

NORDEN**NORDEN**

Market: OMXC Large Cap

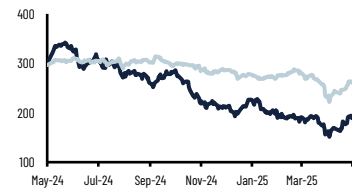
Ticker: CPSE:DNORD

Share price (DKK): 189.2

Market cap (DKK): 5.5bn

Net debt (DKK): 1.6bn

Enterprise value (DKK): 7.1bn

Share information

YTD -10.9% 1 year: -35.8%
 1 month: 21.2% 3 years: -29.9%

Note: *We apply the closing price from 06 May 2025
 Index rebased to 07/05/2024. Source: S&P Capital IQ

Financials

USDm	2023	2024	2025E*
Revenue	3,691.9	4,040.1	N/A
Revenue growth	-30.5%	9.4%	N/A
EBITDA	678.6	432.2	N/A
EBITDA margin	18.4%	10.7%	N/A
Net income	400.1	162.7	50-130*
Net income margin	10.8%	4.0%	N/A
Cash	557.2	266.6	N/A
Interest-bearing debt	601.8	263.7	N/A

Note: *NORDEN's own 2025 guidance. Includes USD 45m from gains on sales, USD 38m agreed YTD 2025. Net income guidance upgraded from USD 20-100m previously

Valuation multiples

	2023	2024	2025E*
P/S (x)	0.4	0.2	N/A
EV/Sales (x)	0.4	0.3	N/A
EV/EBITDA (x)	2.5	3.0	N/A
EV/EBIT (x)	3.9	6.5	N/A
P/E (x)	4.0	5.4	6.5-16.8
P/Nav (x)**	0.9	0.5	N/A
P/CF (x)	1.2	0.7	N/A

Note: Multiples for 2023 and 2024 are based on historical numbers. *Multiples in 2025 are based on NORDEN's own guidance. **Based on self reported NAV.

Company description

NORDEN is an international shipping company based in Denmark that provides global freight services in the dry cargo (Handy to Capesize) and product tanker (MR) freight markets. It operates a flexible asset-light business model; its Asset Management (AM) unit charters and trades its owned and long-term leased vessels and selected complex logistics projects. Its Freight Services & Trading (FST) trades dry bulk and tank markets on a short-term (<2 years) basis by chartering in vessels to provide global freight services.

Investment case

NORDEN's flexible asset-light model allows it to capitalize on long-term (via AM) and short-term (FST) market opportunities in the cyclical and volatile dry cargo and tanker shipping markets. The AM unit offers exposure to the underlying markets, via owned and long-term leased (>2 yrs) vessels, that are chartered via spot and longer-term cover contracts also creating value by asset trading. The FST unit trades near-term (<2 yrs) market views by chartering vessels on a shorter-term basis with a greater degree of flexibility.

NORDEN faced easing tanker markets in 2024 following exceptional markets since 2022, while mis-positioning in FST dry cargo also affected results. In Q1 2025, FST dry margins improved, despite FST margins remaining below NORDEN's target, primarily due to market conditions. The Asset Management unit primarily drove the Q1 2025 net profit of USD 33m from chartering its owned fleet at good coverage. NORDEN upgraded its guidance to USD 50-130m (from USD 20-100m) prior to Q1 2025, primarily from upgrading expected gains from vessel sales to USD 45m, from USD 16m previously, as the AM unit captures value embedded in purchase options. Vessel sale gains of USD 38m have been realised YTD (including during Q2).

NORDEN distributes at least 50% of its net income via dividends/share buy-backs on a quarterly basis. The coverage in AM at profitable rates supports shareholder returns, while further asset sales can also boost cash returns.

Key investment reasons

NORDEN has delivered a 5-year average ROIC of 25% (14% FY2024) and returned significant value to shareholders since 2022. In 2024, it distributed 62% of its net result to shareholders via dividends (DKK 8/share) and share buybacks. Continued cash flow can support ongoing buybacks and dividends at a high payout ratio, despite lower absolute earnings guidance in 2025.

NORDEN calculates an in-house net asset value (NAV) of DKK 372/share (425/share at FY2024), a premium to current levels. Analysts excluding the value of purchase options have a lower NAV; however, if asset values remain high, significant gains from vessel sales can be realized (gains of USD 38m YTD included in guidance).

The AM division has locked in coverage at profitable rates, ensuring cash flow to support shareholder returns in 2025. NORDEN also reports an additional 44 in-the-money purchase options, which can materialize to vessel gains if asset values hold in 2025 and beyond.

Key investment risks

NORDEN's trading strategies are highly data-driven; however, as seen in H1 2024, they are prone to markets moving in the opposite direction and black swan events such as Covid-19. Diversifying its trading strategies lessens the impact of such events, as seen by positive FST tanker results offsetting dry cargo weakness.

Shipping markets are cyclical, and the exceptional tanker earnings of recent years have eased. Additional easing may result if the Red Sea opens following a ceasefire between Israel and Palestine. Geopolitics impacts tanker and dry cargo markets, which can create uncertainty and volatility in both directions.

NORDEN currently has significant implied value in extension and purchase options, which it includes in its NAV calculations. Recognizing that value will depend on stable or improving freight rates and asset values, which are not guaranteed.

Peer group

	Company	Price (local)	Total return YTD	Market cap (USDm)	Latest net debt (USDm)	EV/EBITDA		P/E		EBIT margin	
						FY2025	FY2026	FY2025	FY2026	3-yr avg	LTM
Dry cargo	Golden Ocean Group Limited	USD 7.7	-12.1%	1,541	1,354	8.1	6.3	14.7	7.0	29.3%	30.2%
	Star Bulk Carriers Corp.	USD 15	0.8%	1,749	1,031	6.6	4.8	13.4	6.3	30.0%	26.9%
	Diana Shipping Inc.	USD 1.4	-26.6%	157	481	6.6	4.6	N/A	3.6	33.8%	23.2%
Product tanker	TORM plc	DKK 113.4	-15.5%	1,686	794	5.0	5.4	7.6	12.9	40.9%	39.0%
	Scorpio Tankers Inc.	USD 40.7	-17.3%	1,921	1,233	4.8	4.8	7.7	6.6	51.4%	38.9%
	Hafnia Limited	NOK 51.7	-14.4%	2,503	1,151	6.0	5.6	8.1	6.9	32.8%	27.1%
	Median		-14.9%	1,717	1,091	4.7	6.3	4.3	8.1	33.3%	28.7%
	NORDEN	DKK 189.2	-9.0%	842	45	2.1	2.2	5.4	5.0	25.5%	3.5%

Premium (+) / Discount (-) to peers

Note: Data from 07/05/2025



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Investment Case
One-page

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 S&P Capital IQ. 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 dry cargo and product tanker peers:

Golden Ocean Group: is an international owner and operator of dry bulk carrier vessels with focus on the Capesize and Panamax markets. Its vessels transport a range of major and minor bulk commodities, including ores, coal, grains and fertilisers. Golden Ocean Group owns most of its 90+ vessels, but also charters vessels from third-party owners. The vessels primarily trade in the spot market, with some chartered out on index-linked rate time charters and a few on fixed-rate time charters.

Diana Shipping Corp: Diana Shipping Inc is a Greek-based global provider of shipping transportation services within the dry bulk sector. The company is the owner and operator of around 40 dry bulk vessels across a range of vessel sizes, including Newcastlemax, Capesize, Post-Panamax, Kamsarmax and Panamax vessels. The company's vessels are employed primarily on medium to long-term time charters and transport a range of dry bulk cargoes, including such commodities as iron ore, coal, grain and other materials.

Star Bulk Carriers Corporation: is a leading international owner and operator of dry bulk carrier vessels to transport bulk cargoes, such as iron ore, coal, minerals, grain, and more. Its fleet consists of over 150 dry bulk vessels consisting of Newcastlemax, Capesize, Post Panamax, Kamsarmax, Panamax, Ultramax and Supramax vessels.

Scorpio Tankers: is a leading owner and operator of product tankers, carrying refined oil products such as gasoline, jet fuel, naphtha and diesel oil. Scorpio Tankers operates a fleet of over 100 vessels (either owned, leased or chartered) with a focus on LR2 and MR vessel segments but also operating in the LR1 and handysize segments. Scorpio tankers operates its vessels through its commercial pools on time charters or in the spot market.

Hafnia: is a leading owner and operator of product tankers, listed in Norway, transporting oil products and easy chemicals in global markets, owning over 110 vessels and operating over 200. It manages seven commercial shipping pools, which bring together self-owned and externally-owned vessels to minimise costs and reduce risk by aggregating earnings across all vessels based on a points system.

TORM: is a leading owner and operator of product tankers, listed in Norway, transporting oil products and easy chemicals in global markets, owning around 90 vessels. TORM focuses on the MR LR1 and LR2 segments and primarily employs its fleet in the spot market.