

# NAVIG8 TOPCO HOLDINGS INC.

## Q2 FY21 EARNINGS RELEASE

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**13 NOVEMBER 2020**

[www.navig8group.com](http://www.navig8group.com)

# Navig8 Topco Holdings Inc.

## Q2 – Financial Year 2021

13 November, 2020 – Navig8 Topco Holdings Inc. (the “Company” and, together with its subsidiaries, the “Group”) has today presented its consolidated unaudited financial statements for the three (3) months ended 30 September 2020.

*As expected, markets weakened substantially in the quarter and we anticipate they will remain soft in the coming months as usually higher seasonal demand is heavily dampened by the ongoing economic effects of Covid-19. With a diversified Services business platform and versatile fleet, the Group continued to trade profitably, additionally benefiting from risk management strategies effected during H1 2020 that will support earnings into next year and beyond.*

Nicolas Busch, Navig8 Group CEO

### BUSINESS OVERVIEW

- Post-tax profit (after non-controlling interest) for the quarter totalled USD10.3 million (USD5.6 million for same quarter last year).
- EBITDA for the quarter totalled USD45.4 million (USD27.0 million for same quarter last year).
- Services (Commercial Management, Technical Services and Bunker Procurement):
  - EBITDA of USD9.2 million for the quarter (USD10.8 million for same quarter last year).
  - Commercial Management: Tankers and Chemicals generated a weighted average TCE of \$19,474/day and \$14,008/day, respectively up 23% and down 1% versus same quarter last year. The period-end Tankers and Chemicals pool fleets comprised 79 and 47 vessels respectively.
- Asset Management:
  - Despite softer tanker markets, significant operational cashflow generated by the Company's newbuilding fleet underpinned EBITDA of USD36.2 million for the quarter (USD16.2 million for same quarter last year).
  - As at quarter-end, all the Group's newbuilding vessels were entered into, and operating in, the relevant Navig8 pools.

# Summary Financial Development

## BUSINESS OVERVIEW (CONT'D)

- The Company's Board declared and paid a dividend of USD43.0 million in July to Navig8 Ltd. in accordance with the Bond terms.

## INCOME STATEMENT

(Compared with quarter ended 30 September 2019)

- For the quarter ended 30 September 2020, the Company generated a post-tax profit (after non-controlling interest) of USD10.3 million (USD5.6 million).
- Reflecting a materially lower bunker price environment, consolidated revenue decreased by USD148.3 million (~18%) to USD671.2 million for the quarter, while operating costs decreased by USD165.9 million (~21%) to USD612.3 million, generating an improved gross profit of USD58.9 million (USD41.3 million). EBITDA was higher at USD45.4 million for the quarter (USD27.0 million).
- Depreciation for the quarter was higher at USD22.1 million (USD8.2 million), reflecting both the application of depreciation to the Group's full 16-vessel newbuilding fleet (of which only 10 had delivered as at 30 June 2019) and to right-of use assets (capital leases).
- Financial items for the quarter were broadly unchanged at USD12.2 million (USD12.1 million), reflecting the financing costs for delivery of remaining part of the Group's newbuilding fleet after 30 September 2019.

# Summary Financial Development

## BALANCE SHEET

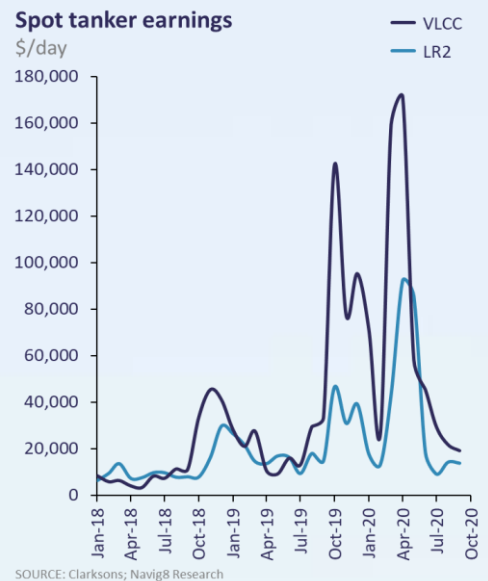
(Compared with balance sheet as at 31 March 2020)

- Total assets as at 30 September 2020 were USD1,430.7 million (USD1,654.0 million). Vessel-related fixed assets amounted to USD714.0 million (USD726.7 million), while investments, right-of-use assets and other fixed assets totalled USD170.1 million (USD142.6 million). Net working capital was USD2.4 million (USD(2.1) million), while cash and bank balances amounted to USD167.0 million (USD153.5 million).
- Net equity as at 30 September 2020 was USD308.8 million (USD283.7 million).
- Utilization of the Working Capital Facility totalled USD66.1 million (Credit Lines total – USD95.1 million) as of 30 September 2020 (prior period – USD106.6 million; Credit Lines total – USD185.7 million), while loans (including sale and leaseback financings and the Bond) amounted to USD617.3 million (USD638.0 million).

# Summary Q2 FY21 Market Overview

## CRUDE MARKET

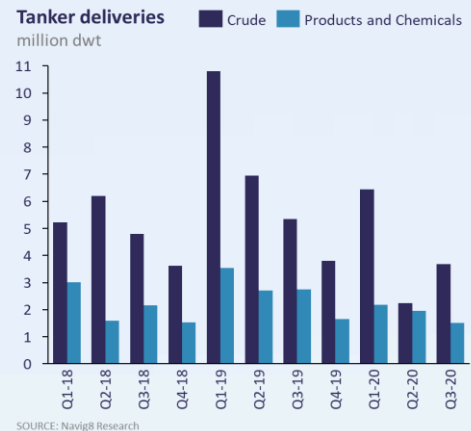
- Traditionally a seasonally weak quarter, and this year exacerbated both by particularly slack global demand (post-inventory build-up during H1 2020) and the return of floating storage to the spot market fleet base, earnings levels were (and remain) unsurprisingly lacklustre.
- While OPEC+ eased output cuts by 2 million b/d (to 7.7 million b/d) in mid-August, this has so far had no material positive impact on tanker rates. To compound the outlook near-term, a further easing of cuts looks increasingly unlikely as the Northern Hemisphere heads into winter amidst a Covid-19 'second wave' that, as anticipated, is curtailing energy demand through multiple regional and national lockdowns, most notably in Europe.
- The positive medium-term horizon for crude tanker rates remains unchanged, driven by very low orderbook levels and an ageing global fleet that will dwindle as scrapping inevitably increases in the face of short-term weaker TCE markets. Demand growth is expected to return as Western economies (in particular) move beyond the worst of Covid-19 with the aid of vaccines/therapeutics anticipated in 2021, and these prospects have been given a welcome boost in recent days with the announcement of very encouraging data from clinical trials by Pfizer/BioNTech.
- Encouragingly, recovery continues in the meantime to progress in some economies, led by China where consumption is rising and the economy has registered two consecutive quarters of growth. Reflecting this trend, refinery runs in China have almost returned to pre-pandemic levels, in stark contrast to weaker levels globally.
- While hindered by technical issues and fields and facilities, there was additional positive news in September as the eight-month blockade on Libyan oil exports was lifted. Production has risen faster than expected – set to reach 1 million b/d by end-year – and should primarily benefit Suezmax and Aframax vessels in time.
- Meanwhile, in the Atlantic basin, Brazil's shut-in production is gradually returning as oil prices have edged up and demand for its crude has increased. Consequently, Brazil's crude production forecast has been revised up by 40,000 b/d to 3.4 million b/d by 2022, which should be supportive to long-haul VLCC demand to China.



# Summary Q2 FY21 Market Overview

## PRODUCT MARKET

- With the contango in crude extending to the products market in H1 2020, similar drivers (lower demand; floating storage unwind) saw product tanker earnings fall in the quarter.
- While the near-term outlook looks similarly soft for product tanker rates, the medium-term forecast is, more reassuringly, also thematically in line with the crude segment – low orderbook levels, an ageing fleet, and demand expansion that will benefit tonne-mile demand and support earnings rates.
- Product shipping demand is expected to pick up ahead of crude, primarily driven by gasoline refined from crude inventories that will be gradually unwound in support of a post Covid-19 recovery. However, global refinery run rates are yet to recover and, subjected to prolonged margin weakness, a rise in refinery rationalization is increasingly likely, with up to 1.4 million b/d of capacity at risk of closure in Europe alone. While this may at first appear negative, these simpler refineries typically service local demand, in contrast to the export orientation of the many new refineries in Asia and the Middle East. Consequently, any such rationalization should remain beneficial to tanker demand.



## CHEMICAL MARKET

- While rates also softened in the chemicals segment, the decline was more muted than for crude and products, owing to the industrial, contract-orientated nature of the trades.
- On the demand side, overall petrochemical demand has broadly held up well through the pandemic to date, and there are some positive signs that global economic recovery is underway, with manufacturing activity indicators picking up. The picture is naturally sector-dependent: while clothing and automotive have, for instance, suffered greater pressures, packaging and medical have performed strongly.
- With little supply side growth in prospect, and material petrochemical infrastructure expansion due onstream in the next 1-2 years, the underlying dynamics for the chemical segment continue to look positive.

# Consolidated Income Statement

NAVIG8 TOPCO HOLDINGS INC.

Figures in USDm

	Notes	Quarter ended 30 September 2020	Quarter ended 30 September 2019	Year to date 30 September 2020	Year to date 30 September 2019	FY ended 31 March 2020
Income	4	671.2	819.5	1,372.4	1,593.9	3,605.5
Operating Expenses		(612.3)	(778.2)	(1,204.5)	(1,519.3)	(3,357.3)
<b>Gross Profit</b>		<b>58.9</b>	<b>41.3</b>	<b>167.9</b>	<b>74.6</b>	<b>248.2</b>
Administrative Expenses		(13.5)	(14.3)	(28.3)	(28.6)	(66.7)
<b>EBITDA</b>	4	<b>45.4</b>	<b>27.0</b>	<b>139.6</b>	<b>46.0</b>	<b>181.5</b>
Financial Items		(12.2)	(12.1)	(21.1)	(19.7)	(48.5)
Depreciation		(22.1)	(8.2)	(50.4)	(12.4)	(45.9)
Share of Profits in Associates and Joint Ventures		0.7	0.6	3.6	0.9	6.1
<b>Net Profit before Tax</b>		<b>11.8</b>	<b>7.3</b>	<b>71.7</b>	<b>14.8</b>	<b>93.2</b>
Tax		(0.6)	(0.6)	(1.9)	(1.2)	(2.0)
<b>Net Profit after Tax</b>		<b>11.2</b>	<b>6.7</b>	<b>69.8</b>	<b>13.6</b>	<b>91.2</b>
Non-Controlling Interest		(0.9)	(1.1)	(2.7)	(1.9)	(5.0)
<b>Net Profit after Tax and Non-Controlling Interest</b>		<b>10.3</b>	<b>5.6</b>	<b>67.1</b>	<b>11.7</b>	<b>86.2</b>



# Consolidated Balance Sheet

NAVIG8 TOPCO HOLDINGS INC.

*Figures in USDm*

	Notes	As at 30 September 2020	As at 31 March 2020
<b>Fixed Assets</b>			
Vessels	5	714.0	726.7
Investments	5	45.0	43.5
Right-of-Use Assets	5	123.2	96.6
Other Fixed Assets	5	1.9	2.5
<b>Current Assets</b>			
Inventory		19.9	32.1
Trade Debtors		206.4	362.9
Other Debtors		153.3	236.2
Cash & Collateral		167.0	153.5
<b>Total Assets</b>		<b>1,430.7</b>	<b>1,654.0</b>
<b>Current Liabilities</b>			
Credit Lines		95.1	185.7
Short-Term Loans	6	39.2	39.0
Short-Term Lease Liabilities		59.4	46.0
Trade Payables		120.6	234.7
Other Creditors		161.5	212.9
<b>Long-Term Liabilities</b>			
Long-Term Loans	6	578.1	599.0
Long-Term Lease Liabilities		68.0	53.0
<b>Capital &amp; Reserves</b>			
Share Capital		-	-
Reserves		294.2	270.1
Non-Controlling Interest		14.6	13.6
<b>Total Capital &amp; Reserves</b>		<b>308.8</b>	<b>283.7</b>
<b>Total Liabilities and Capital and Reserves</b>		<b>1,430.7</b>	<b>1,654.0</b>



# Consolidated Cashflow Statement

NAVIG8 TOPCO HOLDINGS INC.

Figures in USDm

	Quarter ended 30 September 2020	Quarter ended 30 September 2019	Year to date 30 September 2020	Year to date 30 September 2019	FY ended 31 March 2020
<b>Cash flows from Operating Activities</b>					
Profit Before Income Tax	11.8	7.3	71.7	14.8	93.2
<b>Adjustments for:</b>					
Depreciation of Vessels and Other Fixed Assets	22.1	8.2	50.4	12.5	45.9
Gain on Disposal and Write-off of Financial and Other Fixed Assets	-	-	-	(0.2)	(0.2)
Share of Profits in Joint Ventures and Associates	(0.7)	(0.7)	(3.6)	(1.0)	(6.1)
Interest Income	-	(0.2)	(0.3)	(0.4)	(0.5)
Interest Expense on Leases	2.0	0.3	5.4	0.3	3.1
Interest Expense on Financing	10.4	12.7	21.6	21.5	48.3
<b>Operating Profit Before Working Capital Changes</b>	<b>45.6</b>	<b>27.6</b>	<b>145.2</b>	<b>47.5</b>	<b>183.7</b>
<b>Changes in Working Capital:</b>					
Inventories	(0.9)	4.5	12.2	6.2	(6.1)
Trade and Other Receivables and Prepayments	92.9	(90.2)	240.6	(78.8)	(225.5)
Trade and Other Payables	(81.4)	101.8	(165.8)	39.9	131.0
<b>Cash Generated from Operations</b>	<b>56.2</b>	<b>43.7</b>	<b>232.2</b>	<b>14.8</b>	<b>83.1</b>
Income Tax Paid	(1.2)	(0.6)	(1.6)	(2.2)	(2.7)
Interest Received	-	0.1	0.3	0.4	0.5
Interest Paid	(12.4)	(13.0)	(27.0)	(21.8)	(51.4)
<b>Net Cash Generated from/(Used In) Operating Activities</b>	<b>42.6</b>	<b>30.2</b>	<b>203.9</b>	<b>(8.8)</b>	<b>29.5</b>

# Consolidated Cashflow Statement (cont'd)

## NAVIG8 TOPCO HOLDINGS INC.

Figures in US\$M

	Quarter ended 30 September 2020	Quarter ended 30 September 2019	Year to date 30 September 2020	Year to date 30 September 2019	FY ended 31 March 2020
<b>Cash Flows from Investing Activities:</b>					
Payments for Vessel Instalments and Drydocking Costs	(1.6)	(105.9)	(2.3)	(266.9)	(290.7)
Purchase of Other Fixed Assets	-	(0.2)	-	(0.5)	(0.5)
Proceeds from Disposal of Financial Assets	-	-	-	0.2	14.6
Dividends Received from Financial Assets, Joint Ventures and Associates	0.8	0.5	1.0	1.8	2.9
Net Cash Outflow from Disposal of a Group of Subsidiaries	-	(0.4)	-	(2.1)	(2.0)
Additional Investment in Associates	-	(0.4)	-	(4.4)	(6.1)
<b>Net Cash Used in Investing Activities</b>	<b>(0.8)</b>	<b>(106.4)</b>	<b>(1.3)</b>	<b>(271.9)</b>	<b>(281.8)</b>
<b>Cash Flows from Financing Activities:</b>					
Dividends Paid to Non-Controlling Interest	(2.8)	-	(2.8)	(1.2)	(1.2)
Dividends Paid to the Ultimate Holding Company	(43.0)	-	(43.0)	-	(4.6)
Deposit Pledged with Financial Institutions	-	(0.8)	-	(0.1)	(0.1)
(Loan to)/Repayment of Loan from Associates	-	(1.5)	1.1	(1.5)	(1.5)
Principal Repayment of Lease Liabilities	(13.8)	(1.4)	(33.1)	(1.4)	(17.7)
(Repayment of)/Net Proceeds from Debts	(36.8)	81.8	(111.3)	298.9	357.2
<b>Net Cash (Used In)/Generated from Financing Activities</b>	<b>(96.4)</b>	<b>78.1</b>	<b>(189.1)</b>	<b>294.7</b>	<b>332.1</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(54.6)</b>	<b>1.9</b>	<b>13.5</b>	<b>14.0</b>	<b>79.8</b>
Cash and Bank Balances at the Beginning of Financial Period/Year	220.1	84.3	152.0	72.2	72.2
<b>Cash and Bank Balances at End of Financial Period/Year</b>	<b>165.5</b>	<b>86.2</b>	<b>165.5</b>	<b>86.2</b>	<b>152.0</b>
Cash & Collateral	167.0	87.7	167.0	87.7	153.5
Less: Bank Balances Pledged with Financial Institutions	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)
<b>Cash and Bank Balances as Disclosed in Consolidated Cash Flow Statement</b>	<b>165.5</b>	<b>86.2</b>	<b>165.5</b>	<b>86.2</b>	<b>152.0</b>

# Consolidated Statement of Changes in Equity

## NAVIG8 TOPCO HOLDINGS INC.

Figures in USDm

	Share Capital	Other Reserves	Retained earnings	Attributable to Owners of Group	Non-Controlling Interest	Total Equity
<b>Balance at 31 March 2019</b>	-	(9.5)	193.4	<b>183.9</b>	9.2	193.1
Net Profit for the Period	-	-	11.7	11.7	1.9	13.6
Other Comprehensive Income	-	4.1	-	4.1	0.0	4.1
<b>Total Comprehensive Income for the Period</b>	-	4.1	11.7	15.8	1.9	17.7
Dividends Paid to Non-Controlling Interest	-	-	-	-	(1.2)	(1.2)
Waiver of Related Party Loans	-	-	(0.2)	(0.2)	0.2	-
Effect of Dilution of Interest in Subsidiaries	-	0.3	(0.3)	-	0.3	0.3
<b>Balance at 30 September 2019</b>	-	(5.1)	204.6	199.5	10.4	209.9
Net Profit for the Period	-	-	74.5	74.5	3.1	77.6
Other Comprehensive Income	-	0.8	-	0.8	-	0.8
<b>Total Comprehensive Income for the Period</b>	-	0.8	74.5	75.3	3.1	78.4
Dividends Paid to the Ultimate Holding Company	-	-	(4.6)	(4.6)	-	(4.6)
Effect of Dilution of Interest in Subsidiaries	-	-	(0.1)	(0.1)	0.1	-
<b>Balance at 31 March 2020</b>	-	(4.3)	274.4	270.1	13.6	283.7
Net Profit for the Period	-	-	67.1	67.1	2.7	69.8
Other Comprehensive Income	-	1.1	-	1.1	-	1.1
<b>Total comprehensive income for the Period</b>	-	1.1	67.1	68.2	2.7	70.9
Dividends Paid to the Ultimate Holding Company	-	-	(43.0)	(43.0)	-	(43.0)
Dividends Paid to Non-Controlling Interest	-	-	-	-	(2.8)	(2.8)
Effect of Dilution of Interest in Subsidiaries	-	-	(1.1)	(1.1)	1.1	-
<b>Balance at 30 September 2020</b>	-	(3.2)	297.4	294.2	14.6	308.8

# Consolidated Notes to Financials

## NOTES TO INTERIM REPORT

### 1. GENERAL INFORMATION

- Navig8 Topco Holdings Inc. (the “Company”) is a private limited company domiciled in the Marshall Islands. The address of its registered office is Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands.
- The Company is principally an investment holding company. The principal activities of the Company, its subsidiaries and joint ventures are shipping-related, including ship-owning and chartering, brokerage and commercial management, bunker procurement, technical services and risk management.

### 2. BASIS OF PRESENTATION

- The condensed consolidated interim financial statements, which are expressed in United States dollars, have been prepared in accordance with IAS 34 on Interim Financial Reporting. The accounting policies, judgements and significant estimates are consistent with those applied in the audited consolidated financial statements for the financial year ended 31 March 2020. The quarterly figures are unaudited, while the comparatives for the year ending 31 March 2020 are audited.

### 3. SIGNIFICANT ACCOUNTING POLICIES

- The preparation of consolidated financial statements in conformity with IFRS requires management to exercise judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

# Consolidated Notes to Financials

## NOTES TO INTERIM REPORT

### 3. SIGNIFICANT ACCOUNTING POLICIES CONT.

#### *i. Impairment of Non-Financial Assets*

The Group assesses impairment of non-financial assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such an indication exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of the asset is estimated to determine the impairment loss. In making this judgment, the Group evaluates the value in use which is supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In determining the fair value less costs of disposal, the Group has obtained valuation reports from third party sources. The valuation of the vessels is prepared assuming a sale between a willing seller and a willing buyer on a charter-free basis.

#### *ii. Useful Lives of Vessels, Other Fixed Assets, Right-of-Use Assets and Residual Value of Vessels*

The Group determines the estimated useful lives and related depreciation charges for its vessels and other fixed assets. This estimate is based on the historical experience of the actual useful lives of vessels and other fixed assets of a similar nature and function. Changes in the remaining useful life of the vessel and other fixed assets and residual value, determined based on year end scrap rates, technical innovations and competitor actions, would result in an adjustment to the current and future rate of depreciation through profit or loss. Management will increase the depreciation charge where useful lives are less than previously estimated. Management will write-off or write-down technically obsolete assets.

#### *iii. Loss Allowance for Receivables (Including Accrued Receivables)*

The Group applies the simplified approach to provide expected credit losses for all trade receivables as permitted by IFRS 9. The simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

# Consolidated Notes to Financials

## NOTES TO INTERIM REPORT

### 3. SIGNIFICANT ACCOUNTING POLICIES CONT.

#### *iv. Leases*

In making an evaluation, judgment is used in determining lease classification.

IFRS 16 requires lessees to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months, except where the underlying asset is of low value. The right-of-use asset is depreciated and interest expense is recognised on the lease liability.

The Group has entered into contracts with third parties for the sale of vessels. The Group has further entered into bareboat charter agreements for these vessels. Management has applied its judgment and applied IFRS 16 “Determining whether an Arrangement contains a Lease”. Management has assessed that the agreements entered into between the Group and third parties do not qualify for sale-leaseback accounting, as a result of one or more purchase options which constitutes a form of continuing involvement by the Group in the vessel. The Group has applied its judgment and determined that the exercise of the purchase option is “almost certain” and treated as a financing arrangement.

#### *v. Contingencies*

The Group is involved from time to time in the course of its business in disputes resulting from its operating activities, which may or may not result in legal action being taken by or against the Group.

Based on consultations with its legal counsel, management considers the likely outcome of the disputes in which it is currently involved and has concluded it will not have a material impact on the Group’s financial statements.

# Consolidated Notes to Financials

## NOTES TO INTERIM REPORT

### 4. REVENUES AND EBITDA

*Figures in USDm*

	Quarter ended 30 September 2020	Quarter ended 30 September 2019	Year to date 30 September 2020	Year to date 30 September 2019	FY ended 31 March 2020
<b>Revenues</b>					
Services	517.6	683.3	1,015.7	1,345.9	2,984.9
Asset Management	153.6	136.2	356.7	248.0	620.6
<b>Total Revenues</b>	<b>671.2</b>	<b>819.5</b>	<b>1,372.4</b>	<b>1,593.9</b>	<b>3,605.5</b>
<b>EBITDA</b>					
Services	9.2	10.8	24.2	22.5	50.8
Asset Management	36.2	16.2	115.4	23.5	130.7
<b>Total EBITDA</b>	<b>45.4</b>	<b>27.0</b>	<b>139.6</b>	<b>46.0</b>	<b>181.5</b>



# Consolidated Notes to Financials

## NOTES TO INTERIM REPORT

### 5. FIXED ASSETS

*Figures in USDm*

	As at 30 September 2020	As at 31 March 2020
<b>Vessels</b>		
<u>Cost</u>		
At Beginning of Year	760.6	292.8
Additions	2.3	22.7
Adjustment for Prior Period Cost	-	(1.9)
Transfer of Delivered Vessels	-	447.0
At End of Period/Year	762.9	760.6
<u>Accumulated Depreciation</u>		
At Beginning of Year	33.9	9.5
Charge for the Period/Year	15.0	24.4
At End of Period/Year	48.9	33.9
<b>Net Book Value at End of Period/Year</b>	<b>714.0</b>	<b>726.7</b>
<b>Vessels under construction</b>		
<u>Cost</u>		
At Beginning of Year	-	177.1
Additions	-	269.9
Transfer of Delivered Vessels	-	(447.0)
At End of Period/Year	-	-

*See Group Fleet List on slide 21 for more information.*

# Consolidated Notes to Financials

## NOTES TO INTERIM REPORT

### 5. FIXED ASSETS (CONTD)

*Figures in USDm*

	As at 30 September 2020	As at 31 March 2020
<b>Investments</b>		
Investment in Associates	41.0	39.6
Investment in Joint Ventures	4.0	3.9
<b>Total Investments</b>	<b>45.0</b>	<b>43.5</b>

*Figures in USDm*

	As at 30 September 2020	As at 31 March 2020
<b>Right-of-Use Assets</b>		
<u>Cost</u>		
At Beginning of Year	118.9	-
Additions	61.4	118.9
At End of Period/Year	180.3	118.9
<u>Accumulated Depreciation</u>		
At Beginning of Year	22.3	-
Charge for the Period/Year	34.8	22.3
At End of Period/Year	57.1	22.3
<b>Net Book Value at End of Period/Year</b>	<b>123.2</b>	<b>96.6</b>

# Consolidated Notes to Financials

## NOTES TO INTERIM REPORT

### 5. FIXED ASSETS (CONTD)

*Figures in USDm*

	As at 30 September 2020	As at 31 March 2020
<b>Other Fixed Assets</b>		
<u>Cost</u>		
At Beginning of Year	3.8	3.7
Additions	-	0.5
Write Off/Disposals	-	(0.4)
At End of Period/Year	3.8	3.8
<u>Accumulated Depreciation</u>		
At Beginning of Year	1.3	0.2
Charge for the Period/Year	0.6	1.4
Write Off/Disposals	-	(0.3)
At End of Period/Year	1.9	1.3
<b>Net Book Value at End of Period/Year</b>	<b>1.9</b>	<b>2.5</b>

# Consolidated Notes to Financials

## NOTES TO INTERIM REPORT

### 6. INTEREST-BEARING DEBT

*Figures in USDm*

	As at 30 September 2020	As at 31 March 2020
<b>Bank Loans</b>		
- Non-Current	0.8	1.1
- Current	0.6	0.6
	<u>1.4</u>	<u>1.7</u>
<b>Other Borrowings</b>		
- Non-Current	577.3	597.9
- Current	38.6	38.4
	<u>615.9</u>	<u>636.3</u>
<b>Total Bank Loans and Other Borrowings</b>	<b>617.3</b>	<b>638.0</b>
- Short-Term loans	39.2	39.0
- Long-Term loans	578.1	599.0
	<u>617.3</u>	<u>638.0</u>

# Consolidated Notes to Financials

## NOTES TO INTERIM REPORT

### 7. FORWARD LOOKING STATEMENTS

This report contains forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including Navig8 TopCo Holding Inc.'s management's examination of historical operating trends. Although the Company believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control, the Company cannot give assurance that it will achieve or accomplish these expectations, beliefs, or intentions.

Important factors that, in the Company's view, could cause actual results to differ materially from those discussed in this report include the strength of world economies and currencies, general market conditions including fluctuations in charter hire rates and vessel values, changes in demand in the chemicals market as a result of changes in OPEC's petroleum production levels and worldwide oil consumption and storage, changes in the Company's operating expenses including bunker prices, dry-docking and insurance costs, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, and other factors described from time to time.

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### 8. EVENTS AFTER BALANCE SHEET DATE

None.

# Group Fleet List

Vessel Name	Type	DWT	Built	Shipyard	Flag
DELIVERED					
Leicester*	VLCC	300,852	Jan-17	SWS	MI
Navig8 Pride LHJ	LR2	110,000	Aug-18	New Times	MI
Navig8 Providence	LR2	110,000	Aug-18	New Times	MI
Navig8 Precision	LR2	110,000	Sep-18	New Times	MI
Navig8 Prestige JKB	LR2	110,000	Jan-19	New Times	MI
Navig8 Perseverance	LR2	110,000	Apr-19	New Times	MI
Navig8 Passion	LR2	110,000	May-19	New Times	MI
Navig8 Promise	LR2	110,000	Jun-19	New Times	MI
Navig8 Prosperity	LR2	110,000	Jun-19	New Times	MI
Navig8 Honor	LR1	74,960	Jan-11	Sungdong	MI
Navig8 Grace	MR	50,000	May-19	New Times	LIB
Navig8 Gallantry	MR	50,000	May-19	New Times	LIB
Navig8 Guard	MR	50,000	Jul-19	New Times	LIB
Navig8 Guide	MR	50,000	Jul-19	New Times	LIB
Navig8 Goal	MR	50,000	Aug-19	New Times	LIB
Navig8 Gauntlet	MR	50,000	Aug-19	New Times	LIB
Navig8 Gladiator	MR	50,000	Sep-19	New Times	LIB
Navig8 Gratitude	MR	50,000	Oct-19	New Times	LIB
Navig8 Universe	MR	45,313	Jul-13	Shina SB	MI
Navig8 Constellation	MR	45,281	Sep-13	Shina SB	MI
Miss Claudia*	MR	40,158	May-06	Shina SB	MI
Aurelia 1	Bunker	7,511	Jun-07	Drydocks World Dubai	MI
Straits Sky*	Bunker	6,863	Apr-09	Jiangmen Yinxing	SG

\* Ownership interest - not fully owned by Group



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