

HAFNIA ACQUIRES A MODERN FLEET OF 32 FUEL-EFFICIENT IMO II TANKERS

Singapore, 11 November 2021

Hafnia Limited ("Hafnia", the "Company", OSE ticker code: "HAFNI") has entered into a share purchase agreement to acquire all outstanding shares in Chemical Tankers Inc ("CTI") (the "Transaction"), thereby taking over control of CTI's fleet of 32 modern and fuel-efficient IMO II product/chemical tankers (the "CTI fleet").

The CTI fleet consists exclusively of high specification ECO design vessels, constructed at leading shipyards, and is comprised of the following:

- 6 x MR (49,000 dwt) IMO II coated tankers built in Korea between 2015 and 2016
- 18 x Handy (38,000 dwt) IMO II coated tankers built in Korea between 2015 and 2016
- 8 x Intermediate (25,000 dwt) IMO II Stainless Steel tankers built in Japan between 2016 and 2017

In exchange for all outstanding shares in CTI, CTI's shareholders will receive shares in Hafnia (the "Consideration") representing 21.5% of the outstanding shares in the combined entity. The Consideration has been determined through a NAV for NAV framework, based on broker values and Q1 2021 balance sheets adjusted for other assets and liabilities within each business. Following the Transaction, and based on the current shareholding in CTI, CTI's major shareholder, funds managed by Oaktree Capital Management, L.P. ("Oaktree"), will hold 20.4% of the shares in the combined entity.

Hafnia has long been an advocate of consolidation. The Transaction underscores Hafnia's commitment to grow its platform to maximise stakeholder value. Consolidation enables Hafnia to achieve improved earnings capability through the shipping cycle. Most importantly, the Transaction will complement Hafnia's existing commercial activities in the Handy and MR segments whilst enabling enhanced trading flexibility through the ability to carry both clean petroleum products and chemicals, limiting ballast time by optimising triangulation and offering material cost synergies.

"The addition of the CTI fleet will help enhance our resilience in the face of volatile markets and create a more sustainable and future-proof transportation business that will include the ability to transport methanol, in addition to many other cargoes. I am grateful to Oaktree and the deal teams on both sides for their hard work towards the completion of the Transaction." said Hafnia CEO Mikael Skov.

For CTI's shareholders, the Transaction represents an opportunity to enhance its returns through access to greater economies of scale, lower cost of debt and upside exposure to a recovering product tanker market.

"This merger is the culmination of a thorough strategic process. It will allow CTI shareholders to benefit from the scale and commercial capabilities of Hafnia, while enabling Hafnia to expand its platform with a sizeable and young ECO design IMO II product/chemical tanker fleet. The addition of the CTI fleet brings with it new trading capabilities which, combined with Hafnia's existing fleet and platform, will enhance the combined group earnings generation. We believe we've identified a best-in-class partner in Hafnia and are excited to embark on a promising journey alongside the BW Group and other Hafnia shareholders." said Guillaume Bayol, Managing Director at Oaktree.

The Transaction remains subject to consent or waivers from some of CTI's existing financiers, and Hafnia expects the Transaction to close before the 1st of February 2022. Following the Transaction, Hafnia will operate a fleet of 233 product and chemical tankers, making it the world's largest operator in the product and chemical tanker segment. Its owned and chartered-in fleet will grow to 133 product and chemical tankers ranging in size from 25,000 dwt to 115,000 dwt. The Transaction will

reduce the average age of Hafnia's fleet to 7 years and increase the proportion of ECO ships in the Hafnia fleet.

This Transaction marks a significant milestone on Hafnia's journey towards more sustainable shipping, contributing to ongoing efforts to modernise the fleet and introduce operational efficiencies resulting in improved environmental performance. The Company continues to be on track to achieve the IMO's 2030 goal of a 40% reduction in carbon intensity by 2028.

The Company has retained Gorrissen Federspiel and Advokatfirmaet Thommessen as legal advisors, while CTI has retained Fearnley Securities and PJT Partners as financial advisors, and Linklaters LLC and Advokatfirmaet Wiersholm as legal advisors in connection with the Transaction.

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In connection with this announcement, Hafnia will hold an investor presentation Thursday, 11 November 2021 with Mikael Skov (CEO) and Perry van Echtelt (CFO) via live video webcast. The details follow:

Location	Local Time	
Oslo, Norway	15:00 CET	<u>Click here to join Hafnia's Investor Presentation today, 11 November 2021</u>
New York, U.S.A	09:00 EST	
Singapore	22:00 SGT	

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This information is considered to include inside information pursuant to the EU Market Abuse Regulation article 7 and is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act. This stock exchange announcement was published by Thomas Andersen, EVP Investor Relations, Research and Performance Management at Hafnia, at the date and time as set out above.

About Hafnia:

Hafnia is one of the world's leading oil product tanker owners and operators. The Company provides transportation of oil and oil products to leading national and international oil companies, major chemical companies, as well as trading and utility companies. Hafnia commercially operates a fleet of 201 vessels. Among them, 101 are owned or chartered-in, including six owned LR2s, 32 owned and chartered-in LR1s, 50 owned and chartered-in MRs and 13 owned Handy vessels.

Hafnia is a global company with offices in Singapore, Copenhagen, Houston and Mumbai. The Company is affiliated with BW Group, an international shipping group that has worked in oil and gas transportation, floating gas infrastructure, environmental technologies, and deep-water production for over 80 years.

About Oaktree:

Oaktree is a leader among global investment managers specializing in alternative investments, with \$158 billion in assets under management as of 30 September 2021. The firm emphasizes an opportunistic, value-oriented and risk-controlled approach to investments in credit, private equity, real assets and listed equities. The firm has over 1,000 employees and offices in 19 cities worldwide. For additional information, please visit Oaktree's website at <http://www.oaktreecapital.com/>.