



Hafnia Limited (HAFN): Structural Alpha in a Commoditized World

*Investment Analysis & Strategic
Evaluation* | 2026 Outlook

Currency: USD | Ticker: NYSE: HAFN / OSE: HAFNI

The Business Architecture: A Hybrid Engine

Moving beyond simple asset ownership to capture volatility while subsidizing fixed costs.

ENGINE A: ASSET HEAVY (The Steel)



- 120+ Owned/Chartered-in Vessels
- Captures spot market volatility
- High Capital Intensity (Depreciation, Debt)

ENGINE B: ASSET LIGHT (The Platform)



- Commercial Pools (200+ vessels)
- Seascale Energy (Bunkering JV)
- Generates management fees & commissions
- Near Zero Capital Intensity

Fee-based income
(\$35.2M in 2024)
covers fixed costs,
effectively lowering
the corporate
breakeven point.

The Commercial Edge: Scale and Triangulation

In a zero-pricing-power industry, maximum asset utilization is the only lever for outperformance.

98.1%

Utilization Rate (MR Fleet, 2024)

97.2%

Utilization Rate (LR1 Fleet, 2024)

Competitor:
50% Efficiency
(Ballast Return)

Hafnia:
Continuous Earning
(Triangulation)

Operating 200+ vessels allows algorithms to minimize ballast legs. Hafnia earns revenue on days others burn fuel.

The Peer Paradox: Efficiency Over Gross Margin

Why Hafnia's lower optical margins generate superior returns on invested capital.

Scorpio Tankers (STNG)

Hafnia Limited (HAFN)

EBITDA Margin

52.23% (High Margin)
Roboto Mono, Industrial Steel

20.97% (Lower Margin)
Roboto Mono, Industrial Steel

Asset Turnover

0.24x (Inefficient)
Roboto Mono, Industrial Steel

0.60x (High Velocity)
Roboto Mono, International Orange

ROIC (TTM Feb 2026)

5.13%
Roboto Mono, Industrial Steel

6.23%
Roboto Mono, International Orange

Takeaway: Scorpio owns high-cost assets to chase margins. Hafnia uses an 'Asset Light' pool structure to drive volume without bloating the balance sheet, resulting in superior ROIC.

Seascale Energy: Turning OpEx into Alpha

The Joint Venture with Cargill institutionalizes lower unit costs and generates capital-free returns.

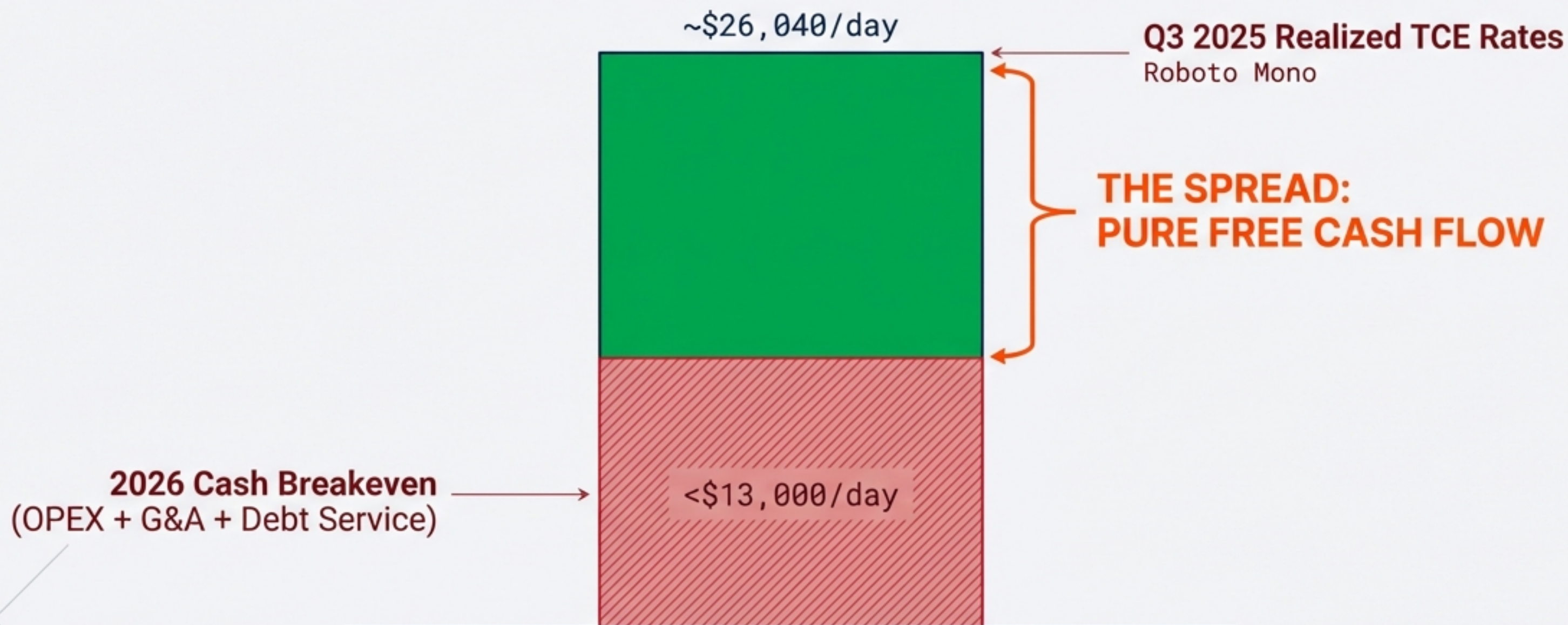


Financial Impact: Zero Equity Capital Required = Infinite ROIC.

Unresolved claims cost reduced to \$0.08 per metric tonne.

Unit Economics: The Cash Flow Spread

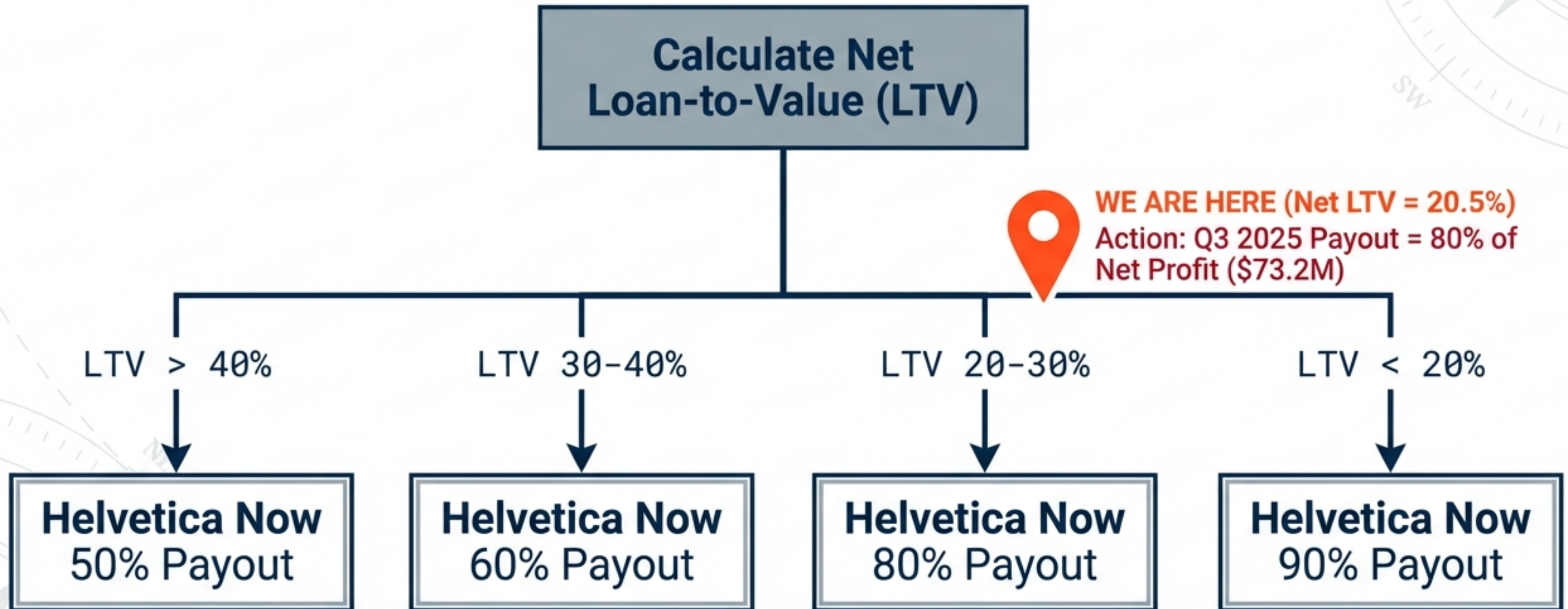
A massive safety margin between daily breakeven costs and realized market rates.



71% of Q4 2025 days secured at ~\$25,610/day. The spread remains intact.

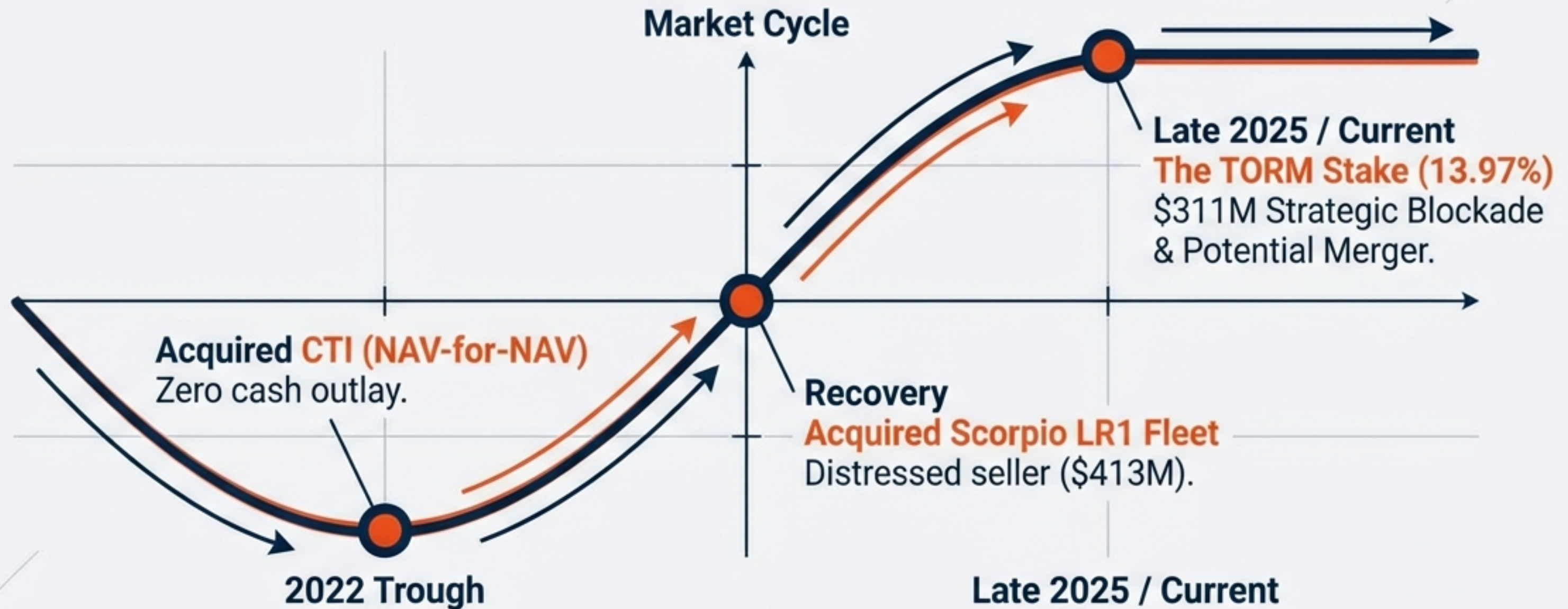
Capital Allocation: The Algorithmic Dividend

A codified, LTV-linked policy removes emotion from capital returns.



The M&A Playbook: Counter-Cyclical Expansion

Management buys steel when it is cheap, not when it is popular.



“The TORM stake prevents rival consolidation and lays the groundwork for a potential mega-merger.”

The Macro Bull Case: Artificial Distance

Geopolitical inefficiency has decoupled ton-mile demand from absolute oil consumption.

Standard Route (Suez)



Dislocated Route (Cape of Good Hope)



+10-14 DAYS

Added duration per voyage.

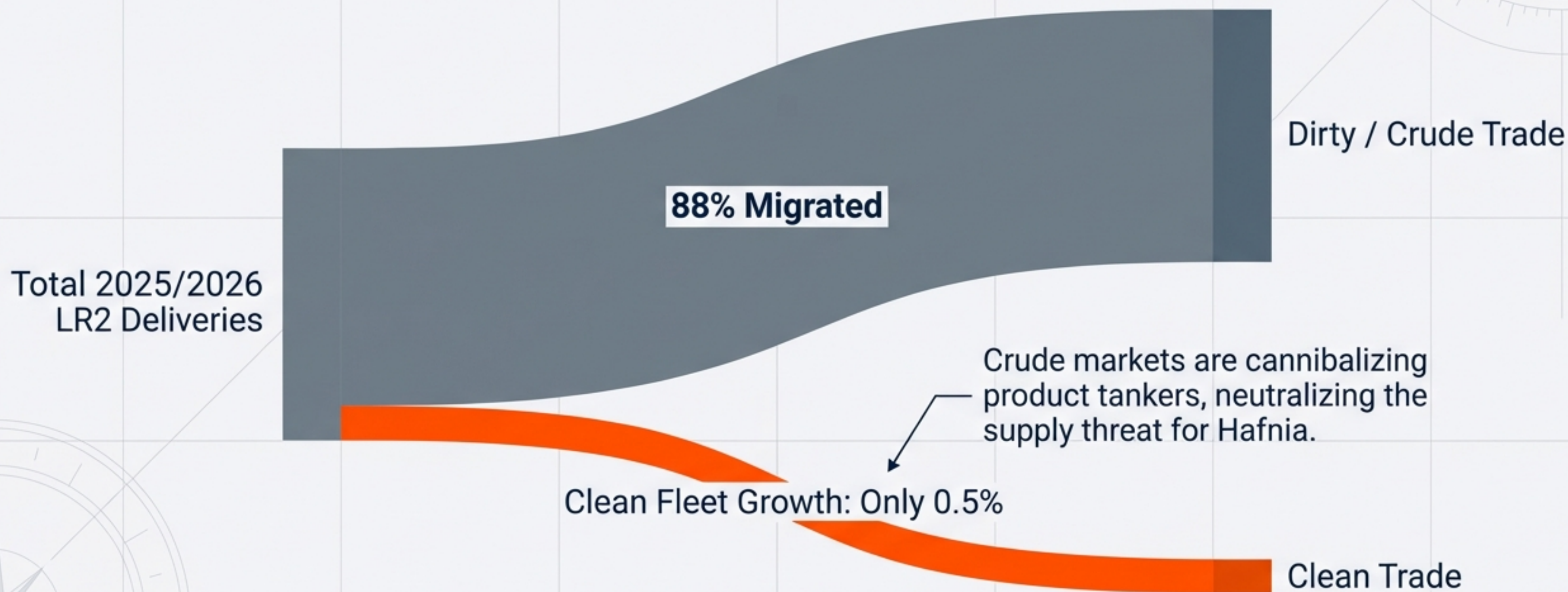
Dislocated Route (Cape of Good Hope)



Shadow Fleet Impact: 46% of vessels engaging with sanctioned Russian exporters are removed from the legitimate commercial pool. Inefficiency absorbs capacity.

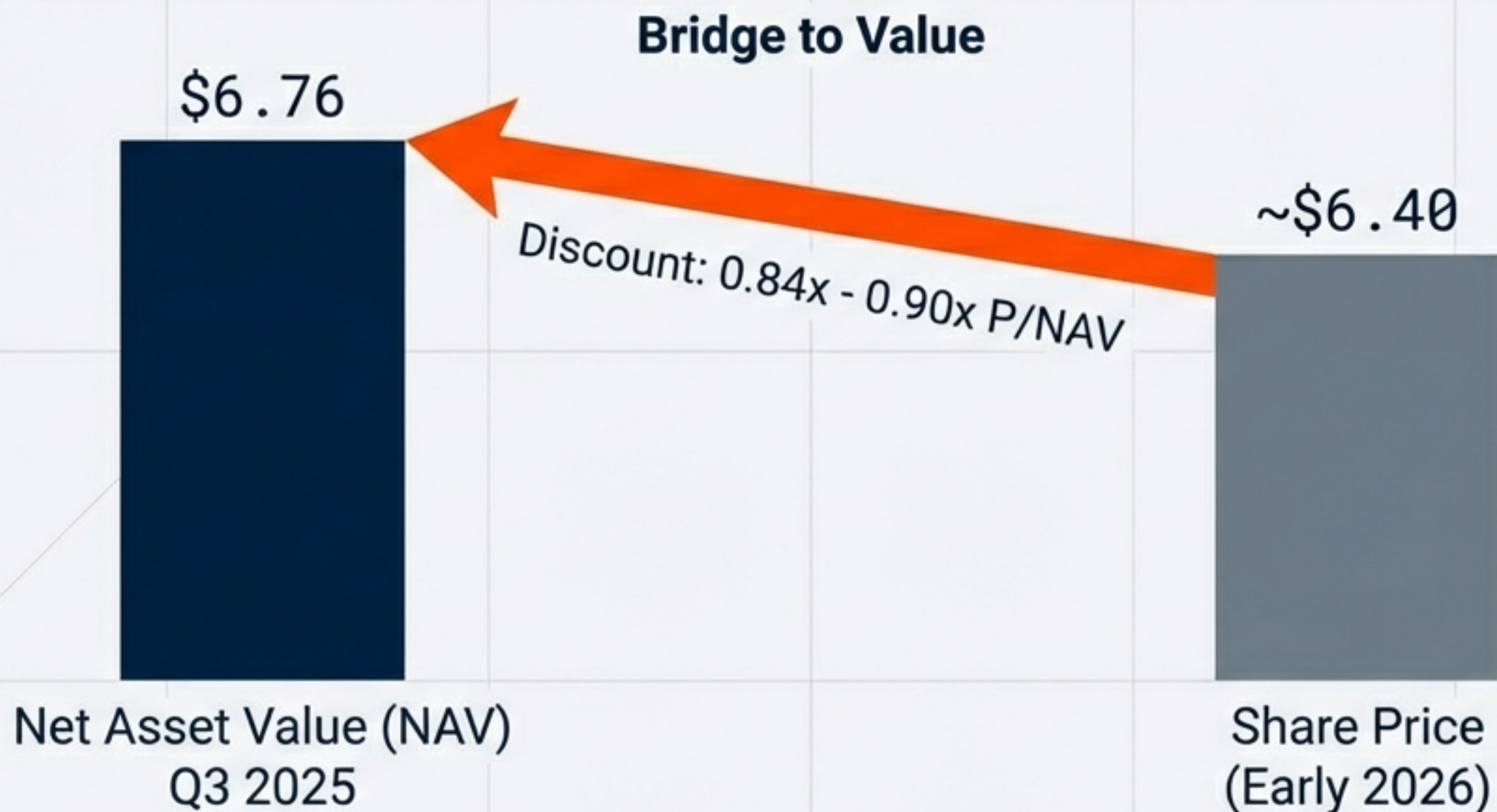
The Supply Threat: Why the Orderbook is a Paper Tiger

The "Dirty Migration" of LR2 vessels into crude markets is saving the product tanker supply balance.



Valuation: The Margin of Safety

Trading at a discount to the liquidation value of steel assets offers an asymmetric entry point.



Management repurchased \$76.7M in shares at ~70% of NAV. Buying dollar bills for 70 cents.

Risk Factors & Governance

Key variables that could impact the investment thesis.



Governance Note: Material Weaknesses in reporting (SEC/IFRS skills) disclosed in 2024. Remediation ongoing.

The Final Verdict: A Structural Compounder

Hafnia extracts higher returns from a commoditized market than its peers mathematically can.



Structural Cost Moat: Seascale procurement and Commercial Pool scale.



Capital Discipline: Counter-cyclical M&A and algorithmic dividends.



Asset Efficiency: 0.60x Turnover vs. Peers' 0.24x.



Valuation Support: Trading below Net Asset Value with active buybacks.

“A hybrid platform designed to survive the trou and maximize the peaks.”

Sources & Disclaimers

Sources: Hafnia Limited Annual Reports (2024-2025), SEC Filings (20-F, 6-K), Earnings Call Transcripts (Q3 2025), BIMCO & Clarksons Research, Seascale Energy Press Releases.

Disclaimer: This presentation is for informational purposes only and does not constitute investment advice. Past performance is not indicative of future results. Shipping markets are highly volatile.

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