

Earnings affected by impairment

Total income

Q4 SEK 151.2 (165.7) million

Full year SEK 704.8 (1,025.8) million

EBITDA

Q4 SEK 36.6 (–4.6) million

Full year SEK –82.6 (277.8) million

Result before tax

Q4 SEK –308.2 (–86.5) million

Full year SEK –658.2 (–65.1) million

Result per share after tax

Q4 SEK –6.45 (–1.83)

Full year SEK –13.84 (–1.38)

Events in the fourth quarter

- Agreement with lending banks on new terms and conditions for two of the Company's P-MAX vessels
- Covenant waiver granted by lending banks*
- Erik Lewenhaupt new CEO of Concordia Maritime
- Book value of fleet vessels written down by SEK 268 million
- The Board will propose a dividend of SEK 0 (0) per share to the 2022 AGM

Events after the end of the quarter

- Disposal of P-MAX vessel *Stena Perros*
- Technical design study on conversion of P-MAX vessels is launched
- *Stena Polaris* chartered out on bareboat charter for 12 months, with options

Key figures	Q4 (Oct-Dec)		Full year	
	2021	2020	2021	2020
Total income, SEK million	151.2	165.7	704.8	1,025.8
EBITDA, SEK million	36.6	–4.6	–82.6	277.8
EBITDA, USD million	4.4	0.1 ¹⁾	–9.6	30.2
Operating result, SEK million	–290.0	–59.9	–583.5	32.6
Result before tax, SEK million	–308.2	–86.5	–658.2	–65.1
Result before tax, adjusted for impairment	–40.5	–86.5	–390.5	–65.1
Result after tax, SEK million	–307.8	–87.4	–660.4	–66.0
Equity ratio, %	14	28	14	28
Return on equity, %	–112	–6	–112	–6
Available liquid funds, including unutilised credit facilities, SEK million	34.9	378.0	34.9	378.0
Result per share after tax, SEK	–6.45	–1.83	–13.84	–1.38
Equity per share, SEK	6.21	16.66	6.21	16.66
Lost-time injuries	0	1	0	2

1) EBITDA in USD for the quarter was USD 0.1 million. The corresponding amount in SEK is negative due to the USD-SEK exchange rate moving from 8.96 to 8.23 during the quarter, which resulted in a negative SEK EBITDA for the quarter.

* For further information, see page 6.

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

Q4
2021



A particularly challenging year

Twelve months ago, we looked back on a mediocre 2020. The prospects for a recovery in 2021 seemed good at that time. Stock levels were low and demand for oil increased again – after the sharp decline early on in the pandemic. A year on, we can see that the upturn failed to materialise. Instead, 2021 turned out to be one of tanker shipping's most challenging years ever.

All other shipping segments apart from the tanker segment showed strong growth during the year – largely driven by high commodity prices, disruptions in logistics chains and a generally strong and rapid recovery in the world economy. The Clarksons ClarkSea Index, which shows overall earnings for shipping, increased by 93 percent during the year. At the same time, the tanker segment's share of the same index fell by 71 percent.

Several reasons behind the weak market

The tanker markets were under strong pressure throughout the year. Average earnings per day for a Suezmax vessel during the year fluctuated between USD 2,500 and 12,500. Corresponding earnings per day for an MR product tanker were USD 3,500–13,000. We could see some recovery in the fourth quarter, but nothing that would change the big picture.

The weak market during the year was due to a number of factors, the main ones being:

- *Lower volumes.* Despite a recovery in demand for oil, production and export volumes have not increased at the same pace as OPEC has been holding back. Stock levels reached historically low levels in the second half of the year and the broad replenishment has not yet taken place.

- *Shorter distances.* This is partly due to lower than expected exports from typical long-distance exporters like Russia, Brazil, the US and Norway to regions such as Asia, leading to a reduction in transport distances.
- *Less phasing-out/recycling than expected.* Despite a historically weak market, a relatively large number of older vessels remained active. Some of these are reported to be sailing with cargo from sanctioned countries, instead of going in for recycling. This contributed to net fleet growth.
- *Increased fuel prices.* The price of crude oil rose gradually over the year, from approximately USD 50 per barrel in January to approximately USD 80 per barrel in December. This affected fuel prices for the fleet.

Major impact on Concordia Maritime

The continuing market weakness is clearly reflected in Concordia Maritime's financial result for the full year 2021, which amounted to SEK –660.4 million. In addition to generally weak earnings, other contributory factors were non-recurring costs related to periodic drydocking, installation of statutory ballast water treatment systems and increased complexity in crew changes as a result of the pandemic.



The weak market also resulted in a decline in vessel values for older tonnage, which – as previously communicated – affected the book value of the fleet and the result. The result for the fourth quarter, which was affected by the impairment, amounted to SEK –307.8 million.

The stronger earnings during Q4 are mainly a consequence of the five-year time charter for the P-MAX fleet. Although the base rate does not generate a profit, the agreement provides the necessary basic cover during challenging circumstances and there is the possibility of profit-sharing with Stena Bulk for any income above the base rate.

Measures to strengthen the Company's financial position and liquidity

A number of activities have been initiated to strengthen the Company's financial position and liquidity:

- Chartering out the entire P-MAX fleet (gradually from Q3 2021). The five-year time charter agreement with Stena Bulk secures a base rate of USD 15,500 per day and vessel with profit-sharing for any surplus levels.
- New financing, including a lower amortisation rate and new covenant levels (Q3 2021 – Q4 2024).
- Divestment of the two IMOIIIMAX product tankers (Q3 2021).
- Redelivery of chartered Suezmax shares (Q3 and Q4 2021).
- Sale of P-MAX vessel *Stena Perros* (Q1 2022).

Is this the demise of the tanker market we are now witnessing? No, probably not. There is still an underlying need for transport. Crude oil, refined products, vegetable oils, renewable fuels and chemicals all need to be shipped. The tanker market is volatile in nature and when the market turns, it tends to do so quickly. The market weakness in recent years can probably be seen as the consequence of a number of unfortunate and interrelated causes.

Looking at the supply side, we can see that the order book for tankers is at 7.3 percent¹⁾ of the total fleet, which is historically low. At the same time, the average age of the fleet continues to rise. We also note that many shipyards are full until mid-2024 as a result of the strong container

market. So even if orders were to increase now, it would take several years before newly ordered ships could be delivered. Oil stock levels remain low – and we have to wonder how long this situation can persist.

A major focus during the year will be to gradually strengthen the Company's liquidity and financial situation. The chartering out of the P-MAX vessels provides a necessary basis here. In addition, we are continuing to review the fleet, its employment and its earnings potential. One example is the technical design study that we recently launched. The aim is to investigate the feasibility of converting P-MAX vessels for container transportation (2,100 TEU). The road to a decision is certainly long, but given the market situation, no type of measure can be ruled out.

"Expect the best, plan for the worst and prepare to be surprised" are apt words for the tanker market. At the time of writing, the market situation remains tight but could change quickly. We are therefore keeping all options open for the future.

Finally, I would like to pay a special tribute to our crews, who have coped with a year of covid restrictions in an exemplary way.

Gothenburg, February 2022
Erik Lewenhaupt, CEO



1) Clarksons Total Tanker Orderbook

Business activities

Earnings per day for the product tanker fleet in the fourth quarter of 2021 were USD 15,800 (12,600), which was higher than average earnings per day for the market¹⁾, USD 7,800 (6,400). Earnings per day for the Suezmax fleet in the quarter were USD 13,100 (10,000), compared with average earnings per day of USD 10,500 (6,500) for the market²⁾.

The product tanker fleet

After the sale of *Stena Perros*, Concordia Maritime's product tanker fleet consists of nine 65,200 dwt P-MAX vessels. A five-year charter contract was signed with Stena Bulk during Q3 2021 and all vessels were employed under the contract the end of Q4. *More about the agreement can be found on page 6 and at concordiamaritime.com.*

The vessel *Stena Polaris* was chartered out to Crowley Government Services Inc. (Crowley) at the beginning of 2022. The bareboat contract is for a minimum period of 12 months with annual options until 2026. Crowley will in turn charter the vessel to US Military Sealift Command. The agreement terminates the charter to Stena Bulk but it will be reinstated if the full period is not declared by Crowley. The agreement is a fine endorsement of the quality of our vessels.

Earnings

Average earnings per day for the entire product tanker fleet during the quarter were USD 15,800 (12,600). For the full year, average earnings per day for the entire product tanker fleet, spot and TC, were USD 13,700 (16,200).

¹⁾ Clarksons w.w. average MR Clean Earnings

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

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 shares in vessels on short-term contracts. The short-term contract is a joint charter with Stena Bulk, and Concordia Maritime's share amounted to 50 percent. All the vessels were employed in the spot market via Stena Sonangol Suezmax Pool, controlled by Stena and the Angolan state oil company Sonangol. At the end of the fourth quarter, the Company did not have any fleet vessels on short-term contracts.

Earnings

Average earnings per day for the Suezmax fleet were USD 13,100 (10,000) for the quarter and USD 11,900 (27,100) for the full year.

Repairs and drydock

There were no repairs or scheduled drydocking during the quarter.



Current status of contracted freights Q1 2022 (4 February 2022)*

	Total number of available charter days	Share of chartered days (%)	Average earnings (\$/day)
Suezmax, spot	90	47	11,400

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.

* The product tanker vessel type is excluded from the table as all vessels are out on time charters or bareboat charters.

Earnings

USD per day	Number of ships ⁴	Average earnings, Concordia Maritime				Average earnings, market			
		Q4 2021	Q4 2020	Full year 2021	Full year 2020	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Product tankers, spot	0	0	11,100	11,400	16,100	7,800 ¹⁾	6,400 ¹⁾	6,700 ¹⁾	15,300 ¹⁾
Product tanker, TC	10	15,800	16,600	16,100	16,600	13,750 ²⁾	14,700 ²⁾	13,700 ²⁾	14,900 ²⁾
Suezmax	1.2	13,100	10,000	11,900	27,100	10,500 ³⁾	6,500 ³⁾	7,300 ³⁾	30,200 ³⁾

Concordia Maritime's Suezmax earnings were higher than Clarksons, which shows that the Stena Sonangol pool remains one of the industry's leaders.

- ¹⁾ Clarksons w.w. average MR Clean Earnings
- ²⁾ Clarksons 5 Year Time Charter Rate 47-48,000 dwt MR Products Tanker \$/day
- ³⁾ Clarksons w.w. average Suezmax Long Run Historical Earnings
- ⁴⁾ Average number of vessels in Q4 2021.

EBITDA per quarter

USD millions	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Product tankers, time charter	5.7	1.7	0.8	0.7	4.6	4.5	4.2	4.6
Product tankers, spot, owned and leased tonnage	-0.7 ⁴⁾	-2.0 ³⁾	-0.1 ²⁾	-3.7 ¹⁾	-2.0	0.3	5.2	5.5
Sale of vessels	-	-3.6	-	-	-	-	-	-
Product tankers, total	-5.0	-3.7	0.8	-3.1	2.6	4.9	9.3	10.1
Suezmax, spot, owned and leased tonnage	0.4	-0.1	0.2	0.3	0.1	1.4	3.4	3.6
Suezmax, spot, short-term chartered tonnage	-0.1	-2.0	-2.0	-1.8	-1.8	0.0	0.0	0.0
Sale of vessels	-	-	-	-	-	-	-	-
Suezmax, total	0.3	-2.1	-1.8	-1.5	-1.7	1.4	3.4	3.6
Admin. and other	-0.9	-0.8	-1.0	-0.8	-0.8	-0.7	-1.0	-0.9
Total	4.4	-6.6	-2.0	-5.4	0.1	5.5	11.8	12.7

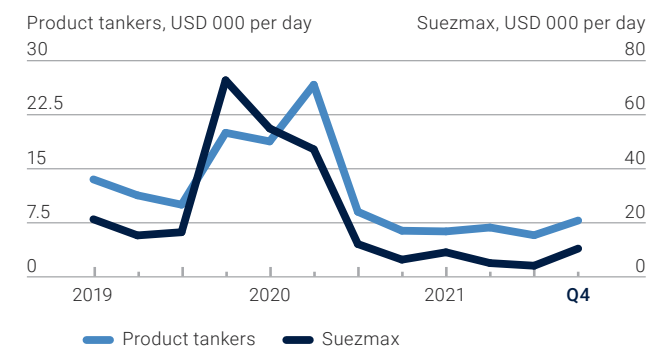
As a result of an updated allocation key between spot and TC, all quarters in 2021 have been updated to facilitate comparison. The update does not involve any change between individual vessel types or in the total.

- ¹⁾ The total includes a negative bunker hedge of USD -2.9 million.
- ²⁾ The total includes a negative bunker hedge of USD -1.9 million.
- ³⁾ The total includes a negative bunker hedge of USD -0.3 million.
- ⁴⁾ The total includes a negative bunker hedge of USD -0.9 million.

Earnings per vessel category

SEK millions	Q4		Full year	
	2021	2020	2021	2020
Product tankers, time charter	126.3	60.3	322.3	262.2
Product tankers, spot	11.2	85.1	300.5	638.0
Product tankers, total earnings	137.5	145.4	622.8	900.2
Suezmax, spot	13.7	17.6	82.0	122.8
Suezmax, total earnings	13.7	17.6	82.0	122.8
Other	0.0	2.8	0.0	2.9
Total income	151.2	165.7	704.8	1,025.8

Market's average earnings, spot



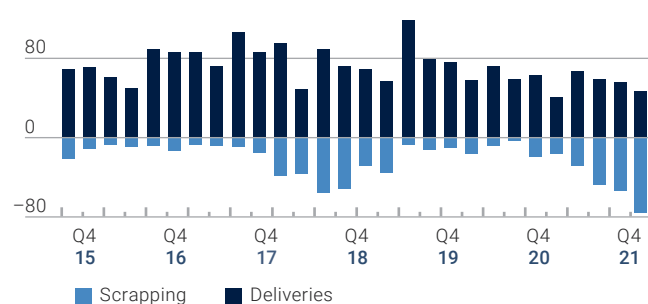
The market remained generally weak during the quarter. In the product tanker segment, average earnings¹⁾ per day were USD 7,800 (6,400). In the Suezmax segment, average earnings¹⁾ per day were USD 10,500 (6,500).

- ¹⁾ Average MR Clean Products Long Run Historical Earnings
- ²⁾ Average Suezmax Long Run Historical Earnings

Source: Clarkson

Scrapping and deliveries

Number of tankers >10 kDWT
160



Deliveries of new vessels during the quarter were at about the same level as in the previous quarter. At the same time, phasing-out through scrapping increased, resulting in a negative net for Q4 2021.

Source: Clarkson

Financial summary

Result

Result after tax for the quarter was SEK –307.8 (–87.4) million.

Equity

Equity per share was SEK 6.21 (16.66).

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 2.1 (–110.9) million. The closing balance for the translation reserve in equity amounted to SEK 460.2 (411.4) million at the reporting date. The changes are recognised in equity through OCI.

Liquidity

Concordia Maritime's available liquid funds have decreased significantly during the year due to the withdrawal of credit facilities in connection with the new bank agreement and planned investments such as the installation of statutory ballast water treatment systems. At the same time, operating income has been low as a result of the current market situation. Available liquid funds, including unutilised credit facilities, amounted to SEK 34.9 million at the end of 2021.

Covenants and reclassification of debt

At the end of the year, with the weak tanker market continuing, there was a high risk that the Company might breach its equity ratio covenant. Management therefore

negotiated a waiver with the lending banks during December. This waiver applies until 31 March 2022. During Q1 2022, the Company will enter into previously planned negotiations with lending banks to secure new more sustainable covenant levels, with the intention that they will apply for the entire duration of the bank agreement, i.e. until the final quarter of 2024. Although the Company has a multi-year time charter with Stena Bulk and a binding multi-year agreement with lending banks, under the IFRS accounting principles (IAS 1) the bank debt as a whole is recognised as a current liability as the present waiver only extends until 31 March 2022. If a sustainable covenant level can be agreed, the Company will reclassify the loan liabilities in accordance with the loan structure of the bank agreement, i.e. with a non-current and a current portion.

Investments and deposits

Investments in property, plant and equipment during the quarter amounted to SEK –8.9 (65.6) million. Investments are related to purchases for completed drydock inspections and drydock inspections scheduled in 2022. During the quarter, Concordia Maritime did not buy or sell any assets classified as short-term investments in the Company's balance sheet.

Bunker hedge

Concordia Maritime's bunker hedge of 32,550 tonnes, effective October 2021 to May 2022, was closed in Q3, but affected the income statement in the period covered by the hedge.

Measures to strengthen the Company's financial position and liquidity

The weak tanker market in recent years has posed financial challenges for Concordia Maritime. At the EGM of Concordia Maritime AB (publ) on 12 August 2021, it was decided, in accordance with the Board's proposal, to approve the agreement with Stena Bulk AB on time chartering of all the Company's P-MAX product tankers ("the time charter") and the guarantee agreement whereby Stena Sessan AB guarantees to pay the banks up to MUS\$ 10 million on behalf of Concordia under certain circumstances ("the guarantee").

The time charter contract guarantees stable income that covers operating cash flow. It also includes entitlements Concordia Maritime to profit-sharing for surplus income above the base rate. To achieve an accounting profit will require a stronger market and profit-sharing payments to be made. Concordia also has the right to divest the entire fleet or parts thereof during the charter period, without any fees. The aim is to dispose of vessels when the tanker market strengthens so that the Company's liquidity and freedom of action can be improved.

Agreements on new loan terms

In September and November 2021, binding agreements on new loan terms for the P-MAX vessels were entered into with lending banks. The main elements of the agreements are lower repayment rates and new covenant levels.

Sale of Stena Perros

Concordia Maritime has sold the P-MAX vessel *Stena Perros* (65,000 dwt, built in 2007). The buyer is an oil company with operations in Africa and the vessel was delivered in early February. The sale had a positive liquidity effect of approximately MUS\$ 1.0 million. The surplus is used for accelerated loan amortisation, which will strengthen the Company in the period ahead.

Continued work ahead

Efforts to strengthen the Company's financial position and liquidity will continue. The combination of a lack of vessel sales, increased daily costs or unforeseen events and continued weak market conditions could put Concordia Maritime at risk of needing to obtain additional credit or strengthen its financial position in some other way.

Hedge accounting is applied for the bunker hedge, and the fair value is recognised in other comprehensive income. A fair value change of SEK –8.1 million for this position was reported in OCI during the quarter. The realised values are recognised in the Company's income statement at maturity. Realised values of SEK –8.2 (0.0) million were recognised as operating expenses during the quarter.

Positions

At the end of the quarter, the Company had FFA positions for the period January to March 2022. These were valued at SEK –0.2 million and are reported in the Company's income statement.

Valuation of the fleet

Concordia Maritime's standard process is to conduct six-monthly assessments and valuations of the fleet to determine whether there is any indication of impairment. The process is based on an overall assessment of future earnings, newbuilding price development and average values from three independent ship brokers.

The fleet is defined as two cash-generating units, with product tankers representing one unit and the suezmax tanker the other 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).

Following an assessment made in connection with the 2021 year-end accounts, Concordia Maritime decided to write down the carrying amount of the fleet vessels by MSEK 268 million. The impairment was a consequence of the prolonged tanker market weakness, which is considered to have had a negative effect on the vessels' market values. This assessment is also confirmed by the sale of the P-MAX vessel *Stena Perros* in January 2022.

Fleet employment

As of the date of this report, the Suezmax vessel *Stena Supreme* was the only vessel in the sailing fleet of 10 vessels (9 owned and 1 on a bareboat contract) employed in the spot market. The vessel's earnings are related to the freight rate level on the open market and the fluctuations that arise there.

Employees

The number of employees in the Group on 31 December 2021 was 3 (3). The Group employed 589 (596) temporary seagoing employees through Stena Sphere's manning company, Northern Marine Management in Glasgow.

Parent Company

The Parent Company's sales for the quarter amounted to SEK 2.9 (10.2) 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 20.7 (198.0) million, which includes receivables from Group companies in the cash pool and unutilised credit facilities. As a result of the write-down of the fleet vessels' carrying amount, an impairment loss of SEK –71 (0.0) million on shares in subsidiaries was recognised in the quarter, which is reported under Result from subsidiaries in the income statement.

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.

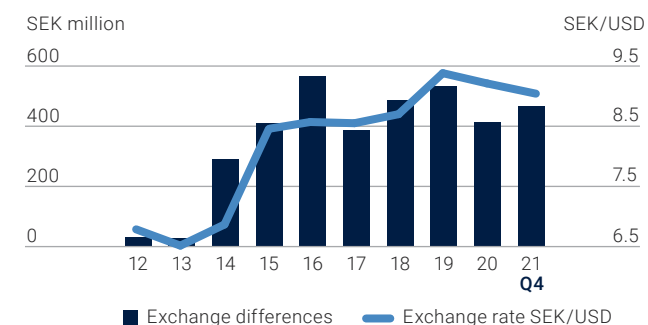
The Group's total income and earnings

SEK millions	Q4		Full year	
	2021	2020	2021	2020
Total income ¹⁾	151.2	165.7	704.8	1,025.8
Operating result	–290.0	–59.9	–583.5	32.6
Result before tax	–308.2	–86.5	–658.2	–65.1
Result per share after tax, SEK	–6.45	–1.83	–13.84	–1.38

Liquidity and financial position

SEK millions	31 Dec 2021	31 Dec 2020
Available liquid funds ²⁾	34.9	378.0
Interest-bearing liabilities	1,587.6	1,656.5
Equity	296.3	795.9
Equity ratio, %	14	28

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.

1 Providing safe tanker transport

Concordia Maritime's operations must be conducted in a manner that protects employees, the environment and vessels. A strong safety culture at all levels of the organisation is needed in order to minimise the risk of accidents and incidents.

2 Reducing our environmental impact

Concordia Maritime is strongly committed to reducing the impact of its operations on the environment. Continuous work to reduce emissions and increase energy efficiency is conducted within the organisation and with other stakeholders.

3 Taking our responsibility for employees and society

Concordia Maritime is a responsible employer and community participant, promoting good working conditions, equality, human rights and anti-corruption.

Principles and guidelines

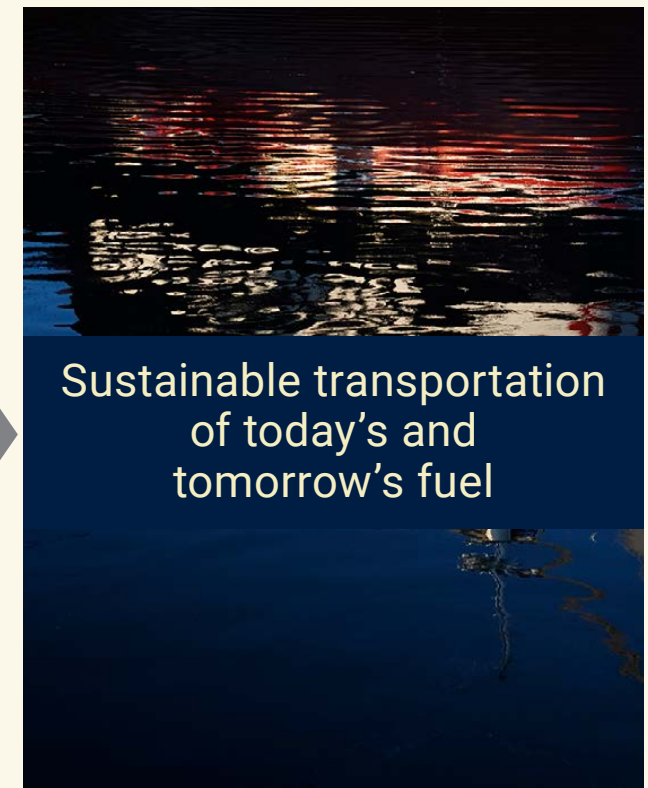
A clear framework sets out the guidelines on how Concordia Maritime should act as a responsible company and employer.

Partnerships and collaboration

Influence is exerted by working closely with partners and other forms of collaboration.

Monitoring and controls

A structured approach to monitoring and controls creates conditions for measuring and improving the Company's sustainability performance.



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. There were also no workplace incidents resulting in an individual employee being unable to return to a work shift on the following day.

A high level of alertness and a well structured safety approach meant that we reported two minor incidents during the quarter. The first is an incident classified as an RWC (Restricted Work Case) and an HPNM (High Potential Near Miss). It occurred during an overhaul of the main engine. An engineer twisted his foot awkwardly, requiring first aid to be provided. The second incident was classified as a High Potential Near Miss and occurred on board *Stena Provence*. What happened was a very small spillage of water and oil products on the deck. No spillage overboard was observed.

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

External controls

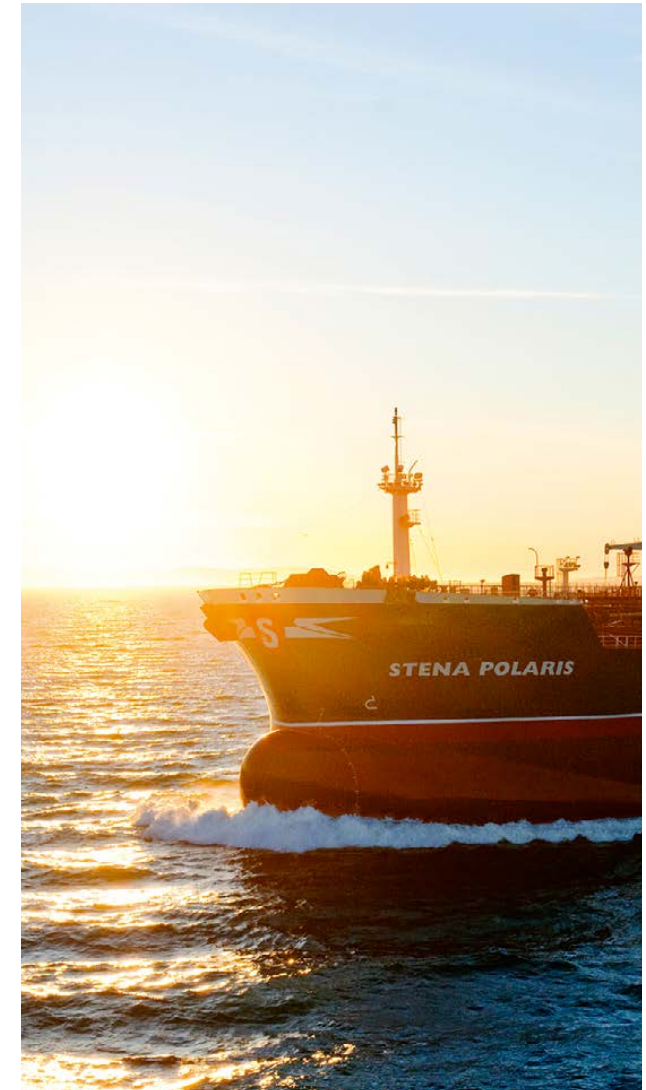
Six vetting inspections were conducted during the quarter. There were 12 observations recorded during these inspections, resulting in an average of 2.0 observations per inspection. A total of 32 vetting inspections were conducted in the full year 2021. There were 62 observations recorded during these inspections, resulting in an average of 1.9 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 decreased its bunker consumption by 13% in Q4 2021 compared with Q4 2020, due to the fact that we had two fewer vessels than in 2020. However, the EEOL, which measures vessels' energy efficiency and CO₂ emissions, showed a deterioration for the Company's fleet in the final quarter of 2021.

New regulations

Concordia Maritime monitors developments regarding shipping regulations issued by the IMO, the EU and other relevant bodies. This is in keeping with the Company's ambition to provide safe, reliable and sustainable transportation. The IMO's short-term greenhouse gas reduction measures are likely to require fleet adaptations in the coming years. The IMO's EEXI and CII regulations enter into force 1 January 2023 and evaluation of effective technical and operational initiatives required to ensure compliance is well underway.



Key figures

Safety

	Q4 2021	Q4 2020	Full year 2021	Full year 2020	Target 2022
LTI	0	1	0	2	0
LTIF	0	1.38	0	0.72	0
Number of inspections with more than five observations (owned vessels)	0	0	1	2	0
Average number of vetting observations per inspection (owned vessels)	2.0	3.0	1.9	2.5	<4
Number of PSC inspections with detentions	0	0	0	0	0
Number of piracy-related incidents	0	0	0	1	0
Damage to property	0	1	0	3	0
Medical treatment case	0	0	0	0	0
Restricted work case	1	0	3	1	0
High potential near miss	1	2	3	3	0
High risk observation	0	0	0	0	0

Environmental impact

	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Bunker consumption (tonnes)				
LSFO	13,381	19,982	62,666	79,399
MGO	4,903	3,245	14,738	20,407
Total	18,284	23,227	77,404	99,806
Emissions (tonnes)¹⁾				
CO ₂	57,391	72,633	242,421	312,680
SO _x	140	203	641	847
NO _x	1,636	2,078	6,927	8,930
Particulates	17.6	24.9	80	101.6
Efficiency (EEOI)				
gCO ₂ /tonne-NM	14.63	11.33	13.26	11.16
Oil spills, litres	0	0	0	0

¹⁾ The specified figures are direct emissions (Scope 1) for Concordia's owned vessels in 2021. During the year, all P-MAX vessels were delivered on charter to Stena Bulk, which buys fuel and is responsible for commercial control. 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 the UN 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

Continuous updates and analysis of the tanker transportation market can be found on Concordia Maritime's website.

 [concordiaab](https://twitter.com/concordiaab)
 [concordiamaritime](https://www.instagram.com/concordiamaritime)

Group

Income statement

SEK millions	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Consolidated income statement				
Average exchange rate SEK/USD	8.85	8.63	8.58	9.20
Time charter income, leasing of vessels	48.6	22.0	120.2	95.7
Time charter income, operational services	77.7	38.3	202.1	166.5
Spot charter income ¹⁾	24.9	102.6	382.5	760.7
Other income	0.0	2.8	0.0	2.9
Total revenue	151.2	165.7	704.8	1,025.8
Voyage-related operating costs	-22.6	-41.5	-220.1	-274.3
Operating costs, ships ¹⁾	-35.2	-65.2	-297.3	-207.9
Personnel costs, temporary seagoing	-48.3	-50.9	-196.7	-210.3
Personnel costs, land-based	-3.1	-4.4	-14.0	-16.0
Other external expenses	-5.4	-8.3	-59.2 ²⁾	-39.6
Depreciation/impairment	-326.5	-55.3	-501.0	-245.2
Total operating costs¹⁾	-441.2	-225.7	-1,288.3	-993.2
Operating result	-290.0	-59.9	-583.5	32.6
Interest and similar income	0.1	1.5	8.6	5.8
Interest and similar expense	-18.3	-28.0	-83.3	-103.5
Financial net	-18.2	-26.5	-74.7	-97.7
Result before tax	-308.2	-86.5	-658.2	-65.1
Tax	0.4	-0.9	-2.1	-0.9
Result after tax	-307.8	-87.4	-660.4	-66.0

¹⁾ Accounting policies, see page 20.

²⁾ Amount includes net loss of SEK -30.3 (0.0) million on vessel sales.

Other comprehensive income

SEK millions	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Result after tax	-307.8	-87.4	-646.6	-66.0
Items that have been/can be transferred to result for the period				
Translation differences	7.9	-80.8	48.6	-119.6
Changes in fair value of cash flow hedges for the period	-8.1	-49.5	61.8	-72.3
Changes in fair value of cash flow hedges transferred to result for the period	8.2	-2.3	51.2	-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	2.7	0.0	0.9
Comprehensive income for the period	-299.8	-217.4	-498.7	-260.6

Per-share data

	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Number of shares	47,729,798	47,729,798	47,729,798	47,729,798
Result per share, before/after dilution	-6.45	-1.83	-13.84	-1.38
Equity per share, SEK	6.21	16.66	6.21	16.66

Group

Condensed balance sheet

SEK millions	31 Dec 2021	31 Dec 2020
Closing exchange rate SEK/USD	9.05	8.23
Assets		
Ships and equipment ¹⁾	1,454.5	2,599.1
Financial assets	5.4	0.0
Total non-current assets	1,459.8	2,599.1
Current receivables	112.1	145.2
Cash and bank balances ²⁾	15.9	130.2
Assets held for sale ³⁾	518.8	0.0
Total current assets	646.8	275.5
Total assets	2,106.7	2,874.6
Equity and liabilities		
Equity	296.3	795.0
Non-current liabilities	310.9	1,627.8
Current liabilities	1,499.4	451.8
Total equity and liabilities	2,106.7	2,874.6

¹⁾ Including right-of-use assets of SEK 0 (1,826.9) million.

²⁾ Including restricted funds of SEK 9.3 (0) million.

³⁾ Balance consists of parts of the fleet that management expects to be divested in the coming year.

Changes in equity

SEK millions	Share capital	Other paid-in capital	Translation reserve	Hedging reserve	Fair value reserve	Retained earnings	Total
Changes Jan–Dec 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			–119.7	–75.8	2.2	–67.4	–260.6
Closing balance 31.12.2020	381.8	61.9	411.4	–110.9	0.0	50.7	795.0
Changes Jan–Dec 2021							
Opening balance 01.01.2021	381.8	61.9	411.5	–110.9	0.0	50.7	795.0
Comprehensive income for the period			49.4	113.0	0.0	–660.4	–498.7
Closing balance 31.12.2021	381.8	61.9	460.9	2.1	0.0	–609.6	296.3

Group

Condensed cash flow statement

SEK millions	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Operating activities				
Result before tax	-308.2	-87.4	-658.2	-66.0
Adjustments:				
Depreciation/impairment	326.5	55.3	501.0	245.2
Other items	23.0	-105.2	124.9	-176.2
Cash flow from operating activities before changes in working capital	41.3	-137.2	-33.5	3.0
Changes in working capital	-42.6	75.1	68.3	300.0
Cash flow from operating activities	-1.4	-62.1	34.8	303.0
Investing activities				
Sale of non-current assets	0.0	0.0	487.4	0.0
Investment in non-current assets	8.9	-65.6	-191.5	-140.9
Sale of financial assets	0.0	3.4	0.0	3.4
Other financial items	0.0	-0.1	0.0	0.0
Cash flow from investing activities	8.9	-62.4	295.9	-137.5
Financing activities				
New loans	9.2	59.5	203.9	59.5
Amortisation of loans	-21.3	-41.0	-105.2	-239.3
Other financing	-16.5	-28.8	-551.3	-73.7
Cash flow from financing activities	-28.6	-10.2	-452.5	-253.5
Cash flow for the period	-21.1	-134.7	-121.9	-87.9
Balance at beginning of period (Note 1)	34.5	262.8	130.2	227.8
Exchange differences (Note 2)	2.5	2.2	7.6	-9.5
Balance at end of period (Note 1)	15.9	130.2	15.9	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	4.3	-17.1	12.4	-27.4
Cash flow for the period	-1.9	19.2	-4.9	17.9
	2.5	2.2	7.6	-9.5

Parent Company

Condensed income statement

SEK millions	2021	2020
Net sales	45.2	12.2
Operating costs, ships	-96.4	-30.2
Other external expenses	-12.7	-15.0
Personnel expenses	-10.1	-9.7
Depreciation/impairment	0.0	0.0
Operating result	-74.0	-42.7
Result from subsidiaries ¹⁾	-71.0	0.0
Other interest and similar income	90.4	97.2
Interest and similar expense	-59.2	-129.8
Result before tax	-113.7	-75.3
Tax	0.0	0.0
Result after tax	-113.7	-75.3

¹⁾ Impairment of shares in subsidiaries.

Condensed balance sheet

SEK millions	31 December 2021	31 December 2020
Assets		
Ships and equipment	0.0	0.0
Financial assets	5.4	0.0
Investments in Group companies	675.5	746.4
Non-current receivables, Group companies	886.2	832.0
Total non-current assets	1,567.1	1,578.5
Current receivables	7.2	15.5
Receivables from Group companies	15.4	16.7
Cash and bank balances ¹⁾	-7.6	20.2
Total current assets	15.0	52.3
Total assets	1,582.1	1,630.8
Equity and liabilities		
Equity	325.7	439.4
Non-current liabilities	338.4	724.5
Current liabilities	918.0	466.9
Total equity and liabilities	1,582.1	1,630.8

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.

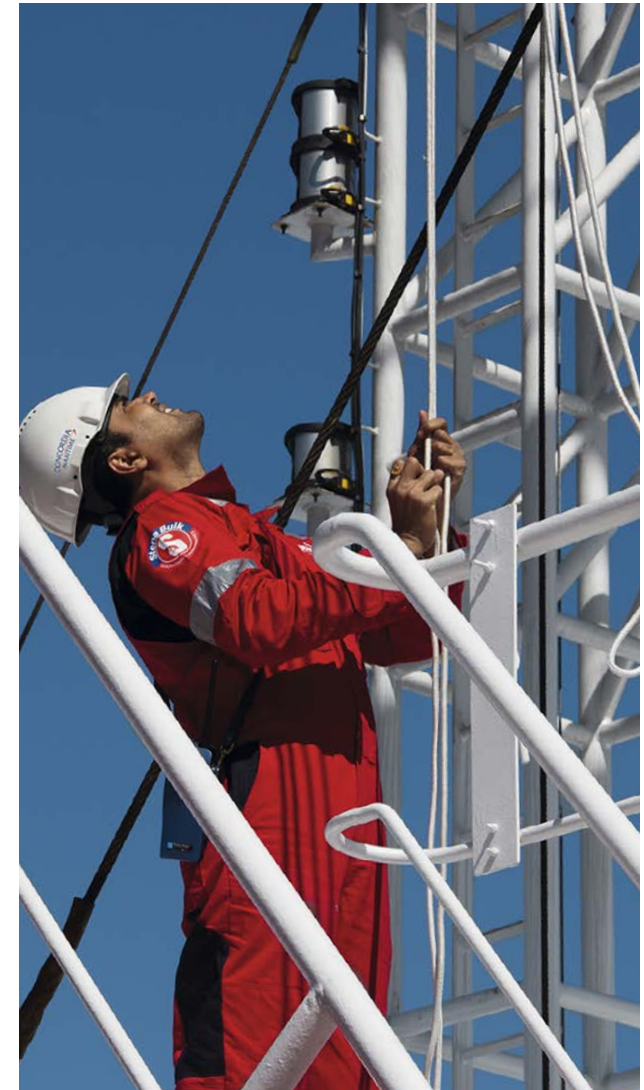
Concordia Maritime's risk work is aimed at creating good conditions, through well-considered risk-taking, for achieving the Company's business goals and upholding its ability to create long-term value for customers and owners. Risk work is based on an established framework that specifies acceptable levels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

Bareboat charter

The shipowner charters out its ship without crew for a long period at fixed rates.

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 charters out its ship complete and crewed for a long period at fixed rates. The charterer pays for the bunker oil and port charges.

Alternative performance measures¹⁾

Cash flow from operating activities

Result after financial net plus depreciation minus tax paid (cash flow before change in working capital and investments and before effect of ship sales). The Company believes that the key figure provides a deeper understanding of the Company's profitability.

EBITDA

Performance measure indicating operating result before interest, taxes, impairment, depreciation and amortisation. The Company believes that the key figure provides a deeper understanding of the Company's profitability.

Equity ratio

Equity as a percentage of total assets. The Company believes that the key figure makes it easier for investors to form a picture of the Company's capital structure.

Result before tax adjusted for impairment

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

Return on 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	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Operating result	-290.0	-59.9	-583.5	32.6
Depreciation/impairment	326.5	55.3	501.0	245.2
EBITDA	36.6	-4.6	-82.6	277.8

Result before tax adjusted for impairment

SEK millions	Q4 2021	Q4 2020	Full year 2021	Full year 2020
Result before tax	-308.2	-86.5	-658.2	-65.1
Impairment	267.7	0.0	267.7	0.0
Result before tax adjusted for impairment	-40.5	-86.5	-390.5	-65.1

Return on equity

SEK millions	Full year 2021	Full year 2020
Result after tax	-660.4	-66.0
Equity	587.9	995.2
Return on equity	-112.3%	-6.6%

Return on capital employed

SEK millions	Full year 2021	Full year 2020
Result after financial net	-658.2	-65.1
Finance costs	83.3	103.5
Result after financial net plus finance costs	-574.9	38.4
Total assets	2,599.9	3,343.2
Non-interest-bearing liabilities	-240.5	-218.9
Capital employed	2,359.3	3,124.3
Return on capital employed	-24.4%	1.2%

Return on total capital

SEK millions	Full year 2021	Full year 2020
Result after financial net	-789.2	-65.1
Finance costs	83.3	103.5
Result after financial net plus finance costs	-705.8	38.4
Total assets	2,599.9	3,343.2
Return on total capital	-27.1%	1.2%

Equity ratio

SEK millions	Full year 2021	Full year 2020
Equity	296.3	795.0
Total assets	2,106.7	2,874.6
Equity ratio	14%	28%

Accounting policies

This year-end 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 year-end report for the Parent Company has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act.

For the Group and Parent Company, the same accounting policies have been applied as in the most recent annual report.

The Concordia Maritime Group applies International Financial Reporting Standards (IFRS) as adopted by the EU. The Group applies the same accounting policies and calculation methods in the quarterly reports as in the annual report for 2021, in addition to those described in this report.

The Group's year-end 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 year-end 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 year-end report has not been reviewed by the Company's auditors.

Gothenburg, 10 February 2022

Carl-Johan Hagman
Chairman

Stefan Brocker

Henrik Hallin

Mats Jansson

Ulrika Laurin

Helena Levander

Erik Lewenhaupt
CEO



Quarterly overview

SEK millions	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Profit/loss items								
Total income ¹⁾	151.2	165.6	208.4	179.6	165.7	210.7	300.7	348.6
Operating costs excluding impairment ¹⁾	-173.4	-283.1	-282.7	-281.4	-225.7	-224.8	-252.2	-290.6
Operating result (EBIT)	-290.0	-117.5	-74.2	-101.9	-59.9	-14.0	48.5	58.0
of which result from sale of investments in jointly-controlled entities (vessels)	0.0	0.0	0.0	–	–	–	–	–
Financial net	-18.2	-24.0	-14.2	-18.3	-26.5	-21.9	-20.2	-29.0
Result before tax	-308.2	-141.4	-88.4	-120.2	-86.5	-35.9	28.3	29.0
Result after tax	-307.8	-141.4	-89.7	-121.4	-87.4	-35.9	28.3	29.0
Cash flow from operating activities	-1.4	10.2	6.3	19.7	-62.1	21.2	238.9	105.0
EBITDA	36.6	-56.8	-16.7	-45.7	-4.6	45.1	114.1	123.2
Balance-sheet items								
Ships (number)	1,973.3 (11)	2,252.9 (11)	2,685.3 (13)	2,771.6 (13)	2,599.1 (13)	2,820.1 (13)	2,954.5 (13)	3,198.9 (13)
Ships under construction (number)	0	0	0	0	0	0	0	0
Liquid funds incl. investments	15.9	34.5	51.6	45.1	130.2	264.4	346.6	206.9
Other assets	117.5	131.9	156.7	166.1	145.2	167.0	167.0	372.6
Interest-bearing liabilities	1,587.6	1,587.1	1,963.8	1,968.1	1,656.5	2,047.9	2,199.6	2,407.0
Other liabilities and provisions	222.8	236.1	226.9	255.7	423.0	192.6	191.2	273.9
Equity	296.3	596.2	700.0	759.0	795.0	1,011.0	1,077.3	1,097.5
Total assets	2,106.7	2,419.3	2,890.7	2,982.8	2,874.6	3,251.5	3,468.2	3,778.4
Key figures, %								
Equity ratio	14	25	24	25	28	31	31	29
Return on total capital	-27	-10	-4	-1	1	3	3	1
Return on capital employed	-24	-11	-5	-1	2	3	3	2
Return on equity	-112	-62	-41	-24	-7	0	0	-7
Operating margin	-192	-87	-36	-57	-36	-7	16	17
Share data								
Total income ¹⁾	3.17	3.47	4.37	3.76	3.47	4.41	6.30	7.30
Operating costs excluding impairment	-3.63	-5.93	-5.92	-5.90	-4.73	-4.71	-5.28	-6.09
Operating result	-6.08	-2.46	-1.55	-2.13	-1.26	-0.29	1.02	1.22
Financial net	-0.38	-0.50	-0.30	-0.38	-0.56	-0.46	-0.42	-0.61
Result after tax	-6.45	-2.96	-1.88	-2.54	-1.83	-0.75	0.59	0.61
Cash flow from operating activities	-0.03	0.21	0.13	0.41	1.30	0.44	5.01	2.20
EBITDA	0.77	-1.19	-0.35	-0.96	-0.10	0.95	2.39	2.58
Equity	6.21	12.49	14.67	15.90	16.66	21.18	22.57	22.99

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 the Stena Sphere, which include Stena Bulk. The latter company conducts tanker business that coincides with Concordia Maritime in some respects.

Accordingly, there is an agreement, entered into many years ago, which regulates the relationship between the two companies with respect to purchasing or chartering of vessels. Under the terms of this agreement, Concordia Maritime has the right to opt for 0, 50 or

100 percent participation in each new transaction (with the exception of shorter transactions of less than 12 months).

At the end of Q4, all P-MAX vessels were on 5-year charters to Stena Bulk.

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



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 and and 1.25 percent for Suezmax.

■ 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	Q4		Full year	
	2021	2020	2021	2020
Group	54.6	62.9	246.2	269.8
Parent Company	0.5	0.2	1.0	0.6

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



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Calendar

2022 Annual report	24 March 2022
Q1 2022 and AGM	27 April 2022
Q2 2022	17 August 2022
Q3 2022	10 November 2022

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 persons above for publication on 10 February 2022 at 13.00 CET.

Fleet, 10/02/2022

Ships	Employment
Product tankers	
P-MAX	
Stena Premium	Time charter to August 2026
Stena Polaris	Bareboat charter to January 2023 ¹⁾
Stena Performance	Time charter to September 2026
Stena Provence	Time charter to October 2026
Stena Progress	Time charter to September 2026
Stena Paris	Time charter to August 2026
Stena Primorsk	Time charter to August 2026
Stena Penguin	Time charter to September 2026
Stena President	Time charter to August 2026

Crude oil tankers

Suezmax	
Stena Supreme ²⁾	Spot via Stena Sonangol Suezmax Pool

¹⁾ With yearly options up to 2026

²⁾ Contracted on a bareboat basis until 2028, with annual purchase options from 2019



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MARITIME

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