

Interim report, 1 January–30 September 2022

Successful vessel sales

■ Total income

Q3 SEK 118.2 (165.6) million
9M SEK 423.1 (553.6) million

■ EBITDA

Q3 SEK 38.0 (–56.8) million
9M SEK 170.4 (–119.1) million

■ Result before tax

Q3 SEK –22.8 (–141.4) million
9M SEK –16.7 (–350.0) million

■ Result per share after tax

Q3 SEK –0.48 (–2.96)
9M SEK –0.37 (–7.39)

Events in the third quarter

- Agreement on sale of three P-MAX vessels. The sale is expected to have an overall positive liquidity effect of approximately USD 30 million. The surplus will be used for accelerated loan amortisation.
- Delivery of P-MAX tanker *Stena Paris*. The sale enables accelerated loan amortisation of approximately USD 5 million.

Key figures	Quarter 3 (Jul–Sep)		9 months (Jan–Sep)		Full year
	2022	2021	2022	2021	2021
Total income, SEK million	118.2	165.6	423.1	553.6	704.8
EBITDA, SEK million	38.0	–56.8	170.4	–119.1	–82.6
EBITDA, USD million	3.4	–6.6	17.2	–14.0	–9.6
Operating result, SEK million	–3.6	–117.5	42.8	–293.5	–583.5
Result before tax, SEK million	–22.8	–141.4	–16.7	–350.0	–658.2
Result after tax, SEK million	–22.8	–141.4	–17.6	–352.6	–660.4
Interest-bearing liabilities	1,053.9	1,566.5	1,053.9	1,566.5	1,597.6
Equity ratio, %	20	25	20	25	14
Return on equity, %	neg	neg	neg	neg	neg
Available liquid funds, including unutilised credit facilities, SEK million	86.1	70.0	86.1	70.0	34.9
Result per share after tax, SEK	–0.48	–2.96	–0.37	–7.39	–13.84
Equity per share, SEK	7.12	12.49	7.12	12.49	6.21
Lost-time injuries	0	0	0	0	0

Accounting policies, see page 16. Definitions, see page 14.

Q3
2022

Stena Polaris moored at
Thule Air Base, Greenland.

Rising asset values and a new financial situation

Tanker shipping never ceases to fascinate. Although a recovery has long been predicted, we can only marvel at the change of scene that has taken place so far in 2022. Fundamentals were positive at the start of the year but earnings were at rock bottom – today the freight market is strong, Concordia's asset values are high and the near-term outlook is good.

IN THE THIRD QUARTER, the strong product tanker market development that started in April continued. Average earnings per day for an MR vessel on the spot market¹⁾ rose from USD 27,600 in Q2 to USD 35,200 in Q3. The trend was the same for the time charter market. A one-year time charter rose from about USD 17,000 per day to USD 24,100 per day and a three-year time charter charter from USD 14,100 per day to USD 16,800 per day.

The strengthening of the tanker market has also pushed asset values of vessels upwards and vessel turnover has been high, particularly for older tonnage. The estimated market value for a new MR vessel, direct from the shipyard, increased by 12% from about USD 40.1 million in Q2 to USD 44.8 million in Q3, while a 10-year-old vessel increased by 23% from about USD 22.1 million to USD 27.1 million.

This trend is largely due to the changes in cargo flows brought about by the Russian invasion of Ukraine. Russian oil is increasingly finding buyers in Asia, while Europe in particular is replacing its Russian imports with oil from the Middle East, West Africa and the US. On the product side, high demand and strained refinery capacity have led to increased volumes being transported longer distances.

National strategic oil stocks can be considered a buffer in the event of increased demand and oil stocks are currently very low. The US has continued to use its SPR (Strategic Petroleum Reserve). At the same time, OPEC+, despite its decisions to reduce production, has struggled to meet production targets. With continued sanctions and uncertain economic growth, particularly in China, this could contribute to continued volatility in both demand and prices of oil and energy – and, by extension, prices of tanker transport.

Looking at the supply side, the order book for tankers remains low, which is expected to bring low net growth going forward. Another contributory factor is the continued phasing-out of older tonnage. In the MR segment, net growth for 2023 is expected to fall to 2–3%²⁾, which is lower than in 2022. A number of orders placed for expensive container ships could possibly be renegotiated to tankers in the longer term, but in that case the impact would only be marginal.

Result

Concordia Maritime's result for Q3 was SEK –22.8 (–141.4) million. The improvement in results compared with the corresponding quarter in the previous year is an effect of the



time charters that have been entered into and a stronger market. The main reason why the result is still negative is that the average agreed base rent (USD 15,500/day) is not sufficient to make an accounting profit. Another factor is that many of the freight agreements Stena Bulk has concluded for the vessels have generated limited profit-sharing so far. This is because they are mainly time charters, which have a lag in relation to the faster development of the spot market.

The five-year agreement with Stena Bulk secures a base rate and profit-sharing for any surplus levels, calculated on the basis of average earnings per vessel per half-year. It is obviously sad that the charter agreement that was so important for the Company's future in autumn 2021 is now limiting our upside, but such is the industry. The Company has also faced rising interest expenses during the quarter.

New financial situation and reduced debt through vessel sales

During the quarter, our oldest vessel *Stena Paris* was delivered to her new owner. The contract was signed in June and, after some delays, she left the fleet in September.

During the quarter, the Company took advantage of the strong market and signed contracts for the sale of three other older vessels, *Stena Primorsk*, *Stena Performance* and *Stena Provence*, all built in 2006. Two of the vessels are expected to be delivered to their new owner in December, and the third in January. Overall, the sale is expected to generate a liquidity surplus of approximately USD 30 million, which will be used for accelerated loan amortisation.

Following the sales of the vessels mentioned above, the Company estimates that total interest-bearing liabilities will have fallen by approximately USD 55 million.

A company in transition

Concordia Maritime is a company in transition. We are significantly more slimmed down than at the beginning of the year, but we are also a much stronger company financially. This journey has been necessary. The process of evaluating our next step now continues. Shipping is cyclical and timing is important in all transactions, whether buying or selling. For the benefit of our shareholders, we keep an open mind to the business opportunities that exist.

Monthly market reports

The world has been characterised by great drama so far this year, and so has the tanker market. Inflation, rising interest rates and geopolitical instability are affecting individuals and shipping. To reflect developments and their significance for tanker shipping, we publish a market report at the beginning of each month. Keep an eye out for them on concordiamaritime.com.

Gothenburg, November 2022,
Erik Lewenhaupt, CEO



¹ Earnings for a 47,000 deadweight product tanker built after 2010, without scrubbers and of "non-eco" design. An average of earnings on the Baltic Exchange's TC2, TC14, TC10, TC11 and TC12 index routes. Source: Howe Robinson Partners.

² BRS Tanker Monthly October 2022.

Business activities

Result for the quarter was SEK –22.8 (–141.4) million. EBITDA was SEK 38.0 (–56.8) million. The improvement in results compared with the corresponding quarter in the previous year is largely an effect of the time charters that have been entered into and a stronger market. The Stena Paris sale generated a positive liquidity effect of approximately SEK 5 million, which has been used for accelerated loan amortisation.

The sale of the three product tankers *Stena Primorsk*, *Stena Performance* and *Stena Provence* was agreed during the quarter. Two of the vessels will be delivered in December 2022, and the third in January 2023. Overall, the sale is expected to generate a positive liquidity effect of approximately USD 30 million and this surplus will be used for accelerated loan amortisation.

After the above deliveries, Concordia Maritime's product tanker fleet will consist of four 65,200 dwt P-MAX vessels. Three of the vessels are employed under a five-year time charter contract with Stena Bulk. The contract runs until 2026.

Stena Bulk's employment of the vessels during the quarter was a combination of short and medium-term contracts. More information about vessel employment can be found on page 20. Further information about the agreement with Stena Bulk is available at concordiamaritime.com.

Stena Polaris has been chartered to Crowley Government Services Inc. since the beginning of 2022. The bareboat contract is for a minimum period of 12 months with annual extension options up to the year 2026. Crowley has in turn chartered the vessel to US Military Sealift Command.

The fleet's earnings

The five-year agreement with Stena Bulk secures a base rate of USD 15,500 per day and vessel, with profit-sharing for any surplus levels, calculated on the basis of average earnings per vessel per half-year. For Q3, a preliminary calculation of profit-sharing for voyage days contracted so far in Q3 and Q4 has been made. Overall, average earnings during the quarter are estimated at USD 16,400 per day and vessel.

Earnings for *Stena Polaris* correspond to a time charter contract of approximately USD 18,000 per day.

Accelerated loan amortisation

In addition to the scheduled loan amortisation, Concordia Maritime also repaid the loan for *Stena Paris* during the quarter. Overall, the sale of the vessel corresponded to a positive cash flow effect of approximately USD 5 million. Amortisation of the Company's bank loans totalled SEK 388.0 (83.9) million during the first nine months of 2022, including SEK 324.3 (0.0) million related to the sale of vessels. Available liquid funds, including unutilised credit facilities, amounted to SEK 86.1 million at the end of Q3 2022. The Board considers that existing bank financing and

The Group's total income and earnings

SEK millions	Q3		Full year
	2022	2021	2021
Total income	118.2	165.6	704.8
of which result from ship sales	2.9	0.0	0.0
of which profit-sharing ¹⁾	7.5	n.a.	n.a.
Operating result	–3.6	–117.5	–583.5
Result before tax	–22.8	–141.4	–658.2
Result per share after tax, SEK	–0.48	–2.96	–13.84

1) The contract with Stena Bulk includes the possibility of profit-sharing for freight exceeding the base rate of USD 15,500 per day and vessel. The profit-sharing is based on average earnings per vessel per half-year. The final profit-sharing settlement for the period June-December 2022 will be on 31 December 2022, and will be reported in the year-end report for 2022.

Liquidity and financial position

SEK millions	30 Sep 2022	30 Sep 2021
Available liquid funds	86.1	70.0
Interest-bearing liabilities	1,053.9	1,587.1
Equity	340.0	596.2
Equity ratio, %	20	25

other sources of funding are sufficient to secure the Group's financing for at least the next 12-month period. Loans expected to be repaid after the sale of the three vessels for which sale agreements have been concluded have been

classified as "liabilities directly associated with assets held for sale" under current liabilities in the Company's balance sheet.

EBITDA per quarter

USD millions	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Product tankers, time charter	4.9	6.6	5.1	5.7	1.7	4.4	4.5	4.6	4.5
Product tankers, spot, owned and leased tonnage	-0.1	0.1	0.3	-0.7 ⁴⁾	-2.0 ³⁾	-3.6 ²⁾	-7.6 ¹⁾	-2.0	0.3
Product tankers, spot, short-term chartered tonnage	—	—	—	—	—	0.0	0.0	0.0	0.0
Sale of vessels	-0.4	—	-1.4	—	-3.6	—	—	—	—
Product tankers, total	4.4	6.6	4.0	5.0	-3.7	0.8	-3.1	2.6	4.9
Suezmax, spot, owned and leased tonnage	-0.5	0.9	0.5	0.4	-0.1	0.2	0.3	0.1	1.4
Suezmax, spot, short-term chartered tonnage	0.0	0.0	0.0	-0.1	-2.0	-2.0	-1.8	-1.8	0.0
Sale of vessels	0.6	4.1	—	—	—	—	—	—	—
Suezmax, total	0.1	5.0	0.5	0.3	-2.1	-1.8	-1.5	-1.7	1.4
Admin. and other	-1.1	-1.0	-1.2	-0.9	-0.8	-1.0	-0.8	-0.8	-0.7
Total	3.4	10.6	3.2	4.4	-6.6	-2.0	-5.4	0.1	5.5

1) The total includes a negative bunker hedge of USD -2.9 million.

2) The total includes a negative bunker hedge of USD -1.9 million.

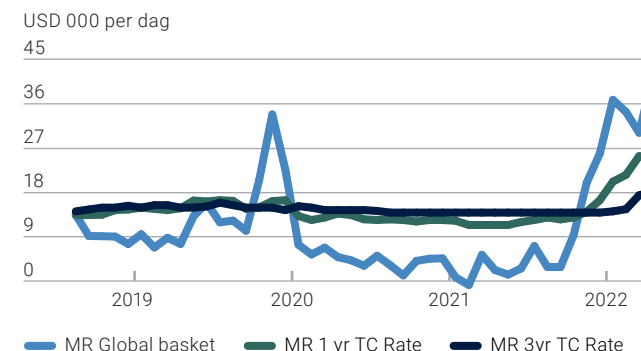
3) The total includes a negative bunker hedge of USD -0.3 million.

4) The total includes a negative bunker hedge of USD -0.9 million.

Earnings per vessel category

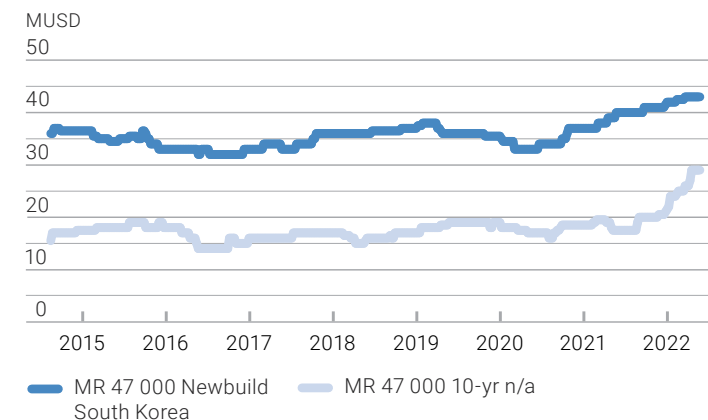
SEK millions	Q3		9 months		Full year
	2022	2021	2022	2021	2021
Product tankers, time charter	107.8	74.2	336.9	196.0	322.3
Product tankers, spot	6.5	72.7	6.5	289.3	300.5
Result from vessel sales	1.9	0.0	1.9	0.0	0.0
Product tankers, total earnings	116.1	146.9	345.3	485.3	622.8
Suezmax, spot	1.1	18.7	37.9	68.3	82.0
Result from vessel sales	1.0	0.0	40.0	0.0	0.0
Suezmax, total earnings	3.9	18.7	77.9	68.3	82.0
Other	0.0	0.0	0.0	0.0	0.0
Total income	118.2	165.6	423.2	553.6	704.8

Freight market development, MR product tankers



Average earnings per day for the spot market amounted to USD 27,600 (35,200). The time charter market has also strengthened, and a one-year contract for an MR tanker was about USD 25,250 per day at the end of the quarter, partly depending on the vessel's design.

Vessel values, MR product tankers



The strong performance of the spot market has resulted in a rise in the market values of vessels. This in particular applies to older quality tonnage.

Source: Howe Robinson

Repairs and drydock

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

Operational challenges

Covid-19 continues to present some challenges in terms of quarantine and crew changes. Restrictions have been eased in many places, including Brazil, during the year and, with the exception of China, well-functioning procedures for crew changes are now in place.

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 amount in the hedging reserve at the end of the quarter was SEK 0.0 (2.0) million. The closing balance for the translation reserve in equity amounted to SEK 523.5 (452.2) million at the reporting date. The changes are recognised in equity through OCI.

Investments and deposits

Investments in property, plant and equipment during the quarter amounted to SEK 0.0 (86.5) million. During the quarter, Concordia Maritime did not buy or sell any assets classified as short-term investments in the Company's balance sheet.

Valuation of the fleet

After the sale of *Stena Supreme*, the fleet is defined as one cash-generating unit.

During Q3, management obtained valuations of the fleet from three of our independent ship brokers. The valuations indicate a continued positive value trend with a market appreciation of about 20% compared with previous valuations conducted at the end of June 2022. At the end of Q3 2022, the recoverable amount (market value) of the cash-generating unit was higher than its carrying amount.

Employees

The number of employees in the Group on 30 September 2022 was 4 (3). The Group employed 379 (596) temporary seagoing employees through Stena Sphere's manning company, Northern Marine Management.

Parent Company

The Parent Company's sales for the quarter amounted to SEK 0.0 (11.4) million, with intragroup invoicing representing 0.0 (0.0) of this amount. The Parent Company's available liquid funds at the end of the quarter amounted to SEK 86.1 (50.6) million, which includes receivables from Group companies in the cash pool and unutilised credit facilities.

Risks and risk management

Concordia Maritime operates in an industry 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 2021 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. There were also no workplace incidents resulting in an individual employee being unable to return to a work shift on the following day. This result is a consequence of extensive and continuous work on board the vessels.

None of Concordia Maritime's vessels were involved in any piracy-related incidents during the quarter.

External controls

Four (4) vetting inspections were conducted during the quarter. In total, 11 observations were recorded during these inspections, resulting in an average of 2.75 observations per inspection. This is considered normal. No port state control resulted in the detention in port of any vessel during the quarter.

Energy management

Total bunker consumption in Q3 2022 fell by 31.7% compared with Q3 2021. This is due to the fact that the fleet consists of fewer vessels than in 2021. The operational energy efficiency of the vessels, EEOL, deteriorated slightly over the period due to the composition of the fleet, with the remaining P-MAX vessels being less efficient than the average for the fleet 12 months ago. The proportion of days in port has also increased over the period, which has a detrimental effect on the figure.

As all vessels are contracted out on time and bareboat charters, Concordia Maritime does not make operational decisions on voyage charters, bunker purchases and speed; this is handled by the customer.

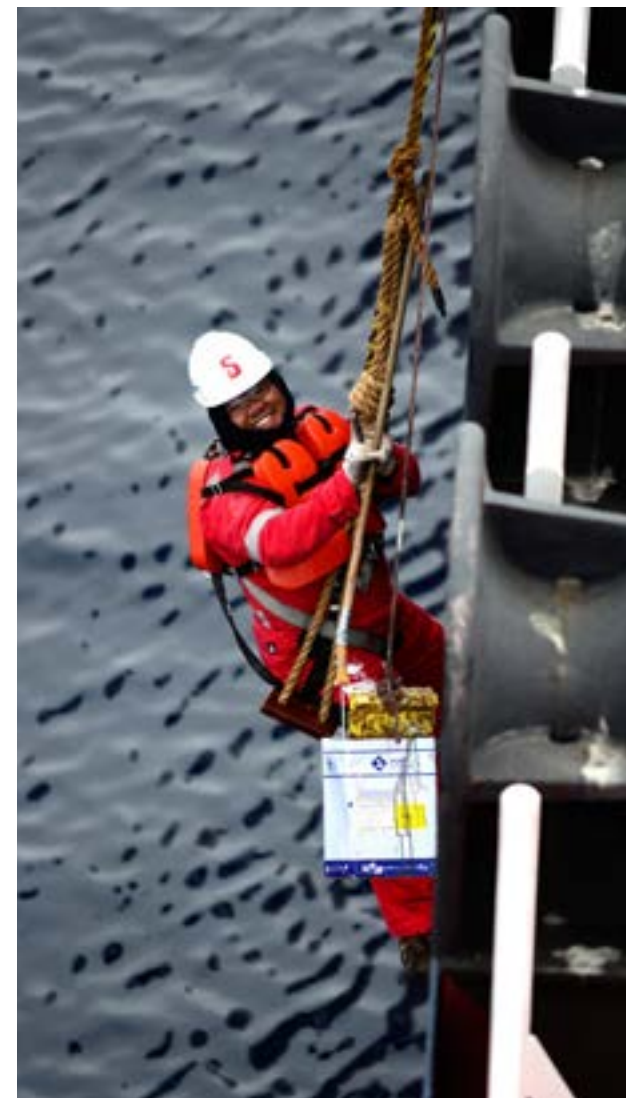
Stena Polaris is chartered on a bareboat basis to Crowley, which handles the vessel's reporting to authorities etc. The vessel is therefore not included in the emissions data.

New regulations

Concordia Maritime monitors developments regarding shipping regulations issued by the IMO, the EU and other relevant bodies. The IMO's short-term greenhouse gas reduction measures are likely to require fleet adaptations in the coming years. The IMO's EEXI and CII regulations enter into force in 2023 and the Company is currently evaluating which technical and operational initiatives are most effective.

Concordia Maritime and technical manager Northern Marine will connect the vessels to the Storm Geo S-Insight Fleet Performance Management System. The platform collects and analyses data from the vessels on a daily basis to achieve higher efficiency and lower emissions. It also facilitates reporting to the relevant authorities.

To comply with the EEXI regulations, an EPL (Engine Power Limitation) system will be installed on the P-MAX vessels during 2023. In short, this enables a vessel to limit its maximum engine power, which is not expected to have any negative operational impact. The investment is expected to amount to about USD 35,000 per vessel.



Key figures

Safety

	Q3 2022	Q3 2021	9 months 2022	9 months 2021	Full year 2021	Target 2022
LTI	0	0	0	0	0	0
LTIF	0	0	0	0	0	0
Number of inspections with more than five observations (owned vessels)	0	1	0	1	1	0
Average number of vetting observations per inspection (owned vessels)	2.75	1.75	2.85	1.92	1.9	<4
Number of PSC inspections with detentions	0	0	0	0	0	0
Number of piracy-related incidents	0	0	0	0	0	0
Damage to property	0	0	2	1	0	0
Medical treatment case	0	0	0	0	0	0
Restricted work case	0	2	1	3	3	0
High potential near miss	0	2	1	3	3	0
High risk observation	0	0	0	0	0	0

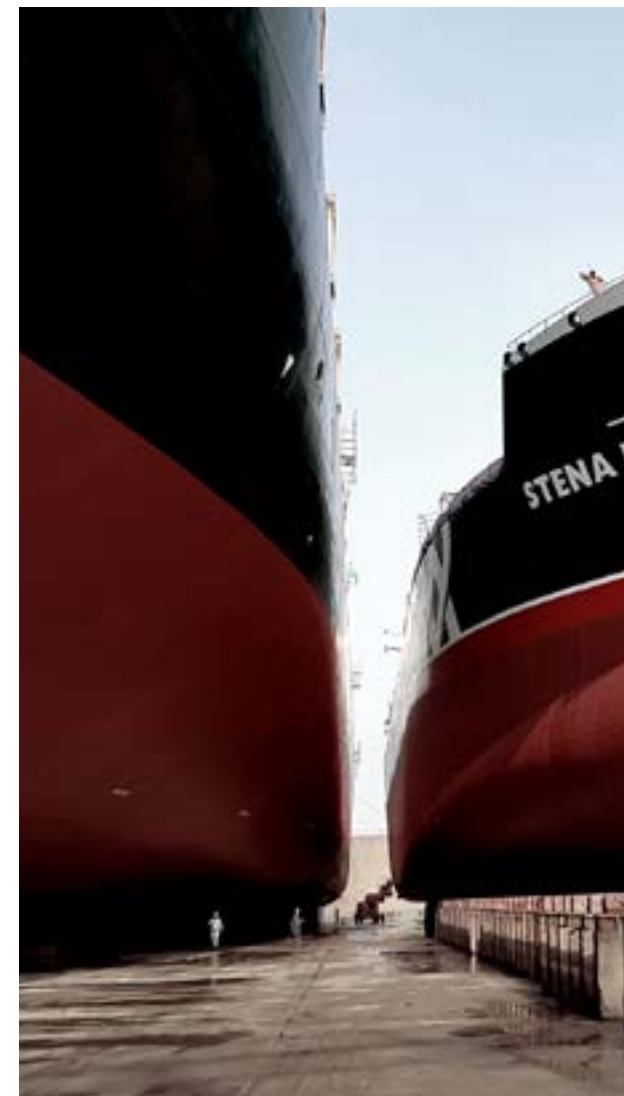
Environmental impact

	Q3 2022	Q3 2021	9 months 2022	9 months 2021	Full year 2021
Bunker consumption (tonnes)					
LSFO	10,177	15,199	35,841	54,905	62,666
MGO	2,090	2,763	6,567	10,586	14,738
Total	12,267	17,962	42,408	65,491	77,404
Emissions (tonnes)					
CO ₂	38,391	56,191	132,682	204,936	242,421
SO _x	104	154	364	558	641
NO _x	1,098	1,607	3,795	5,860	6,927
Particulates	12.9	12.1	46.6	69.2	80
Efficiency (EEOI)					
gCO ₂ /tonne-NM ¹⁾	15.49 ²⁾	11.65 ²⁾	n.a	n.a	n.a
Oil spills, litres	0	0	0	0	0

1) The change in bunker consumption compared with 2021 is an effect of the size of the fleet.

2) 12-month rolling.

Definitions, see page 14.



Group

Income statement

SEK millions	Q3 2022	Q3 2021	9 months 2022	9 months 2021	FY 2021
Average exchange rate SEK/USD	10.55	8.65	9.92	8.49	8.58
Time charter income, leasing of vessels	45.1	27.1	138.8	71.5	120.2
Time charter income, operational services	62.7	47.1	198.1	124.5	202.1
Spot charter income ¹⁾	7.5	91.4	44.4	357.6	382.5
Result from vessel sales	2.9	0.0	41.9	0.0	0.0
Other income	0.0	0.0	0.0	0.0	0.0
Total income	118.2	165.6	423.1	553.6	704.8
Voyage-related operating costs	-0.3	-38.5	-5.5	-197.6	-220.1
Operating costs, ships ¹⁾	-35.5	-92.7	-103.5	-262.1	-297.3
Personnel costs, temporary seagoing	-35.8	-50.7	-115.5	-148.4	-196.7
Personnel costs, land-based	-1.8	-2.9	-7.0	-10.9	-14.0
Other external expenses	-6.8	-37.5 ³⁾	-21.3 ²⁾	-53.7 ³⁾	-59.2 ³⁾
Depreciation/impairment	-41.6	-60.7	-127.6	-174.4	-501.0
Total operating costs¹⁾	-121.9	-283.1	-380.3	-847.1	-1 288.3
Operating result	-3.6	-117.5	42.8	-293.5	-583.5
Interest and similar income	-1.1	6.3	0.6	8.6	8.6
Interest and similar expense	-18.0	-30.2	-60.2	-65.0	-83.3
Finance net	-19.1	-24.0	-59.6	-56.5	-74.7
Result before tax	-22.8	-141.4	-16.7	-350.0	-658.2
Tax	0.0	0.0	-0.8	-2.5	-2.1
Result after tax	-22.8	-141.4	-17.6	-352.6	-660.4

¹⁾ Accounting policies, see page 16.

²⁾ Amount includes net loss of SEK -13.2 million on vessel sales.

³⁾ Amount includes net loss of SEK -30.3 million on vessel sales.

Group

Other comprehensive income

SEK millions	Q3 2022	Q3 2021	9 months 2022	9 months 2021	Full year 2021
Result after tax	-22.8	-141.4	-17.6	-352.6	-660.4
Items that have been/can be transferred to result for the period					
Translation differences	20.8	17.4	63.4	40.5	48.6
Changes in fair value of cash flow hedges for the period	0.0	17.1	-6.2	69.9	61.8
Changes in fair value of cash flow hedges transferred to result for the period	-0.6	2.7	4.1	43.0	51.2
Comprehensive income for the period	-2.6	-103.9	43.7	-198.9	-498.7

Per-share data

	Q3 2022	Q3 2021	9 months 2022	9 months 2021	Full year 2021
Number of shares	47,729,798	47,729,798	47,729,798	47,729,798	47,729,798
Result per share, before/after dilution	-0.48	-2.96	-0.37	-7.39	-13.84
Equity per share, SEK	7.12	12.49	7.12	12.49	6.21

Group

Condensed balance sheet

SEK millions	30 Sep 2022	30 Sep 2021	31 Dec 2021
Closing exchange rate SEK/USD	11.09	8.76	9.05
Assets			
Ships and equipment ¹⁾	943.0	2,252.9	1,454.5
Financial assets	19.6	1.7	5.4
Total non-current assets	962.5	2,254.5	1,459.8
Current receivables	85.1	130.2	112.1
Cash and bank balances ²⁾	89.7	0.0	15.9
Assets held for sale	528.9	34.5	518.8
Total current assets	703.8	164.7	646.8
Total assets	1,666.3	2,419.3	2,106.7
Equity and liabilities			
Equity	340.0	596.2	296.3
Non-current liabilities	553.2	1,439.2	310.9
Current liabilities	773.1 ³⁾	383.9	1,499.4 ⁴⁾
Total equity and liabilities	1,666.3	2,419.3	2,106.7

1) Including right-of-use assets of SEK 0 (390.9) million.

2) Including restricted funds of SEK 38.2 (0) million.

3) Including liabilities of SEK 618.0 million directly associated with assets held for sale.

4) Including liabilities of SEK 521.5 million directly associated with assets held for sale.

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 2021							
Opening balance 01.01.2021	381.8	61.9	411.5	-110.9	0.0	50.7	795.1
Comprehensive income for the period			40.7	112.9	0.0	-352.6	-198.9
Closing balance 30.09.2020	381.8	61.9	452.2	2.0	0.0	-301.8	596.1

Group

Condensed cash flow statement

SEK millions	Q3 2022	Q3 2021	9 months 2022	9 months 2021	Full year 2021
Operating activities					
Result before tax	-22.8	-141.4	-16.7	-350.0	-658.2
Adjustments:					
Depreciation/impairment	41.6	60.7	127.6	174.4	501.0
Other items	-163.5	65.9	-36.9	103.1	124.9
Cash flow from operating activities before changes in working capital	-144.6	-17.3	74.0	-74.8	-33.5
Changes in working capital	124.2	27.5	13.3	110.9	68.3
Cash flow from operating activities	-20.4	10.2	87.3	36.2	34.8
Investing activities					
Sale of non-current assets	155.7	487.4	715.5	487.4	487.4
Investment in non-current assets	0.0	-86.5	-0.8	-200.4	-191.5
Other financial items	2.2	0.0	0.0	0.0	0.0
Cash flow from investing activities	158.0	401.0	714.7	287.0	295.9
Financing activities					
New loans	0.0	52.0	0.0	194.7	203.9
Amortisation of loans	-136.0	-20.6	-388.0	-83.9	-105.2
Other financing	0.0	-463.3	-351.6	-534.8	-551.3
Cash flow from financing activities	-136.0	-431.9	-739.6	-424.0	-452.5
Cash flow for the period	1.5	-20.7	62.4	-100.7	-121.9
Balance at beginning of period (Note 1)	81.6	51.6	15.9	130.2	130.2
Exchange differences (Note 2)	6.6	3.7	11.5	5.1	7.6
Balance at end of period (Note 1)	89.7	34.5	89.7	34.5	15.9
Note 1. Balance consists of cash, bank balances and credit facility					
Note 2. Exchange differences attributable to:					
Cash and cash equivalents at beginning of period	0.8	3.2	2.1	8.1	12.4
Cash flow for the period	5.8	0.4	9.4	-3.0	-4.9
Total exchange differences	6.6	3.7	11.5	5.1	7.6

Parent Company

Condensed income statement

SEK millions	9 months 2022	9 months 2021	Full year 2021
Net sales	0.3	42.3	45.2
Operating costs, ships	0.0	-91.8	-96.4
Other external expenses	-9.2	-8.8	-12.7
Personnel expenses	-4.0	-7.5	-10.1
Operating result	-12.9	-65.8	-74.0
Result from subsidiaries	0.0	0.0	-71.0
Other interest and similar income	18.9	96.1	90.4
Interest and similar expense	-112.9	-25.8	-59.2
Result before tax	-106.9	4.6	-113.7
Tax	0.0	0.0	0.0
Result after tax	-106.9	4.6	-113.7

Condensed balance sheet

SEK millions	30 September 2022	30 September 2021	Full year 2021
Assets			
Ships and equipment	0.0	0.0	0.0
Financial assets	7.1	1.7	5.4
Investments in Group companies	675.5	746.4	675.5
Non-current receivables, Group companies	780.1	898.3	886.2
Total non-current assets	1,462.7	1,646.4	1,567.1
Current receivables	0.7	9.4	7.2
Receivables from Group companies	22.0	12.4	15.4
Cash and bank balances	0.0	15.1	0.0
Total current assets	22.7	37.0	22.6
Total assets	1,485.4	1,683.4	1,589.7
Equity and liabilities			
Equity	218.8	444.0	325.7
Non-current liabilities	497.2	937.5	338.4
Current liabilities	769.4	265.9	925.6
Total equity and liabilities	1,485.4	1,683.4	1,589.7

Definitions

Bareboat charter

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

CO₂ Carbon dioxide.

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.

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.

LSFO Low 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).

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 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 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 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 2022	Q3 2021	9 months 2022	9 months 2021	Full year 2021
Operating result	-3.6	-117.5	42.8	-293.5	-583.5
Depreciation/impairment	41.6	60.7	127.6	174.4	501.0
EBITDA	38.0	-56.8	170.4	-119.1	-82.6

Result excluding impairment and tax

SEK millions	Q3 2022	Q3 2021	9 months 2022	9 months 2021	Full year 2021
Result after tax	-22.8	-141.4	-17.6	-352.6	-660.4
Impairment	0.0	0.0	0.0	0.0	267.7
Tax	0.0	0.0	0.8	2.5	2.1
Result excluding impairment and tax	-22.8	-141.4	-16.7	-350.0	-390.5

Result per share excluding impairment and tax

	Q3 2022	Q3 2021	9 months 2022	9 months 2021	Full year 2021
Result excluding impairment and tax, SEK million	-22.8	-141.4	-16.7	-350.0	-390.5
Number of shares	47.7	47.7	47.7	47.7	47.7
Result per share excluding impairment and tax, SEK	-0.48	-2.96	-0.35	-7.33	-8.18

Return on equity

SEK millions	9 months 2022	9 months 2021	Full year 2021
Result after tax	-325.4	-440.0	-660.4
Equity	314.0	713.9	587.9
Return on equity	neg	neg	neg

Return on capital employed

SEK millions	9 months 2022	9 months 2021	Full year 2021
Result after financial net	-16.7	-374.2	-658.2
Finance costs	78.5	93.1	83.3
Result after financial net plus finance costs	61.7	-281.1	-574.9
Total assets	1,866.1	2,791.8	2,599.9
Non-interest-bearing liabilities	-249.6	-234.1	-240.5
Capital employed	1,616.5	2,557.7	2,359.3
Return on capital employed	neg	neg	neg

Return on total capital

SEK millions	9 months 2022	9 months 2021	Full year 2021
Result after financial net	-16.7	-374.2	-789.2
Finance costs	78.5	93.1	83.3
Result after financial net plus finance costs	61.7	-281.1	-705.8
Total assets	1,866.1	2,791.8	2,599.9
Return on total capital	3.3%	neg	neg

Equity ratio

SEK millions	9 months 2022	9 months 2021	Full year 2021
Equity	340.0	596.2	296.3
Total assets	1,666.3	2,419.3	2,106.7
Equity ratio	20%	25%	14%

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 2021, 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, 11 November 2022

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 2022. 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, 11 November 2022
Öhrlings PricewaterhouseCoopers AB

Fredrik Göransson
*Authorised Public
Accountant*

Helena Pegrén
*Authorised Public
Accountant*

Quarterly overview

SEK millions	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Profit/loss items									
Total income ¹⁾	118.2	180.8	124.1	151.2	165.6	208.4	179.6	165.7	210.7
Operating costs excluding impairment ¹⁾	-121.9	-121.9	-136.6	-173.4	-283.1	-282.7	-281.4	-225.7	-224.8
Operating result (EBIT)	-3.6	58.9	-12.5	-290.0	-117.5	-74.2	-101.9	-59.9	-14.0
of which result from sale of investments in jointly-controlled entities (vessels)	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Financial net	-19.1	-22.5	-18.0	-18.2	-24.0	-14.2	-18.3	-26.5	-21.9
Result before tax	-22.8	36.5	-30.4	-308.2	-141.4	-88.4	-120.2	-86.5	-35.9
Result after tax	-22.8	35.7	-30.5	-307.8	-141.4	-89.7	-121.4	-87.4	-35.9
Cash flow from operating activities	-20.4	78.5	29.2	-1.4	10.2	6.3	19.7	-62.1	21.2
EBITDA	38.0	102.7	29.7	36.6	-56.8	-16.7	-45.7	-4.6	45.1
Balance-sheet items									
Ships (number)	942.9 (7)	1,534.5 (8)	1,586.7 (9)	1,973.3 (11)	2,252.9 (11)	2,685.3 (13)	2,771.6 (13)	2,599.1 (13)	2,820.1 (13)
Ships under construction (number)	0	0	0	0	0	0	0	0	0
Liquid funds incl. investments	89.7	81.6	19.9	15.9	34.5	51.6	45.1	130.2	264.4
Other assets	104.7	112.8	138.3	117.5	131.9	156.7	166.1	145.2	167.0
Interest-bearing liabilities	1,053.9	1,133.6	1,425.2	1,587.6	1,587.1	1,963.8	1,968.1	1,656.5	2,047.9
Other liabilities and provisions	272.4	276.1	251.7	222.8	236.1	226.9	255.7	423.0	192.6
Equity	340.0	342.6	276.9	296.3	596.2	700.0	759.0	795.0	1,011.0
Total assets	1,666.3	1,737.7	1,953.8	2,106.7	2,419.3	2,890.7	2,982.8	2,874.6	3,251.5
Key figures, %									
Equity ratio	20	20	14	14	25	24	25	28	31
Return on total capital	3	5	2	-27	-10	-4	-1	1	3
Return on capital employed	4	5	2	-24	-11	-5	-1	2	3
Return on equity	-104	-117	-122	-112	-62	-41	-24	-7	0
Operating margin	-3	33	-10	-192	-87	-36	-57	-36	-7
Share data									
Total income ¹⁾	2.48	3.79	2.60	3.17	3.47	4.37	3.76	3.47	4.41
Operating costs excluding impairment	-2.55	-2.55	-2.86	-3.63	-5.93	-5.92	-5.90	-4.73	-4.71
Operating result	-0.08	1.23	-0.26	-6.08	-2.46	-1.55	-2.13	-1.26	-0.29
Financial net	-0.40	-0.47	-0.38	-0.38	-0.50	-0.30	-0.38	-0.56	-0.46
Result after tax	-0.48	0.75	-0.64	-6.45	-2.96	-1.88	-2.54	-1.83	-0.75
Cash flow from operating activities	-0.43	1.64	0.61	-0.03	0.21	0.13	0.41	1.30	0.44
EBITDA	0.80	2.15	0.62	0.77	-1.19	-0.35	-0.96	-0.10	0.95
Equity	7.12	7.18	5.80	6.21	12.49	14.67	15.90	16.66	21.18

Definitions, see page 14.

1) Accounting policies, see page 16.

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. The latter company conducts tanker business that coincides with Concordia Maritime in some respects.

Accordingly, there is an agreement, entered into many years ago, which regulates the relationship between the two companies with respect to purchasing or chartering of vessels. Under the terms of this agreement, Concordia Maritime has the right to opt for 0, 50 or 100 percent participation in each new transaction (with the exception of shorter transactions of less than 12 months).

At the end of Q3 2022, all P-MAX vessels apart from one were chartered to Stena Bulk. The time charter contract with Stena Bulk runs 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 active underlying contracts between Stena Bulk and the end customer, these may constitute grounds for compensation.

Stena Bulk specialises in transportation of refined petroleum products and vegetable oils and has offices in five countries. Learn more at www.stenabulk.com.

Overview of transactions with Stena Sphere

■ Vessel charter

Payment is based on a commission of 1.25 percent on freight rates. Commission of 1 percent is charged 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.

■ Financing agreement

Concordia Maritime AB has been granted a credit facility under an agreement with AB Stena Finans. The Company has obtained financing for ballast water treatment installations under an agreement with Northern Marine Group.

Purchase of services from Stena Sphere

SEK millions	Q3		9 months		Full year
	2022	2021	2022	2021	2021
Group	38.6	61.9	135.8	189.5	246.2
Crewing	37.8	56.3	131.6	168.1	222.3
Administration	0.6	3.7	2.5	14.0	15.6
Chartering & commercial operation	0.3	2.0	1.6	7.4	8.3
Parent Company	0.3	0.1	0.8	0.5	1.0

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



Other information

Fleet employment

Ships	DWT	Ice class	Year	Employment	Stena Bulk's employment of vessel 11/11/2022
P-MAX					
Stena Penguin	65,200	1A	2010	Time charter to Stena Bulk to August 2026.	Time charter to April 2023. DPP ²⁾ , Atlantic. Contract entered 25 April 2022.
Stena Premium	65,200	1B	2011	Time charter to Stena Bulk to August 2026.	Time charter to May 2023 with option 18 months. CPP ¹⁾ , Atlantic. Contract entered 17 September 2021.
Stena Progress	65,200	1B	2009	Time charter to Stena Bulk to August 2026.	Time charter to April 2023 with option 18 months. CPP ¹⁾ , Atlantic. Contract entered 17 September 2021.
Stena Polaris	65,200	1A	2010	Bareboat charter to Crowley to January 2023, incl. extension option to end of 2026. CPP ¹⁾ , Atlantic. Contract entered 17 December 2021.	
Stena Performance	65,200	1B	2006	Divested in Q3 2022.	
Stena Primorsk	65,200	1B	2006	Divested in Q3 2022.	
Stena Provence	65,200	1B	2006	Divested in Q3 2022.	

1) Clean Petroleum Products

2) Dirty Petroleum Products



Solberg

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Calendar

Q4 2022 9 February 2023
Q1 2023 4 May 2023

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