

2021

Interim report, 1 January–31 March 2021

Record-weak tanker market

- **Total income Q1**
SEK 179.6 (348.6) million
- **EBITDA Q1**
SEK –45.7 (123.2) million
- **Result before tax Q1**
SEK –120.2 (29.0) million
- **Result per share after tax Q1**
SEK –2.54 (0.61)

Events in the first quarter

- Negotiations with lending banks and Stena concerning a solution to strengthen the Company's financial position and liquidity
- Temporary covenant waiver granted by lending banks
- Three scheduled drydockings completed
- *Stena Polaris* CVC contract extended to June 2021
- *Stena Paris* chartered out on TC contract until August 2021

Key figures	Quarter 1		Full year
	2021	2020	2020
Total income, SEK million	179.6	348.6	1,025.8
EBITDA, SEK million	–45.7	123.2	277.8
EBITDA, USD million	–5.4	12.7	30.2
Operating result, SEK million	–101.9	58.0	32.6
Result before tax, SEK million	–120.2	29.0	–65.1
Result after tax, SEK million	–121.4	29.0	–66.0
Equity ratio, %	25	29	28
Return on equity, %	neg	neg	neg
Available liquid funds, including unutilised credit facilities, SEK million	232.7	398.8	378.0
Result per share after tax, SEK	–2.54	0.61	–1.38
Equity per share, SEK	15.90	22.99	16.66
Lost-time injuries	0	1	2

Accounting policies, see page 20. Definitions: see page 18.

Financial challenges due to record-weak market

Continuing large production cuts, stock reductions and consequences of the pandemic resulted in a record-weak market in the first quarter of 2021. In the MR and VLCC segments, average market rates (Clarkson) were at levels around USD 6,300 and 5,300 per day, respectively – the lowest rates since 1990.

Market developments continue to be reflected in our own earnings. Result before tax for the quarter amounted to SEK –120.2 (–29.0) million. EBITDA was SEK –45.7 (123.2) million, corresponding to USD –5.4 (12.7) million. In operational terms, this was one of the weakest quarters in the Company's history.

In addition to the generally very low freight rates, our financial position was also adversely affected by the large-scale docking program, including significant investments in statutory ballast water treatment systems.

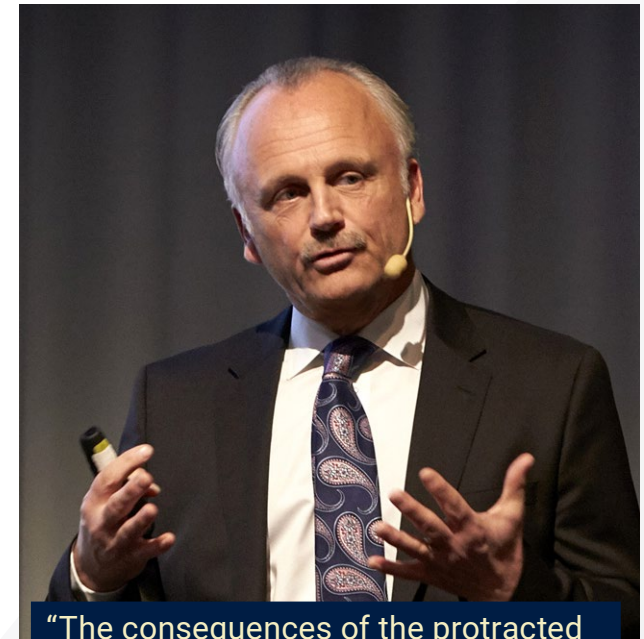
Active measures to strengthen the financial position

The tanker markets have been poor since 2017, apart from during a few short periods. 2020 would have been the year when they recovered. But that was not the case. Instead, the world economy came to a halt and demand for oil plummeted. This was all a direct result of the pandemic.

The consequences of the protracted weak market are clearly reflected in Concordia Maritime's financial performance and position. During the quarter, the Company negotiated a waiver, allowing a derogation from the working capital covenant. The waiver applies until 30 June 2021. In parallel, negotiations are in progress between the Company, lending banks and Stena concerning a solution to strengthen the Company's financial position and liquidity. The outcome of the negotiations will be presented in due course.

Outlook

At the time of writing, the end of April 2021, the tanker market remains very weak, as we previously predicted. However, our assessment of future market development is unchanged. We therefore believe that the market will already start to show signs of strengthening during the



“The consequences of the protracted weak market are reflected in Concordia Maritime’s financial performance and position.”

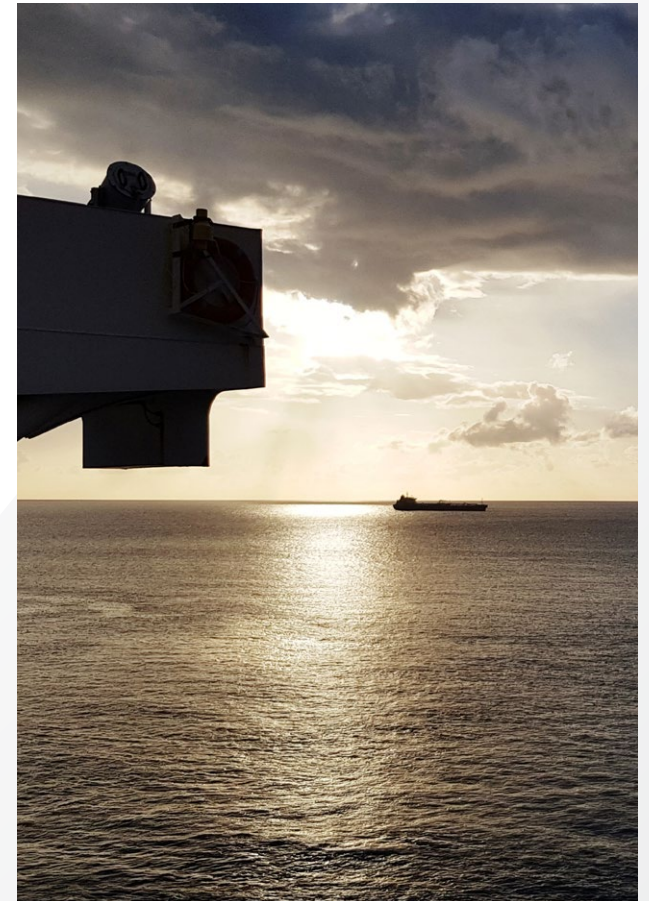
second quarter due to OPEC's plans to increase volumes from May. We then expect a more significant increase in demand for tanker transportation during the third quarter – and therefore a stronger market. Several factors point to this:

- OPEC+'s unusually large production cuts have meant that the large stocks that built up in spring 2020 are back at the five-year average. This is a vital prerequisite for the market to return to strength.
- Oil consumption continues to recover. The EIA predicts that demand in 2021 will increase by a total of 5.6 million barrels per day compared with the average for 2020 – perhaps returning to 100 mbd by the end of 2021.

- The production cuts are about to be phased out. During the third quarter, for example, OPEC intends to increase production by a further 3.4 million barrels per day in order to better, although not yet fully, match demand.
- Looking at supply, the total order book for the product tanker segment is at about 6 percent of the total tanker fleet, the lowest level in 25 years. Net annual fleet growth in 2021 and 2022 is expected to be about 2 percent, including the phasing-out of older vessels. This is a historically low level that will contribute to a better balance and therefore a stronger tanker market.

Everyone who has followed us and the tanker market knows that the last few years have been challenging. It is obviously very encouraging that several market factors are now pointing in the right direction and we look forward to taking advantage of the opportunities that arise in a stronger market.

Gothenburg, April 2021
Kim Ullman, President



Business activities

Spot market earnings for the product tanker fleet in the first quarter of 2021 were USD 9,700 (19,700) per day, which was higher than average earnings per day for the market¹⁾, which were USD 6,300 (18,800). Earnings for the suezmax fleet in the quarter were USD 13,100 (49,000) per day, compared with the average earnings for the market¹⁾ of USD 8,700 (55,000) per day.

The product tanker fleet

The ten 65,200 dwt P-MAX tankers are the backbone of Concordia Maritime's fleet. At the end of the reporting period, four of the vessels were employed on time charters. The other six were employed in the spot market under commercial management through Stena Bulk. The two IMOII-MAX vessels *Stena Image* and *Stena Important*, contracted in on long-term charters, also continued to be employed in the spot market under the cooperation with Stena Bulk.

Earnings

Average earnings for the entire product tanker fleet, spot and TC, during Q1 were USD 11,700 (19,000) per day. For vessels employed in the spot market, average earnings for the quarter were USD 9,700 (19,700) per day.

Suezmax fleet

During the quarter, the suezmax fleet consisted of the suezmax tanker *Stena Supreme* (158,000 dwt), which is on a long-term charter, and four vessels on short-term contracts. These are joint charters with Stena Bulk, and Concordia Maritime's share is 33 percent for two of the vessels and 50 percent for the other two. All the vessels were employed in the spot market via Stena Sonangol Suezmax Pool, controlled by Stena and the Angolan state oil company Sonangol.

Earnings

Average earnings for the Suezmax fleet during the quarter were USD 13,100 (49,000) per day.

Repairs and drydock

Three scheduled drydockings were completed during the quarter.



Current status of contracted freights Q2 2021, 28 April 2021

	Total number of available charter days	Share of chartered days (%)	Average earnings (\$/day)
Product tankers, spot	819	44	15,400
Suezmax, spot	243	40	14,500

The contracted average earnings are based on initial projections, which may change considerably during the course of an individual voyage. This means that the final accounting result may differ materially from the average earnings stated above.

1) Clarkson index

Earnings, spot

USD per day	Number of ships	Average earnings, Concordia Maritime		Average earnings, market ^{1,2)}	
		Q1 2021	Q1 2020	Q1 2021	Q1 2020
Product tankers	8	9,700	19,700	6,300	18,800
Suezmax	2.7	13,100	49,000	8,700	55,000

1) Clarksons w.w. average MR Clean Earnings

2) Clarksons w.w. Suezmax Long Run Historical Earnings

Concordia Maritime's spot market product tanker fleet performed above Clarksons theoretical index during the quarter. Concordia Maritime's earnings in the Suezmax segment were higher than the index, which shows that the Stena Sonangol pool remains one of the industry's leaders.

EBITDA per quarter

USD millions	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Product tankers, time charter	4.5	4.6	4.5	4.2	4.6	1.5	1.9	4.3	4.3
Product tankers, spot, owned and leased tonnage	-7.6 ³⁾	-2.0	0.3	5.2	5.5	3.1 ²⁾	3.1 ¹⁾	1.2	3.8
Product tankers, spot, short-term chartered tonnage	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	-0.1	0.1
Sale of vessels	-	-	-	-	-	-	-	-	-
Product tankers, total	-3.1	2.6	4.9	9.3	10.1	4.7	4.8	5.5	8.1
Suezmax, spot, owned and leased tonnage	0.3	0.1	1.4	3.4	3.6	3.1	1.0	0.9	1.6
Suezmax, spot, short-term chartered tonnage	-1.8	-1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sale of vessels	-	-	-	-	-	-	-	-	-
Suezmax, total	-1.5	-1.7	1.4	3.4	3.6	3.1	1.0	0.9	1.6
Admin. and other	-0.8	-0.8	-0.7	-1.0	-0.9	-1.3	-0.4	-0.7	-0.8
Total	-5.4	0.1	5.5	11.8	12.7	6.5	5.4	5.6	8.9

1) The total includes an IMOIIIMAX bonus of USD 5 million received.

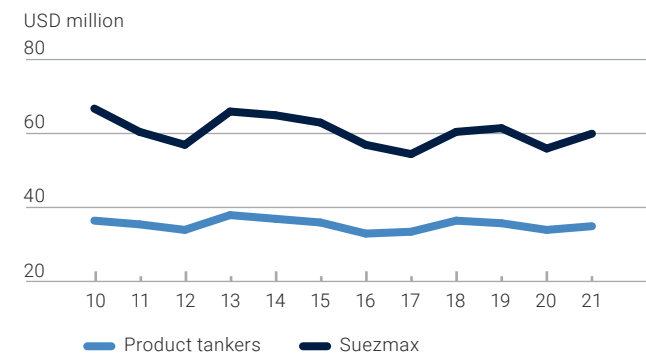
2) The total includes a negative bunker hedge of USD -0.5 million.

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

Earnings per vessel category

SEK millions	Quarter 1		Full year
	2021	2020	2020
Product tankers, time charter	61.1	71.1	262.2
Product tankers, spot	93.5	234.4	638.0
Product tankers, total earnings	154.5	305.5	900.2
Suezmax, spot	25.0	43.1	122.8
Suezmax, total earnings	25.0	43.1	122.8
Other	0.0	0.0	2.9
Total income	179.6	348.6	1,025.8

Newbuilding prices

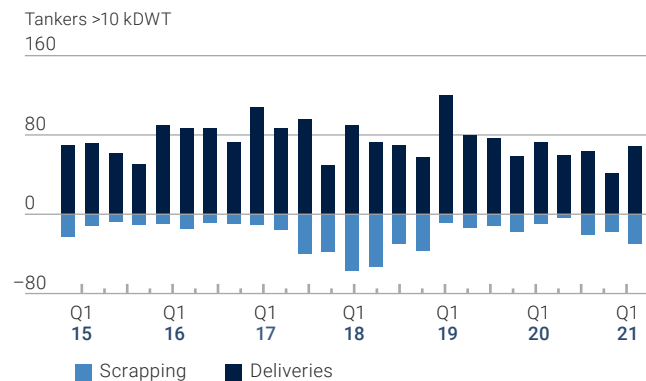


At the end of the quarter, the price of a standard product tanker was about USD 35 million. The price of an IMOII class MR tanker like *Stena Image* and *Stena Important* was about USD 39 million. The price of a standard suezmax tanker at the end of the quarter was about USD 60 million.

The charts show the value at the end of each period and refer to standard vessels.

Source: Clarkson

Scrapping and deliveries



Deliveries of new vessels increased in Q1, as did phasing-out through scrapping.

Source: Clarkson

Financial summary

Result

Result after tax for the quarter was SEK –121.4 (29.0) million. The weak tanker market during the quarter meant lower earnings for the spot market vessels. Costs for ongoing operation and administration are slightly higher than for the same period the previous year due to a larger number of chartered-in vessels.

Equity

Equity per share was SEK 15.90 (22.99).

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 –72.9 (–57.9) million. The closing balance for the translation reserve in equity amounted to SEK 459.0 (569.1) 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 74.2 (25.4) million. Investments for the quarter are related to purchases for drydock work completed in Q1 and scheduled in Q2 2021. During the quarter, the Company did not buy or sell any assets classified as short-term investments in the Company's balance sheet.

During the quarter, USD 6.4 million of the Company's installations for ballast water treatment was financed through an agreement with Tritec Marine Ltd. The agreement applies to all the Company's completed and future installations.

Bunker hedge

The Company has a bunker hedge of 55,650 tonnes, effective April 2021 to June 2022.

The settlement price for 38,150 tonnes of MGO in 2021 is USD 645/tonne and for 17,000 tonnes of MGO in 2022 it is USD 618/tonne.

Hedge accounting is applied for the bunker hedge, and the fair value is recognised in other comprehensive income. A fair value change of SEK –14.1 million for this position was reported in OCI during the quarter. The realised values are recognised in the Company's income statement at maturity. Operating expenses of SEK –24.7 (0) million were recognised during the quarter.

Positions

The Company has positions for the price differential between bunker grades HSFO and MGO for April to June 2021 covering 6,000 tonnes, with a settlement price of USD 325/tonne. The positions are valued at SEK –9.2 million and are reported in the Company's income statement.

At the end of the quarter, the Company had FFA positions for the period April to December 2021. These were valued at SEK 0.4 million and are reported in the Company's income statement.



Valuation of the fleet

The Group's standard process is to conduct six-monthly assessments of the fleet to determine whether there is any indication of impairment. The fleet is defined as two cash-generating units, with product tankers representing one unit and suezmax another unit. An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value (external valuations) and value in use (future discounted cash flows). At the end of 2020, the cash-generating units' carrying amounts did not exceed their recoverable amounts and no impairment was therefore recognised.

Seasonal variations

At the end of the quarter, 10.7 vessels in the sailing fleet of 14.7 (10 owned, 3 on bareboat contracts and 1.7 vessels on short time charters) were employed in the spot market, one of them on a CVC contract. Three vessels are out on time charters of two years (until October 2021, with an option for a further year) and one vessel is out on time charter for five months.

Earnings for the vessels that are not signed out to time charters are related to the freight level on the open market. This fleet deployment means that earnings are affected by the seasonal variations that occur in tanker shipping.

Employees

The number of employees in the Group on 31 March 2021 was 3 (3). The Group employed 587 (523) temporary seagoing employees through Stena Sphere's manning company. The number of temporary seagoing employees has increased compared with the same period in 2020.

This is due to cabotage trade in Brazil, which requires a certain percentage of the crew to be Brazilian. Another reason for the increase is inefficient crew changes during the period due to Covid-19.

Parent Company

The Parent Company's sales for the quarter amounted to SEK 14.9 (1.5) million, with intragroup invoicing representing SEK 0.0 (0.0) million of this amount. The Parent Company's available liquid funds at the end of the quarter amounted to SEK 216.1 (1,187.4) million, which includes receivables from Group companies in the cash pool and unutilised credit facilities.

Operational challenges

Due to Covid-19, the Company has been unable to carry out crew changes as normal during the quarter. Crew safety comes first and crew changes are carried out when possible.

Measures to strengthen the Company's financial position and liquidity

With the weak tanker market continuing, there was a risk of the Company breaching its working capital covenant. During March, management therefore negotiated a waiver with the lending banks. The waiver applies until 30 June 2021. In parallel, negotiations are in progress between the Company, lending banks and Stena concerning a solution to strengthen the Company's financial position and liquidity. The Company's available liquid funds were negatively affected by a reduction of USD 8.5 million (corresponding to SEK 74 million) in unutilised facilities in Q1.

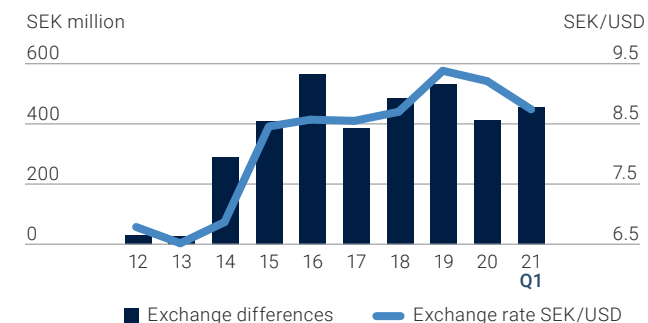
The Group's total income and earnings

SEK millions	Quarter 1		Full year
	2021	2020	2020
Total income ¹⁾	179.6	348.6	1,025.8
Operating result	-101.9	58.0	32.6
Result before tax	-120.2	29.0	-65.1
Result per share after tax, SEK	-2.54	0.61	-1.38

Liquidity and financial position

SEK millions	31 Mar 2021	31 March 2020
Available liquid funds ²⁾	232.7	398.8
Interest-bearing liabilities	1,968.1	2,407.0
Equity	759.0	1,097.5
Equity ratio, %	25	29

Translation difference³⁾



As a result of the SEK/USD exchange rate, the Company's profit in SEK has changed, while profit in USD remains unchanged.

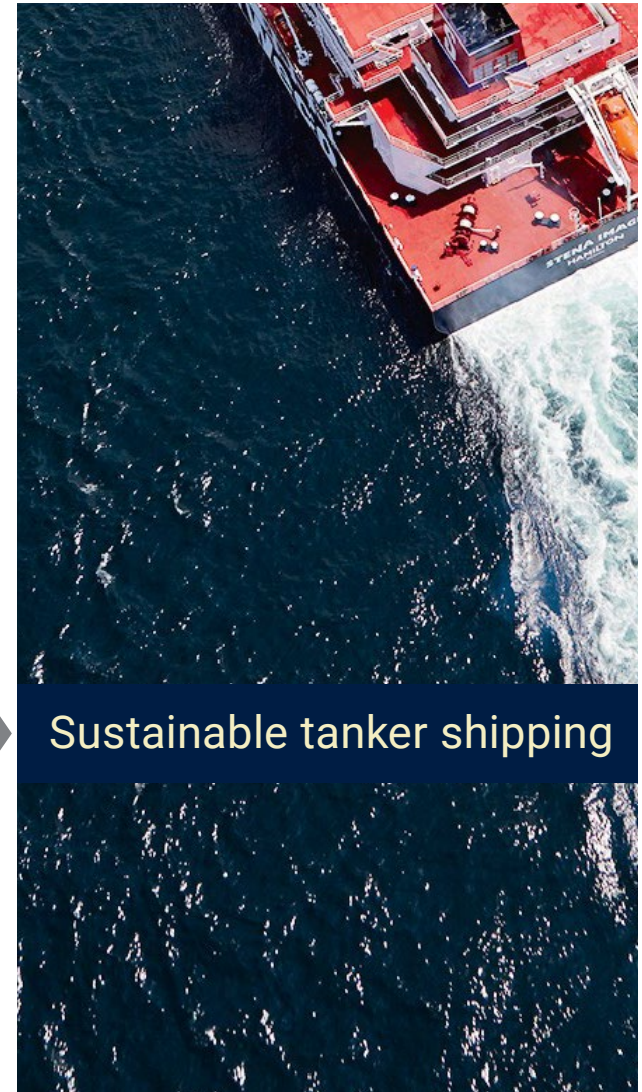
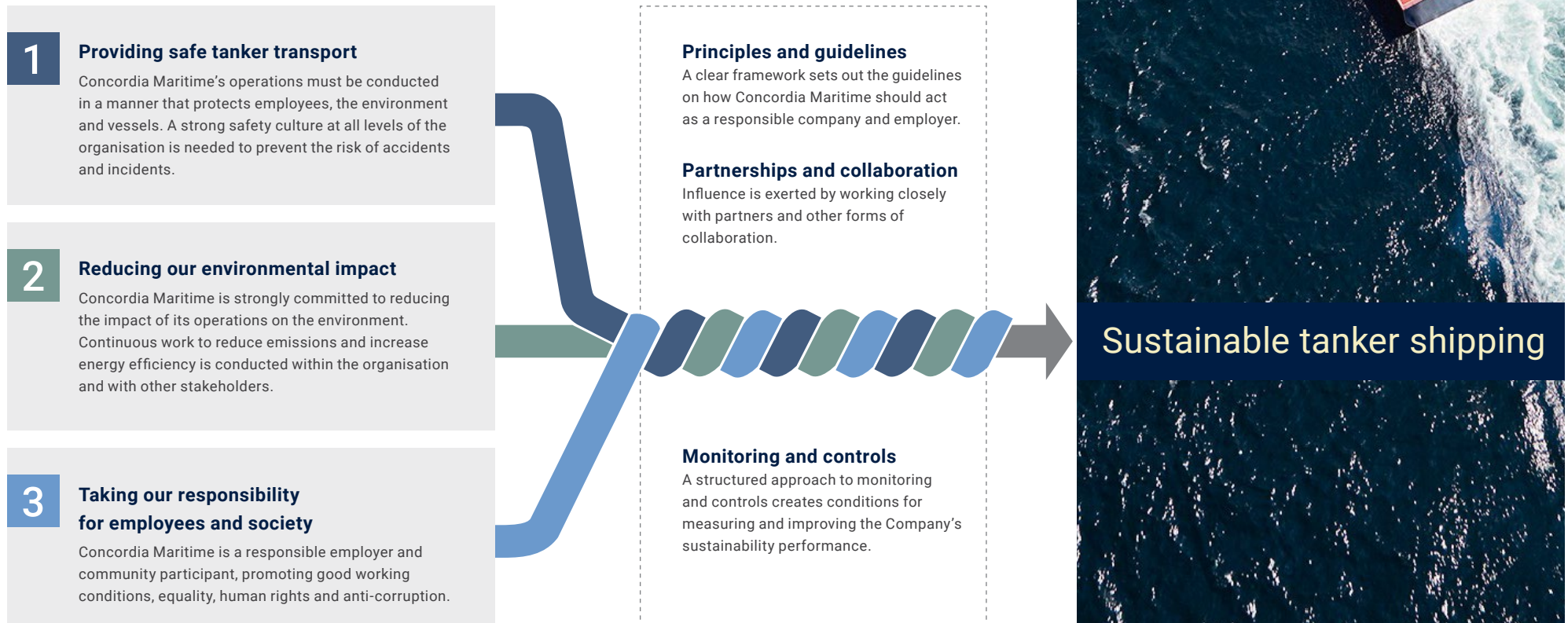
1) Accounting policies, see page 20.

2) Including unutilised available credit facilities but not short-term investments in corporate bonds and equities.

3) The change is reported in OCI.

Concordia Maritime's contribution to more sustainable tanker shipping

Concordia Maritime conducts long-term sustainability work which is based on three focus areas that the Company considers most important and where there is greatest potential for influence.



Sustainability report

None of Concordia Maritime's vessels were involved in any incident that resulted in discharges of bunker oil or cargo during the quarter. Unfortunately, a workplace incident occurred on *Stena Premium* on 19 March when a crew member slipped while carrying out maintenance on a ballast tank. The crew member was back at work the day after the accident and has thankfully now been given a clean bill of health. The accident was classified as a restricted work case. No medical treatment cases occurred during the quarter.

Two incidents classified as a high potential near miss occurred during the quarter. One happened while loading *Stena Important* in Pasir Gudang, Malaysia. During the loading of vegetable oil, a communication problem arose between the terminal and the vessel, which resulted in 200 litres of vegetable oil leaking out from an inspection hatch. The incident did not result in any spillage into the water. The second incident concerned *Stena Paris*. A very small fire broke out during an inspection of the fans and was quickly extinguished. None of Concordia Maritime's vessels were involved in any piracy-related incidents during the quarter.

External controls

Ten vetting inspections were conducted during the quarter. There were 18 observations recorded during these inspections, resulting in an average of 1.8 observations per inspection. A total of 33 vetting inspections were conducted in the full year. There were 83 observations recorded during these inspections, resulting in an average of 2.5 observations per inspection. No port state control resulted in the detention in port of any Concordia Maritime vessel during the quarter.

Energy management

The Company's fleet of owned vessels and vessels on long-term contracts showed reduced bunker consumption in Q1 2021 compared with Q1 2020. The quarter's EEOI (energy efficiency operational indicator), which measures vessels' energy efficiency and CO₂ emissions, improved for the P-MAX fleet, while a certain deterioration was noted for our two IMOIIIMAX vessels and the Suezmax vessel leased by the Company.



Key figures

Safety

	Q1 2021	Q1 2020	Full year 2020	Target 2021
LTI	0	1	2	0
LTIF	0.0	1.48	0.72	0
Number of inspections with more than five observations (owned vessels)	10	0	2	0
Average number of vetting observations per inspection (owned vessels)	1.8	2.1	2.5	<4
Number of PSC inspections with detentions	0	0	0	0
Number of piracy-related incidents	0	1	1	0
Damage to property	0	1	3	0
Medical treatment case	0	0	0	0
Restricted work case	1	1	1	0
High potential near miss	2	0	3	0
High risk observation	0	0	0	0



Environmental impact

	Q1 2021	Q1 2020	Full year 2020
Bunker consumption (tonnes)			
HSFO	–	618	0
LSFO	19,528	18,397	79,399
MGO	4,720	6,390	20,407
Total	24,248	25,405	99,806
Emissions (tonnes)			
CO ₂	76,244	79,699	312,680
SO _x	205	233	847
NO _x	2,178	2,273	8,930
Particulates	25	25	102
Efficiency (EEOI)			
gCO ₂ /tonne-NM	12.5	12.0	11.16
Oil spills, litres	0	0	0

Definitions: see page 18.

Framework and guidelines

In addition to internal regulations, Concordia Maritime follows a number of international frameworks and principles.

Global Compact

Concordia Maritime follows both the UN Global Compact Initiative and the Universal Declaration of Human Rights. The corporate members undertake to comply with ten principles on human rights, environment, labour and anti-corruption, and to respect them throughout the value chain.

MACN

In 2016, Concordia Maritime became a member of the Maritime Anti-Corruption Network (MACN), an international initiative created by maritime industry players to share experiences and promote best practice in combating all forms of corruption and bribery.

OECD guidelines

Concordia Maritime complies with the OECD guidelines for multinational enterprises. The guidelines deal with how these enterprises are to relate to human rights, environment and labour.

ILO's Fundamental Conventions

Concordia Maritime complies with the International Labour Organization's (ILO) eight fundamental conventions, which represent a minimum global standard for labour. The conventions address fundamental human rights at work.

World Ocean Council

Concordia Maritime is a member of the World Ocean Council, a global organisation consisting of shipping-related businesses that want to join together in taking responsibility for the world's ocean.

UN's Sustainable Development Goals

Concordia Maritime sees the goals as a shared commitment that requires cooperation between governments, companies and society at large. We fully support the 17 goals and believe that they have the potential to contribute to more sustainable development – both for society at large and individual companies and businesses.



Follow the market's development at www.concordiamaritime.com

The market for transportation of crude oil and refined oil products is in an exciting phase. Continuous updates and analysis of developments can be found on Concordia Maritime's website.




[concordiaab](#)
[concordiamaritime](#)

Group

Income statement

SEK millions	Quarter 1 2021	Quarter 1 2020	Full year 2020
Consolidated income statement			
Average exchange rate SEK/USD	8.40	9.67	9.20
Time charter income, leasing of vessels	22.3	25.9	95.7
Time charter income, operational services	38.8	45.1	166.5
Spot charter income ¹⁾	118.5	277.6	760.7
Other income	0.0	0.0	2.9
Total revenue	179.6	348.6	1,025.8
Voyage-related operating costs	-81.1	-106.1	-274.3
Operating costs, ships ¹⁾	-84.6	-49.7	-207.9
Personnel costs, temporary seagoing	-47.6	-53.8	-210.3
Personnel costs, land-based	-4.5	-3.8	-16.0
Other external expenses	-7.5	-12.2	-39.6
Depreciation/impairment	-56.2	-65.1	-245.2
Total operating costs¹⁾	-281.4	-290.6	-993.2
Operating result	-101.9	58.0	32.6
Interest and similar income	2.8	5.2	5.8
Interest and similar expense	-21.1	-34.2	-103.5
Financial net	-18.3	-29.0	-97.7
Result before tax	-120.2	29.0	-65.1
Tax	-1.3	0.0	-0.9
Result after tax	-121.4	29.0	-66.0

1) Accounting policies, see page 20.

Other comprehensive income

SEK millions	Quarter 1 2021	Quarter 1 2020	Full year 2020
Result after tax	-121.4	29.0	-66.0
Items that have been/can be transferred to result for the period			
Translation differences	47.5	37.9	-119.6
Changes in fair value of cash flow hedges for the period	14.1	-21.9	-72.3
Changes in fair value of cash flow hedges transferred to result for the period	23.8	-0.9	-3.5
Items that cannot be transferred to result for the year			
Changes in the fair value of equity instruments at fair value through OCI	0.0	-2.2	0.9
Comprehensive income for the period	-36.1	41.9	-260.6

Per-share data

	Quarter 1 2021	Quarter 1 2020	Full year 2020
Number of shares	47,729,798	47,729,798	47,729,798
Result per share, before/after dilution	-2.54	0.61	-1.38
Equity per share, SEK	15.90	22.99	16.66

Group

Condensed balance sheet

SEK millions	31 Mar 2021	31 Mar 2020	31 Dec 2020
Closing exchange rate SEK/USD	8.73	9.91	8.23
Assets			
Ships and equipment ¹⁾	2,771.6	3,198.9	2,599.1
Financial assets	0.0	0.0	0.0
Total non-current assets	2,771.6	3,198.9	2,599.1
Current receivables	166.1	372.6	145.2
Short-term deposits	0.0	1.3	0.0
Cash and bank balances ²⁾	45.1	205.6	130.2
Total current assets	211.2	579.5	275.5
Total assets	2,982.8	3,778.4	2,874.6
Equity and liabilities			
Equity	759.0	1,097.5	795.0
Non-current liabilities	1,693.3	2,120.1	1,627.8
Current liabilities	530.4	560.7	451.8
Total equity and liabilities	2,982.8	3,778.4	2,874.6

1) Including right-of-use assets of SEK 943.2 (1,127.8) million.

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

Changes in equity

SEK millions	Share capital	Other paid-in capital	Translation reserve	Hedging reserve	Fair value reserve	Retained earnings	Total
Changes Jan–Mar 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			47.5	37.9	0.0	-121.4	-36.1
Closing balance 31.03.2021	381.8	61.9	459.0	-72.9	0.0	-70.7	759.0
Changes Jan–Mar 2020							
Opening balance 01.01.2020	381.8	61.9	531.2	-35.1	-2.2	118.1	1,055.6
Comprehensive income for the period			37.9	-22.8	-2.2	29.0	41.9
Closing balance 31.03.2020	381.8	61.9	569.1	-57.9	-4.4	147.1	1,097.5

Group

Condensed cash flow statement

SEK millions	Quarter 1 2021	Quarter 1 2020	Full year 2020
Operating activities			
Result before tax	-120.2	29.0	-66.0
Adjustments:			
Depreciation/impairment	56.2	65.1	245.2
Other items	56.8	-6.2	-176.2
Cash flow from operating activities before changes in working capital	-7.2	87.9	3.0
Changes in working capital	26.9	17.1	300.0
Cash flow from operating activities	19.7	105.0	303.0
Investing activities			
Sale of non-current assets	0.0	0.0	0.0
Investment in non-current assets	-74.2	-25.4	-140.9
Sale of financial assets	0.0	0.0	3.4
Investment in financial assets	0.0	0.0	0.0
Other financial items	0.0	0.2	0.0
Cash flow from investing activities	-74.2	-25.3	-137.5
Financing activities			
New loans	55.1	0.0	59.5
Amortisation of loans	-43.7	-107.0	-239.3
Dividend to shareholders	0.0	0.0	0.0
Other financing	-44.0	-6.6	-73.7
Cash flow from financing activities	-32.6	-113.5	-253.5
Cash flow for the period	-87.0	-33.8	-87.9
Balance at beginning of period (Note 1)	130.2	227.8	227.8
Exchange differences (Note 2)	1.9	11.8	-9.5
Balance at end of period (Note 1)	45.1	205.6	130.2
Note 1. Balance consists of cash, bank balances and credit facility			
Note 2. Exchange differences attributable to:			
Cash and cash equivalents at beginning of year	7.6	6.9	-27.4
Cash flow for the period	-5.7	4.9	17.9
	1.9	11.8	-9.5

Parent Company

Condensed income statement

SEK millions	Quarter 1 2021	Quarter 1 2020
Net sales	14.9	1.5
Operating costs, ships	-30.3	-1.3
Other external expenses	-1.9	-3.8
Personnel expenses	-2.4	-1.3
Operating result	-19.6	-4.9
Result from subsidiaries	0.0	0.0
Other interest and similar income	20.8	9.8
Interest and similar expense	-22.5	-76.9
Result before tax	-21.3	-72.0
Tax	0.0	0.0
Result after tax	-21.3	-72.0

Condensed balance sheet

SEK millions	31 Mar 2021	31 Mar 2020
Assets		
Ships and equipment	0.0	0.0
Financial assets	0.0	0.0
Investments in Group companies	746.4	746.4
Non-current receivables, Group companies	839.2	0.0
Total non-current assets	1,585.7	746.5
Current receivables	14.5	17.7
Receivables from Group companies	0.0	1,174.2
Cash and bank balances ¹⁾	28.5	3.2
Total current assets	43.0	1,195.1
Total assets	1,628.6	1,941.6
Equity and liabilities		
Equity	418.1	442.7
Non-current liabilities	755.6	1,182.4
Current liabilities	455.0	316.5
Total equity and liabilities	1,628.6	1,941.6

1) Including restricted funds of SEK 0 (0) million.

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. This creates both business opportunities and risks, and the Company's ability to identify, assess, manage and monitor them is an important part of the governance and control of Concordia Maritime's business operations.

Concordia Maritime's risk work is aimed at creating good conditions, through well-considered risk-taking, for achieving the Company's business goals and upholding its ability to create long-term value for customers and owners. Risk work is based on an established framework that specifies acceptable levels of risk-taking. Risk-taking levels are determined by the Board.

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. Sustainability risks are integrated into the risk categories.

- **Strategic risks** are primarily external factors that could affect Concordia Maritime's operations. The Board and management have limited opportunity to control these risks in the short term, but must still deal with them in the planning and governance of the operations. Strategic risks also include internal factors that could make it difficult to achieve the Company's overall business goals.
- **Operational risks** are related to operating activities. These are risks that Concordia Maritime can largely control and prevent – either itself or through cooperation partners.
- **Compliance risks** are related to the fact that Concordia Maritime operates in a global market and an industry that is subject to many laws, regulations and rules on, for example, safety and the environment. The risks are associated with non-compliance, but also with the consequences of the Company adapting to, for example, stricter environmental legislation.
- **Financial risks** include credit, currency and interest rate risks that may adversely affect the Company's results. See also "Measures to strengthen the Company's financial position and liquidity" under "Financial summary".

More information about risks and risk management can be found in Concordia Maritime's 2020 annual report, which is available at www.concordiamaritime.com.



Definitions

CO₂ Carbon dioxide.

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 Operational Indicator (EEOI)

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

FFA

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

High potential near miss

Incident that could have resulted in a serious accident.

HSFO High sulphur fuel oil.

Lost-time injury (LTI)

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

Lost-time injury frequency (LTIF)

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

LSFO Low sulphur fuel oil.

Medical treatment case (MTC)

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

MGO Marine gas oil.

NO_x Nitrogen oxides.

Restricted work case (RWC)

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

SO_x Sulphur oxides.

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

Time charter The shipowner charts 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⁾

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.

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.

Result excluding impairment and tax

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.

Result per share excluding impairment and tax

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

Return on capital employed

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

Return on equity

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

Return on total capital

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

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

Reconciliation of alternative performance measures

EBITDA

SEK millions	Quarter 1 2021	Quarter 1 2020	Full year 2020
Operating result	-101.9	58.0	32.6
Depreciation/impairment	56.2	65.1	245.2
EBITDA	-45.7	123.2	277.8

Result excluding impairment and tax

SEK millions	Quarter 1 2021	Quarter 1 2020	Full year 2020
Result after tax	-121.4	29.0	-66.0
Impairment	0.0	0.0	0.0
Tax	1.3	0.0	-0.9
Result excluding impairment and tax	-120.2	29.0	-65.1

Result per share excluding impairment and tax

	Quarter 1 2021	Quarter 1 2020	Full year 2020
Result excluding impairment and tax, SEK million	-120.2	29.0	-65.1
Number of shares	47,729,798	47,729,798	47,729,798
Result per share excluding impairment and tax, SEK	-2.52	0.61	-1.36

Return on equity

SEK millions	Quarter 1 2021	Quarter 1 2020	Full year 2020
Result after tax	-216.5	-75.3	-66.0
Equity	911.9	1,092.9	995.2
Return on equity	-24%	-7%	-6.6%

Return on capital employed

SEK millions	Quarter 1 2021	Quarter 1 2020	Full year 2020
Result after financial net	-120.2	-66.9	-65.1
Finance costs	90.5	128.4	103.5
Result after financial net plus finance costs	-29.7	61.5	38.4
Total assets	3,144.3	3,652.2	3,343.2
Non-interest-bearing liabilities	-214.3	-210.1	-218.9
Capital employed	2,929.9	3,442.2	3,124.3
Return on capital employed	-1.0%	1.8%	1.2%

Return on total capital

SEK millions	Quarter 1 2021	Quarter 1 2020	Full year 2020
Result after financial net	-120.2	-66.9	-65.1
Finance costs	90.5	128.4	103.5
Result after financial net plus finance costs	-29.2	61.5	38.4
Total assets	3,144.3	3,652.2	3,343.2
Return on total capital	-0.9%	1.7%	1.2%

Equity ratio

SEK millions	Quarter 1 2021	Quarter 1 2020	Full year 2020
Equity	759.0	1,097.5	795.0
Total assets	2,982.8	3,778.4	2,874.6
Equity ratio	25%	29%	28%

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 2020, 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.

Gothenburg, 28 April 2021

Kim Ullman
CEO



Quarterly overview

SEK millions	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Profit/loss items									
Total income ¹⁾	179.6	165.7	210.7	300.7	348.6	317.6	259.2	252.7	310.7
Operating costs excluding impairment ¹⁾	-281.4	-225.7	-224.8	-252.2	-290.6	-320.9	-269.7	-260.5	-289.5
Operating result (EBIT)	-101.9	-59.9	-14.0	48.5	58.0	-3.3	-10.6	-7.8	21.2
of which result from sale of investments in jointly-controlled entities (vessels)	-	-	-	-	-	-	-	-	-
Financial net	-18.3	-26.5	-21.9	-20.2	-29.0	-26.1	-25.0	-31.4	-19.4
Result before tax	-120.2	-86.5	-35.9	28.3	29.0	-29.3	-35.6	-39.2	1.8
Result after tax	-121.4	-87.4	-35.9	28.3	29.0	-29.5	-35.6	-39.2	1.7
Cash flow from operating activities	19.7	-62.1	21.2	238.9	105.0	-44.2	28.9	24.7	-10.0
EBITDA	-45.7	-4.6	45.1	114.1	123.2	62.3	52.4	53.3	81.6
Balance-sheet items									
Ships (number)	2,771.6 (13)	2,599.1 (13)	2,820.1 (13)	2,954.5 (13)	3,198.9 (13)	3,052.8 (13)	3,243.4 (13)	3,097.7 (13)	3,212.0 (13)
Ships under construction (number)	0	0	0	0	0	0	0	0	0
Liquid funds incl. investments	45.1	130.2	264.4	346.6	206.9	231.2	119.5	186.5	231.3
Other assets	166.1	145.2	167.0	167.0	372.6	349.5	285.6	252.8	266.8
Interest-bearing liabilities	1,968.1	1,656.5	2,047.9	2,199.6	2,407.0	2,446.7	2,321.4	2,267.9	2,397.8
Other liabilities and provisions	255.7	423.0	192.6	191.2	273.9	142.6	225.5	152.4	158.6
Equity	759.0	795.0	1,011.0	1,077.3	1,097.5	1,055.6	1,101.6	1,116.7	1,153.7
Total assets	2,982.8	2,874.6	3,251.5	3,468.2	3,778.4	3,644.9	3,648.5	3,537.0	3,710.1
Key figures, %									
Equity ratio	25	28	31	31	29	29	30	32	31
Return on total capital	-1	1	3	3	1	1	1	-1	-1
Return on capital employed	-1	2	3	3	2	1	1	-1	-2
Return on equity	-24	-7	0	0	-7	-9	-8	-11	-12
Operating margin	-57	-36	-7	16	17	-1	-4	-3	7
Share data									
Total income ¹⁾	3.76	3.47	4.41	6.30	7.30	6.65	5.43	5.29	6.51
Operating costs excluding impairment	-5.90	-4.73	-4.71	-5.28	-6.09	-6.72	-5.65	-5.46	-6.07
Operating result	-2.13	-1.26	-0.29	1.02	1.22	-0.07	-0.22	-0.16	0.44
Financial net	-0.38	-0.56	-0.46	-0.42	-0.61	-0.55	-0.52	-0.66	-0.41
Result after tax	-2.54	-1.83	-0.75	0.59	0.61	-0.62	-0.75	-0.82	0.04
Cash flow from operating activities	0.41	1.30	0.44	5.01	2.20	-0.93	0.60	0.52	-0.21
EBITDA	-0.96	-0.10	0.95	2.39	2.58	1.30	1.10	1.12	1.71
Equity	15.90	16.66	21.18	22.57	22.99	22.12	23.08	23.40	24.17

Definitions: see page 18.

1) Accounting policies, see page 20.

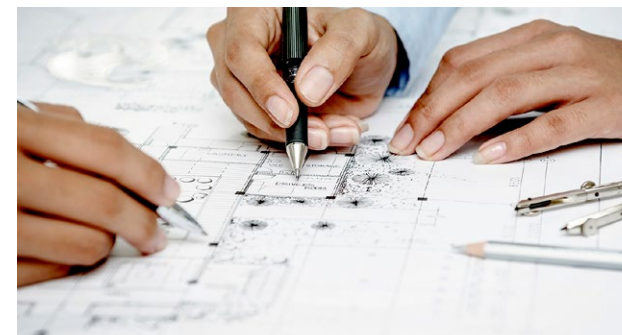
Other information

Related party transactions

Concordia Maritime has a small internal organisation, and purchases services from related-party companies in 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 new business. 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).

Stena Bulk

Stena Bulk specialises in transportation of refined petroleum products and vegetable oils. Under an agreement with Stena Bulk, Concordia Maritime is entitled to the financial result arising from vessels chartered in by Stena Bulk for a period of more than one year, should Concordia Maritime decide to participate in such charters. Other business generated by Stena Bulk is not available to Concordia Maritime.



Concordia Maritime purchases services on a regular basis from the Stena Sphere in the following areas

■ Vessel charter

Payment is based on commission on freight rates as follows:

1 percent for P-MAX, 1.25 percent for Suezmax and 2 percent for IMOIIIMAX.

■ Commission on the purchase and sale of vessels

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

■ 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.

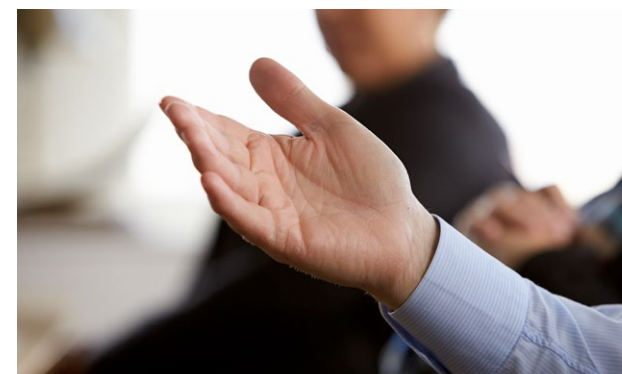
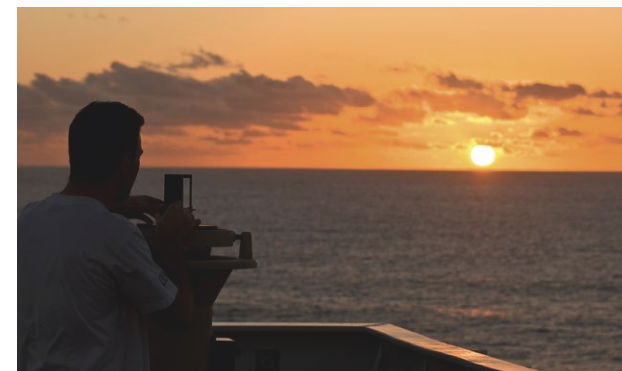
■ Financing agreement

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 Tritec Marine Ltd.

Purchase of services from Stena Sphere

SEK MILLIONS	Quarter 1		Full year
	2021	2020	2020
Group	61.5	69.1	269.8
Parent Company	0.1	0.2	0.6

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



Contact



**Kim Ullman,
CEO**

Tel +46 (0)31 85 50 03
or +46 (0)704 85 50 03

kim.ullman@
concordiamaritime.com



**Martin Nerfeldt,
CFO**

Tel +45 (0)88 93 86 61
or +46 (0)704 85 50 07

martin.nerfeldt@
concordiamaritime.com

Calendar

Annual General Meeting	28 April 2021
Q2 2021	12 August 2021
Q3 2021	3 November 2021

Distribution For environmental reasons, our interim reports are only published digitally. Concordia Maritime's interim reports and additional financial information about the Company can be read or downloaded from concordiamaritime.com

This information is information that Concordia Maritime Aktiebolag (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was provided by the contact person above for publication on 28 April 2021 at 11.30 CEST.

Fleet, 31 March 2021

Ships	Employment	Partner
Product tankers		
P-MAX		
Stena Premium	Time charter to October 2021	Stena Bulk
Stena Polaris	CVC to June 2021	Stena Bulk
Stena Performance	CVC to May 2021	Stena Bulk
Stena Provence	Spot	Stena Bulk
Stena Progress	Time charter to October 2021	Stena Bulk
Stena Paris	Time charter to August 2021	Stena Bulk
Stena Primorsk	Spot	Stena Bulk
Stena Penguin	Spot	Stena Bulk
Stena Perros	Time charter to October 2021	Stena Bulk
Stena President	Spot	Stena Bulk
IMOIMAX		
Stena Image ¹⁾	Spot	Stena Bulk
Stena Important ²⁾	Spot	Stena Bulk
Crude oil tankers		
Suezmax		
Stena Supreme ³⁾	Spot	Stena Sonangol Suezmax Pool
Unnamed vessel ⁴⁾	Spot	Stena Sonangol Suezmax Pool
Unnamed vessel ⁴⁾	Spot	Stena Sonangol Suezmax Pool
Unnamed vessel ⁵⁾	Spot	Stena Sonangol Suezmax Pool
Unnamed vessel ⁶⁾	Spot	Stena Sonangol Suezmax Pool

- 1) Contracted on a bareboat basis until 2024, with annual purchase options from 2020
- 2) Contracted on a bareboat basis until 2026, with purchase obligation in the same year and annual purchase options from 2021
- 3) Contracted on a bareboat basis until 2028, with annual purchase options from 2019
- 4) 33% charter September 2020 – September 2021
- 5) 50% charter October 2020 – October 2021
- 6) 50% charter November 2020 – November 2021

**CONCORDIA
MARITIME**

Concordia Maritime
SE-405 19 Gothenburg, Sweden
Tel +46 31 85 50 00
Corp. ID 556068-5819
www.concordiamaritime.com