

PRESENTATION OF ANNUAL RESULTS 2023



FORWARD LOOKING STATEMENTS

This presentation contains certain forward-looking statements reflecting the management's present judgment of future events and financial results.

Statements relating to 2023 and subsequent years are subject to uncertainty, and NORDEN's actual results may therefore differ from the projections.

Factors that may cause such variance include, but are not limited to, changes in macro-economic and political conditions, particularly in the Company's principal markets; changes to the Company's rate assumptions and operating costs; volatility in rates and tonnage prices; regulatory changes; any disruptions to traffic and operations as a result of external events, etc.



KEY STATEMENTS AND HIGHLIGHTS

FULL-YEAR AND FOURTH QUARTER 2023



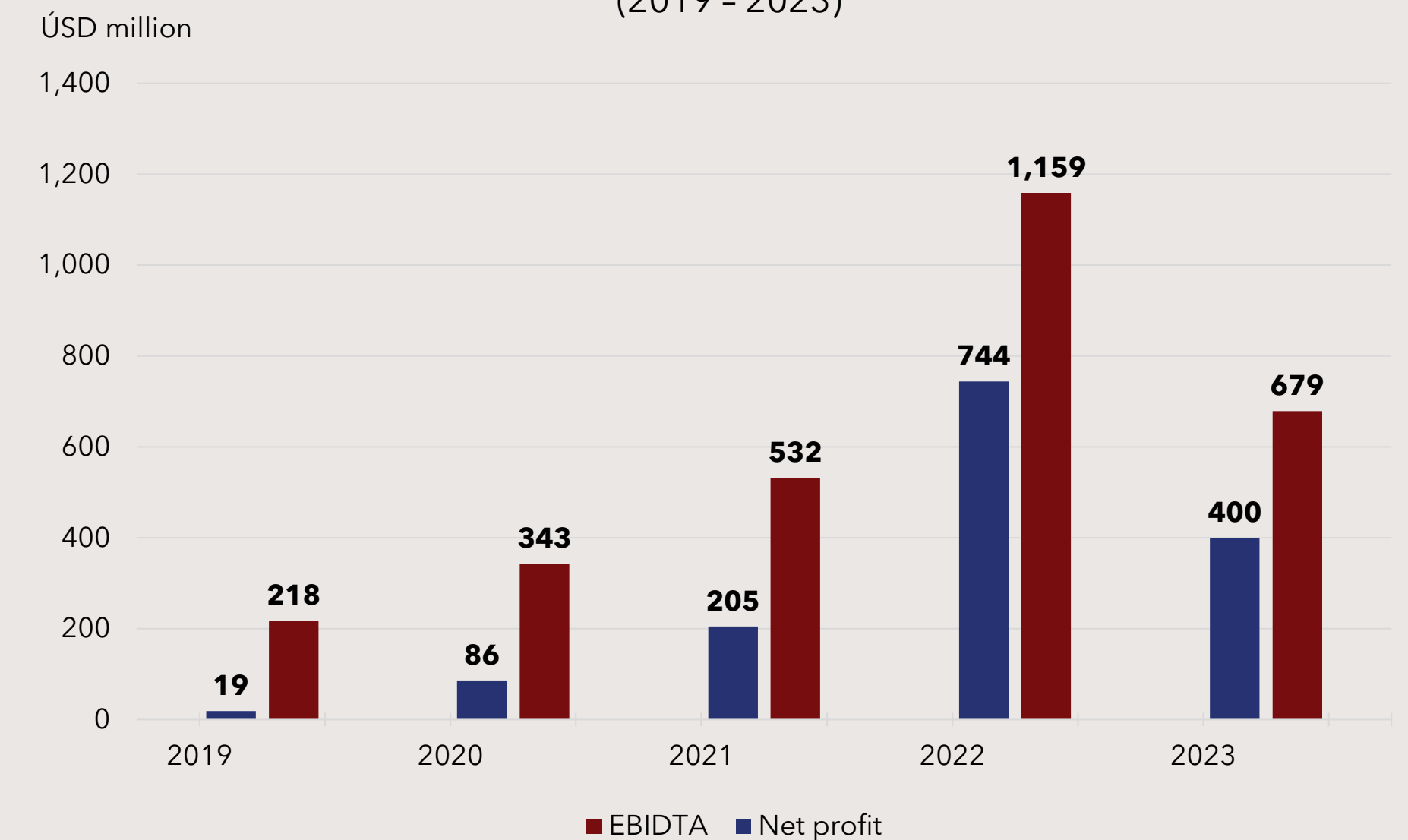
KEY HIGHLIGHTS FULL-YEAR 2023

SOLID PERFORMANCE

- After an exceptional year in 2022, NORDEN in 2023 **delivered the fifth best result in the history of the company** with a net profit of USD 400 million and with a ROIC of 32%, building on the track-record of positive results since 2019.
- Assets & Logistics posted a net profit of USD 268 million and Freight Services & Trading USD 133 million.
- The dry cargo market conditions were **challenging through most of the year** with freight rates significantly down due to a normalising of the congestion situation and negative growth in demand from rest of the world. Tanker market stayed **attractive** driven by supply inefficiencies related to the geopolitical situation.
- **Strong execution on the strategic focus points**, including ESG, creating a truly global provider of ocean-based freight services with integrated port logistics and decarbonised services.
- **Continued high cash returns to shareholders** with proposed total dividend for 2023 of DKK 45 per share and a new share buy-back program of USD 15 million bringing cash return to around USD 1.1 billion since 2019.
- **Expecting a net profit for full-year 2024** in the range of USD 150-250 million (FY 23: USD 400 million), building dry market exposure from Q2 2024 onwards in line with our positive market outlook.

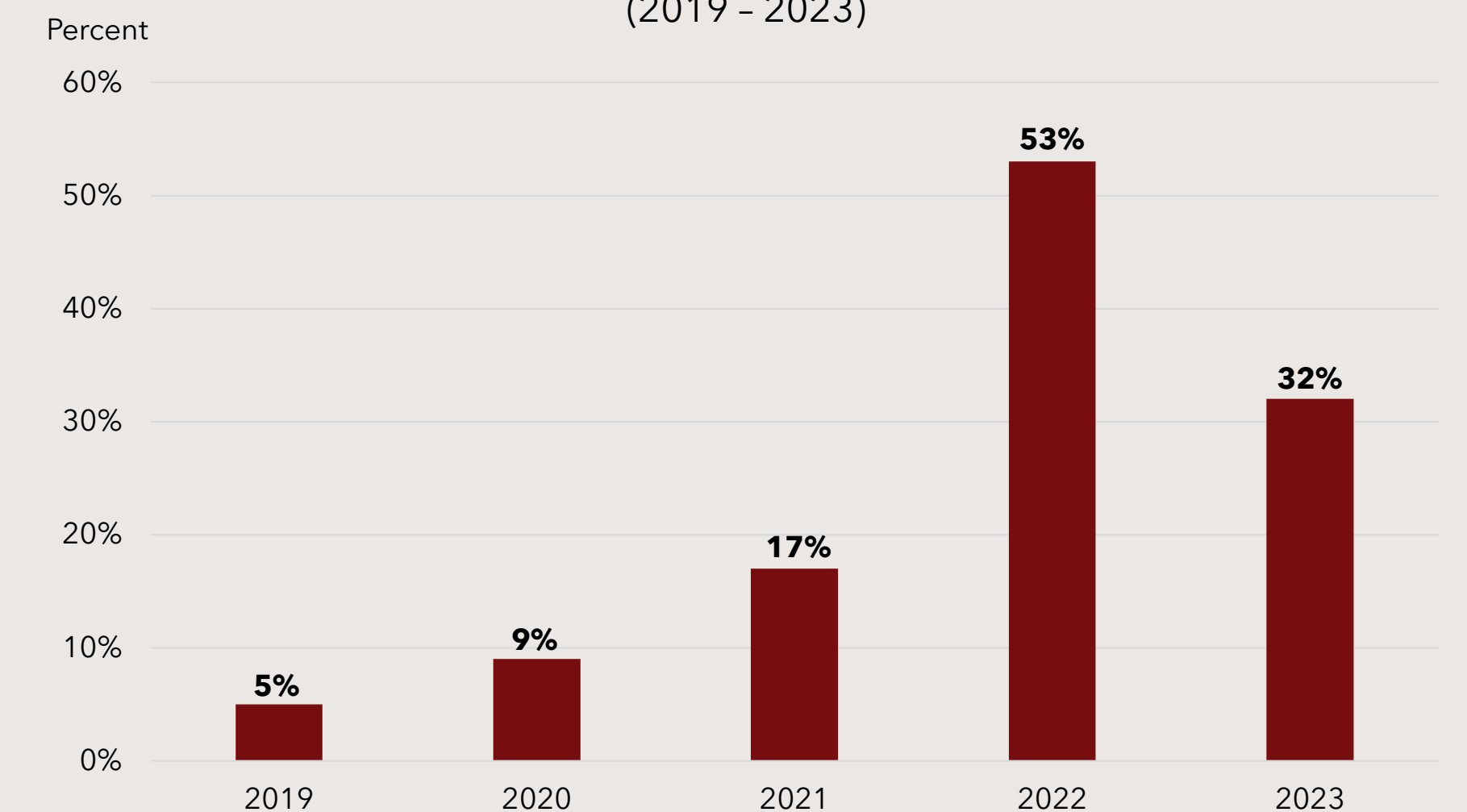
EBITDA & Net Profit

(2019 - 2023)



Return on Invested Capital (ROIC)

(2019 - 2023)



FINANCIAL HIGHLIGHTS FOR Q4

STABLE FINANCIALS IN A VOLATILE MARKET

- Continued **positive financial performance in line with expectations** with a net profit of USD 43 million in Q4 23.
- **Both business units delivered positive results** with Assets & Logistics generating USD 41 million due to high earnings coverage, while profit in Freight Services & Trading of USD 2 million was negatively impact by significant higher charter cost.
- **EBITDA** in Q4 23 of USD 119 million impacted by lower margins per day in Freight Services & Trading due to rising charter costs, especially in Dry Cargo, driven by tighter supply and demand balance due to still high growth in demand in China and disruptions to supply from the Panama Canal and Red Sea.
- **Positive free cash flow** of USD 30 million for Q4 23 and USD 264 million for the full-year resulted in a net interest-bearing debt (NIBD) of USD 45 million, including IFRS 16 liabilities.
- **Return on invested capital (ROIC)** was 14% for the quarter and 32% for the full-year, supported by the agile capacity management model leading to a lower invested capital.

EBITDA

119

USD million

FY 2023: 679
USD million

ROIC

14%

USD million

FY 2023: 32
per cent

EBIT

45

USD million

FY 2023: 422
USD million

Net Interest-bearing debt

45

USD million

FY 2023: 45
USD million

Profit for the period

43

USD million

FY 2023:: 400
USD million

Free cash flow

30

USD million

FY 2023:: 265
USD million

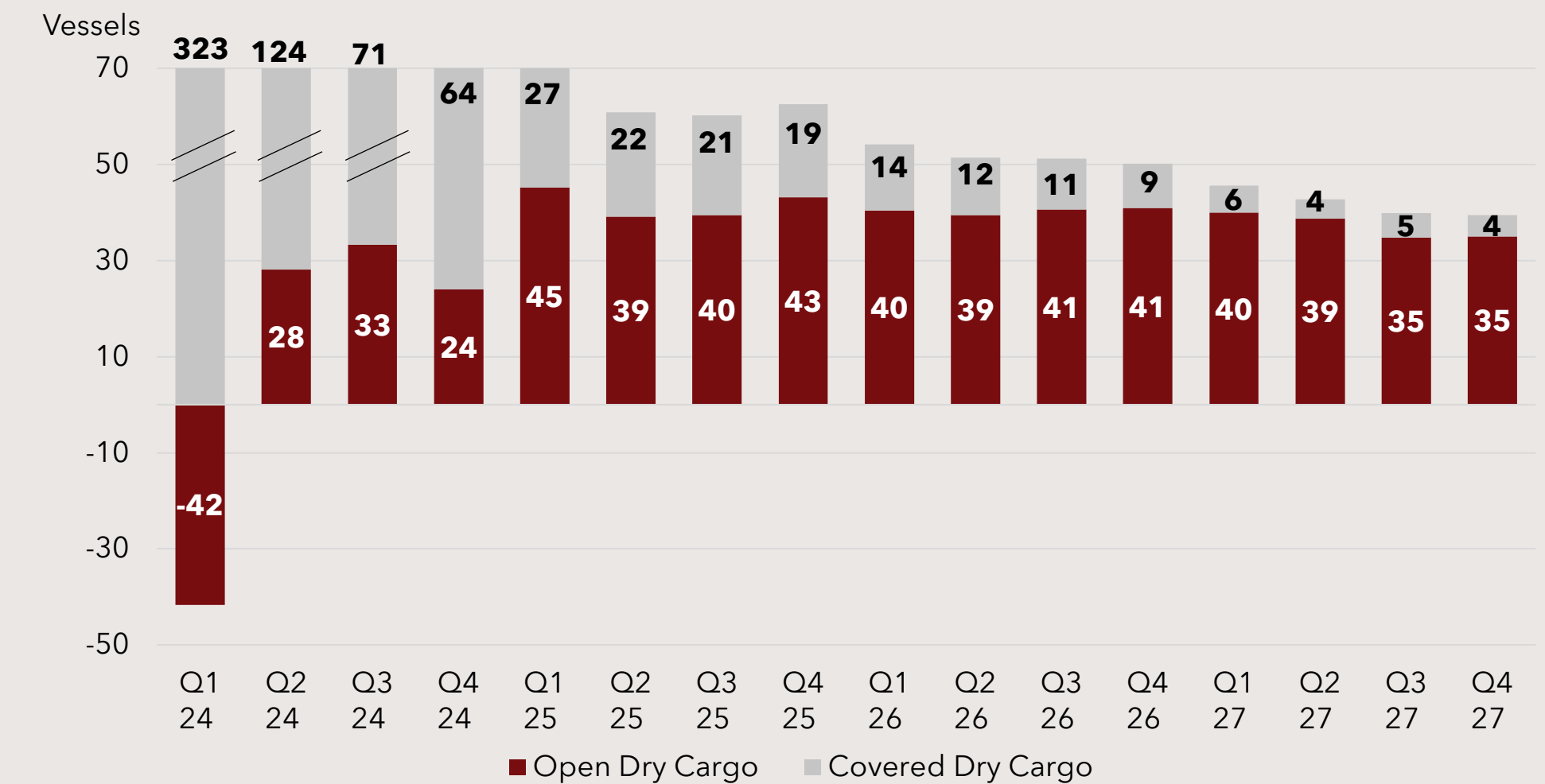
MARKET POSITION

ADDING DRY MARKET EXPOSURE

- NORDEN keeps **building deferred market exposure towards the dry cargo market**, driven by the structurally positive outlook from a historical low orderbook and contracting combined with expected stable demand growth in the years to come.
- During the year **we have added to the Dry Cargo exposure** by own and long-term leases of 17 new-buildings and by acquiring 5 second-hand Capesize vessels.
- While still expecting near-term positive market conditions in Tankers, we **have de-risked the portfolio** during 2023 by selling and chartering-out vessels.
- By early February 2024, NORDEN had a **total of 6,291 open MR equivalent vessel days in 2024**, across both business units. In **Dry Cargo the exposure was a total of 4,036 open equivalent vessel days in 2024**, including a short position for February and March in the Freight Services & Trading unit of 3,797 equivalent vessel days, where our position remains dynamic in accordance with our short-term market expectations.

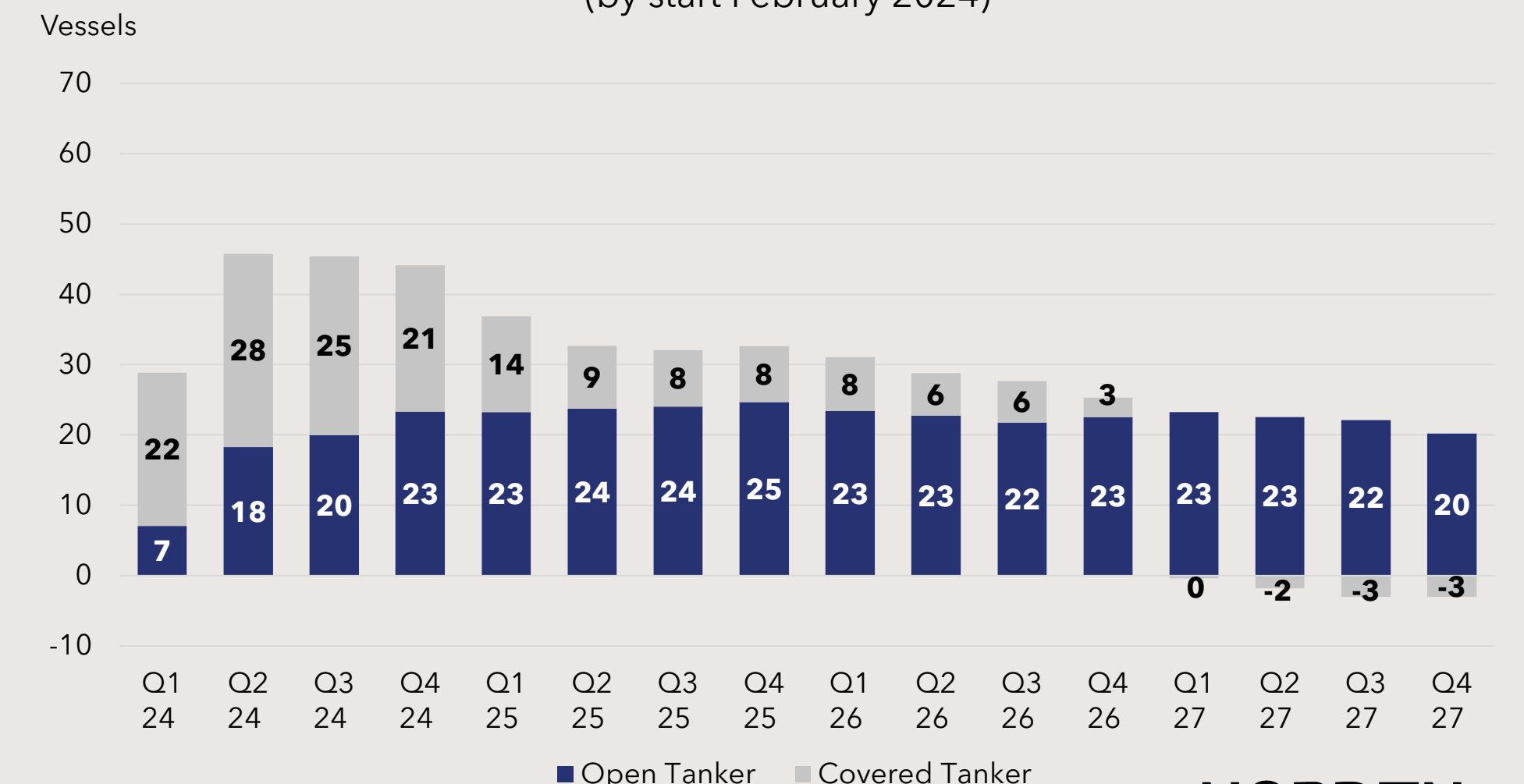
Dry Cargo Position - Group

(by start February 2024)



Tanker Position - Group

(by start February 2024)



STRATEGY UPDATE

A YEAR OF EXECUTION

- In 2023 NORDEN has **made strong progress** on the execution of the strategic priority to bring our customers more in focus, including accelerate initiatives to improve ESG.
- Today NORDEN is a **truly global provider of ocean-based freight services for dry and liquid bulk as well as project cargo of all sizes**, supporting our customers with integrated freight solutions within port logistics and optimising and decarbonising our customers supply chains.
- In 2023 we have achieved the following **milestones**:
 - Entered Capesize operations supported by five owned vessels.
 - Expanded our customer offering with Projects & Parcelling adding to commercial and cost synergies.
 - Invested in the future of renewable fuels through stake in MASH Makes.
 - Signed the first emission reduction freight contract and the first book-and-claim transaction.
- From 2024 NORDEN introduces a **Strategic Scorecard** outlining **five key performance indicators and targets** with the purpose of measuring and communicating the underlying development within value creation, growth, profitability, decarbonisation and shareholder returns.

Strategic Scorecard

Value creation

Return on Invested Capital (ROIC)
- avg. 2019-2023

23%

Growth

Total number of vessel days
- baseline 2019-2023

CAGR 7%

Profitability

Margin per day in FST
- avg. per day 2019-2023

USD 1,206

Decarbonisation

Development in energy efficiency
operating indicator (EEOI)
- baseline FY 2022

-9%

Shareholder Returns

Total shareholder returns (TSR)
- avg. 2019-2023

41%

Target next 5 years

Rolling five years
Average of min.

12%
per year

Rolling five years
CACG of min.

5%
per year

Rolling five years
Average of min.

500
per year

Target by 2030 latest
Reduction of min.

16%

Rolling five years
Average of min.

10%
per year

HIGHLIGHTS FOR 2023

ESG UPDATE

Strong execution on the ESG agenda in 2023

Environmental:

- **Lowered emissions by reducing EEOI by 9% Y/Y** driven by higher fuel efficiency related to lower average speed and fuel consumption per tonnage miles. Well on-track on our mid-term target of min. -16% by 2030.
- Invested in securing the **future supply of alternative fuels** by a strategic investment in a minority stake in the Danish-Indian biofuel scale-up, Mash Makes. First biofuel trial for use on vessels is expected in 2024.
- Signed and conducted **first green freight contract** with Teck Resources Ltd.

Social:

- Continued strong focus and initiatives on DE&I and Health & Safety.
- Achieved **41% of the underrepresented gender** among employees, reaching our target of at least 40% and 38% underrepresented gender in managerial positions.
- Reach an **engagement score of 84%**

Governance:

- All employees have passed an **anti-corruption** e-learning course.
- In 2023, we were able to **assess 55%** of our strategic suppliers for ESG criteria.

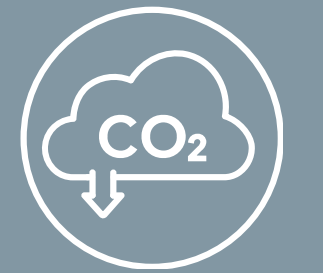
Our climate commitments



Carbon
emissions
transparency



Greener
Shipping
Solutions



Reduction
in CO₂
emissions



Net zero office
Operations
by 2027



Zero-emission
Vessels
from 2030



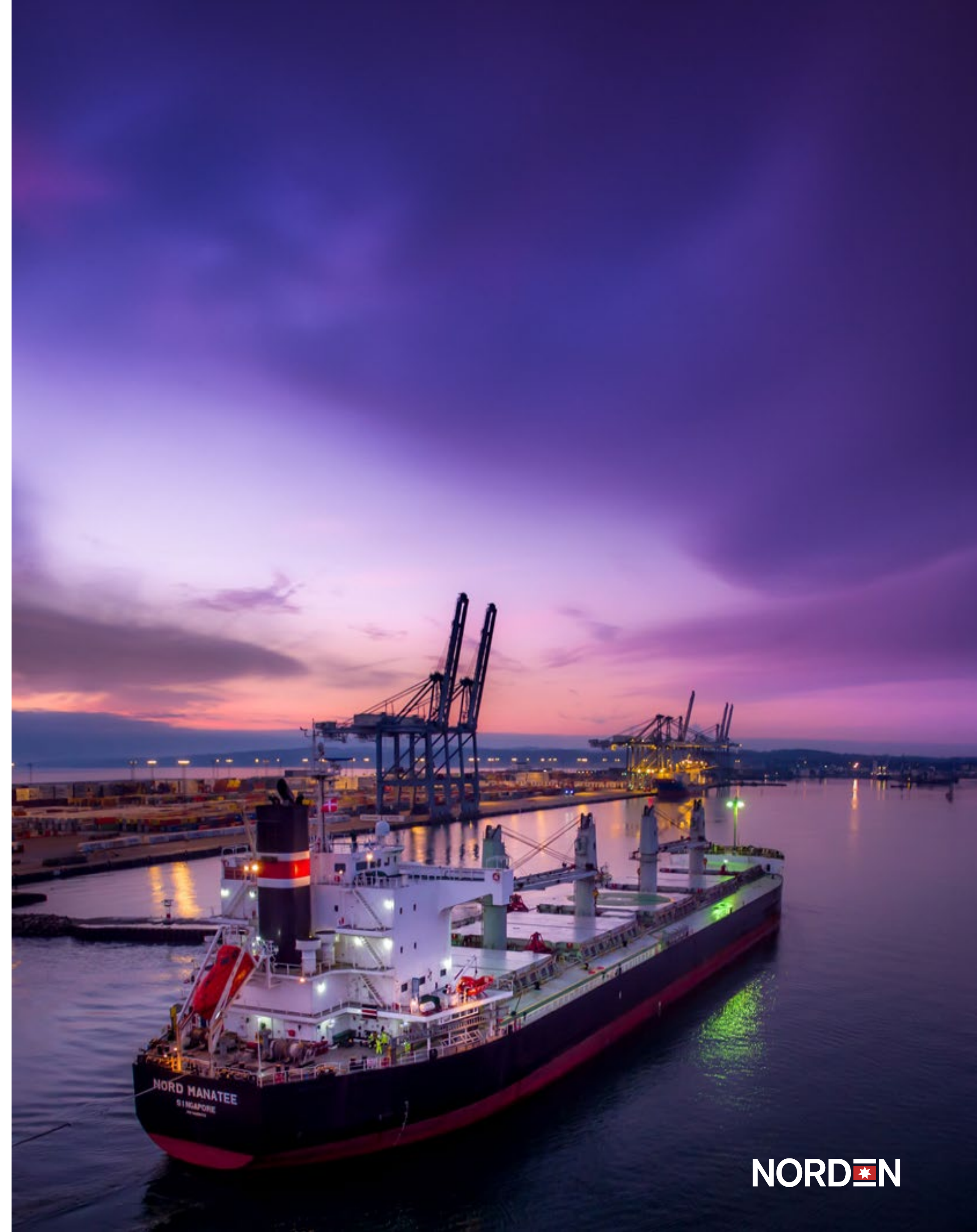
Net zero
Emissions
by 2050

GUIDANCE AND FINAL REMARKS

GUIDANCE

VISIBILITY FROM HIGH COVERAGE

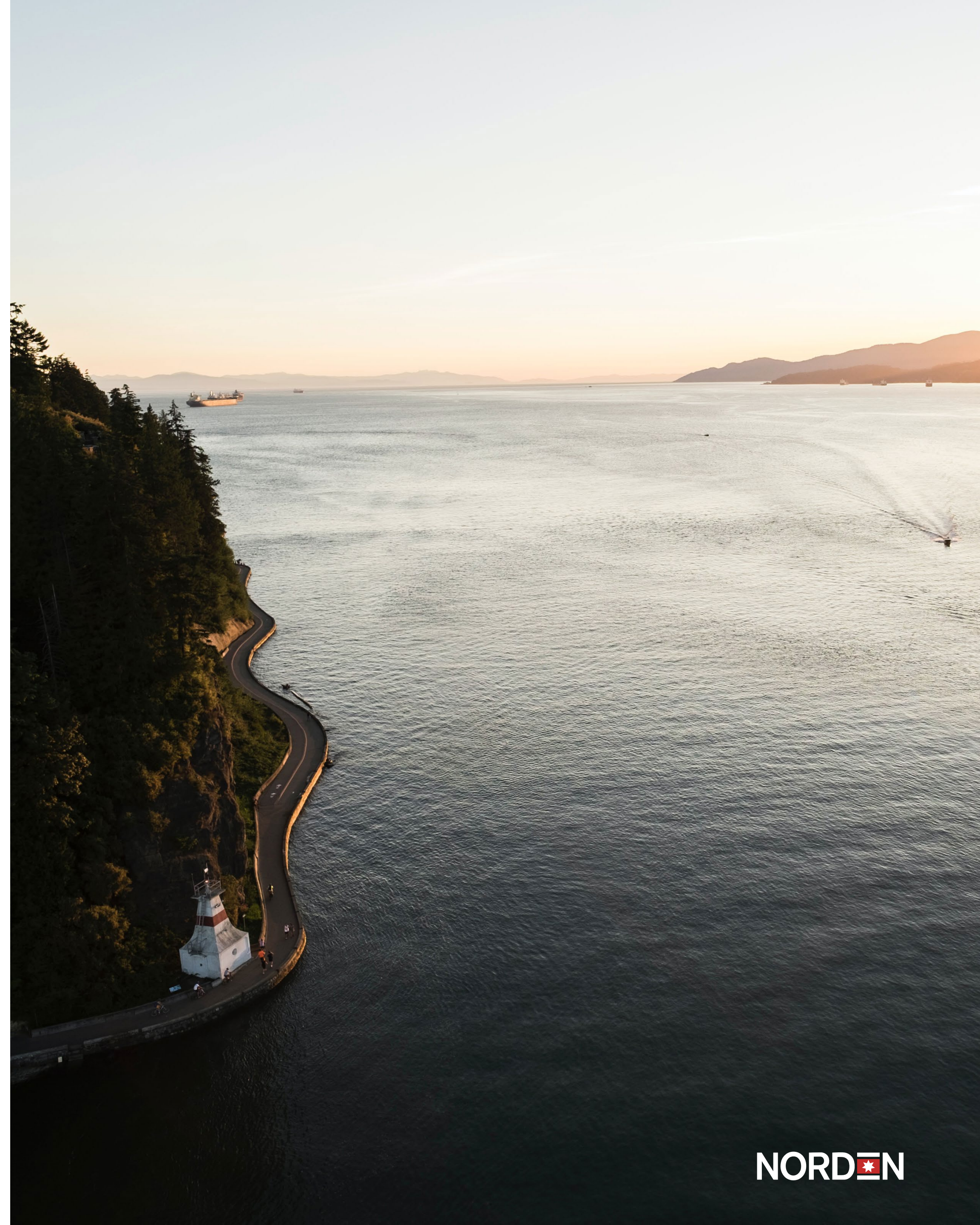
- Based on the current market outlook, NORDEN expects a **net profit for 2024 in the range of USD 150-250 million** (FY 2023: USD 400 million). Our full-year guidance for 2024 includes gains on sale of vessels from already signed and agreed transactions of **USD 59 million** (FY 2023: USD 79 million).
- In **Freight Services & Trading**, we expect margins per day in 2024 to be lower compared to 2023 (FY 2023: USD 816 per day) and margins in the first half of 2024 expected to be materially lower due to increasing charter costs from a tight supply-demand balance related to the disruptions from the Panama Canal and Red Sea.
- We expect **Assets & Logistics** will continue to benefit from high earnings coverage in both dry cargo and tankers at profitable levels. Furthermore, gains from vessel sales and subleases is expected to contribute positively to the results for the year.
- To improve the financial flexibility and optimise the value creation to shareholders, the future cash distribution policy of NORDEN, will be based on a **pay-out ratio of min 50% of the net profit**, which the Board of Directors have the flexibility to allocate between dividends and share buy-back programmes.



FINAL REMARKS

STRONGLY POSITIONED FOR 2024

- **Solid overall financial performance in 2023** and positive results and returns in the fourth quarter despite negatively impacted by higher charter cost
- **Expanding our market exposure in Dry** cargo for 2024 and onwards due to structurally positive market outlook, while **Tanker market** to stay near-term positive, but exposed to higher volatility and macro- and geopolitical risks.
- **Well-positioned to grow the business in 2024**, with the successful integration of Projects & Parcelling and the expansion into Capesize
- **Strong execution on our ESG targets** in 2023 and decarbonisation will be high on the agenda in 2024.
- **Cash distribution to shareholders** of USD 337 million announced for the full-year 2023 through a final dividend of DKK 45 per share (USD 212 million) and total share buy-back programmes of USD 125 million.
- Based on our **agile business model** and **a high earnings coverage** in Assets & Logistics, we expect a net profit for full-year 2024 between USD 150-250 million.



THANK YOU FOR YOUR ATTENTION

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Connect with us



APPENDIX

Consolidated financial information and fleet data for NORDEN

Market development and outlook

NORDEN at a glance

Our strategy

Business units

Total shareholder returns and business unit valuation

NORDEN FINANCIALS



FINANCIAL HIGHLIGHTS

CONSOLIDATED FINANCIAL INFORMATION

Income Statement - NORDEN Group

	2021					2022					2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue - services rendered, external	603.6	854.4	940.1	1,152.3	3,550.4	1,087.5	1,419.6	1,494.9	1,307.7	5,309.7	998.0	951.3	897.4	839.0	3,685.7
Revenue - services rendered, internal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue - subleasing financial income	0.3	0.3	0.3	0.5	1.4	0.4	0.5	0.6	1.2	2.7	1.2	1.4	1.9	1.7	6.2
Voyage costs	-242.5	-328.9	-327.4	-369.8	-1,268.6	-353.6	-443.7	-495.6	-456.6	-1,749.5	-364.4	-334.7	-316.8	-344.6	-1,360.5
T/C equivalent revenue	361.4	525.8	613.0	783.0	2,283.2	734.3	976.4	999.9	852.3	3,562.9	634.8	618.0	582.5	496.1	2,331.4
Other operating income	1.5	2.5	0.8	1.9	6.7	8.8	9.4	7.3	2.2	27.7	7.7	1.0	3.6	5.3	17.6
Charter hire and OPEX element	-269.9	-380.9	-418.5	-497.7	-1,567.0	-479.0	-592.6	-581.1	-499.0	-2,151.7	-385.4	-401.0	-369.7	-338.8	-1,494.9
Operating costs owned vessels	-17.7	-18.1	-17.3	-20.2	-73.3	-16.4	-21.1	-16.5	-19.0	-73.0	-12.7	-15.3	-14.6	-16.1	-58.7
Contribution margin	75.3	129.3	178.0	267.0	649.6	247.7	372.1	409.6	336.5	1,365.9	244.4	202.7	201.8	146.5	795.4
Overhead and administrative costs	-17.0	-23.9	-30.0	-46.5	-117.4	-36.5	-58.2	-61.8	-50.3	-206.8	-36.2	-28.2	-25.0	-27.4	-116.8
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	58.3	105.4	148.0	220.5	532.2	211.2	313.9	347.8	286.2	1,159.1	208.2	174.5	176.8	119.1	678.6
Profit/loss from sale of vessels, etc.	-9.2	0.0	13.4	3.5	7.7	28.4	-0.2	19.5	31.7	79.4	41.7	27.0	7.3	3.0	79.0
Depreciation, amortisation and impairment losses	-57.0	-65.0	-81.0	-92.5	-295.5	-107.8	-120.0	-114.1	-107.8	-449.7	-93.8	-87.2	-77.6	-76.6	-335.2
Share of profit/loss of joint ventures	0.3	-0.3	-2.1	3.2	1.1	-0.3	1.3	1.0	0.8	2.8	-0.3	-0.1	-0.3	-1.0	-1.7
Profit/loss from operations (EBIT)	-7.6	40.1	78.3	134.7	245.5	131.5	195.0	254.2	210.9	791.6	155.8	114.2	106.2	45.4	421.6
Fair value adjustment of certain hedging instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial income	0.3	1.6	-1.2	-0.4	0.3	0.3	1.0	3.6	7.5	12.4	12.3	9.4	6.5	13.8	42.0
Financial expenses	-6.9	-8.0	-9.9	-10.3	-35.1	-12.9	-15.6	-13.0	-10.5	-52.0	-15.4	-13.5	-11.9	-12.6	-53.4
Profit/loss before tax	-14.2	33.7	67.2	124.0	210.7	118.9	180.4	244.8	207.9	752.0	152.7	110.1	100.8	46.6	410.2
Tax	-0.7	-1.9	-2.2	-1.4	-0.1	-1.8	-1.7	-1.7	-3.2	-0.1	-2.5	-1.9	-2.2	-3.5	-0.1
Profit/loss for the period	-14.9	31.8	65.0	122.6	204.5	117.1	178.7	243.1	204.7	743.6	150.2	108.2	98.6	43.1	400.1
Adjusted Results for the period	-5.7	31.8	51.6	120.0	197.7	88.7	178.9	223.6	172.8	664.0	108.5	81.2	91.3	40.1	321.1

FINANCIAL HIGHLIGHTS

CONSOLIDATED FINANCIAL INFORMATION

Segment information - Freight services & Trading

USD million	2022					2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue - services rendered, external	1,049.3	1,359.5	1,439.3	1,246.1	5,094.2	934.8	875.4	818.7	776.9	3,405.8
Revenue - services rendered, internal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue - subleasing financial income	0.1	0.2	0.2	0.4	0.9	0.4	0.3	0.8	0.7	2.2
Voyage costs	-350.5	-437.8	-490.5	-451.2	-1,730.0	-358.2	-328.1	-312.4	-336.1	-1,334.8
T/C equivalent revenue	698.9	921.9	949.0	795.3	3,365.1	577.0	547.6	507.1	441.5	2,073.2
Other operating income	9.0	9.3	8.0	2.3	28.6	7.3	1.1	3.7	5.4	17.5
Charter hire and OPEX element	-531.5	-642.9	-634.3	-557.4	-2,366.1	-432.5	-439.7	-417.6	-383.3	-1,673.1
Operating costs owned vessels	0.0	0.0	0.0	-1.5	-1.5	0.0	0.0	0.0	0.0	0.0
Contribution margin	176.4	288.3	322.7	238.7	1,026.1	151.8	109.0	93.2	63.6	417.6
Overhead and administrative costs	-32.3	-53.7	-57.5	-40.9	-184.4	-30.3	-22.3	-20.6	-20.1	-93.3
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	144.1	234.6	265.2	197.8	841.7	121.5	86.7	72.6	43.5	324.3
Profit/loss from sale of vessels, etc.	0.0	0.0	0.0	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0
Depreciation, amortisation and impairment losses	-61.5	-73.1	-70.7	-64.0	-269.3	-48.8	-48.5	-35.4	-40.7	-173.4
Share of profit/loss of joint ventures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit/loss from operations (EBIT)	82.6	161.5	194.5	133.7	572.3	72.7	38.2	37.2	2.8	150.9
Fair value adjustment of certain hedging instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial income	0.2	0.6	2.5	2.7	6.0	3.0	2.0	-0.8	3.3	7.5
Financial expenses	-5.6	-7.3	-5.2	-1.8	-19.9	-6.3	-4.6	-4.6	-4.2	-19.7
Profit/loss before tax	77.2	154.8	191.8	134.6	558.4	69.4	35.6	31.8	1.9	138.7
Tax	-1.6	-1.7	-1.5	-3.2	-8.0	-2.3	-1.9	-2.0	0.1	-6.1
Profit/loss for the period	75.6	153.1	190.3	131.4	550.4	67.1	33.7	29.8	2.0	132.6
Adjusted Results for the period	75.6	153.1	190.3	131.3	550.3	67.1	33.7	29.8	2.0	132.6

FINANCIAL HIGHLIGHTS

CONSOLIDATED FINANCIAL INFORMATION

Segment information - Assets & Logistics

USD million	2022					2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue - services rendered, external	38.2	60.1	55.6	61.6	215.5	63.2	75.9	78.7	62.1	279.9
Revenue - services rendered, internal	91.7	91.5	93.8	100.0	377.0	87.5	82.0	85.0	81.4	335.9
Revenue - subleasing financial income	0.3	0.3	0.4	0.8	1.8	0.8	1.1	1.1	1.0	4.0
Voyage costs	-7.0	-9.7	-8.3	-7.2	-32.2	-7.2	-7.5	-6.3	-9.9	-30.9
T/C equivalent revenue	123.2	142.2	141.5	155.2	562.1	144.3	151.5	158.5	134.6	588.9
Other operating income	0.0	-0.1	-0.7	-0.1	-0.9	0.4	-0.1	-0.1	-0.1	0.1
Charter hire and OPEX element	-35.5	-37.2	-37.4	-39.8	-149.9	-39.4	-42.4	-35.2	-35.5	-152.5
Operating costs owned vessels	-16.4	-21.1	-16.5	-17.5	-71.5	-12.7	-15.3	-14.6	-16.1	-58.7
Contribution margin	71.3	83.8	86.9	97.8	339.8	92.6	93.7	108.6	82.9	377.8
Overhead and administrative costs	-4.2	-4.5	-4.3	-9.4	-22.4	-5.9	-5.9	-4.4	-7.3	-23.5
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	67.1	79.3	82.6	88.4	317.4	86.7	87.8	104.2	75.6	354.3
Profit/loss from sale of vessels, etc.	28.4	-0.2	19.5	31.8	79.5	41.7	27.0	7.3	3.0	79.0
Depreciation, amortisation and impairment losses	-46.3	-46.9	-43.4	-43.8	-180.4	-45.0	-38.7	-42.2	-35.9	-161.8
Share of profit/loss of joint ventures	-0.3	1.3	1.0	0.8	2.8	-0.3	-0.1	-0.3	-0.1	-0.8
Profit/loss from operations (EBIT)	48.9	33.5	59.7	77.2	219.3	83.1	76.0	69.0	42.6	270.7
Fair value adjustment of certain hedging instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial income	0.1	0.4	1.1	4.8	6.4	9.3	7.4	7.3	10.5	34.5
Financial expenses	-7.3	-8.3	-7.8	-8.7	-32.1	-9.1	-8.9	-7.3	-8.4	-33.7
Profit/loss before tax	41.7	25.6	53.0	73.3	193.6	83.3	74.5	69.0	44.7	271.5
Tax	-0.2	0.0	-0.2	0.0	-0.4	-0.2	0.0	-0.2	-3.6	-4.0
Profit/loss for the period	41.5	25.6	52.8	73.3	193.2	83.1	74.5	68.8	41.1	267.5
Adjusted Results for the period	13.1	25.8	33.3	41.5	113.7	41.4	47.5	61.5	38.1	188.5

ASSETS & LOGISTICS

FLEET OVERVIEW

At 31 December 2023

Dry Cargo	Vessels in operation	Vessels to be delivered
Capesize	4	1
Panamax	15	6
Supramax	20	8
Handysize	12	6
Total	51	18

- Of which own vessels

Capesize	4	0
Panamax	3	0
Supramax	1	5
Handysize	0	0
Total	8	5

Tankers	Vessels in operation	Vessels to be delivered
MR	34	6
Total	34	6

- of which own vessels

MR	11	0
Total	11	0

Total number of vessels	84	27
- of which own vessels	19	5

ASSETS & LOGISTICS CAPACITY AND COVERAGE

Assets & Logistics – Dry Cargo

At 31 December 2023

	2024	2025	2026		2024	2025	2026
Own vessels	Vessel days						
Capesize	1,795	1,825	1,825				
Panamax	1,095	1,095	730				
Supramax	13	277	1,825				
Handysize	0	0	0				
Total	2,903	3,197	4,380				

Chartered vessels	Vessel days			Average cost of capacity per day (USD)		
Capesize	360	1,620	360	16,304	15,531	16,304
Panamax	6,965	4,738	3,110	13,048	11,442	12,224
Supramax	6,475	2,392	2,226	11,202	10,985	10,775
Handysize	4,795	4,371	3,423	10,604	10,371	10,666
Total	18,595	13,121	9,120	11,838	11,507	11,446
Total capacity (Own & Chartered)	21,498	16,318	13,500			

Coverage	Vessel days			Average cover per day (USD)		
Capesize	2,170	0	0	15,427		
Panamax	7,815	1,441	1,273	14,234	14,372	12,838
Supramax	8,424	2,668	1,840	12,543	11,428	11,234
Handysize	3,124	2,117	176	10,422	9,840	11,764
Total	21,534	6,226	3,288	13,140	11,569	11,883

Coverage in %	Percent		
Capesize	101%	0%	0%
Panamax	97%	25%	33%
Supramax	130%	100%	45%
Handysize	65%	48%	5%
Total	100%	38%	24%

Costs are excluding O/A. For segments which are operated in a pool the TCE is after management fee. All days include JVs.
Cash standardised to Baltic exchange benchmark vessels.

Assets & Logistics – Tankers

At 31 December 2023

	2024	2025	2026		2024	2025	2026
Own vessels	Vessel days						
MR	2,911	2,699	2,699				
Total	2,911	2,699	2,699				

Chartered vessels	Vessel days			Average cost of capacity per day (USD)		
MR	8,443	6,660	4,769	14,359	14,584	15,239
Total	8,443	6,660	4,769	14,359	14,584	15,239
Total capacity (Own & Chartered)	11,355	9,350	7,458			

Coverage	Vessel days			Average cover per day (USD)		
MR	7,611	4,287	1,283	22,468	21,880	21,699
Total	7,611	4,287	1,283	22,468	21,880	21,699

Coverage in %	Percent		
MR	67%	46%	17%
Total	67%	46%	17%

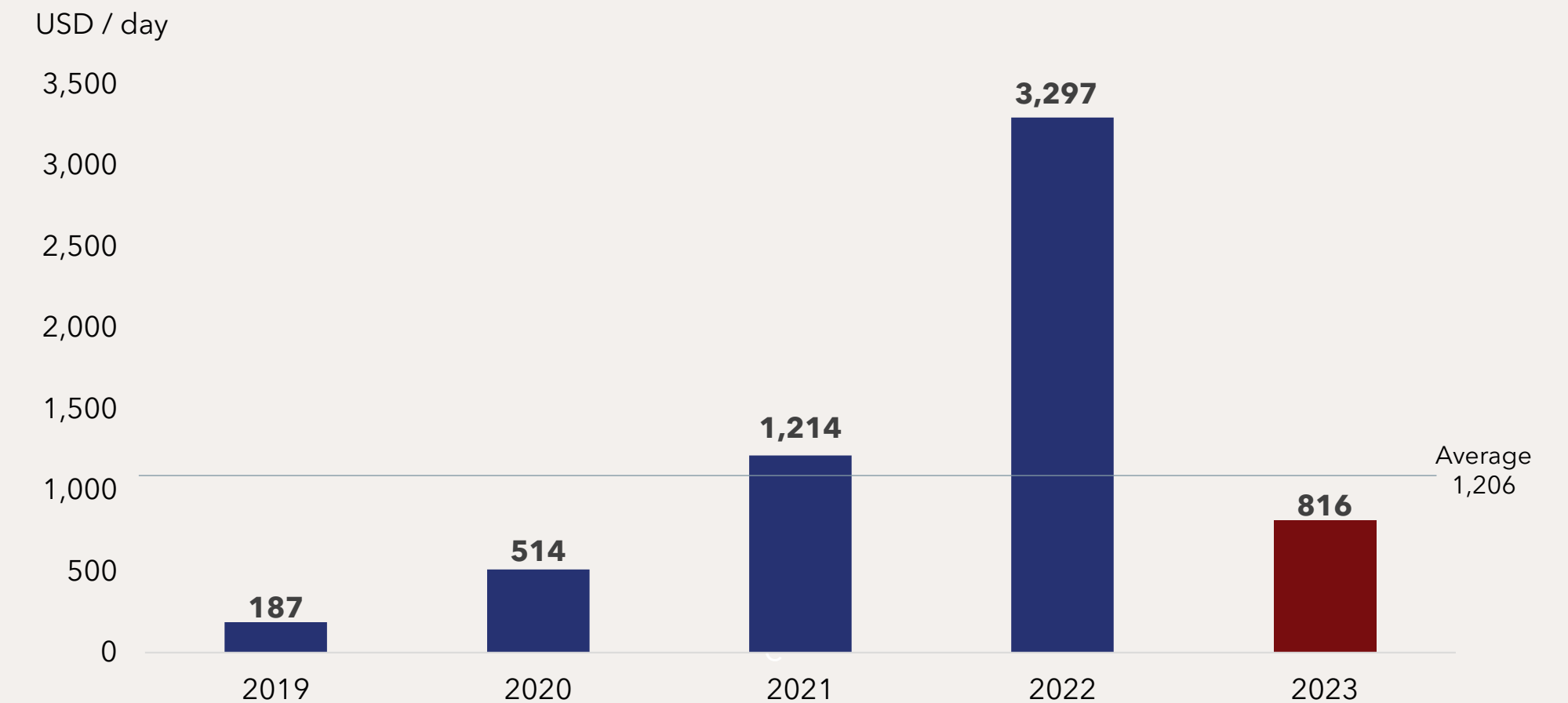
BUSINESS UNIT PERFORMANCE

FREIGHT SERVICES & TRADING

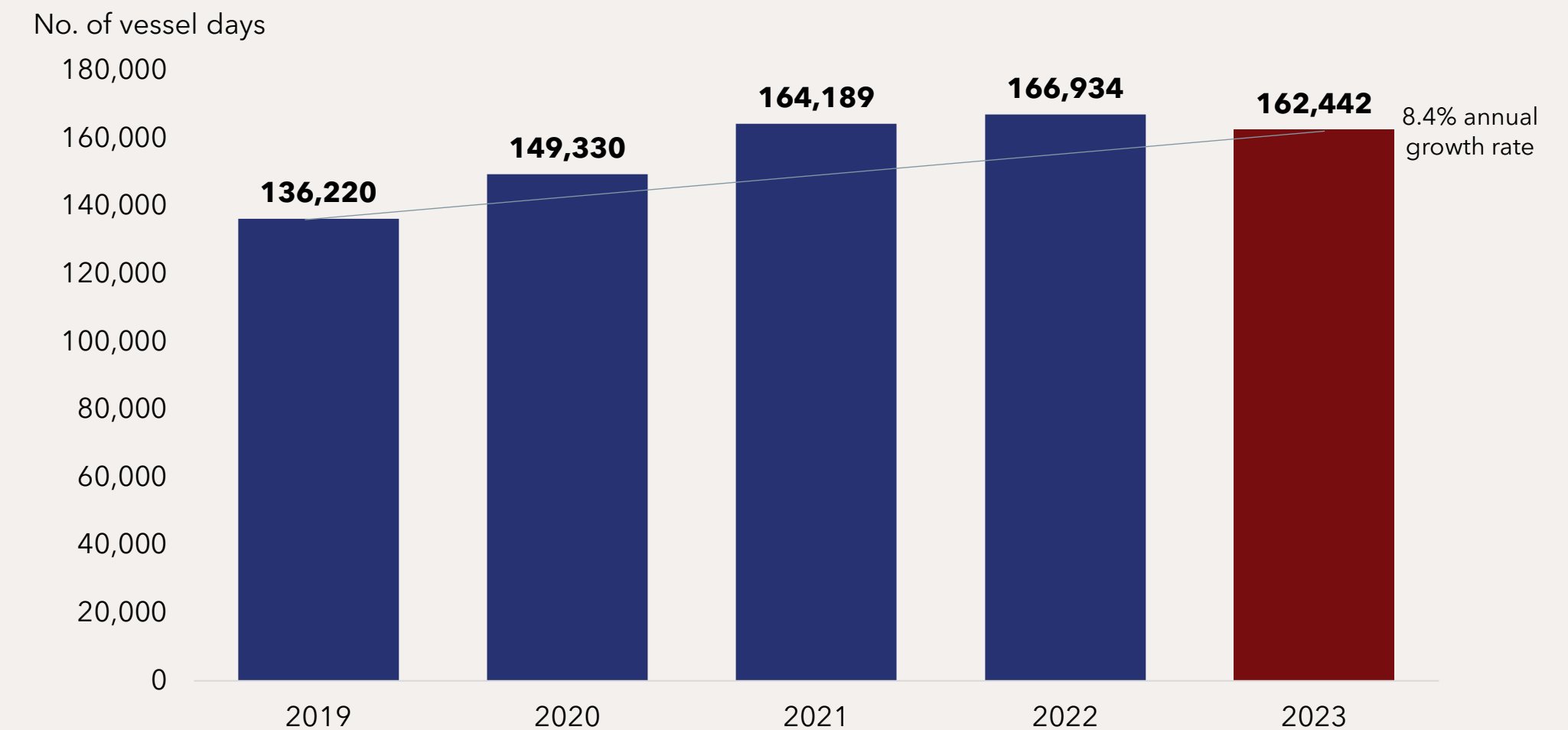
PROFITABLE YEAR

- Freight services & Trading reported continued profitability in 2023 with a profit of **USD 133 million** compared to USD 550 million in FY 2022.
- Both **market segments reported positive earnings**, with Tanker generating majority of the profit, as especially in Dry Cargo margins in Q4 was challenged by significant higher charter cost.
- While the **market conditions in Dry Cargo** were more challenging throughout most of the year, the increase in rates seen during Q4 resulted in higher charter cost. In **Tankers margins** was under pressure due to lower spot rates and higher charter cost from renewals of charters.
- **Result per vessel day was USD 816 in FY 2023**, higher than the average margin per day of USD 683 per day average from 2019 to 2023, excluding the exceptional year in 2022
- Total number of **vessel days was 162,442 days in FY 2023** or 3% lower than last year, including Projects & Parcelling.
- **Average number of operated vessels** was 445 in FY 2023, split between 328 vessels in Dry cargo and 117 vessels in Tankers.
- By the start of February, the market exposure in **Dry Cargo was open by 1,900 equivalent vessel days in 2024** with for the remainder of Q1 a short position of 3,943 equivalent vessel days, while having an **open market exposure in Tankers of 3,407 equivalent vessel days in 2024**.

RESULT PER VESSEL DAY



ACTIVITY LEVELS



ASSETS & LOGISTICS

FOCUS ON CAPTURING VALUES

- Assets & Logistics reported another strong year with a with a **net profit of USD 268 million in FY 2023**, including profit from sale of vessels of USD 79 million.
- **Earnings improved compared to last year** (FY 22 USD 193 million) as the unit entered the year with a high earnings coverage at attractive levels across both market segments combined with during the year gains from sublease contracts.
- **Well-covered vessel capacity across both market segments** for FY 2024, leading to limited exposure to volatility in the market and high earnings visibility.
- Assets & Logistics during the year have **increased the deferred Dry Cargo exposure** by ordering 6 supramax newbuilds and 11 leased new-buildings with delivery from 2025 and invested in five capesize vessels.
- Despite interim dividends **the underlying NAV for the business** was nearly unchanged compared to end of Q3 2023, ending at USD 1,654 million, supported by the underlying increase in asset values.
- **Higher vessel valuations and market value of T/C's**, while lower net cash position due to interim dividends and share, the NAV per share was DKK 353 compared to DKK 422 per share by end of 2023. Of the total NAV, the gross cash position accounted for **DKK 102 per share** end of 2023.

NAV PER SHARE (END Q4)



Net asset value of Assets & Logistics (incl. NORDEN's net cash position)

USD million	Dry	Tankers	Total
Market value of owned vessels	572	420	992
Estimated market value of T/C and cover portfolio (incl. estimated value of optionality)	144	221	364
Total Asset & Logistics portfolio value	715	640	1,356
Net cash position			478
Newbuilding instalments			-260
Other net assets (book values)			81
Total business unit NAV			1,654
Business unit NAV per share, DKK			353
Market value of owned vessels vs. carrying amounts	-66	230	164

Note: Based on 31.57 million number of shares

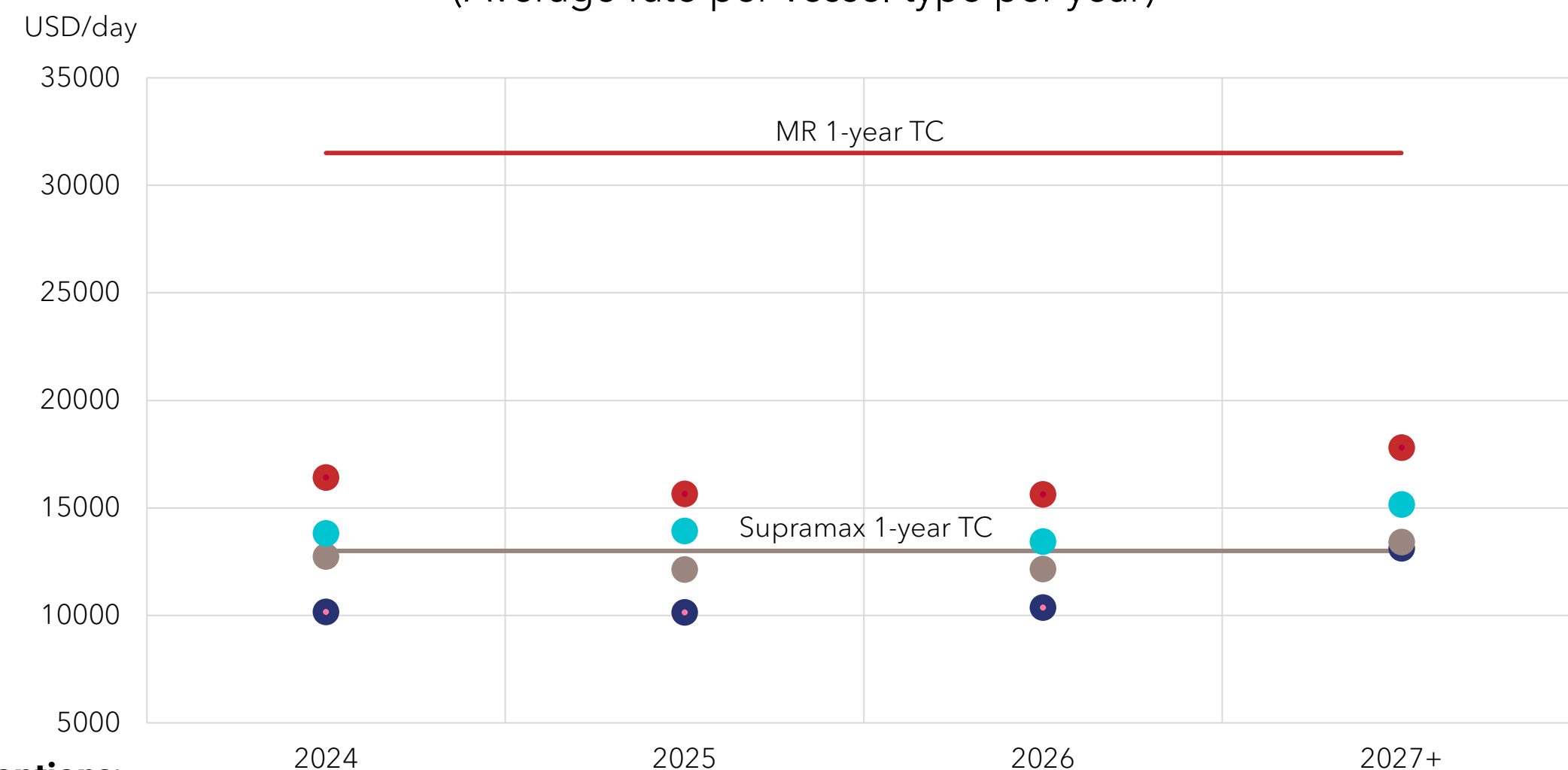
ASSET & LOGISTICS

EXTENSIVE OPTIONALITY IN VOLATILE ENVIRONMENT

- NORDEN's extensive optionality provides potential value upside in an environment with increasing interest rates, increased new building prices and near-term lower visibility on freight rates due to the macro-economic uncertainties.
- Extension options:** 189 options in total (123 options on dry cargo vessels and 66 on tanker vessels) with around 65,000 days in total.
- Purchase options:** 81 options in total (52 in dry cargo, 29 in tankers).

EXTENSION OPTIONS

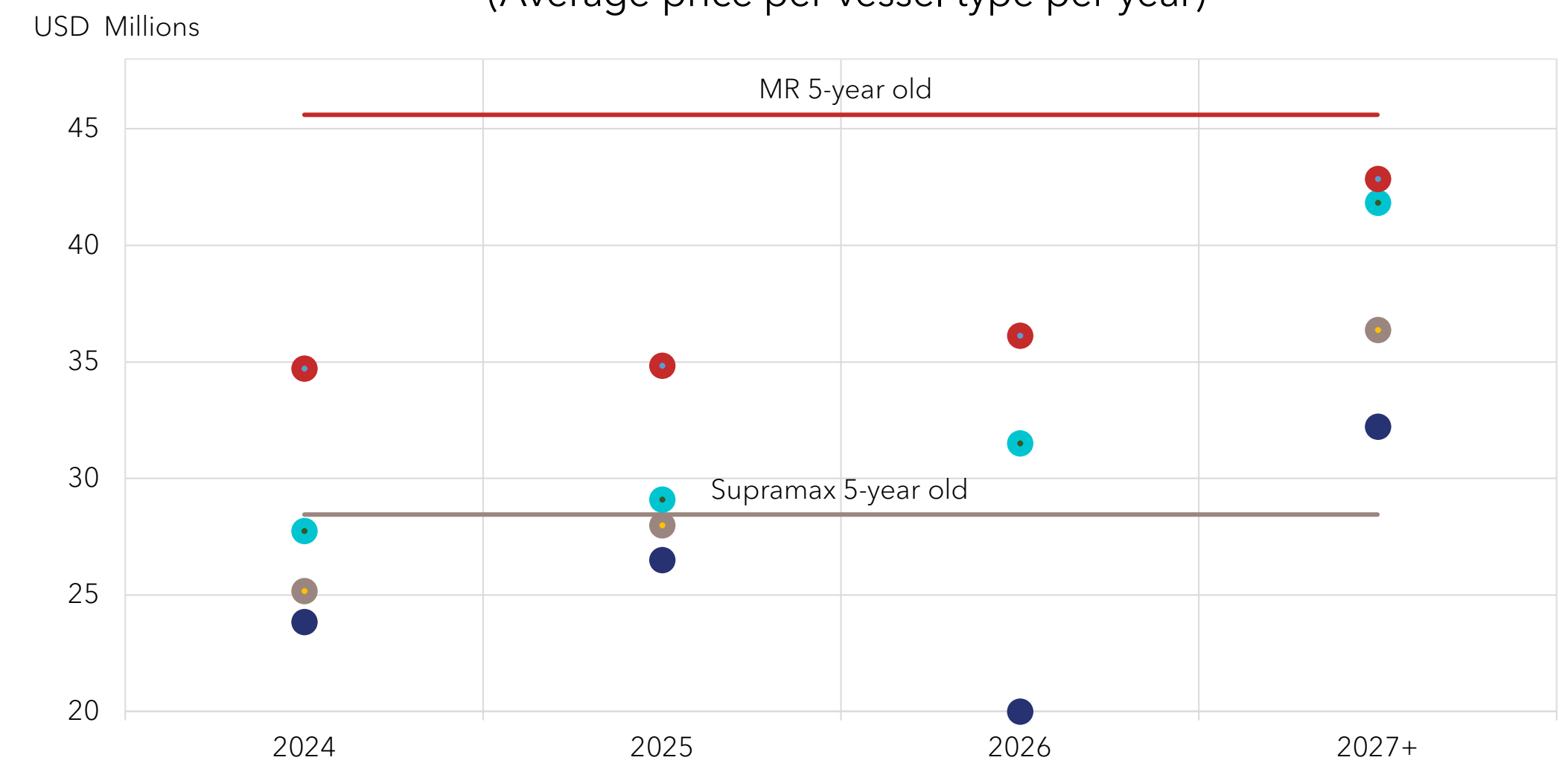
(Average rate per vessel type per year)



No. of options:	2024	2025	2026	2027+
Tankers	9	7	11	39
Dry cargo	19	16	14	74

PURCHASE OPTIONS

(Average price per vessel type per year)



No. of options:	2024	2025	2026	2027+
Tankers	14	3	4	8
Dry cargo	26	8	3	15
Average age at declaration	5	4	5	4

MARKET DEVELOPMENTS AND OUTLOOK

MARKETS

DRY AND TANKER MARKET IN 2023

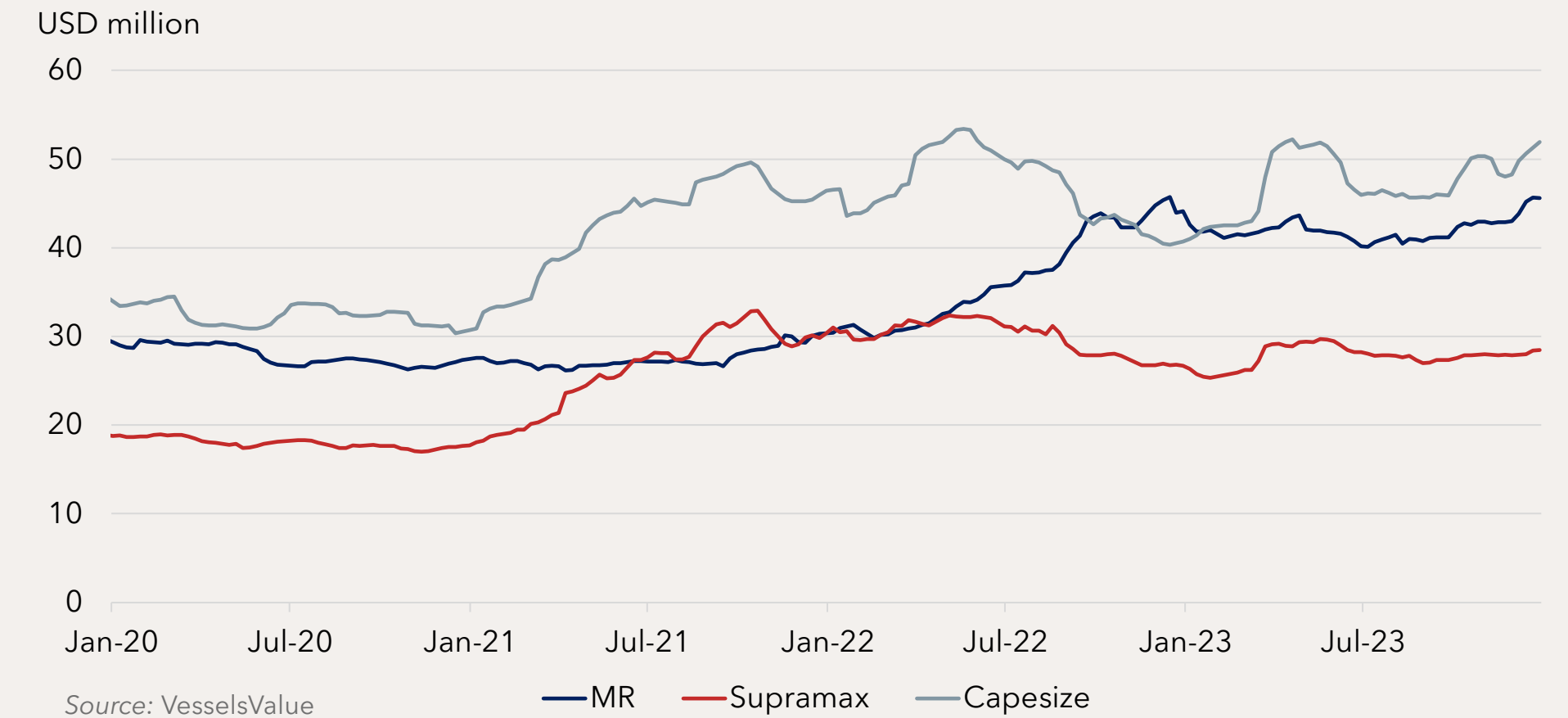
Strong demand from China in 2023 in Dry cargo

- The global **demand continued the strong development into Q4**, with increasing demand from China and RoW leading to longer distances and higher positive tonne-miles growth Y/Y for the year.
- **Congestion levels back to pre-pandemic levels** leading to higher fleet efficiency, but in Q4 partly offset by situation in the Panama Canal and Red Sea..
- Average Supramax spot rates in 2023 **decreased by -49% Y/Y and increased 41% Q/Q** to USD 11,240 per day, while 1-year T/C rates was up 7% Y/Y to USD 14,250 per day by end of 2023.
- Average Capesize spot rates in 2023 was unchanged by the end of the year and increased **111% Q/Q to USD 16,389 per day**, while 1-year T/C rates was up 39% Y/Y to USD 18,950 per day by end of 2023.
- Supramax 5-year secondhand prices increased **by 6% Y/Y to USD 28.5 million**, while Capesize prices increased by **28% to USD 51.9 million**.

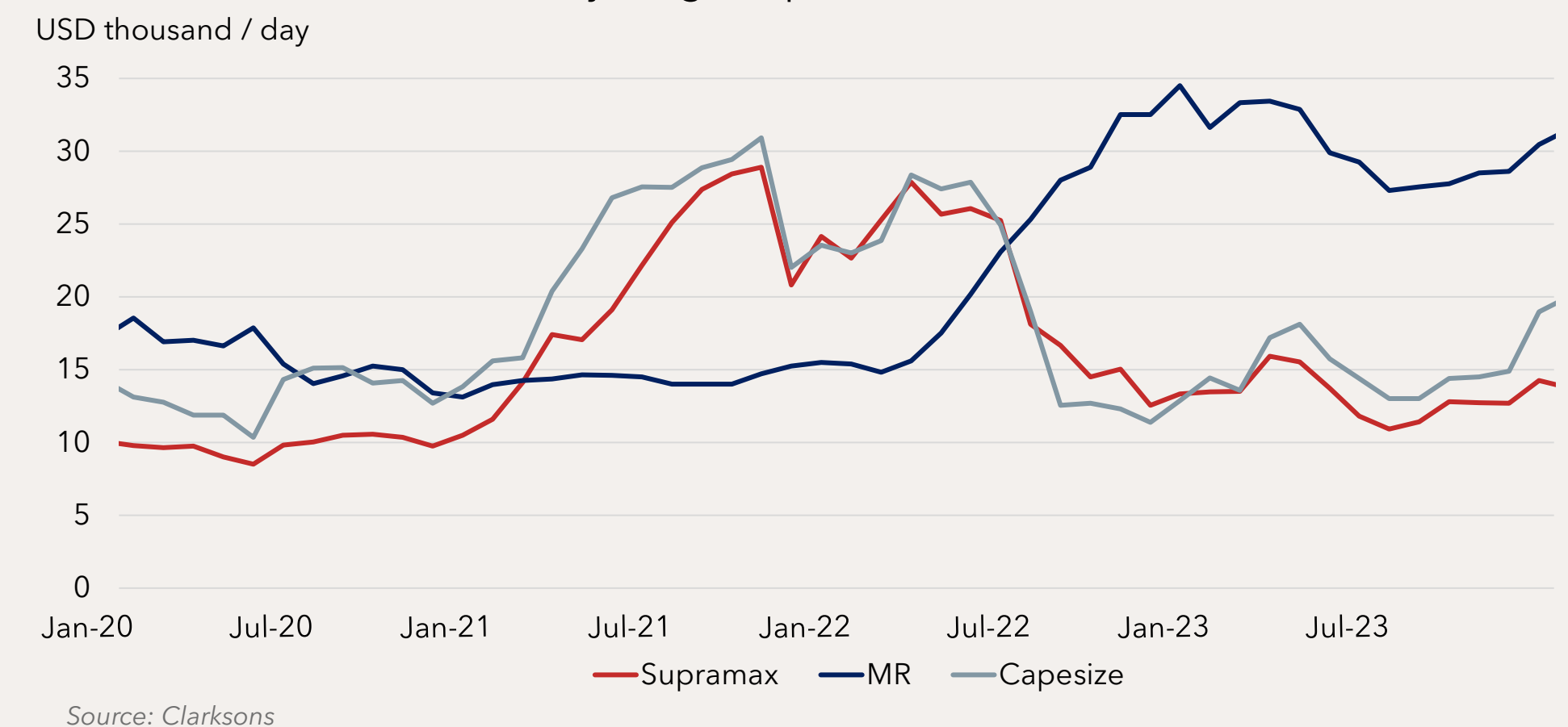
High volatility in Tanker spot rates - no impact on values

- Product tanker market still **positively impacted by longer distances** even though inefficiencies due to sanctions have been reduced.
- Average MR spot rates decreased by **-19% Y/Y by the end of 2023 and increased by 19% Q/Q** in Q4 to USD 29,782 per day, while 1-year T/C rate was unchanged Y/Y at USD 30,350 per day by the end of 2023.
- Price of a 5-year old MR vessel **increased by 4% Y/Y** to USD 45.6 million at the end of 2023, driven by the currently tight yard capacity and high rates.

5-year secondhand asset values
(dry cargo & product tanker)



1-year T/C rate
(dry cargo & product tanker)



MARKETS

DRY CARGO MARKET

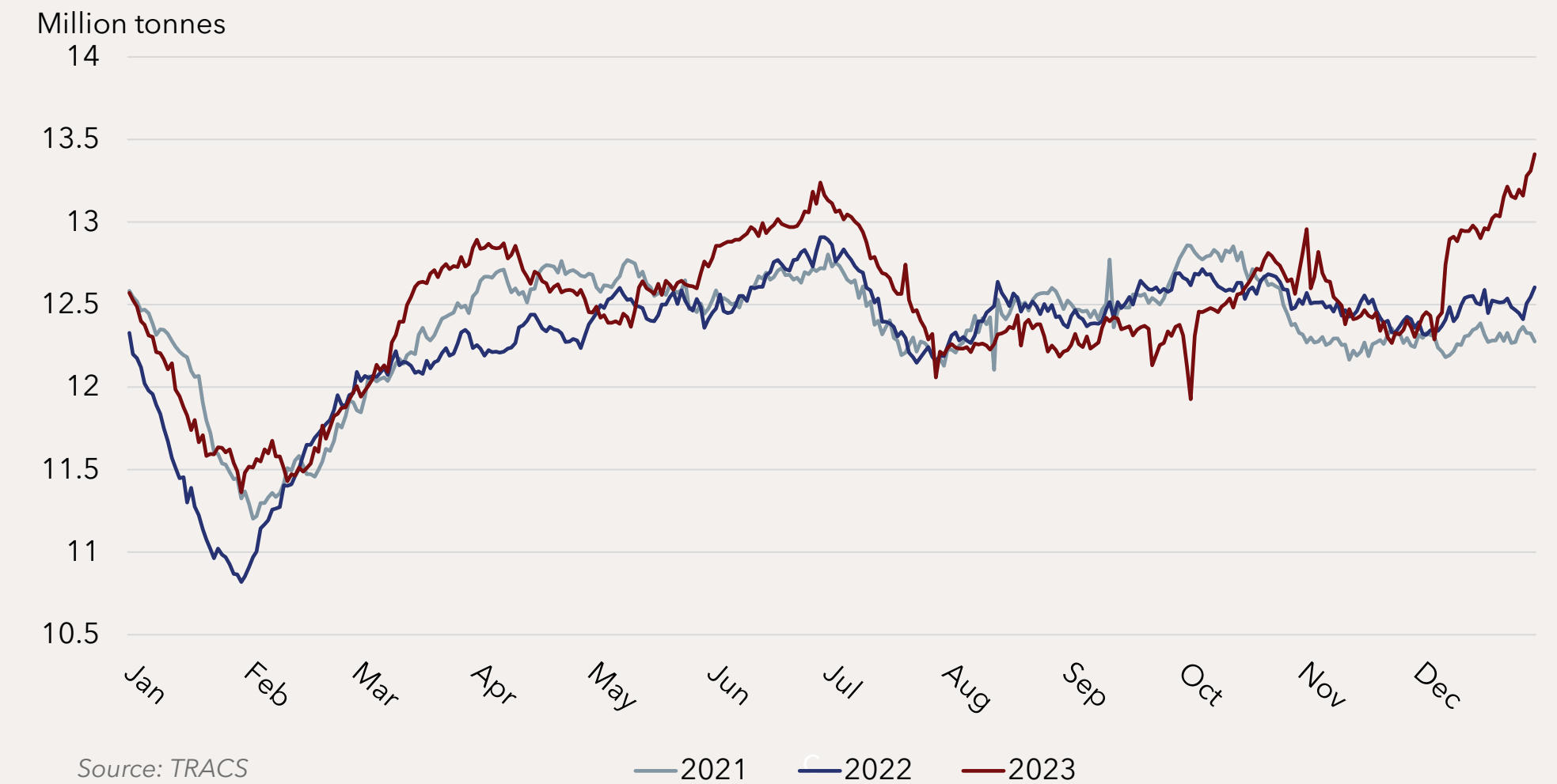
Strong demand from China - lower congestion led to decrease in rates

- **Global volumes in 2023 increased by around 4% Y/Y** driven by continued weak import to RoW of -2% Y/Y and growth of 12% Y/Y in import to China, despite the challenges in China with lower economic activity and collapse in the property sector.
- In **tonne-miles global volumes grew by 6% Y/Y** driven by strong growth to China.
- China imports of **coal increased by 48% Y/Y**, iron ore by 7% Y/Y and minor bulks by 3%, including bauxite.
- The overall global **congestion returned to a normalised level in 2023**, leading to significant lower freight rates throughout most of the year. In Q4 23 rates increased Q/Q, especially in Capesize, due to higher than normal seasonal demand combined with the situation in the Red Sea.

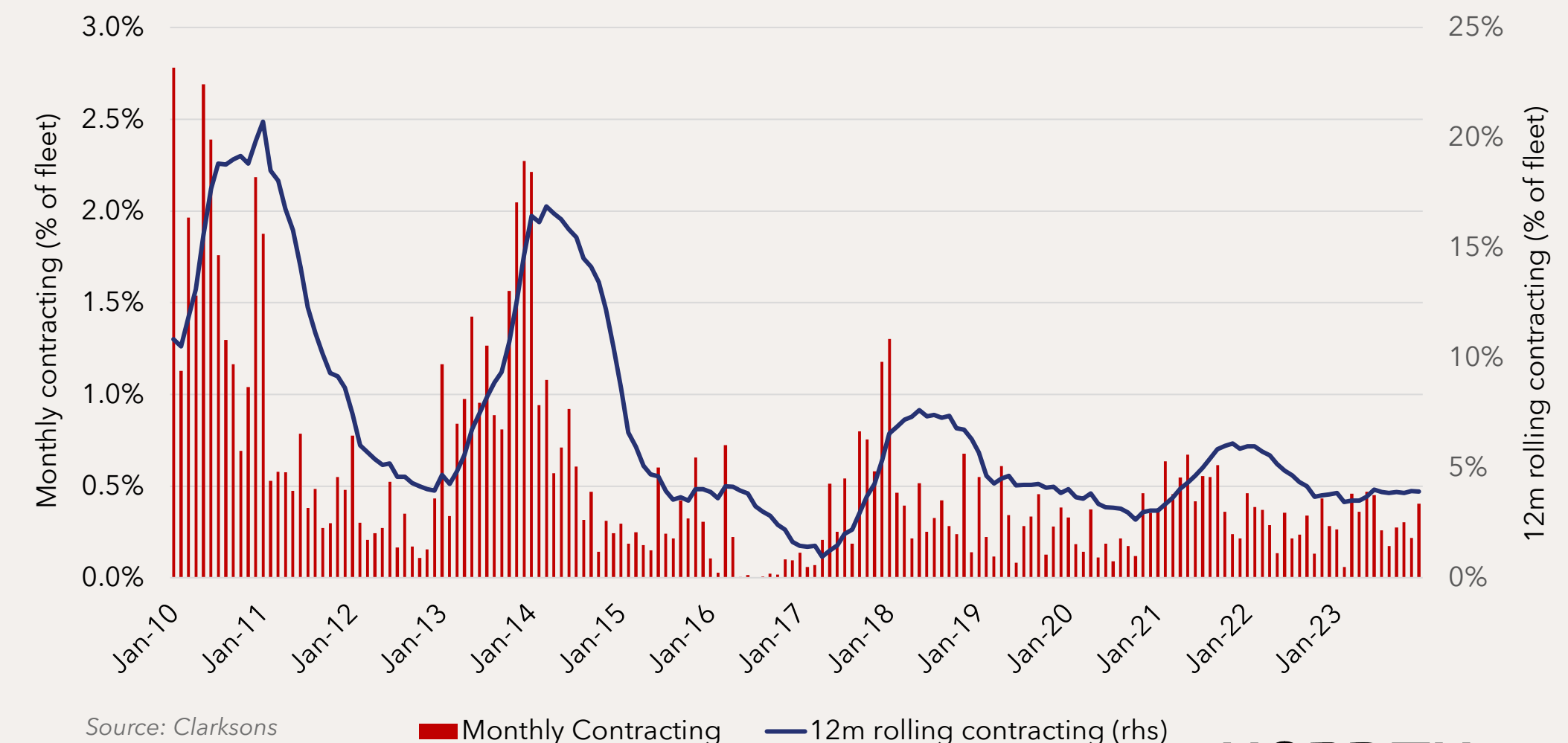
Contracting remains low leading to fundamentals intact

- The dry cargo sector are still characterised by a historically low contracting of newbuilding's of around 4% in 2023 leading to an **orderbook to fleet ratio of around 8%** by end of the year.
- A combination of high new-building prices, increasing interest rates and **limited yard capacity** have led to the low contracting.
- Dry cargo is among the segments in the shipping sector with the lowest supply growth expected to between **2-3% for the coming years**.

Global volumes transported (30-day moving average)



Dry Cargo Y/Y Fleet Growth & Monthly contracting



MARKETS

TANKER MARKET

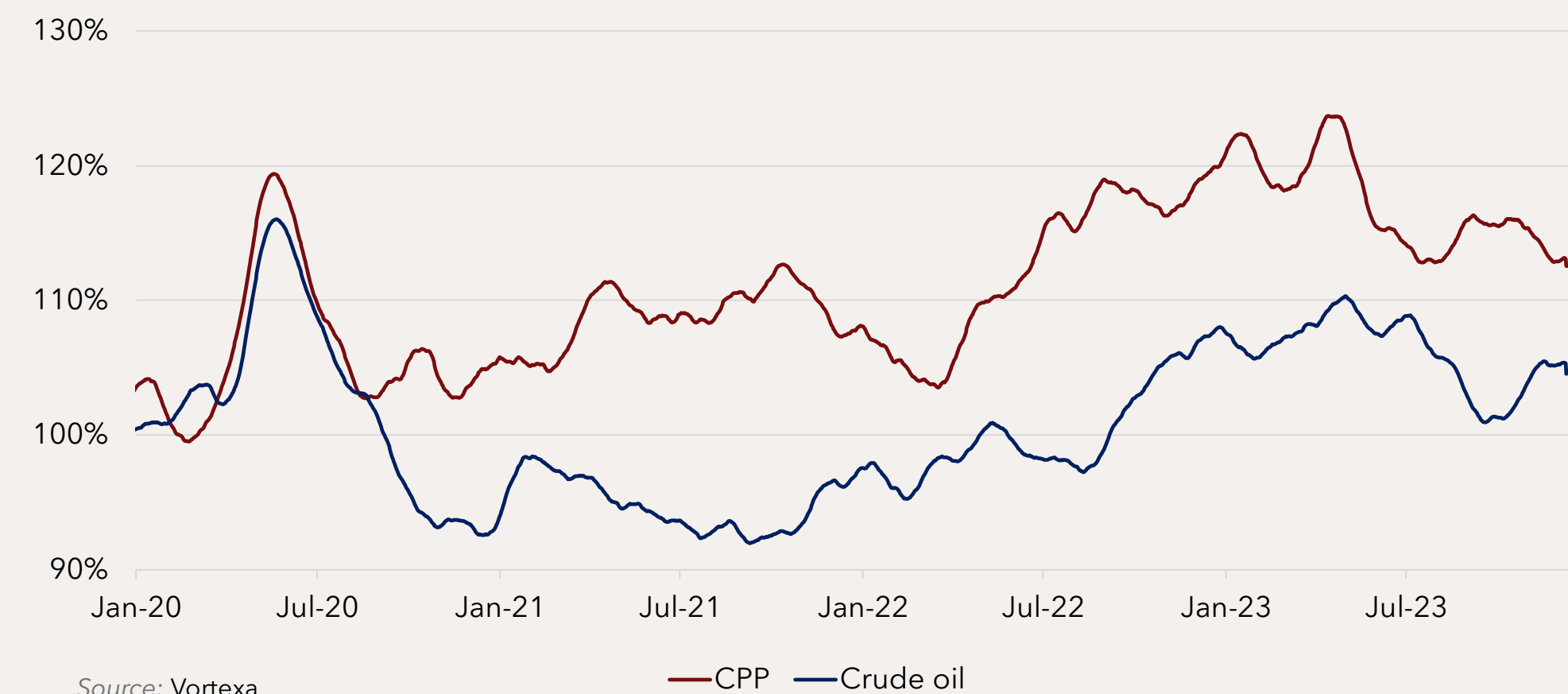
Positive tanker market expected in 2024, but with high volatility

- The product tanker market is expected **to stay attractive in 2024**, supported by the current market dynamics, with the sanctions on Russian export to EU and the situation in the Panama Canal and Red Sea.
- **Rate volatility and risks** to the attractive base case scenario remains high due to geopolitical and macro economical uncertainties.

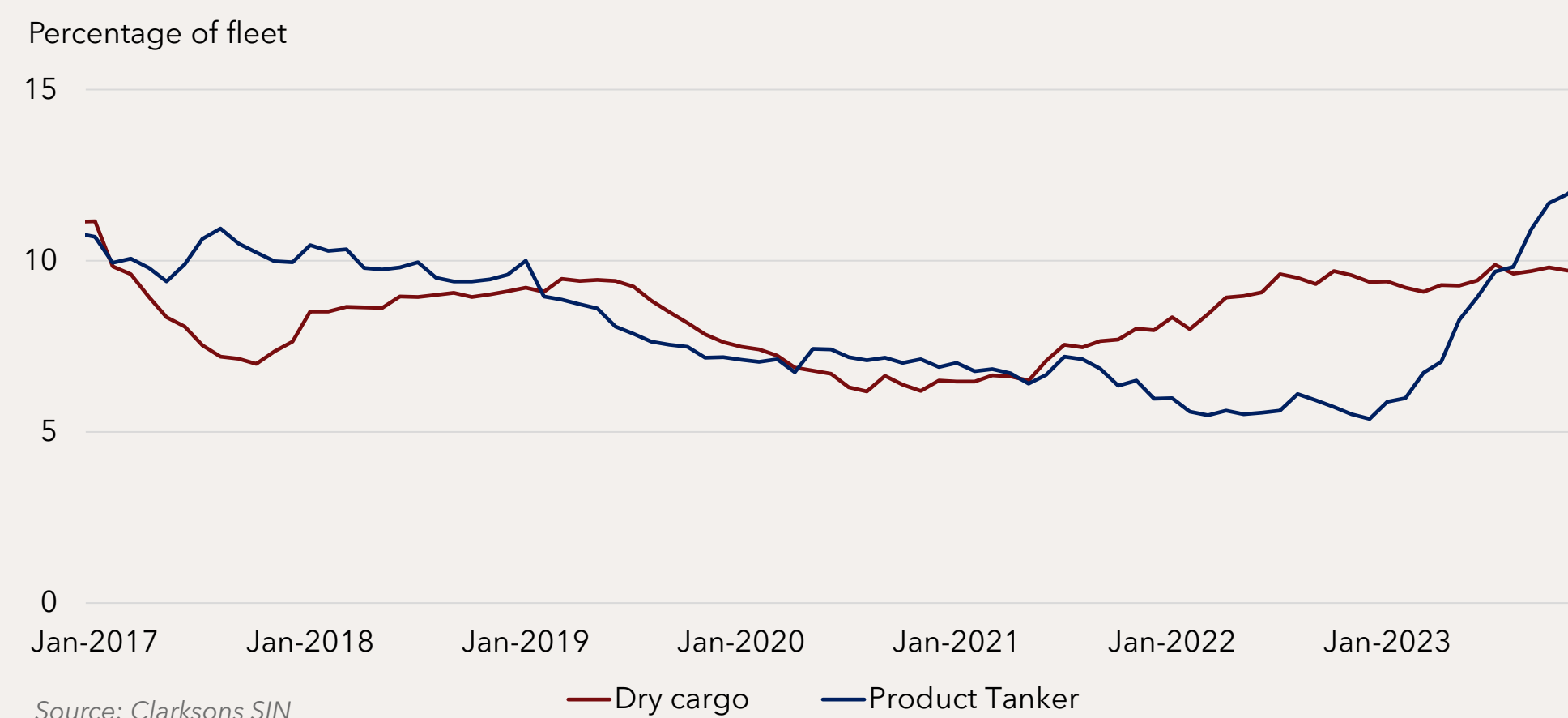
Higher contracting in product tankers - still limited supply in 2024

- The overall **contracting for Tankers are still at a relatively low** with an orderbook to global fleet of 8% by end of 2023, including crude tankers.
- During the year we have seen a **higher contracting in the product tanker** segment leading to more than a doubling in the orderbook to fleet ratio to around 12%.
- In 2024, the global product tanker fleet (MR) is **expected to grow** be around 2% Y/Y.
- Combining the low supply growth with the current disruptions to the supply chain from the Panama Canal and Red Sea and low inventories of diesel and other refined products in Europe, the **near-term outlook for rates looks attractive, but also expected to be volatile.**

Clean products and crude oil in transit
(number of barrels in transit compared to January 2020 in %)



Orderbooks in % of fleet



NORDEN AT A GLANCE

NORDEN AT A GLANCE

1871:

Mads C. Holm founds NORDEN; first vessel delivered in 1872



1923:

NORDEN's first motor vessel, NORDBO is delivered



1973:

The first of 5 dry cargo vessels is delivered from Japan, and NORDEN enters what today is the core business of the Company



2005:

NORDEN establishes Norient Product Pool with pool-partner Interorient Navigation Company Ltd., Cyprus



2013:

NORDEN finalises its first sustainability strategy with focus on e.g. reducing CO2 emissions



2021:

NORDEN celebrates 150 years of sailing the seven seas



2023:

NORDEN conducts first merger in company history by acquiring Thorco Projects and entered Capesize operations



1892:

Dampskibsselskabet NORDEN acquires a new domicile only a few hundred metres from the Royal place, at No. 49 Amaliegade



1946:

NORDEN's last steamship, NORDLYS is sold



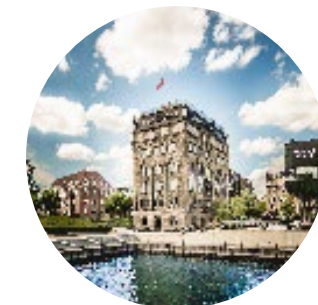
1979:

The last liner-type vessel, NORDFARER, is sold



2008:

NORDEN moves into its new domicile Bryghuset



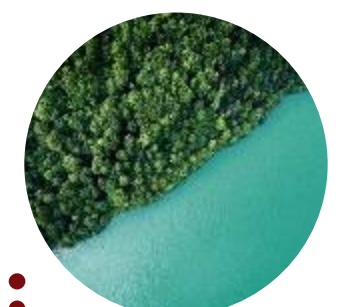
2019:

NORDEN celebrates its first test voyage with a large ocean-going vessel powered solely on CO2 neutral biofuel



2022:

NORDEN launches its new climate strategy and commits to five climate initiatives to help its customers decarbonise their supply chains



NORDEN

WE ENABLE SMARTER GLOBAL TRADE



More than
475
vessels operated

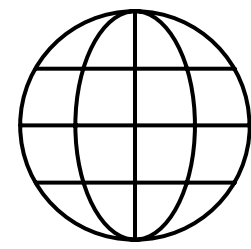
Tonnes of cargo carried
130 m
in 2023

Data points processed daily
9.4 bn
to support decisions

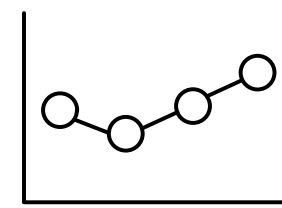
We are
52
nationalities at NORDEN

NORDEN STRATEGY

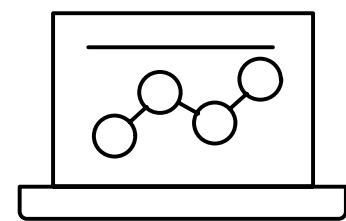
Macrotrends affecting shipping



Geopolitical complexity



Market volatility



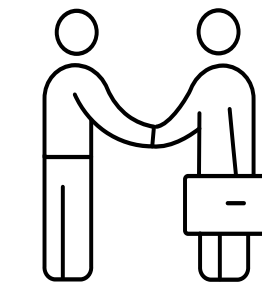
Digitalisation



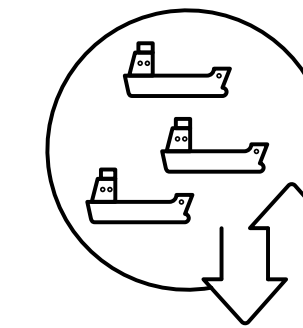
Decarbonisation



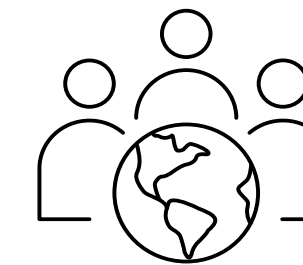
NORDEN strategy



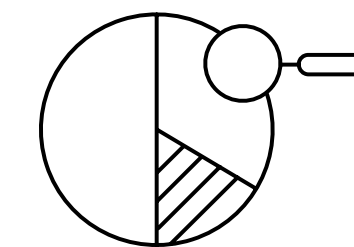
**Customer-focused freight services,
logistics and climate solutions**



Asset-light business model



High-performing organisation



Data, analytics and risk management

OUR BUSINESS MODEL

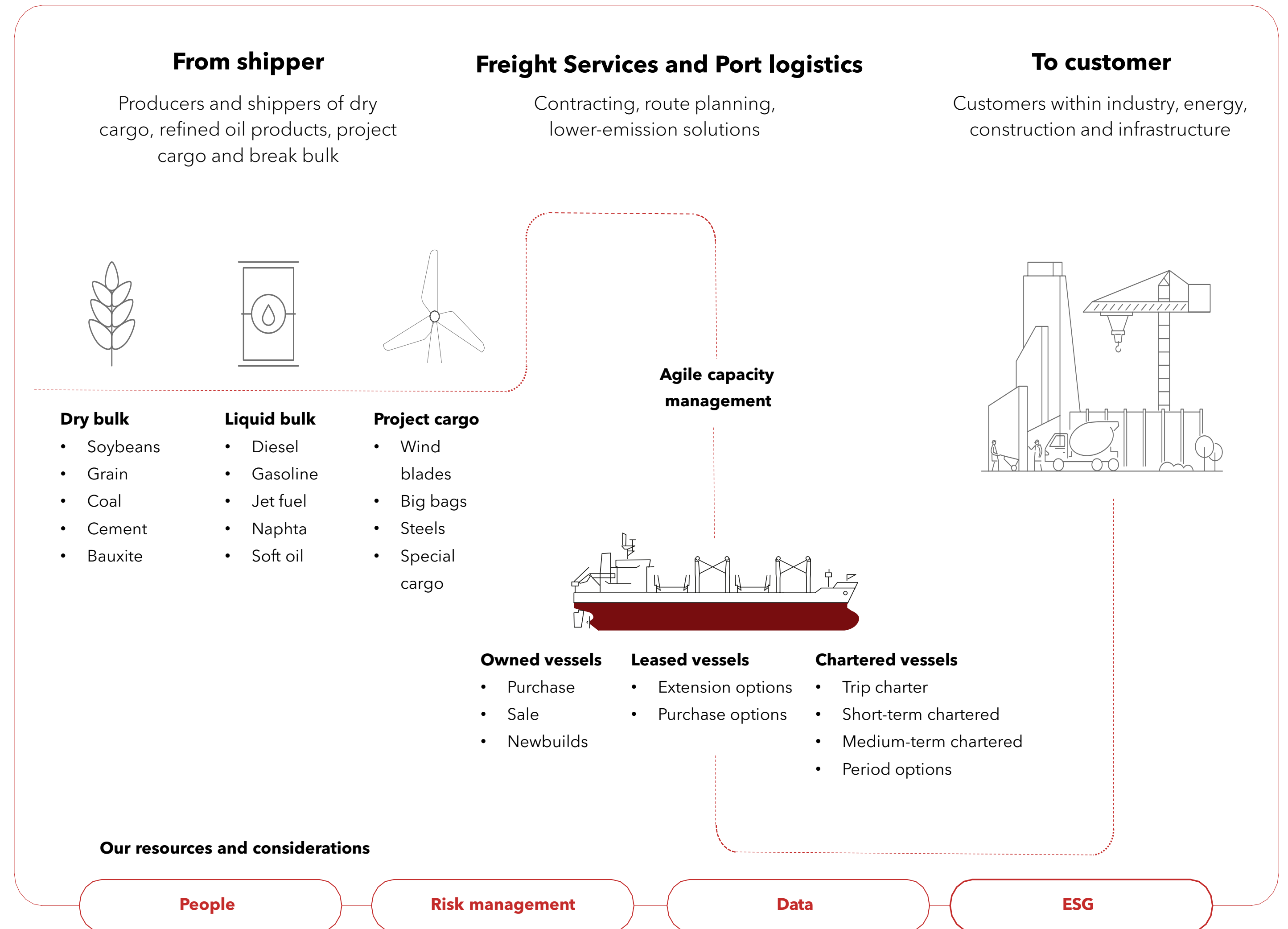
Founded in 1871 and with 14 offices across 6 continents and close to 500 employees ashore, NORDEN is a global provider of ocean-based freight services for dry and liquid bulk and project cargo of all sizes. We integrate freight solutions with port logistics, helping our customers optimise and decarbonise their supply chains.

We provide tailored solutions based on flexibility, reliability and intelligence, delivered by our global team of professionals. Our agile business model ensures stability by continuously adapting our fleet to market developments and customer demand, utilising our tonnage through spot cargo, COA's, time-charters and FFA's.

Based on an agile capacity management model, we operate a diversified fleet of around 475 vessels ranging from Handysize (10,000 dwt) to Capesize (200,000 dwt) and MR tankers through our owned and leased fleet, our tanker pool and externally chartered tonnage.

The ability to adjust our fleet to market trends by adjusting the operated fleet using chartered vessels and the optionality from extension and purchase options from the leased fleet, allow us to navigate the complexities and cyclical nature of the shipping industry to improve cost efficiency and create more stable earnings and returns.

Our integrated port logistics solutions aim at helping clients solve port infrastructure bottlenecks using floating transfer stations to load larger vessels off-shore, optimising supply chain efficiency and reducing emissions.

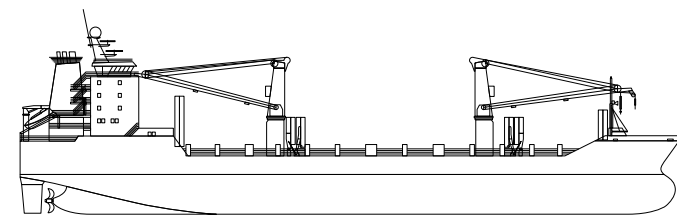


BUSINESS MODEL

AGILE CAPACITY MANAGEMENT MODEL

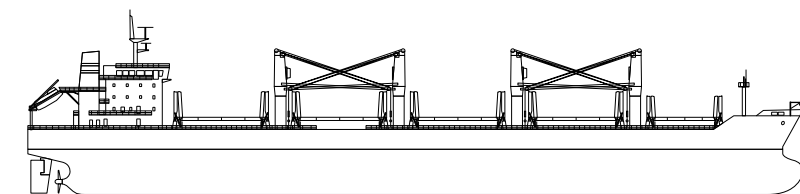
DRY CARGO

MULTIPURPOSE



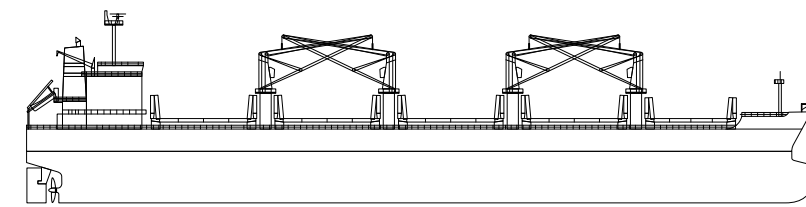
10,000 - 30,000 DWT

HANDYSIZE



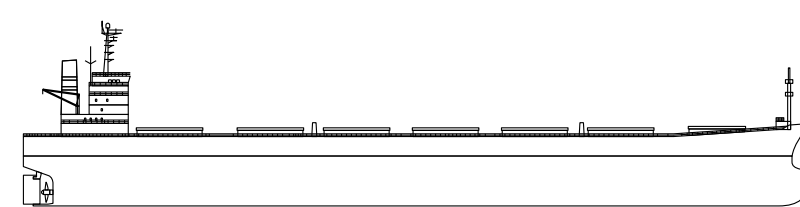
28,000 - 39,000 DWT

SUPRAMAX



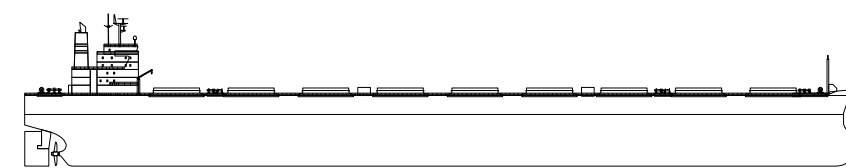
50,000 - 64,000 DWT

PANAMAX



75,000 - 93,000 DWT

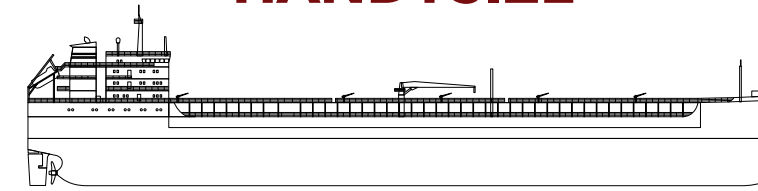
CAPE SIZE



150,000-210,000 DWT

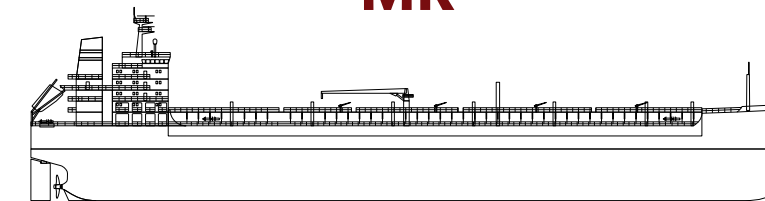
PRODUCT TANKERS

HANDYSIZE



36,000 - 40,000 DWT

MR



46,000 - 52,000 DWT

SELECTED CUSTOMERS AND PARTNERS



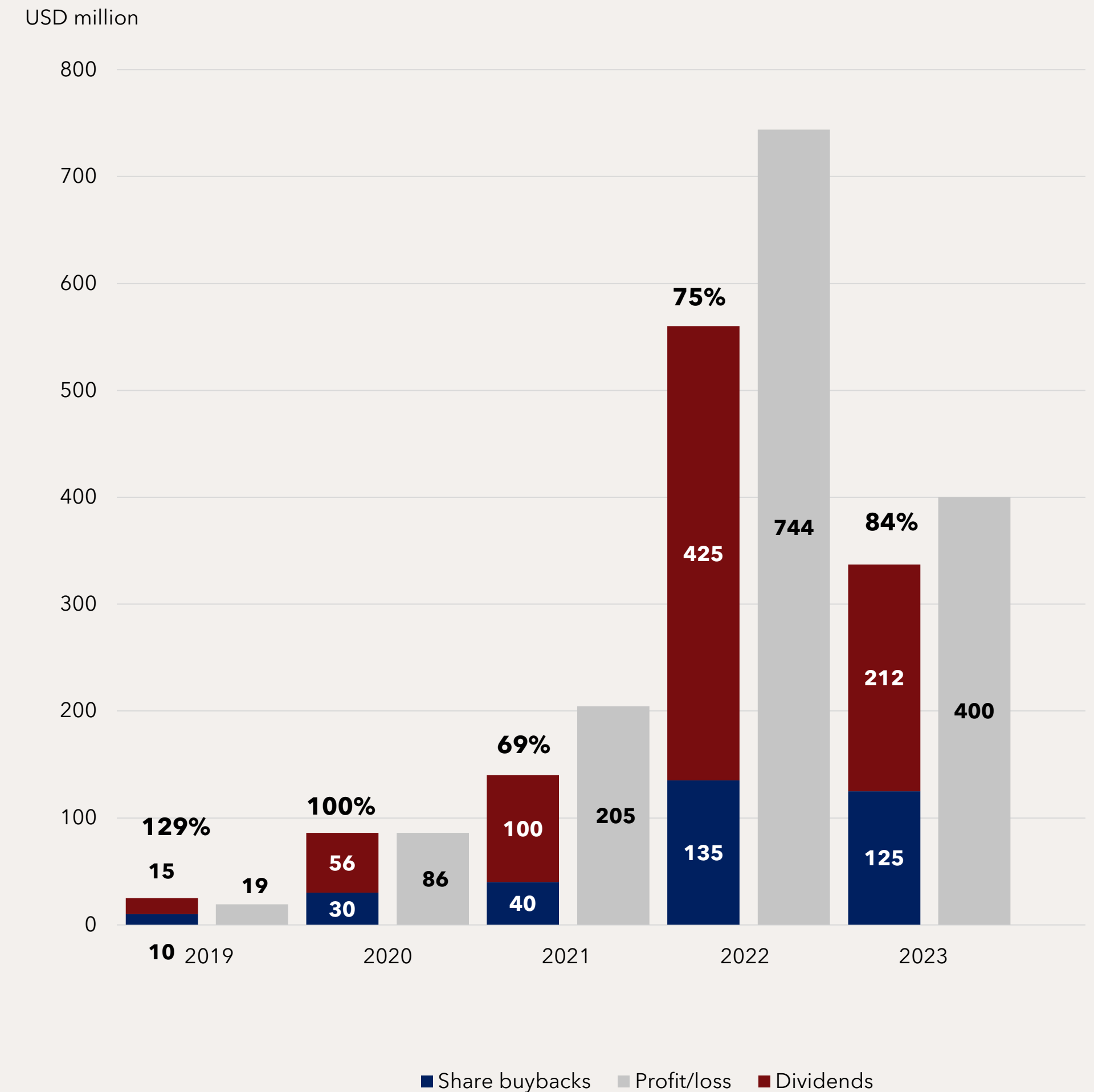
SHAREHOLDER RETURNS AND VALUATION

HIGHLIGHTS FOR FULL-YEAR 2023

SHAREHOLDER CASH DISTRIBUTION

- NORDEN for the full-year 2023 propose a final dividend of **DKK 10 per share**, which accumulated with the interim dividends for the first nine months brings the total dividend to **DKK 45 per share**, or a **pay-out ratio of 53%** in line with the dividend policy of a minimum annual pay-out ratio of 50%.
- The Board have in addition to the interim dividend decided to initiate a **new share buy-back programme of USD 15 million** supported by the free cash flow generated and the strong capital structure by end of the year with a NIBD of USD 45 million including IFRS 16 leases.
- Since 2019 NORDEN have **distributed more than USD 1.1 billion or 78% of accumulated net profit** to shareholders through dividends and share buy-backs, totaling at around 60% of the current market value of NORDEN.
- **Number of shares has been reduced by 25% since the end of 2019** to 31,407,962 shares by the end of January 2024, adjusted for Treasury shares of in total 2,592,038 shares corresponding to 7.6%.

CASH DISTRIBUTED TO SHAREHOLDERS (USD million)
incl. proposed dividends and announced share buy-backs

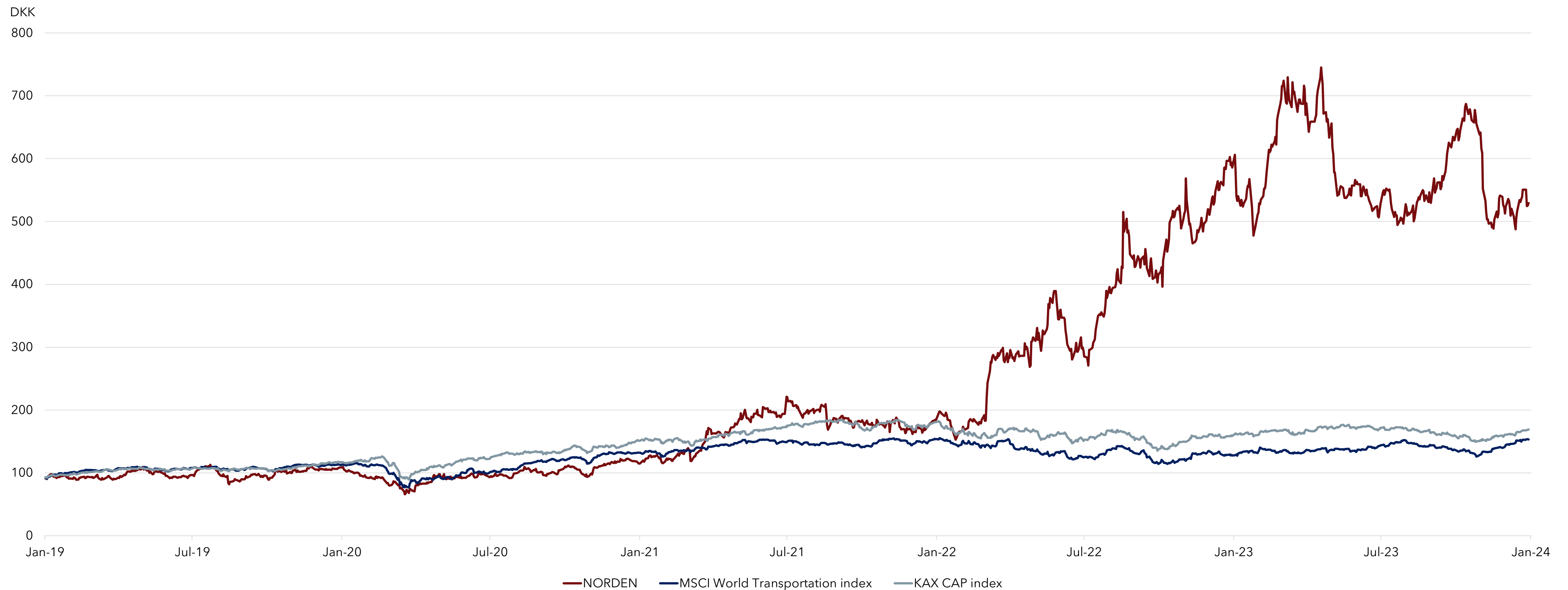


Note: Based on the announced dividends and share buy-back programmes..

SHARE PRICE PERFORMANCE

ANNUALISED TOTAL SHAREHOLDER RETURNS OF 40% PER YEAR

~ USD 1.1 billion returned since 2019
(When including interim dividends and share buyback programme)



SHARE PRICE VALUATION

ASSETS & LOGISTICS

NAV-based valuation

Per 31/12/2023

	USDm
Market value of own vessels	992
Market value of T/C & Cover portfolio	364
Net cash position	478
N/B instalments	-260
Other net assets (book values)	81
Total business unit NAV	1,654
Business unit value per share, DKK*	353



FREIGHT SERVICES & TRADING

Earnings-multiple based valuation

Avg. historical margin per day since 2019 (excl. full-year 2022), (USD)	683
Annual number of vessel days (2023)	165,000
Avg. normalised Net profit (USDm)	113
Avg. forward P/E for NORDEN since 2020	8x
Total business unit value (USDm)	902
Business unit value per share, DKK*	193



**TOTAL VALUE
OF NORDEN**

* NAV per share and value per share based on USD/DKK rate and share count as of latest balance sheet date, excluding treasury shares held by NORDEN on this date.