



ADS CRUDE CARRIERS PLC

Q3 2020

third quarter
report

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Headlines Q3 2020

- Net revenue¹ of USD 8.3 million; average TCE¹ of USD 37,344 per day for the quarter
- Net profit for the quarter USD 0.5 million
- ADS Stratus sold on 23 September for USD 25.5 million; debt reduced by USD 9.9 million
- Remaining two vessels sold post-quarter end for USD 25.5 million each: ADS Serenade sale completed 26 October, ADS Page sale completed 12 November
- Dividend declared of USD 4 million, or USD 0.17 per share
- Proposal to pay shareholders USD 51 million, or USD 2.18 per share, by way of share premium reduction

Key financials

(In thousands of USD)	3 months		9 months		2019
	Q3 2020	Q3 2019	Q3 2020	Q3 2019	
Charter revenue	10 514	6 984	57 137	29 845	42 226
Net revenue¹	8 340	2 134	43 532	13 406	20 047
Vessel operating days	223	127	743	670	885
TCE¹ per day (in USD)	37 344	16 801	58 565	20 010	22 653
Operating profit	1 529	(2 102)	22 579	1 387	1 674
Net profit	477	(2 914)	19 879	(478)	(948)
EPS (in USD per share)	0.02	(0.12)	0.85	(0.02)	(0.04)
Dividend (in USD per share)	0.17	-	0.65	0.06	0.15
Cash flow from ops excl WC²	4 236	(864)	33 121	5 137	8 713
Cash flow from operations	8 762	3 847	43 457	7 030	2 380
Net cash flow	14 666	(3 964)	26 492	(771)	(8 381)
Cash and cash equivalents	31 801	12 920	31 801	12 920	5 309
Equity ratio	73%	55%	73%	55%	52 %
Net interest-bearing debt¹	(13 469)	23 095	(13 469)	23 095	30 693

¹ Net revenue, TCE per day and NIBD are non-IFRS measures. Please refer to Note 8 for explanation and reconciliation

² Cash flow from operations before working capital movements



Vessel sales and capital allocation

The Company recorded a net profit for the third quarter of USD 0.5 million, while at 30 September 2020 the Group's accumulated net retained earnings was USD 4 million. In accordance with prevailing corporate law the Parent Company, ADS Crude Carriers Plc, is permitted to make dividend distributions up to a maximum amount of net retained earnings on a non-consolidated basis. In line with the Company's dividend policy, the Board of Directors (the "Board") has resolved on 17 November to make a dividend payment of USD 4 million, which will be paid early December.

Post-quarter end the Company completed sales of its two vessels, ADS Serenade and ADS Page, following the sale of ADS Stratus in Q3 2020. The sale of ADS Stratus is accounted for in Q3 2020, while the sales of ADS Serenade and ADS Page are accounted for in Q4 2020. The net proceeds of the combined vessel sales, after repayment of vessel loans and charges, sales commissions, vessel operating and voyage expenses relating to the vessel sales, is approximately USD 42 million.

In order to return capital to shareholders, the Board resolved on 17 November to call for an extraordinary general meeting (EGM) to request shareholders' approval to return cash

to shareholders by way of a repayment of share premium of USD 51 million. The timing of the payment of the share premium return is expected to be during Q1 2021, subject to shareholder and regulatory approval.

As a result of the announced dividend and proposed share premium repayment, a total of USD 55 million will be returned to shareholders as follows:

- USD 4 million dividend to be paid on or around 3 December
- USD 51 million return of share premium expected to be paid during Q1 2021.

Future outlook and strategy

The Board have resolved to change the name of the Company to ADS Maritime Holding Plc, subject to shareholder resolution at the forthcoming EGM on 10 December. The name change is part of a strategic shift to cover other shipping sectors in the future and not only focus on crude tankers.

The Company will continue with the fundamentals that has seen it be successful in creating shareholder value, including being highly disciplined with regards the price paid for vessels, an aggressive capital return policy, and ensuring a balanced capital mix and low cost structure.



Q3 2020 Financial performance

Revenue and operating costs

The Company recorded a 291% increase in net revenue to USD 8.3 million in the quarter (Q3 2019 – USD 2.1 million) due to a 122% increase in TCE per day to USD 37,344 (Q3 2019 – USD 16,801) and a 76% increase in vessel operating days to 223 days (Q3 2019 – 127 days). Two of the Company's vessels operated in the spot market during the quarter and one was on time charter, while a total of 31 days were spent on technical maintenance. ADS Stratus was agreed to be sold on 9 September and was delivered to the new owners on 23 September. Both ADS Page and ADS Serenade's final charters ended before quarter end. Total vessel operating days were 223 in the quarter (Q3 2019 – 127 days).

Vessel operating expenses increased by 23% to USD 3.4 million (Q3 2019 – USD 2.8 million), mainly due to increased maintenance cost, higher crew change costs as a consequence of Covid restrictions and some vessel operating expenses relating to the sale of ADS Stratus. General and administrative costs were USD 0.3 million, up from a low base the previous year (Q3 2019 – USD 0.2 million).

Depreciation increased by USD 2.7 million to USD 4.1 million in the quarter (Q3 2019 – USD 1.3 million). The increase was driven by an increased depreciation base following the Company's investment in scrubbers and intermediate surveys, as well as a change in the vessel residual values, between reporting periods. Depreciation of ADS Stratus ceased on 23 September, the day of delivery to her new owners.

Vessel sale

ADS Stratus was agreed sold on 9 September for USD 25.5 million. Sale completion was 23 September and the outstanding vessel loan tranche of USD 9.9 million was repaid the same date. In accordance with the loan agreement an amount equivalent to 2% of the early loan repayment is payable and a corresponding amount was recognized as a finance cost during the quarter. An accounting gain of USD 0.9 million was recognized in the quarter on sale of ADS Stratus, which excluded legal costs, vessel operating and voyage expenses, such as steaming costs, incurred during the period after ADS Stratus was agreed to be sold up to delivery of the vessel to new owners.

Operating profit, net profit and EPS

Operating profit increased USD 3.6 million to USD 1.5 million in Q3 2020 (Q3 2019 – operating loss USD 2.1 million), mainly driven by USD 4.5 million increased total revenue, slightly offset by higher operating expenses.

Net financial costs increased USD 0.2 million to USD 1.0 million (Q3 2019 – USD 0.8 million) due to higher finance costs arising as a result of the vessel sale in the quarter, somewhat offset by lower interest costs due to a lower debt base between periods. An amount of USD 0.2 million of previously unamortized loan fees arising on inception of the loan were booked as a finance cost in the quarter as a result of the loan tranche repayment following sale of ADS Stratus, while an early loan prepayment charge of USD 0.2 million was booked in the quarter (Q3 2019 – nil).

Net profit increased USD 3.4 million to USD 0.5 million for the quarter (Q3 2019: net loss USD 2.9 million), resulting in EPS of USD 0.02 (Q 2019: loss per share USD 0.12).



Cash flow

Net cash flow from operations increased USD 4.9 million to USD 8.8 million (Q3 2019 – USD 3.8 million), driven by improved earnings. Net cash flow from operations before working capital movements was USD 4.2 million in Q3 2020 (Q3 2019 – outflow USD 0.9 million), while working capital movements were USD 4.5 million (Q3 2019: USD 4.7 million).

Net cash proceeds from vessel sale was USD 24.5 million, net of sales commission (Q3 2019 – nil). Cash invested in vessels and equipment was USD 0.1 million in the quarter (Q3 2019 – USD 6.5 million) due to payments relating to fleet-wide intermediate survey and scrubber investments that were done – and were capitalized – in 2019.

Cash flow from financing activities was an outflow of USD 18.4 million (Q3 2019 – USD 1.3 million), due to higher loan repayment and increased dividends. During Q3 2020 a dividend of USD 4.3 million was paid (Q3 2019 – USD 0.5 million), while loan repayments of USD 13.4 million were paid during the quarter (Q3 2019 – nil), including USD 9.9 million repaid on completion of the sale of ADS Stratus.

During the quarter the Company recorded a net cash inflow of USD 14.7 million (Q3 2019 – outflow USD 4.0 million) and cash and cash equivalents held at the end of the quarter totaled USD 31.8 million (Q3 2019 – USD 12.9 million). In addition, the Company had restricted cash deposits of USD 1.5 million (Q3 2019 – USD 1.5 million) at quarter end.



Dividend and return of capital

Dividend information

On 17 November the Board resolved to declare a dividend of USD 4 million, or approximately USD 0.17 per share. The last day of trading including the right to the dividend will be 20 November, the ex-dividend date will be 23 November and the dividend will be paid in NOK on or around 3 December to all shareholders on record at 24 November 2020.

Capital payment by way of share premium return

On 17 November the Board resolved to call for an EGM to request shareholders' approval to pay USD 51 million from the share premium account. Assuming shareholders vote to approve the repayment of share premium, an application will be filed with the Cyprus regulatory authorities to approve the repayment. Regulatory approval is estimated to be received during Q1 2021.



Interim consolidated statement of comprehensive income

(In thousands of USD)	Note	3 months		9 months		2019
		Q3 2020	Q3 2019	Q3 2020	Q3 2019	
Revenue						
Charter revenues		10 514	6 984	57 137	29 845	42 226
Gain on disposal of vessel		931	-	931	-	-
Total revenue		11 445	6 984	58 069	29 845	42 226
Operating expenses						
Voyage expenses		(2 174)	(4 850)	(13 605)	(16 439)	(22 179)
Vessel operating expenses		(3 390)	(2 748)	(8 867)	(7 339)	(9 964)
General & administrative costs		(284)	(149)	(696)	(784)	(1 043)
Depreciation	4	(4 068)	(1 339)	(12 321)	(3 897)	(7 366)
Total operating expenses		(9 916)	(9 086)	(35 489)	(28 458)	(40 552)
Operating profit		1 529	(2 102)	22 579	1 387	1 674
Finance cost		(1 052)	(812)	(2 731)	(1 956)	(2 825)
Finance income		-	-	31	91	203
Profit before tax		477	(2 914)	19 879	(478)	(948)
Income tax		-	-	-	-	-
Profit after tax and total comprehensive income		477	(2 914)	19 879	(478)	(948)
(In USD)						
Earnings per share attributable to equity holders						
- Basic and diluted	6	0.02	(0.12)	0.85	(0.02)	(0.04)



Interim consolidated statement of financial position

(In thousands of USD)	Note	Q3 2020	At end of Q3 2019	2019
Assets				
Non-current assets				
Vessels	4	45 658	79 222	81 568
Total non-current assets		45 658	79 222	81 568
Current assets				
Receivables from customers		1 146	954	10 267
Other current assets		2 714	4 457	4 104
Restricted cash		1 502	1 485	1 498
Cash and cash equivalents		31 801	12 920	5 309
Total current assets		37 162	19 816	21 177
Total assets		82 820	99 038	102 745
Equity and liabilities				
Equity				
Issued share capital		4 678	4 678	4 678
Share premium		51 207	51 207	51 207
Retained earnings		4 283	(1 876)	(2 346)
Total equity		60 168	54 009	53 539
Non-current liabilities				
Interest-bearing debt	5	19 410	36 466	36 566
Total non-current liabilities		19 410	36 466	36 566
Current liabilities				
Other current liabilities		2 011	6 971	9 499
Trade payables		1 230	1 592	3 141
Total current liabilities		3 242	8 563	12 640
Total equity and liabilities		82 820	99 038	102 745



Interim consolidated statement of cash flows

(In thousands of USD)	3 months		9 months		2019
	Q3 2020	Q3 2019	Q3 2020	Q3 2019	
Cash flow from operating activities					
Profit for the period	477	(2 914)	19 879	(477)	(948)
Adjustment for non-operating cash flow items					
Depreciation	4 068	1 339	12 321	3 897	7 366
Gain on disposal of vessel	(931)	-	(931)	-	-
Interest expense	623	711	1 878	1 809	2 498
Interest income	-	-	(25)	(91)	(202)
Operating cash flow before working capital items	4 236	(864)	33 121	5 138	8 713
Working capital movements	4 527	4 711	10 336	1 894	(6 334)
Total operating cashflow	8 762	3 847	43 457	7 032	2 380
Cash flow from investing activities					
Proceeds from disposal of vessel	24 480	-	24 480	-	-
Payments for vessels and equipment	(128)	(6 537)	(8 199)	(10 489)	(12 837)
Total cash flows used in investing activities	24 352	(6 537)	16 281	(10 489)	(12 837)
Cash flow from financing activities					
Net receipt from loan	-	(338)	-	6 600	6 600
Repayment of loan	(13 417)	-	(17 667)	-	-
Interest paid	(781)	(436)	(2 325)	(1 499)	(2 210)
Decrease/(increase) in restricted cash	-	-	(4)	(961)	(973)
Interest received	-	-	-	49	161
Dividends paid	(4 250)	(500)	(13 250)	(1 500)	(1 500)
Total cash flow from financing activities	(18 448)	(1 274)	(33 246)	2 689	2 077
Net increase in cash and cash equivalents	14 666	(3 964)	26 492	(769)	(8 381)
Cash and cash equivalents at beginning of period	17 135	16 884	5 309	13 689	13 689
Cash and cash equivalents at end of period	31 801	12 920	31 801	12 920	5 309



Interim consolidated statement of changes in equity

(In thousands of USD apart from number of shares)	Number of shares	Issued share capital	Share premium	Retained earnings	Total equity
Balance at 1 January 2019	23 390 300	4 678	51 207	102	55 987
Total comprehensive income for the period	-	-	-	(948)	(948)
Dividends paid during the period	-	-	-	(1 500)	(1 500)
Balance at 31 December 2019	23 390 300	4 678	51 207	(2 346)	53 539

(In thousands of USD apart from number of shares)	Number of shares	Issued share capital	Share premium	Retained earnings	Total equity
Balance at 1 January 2020	23 390 300	4 678	51 207	(2 346)	53 539
Total comprehensive income for the period	-	-	-	19 879	19 879
Dividends paid during the period	-	-	-	(13 250)	(13 250)
Balance at 30 September 2020	23 390 300	4 678	51 207	4 283	60 168

The nominal value of the Company's authorized share capital, including issued and non-issued shares, at 30 September 2020 is USD 4.7 million, consisting of 23,390,300 shares with par value USD 0.20 per share.



Notes to the interim consolidated financial statements

1. General information

These interim consolidated financial statements of ADS Crude Carriers Plc (“ADS Crude Carriers” or the “Company”) were authorized for issue in accordance with a resolution of the Board of Directors passed on 17 November 2020.

ADS Crude Carriers Plc is a public limited company listed on the Merkur Market at the Oslo Stock Exchange.

The Company is incorporated in Cyprus and the address of its registered office is OSM House, 22 Amathountos, 4532 Agios Tychonas, Limassol, Cyprus. The Company is domiciled in Cyprus and has Norwegian subsidiaries based in Arendal, Norway. The principal activities of the Company are operating tanker vessels in the global tanker market.

The Company is managed by Arendals Dampskibsselskab AS.

2. Significant accounting policies

2.1 Basis of preparation

These interim financial statements are prepared in accordance with IAS 34 Interim financial reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the EU. The interim financial statements do not include all the information and disclosures required by International Financial Reporting Standards (IFRS) for a complete set of financial statements.

The accounting principles applied by the Company in these interim consolidated financial statements are consistent with those applied in the audited annual consolidated financial statements for the year ended 31 December 2019 unless otherwise stated below. Please refer to Note 2 Significant accounting policies in the 2019 Annual Report for information on the Company’s accounting policies.

2.2 Going concern

These financial statements have been prepared based on the assumption of going concern.

ADS Crude Carriers was established in mid-2018 to acquire tanker vessels at a low point in the cycle, enabling a low entry point to reduce downside risk to the Company’s investment. Initial financing of the Company was by a private placement equity raise of USD 57 million in July 2018 (the “Equity Raise”) and shares in ADS commenced trading on the Oslo Børs Merkur Market on 28 August 2018. During the third quarter 2018 the Company purchased three high-spec, Japanese-built sister vessel VLCCs for a total price of USD 67.5 million, or USD 22.5 million per vessel. The vessel purchases were financed by proceeds from the Equity Raise and an initial USD 30 million vessel loan that was subsequently increased to USD 37.5 million in order to finance mandatory intermediate vessel surveys during 2019.



During Q3 2020 the Company completed sale of ADS Stratus and post-quarter end the Company completed sales of its two remaining vessels. All three vessel sales were for USD 25.5 million, or aggregate USD 76.5 million. The net proceeds of the combined vessel sales, after repayment of vessel loans and charges, sales commissions, vessel operating and voyage expenses relating to the three vessel sales, is approximately USD 42 million.

In line with the Company's dividend policy, the Board has on 17 November resolved to make a dividend payment of USD 4 million, which will be paid early December. Additionally, in order to return capital to shareholders, the Board has resolved to call for an EGM to request shareholders' approval to repay USD 51 million from the share premium account. The EGM is scheduled for 10 December. The timing of the payment of the share premium return is expected to be during Q1 2021, subject to shareholder and regulatory approval. As a result of the announced dividend and proposed share premium capital repayment, a total of USD 55 million will be returned to

shareholders as follows:

- USD 4 million dividend to be paid on or around 3 December
- USD 51 million return of share premium expected to be paid during Q1 2021,

The Company's financial projections used in its going concern evaluation are based on certain assumptions about the future. Based on these assumptions, the Company expects to have sufficient liquidity to operate for at least 12 months from the date of this interim report and, therefore, these interim financial statements are prepared using the going concern assumption.

3. Segment reporting

The Company's business ownership of tankers. Management has organized and manages the entity as one business segment based upon the service provided. The Company's chief operating decision maker, being the Board of Directors, reviews the Company's operating results on a consolidated basis as one operating segment (as defined by IFRS 8).



4. Property, plant and equipment

(In thousands of USD)	3 months		9 months		2019
	Q3 2020	Q3 2019	Q3 2020	Q3 2019	
Costs					
Balance at start of period	90 768	72 804	90 768	69 550	69 550
Additional capital expenditures	-	12 150	-	15 404	21 218
Disposal	(29 817)	-	(29 817)	-	-
Balance at end of period	60 951	84 954	60 951	84 954	90 768
Depreciation					
Balance at start of period	17 454	4 393	9 201	1 835	1 835
Depreciation for period	4 068	1 339	12 321	3 897	7 366
Disposal	(6 228)	-	(6 228)	-	-
Balance at end of period	15 293	5 732	15 293	5 732	9 201
Net book value at start of period	81 568	66 429	99 969	71 385	71 385
Net book value at end period	45 658	79 222	45 658	79 222	81 568
Carrying value of pledged assets	39 956	62 153	39 956	62 153	69 285

At 1 July 2020 the Company's vessels consisted of three VLCCs. During Q3 2020 the Company sold one of its vessels, ADS Stratus, and post-quarter end the Company sold its remaining two vessels, ADS Page and ADS Serenade. The net carrying value of ADS Stratus was derecognized from the balance sheet on 23 September 2020, the date of delivery to the new owners. Depreciation was charged up to the sales completion date and a gain on vessel disposal, calculated as the sales price, less sales commissions, less net carrying value, of USD 0.9 million was recorded in the quarter.

ADS Serenade was delivered to new owners on 26 October and ADS Page on 12 November, following which the carrying value of the Company's vessels was reduced to nil.

5. Interest bearing debt

(In thousands of USD)	Maturity	Interest	Q3 2020	At end of	
				Q3 2019	2019
Fleet Loan					
Nominal USD 37.5 million	31-Dec-22	LIBOR + 5.1%	19 410	36 466	36 566
Total interest-bearing debt			19 410	36 466	36 566

On 23 September 2020 the Company repaid the remaining outstanding amount of USD 9.9 million on the vessel loan tranche relating to ADS Stratus, a vessel that was sold on the same date. Post-quarter end, the Company repaid in full the outstanding loan tranches of USD 9.9 million each relating to ADS Serenade and ADS Page, which were sold on 26 October and 12 November, respectively. In accordance with the loan agreements, loan prepayment fees equal to 2% of the prepaid amount is due to the lender. The loan prepayment fee relating to the loan tranche prepaid in Q3 2020 was expensed in the same quarter, while the loan prepayment fees relating to all three loan tranches were paid on 12 November.

Following extinguishment of the vessel loans post-quarter end the Company no longer has any long-term debt.



6. Earnings per share

(In thousands of USD)	3 months		9 months		2019
	Q3 2020	Q3 2019	Q3 2020	Q3 2019	
Profit for the period	477	(2 914)	19 879	(478)	(948)
Weighted average shares outstanding	23 390 300	23 390 300	23 390 300	23 390 300	23 390 300
Basic and diluted EPS	0.02	(0.12)	0.85	(0.02)	(0.04)

The Company has no dilutive or potential dilutive shares.

7. Events after the balance sheet date

7.1 Vessel sales

Post-quarter end the Company completed the sale of the vessels, ADS Serenade and ADS Page, following the sale of ADS Stratus in Q3 2020. The sale of ADS Stratus is accounted for in Q3 2020, while the sale of ADS Serenade and ADS Page are accounted for in Q4 2020. ADS Serenade and ADS Page were both sold for USD 25.5m each and ADS Serenade was delivered to new owners on 26 October, while ADS Page was delivered on 12 November.

7.2 Dividend distribution and loan amortization

On 17 November the Board resolved to declare a dividend of USD 4 million, or approximately USD 0.17 per share. The last day of trading including the right to the dividend will be 20 November, the ex-dividend date will be 23 November and the dividend will be paid in NOK on or around 3 December to all shareholders on record at 24 November 2020.

7.3 Capital payment by way of share premium return

On 17 November the Board resolved to call for an extraordinary general meeting (EGM) to request shareholders' approval to pay USD 51 million of share premium account. The EGM will be held on 10 December. Assuming shareholders vote to approve the repayment of share premium, an application will be filed with the Cyprus regulatory authorities to approve the repayment. Regulatory approval is estimated to be received during Q1 2021.

7.4 Change of company name

On 17 November the Board resolved to change the name of the Company to ADS Maritime Holding Plc, subject to shareholder resolution at the forthcoming EGM on 10 December. The name change is a result of the intention to have a broader approach to shipping sectors in the future and not focus only on crude tankers.

8. Alternative performance measures

In order to measure financial performance and position, the Company makes use of the Alternative Performance Measures (APMs) described below. The APMs are non-IFRS measures which provide supplemental information to the IFRS financial measures.



8.1. Net revenue

Net revenue is calculated as revenue less voyage expenses. Voyage expenses include revenue-based commissions, apart from address commission which is recognized as a reduction in revenue. The Company uses net revenue as an indication of the profitability of voyages and charters. Net revenue is used as the numerator when calculating TCE per day.

(In thousands of USD)	3 months		9 months		2019
	Q3 2020	Q3 2019	Q3 2020	Q3 2019	
Net revenue					
Charter revenue	10 514	6 984	57 137	29 845	42 226
Voyage expenses	(2 174)	(4 850)	(13 605)	(16 439)	(22 179)
Total net revenue	8 340	2 134	43 532	13 406	20 047

8.2 Vessel days

Vessel days show the difference between the total available vessel days in a period and the vessel operating days. Vessel operating days are calculated as the total available vessel days less days vessels spent in dry dock and for technical maintenance. Vessel operating days are calculated from the date of delivery of a newly acquired vessel, excluding any days associated with drydocking or technical off-hire. A vessel is excluded from the operating days calculation from the date on which a sale of the vessel is agreed.

(Number of days)	3 months		9 months		2019
	Q3 2020	Q3 2019	Q3 2020	Q3 2019	
On contract	206	127	726	670	885
Available but not on contract	17	-	17	-	-
Vessel operating days	223	127	743	670	885
Technical maintenance, dry dock	31	149	57	149	210
Total available vessel days	254	276	800	819	1 095

8.3 TCE per day

Time charter equivalent (TCE) per day is calculated by dividing net revenue by the number of vessel operating days in the period. TCE is a common shipping industry measure of performance on a per day basis. The Company uses TCE per day as it enables comparison of financial performance between periods regardless of changes in the mix of charter types.

(In thousands of USD)	3 months		9 months		2019
	Q3 2020	Q3 2019	Q3 2020	Q3 2019	
TCE					
Net revenue	8 340	2 134	43 532	13 406	20 047
Vessel operating days	223	127	743	670	885
TCE (in whole USD)	37 344	16 801	58 565	20 010	22 653



8.4 Net interest-bearing debt (NIBD)

NIBD is calculated as the nominal outstanding value of the Company's total interest-bearing debt, less the balance of cash and cash equivalents, as well as any restricted cash that is restricted for the purposes of repaying debt.

(In thousands of USD)	Q3 2020	Q3 2019	2019
Net interest-bearing debt (NIBD)			
Nominal value of interest-bearing debt	19 833	37 500	37 500
Cash and cash equivalents	31 801	12 920	5 309
Restricted cash available for debt repayment	1 502	1 485	1 498
NIBD	(13 469)	23 095	30 693

The Company uses NIBD as it provides an indication of the Company's debt position by indicating the ability of the Company to pay off all its debt if it became due simultaneously and only using cash.

8.5 Backlog

Backlog shows the estimated proportion of vessel operating days of a future financial reporting period for which the Company has secured commitments with clients (eg. charter parties), as well as the average TCE per day for those days. The Company uses backlog since it provides the amount of committed operating activity in future periods, thus providing an indication of the Company's future net revenue.



ADS CRUDE CARRIERS PLC

Cyprus

ADS Crude Carriers Plc,
OSM House, 22 Amathountos
4532 Agios Tychonas
Limassol, Cyprus
Tel +357 25335501

Norway

ADS Crude Holding AS,
PO Box 198,
4802 Arendal,
Norway
Tel: +47 41 49 40 00

Visiting Address Norway

Sandvigveien 19
4816 Kolbjørnsvik
Norway

Email: contact@adscrude.com

www.adscrude.com