy
Hafnia Amazonite	38,506	May-15	IMO II - Handy
Hafnia Ammolite	38,506	Aug-15	IMO II - Handy
Hafnia Adamite	38,506	Sep-15	IMO II - Handy
Hafnia Aragonite	38,506	Oct-15	IMO II - Handy
Hafnia Azurite	38,506	Aug-15	IMO II - Handy
Hafnia Alabaster	38,506	Nov-15	IMO II - Handy
Hafnia Achroite	38,506	Jan-16	IMO II - Handy
Hafnia Turquoise	49,000	Apr-16	IMO II - MR
Hafnia Topaz	49,000	Jul-16	IMO II - MR
Hafnia Tourmaline	49,000	Oct-16	IMO II - MR
Hafnia Tanzanite	49,000	Nov-16	IMO II - MR
Hafnia Viridian	49,000	Dec-15	IMO II - MR
Hafnia Violette	49,000	Mar-16	IMO II - MR
Hafnia Atlantic	49,614	Dec-17	IMO II - MR
Hafnia Pacific	49,868	Dec-17	IMO II - MR

# Alternative performance measures



## Alternative performance measures

An alternative performance measure (“APM”) is defined as a measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework (IFRS).

It is the Company's view that APMs provide investors with relevant and specific operating figures which may enhance their understanding of the Group's performance. The Company uses the following APMs:

**TCE income:** Income from its time charters and spot voyages for owned vessels. TCE income is calculated as gross freight income net of broker commissions less voyage expenses.

**Voyage expenses:** Voyage expenses are expenses related to spot voyages, including bunker fuel expenses, port fees, cargo loading and unloading expenses, canal tolls and agency fees.

**TCE income per operating day:** TCE income per vessel per operating day. TCE income per operating day is a measure of how well the Group manages the fleet commercially.

**OPEX per calendar day:** The Group defines OPEX per calendar day as vessel operating expenses and technical management fees per vessel per calendar day. Vessel operating expenses include insurance, repairs and maintenance, spares and consumable stores, lube oils and communication.



**EBITDA:** The Company defines EBITDA as earnings before financial income and expenses, depreciation, impairment, amortisation and taxes. The computation of EBITDA refers to financial income and expenses which the Company deems to be equivalent to "interest" for purposes of presenting EBITDA. Financial expenses consist of interest on bank loans, losses on foreign exchange transactions and bank charges. Financial income consists of interest income and gains on foreign exchange transactions.

EBITDA is used as a supplemental financial measure by management and external users of financial statements, such as lenders, to assess the Company's operating performance as well as compliance with the financial covenants and restrictions contained in the Company's financing agreements. The Company believes that EBITDA assists management and investors by increasing comparability of the Company's performance from period to period. This increased comparability is achieved by excluding the potentially disparate effects of interest, depreciation, impairment, amortisation and taxes. These are items that could be affected by various changing financing methods and capital structure which may significantly affect profit/(loss) between periods. Including EBITDA as a measure benefits investors in selecting between investment alternatives.

**Technical off-hire:** The Group defines technical off-hire as the time lost due to off-hire days associated with major repairs, drydocks or special or intermediate surveys. Technical off-hire per vessel is calculated as an average for owned, partly owned, bareboat and chartered-in vessels (not weighted by ownership share in each vessel).

**Calendar days:** The Group defines calendar days as the total number of days in a period during which each vessel that is owned, partly owned or chartered-in is in its possession, including technical off-hire days. Calendar days are an indicator of the size of the fleet over a period and affect both the amount of revenue and the amount of expense that the Group records during that period.

**Voyage days:** The Group defines voyage days as the total number of days (including waiting time) in a period during which each vessel is owned, partly owned, operated under a bareboat arrangement or chartered-in, net of technical off-hire days. The Company uses voyage days to measure the number of days in a period during which vessels actually generate or are capable of generating revenue.

**Average number of owned vessels:** The Group defines average number of vessels in a period as the number of vessels included in the consolidated accounts according to the accounting principles for such period. Vessels sold or purchased during the relevant period are weighted by the number of days owned.

