

Hafnia



Strong cash flow and dividends in the face of geopolitical uncertainty



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Key Financials and Valuation



Share price



YTD	29.2%	1 year:	46.9%
1 month:	16.6%	3 years:	13.7%

Note: We apply closing price from 06 March 2026. Source: S&P Capital IQ Pro.

Financials

USDm	2024	2025	2026E
Revenue, total	2,869	2,282	N/A
TCE income	1,391	956	1,028
TCE Growth	1.8%	-31.3%	7.5%
Adj. EBITDA	992	560	619
Adj. EBITDA-%	34.6%	24.5%	N/A
Net income	774	340	402
Net debt	927	791	N/A
Market value	2,686	2,699	3,655
EV/Sales (x)	1.2	1.5	5.2
EV/EBITDA (x)	3.5	6.2	9.2
EV/EBIT (x)	4.4	9.4	13.2
P/E (x)	3.5	7.9	10.3

Note: 2026E from consensus analyst estimates from Capital IQ. Hafnia does not report official guidance. Margins calculated against full revenue not TCE income

Outlook 2026E

USDm	Consensus
TCE earnings	1,028
TCE growth-%	7.5%
Adj. EBITDA	618.7
Adj. EBITDA growth-%	10.6%
EBIT	416.8
EBIT growth-%	12.8%
Net income	402.1
NI growth-%	18.4%

Note: Consensus from S&P Capital IQ

Valuation Perspectives

Hafnia trades broadly in line with product tanker peers on forward earnings multiples. On 2026E consensus estimates, Hafnia's EV/EBITDA of 7.6x compares to a peer median of 7.3x, while on EV/EBIT, the company sits at 11.3x versus the peer median of 10.7x, a narrow spread in both cases.

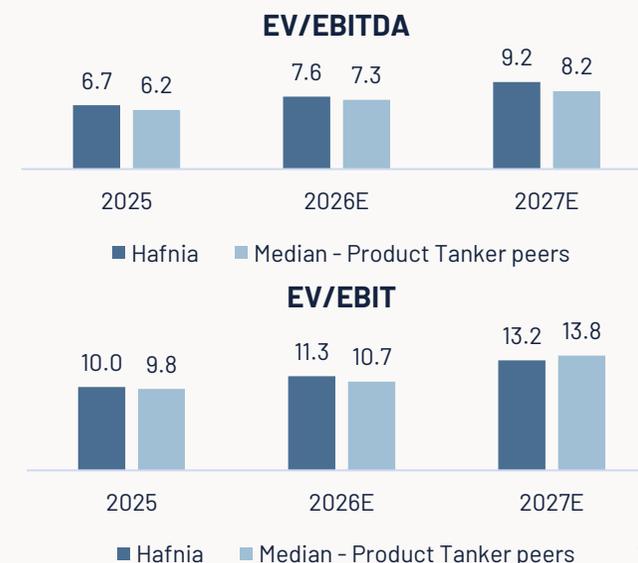
Hafnia stands out on shareholder returns, where the estimated 2026E dividend yield of 8.9% is the highest among peers and well above the median of 5.0%, reflecting the transparent tiered payout policy (50-90% of net profit linked to LTV) and direct earnings leverage from spot market exposure.

At a current share price of ~NOK 70.3 (~USD 7.0), Hafnia trades broadly in line with its year-end (self-

reported) NAV per share of USD 7.04 (~NOK 70.8). This NAV was calculated using broker valuations as of 31 December 2025 – prior to the surge in tanker rates and vessel values driven by the Iran crisis. With tanker asset prices rising sharply in recent weeks alongside record freight rates, the underlying fleet value has likely appreciated, suggesting Hafnia may now trade at a discount to current NAV.

Despite a YTD total return of 32.3%, Hafnia offers a strong near-term dividend profile, particularly if the current elevated rate environment persists. Geopolitics will remain a key driver near term, as it has done for much of the last five years.

Valuation multiples (x)



Investment Case – Strong cash generation in a supportive freight market



Key Investment Reasons

- Hafnia returned 88% of 2025 net profit to shareholders through dividends and buybacks, paying total quarterly dividends of USD 0.55/share in 2025. Hafnia maintains a solid balance sheet (24.9% LTV, ~USD 430m liquidity) and supports ongoing high payout ratios.
- Product tanker rates strengthened through 2025, with Q4 delivering the year's strongest results. Momentum has continued into 2026, accelerated by the US-Iran war and Strait of Hormuz closure, and high crude rates pulling LR2s into dirty trades – reversing previous crude cannibalization.
- Fleet supply remains manageable despite elevated deliveries, as order activity has slowed (8.2m dwt 2025 vs 22.9m 2024), and Hafnia identifies 67m dwt of scrapping potential between 2026-2030 against a 43m dwt orderbook pipeline.



Key Investment Risks

- Hafnia operates primarily in volatile spot markets. A resolution to the US-Iran conflict, reopening of the Strait of Hormuz, or easing of Russian sanctions could impact freight rates, while tariffs and trade policy uncertainty may weigh on global oil demand.
- Crude tanker cannibalization is currently suppressed by record crude rates but could return if crude markets soften, increasing effective product tanker supply and pressuring clean freight rates.
- The orderbook has risen to around ~19% of the fleet with accelerating deliveries in 2026-2027, which could pressure rates if demand growth disappoints. Sanctions (1 in 4 Aframax/LR2 vessels now sanctioned), geopolitical conflict, and potential scrapping partially offset this risk.

Company description: Hafnia is the world's largest product and chemical tanker owner, listed on the Oslo and New York stock exchanges with BW Group as a major shareholder (around 44%). Its fleet comprises 123 owned or chartered-in vessels across LR2, LR1, MR, and Handy segments, with an average age of 9.7 years, below the industry average of 14.1 years. Hafnia also commercially manages ~65 third-party vessels across 8 pools and holds ~16 vessels through joint ventures.

Investment case: Hafnia's scale across all vessel classes, diversified pool platform (~USD 30m in annual fee income), and young fleet support competitive earnings per vessel. The company delivered USD 560m in adjusted EBITDA in 2025, generating substantial cash even as freight rates came off their 2024 cyclical peaks. Momentum is building into 2026, with TCE rates improving for four consecutive quarters.

Consensus estimates point to a return to growth in 2026E, with EBITDA expected at ~USD 592m (+11% y/y), driven by TCE earnings of ~USD 1,028m (+8% y/y) as rates continue to firm. Net income is forecast at ~USD 402m (+18% y/y), reflecting improving operating leverage as drydocking activity tapers off – Hafnia completed ~40 drydockings in 2025 versus ~20 expected

in 2026. The recent US-Iran conflict and effective closure of the Strait of Hormuz – through which ~20% of the world's daily oil supply passes – is pushing tanker rates to record levels, with strength spilling directly into the product tanker market, suggesting potential upside to current consensus.

The global product tanker fleet is the oldest it has been in twenty years, with 17% of vessels now over 20 years old and ripe for scrapping. At the same time, new orders have slowed dramatically, with the orderbook currently standing at ~19%. International sanctions on over 10% of the global fleet also reduce vessel supply in the open market, which is particularly relevant with the renewed conflict in the Middle East, potentially lifting ton-miles as refined oil must flow along longer routes to avoid conflict.

Hafnia paid USD 0.55 per share in dividends for 2025, returning 88% of net profit to shareholders (including buybacks), while maintaining a 24.9% loan-to-value ratio and ~USD 430m in liquidity. Because Hafnia operates primarily in the spot market, any sustained rate improvement flows almost directly to dividends. The company's 14% stake in peer TORM, acquired in December 2025 at a discount to NAV, reflects increased exposure to the product tanker market without diluting shareholders, despite being an uncommon method.

Peer Group – Product tanker peers

Our Hafnia peer group comprises companies with significant exposure to the international refined petroleum products transportation market. Hafnia's fleet comprises 123 owned or chartered-in vessels spanning all major product tanker classes: LR2, LR1, MR, and Handy, complemented by ~65 third-party vessels across 8 commercial pools and ~16 joint venture vessels, giving it the largest commercially managed product tanker platform in the industry. The fleet operates primarily in the spot market, with the company's scale and pool diversification supporting competitive TCE rates across segments.

Product tanker peers: TORM plc (~93 vessels, LR2/LR1/MR focused, 14% owned by Hafnia), Scorpio Tankers Inc. (~93 owned/leased vessels), Ardmore Shipping Corp. (~26 vessels, MR and chemical tanker focused), International Seaways Inc. (~72 vessels, diversified across crude and product tankers including VLCCs, Suezmaxes, and MRs), and

d'Amico International Shipping S.A. (~33 vessels, MR and LR1 focused).

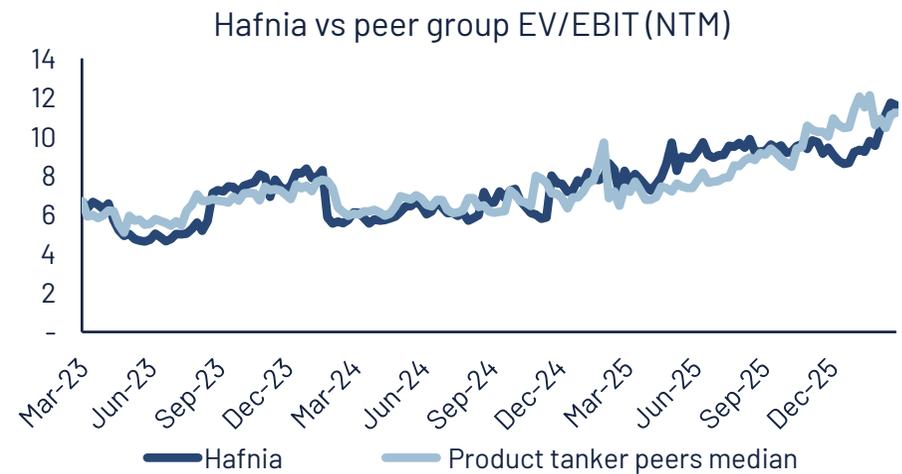
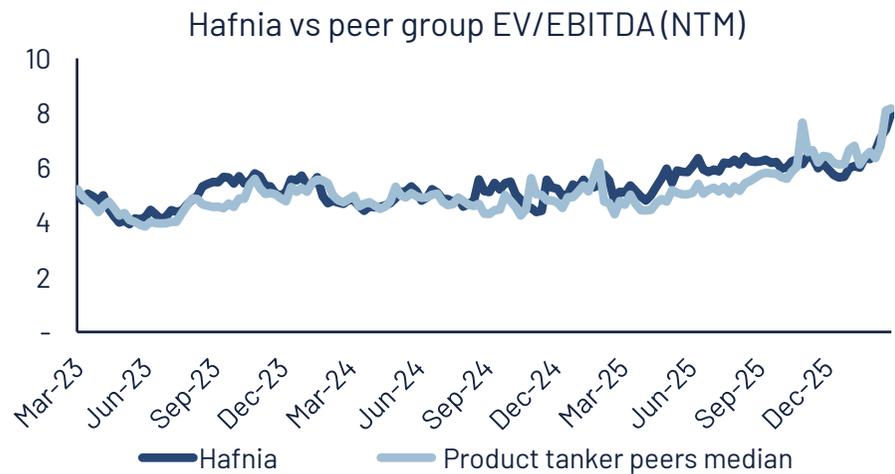
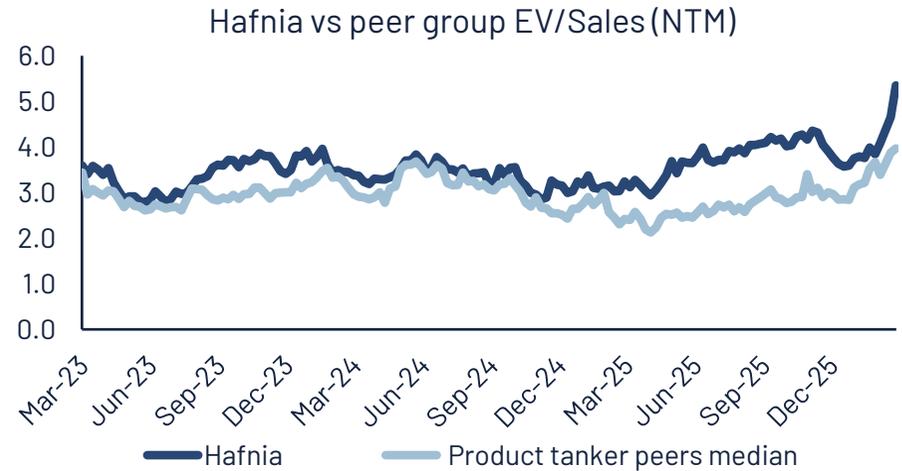
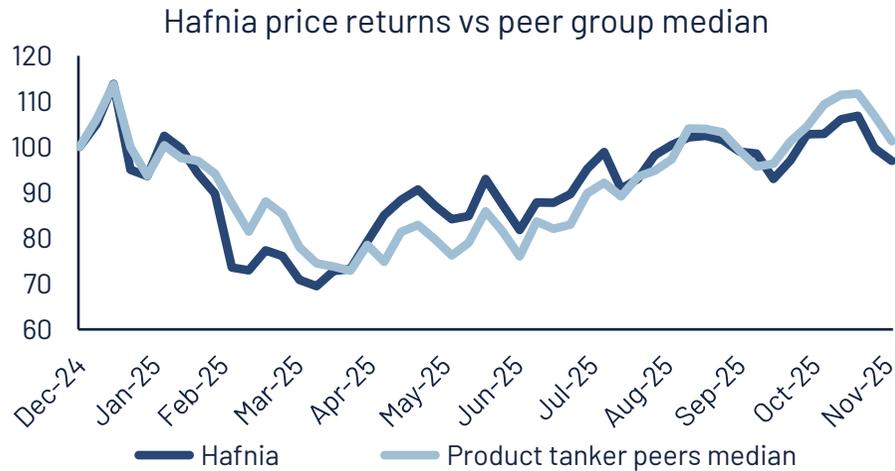
TORM and Scorpio are the most directly comparable given their fleet scale and product tanker focus, while International Seaways offers a broader crude/product tanker mix and Ardmore and d'Amico are smaller, more niche operators.

Company	Price	Total return	Market cap	EV	EV/EBITDA		EV/EBIT		Div yield		EBIT margin (%)	
	(local)	YTD	(USDm)	(USDm)	2025	2026E	2025	2026E	2025	2026E	3-yr avg	LTM
TORM plc	DKK 184.5	45.4%	2,919	3,754	5.1	5.9	8.6	10.1	7.2%	9.2%	35.6%	25.2%
Scorpio Tankers Inc.	USD 76.9	52.1%	3,620	3,488	6.2	7.0	9.8	10.7	2.1%	2.4%	44.2%	33.0%
Ardmore Shipping Corp.	USD 16	51.4%	651	733	6.5	8.1	13.5	11.1	N/A	N/A	26.4%	15.2%
International Seaways Inc.	USD 72.4	49.1%	3,579	3,988	7.3	7.3	12.3	10.0	5.4%	7.3%	44.8%	35.8%
d'Amico Intl Shipping S.A.	EUR 7.2	45.1%	994	1,078	7.2	8.4	11.2	12.9	3.7%	2.8%	37.9%	28.4%
Median – Product tanker peers		49.1%	2,919	3,488	6.5	7.3	11.2	10.7	4.5%	5.0%	37.9%	28.4%
Hafnia Ltd.	NOK 70.3	32.3%	3,655	4,725	6.7	7.6	10.0	11.3	8.0%	8.9%	24.2%	15.6%
Premium/discount to peers(+/-)					3.6%	4.4%	-10.7%	6.3%				

Note: data from 06/03/2026. Hafnia margins are calculated against total revenue, not TCE income, leading Hafnia's pool revenues to compress margins

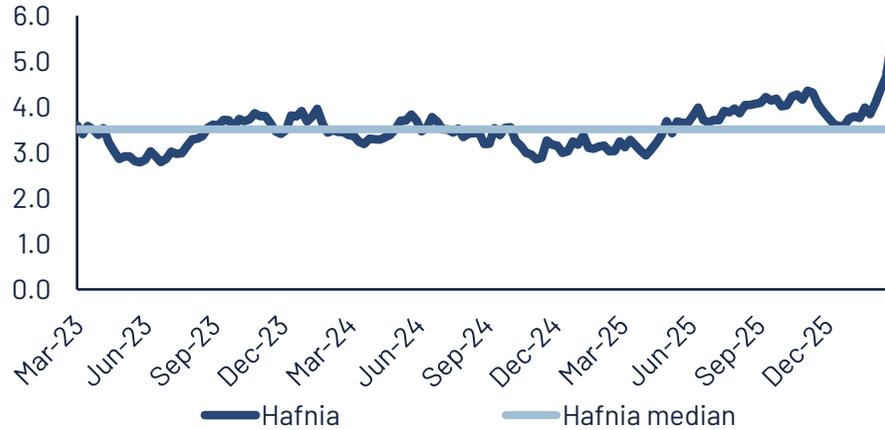
Source: S&P Capital IQ

Valuation vs. Peers

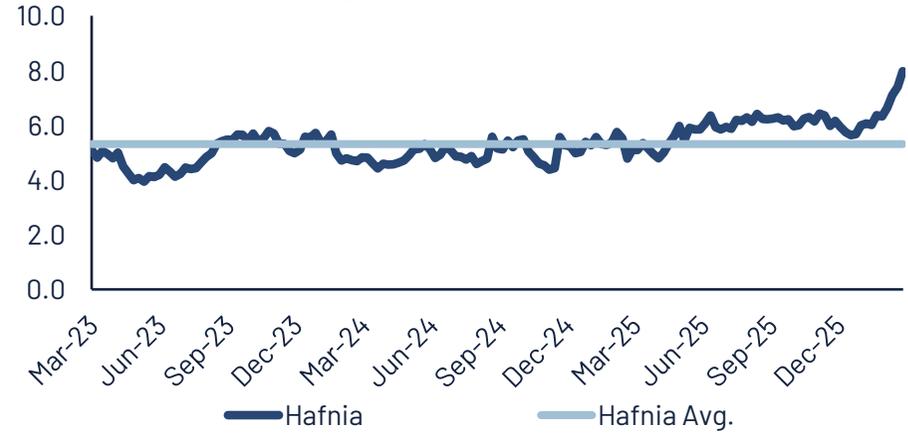


Valuation vs. Historical

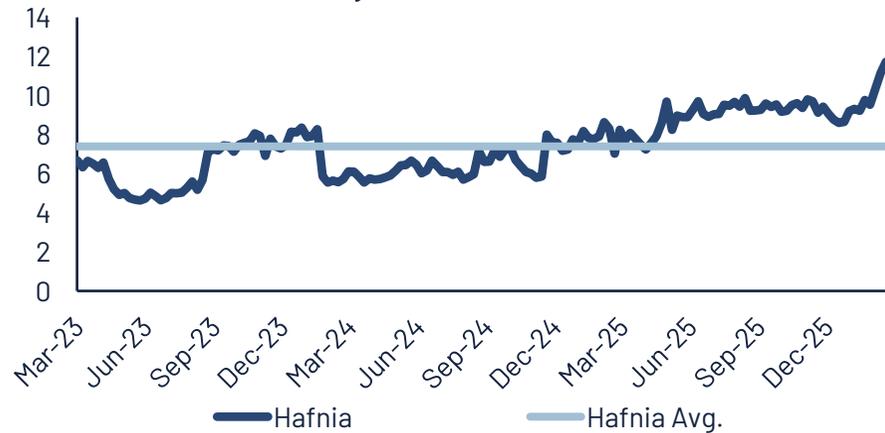
Hafnia vs 3-year median EV/Sales (NTM)



Hafnia vs 3-year median EV/EBITDA (NTM)



Hafnia vs 3-year median EV/EBIT (NTM)



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