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# **STOLT-NIELSEN LIMITED**

## **UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the Three Months Ended February 28, 2021

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**STOLT-NIELSEN LIMITED**

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**STOLT-NIELSEN LIMITED**  
**UNAUDITED CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT**

	Notes	Three Months Ended	
		February 28, 2021	February 29, 2020
(in thousands, except for per share amounts)			
Operating revenue	4	\$ 480,161	\$ 497,069
Operating expenses		(327,574)	(361,109)
		152,587	135,960
Depreciation and amortisation	4	(72,031)	(72,187)
<b>Gross Profit</b>		<b>80,556</b>	<b>63,773</b>
Share of profit of joint ventures and associates	4	<b>9,009</b>	5,066
Administrative and general expenses		(53,933)	(51,544)
Gain on disposal of assets, net		62	95
Other operating income		334	283
Other operating expense		(45)	(74)
<b>Operating Profit</b>		<b>35,983</b>	<b>17,599</b>
<b>Non-Operating Income (Expense)</b>			
Finance income		617	975
Finance expense on lease liabilities		(2,771)	(2,275)
Finance expense on debt and other		(30,373)	(33,654)
Foreign currency exchange gain (loss), net		1,184	(752)
Other non-operating income, net		58	36
<b>Profit (Loss) from Continuing Operations before Income Tax</b>		<b>4,698</b>	<b>(18,071)</b>
Income tax expense		(2,195)	(1,179)
<b>Profit (Loss) from Continuing Operations</b>		<b>2,503</b>	<b>(19,250)</b>
<b>Loss from Discontinued Operations attributable to SNL Shareholders</b>	11	—	(997)
<b>Net Profit (Loss)</b>		<b>\$ 2,503</b>	<b>\$ (20,247)</b>
<b>Attributable to:</b>			
Equity holders of SNL		\$ 2,503	\$ (19,955)
Non-controlling interests		—	(292)
		<b>\$ 2,503</b>	<b>\$ (20,247)</b>
<b>Earnings per Share:</b>			
Profit (Loss) from Continuing Operations attributable to SNL shareholders			
Basic		\$ 0.05	\$ (0.32)
Diluted		\$ 0.05	\$ (0.32)
Net Profit (Loss) attributable to SNL shareholders			
Basic		\$ 0.05	\$ (0.34)
Diluted		\$ 0.05	\$ (0.34)

See notes to the unaudited condensed consolidated interim financial statements.

**STOLT-NIELSEN LIMITED**  
**UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF**  
**OTHER COMPREHENSIVE INCOME**

	<b>Three Months Ended</b>	
	<b>February 28, 2021</b>	<b>February 29, 2020</b>
	(in thousands)	
<b>Net profit (loss) for the period</b>	<b>\$ 2,503</b>	<b>\$ (20,247)</b>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Net gain (loss) on cash flow hedges	16,359	(17,645)
Reclassification of cash flow hedges to income statement	(7,156)	4,530
Net gain (loss) on cash flow hedges held by joint ventures and associates	1,577	(2,371)
Deferred tax adjustment on cash flow hedges	(316)	264
Exchange differences arising on translation of foreign operations	11,557	(9,310)
Deferred tax on translation of foreign operations	110	128
Exchange differences arising on translation of joint ventures and associates	1,051	(1,388)
Change in value of investments in equity instruments	7,094	(466)
Net profit (loss) recognised as other comprehensive income	<u>30,276</u>	<u>(26,258)</u>
<b>Total comprehensive income (loss)</b>	<b>\$ <u>32,779</u></b>	<b>\$ <u>(46,505)</u></b>
<i>Attributable to:</i>		
Equity holders of SNL	\$ 32,779	\$ (46,213)
Non-controlling interests	—	(292)
	<u>\$ 32,779</u>	<u>\$ (46,505)</u>

See notes to the unaudited condensed consolidated interim financial statements.

**STOLT-NIELSEN LIMITED**  
**UNAUDITED CONDENSED CONSOLIDATED INTERIM BALANCE SHEET**

	<u>Notes</u>	<u>February 28, 2021</u>	<u>November 30, 2020</u>
(in thousands)			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		\$ 173,043	\$ 187,767
Restricted cash		105	109
Receivables		216,150	220,264
Inventories		7,563	7,741
Biological assets		33,674	30,129
Prepaid expenses		67,617	63,128
Derivative financial instruments	10	911	157
Income tax receivable		2,233	5,811
Other current assets		42,407	41,542
<b>Total Current Assets</b>		<u>543,703</u>	<u>556,648</u>
Property, plant and equipment	6	3,075,578	3,020,060
Right-of-use assets	6	198,515	189,405
Investments in and advances to joint ventures and associates	7	611,713	585,984
Investments in equity instruments	10	36,433	26,305
Deferred tax assets		13,662	13,506
Intangible assets and goodwill	6	41,118	40,836
Employee benefit assets		17,862	17,867
Derivative financial instruments	10	17,920	9,242
Insurance claims receivable	9	195,980	191,706
Other non-current assets		17,029	13,306
<b>Total Non-Current Assets</b>		<u>4,225,810</u>	<u>4,108,217</u>
<b>Total Assets</b>		<u>\$ 4,769,513</u>	<u>\$ 4,664,865</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Short-term bank loans	8	\$ 20,000	\$ —
Current maturities of long-term debt	8	259,491	255,805
Current lease liabilities		37,213	35,640
Accounts payable		94,151	92,030
Accrued voyage expenses		49,472	48,601
Accrued expenses		168,397	165,301
Provisions		9,335	9,376
Income tax payable		9,599	8,844
Dividend payable	5	—	13,448
Derivative financial instruments	10	57,339	61,814
Other current liabilities		33,606	30,992
<b>Total Current Liabilities</b>		<u>738,603</u>	<u>721,851</u>
Long-term debt	8	2,099,612	2,053,336
Long-term lease liabilities		167,290	157,875
Deferred tax liabilities		57,047	55,867
Employee benefit obligations		39,723	39,365
Derivative financial instruments	10	16,717	21,044
Long-term provisions	9	197,428	192,948
Other non-current liabilities		1,667	3,932
<b>Total Non-Current Liabilities</b>		<u>2,579,484</u>	<u>2,524,367</u>
<b>Total Liabilities</b>		<u>3,318,087</u>	<u>3,246,218</u>
<b>Shareholders' Equity</b>			
Founder's shares	5	16	16
Common shares	5	64,134	64,134
Paid-in surplus		314,454	314,454
Retained earnings		1,534,563	1,532,060
Other components of equity		(226,090)	(256,366)
		<u>1,687,077</u>	<u>1,654,298</u>
Less – Treasury shares	5	(235,651)	(235,651)
<b>Total Shareholders' Equity</b>		<u>1,451,426</u>	<u>1,418,647</u>
<b>Total Liabilities and Shareholders' Equity</b>		<u>\$ 4,769,513</u>	<u>\$ 4,664,865</u>

See notes to the unaudited condensed consolidated interim financial statements.

**STOLT-NIELSEN LIMITED**  
**UNAUDITED CONDENSED CONSOLIDATED INTERIM**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

	Attributable to Equity Holders of SNL										Non-Controlling Interests	Shareholders' Equity Total
	Common Shares	Founder's Shares	Paid-in Surplus	Treasury Shares	Retained Earnings	Foreign Currency	Hedging	Fair Value	Total			
	(in thousands, except for share data)											
<b>Balance, November 30, 2019</b>	\$ 64,134	\$ 16	\$ 149,808	\$ (71,005)	\$ 1,507,520	\$ (177,217)	\$ (24,468)	\$ (73,050)	\$ 1,375,738	\$ 927	\$ 1,376,665	
<b>Comprehensive loss</b>												
Net loss	—	—	—	—	(19,955)	—	—	—	(19,955)	(292)	(20,247)	
<b>Other comprehensive loss</b>												
Translation adjustments, net	—	—	—	—	—	(10,570)	—	—	(10,570)	—	(10,570)	
Fair value adjustment on equity investments	—	—	—	—	—	—	—	(466)	(466)	—	(466)	
Net loss on cash flow hedges and reclassifications to income statement, net of taxes	—	—	—	—	—	—	(15,222)	—	(15,222)	—	(15,222)	
Total other comprehensive loss	—	—	—	—	—	(10,570)	(15,222)	(466)	(26,258)	—	(26,258)	
<b>Total comprehensive loss</b>	—	—	—	—	(19,955)	(10,570)	(15,222)	(466)	(46,213)	(292)	(46,505)	
<b>Transactions with shareholders</b>												
Release of shares from collateral	—	—	35,281	(35,281)	—	—	—	—	—	—	—	
<b>Total transactions with shareholders</b>	—	—	35,281	(35,281)	—	—	—	—	—	—	—	
<b>Balance, February 29, 2020</b>	\$ 64,134	\$ 16	\$ 185,089	\$ (106,286)	\$ 1,487,565	\$ (187,787)	\$ (39,690)	\$ (73,516)	\$ 1,329,525	\$ 635	\$ 1,330,160	
<b>Balance, November 30, 2020</b>	\$ 64,134	\$ 16	\$ 314,454	\$ (235,651)	\$ 1,532,060	\$ (132,623)	\$ (41,560)	\$ (82,183)	\$ 1,418,647	\$ —	\$ 1,418,647	
<b>Comprehensive income (loss)</b>												
Net profit	—	—	—	—	2,503	—	—	—	2,503	—	2,503	
<b>Other comprehensive income</b>												
Translation adjustments, net	—	—	—	—	—	12,718	—	—	12,718	—	12,718	
Fair value adjustment on equity investments	—	—	—	—	—	—	—	7,094	7,094	—	7,094	
Net gain on cash flow hedges and reclassifications to income statement, net of taxes	—	—	—	—	—	—	10,464	—	10,464	—	10,464	
Total other comprehensive income	—	—	—	—	—	12,718	10,464	7,094	30,276	—	30,276	
<b>Total comprehensive income</b>	—	—	—	—	2,503	12,718	10,464	7,094	32,779	—	32,779	
<b>Balance, February 28, 2021</b>	\$ 64,134	\$ 16	\$ 314,454	\$ (235,651)	\$ 1,534,563	\$ (119,905)	\$ (31,096)	\$ (75,089)	\$ 1,451,426	\$ —	\$ 1,451,426	

See notes to the unaudited condensed consolidated interim financial statements.

**STOLT-NIELSEN LIMITED**  
**UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**

	Notes	For the Three Months Ended	
		February 28, 2021	February 29, 2020
		(in thousands)	
<b>Cash generated from continuing operations</b>	3	\$ 94,418	\$ 92,231
Interest paid		(24,606)	(28,297)
Debt issuance costs		(1,539)	(1,667)
Interest received		895	1,194
Income taxes paid		2,958	(2,523)
<b>Net cash generated by operating activities – Continuing operations</b>		<u>72,126</u>	<u>60,938</u>
<b>Net cash used for operating activities – Discontinued operations</b>	11	<u>—</u>	<u>(136)</u>
<b>Cash flows from investing activities</b>			
Capital expenditures	6	(102,697)	(38,084)
Purchase of intangible assets	6	(1,108)	(1,458)
Investment in joint venture and associate		(16,423)	—
Proceeds from sale of assets		732	1,019
Purchase of shares of Golar LNG		(3,000)	—
Repayment of advances to joint ventures and associates, net		2,500	1,667
Other, net		261	(939)
<b>Net cash used in investing activities – Continuing operations</b>		<u>(119,735)</u>	<u>(37,795)</u>
<b>Cash flows from financing activities</b>			
Increase in short-term bank loans	8	20,000	—
Proceeds from issuance of long-term debt	8	65,000	141,400
Repayment of long-term debt	8	(29,691)	(83,496)
Principal payments on leases		(10,083)	(9,762)
Dividends paid	5	(13,448)	(13,457)
<b>Net cash generated by financing activities</b>		<u>31,778</u>	<u>34,785</u>
<b>Net (decrease) increase in cash and cash equivalents</b>		<u>(15,831)</u>	<u>57,792</u>
Effect of exchange rate changes on cash		1,107	(2,595)
Cash and cash equivalents at beginning of the period		187,767	136,151
<b>Cash and cash equivalents at the end of the period</b>		<u>\$ 173,043</u>	<u>\$ 191,348</u>

See notes to the unaudited condensed consolidated interim financial statements.

## STOLT-NIELSEN LIMITED

### NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

#### 1. Basis of Preparation

The condensed consolidated financial statements of Stolt-Nielsen Limited (the “Company” or “SNL”), a Bermuda-registered company, and its subsidiaries (collectively, the “Group”) are prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting. The unaudited condensed consolidated financial statements should be reviewed in conjunction with the audited Consolidated Financial Statements for the year ended November 30, 2020, to fully understand the current financial position of the Group.

##### *Going Concern*

The Covid-19 pandemic has resulted in significant disruptions in global economic activities, causing the operations of the Group, its customers, suppliers and other stakeholders to be impacted. The Group has attempted to maintain normal operations within the guidelines of governmental requirements and while keeping the safety of its employees in mind. In addition, measures were taken early to reduce costs.

While the impact of the pandemic has affected Tankers, STC and Stolthaven, the effects of the pandemic was particularly severe on the Stolt Sea Farm business segment, with revenues falling by 43% between the first and second quarters of 2020. This was a result of a decrease in volumes and prices due to the closure of restaurants and hotels in Southern Europe, which are the main markets of turbot. During the third quarter of 2020, volumes and prices returned towards pre-Covid-19 levels but the second and third waves in late 2020 and early 2021 and related lockdowns negatively impacted the segment in the first quarter of 2021.

The Group has considered Covid-19’s impact on the Group’s liquidity in connection with the use of a going concern basis of presentation in the preparation of the financial statements. While the scale and duration, as well as the impact of Covid-19, remain uncertain, having considered various downside scenarios, Management is of the opinion that the Company’s cash flows from operations, secured financing and available credit facilities will continue to provide the cash necessary to satisfy the Company’s working capital requirements, scheduled debt repayments and committed capital expenditures for the next twelve months.

##### *Stolt Sea Farm initial public offering*

On January 12, 2021, SNL announced that it is evaluating an initial public offering of its land-based European fish farming business.

#### 2. Significant Accounting Policies

The accounting policies applied are consistent with those described in the Consolidated Financial Statements for the year ended November 30, 2020. No new IFRS became effective in the three months ended February 28, 2021 which had an effect on the Group.



**STOLT-NIELSEN LIMITED**

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**3. Reconciliation of Net Profit to Cash Generated from Continuing Operations**

	<u>For the Three Months Ended</u>	
	<u>February 28,</u>	<u>February 29,</u>
	<u>2021</u>	<u>2020</u>
	(in thousands)	
<b>Net profit (loss)</b>	\$ 2,503	\$ (20,247)
Loss from discontinued operations	—	997
Profit (loss) from continuing operations	<u>2,503</u>	<u>(19,250)</u>
Adjustments to reconcile net profit (loss) to net cash from operating activities:		
Depreciation of property, plant and equipment	70,935	71,382
Amortisation of intangible assets	1,096	805
Finance expense, net	32,527	34,954
Net periodic benefit expense of defined benefit pension plans	599	576
Income tax expense	2,195	1,179
Share of profit of joint ventures and associates	(9,009)	(5,066)
Fair value adjustment on biological assets	(1,317)	11,332
Foreign currency related (gain) loss	(1,184)	752
Unrealised bunker hedge gain	(251)	(565)
Gain on disposal of assets, net	(62)	(95)
<b>Changes in assets and liabilities, net of effect of acquisitions and divestitures:</b>		
Decrease (increase) in receivables	4,030	(9,267)
Decrease in inventories	241	411
Increase in biological assets	(1,894)	(1,447)
Increase in prepaid expenses and other current assets	(8,826)	(1,539)
Increase in accounts payable and other current liabilities	2,455	7,886
Contributions to defined benefit pension plans	(337)	(380)
Other, net	717	563
<b>Cash generated from continuing operations</b>	<u>\$ 94,418</u>	<u>\$ 92,231</u>

**4. Business Segment Information**

The segment information is provided on the same basis as stated in the Consolidated Financial Statements for the year ended November 30, 2020.

The following tables show the summarised financial information, in US thousands of dollars, for each reportable segment:

**STOLT-NIELSEN LIMITED**

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

	<u>Tankers</u>	<u>Terminals</u>	<u>Tank Containers</u>	<u>Stolt Sea Farm</u>	<u>Stolt-Nielsen Gas</u>	<u>Corporate and Other</u>	<u>Total</u>
<i>For the three months ended February 28, 2021</i>							
Operating revenue	\$ 260,770	\$ 57,968	\$ 138,852	\$ 22,522	\$ —	\$ 49	\$ 480,161
Depreciation and amortisation	(42,999)	(15,328)	(10,311)	(1,665)	—	(1,728)	(72,031)
Share of profit (loss) of joint ventures and associates	1,500	6,834	(294)	—	968	1	9,009
Operating profit (loss)	12,919	15,730	8,001	955	591	(2,213)	35,983
Finance expense (a)	(16,004)	(9,958)	(3,691)	(747)	(1,320)	(1,424)	(33,144)
Finance income	66	80	142	—	—	329	617
(Loss) profit before income tax	(2,994)	5,921	4,684	551	(856)	(2,608)	4,698
Income tax expense	(290)	(104)	(250)	(356)	—	(1,195)	(2,195)
Net (loss) profit	(3,284)	5,817	4,434	195	(856)	(3,803)	2,503
Capital expenditures (b)	89,820	10,013	2,749	1,350	—	618	104,550
<i>As of February 28, 2021</i>							
Investments in and advances to joint ventures and associates	225,315	283,712	25,934	—	76,752	—	611,703
Segment assets	2,302,184	1,365,638	557,131	128,860	106,971	308,729	4,769,513
<i>For the three months ended February 28, 2020</i>							
Operating revenue	\$ 280,720	\$ 61,731	\$ 129,446	\$ 24,009	\$ —	\$ 1,163	\$ 497,069
Depreciation and amortisation	(44,834)	(14,478)	(9,620)	(1,169)	—	(2,086)	(72,187)
Share of profit (loss) of joint ventures and associates	739	5,581	(209)	—	(1,045)	—	5,066
Operating profit (loss)	4,713	18,880	6,720	(8,844)	(1,271)	(2,599)	17,599
Finance expense (a)	(17,211)	(10,179)	(3,844)	(1,329)	(1,501)	(1,865)	(35,929)
Finance income	203	—	97	—	—	675	975
(Loss) profit from continuing operations before income tax	(12,383)	8,774	3,296	(10,173)	(2,293)	(5,292)	(18,071)
Income tax (expense) benefit	(589)	(1,893)	(185)	2,207	—	(719)	(1,179)
Net (loss) profit from continuing operations	(12,972)	6,881	3,111	(7,966)	(2,293)	(6,011)	(19,250)
Net (loss) profit	(12,972)	6,881	3,111	(8,963)	(2,293)	(6,011)	(20,247)
Capital expenditures (b)	18,607	13,080	1,389	252	—	1,812	35,140
<i>As of November 30, 2020</i>							
Investments in and advances to joint ventures and associates	224,090	276,669	25,906	—	59,319	—	585,984
Segment assets	2,288,717	1,347,752	534,389	123,508	80,536	289,963	4,664,865

- (a) Interest is allocated to the business segments based on the average interest rate of the Group times a percentage of each segment's net asset base.
- (b) Capital expenditures include additions to property, plant and equipment, ship deposits and intangible assets other than goodwill. Capital expenditures do not include capitalised right-of-use leases.

**STOLT-NIELSEN LIMITED**

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

A breakdown of the key elements of sources of revenue:

	<u>Tankers</u>	<u>Terminals</u>	<u>Tank Containers</u>	<u>Stolt Sea Farm</u>	<u>Other</u>	<u>Total</u>
<i>For the three months ended February 28, 2021</i>						
Revenue recognised over time:						
Freight revenue	\$ 232,776	\$ –	\$ 110,914	\$ –	\$ –	\$ 343,690
Storage and throughput revenue	–	38,969	–	–	–	38,969
	<u>232,776</u>	<u>38,969</u>	<u>110,914</u>	<u>–</u>	<u>–</u>	<u>382,659</u>
Revenue recognised at a point in time:						
Demurrage and ancillary revenue	27,994	–	27,938	–	–	55,932
Turbot and sole	–	–	–	22,522	–	22,522
Rail revenue	–	4,458	–	–	–	4,458
Utility revenue	–	6,449	–	–	–	6,449
Dock, product handling and other revenue	–	8,092	–	–	49	8,141
	<u>27,994</u>	<u>18,999</u>	<u>27,938</u>	<u>22,522</u>	<u>49</u>	<u>97,502</u>
	<u>\$ 260,770</u>	<u>\$ 57,968</u>	<u>\$ 138,852</u>	<u>\$ 22,522</u>	<u>\$ 49</u>	<u>\$ 480,161</u>
<i>For the three months ended February 29, 2020</i>						
Revenue recognised over time:						
Freight revenue	\$ 243,932	\$ –	\$ 100,538	\$ –	\$ –	\$ 344,470
Storage and throughput revenue	–	41,349	–	–	–	41,349
	<u>243,932</u>	<u>41,349</u>	<u>100,538</u>	<u>–</u>	<u>–</u>	<u>385,819</u>
Revenue recognised at a point in time:						
Demurrage and ancillary revenue	36,788	–	28,908	–	–	65,696
Turbot and sole	–	–	–	24,009	–	24,009
Rail revenue	–	5,377	–	–	–	5,377
Utility revenue	–	5,980	–	–	–	5,980
Dock, product handling and other revenue	–	9,025	–	–	1,163	10,188
	<u>36,788</u>	<u>20,382</u>	<u>28,908</u>	<u>24,009</u>	<u>1,163</u>	<u>111,250</u>
	<u>\$ 280,720</u>	<u>\$ 61,731</u>	<u>\$ 129,446</u>	<u>\$ 24,009</u>	<u>\$ 1,163</u>	<u>\$ 497,069</u>

**5. Shareholders' Equity and Dividends**

The Group's authorised share capital consists of 65,000,000 Common shares, par value of \$1 per share, and 16,250,000 Founder's shares, par value of \$0.001 per share.

	<u>Founder's Shares par value \$0.001 per share</u>	<u>Common Shares par value \$1 per share</u>
<b>Balance at February 28, 2021:</b>		
Shares Issued	16,033,449	64,133,796
Less Treasury Shares	(2,652,500)	(10,610,000)
Shares Outstanding	<u>13,380,949</u>	<u>53,523,796</u>

**Treasury Shares**

The Board has authorised the purchase of up to \$30.0 million worth of the Company's Common Shares, of which the Company has utilised \$21.3 million prior to 2021, leaving \$8.7 million available for future purchases.

**Dividends**

On February 11, 2021, the Group's Board of Directors recommended a final dividend for 2020 of \$0.25 per share, to be voted on at the Group's Annual General Meeting ("AGM") for shareholders to be held on April 15, 2021. If confirmed by the AGM, the dividend will be paid on May 5, 2021 to shareholders of record as of April 22, 2021.

On November 19, 2020, the Group's Board of Directors declared an interim dividend of \$0.25 per Common share and \$0.005 per Founder's share to shareholders of record as of November 26, 2020. The total gross amount of the dividend was \$13.4 million, which was classified as an interim dividend and paid on December 10, 2020.

On March 16, 2020, the Group's Board of Directors acting in response to uncertainties created by the ongoing coronavirus pandemic, voted to withdraw its previously announced recommendation of a final dividend for 2019 of \$0.25 per Common Share.

## STOLT-NIELSEN LIMITED

### NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

On November 21, 2019, the Group's Board of Directors declared an interim dividend of \$0.25 per Common share and \$0.005 per Founder's share to shareholders of record as of November 27, 2019. The total gross amount of the dividend was \$13.5 million, which was classified as an interim dividend and paid on December 11, 2019.

#### 6. Property, Plant and Equipment, Right-of-Use Assets and Intangible Assets

During the three months ended February 28, 2021, the Group spent \$102.7 million on property, plant and equipment. Cash spent during the quarter primarily reflected (a) \$83.9 million on tankers capital expenditures, (b) \$3.5 million on drydocking of ships, (c) \$10.7 million on terminal capital expenditures, including \$0.3 million of capitalised interest, (d) \$2.5 million on the purchase of tank containers and construction at depots and (e) \$2.0 million on Stolt Sea Farm capital expenditures. Tankers' capital expenditures included amounts related to the purchase of three second-hand ships from Chemical Transportation Group ("CTG") and a deposit for a barge newbuilding.

On December 1, 2019, upon the transition to IFRS 16, \$194.3 million was capitalised as right-of-use assets and a further \$18.8 million and \$0.9 million of right-to-use assets have been capitalised, net of retirements, during the three months ended February 28, 2021 and February 29, 2020, respectively.

During the three months ended February 28, 2021, the Group spent \$1.1 million on intangible assets, mainly on computer software. Revaluation for foreign exchange differences on goodwill and other intangibles was a gain of \$0.3 million in the same period.

#### 7. Investment in Joint Ventures

In the three months ended February 28, 2021, the Group acquired an additional \$16.3 million of shares in Avenir LNG. A further \$4.7 million is expected to be invested over the remainder of the year.

On January 1, 2021, Stolt-Nielsen Inter European Service BV ("SNIES") entered into a partnership with John T. Essberger Group for the operation of their combined parcel tanker fleets trading within Europe. SNIES has 28.3% interest in the new company, which under the name E&S Tankers, will trade certain of the Group's parcel tankers ranging in size from 2,800 to 11,300 under variable time charter agreements.

#### 8. Short and Long-Term Debt

	Cashflows	
	For the Three Months Ended	
	February 28, 2021	February 29, 2020
	(in thousands)	
Increase in short-term bank loans	\$ 20,000	\$ —
Proceeds from issuance of long-term debt	65,000	141,400
Repayment of long-term debt	(29,691)	(83,496)

Short-term bank loans consist of debt obligations to banks under uncommitted lines of credit and bank overdraft facilities. Where the Group has the discretion to roll over its obligations for a period of more than 12 months and there is no expectation of settlement within 12 months, the debt is presented as long-term. As of February 28, 2021, the Group had no balance outstanding and available undrawn committed credit lines of \$258.1 million.

Long-term debt consists of debt collateralised by mortgages on the Group's ships, tank containers, terminals and investments, as well as \$577.0 million unsecured bond financing at February 28, 2021.

On December 3, 2020, the Group entered into a \$65.0 million fixed-rate term loan facility using Stolthaven Dagenham and Stolthaven Moerdijk as collateral. The facility agreement is with KFW IPEX-BANK GMBH for six years. There are eight equal payments of 6.25% of the total commitments and at the end of the agreement, the Group has a balloon obligation of \$32.5 million.

On December 31, 2020, the Group signed a two-year revolving credit facility secured by the shares in the Group's joint venture, Oiltanking Stolthaven Antwerp NV, for \$100.0 million, which became available on March 19, 2021. The facility agreement is with DNB and Swedbank.

The Group remains in compliance with all financial covenants and believes that it will be able to satisfy working capital, capital expenditures and debt requirements for at least the next 12 months from April 8, 2021. See further discussion in Note 1 above.

**STOLT-NIELSEN LIMITED**

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**9. Long-term Insurance Claims Receivables and Provisions**

At February 28, 2021, substantially all of the Long-term insurance claims receivables and Long-term provisions relate to the civil action as a result of the fire on the *MSC Flaminia*, the collision involving the *Stolt Commitment* and the explosion onboard the *Stolt Groenland*.

All of the Group's insurance policies are subject to coverage limits, exclusions and deductible levels. While the Group believes that the estimated accrued claims reserves are adequate, the ultimate losses can differ.

**10. Fair Value Measurements for Financial Assets and Liabilities**

The following estimated fair value amounts have been determined by the Group, using appropriate market information and valuation methodologies. Considerable judgement is required to develop these estimates of fair value, thus the estimates provided herein are not necessarily indicative of the amounts that could be realised in a current market exchange:

	February 28, 2021		November 30, 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(in thousands)			
<b>Financial Assets (Amortised Cost):</b>				
Cash and cash equivalents	\$ 173,043	\$ 173,043	\$ 187,767	\$ 187,767
Restricted cash	105	105	109	109
Receivables	216,150	216,150	220,264	220,264
Other current assets	42,407	42,407	41,542	41,542
Long-term receivable from joint ventures	36,748	36,748	39,324	39,324
<b>Financial Assets (Fair Value):</b>				
Investments in equity instruments	36,433	36,433	26,305	26,305
<b>Financial Liabilities (Amortised Cost):</b>				
Accounts payables (excluding withholding and value-added tax)	87,593	87,593	85,469	85,469
Accrued expenses	217,869	217,869	213,902	213,902
Dividend payable	—	—	13,448	13,448
Short and long-term debt including current maturities (excluding debt issuance costs)	2,406,916	2,570,507	2,337,198	2,518,852
Lease liabilities	204,503	204,503	193,515	193,515
<b>Derivative Financial Instruments (Fair Value):</b>				
<b>Assets</b>				
Foreign exchange forward contracts	674	674	157	157
Cross-currency interest rate swaps	18,157	18,157	9,242	9,242
	<u>\$ 18,831</u>	<u>\$ 18,831</u>	<u>\$ 9,399</u>	<u>\$ 9,399</u>
<b>Liabilities</b>				
Bunker swaps	—	—	251	251
Foreign exchange forward contracts	363	363	—	—
Interest rate swaps	24,441	24,441	28,820	28,820
Cross-currency interest rate swaps	49,252	49,252	53,787	53,787
	<u>\$ 74,056</u>	<u>\$ 74,056</u>	<u>\$ 82,858</u>	<u>\$ 82,858</u>

**STOLT-NIELSEN LIMITED**

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

The carrying amount of cash and cash equivalents, restricted cash, receivables, other current assets, accounts payable (excluding withholding and value-added tax payables), accrued expenses and dividend payable are a reasonable estimate of their fair value, due to their short maturity. Long-term leases are exempt from disclosure of fair value measurements so fair value equals book value. Long-term debt in the table above excludes debt issuance costs of \$27.8 million and \$28.1 million, as of February 28, 2021 and November 30, 2020, respectively. The estimated value of the senior unsecured bond issues is based on traded values, while the value of the remaining long-term debt is based on interest rates as of February 28, 2021 and November 30, 2020, respectively, using the discounted cash flow methodology. The fair values of the Group's foreign exchange and bunker contracts are based on their estimated market values as of February 28, 2021 and November 30, 2020, respectively. Market value of interest rate and cross-currency interest rate swaps was estimated based on the amount the Group would receive or pay to terminate its agreements as of February 28, 2021 and November 30, 2020, respectively.

*Derivatives*

The Group had derivative assets of \$18.8 million and \$9.4 million as of February 28, 2021 and November 30, 2020, respectively, and derivative liabilities of \$74.1 million and \$82.9 million as of February 28, 2021 and November 30, 2020, respectively. All the Group's derivative activities are financial instruments entered for hedging the Group's committed exposures or firm commitments with major financial credit institutions, fuel suppliers, shipbuilders and ship-repair yards. The fair values of the Group's foreign exchange contracts and cross-currency interest rate swaps are based on their estimated market values as of February 28, 2021 and November 30, 2020, respectively. Derivative financial instruments are measured using inputs other than quoted values. There were no changes in the valuation techniques since November 30, 2020.

During 2020, the Group had purchased swap contracts on 36,000 tons of bunker fuel for delivery from January 2020 through December 2020 with initial expiration dates ranging from three to 12 months forward. The bunker contracts were marked-to-market through the Income Statement. A bunker hedge gain of \$0.1 million was recorded for the three months ended February 28, 2021. At February 28, 2021, there were no bunker fuel swap contracts outstanding.

*Investments in equity instruments*

The Group's investments in Golar LNG Limited ("Golar") and Ganesh Benzoplast Limited ("GBL") are measured using quoted prices in an active market. A summary of changes in value of Investments in Equity Instruments designated as Fair Value Through Other Comprehensive Income ("FVTOCI") is summarised below:

	Golar		GBL		Total	
	February 28, 2021	February 29, 2020	February 28, 2021	February 29, 2020	February 28, 2021	February 29, 2020
(in thousands)						
Number of equity shares	<b>2,673</b>	2,330	<b>6,111</b>	–		
Percentage of shareholding	<b>2.3%</b>	2.3%	<b>9.8%</b>	–		
Share price at end of period	<b>\$11.29</b>	\$12.82	<b>\$1.02</b>	–		
(Loss) gain on FVTOCI	\$ <b>5,973</b>	\$ (466)	\$ <b>1,121</b>	\$ –	\$ <b>7,094</b>	\$ (466)
Cumulative (loss) gain on FVTOCI	<b>(76,210)</b>	(73,516)	<b>1,121</b>	–	<b>(75,089)</b>	(73,516)
Value of investment	\$ <b>30,175</b>	\$ 29,869	\$ <b>6,258</b>	\$ –	\$ <b>36,433</b>	\$ 29,869

During the year ended November 30, 2020, the Group's joint venture in India, Stolt Rail Logistics Systems Ltd, was sold to the joint venture partner, GBL, in exchange for shares in GBL. The transaction valued the GBL shares at 62 Indian Rupees each (\$0.835). GBL is listed on the Bombay Stock Exchange.

On December 7, 2020, the Group acquired 342,857 shares of Golar LNG Limited shares at \$8.75 per share.

## STOLT-NIELSEN LIMITED

### NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

#### 11. Discontinued Operations

In October 2020, the Group sold Sterling Caviar, Inc. (“Caviar”) which was a separate cash generating unit which produced and marketed caviar and sturgeon in California. As such, Caviar has been treated as a discontinued operation on the income statement for the three months ended February 29, 2020.

The financial information related to the discontinued operations is as follows:

	<b>For the three months ended February 29, 2020</b>
	<b>(in thousands)</b>
Revenue	\$ 1,741
Operating expenses	(2,204)
Depreciation, amortisation and impairment	(74)
Gross loss	(537)
Administrative and general expenses	(460)
Loss from Discontinued Operations	<u>\$ (997)</u>

The decision to sell the caviar business was made in the second quarter of the year ended November 30, 2020. Consequently, the loss from discontinued operations disclosed for the three months ended February 28, 2020 does not include a loss related to the remeasurement to fair value, less costs to sell. The value of this loss in the audited financial statements for the year ended November 30, 2020 was \$9.1 million.

#### 12. Commitments and Contingencies

As of February 28, 2021 and November 30, 2020, the Group had total capital expenditure purchase commitments outstanding of approximately \$40.2 million and \$167.4 million, respectively. At February 28, 2021, \$11.5 million of the total related to tankers commitment related to installments on a barge newbuilding. In addition, the Group has committed to an equity investment in Avenir LNG Limited (“Avenir LNG”) for \$4.7 million, terminal expansion projects of \$9.4 million, tank container projects of \$6.2 million and Stolt Sea Farm expansion projects of \$1.9 million. Of the total purchase commitments at February 28, 2021, \$28.9 million are expected to be paid over the next 12 months.

##### *Purchase Commitments of Joint Ventures and Associates*

The Group’s joint ventures and associates had \$171.8 million of total capital expenditure purchase commitments on February 28, 2021. This amount included commitments for Avenir LNG of \$150.7 million for three 7,500 cbm LNG newbuildings and two 20,000 cbm LNG newbuildings. Of this amount \$26.0 million is with recourse to the Group, relating to one 7,500 cbm LNG newbuilding. The Group, Golar LNG Limited and Höegh LNG Holdings Ltd (collectively, the “Founding Shareholders”) have also granted a guarantee with joint and several liability for two 20,000 cbm LNG newbuildings for \$73.5 million. A deed of indemnity has been entered into by the Founding Shareholders, which limits the Group’s recourse to \$36.8 million. The remaining \$51.2 million of Avenir LNG commitments is without recourse to the Group. Further joint venture commitments include \$18.1 million for the terminal joint ventures, which are without recourse to the Group.

Of the total purchase commitments at February 28, 2021 for joint ventures and associates, \$171.7 million is expected to be paid over the next 12 months. The commitments will either be paid out of the existing liquidity of those joint ventures or through external financing, which is in the process of being raised.

##### *Environmental*

Environmental disclosures are described in Note 27 of the Consolidated Financial Statements for the year ended November 30, 2020. There have been no significant changes that have occurred since that date.

## STOLT-NIELSEN LIMITED

### NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

#### **13. Legal Proceedings**

The Group is party to various legal proceedings arising in the ordinary course of business and in cases where it believes the likelihood of losses are probable and can be estimated, provisions would be recorded for those legal cases. Disclosure of legal proceedings has been described in Note 29 of the Consolidated Financial Statements for the year ended November 30, 2020. There have been no significant changes to any ongoing legal proceedings since that time. The Group believes that the ongoing legal proceedings are unlikely to have a material adverse effect on its business or financial condition.

##### *General*

The ultimate outcome of governmental and third-party legal proceedings is inherently difficult to predict. The Group's operations are affected by international and domestic environmental protection laws and regulations. Compliance with such laws and regulations may entail considerable expense, including ship modifications and changes in operating procedures.

#### **14. Seasonality**

Sales of seafood are generally stronger in the first quarter of the year as this coincides with increased sales over the Christmas and New Year holidays. Stolt Tank Containers shipment volumes may be negatively affected in the first and third quarters by the seasonality inherent in their key customers' businesses. Stolt Tanker's results can be negatively affected in the winter months in the Northern Hemisphere, because of weather conditions such as fog, ice and winter storms that cause port delays, congestion and waiting time. There is no significant seasonality in any of the other businesses.



**STOLT-NIELSEN LIMITED**  
**RESPONSIBILITY STATEMENT**

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period from December 1, 2020 to February 28, 2021 has been prepared in accordance with IAS 34 as adopted by the European Union and gives a true and fair view of the Group's financial position and profit or loss and cash flows as a whole.

The maintenance and integrity of the Stolt-Nielsen Limited website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

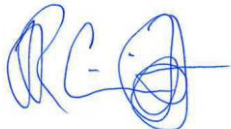
Legislation in Bermuda governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

London  
April 8, 2021

Signed for and on behalf of the Board of Directors

Handwritten signature of Niels G. Stolt-Nielsen in black ink, featuring a stylized 'N' and 'S'.

Niels G. Stolt-Nielsen  
*Chief Executive Officer*

Handwritten signature of Jens F. Grüner-Hegge in blue ink, featuring a stylized 'J' and 'G'.

Jens F. Grüner-Hegge  
*Chief Financial Officer*