

Interim report, 1 January–30 June 2021

Continued weak market

■ **Total income**

Q2 SEK 208.4 (300.7) million
HY1 SEK 388.0 (649.4) million

■ **EBITDA**

Q2 SEK -16.7 (114.1) million
HY1 SEK -62.4 (237.3) million

■ **Result before tax**

Q2 SEK -88.4 (28.3) million
HY1 SEK -208.6 (57.3) million

■ **Result per share after tax**

Q2 SEK -1.88 (0.59)
HY1 SEK -4.42 (1.20)

■ **Events in the second quarter**

- New waivers received from lending banks
- Two scheduled drydockings completed

■ **Events after the end of the quarter**

- The Board of Directors has invited to an Extraordinary General Meeting to be held on 12 August 2021 as per separate notice for approval of the time charter and the guarantee contract under the Term Sheet with the lending banks.

Key figures	Q2 (Apr–Jun)		6 months (Jan–Jun)		Full year
	2021	2020	2021	2020	2020
Total income, SEK million	208.4	300.7	388.0	649.4	1,025.8
EBITDA, SEK million	-16.7	114.1	-62.4	237.3	277.8
EBITDA, USD million	-2.0	11.8	-7.4	24.5	30.2
Operating result, SEK million	-74.2	48.5	-176.1	106.6	32.6
Result before tax, SEK million	-88.4	28.3	-208.6	57.3	-65.1
Result after tax, SEK million	-89.7	28.3	-211.1	57.3	-66.0
Equity ratio, %	24	31	24	31	28
Return on equity, %	neg	0	neg	0	neg
Available liquid funds, including unutilised credit facilities, SEK million	139.5	527.8	139.5	527.8	378.0
Result per share after tax, SEK	-1.88	0.59	-4.42	1.20	-1.38
Equity per share, SEK	14.67	22.57	14.67	22.57	16.66
Lost-time injuries	0	0	2	1	2

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

Q2
2021

Full focus on strengthening liquidity

Full focus of the past quarter has been on continuing to strengthen the Company's financial position and liquidity. The proposed measures we can now present will help to create greater stability until the market strengthens, which we still predict will happen in the second half of 2021.

The market has remained very weak in the second quarter of 2021. We had hoped and believed that it would already start to show signs of an upturn in summer, but the increase in OPEC production, albeit small so far, has not yet made itself felt in the tanker market. Rates have also been affected by the return of a relatively large number of vessels after brief storage assignments. In addition, rising bunker prices have affected the vessels' earnings.

However, we remain fully confident of positive developments during the second half of the year. The drivers are the same as those we described in the Q1 interim report and in more detail in the 2020 annual report. None of this has changed. If anything, our belief in a turnaround is even firmer than in the previous quarter. Among other things, OPEC+ has now confirmed its commitment to phase out the production cuts and instead increase production by 400,000 barrels per day on a monthly basis from August

until the end of the year. This will, of course, make a difference to demand for tanker transport. Oil stocks are in line with or even below the five-year average and oil consumption in general continues to rise – particularly as a result of increased travel (including flights). In addition, we are also seeing low net fleet growth. The prospects for a turnaround therefore remain strong.

Market developments during the quarter are clearly reflected in our own earnings. Result before tax for the quarter was SEK –88.4 (28.3) million. EBITDA was SEK –16.7 (114.1) million, corresponding to USD –2.0 (11.8) million. In addition to the generally weak market, the Company's financial position has, as in the previous quarter, been negatively affected by the extensive docking program, including significant investments in statutory ballast water treatment systems.



“A number of alternative solutions have been investigated and considered but the proposed arrangement is considered to be the best possible solution.”

Vigorous measures

The weak tanker market over the last five years has posed financial challenges for Concordia, as reported in the interim report for the first quarter of 2021. The measures we are now planning for were announced in a press release in mid-July. Overall, they consist of a term sheet with lending banks, a five-year time charter for all P-MAX vessels and a guarantee with the largest shareholder, Stena Sessan AB. The time charter for the P-MAX vessels ensures guaranteed monthly income at a pre-determined level. Additional income may also be generated from profit-sharing and/or divestment of vessels.

The measures are interdependent. In addition, the Time Charter and the Guarantee are also subject to approval at the Extraordinary General Meeting to be held on the date of issue of this report, 12 August 2021.

The Board of Directors and management believe that these measures are necessary to strengthen the Company's financial position and liquidity. A number of alternative solutions have been investigated and considered but the proposed arrangement is considered to be the best possible solution. More information about the EGM, the Term Sheet, the Time Charter and the Guarantee can be found in the notice of the EGM.

Gothenburg, August 2021
Kim Ullman, President



Business activities

Spot market earnings per day for the product tanker fleet in the second quarter of 2021 were USD 13,500 (18,500). This was higher than average earnings per day for the market¹⁾, which were USD 6,900 (26,700). The Suezmax fleet's earnings per day in the quarter were USD 12,100 (47,900), compared with average earnings per day for the market¹⁾ of USD 5,200 (47,300).

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 IMOIMAX vessels *Stena Image* and *Stena Important* 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 the quarter were USD 14,400 (18,100) per day. For vessels employed in the spot market, average earnings for the quarter were USD 13,500 (18,500) 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 per day for the Suezmax fleet during the quarter were USD 12,100 (47,900).

Repairs and drydock

Two scheduled drydockings were completed during the quarter.



Current status of contracted freights Q3 2021, 12 August 2021

	Total number of available charter days	Share of chartered days (%)	Average earnings (\$/day)
Product tankers, spot	798	54	11,000
Suezmax, spot	221	24	7,700

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)}			
		Q2 2021	Q2 2020	6 months 2021	6 months 2020	Q2 2021	Q2 2020	6 months 2021	6 months 2020
Product tankers	8	13,500	18,500	11,500	19,000	6,900	26,700	6,600	22,200
Suezmax	2.7	12,100	47,900	12,600	48,500	5,200	47,300	7,200	49,800

- 1) Clarksons w.w. average MR Clean Earnings
2) Clarksons w.w. average 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

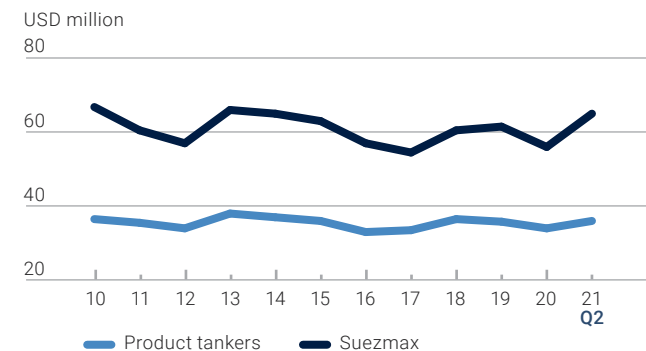
USD millions	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Product tankers, time charter	4.4	4.5	4.6	4.5	4.2	4.6	1.5	1.9
Product tankers, spot, owned and leased tonnage	-3.6 ⁴⁾	-7.6 ³⁾	-2.0	0.3	5.2	5.5	3.1 ²⁾	3.1 ¹⁾
Product tankers, spot, short-term chartered tonnage	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.2
Sale of vessels	-	-	-	-	-	-	-	-
Product tankers, total	0.8	-3.1	2.6	4.9	9.3	10.1	4.7	4.8
Suezmax, spot, owned and leased tonnage	0.2	0.3	0.1	1.4	3.4	3.6	3.1	1.0
Suezmax, spot, short-term chartered tonnage	-2.0	-1.8	-1.8	0.0	0.0	0.0	0.0	0.0
Sale of vessels	-	-	-	-	-	-	-	-
Suezmax, total	-1.8	-1.5	-1.7	1.4	3.4	3.6	3.1	1.0
Admin. and other	-1.0	-0.8	-0.8	-0.7	-1.0	-0.9	-1.3	-0.4
Total	-2.0	-5.4	0.1	5.5	11.8	12.7	6.5	5.4

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

Earnings per vessel category

SEK millions	Q2		6 months		Full year
	2021	2020	2021	2020	2020
Product tankers, time charter	60.8	67.0	121.8	138.1	262.2
Product tankers, spot	123.1	192.3	216.6	426.7	638.0
Product tankers, total earnings	183.9	259.3	338.4	564.8	900.2
Suezmax, spot	24.6	41.4	49.6	84.6	122.8
Suezmax, total earnings	24.6	41.4	49.6	84.6	122.8
Other	0.0	0.0	0.0	0.0	2.9
Total income	208.4	300.7	388.0	649.4	1,025.8

Newbuilding prices

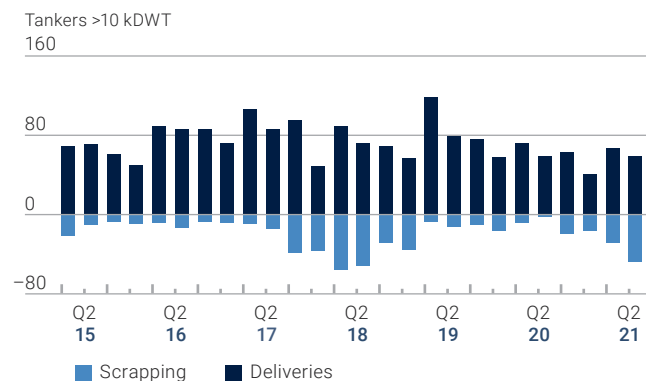


At the end of the quarter, the price of a standard product tanker was about USD 36 million. The price of an IMOII class MR tanker like *Stena Image* and *Stena Important* was about USD 39 million. The price of a standard suezmax tanker at the end of the quarter was about USD 65 million.

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 showed a decline in Q2 compared with the previous quarter, while phasing-out through scrapping increased.

Source: Clarkson

Financial summary

Result

Result after tax for the quarter was SEK –89.7 (28.3) 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 14.67 (22.57).

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 –17.8 (–49.6) million. The closing balance for the translation reserve in equity amounted to SEK 434.6 (512.3) million at the reporting date. The changes are recognised in equity through OCI.

Liquidity

Concordia Maritime's available liquid funds have been significantly reduced during the year due to planned investments such as the installation of statutory ballast water treatment systems and the withdrawal of credit facilities, while operating income has been low as a result of the current market situation. Available liquid funds including unutilised credit facilities amounted to SEK 378.0 million

at the end of 2020 and SEK 139.5 million at the end of Q2 2021.

Investments and deposits

Investments in property, plant and equipment during the quarter amounted to SEK 39.8 (13.2) million. Investments are related to purchases for drydock work completed during the quarter and scheduled in 2021. During the quarter, Concordia Maritime did not buy or sell any assets classified as short-term investments in the Company's balance sheet.

During the quarter, USD 12.6 million of Concordia Maritime's installations for ballast water treatment was financed through an agreement with Tritec Marine Ltd. The agreement applies to all Concordia Maritime's completed and future installations.

Bunker hedge

Concordia Maritime has a bunker hedge of 44,100 tonnes, effective July 2021 to May 2022.

The settlement price for 26,600 tonnes of MGO in 2021 is USD 645/tonne and for 17,500 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 38.6 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 –16.9 (0) million were recognised during the quarter.

Measures to strengthen the Company's financial position and liquidity

During the quarter, a conditional agreement was reached with Stena Bulk AB on time chartering of all ten of the Company's P-MAX product tankers ("the Time Charter"). Concordia Maritime and some of the Company's lending banks ("the Banks") have also agreed on a conditional term sheet concerning new terms and conditions for the current financing, originally amounting to USD 114 million, until the loan matures in Q4 2024 ("the Term Sheet"). In addition, Concordia Maritime has entered into a conditional guarantee agreement whereby Stena Sessan AB guarantees to pay the lending banks up to USD 10 million on behalf of Concordia Maritime under certain circumstances ("the Guarantee"). The Time Charter and the Guarantee are required in order to enter into a binding agreement with the Banks.

As a part of the Term sheet (as defined in separate notice for the Extraordinary General Meeting), the Company has negotiated, and received, new waivers from the Banks (as defined in separate notice for the Extraordinary General Meeting) which are valid until new terms and conditions of the financing are in place or until 30 September 2021 as well as been given deferment on parts of the amortisations to the Company's lending banks.

In connection with the negotiations with the Banks and the Stena sphere, the Board of Directors have considered the terms of the Time Charter with consideration to the current market and have also considered other alternative measures to achieve corresponding positive financial effects for the Company. Given the current market, as well as the liquidity and financial position of the Company, the Board of Directors deem the Time Charter, the Term Sheet and the Guarantee to be vital in order to strengthen Concordia Maritime's financial position and liquidity.

Extraordinary General Meeting

As the Time Charter and the Guarantee are significant related-party transactions, an Extraordinary General Meeting has been scheduled for 12 August 2021. The EGM notice contains further information about the Term Sheet, the Time Charter and the Guarantee.

Positions

Concordia Maritime has had 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 result is reported in the Company's income statement and amounted to SEK -1.7 million at the closing date.

At the end of the quarter, Concordia Maritime had FFA positions for the period July 2021 to March 2022. These were valued at SEK 0.2 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 the first half of 2021, 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 two-year time charters (until October 2021, with an option for a further year) and another vessel is on a five-month time charter.

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 30 June 2021 was 3 (3). The Group employed 596 (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 15.9 (0.0) 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.

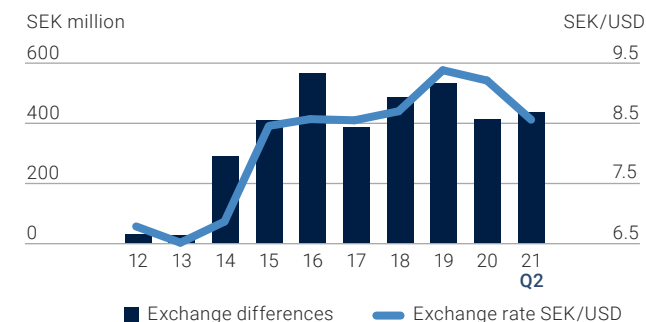
The Group's total income and earnings

SEK millions	Q2		Full year
	2021	2020	2020
Total income ¹⁾	208.4	300.7	1,025.8
Operating result	-74.2	48.5	32.6
Result before tax	-88.4	28.3	-65.1
Result per share after tax, SEK	-1.88	0.59	-1.38

Liquidity and financial position

SEK millions	30 June 2021	30 June 2020
Available liquid funds ²⁾	139.5	527.8
Interest-bearing liabilities	1,963.8	2,199.6
Equity	700.0	1,077.3
Equity ratio, %	24	31

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.

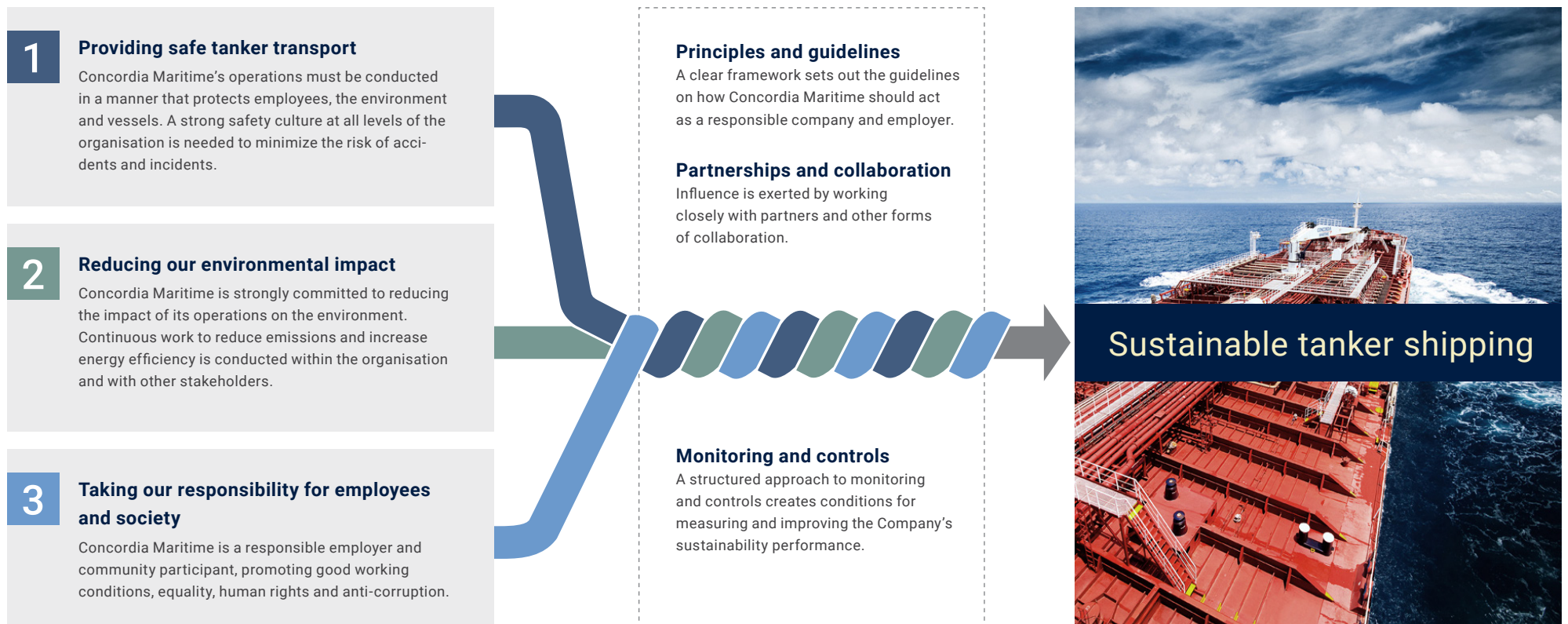
1) Accounting policies, see page 20.

2) Including unutilised available credit facilities but not short-term investments.

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. We are proud that no workplace incidents were reported on our vessels during the quarter. However, there was one minor incident classified as DTP (damage to property) during the quarter. During a loading operation in Malaysia, a hose was connected incorrectly, causing slight deformation of a freshwater tank on the starboard side.

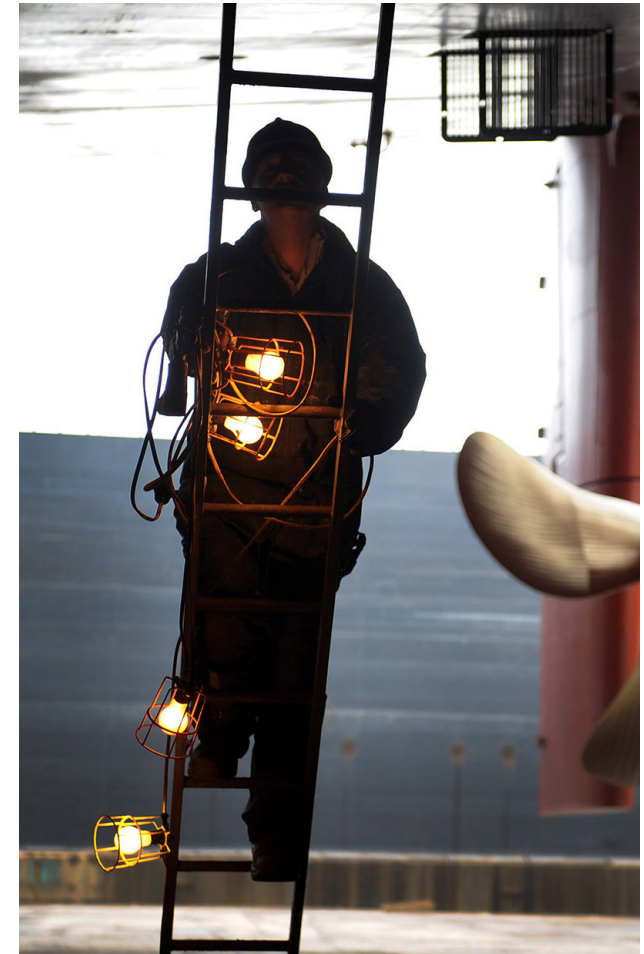
None of Concordia Maritime's vessels were involved in any piracy-related incidents during the quarter.

External controls

Seven vetting inspections were conducted during the quarter. There were 14 observations recorded during these inspections, resulting in an average of 2.0 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 a decline of 8% in bunker consumption in Q2 2021 compared with Q2 2020. The quarter's EEOI (energy efficiency operational indicator), which measures vessels' energy efficiency and CO₂ emissions, showed a deterioration for the P-MAX fleet, while an improvement was noted for our two IMOIIIMAX vessels and the Company's leased Suezmax vessels.



Key figures

Safety

	Q2 2021	Q2 2020	6 months 2021	6 months 2020	Full year 2020	Target 2021
LTI	0	0	0	1	2	0
LTIF	0	0	0	1.48	0.72	0
Number of inspections with more than 5 observations (owned vessels)	0	2	0	2	2	0
Average number of vetting observations per inspection (owned vessels)	2.0	3.0	2.0	2.5	2.5	<4
Number of PSC inspections with detentions	0	0	0	0	0	0
Number of piracy-related incidents	0	0	0	1	1	0
Damage to property	1	0	1	1	3	0
Medical treatment case	0	0	0	0	0	0
Restricted work case	0	0	1	1	1	0
High potential near miss	0	0	2	0	3	0
High risk observation	0	0	0	0	0	0

Environmental impact

	Q2 2021	Q2 2020	6 months 2021	6 months 2020	Full year 2020
Bunker consumption (tonnes)					
HSFO	0	0	0	0	0
LSFO	3,103	5,667	7,822	12,057	79,399
MGO	20,027	19,495	39,673	38,486	20,407
Total	23,130	25,162	47,495	50,543	99,806
Emissions (tonnes)					
CO ₂	72,311	78,876	148,645	158,501	312,680
SO _x	202	202	404	400	847
NO _x	2,069	2,251	4,250	4,522	8,930
Particulates	25.0	25.2	50.0	50.0	102
Efficiency (EEOI)					
gCO ₂ /tonne-NM	6.39	4.41	6.06	5.07	11.16
Oil spills, litres	0	0	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 multi-national 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](https://twitter.com/concordiaab)
 [concordiamaritime](https://www.instagram.com/concordiamaritime)

Group

Income statement

SEK millions	Q2 2021	Q2 2020	6 months 2021	6 months 2020	Full year 2020
Consolidated income statement					
Average exchange rate SEK/USD	8.41	9.68	8.40	9.68	9.20
Time charter income, leasing of vessels	22.2	24.5	44.5	50.4	95.7
Time charter income, operational services	38.6	42.6	77.4	87.7	166.5
Spot charter income ¹⁾	147.7	233.7	266.2	511.3	760.7
Other income	0.0	0.0	0.0	0.0	2.9
Total revenue	208.4	300.7	388.0	649.4	1,025.8
Voyage-related operating costs	-77.9	-72.5	-159.0	-178.5	-274.3
Operating costs, ships ¹⁾	-84.8	-47.6	-169.4	-97.2	-207.9
Personnel costs, temporary seagoing	-50.0	-51.2	-97.7	-104.9	-210.3
Personnel costs, land-based	-3.5	-3.9	-8.0	-7.7	-16.0
Other external expenses	-8.8	-11.5	-16.2	-23.7	-39.6
Depreciation/impairment	-57.5	-65.6	-113.7	-130.7	-245.2
Total operating costs¹⁾	-282.7	-252.2	-564.1	-542.8	-993.2
Operating result	-74.2	48.5	-176.1	106.6	32.6
Interest and similar income	-0.5	1.7	2.3	6.8	5.8
Interest and similar expense	-13.7	-21.9	-34.8	-56.1	-103.5
Financial net	-14.2	-20.2	-32.5	-49.3	-97.7
Result before tax	-88.4	28.3	-208.6	57.3	-65.1
Tax	-1.3	0.0	-2.5	0.0	-0.9
Result after tax	-89.7	28.3	-211.1	57.3	-66.0

1) Accounting policies, see page 20.

Other comprehensive income

SEK millions	Q2 2021	Q2 2020	6 months 2021	6 months 2020	Full year 2020
Result after tax	-89.7	28.3	-211.1	57.3	-66.0
Items that have been/can be transferred to result for the period					
Translation differences	-24.4	-56.8	23.0	-18.9	-119.6
Changes in fair value of cash flow hedges for the period	38.6	9.1	52.7	-12.8	-72.3
Changes in fair value of cash flow hedges transferred to result for the period	16.5	-0.9	40.3	-1.7	-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	0.0	0.0	-2.2	0.9
Comprehensive income for the period	-59.0	-20.6	-95.1	21.7	-260.6

Per-share data

	Q2 2021	Q2 2020	6 months 2021	6 months 2020	Full year 2020
Number of shares	47,729,798	47,729,798	47,729,798	47,729,798	47,729,798
Result per share, before/after dilution	-1.88	0.59	-4.42	1.20	-1.38
Equity per share, SEK	14.67	22.57	14.67	22.57	16.66

Group

Condensed balance sheet

SEK millions	30 Jun 2021	30 Jun 2020	31 Dec 2020
Closing exchange rate SEK/USD	8.55	9.32	8.23
Assets			
Ships and equipment ¹⁾	2,682.4	2,954.5	2,599.1
Financial assets	0.0	0.0	0.0
Total non-current assets	2,682.4	2,954.5	2,599.1
Current receivables	156.7	167.0	145.2
Short-term deposits	0.0	1.3	0.0
Cash and bank balances ²⁾	51.6	345.3	130.2
Total current assets	208.3	513.6	275.5
Total assets	2,890.7	3,468.2	2,874.6
Equity and liabilities			
Equity	700.0	1,077.3	795.0
Non-current liabilities	1,248.7	1,895.9	1,627.8
Current liabilities	942.1	494.9	451.8
Total equity and liabilities	2,890.7	3,468.2	2,874.6

1) Including right-of-use assets of SEK 897.2 (1,051.6) 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–Jun 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			23.0	93.0	0.0	-211.1	-95.1
Closing balance 30.06.2021	381.8	61.9	434.6	-17.8	0.0	-160.4	700.0
Changes Jan–Jun 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			-18.9	-14.5	-2.2	57.3	21.7
Closing balance 30.06.2020	381.8	61.9	512.3	-49.6	-4.4	175.4	1,077.3

Group

Condensed cash flow statement

SEK millions	Q2 2021	Q2 2020	6 months 2021	6 months 2020	Full year 2020
Operating activities					
Result before tax	-88.4	28.3	-208.6	57.3	-66.0
Adjustments:					
Depreciation/impairment	57.5	65.6	113.7	130.7	245.2
Other items	-19.4	-2.5	37.5	-8.7	-176.2
Cash flow from operating activities before changes in working capital	-50.2	91.4	-57.4	179.3	3.0
Changes in working capital	56.6	147.5	83.5	164.6	300.0
Cash flow from operating activities	6.3	238.9	26.0	343.9	303.0
Investing activities					
Sale of non-current assets	0.0	0.0	0.0	0.0	0.0
Investment in non-current assets	-39.8	-13.2	-114.0	-38.7	-140.9
Sale of financial assets	0.0	0.0	0.0	0.0	3.4
Investment in financial assets	0.0	0.0	0.0	0.0	0.0
Other financial items	0.0	0.0	0.0	0.2	0.0
Cash flow from investing activities	-39.8	-13.2	-114.0	-38.5	-137.5
Financing activities					
New loans	87.6	0.0	142.8	0.0	59.5
Amortisation of loans	-19.7	-46.6	-63.3	-153.6	-239.3
Dividend to shareholders	0.0	0.0	0.0	0.0	0.0
Other financing	-27.5	-19.2	-71.5	-25.8	-73.7
Cash flow from financing activities	40.5	-65.8	7.9	-179.3	-253.5
Cash flow for the period	7.0	159.9	-80.0	126.1	-87.9
Balance at beginning of period (Note 1)	45.1	205.5	130.2	227.7	227.8
Exchange differences (Note 2)	-0.5	-20.1	1.4	-8.4	-9.5
Balance at end of period (Note 1)	51.6	345.3	51.6	345.3	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	4.9	-8.0	4.9	-1.1	-27.4
Cash flow for the period	-3.4	-12.1	-3.4	-7.4	17.9
	1.4	-20.1	1.4	-8.4	-9.5

Parent Company

Condensed income statement

SEK millions	6 months 2021	6 months 2020
Net sales	30.9	1.5
Operating costs, ships	-63.1	-1.8
Other external expenses	-6.1	-8.6
Personnel expenses	-5.5	-4.1
Operating result	-43.8	-13.1
Result from subsidiaries	0.0	0.0
Other interest and similar income	63.8	13.9
Interest and similar expense	-23.0	-49.0
Result before tax	-3.0	-48.2
Tax	0.0	0.0
Result after tax	-3.0	-48.2

Condensed balance sheet

SEK millions	30 Jun 2021	30 Jun 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	822.0	0.0
Total non-current assets	1,568.4	746.4
Current receivables	11.1	11.0
Receivables from Group companies	7.1	1,044.3
Cash and bank balances ¹⁾	11.5	2.3
Total current assets	29.6	1,057.6
Total assets	1,598.1	1,804.0
Equity and liabilities		
Equity	436.4	466.6
Non-current liabilities	759.3	1,036.4
Current liabilities	79.7	301.1
Total equity and liabilities	1,598.1	1,804.0

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 till 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 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 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.

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 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 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	Q2 2021	Q2 2020	6 months 2021	6 months 2020	Full year 2020
Operating result	-74.2	48.5	-176.1	106.6	32.6
Depreciation/impairment	57.5	65.6	113.7	130.7	245.2
EBITDA	-16.7	114.1	-62.4	237.3	277.8

Result excluding impairment and tax

SEK millions	Q2 2021	Q2 2020	6 months 2021	6 months 2020	Full year 2020
Result after tax	-89.7	28.3	-211.1	57.3	-66.0
Impairment	0.0	0.0	0.0	0.0	0.0
Tax	1.3	0.0	2.5	0.0	-0.9
Result excluding impairment and tax	-88.4	28.3	-208.6	57.3	-65.1

Result per share excluding impairment and tax

	Q2 2021	Q2 2020	6 months 2021	6 months 2020	Full year 2020
Result excluding impairment and tax, SEK million	-88.4	28.3	-208.6	57.3	-65.1
Number of shares	47,729,798	47,729,798	47,729,798	47,729,798	47,729,798
Result per share excluding impairment and tax, SEK	-1.85	0.59	-4.37	1.20	-1.36

Return on equity

SEK millions	6 months 2021	6 months 2020	Full year 2020
Result after tax	-334.5	-7.8	-66.0
Equity	817.6	1,083.0	995.2
Return on equity	-40.9%	-0.7%	-6.6%

Return on capital employed

SEK millions	6 months 2021	6 months 2020	Full year 2020
Result after financial net	-208.6	0.6	-65.1
Finance costs	477.1	117.8	103.5
Result after financial net plus finance costs	268.5	118.4	38.4
Total assets	2,999.9	3,635.0	3,343.2
Non-interest-bearing liabilities	-223.3	-219.7	-218.9
Capital employed	2,776.6	3,415.3	3,124.3
Return on capital employed	9.67%	3.5%	1.2%

Return on total capital

SEK millions	6 months 2021	6 months 2020	Full year 2020
Result after financial net	-208.6	0.6	-65.1
Finance costs	82.2	117.8	103.5
Result after financial net plus finance costs	-126.4	118.4	38.4
Total assets	2,999.9	3,635.0	3,343.2
Return on total capital	-4.2%	3.3%	1.2%

Equity ratio

SEK millions	6 months 2021	6 months 2020	Full year 2020
Equity	700.0	1,077.3	795.0
Total assets	2,890.7	3,468.2	2,874.6
Equity ratio	24%	31%	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. This interim report has not been subject to review by the Company's auditors.

Gothenburg, 12 August 2021

Carl-Johan Hagman
Chairman

Stefan Brocker

Mats Jansson

Helena Levander

Ulrika Laurin

Henrik Hallin

Kim Ullman
CEO



Quarterly overview

SEK millions	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Profit/loss items								
Total income ¹⁾	208.4	179.6	165.7	210.7	300.7	348.6	317.6	259.2
Operating costs excluding impairment ¹⁾	-282.7	-281.4	-225.7	-224.8	-252.2	-290.6	-320.9	-269.7
Operating result (EBIT)	-74.2	-101.9	-59.9	-14.0	48.5	58.0	-3.3	-10.6
of which result from sale of investments in jointly-controlled entities (vessels)	0.0	–	–	–	–	–	–	–
Financial net	-14.2	-18.3	-26.5	-21.9	-20.2	-29.0	-26.1	-25.0
Result before tax	-88.4	-120.2	-86.5	-35.9	28.3	29.0	-29.3	-35.6
Result after tax	-89.7	-121.4	-87.4	-35.9	28.3	29.0	-29.5	-35.6
Cash flow from operating activities	6.3	19.7	-62.1	21.2	238.9	105.0	-44.2	28.9
EBITDA	-16.7	-45.7	-4.6	45.1	114.1	123.2	62.3	52.4
Balance-sheet items								
Ships (number)	2,685.3 (13)	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)
Ships under construction (number)	0	0	0	0	0	0	0	0
Liquid funds incl. investments	51.6	45.1	130.2	264.4	346.6	206.9	231.2	119.5
Other assets	156.7	166.1	145.2	167.0	167.0	372.6	349.5	285.6
Interest-bearing liabilities	1,963.8	1,968.1	1,656.5	2,047.9	2,199.6	2,407.0	2,446.7	2,321.4
Other liabilities and provisions	226.9	255.7	423.0	192.6	191.2	273.9	142.6	225.5
Equity	700.0	759.0	795.0	1,011.0	1,077.3	1,097.5	1,055.6	1,101.6
Total assets	2,890.7	2,982.8	2,874.6	3,251.5	3,468.2	3,778.4	3,644.9	3,648.5
Key figures, %								
Equity ratio	24	25	28	31	31	29	29	30
Return on total capital	-4	-1	1	3	3	1	1	1
Return on capital employed	-5	-1	2	3	3	2	1	1
Return on equity	-41	-24	-7	0	0	-7	-9	-8
Operating margin	-36	-57	-36	-7	16	17	-1	-4
Share data								
Total income ¹⁾	4.37	3.76	3.47	4.41	6.30	7.30	6.65	5.43
Operating costs excluding impairment	-5.92	-5.90	-4.73	-4.71	-5.28	-6.09	-6.72	-5.65
Operating result	-1.55	-2.13	-1.26	-0.29	1.02	1.22	-0.07	-0.22
Financial net	-0.30	-0.38	-0.56	-0.46	-0.42	-0.61	-0.55	-0.52
Result after tax	-1.88	-2.54	-1.83	-0.75	0.59	0.61	-0.62	-0.75
Cash flow from operating activities	0.13	0.41	1.30	0.44	5.01	2.20	-0.93	0.60
EBITDA	-0.35	-0.96	-0.10	0.95	2.39	2.58	1.30	1.10
Equity	14.67	15.90	16.66	21.18	22.57	22.99	22.12	23.08

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.

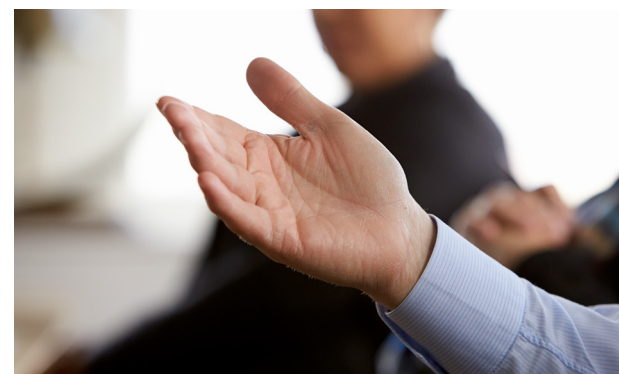
■ Financing agreement

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	Q2		6 months		Full year
	2021	2020	2021	2020	2020
Group	64.7	63,3	126.3	141.9	269.8
Parent Company	0.3	0.1	0.4	0.3	0.6

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



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Calendar

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 and the Swedish Securities Market Act. The information was provided by the contact person above for publication on 12 August 2021 at 12.30 CEST.

Fleet, 12 August 2021

Ships	Employment	Partner
Product tankers		
P-MAX		
Stena Premium	Time charter to November 2021	
Stena Polaris	CVC to December 2021	
Stena Performance	CVC to June 2022	
Stena Provence	Spot	
Stena Progress	Time charter to November 2021	
Stena Paris	Time charter to August 2021	
Stena Primorsk	Spot	
Stena Penguin	Spot	
Stena Perros	Time charter to December 2021	
Stena President	Spot	
IMOIMAX		
Stena Image ¹⁾	Spot	
Stena Important ²⁾	Spot	
Crude oil tankers		
Suezmax		
Stena Supreme ³⁾	Spot	Stena Sonangol Suezmax Pool
1.7 unnamed vessel ⁴⁾	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–July 2021, and September 2020–September 2021
50% charter October 2020–October 2021
50% charter November 2020–November 2021

CONCORDIA
MARITIME

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