

HAFNIA

Market: Euronext Oslo & NYSE

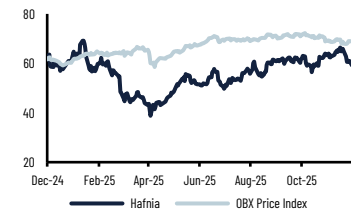
Ticker: HAFNI

Share price (NOK): 61.3

Market cap (NOK): 30.3bn

Net debt (NOK): 7.7bn

Enterprise value (NOK): 38.1bn

Share information

YTD -2.7% 1 year: -7.2%
 1 month: -6.6% 3 years: 9.9%

Note: *We apply the closing price from 01 December 2025.
 Index rebased to 02 December 2024. Source: S&P Capital IQ

Financials

USDm	2023	2024	2025E*
TCE income	1,366.6	1,391.3	983
TCE income growth	1.5%	1.8%	-29%
EBITDA	1,013.0	992.3	594
EBITDA margin	74.1%	71.3%	60%
Net income	793.3	774.0	369
Net income margin	58.0%	55.6%	38%
Cash and equivalents	142	195	N/A
Interest-bearing debt	1,292	1,122	N/A

Note: *Consensus analyst estimates from S&P Capital IQ. Margins calculated against TCE income.

Valuation multiples

	2023	2024	2025E*
P/S (x)	2.6	1.9	3.0
EV/Sales (x)	3.5	2.5	3.8
EV/EBITDA (x)	4.7	3.5	6.3
EV/EBIT (x)	5.6	4.4	9.5
P/E (x)	4.4	3.5	7.9
P/NAV (x)**	0.9	0.7	0.9
Div yield (%)	14.5	21.7	10.0

Note: Multiples for 2023 and 2024 are based on historical numbers. *Multiples in 2025 are based on consensus estimates from S&P Capital IQ. **P/NAV based on Hafnia's self-reported NAV. Dividends quarterly, see peer group note

Company description

Hafnia is one of the largest owners and operators of product and chemical tankers globally. Hafnia is listed in Norway and on the NYSE. It provides global freight services in the product tanker market, transporting oil products and easy chemicals. Its fleet of around 120 vessels includes MR, LR1, LR2, and handy vessels. Hafnia also manages seven commercial shipping pools, bringing together self-owned and externally-owned vessels and aggregating earnings across vessels.

Investment case

Hafnia primarily operates in the spot market, taking selective longer-term cover contracts to capture value from volatile product tanker markets. Hafnia's markets have remained firm since Russia's invasion of Ukraine reshaped global oil product flows. Product tanker rates strengthened through 2025, supported by higher OPEC+ crude supply, sanctions on Russia, and rising global demand. While below H1 2024 peaks, rates remain above historical averages, with a manageable vessel supply outlook, as sanctions, muted ordering, and ageing fleet counteract the 18% orderbook.

Hafnia maintains a strong balance sheet with a Q3 2025 LTV of 20% and a reduced cash breakeven to around USD 13,000/day, significantly below the 9M YTD TCE income of USD 24,493/day, supporting solid cash generation and shareholder returns. The quarterly dividend was raised to USD 0.147/share (80% payout ratio and 2.4% yield from the Q3 report date). Hafnia also confirmed its USD 311m acquisition of 14.5% of the shares in peer company TORM, pending final approvals – a capital allocation shift to add exposure to a peer trading below NAV over buying additional vessels.

Hafnia trades roughly in line with its peer group's earnings multiples, but with a slight discount on P/E, and among the highest dividend yield forecasts for 2025E and 2026E. Hafnia's self-reported NAV reflects a P/NAV around 0.9x, also a similar level to its closest peers, also based on self-reported NAV.

Key investment reasons

Hafnia maintains plans to return significant cash to shareholders via dividends and/or share buybacks, with a total 9M 2025 dividend payout ratio of 80%. A low leverage ratio LTV supports ongoing high payout ratios, while P/NAV <1.0 may see tactical share buybacks with dividends.

Product tanker rates remain above historical averages and have strengthened during 2025, driven by positive spill-overs from OPEC+ supply increases, returning Chinese demand growth, further sanctions on Russian vessels, low CPP inventories in Europe, and rising overall oil and CPP supply forecast for 2025.

Vessel supply remains manageable, with the orderbook-to-fleet ratio at ~18%, but with renewed sanctions on an additional 183 dark-fleet, mostly offsetting 2025 newbuild deliveries^[1]. New ordering activity has slowed in 2025, and an aging fleet may support elevated scrapping as environmental regulations tighten.

Key investment risks

Hafnia operates in volatile markets with spot rates prone to significant fluctuations, rising rapidly in 2022, but also declining since H2 2024. A demand shock or shift in the market, such as an end to the sanctions on Russia and the dark fleet, would likely reduce forward analyst estimates. Tariffs can also have an uncertain impact, despite Trump's positive oil industry outlook.

Following the effective closure of the Red Sea due to Houthi attacks on vessels, the oil product trade has shifted. Efficiencies have since reduced much of the positive ton-mile effect from the Red Sea closure; however, a reopening of the Red Sea and/or other geopolitical events can impact product tanker markets.

There is a risk that an orderbook above expected scrapping leads to vessel supply growth outpacing demand growth. Environmental regulations and aging fleets may increase scrapping from very low levels; however, this has not yet materialized.

Source [1]: Hafnia Q1 2025 earnings presentation

Peer group

Company	Price	Total return	Market cap	EV	EV/EBITDA		EV/EBIT		P/E		Div yield	
	(local)	YTD	(USDm)	(USDm)	2025E	2026E	2025E	2026E	2025E	2026E	2025E*	2026E
TORM plc	DKK 136.3	8.7%	2,149	2,833	5.1	6.1	8.1	9.7	7.9	13.1	10.3%	10.4%
Scorpio Tankers Inc.	USD 55.6	15.9%	2,617	2,850	5.5	5.8	9.0	8.4	10.1	9.4	2.9%	3.1%
Ardmore Shipping Corp.	USD 12.1	2.1%	491	590	6.6	6.0	12.5	8.7	11.6	10.5	3.0%	3.1%
International Seaways Inc.	USD 51.5	51.0%	2,543	2,934	6.6	6.4	10.0	9.5	10.7	9.6	7.1%	7.7%
Median		15.9%	2,149	2,833	6.0	6.0	9.5	9.1	10.4	10.0	5.0%	5.4%
Hafnia Ltd.	NOK 59.1	1.9%	2,908	3,729	6.3	6.3	9.5	9.7	8.0	8.7	10.0%	9.6%
Premium (+) / Discount (-) to peers					4%	4%	0%	7%	-23%	-13%		

Note: data from 01/12/2025

Source: S&P Capital IQ

Note: Dividend yield 2025E includes dividend declared in connection with Q1 2025 of USD 0.1015/share and Q2 of USD 0.1211/share Q3 of USD 0.147/share (ex. dividend date: 09 December 2025). All named peers also pay quarterly dividends.



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Investment Case
One-pager

Appendix

Estimates and assumptions: The data in the peer group concerning the peer companies has not been calculated by HC Andersen Capital but is instead consensus analyst estimates from CapitalIQ. HC Andersen Capital assumes no responsibility for the correctness of the numbers in the peer group; however, considers S&P Capital IQ a credible source of information.

Selected product tanker peers overview:

Peer group overview: Hafnia's peer group consists of peers engaged in the ownership and operation of product tankers. The selected peers operate at a similar scale to Hafnia, with Torm also listed in the Nordics.

Scorpio Tankers: Scorpio Tankers is an international owner and operator of product tankers, carrying refined oil products and chemicals worldwide. Scorpio Tankers' owns a combination of LR2, MR and Handymax tankers, with a greater share of its vessels fixed with or plans to be fitted with scrubbers. Scorpio Tanker operates its vessels through commercial pools, together with other shipowners, to benefit from greater vessel utilization. Activities are primarily positioned towards the spot market.

Torm: is an international owner and operator of product tankers, carrying refined oil products and chemicals worldwide. Torm is listed in Copenhagen and on the US Nasdaq, with a focus on the LR2, LR1, and MR vessel segments.

International Seaways Inc: is an international owner and operator of crude tanker and product tanker vessels, transporting dirty and clean petroleum products globally. The company owns or operates a fleet of over 70 vessels across crude tanker and product vessel segments, including, crude tankers: VLCC, Suezmax, Aframax, product tankers: LR2, LR1, and MR. International Seaways is listed on the New York Stock Exchange (NYSE).

Ardmore Shipping Corp: is an international owner and operator of product tankers, carrying refined oil products and chemicals worldwide. Ardmore Shipping is listed on the New York Stock Exchange (NYSE) and focuses on the MR vessel segment, also operating its vessels in commercial shipping pools.

d'Amico International Shipping SA: is an international owner and operator of product tanker vessels, transporting refined crude products globally. The company is listed on the Milan Stock Exchange and owns and charters vessels, operating over 30 vessels, across product tanker vessel segments, including LR1, MR, and Handysize.