

NAVIG8 TOPCO HOLDINGS INC.

Q3 FY21 EARNINGS RELEASE



12 FEBRUARY 2021

www.navig8group.com

Navig8 Topco Holdings Inc.

Q3 – Financial Year 2021

12 February 2021 – 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 31 December 2020.

The final quarter of 2020 provided the backdrop for the sharpest of contrasts: The bleakness of renewed lockdowns to address rising global Covid-19 infection rates and mortalities, against the emerging hope of outstanding clinical trial data that has underpinned the launch of inoculation programs. Amid this volatility, energy and shipping markets suffered a tough quarter. Pleasingly for the Group, it remained largely insulated through a combination of continued steady Services business performance and pre-existing risk mitigation activities that supported Asset Management results. While markets will, in our view, remain weak for some months yet, the substantial momentum driving global vaccination rollouts provides a clearer, and welcome, path to demand recovery later this year.

Nicolas Busch, Navig8 Group CEO

BUSINESS OVERVIEW

- Post-tax loss (after non-controlling interest) for the quarter totalled (USD9.3) million (USD26.6 million profit for same quarter last year). Post-tax profit (after non-controlling interest) for YTD FY21 totalled USD57.8 million (USD38.2 million for same period last year).
- EBITDA for the quarter totalled USD27.1 million (USD54.3 million for same quarter last year) and, for YTD FY21, totalled USD166.7 million (USD100.4 million for the same period last year).
- Services (Commercial Management, Technical Services and Bunker Procurement):
 - EBITDA of USD7.2 million for the quarter (USD13.1 million for same quarter last year) and USD31.4 million for YTD FY21 (USD35.7 million for same period last year).
 - Overheads: Overheads were USD3.3 million lower than for the same quarter last year.
 - Commercial Management: Tankers and Chemicals generated a weighted average TCE of \$13,338/day and \$11,446/day, respectively down 59% and 19% versus same quarter last year. The period-end Tankers and Chemicals pool fleets comprised 76 and 41 vessels respectively.

Summary Financial Development

BUSINESS OVERVIEW (CONT'D)

- Asset Management:
 - Amid some of the weakest tanker markets in the last 5 years, the Company's newbuilding fleet underpinned EBITDA generation of USD19.9 million for the quarter (USD41.2 million for same quarter last year). For YTD FY21, EBITDA totalled USD135.3 million (USD64.7 million for the same period last year).
 - As at quarter-end, all the Group's newbuilding vessels were entered into, and operating in, the relevant Navig8 pools.

INCOME STATEMENT

(Compared with quarter ended 31 December 2019)

- For the quarter ended 31 December 2020, the Company generated a post-tax loss (after non-controlling interest) for the quarter totalling (USD9.3) million (USD26.6 million profit for same quarter last year).
- Reflecting a materially lower bunker price environment, consolidated revenue decreased by USD288.2 million (~30%) to USD667.1 million for the quarter, while operating costs decreased by USD257.5 million (~29%) to USD626.9 million, generating a gross profit of USD40.2 million (USD70.9 million). EBITDA was lower at USD27.1 million for the quarter (USD54.3 million).
- Depreciation for the quarter was higher at USD21.8 million (USD13.4 million), reflecting the application of depreciation to right-of use assets (capital leases).
- Financial items for the quarter were lower at USD11.6 million (USD13.9 million), reflecting lower benchmark rates used to determine interest costs on the Group's newbuilding fleet.

Summary Financial Development

BALANCE SHEET

(Compared with balance sheet as at 31 March 2020)

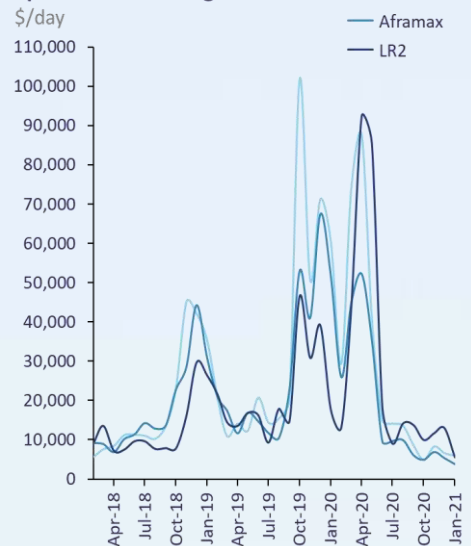
- Total assets as at 31 December 2020 were USD1,347.9 million (USD1,654.0 million). Vessel-related fixed assets amounted to USD706.5 million (USD726.7 million), while investments, right-of-use assets and other fixed assets totalled USD145.7 million (USD142.6 million). Net working capital was USD12.5 million (USD(2.1) million), while cash and bank balances amounted to USD136.9 million (USD153.5 million).
- Net equity as at 31 December 2020 was USD291.3 million (USD283.7 million).
- Utilization of the Working Capital Facility totalled USD62.4 million (Credit Lines total – USD76.1 million) as of 31 December 2020 (prior period USD106.6 million; Credit Lines total – USD185.7 million), while loans (including sale and leaseback financings and the Bond) amounted to USD607.6 million (USD638.0 million).

Summary Q3 FY21 Market Overview

CRUDE MARKET

- As tankers continued to exit floating storage contracts and add to available supply, benchmark earnings fell close to, or hit, multi-year lows during an exceptionally soft quarter.
- The modest, but nevertheless welcome, move by OPEC+ in December to increase production by 0.5 million b/d from January was a hopeful signal. However, increasing worries about the demand impact of Covid-19 mutations and reimposition of restrictions in China led Saudi Arabia in January to cut production for February and March by 1 million b/d, while Russia and Kazakhstan have raised combined production by only 75,000 b/d.
- For all the earnings pain experienced during the quarter, floating storage levels are rapidly normalising – an important positive indicator that the worst of this pandemic-induced downturn may soon be in the rear-view mirror. Although fleet ordering did move up in late 2020 (a mix of lower prices, positive long-term fundamentals and several large project orders), fleet growth is expected to remain low and will be further kept in check by the long-anticipated rise in scrapping of the overage fleet now starting to materialise.
- Most positively, the route map out of lockdowns globally has become clearer over the past 3 months by a transformation of the vaccines landscape. With multiple vaccines evidencing high efficacy rates, and approval/active rollout of a number via inoculation programs in many countries (albeit at hugely varying paces), a sense of momentum is gaining traction even as infection rates and mortalities remain high.
- As a result, we expect a return to growth in many major economies over the coming months, pushing oil demand higher – according to some commentators, perhaps even back to 2019 levels by Q4 2021. As this recovery gains speed, OPEC+ cuts will be eased to feed crude back into the market and support tonnage demand.
- In the Atlantic Basin, US crude exports are set to rise on upward revisions to US production and high crude oil stocks, as refineries operate below peak utilisation on continued muted consumer demand. However, this likely improves in the near-term with a US recovery well underway. Separately, Norway's voluntary production cuts ended in December; its Johan Sverdrup oil field is expected to reach 535,000 b/d by mid-2021. As Brazil continues to grapple with Covid-19, exports are forecast to remain elevated on lower domestic demand.

Spot tanker earnings

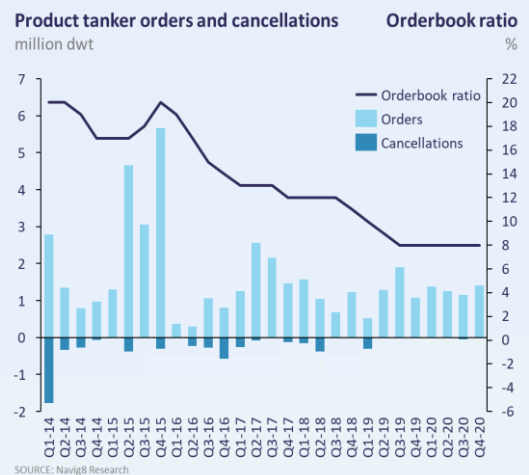


SOURCE: Clarksons; Navig8 Research

Summary Q3 FY21 Market Overview

PRODUCT MARKET

- Product tanker earnings also softened markedly during the quarter, and for similar reasons, but they avoided the relative lows of crude.
- In fact, product tanker laden trading levels improved somewhat during the quarter, having bottomed out in late Q3 2020. Furthermore, the propensity for a more diverse cargo base to create arbitrages was evidenced by a reverse arb from ARA to USEC for diesel/gasoil that saw avg. ~85,000 b/d of product discharge USEC during Q4 2020 where none had done so in Q3.
- In products too, the continued unwinding of floating storage towards normalised levels provides considerable hope that the worst of the earnings slump will soon have passed. Provided this is the case, the positive effect on earnings of supply-side constraints – a low orderbook and fewer scheduled deliveries – is expected to become increasingly prominent, especially if (as is forecast) scrapping activity rises.
- New Middle East refineries are expected to ramp up operations in 2021: cargoes started leaving Saudi Arabia's 0.4 million b/d Jazan project in December 2020, while test runs have commenced at the 0.63 million b/d Al Zour project in Kuwait. These projects will boost exports both East and West.
- Meantime, while the US is set for a demand recovery on implementation of a further stimulus package, any short-term weakness in US oil demand that causes refinery to saturate domestic needs could ensure product exports remain elevated.
- New, complex Chinese refining capacity will increase pressure on Asian refineries already suffering Covid-19 driven demand destruction. Australia and Philippines, among others, have already announced refinery closures, or have capacity at high risk of closure; higher seaborne trade into SE Asia is likely as these materialise.



CHEMICAL MARKET

- Chemical earnings also softened in the quarter, but modestly compared to product tankers, owing to the structural benefit of contracted volumes that provided a floor.
- Positively, manufacturing PMIs continue to rise, signalling recovering industrial and consumer demand, while further demand support came from Chinese imports of methanol, which hit a record 13 million tonnes in 2020, up 20% on 2019 levels.
- Driven mostly by China's burgeoning downstream methanol-to-olefins (MTO) sector, new projects coming onstream will coincide with capacity gains in US and Middle East to drive tonnage demand to China, but also Asia generally.
- While seaborne chemical trades did contract in 2020, vaccine rollouts and government stimulus measures will support demand growth moving forward.

Consolidated Income Statement

NAVIG8 TOPCO HOLDINGS INC.

Figures in USDm

	Notes	Quarter ended 31 December 2020	Quarter ended 31 December 2019	Year to date 31 December 2020	Year to date 31 December 2019	FY ended 31 March 2020
Income	4	667.1	955.3	2,039.5	2,549.2	3,605.5
Operating Expenses		(626.9)	(884.4)	(1,831.4)	(2,403.7)	(3,357.3)
Gross Profit		40.2	70.9	208.1	145.5	248.2
Administrative Expenses		(13.1)	(16.6)	(41.4)	(45.1)	(66.7)
EBITDA	4	27.1	54.3	166.7	100.4	181.5
Financial Items		(11.6)	(13.9)	(32.7)	(33.7)	(48.5)
Depreciation		(21.8)	(13.4)	(72.2)	(25.9)	(45.9)
Share of (Losses)/ Profits in Associates and Joint Ventures		(1.8)	1.6	1.8	2.6	6.1
Net (Loss)/Profit before Tax		(8.1)	28.6	63.6	43.4	93.2
Tax		(0.1)	(0.4)	(2.0)	(1.7)	(2.0)
Net (Loss)/Profit after Tax		(8.2)	28.2	61.6	41.7	91.2
Non-Controlling Interest		(1.1)	(1.6)	(3.8)	(3.5)	(5.0)
Net (Loss)/Profit after Tax and Non-Controlling Interest		(9.3)	26.6	57.8	38.2	86.2

Consolidated Balance Sheet

NAVIG8 TOPCO HOLDINGS INC.

Figures in USDm

	Notes	As at 31 December 2020	As at 31 March 2020
Fixed Assets			
Vessels	5	706.5	726.7
Investments	5	42.7	43.5
Right-of-Use Assets	5	101.4	96.6
Other Fixed Assets	5	1.6	2.5
Current Assets			
Inventory		12.6	32.1
Trade Debtors		182.6	362.9
Other Debtors		163.6	236.2
Cash & Collateral		136.9	153.5
Total Assets		1,347.9	1,654.0
Current Liabilities			
Credit Lines		76.1	185.7
Short-Term Loans	6	39.2	39.0
Short-Term Lease Liabilities		49.6	46.0
Trade Payables		61.7	234.7
Other Creditors		208.5	212.9
Long-Term Liabilities			
Long-Term Loans	6	568.4	599.0
Long-Term Lease Liabilities		53.1	53.0
Capital & Reserves			
Share Capital		-	-
Reserves		278.0	270.1
Non-Controlling Interest		13.3	13.6
Total Capital & Reserves		291.3	283.7
Total Liabilities and Capital and Reserves		1,347.9	1,654.0

Consolidated Cashflow Statement

NAVIG8 TOPCO HOLDINGS INC.

Figures in USDm

	Quarter ended 31 December 2020	Quarter ended 31 December 2019	Year to date 31 December 2020	Year to date 31 December 2019	FY ended 31 March 2020
Cash flows from Operating Activities					
(Loss)/Profit Before Income Tax	(8.1)	28.6	63.6	43.4	93.2
Adjustments for:					
Depreciation of Vessels and Other Fixed Assets	21.8	13.4	72.2	25.9	45.9
Gain on Disposal and Write-off of Financial and Other Fixed Assets	-	-	-	(0.2)	(0.2)
Share of (Losses)/Profits in Joint Ventures and Associates	1.8	(1.6)	(1.8)	(2.6)	(6.1)
Interest Income	0.2	(0.1)	(0.1)	(0.5)	(0.5)
Interest Expense on Leases	2.0	0.8	7.4	1.1	3.1
Interest Expense on Financing	10.0	13.5	31.6	35.0	48.3
Operating Profit Before Working Capital Changes	27.7	54.6	172.9	102.1	183.7
Changes in Working Capital:					
Inventories	7.2	(4.9)	19.4	1.3	(6.1)
Trade and Other Receivables and Prepayments	16.8	(119.3)	257.4	(198.1)	(225.5)
Trade and Other Payables	(11.2)	83.3	(177.0)	123.2	131.0
Cash Generated from Operations	40.5	13.7	272.7	28.5	83.1
Income Tax Paid	(0.7)	(0.3)	(2.3)	(2.5)	(2.7)
Interest Received	(0.2)	0.1	0.1	0.5	0.5
Interest Paid	(12.0)	(14.3)	(39.0)	(36.1)	(51.4)
Net Cash Generated from/(Used In) Operating Activities	27.6	(0.8)	231.5	(9.6)	29.5

Consolidated Cashflow Statement (cont'd)

NAVIG8 TOPCO HOLDINGS INC.

Figures in USDm

	Quarter ended 31 December 2020	Quarter ended 31 December 2019	Year to date 31 December 2020	Year to date 31 December 2019	FY ended 31 March 2020
Cash Flows from Investing Activities:					
Payments for Vessel Instalments and Drydocking Costs	-	(20.9)	(2.3)	(287.8)	(290.7)
Purchase of Other Fixed Assets	(0.1)	-	(0.1)	(0.5)	(0.5)
Proceeds from Disposal of Financial Assets	-	14.5	-	14.7	14.6
Dividends Received from Financial Assets, Joint Ventures and Associates	0.5	0.4	1.5	2.2	2.9
Net Cash Outflow from Disposal of a Group of Subsidiaries	-	-	-	(2.1)	(2.0)
Additional Investment in Associates/ Subsidiaries	(12.7)	(0.6)	(12.7)	(5.0)	(6.1)
Net Cash Used in Investing Activities	(12.3)	(6.6)	(13.6)	(278.5)	(281.8)
Cash Flows from Financing Activities:					
Dividends Paid to Non-Controlling Interest	-	-	(2.8)	(1.2)	(1.2)
Dividends Paid to the Ultimate Holding Company	-	(4.6)	(43.0)	(4.6)	(4.6)
Deposit Pledged with Financial Institutions	-	(0.3)	-	(0.4)	(0.1)
(Loan to)/Repayment of Loan from Associates	-	-	1.1	(1.5)	(1.5)
Principal Repayment of Lease Liabilities	(16.7)	(5.3)	(49.8)	(6.7)	(17.7)
(Repayment of)/Net Proceeds from Debts	(28.7)	32.3	(140.0)	331.2	357.2
Net Cash (Used In)/Generated from Financing Activities	(45.4)	22.1	(234.5)	316.8	332.1
Net (Decrease)/Increase in Cash and Cash Equivalents	(30.1)	14.7	(16.6)	28.7	79.8
Cash and Bank Balances at the Beginning of Financial Period/Year	165.5	86.2	152.0	72.2	72.2
Cash and Bank Balances at End of Financial Period/Year	135.4	100.9	135.4	100.9	152.0
Cash & Collateral	136.9	102.7	136.9	102.7	153.5
Less: Bank Balances Pledged with Financial Institutions	(1.5)	(1.8)	(1.5)	(1.8)	(1.5)
Cash and Bank Balances as Disclosed in Consolidated Cash Flow Statement	135.4	100.9	135.4	100.9	152.0

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
Balance at 31 March 2019	-	(9.5)	193.4	183.9	9.2	193.1
Net Profit for the Period	-	-	38.2	38.2	3.5	41.7
Other Comprehensive Income	-	6.3	-	6.3	-	6.3
Total Comprehensive Income for the Period	-	6.3	38.2	44.5	3.5	48.0
Dividends Paid to the Ultimate Holding Company	-	-	(4.6)	(4.6)	-	(4.6)
Dividends Paid to Non-Controlling Interest	-	-	-	-	(1.2)	(1.2)
Waiver of Related Party Loans	-	-	(0.2)	(0.2)	0.2	-
Effect of Change of Interest in Subsidiaries	-	0.3	(0.3)	-	0.3	0.3
Balance at 31 December 2019	-	(2.9)	226.5	223.6	12.0	235.6
Net Profit for the Period	-	-	47.9	47.9	1.6	49.5
Other Comprehensive Income	-	(1.4)	-	(1.4)	-	(1.4)
Total Comprehensive Income for the Period	-	(1.4)	47.9	46.5	1.6	48.1
Effect of Change of Interest in Subsidiaries	-	-	-	-	-	-
Balance at 31 March 2020	-	(4.3)	274.4	270.1	13.6	283.7
Net Profit for the Period	-	-	57.8	57.8	3.8	61.6
Other Comprehensive Income	-	4.5	-	4.5	-	4.5
Total comprehensive income for the Period	-	4.5	57.8	62.3	3.8	66.1
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 Change of Interest in Subsidiaries	-	(10.3)	(1.1)	(11.4)	(1.3)	(12.7)
Balance at 31 December 2020	-	(10.1)	288.1	278.0	13.3	291.3

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 has considered 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 31 December 2020	Quarter ended 31 December 2019	Year to date 31 December 2020	Year to date 31 December 2019	FY ended 31 March 2020
Revenues					
Services	530.2	785.6	1,545.9	2,131.5	2,984.9
Asset Management	136.9	169.7	493.6	417.7	620.6
Total Revenues	667.1	955.3	2,039.5	2,549.2	3,605.5
EBITDA					
Services	7.2	13.1	31.4	35.7	50.8
Asset Management	19.9	41.2	135.3	64.7	130.7
Total EBITDA	27.1	54.3	166.7	100.4	181.5

Consolidated Notes to Financials

NOTES TO INTERIM REPORT

5. FIXED ASSETS

Figures in USDm

	As at 31 December 2020	As at 31 March 2020
Vessels		
<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	22.5	24.4
At End of Period/Year	56.4	33.9
Net Book Value at End of Period/Year	706.5	726.7
Vessels under construction		
<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 31 December 2020	As at 31 March 2020
Investments		
Investment in Associates	39.4	39.6
Investment in Joint Ventures	3.3	3.9
Total Investments	42.7	43.5

Figures in USDm

	As at 31 December 2020	As at 31 March 2020
Right-of-Use Assets		
<u>Cost</u>		
At Beginning of Year	118.9	-
Additions	53.5	118.9
At End of Period/Year	172.4	118.9
<u>Accumulated Depreciation</u>		
At Beginning of Year	22.3	-
Charge for the Period/Year	48.7	22.3
At End of Period/Year	71.0	22.3
Net Book Value at End of Period/Year	101.4	96.6

Consolidated Notes to Financials

NOTES TO INTERIM REPORT

5. FIXED ASSETS (CONTD)

Figures in USDm

	As at 31 December 2020	As at 31 March 2020
Other Fixed Assets		
<u>Cost</u>		
At Beginning of Year	3.8	3.7
Additions	0.1	0.5
Write Off/Disposals	-	(0.4)
At End of Period/Year	3.9	3.8
<u>Accumulated Depreciation</u>		
At Beginning of Year	1.3	0.2
Charge for the Period/Year	1.0	1.4
Write Off/Disposals	-	(0.3)
At End of Period/Year	2.3	1.3
Net Book Value at End of Period/Year	1.6	2.5

Consolidated Notes to Financials

NOTES TO INTERIM REPORT

6. INTEREST-BEARING DEBT

Figures in USDm

	As at 31 December 2020	As at 31 March 2020
Bank Loans		
- Non-Current	0.7	1.1
- Current	0.6	0.6
	<u>1.3</u>	<u>1.7</u>
Other Borrowings		
- Non-Current	567.7	597.9
- Current	38.6	38.4
	<u>606.3</u>	<u>636.3</u>
Total Bank Loans and Other Borrowings	607.6	638.0
- Short-Term loans	39.2	39.0
- Long-Term loans	568.4	599.0
	<u>607.6</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.

This communication is not for publication or distribution, directly or indirectly, in or into any state or jurisdiction into which doing so would be unlawful. The distribution of this communication may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes, should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

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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