



NORDIC SHIPHOLDING

Interim Report H1 2023

23 August 2023

CVR-no. 76 35 17 16

Summary

The comparison figures for the period ended 30 June 2022 are stated in parenthesis.

With the decision to liquidate the Company and the Group in December 2022, the liquidation of the Company and its subsidiaries is expected to be finalised by the end of 2023.

All creditors and liquidation costs will be covered by the current cash held by the Company and the Group, and the solvent liquidation is ensured with the waiver of the majority shareholder loan when all other expenses and creditors are covered. No distribution of funds to the shareholders is anticipated upon completion of the liquidation.

So far, the liquidation is proceeding as planned. As at the date of this report, three of the Company's subsidiaries have commenced a strike-off and/or voluntary liquidation process, of which Nordic Hanne Pte. Ltd. was struck off from the register on 7 August 2023.

In H1 2023, the financial result was affected by administration costs and adjustments related to the prior activities of the Group. The Group recognised a loss after tax of USD 0.9 million in H1 2023 compared to a profit after tax of USD 3.6 million for the same period last year.

EBITDA decreased to a negative USD 0.5 million (USD 0.6 million). Other external costs decreased to USD 0.4 million (USD 0.7 million).

Between 31 December 2022 and 30 June 2023, equity reduced from negative USD 11.5 million to negative USD 12.4 million as a result of the loss recognised during the period.

During the financial period under review, cash flow from operations was a net cash outflow of USD 0.2 million (net cash inflow of USD 2.2 million) due to payments for operating expenses and liquidation costs. There was a USD 3.0 million repayment to the majority shareholder as partial settlement of the loan from the majority shareholder. Overall, cash and cash equivalents declined to USD 1.3 million as at 30 June 2023 from USD 4.5 million as at 31 December 2022.

Consolidated financial highlights

| <i>Amounts in USD thousand</i> | YTD 30 Jun 2023 | YTD 30 Jun 2022 | FY 2022 |
|-----------------------------------------------|--------------------|--------------------|-------------|
| Time charter equivalent revenue (TCE revenue) | (28) | 3,055 | 2,908 |
| EBITDA | (469) | 552 | (82) |
| Operating result (EBIT) | (469) | 579 | 154 |
| Net finance (expense)/income | (383) | 3,039 | 2,643 |
| Result after tax | (852) | 3,618 | 2,797 |
| Equity ratio (%) | -943.3% | -194.6% | -234.4% |
| Earnings per share, US cents | (0.21) | 0.89 | 0.69 |
| Market price per share DKK, period end | 0.06 | 0.10 | 0.06 |
| Market price per share USD, period end | 0.01 | 0.01 | 0.01 |
| Exchange rate USD/DKK, period end | 6.82 | 7.09 | 6.95 |
| Number of shares, period end | 406,158,403 | 406,158,403 | 406,158,403 |
| Average number of shares | 406,158,403 | 406,158,403 | 406,158,403 |

Company data

Company

Nordic Shipholding A/S in liquidation (the "Company")
 C/O Gorrissen Federspiel, Axel Towers, Axeltorv 2,
 DK-1609 Copenhagen, Denmark
 CVR- no. 76 35 17 16

Website: www.nordicshipholding.com

Registered office: Copenhagen

Contact persons regarding this interim report: Louise Celia Korpela, the Liquidator

Auditors

PricewaterhouseCoopers, Statsautoriseret Revisionspartnerselskab

Forward-looking statements

This report contains forward-looking statements reflecting Nordic Shipholding A/S in liquidation's current beliefs of future events. Forward-looking statements are inherently subject to uncertainty, and Nordic Shipholding A/S in liquidation's actual results may differ significantly from expectations. Factors which could cause actual results to deviate from the expectations include, but not limited to, changes in macroeconomic, regulatory and political conditions.

Management's review

Voluntary solvent liquidation of the Company

With the decision to liquidate the Company and the Group in December 2022, the liquidation of the Company and its subsidiaries is expected to be finalised by the end of 2023. As at the date of this report, Nordic Hanne Pte. Ltd. was struck off from the register on 7 August 2023.

All creditors and liquidation costs will be covered by the current cash held by the Company and the Group, and the solvent liquidation is ensured with the waiver of the majority shareholder loan when all other expenses and creditors are covered. No distribution of funds to the shareholders is anticipated upon completion of the liquidation.

Financial results for the period 1 January – 30 June 2023

The comparison figures for the same period in 2022 are stated in parenthesis.

In H1 2023, the financial result was affected by administration costs and adjustments related to the prior activities of the Group. The Group recognised a loss after tax of USD 0.9 million in H1 2023 compared to a profit after tax of USD 3.6 million for the same period last year.

EBITDA decreased to a negative USD 0.5 million (USD 0.6 million). Other external costs decreased to USD 0.4 million (USD 0.7 million).

Financial position as at 30 June 2023

The comparison figures for 31 December 2022 are stated in parenthesis.

Total assets amounted to USD 1.3 million (USD 4.9 million).

Cash and cash equivalents stood at USD 1.3 million (USD 4.5 million), a decrease of USD 3.2 million from 31 December 2022.

Between 31 December 2022 and 30 June 2023, equity reduced from negative USD 11.5 million to negative USD 12.4 million as a result of the loss recognised during the period.

Current liabilities at USD 13.7 million (USD 16.4 million) comprised loans from majority shareholder of USD 13.6 million (USD 16.1 million) and other current liabilities of USD 0.1 million (USD 0.3 million).

Cash flow for the period 1 January – 30 June 2023

The comparison figures for the same period in 2022 are stated in parenthesis.

During the financial period under review, cash flow from operations was a net cash outflow of USD 0.2 million (net cash inflow of USD 2.2 million) due to payments for operating expenses and liquidation costs. There was a USD 3.0 million repayment to the majority shareholder as partial settlement of the loan from the majority shareholder. Overall, cash and cash equivalents declined to USD 1.3 million as at 30 June 2023 from USD 4.5 million as at 31 December 2022.

Outlook for 2023

The outlook for 2023 remains unchanged as indicated in the 2022 Annual Report. With the decision to liquidate the Company and the Group in December 2022, the liquidation of the Company and its subsidiaries is expected to be finalised by the end of 2023.

All creditors and liquidation costs will be covered by the current cash held by the Company and the Group, and the solvent liquidation is ensured with the waiver of the majority shareholder loan when all other expenses and creditors are covered. No distribution of funds to the shareholders is anticipated upon completion of the liquidation.

Please also refer to Note 0 'Going concern assumption'.

Liquidator's statement

I have today considered and approved the interim financial statements of Nordic Shipholding A/S in liquidation for the period 1 January 2023 – 30 June 2023.

The interim report, which has not been audited or reviewed, has been presented in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies.

In my opinion, the accounting policies applied are appropriate and the interim report gives a true and fair view of the Group's financial position at 30 June 2023 and of its financial performance and cash flows for the period 1 January 2023 – 30 June 2023. In my opinion, the Management's review gives a true and fair review of the development in and results of the Group's operations and financial position as a whole and a specification of the significant risks and uncertainties facing the Group. Besides what has been disclosed in the interim report for the period 1 January 2023 – 30 June 2023, in particular Note 0, no other changes in the Group's most significant risks and uncertainties have occurred.

Copenhagen, 23 August 2023

Louise Celia Korpela
The Liquidator

Consolidated statement of comprehensive income (condensed)

| <i>Amounts in USD thousand</i> | Note | YTD 30 Jun 2023 | YTD 30 Jun 2022 | FY 2022 |
|----------------------------------------------|------|--------------------|--------------------|--------------|
| Total revenue | | (28) | 5,981 | 5,855 |
| Voyage related expenses | | - | (2,926) | (2,947) |
| TCE revenue | | (28) | 3,055 | 2,908 |
| Other income | | - | 104 | 215 |
| Expenses related to the operation of vessels | | (4) | (1,778) | (1,829) |
| Staff costs | | (82) | (111) | (215) |
| Other external costs | | (355) | (718) | (1,161) |
| EBITDA | | (469) | 552 | (82) |
| Reversals on assets held-for-sale | | - | 27 | 236 |
| Operating result (EBIT) | | (469) | 579 | 154 |
| Financial income | 2 | 74 | 3,934 | 3,991 |
| Financial expenses | | (457) | (895) | (1,348) |
| Result before tax | | (852) | 3,618 | 2,797 |
| Tax on result | | - | - | - |
| Result after tax | | (852) | 3,618 | 2,797 |
| Other comprehensive income | | - | - | - |
| Comprehensive income | | (852) | 3,618 | 2,797 |
| Distribution of result | | | | |
| Parent Company | | (852) | 3,618 | 2,797 |
| Non-controlling interest | | - | - | - |
| | | (852) | 3,618 | 2,797 |
| Distribution of comprehensive income | | | | |
| Parent Company | | (852) | 3,618 | 2,797 |
| Non-controlling interest | | - | - | - |
| | | (852) | 3,618 | 2,797 |
| Number of shares, end of period | | 406,158,403 | 406,158,403 | 406,158,403 |
| Earnings per share, US cents | | (0.21) | 0.89 | 0.69 |
| Diluted earnings per share, US cents | | (0.21) | 0.89 | 0.69 |

Statement of financial position (condensed)

| <i>Amounts in USD thousand</i> | Note | 30 Jun 2023 | 30 Jun 2022 | 31 Dec 2022 |
|----------------------------------|-------------|--------------------|--------------------|--------------------|
| Current assets | | | | |
| Receivables | | 32 | 1,795 | 423 |
| Cash & cash equivalents | | 1,279 | 3,700 | 4,489 |
| Total current assets | | 1,311 | 5,495 | 4,912 |
| Total assets | | | | |
| | | 1,311 | 5,495 | 4,912 |
| Equity and liabilities | | | | |
| Equity | | | | |
| Equity, Parent Company | | (12,367) | (10,694) | (11,515) |
| Equity, non-controlling interest | | - | - | - |
| Total equity | | (12,367) | (10,694) | (11,515) |
| Liabilities | | | | |
| Current liabilities | | | | |
| Loans from majority shareholder | 2 | 13,550 | 15,642 | 16,093 |
| Other current liabilities | | 128 | 547 | 334 |
| Total current liabilities | | 13,678 | 16,189 | 16,427 |
| Total liabilities | | 13,678 | 16,189 | 16,427 |
| Equity and liabilities | | 1,311 | 5,495 | 4,912 |

Statement of changes in equity (condensed)

| <i>Amounts in USD thousand</i> | Share capital | Retained earnings | Equity Parent company | Non-controlling interest | Total equity |
|-------------------------------------------|----------------------|--------------------------|------------------------------|---------------------------------|---------------------|
| Equity as at 1 January 2023 | 7,437 | (18,952) | (11,515) | - | (11,515) |
| Result for the period | - | (852) | (852) | - | (852) |
| Other comprehensive income for the period | - | - | - | - | - |
| Equity as at 30 June 2023 | 7,437 | (19,804) | (12,367) | - | (12,367) |

| <i>Amounts in USD thousand</i> | Share capital | Retained earnings | Equity Parent company | Non-controlling interest | Total equity |
|-------------------------------------------|----------------------|--------------------------|------------------------------|---------------------------------|---------------------|
| Equity as at 1 January 2022 | 7,437 | (21,749) | (14,312) | - | (14,312) |
| Result for the period | - | 3,618 | 3,618 | - | 3,618 |
| Other comprehensive income for the period | - | - | - | - | - |
| Equity as at 30 June 2022 | 7,437 | (18,131) | (10,694) | - | (10,694) |

Statement of cash flow (condensed)

| <i>Amounts in USD thousand</i> | YTD 30 Jun 2023 | YTD 30 Jun 2022 | Year 2022 |
|----------------------------------------------------------------------|----------------------------|----------------------------|----------------------|
| Operating result (EBIT) | (469) | 579 | 154 |
| Adjustments for: | | | |
| Reversal of previously recognised write-down on assets held-for-sale | - | (27) | (236) |
| Non-cash financial expenses | - | - | (28) |
| Operating profit before working capital changes | (469) | 552 | (110) |
| Changes in working capital | 188 | 1,858 | 3,285 |
| Net financial expenses paid | - | (172) | (148) |
| Interest income on bank deposits received | 74 | - | - |
| Income tax paid | (3) | - | - |
| Cash flows from operating activities | (210) | 2,238 | 3,027 |
| Net proceeds from sale of assets held-for-sale | - | 35,334 | 35,334 |
| Net cash from investing activities | - | 35,334 | 35,334 |
| Repayment of finance loans | - | (38,724) | (38,724) |
| Repayment of loans from majority shareholder | (3,000) | - | - |
| Loans from majority shareholder -utilisation of banker's guarantee | - | 2,312 | 2,312 |
| Net cash from financing activities | (3,000) | (36,412) | (36,412) |
| Cash flows for the period | (3,210) | 1,160 | 1,949 |
| Cash and cash equivalents at beginning of period | 4,489 | 2,540 | 2,540 |
| Cash and cash equivalents at end of period | 1,279 | 3,700 | 4,489 |

Notes

0. Liquidation basis

With the commitment and continual support from the majority shareholder of Nordic Shipholding A/S in liquidation, Nordic Maritime S.à r.l., the Board of Directors called for an Extraordinary General Meeting ('EGM') on 23 December 2022 to initiate a voluntary solvent liquidation of the Company. No distribution of funds to the shareholders is anticipated upon completion of the liquidation.

To enable the liquidation to be solvent, the majority shareholder agreed to waive the necessary part of its loan to the Group, under the following conditions: (i) the debt forgiveness will not be taxable for the Company and the Group, and (ii) no significant claims, which the Company and the Group are not aware of at 1 December 2022, are being raised against the majority shareholder. It is expected that the aggregate cash held by the Company and the Group is sufficient to cover the estimated liquidation expenses and settlement of all creditors other than the main shareholder loan. Any excess funds will be used to repay the shareholder loan whereafter it has been agreed with the majority shareholder to waive the remaining debt at that point in time. It is expected that the liquidation will be finalised by the end of 2023.

As a consequence of the resolution passed during the EGM on 23 December 2022 to liquidate the Company by voluntary solvent liquidation, the Board of Directors and the Executive Board resigned, the Company's name was changed to "Nordic Shipholding A/S in liquidation", and the Company's signature rule was changed to "The Company shall be bound by the signature of the liquidator". In addition, Miss Louise Celia Korpela, Gorrissen Federspiel Advokatpartnerselskab, was appointed as liquidator.

Hence, the financials for H1 2023 have been prepared on a liquidation basis.

1. Accounting policies

The interim report has been presented as a condensed set of financial statements in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies. The accounting policies have been consistently applied. For a further description of the accounting policies, see the 2022 Annual Report for Nordic Shipholding A/S in liquidation.

New IAS/IFRSs

The new financial reporting standards or interpretations, effective from 1 January 2023, have no impact on Nordic Shipholding A/S in liquidation's results or equity in the interim report and disclosure in the notes.

2. Loans from majority shareholder

As at 30 June 2023, the Group had outstanding loans from the majority shareholder of USD 13.6 million (31 December 2022: USD 16.1 million). The reduction in the loans from the majority shareholder from 31 December 2022 is due to (i) repayment of USD 3.0 million in H1 2023, partially offset by (ii) accrued interest on the outstanding loans.

3. Subsequent event

As at the date of this report, Nordic Hanne Pte. Ltd. was struck off from the register on 7 August 2023.