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# **STOLT-NIELSEN LIMITED**

## **UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the Three Months Ended February 28, 2022

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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, 2022	February 28, 2021
(in thousands, except for per share amounts)			
Operating revenue	4	\$ 606,208	\$ 480,161
Operating expenses		<u>(403,049)</u>	<u>(327,574)</u>
		203,159	152,587
Depreciation and amortisation	4	<u>(68,283)</u>	<u>(72,031)</u>
<b>Gross Profit</b>		<b>134,876</b>	<b>80,556</b>
Share of profit of joint ventures and associates	4	13,788	9,009
Administrative and general expenses		<u>(58,559)</u>	<u>(53,933)</u>
Gain on disposal of assets, net	6	750	62
Other operating income		972	334
Other operating expense		<u>(17)</u>	<u>(45)</u>
<b>Operating Profit</b>		<b>91,810</b>	<b>35,983</b>
<b>Non-Operating Income (Expense)</b>			
Finance income		852	617
Finance expense on lease liabilities		<u>(2,215)</u>	<u>(2,771)</u>
Finance expense on debt and other		<u>(29,582)</u>	<u>(30,373)</u>
Foreign currency exchange (loss) gain, net		<u>(2,081)</u>	<u>1,184</u>
Other non-operating income, net		<u>1,249</u>	<u>58</u>
<b>Profit before Income Tax</b>		<b>60,033</b>	<b>4,698</b>
Income tax expense		<u>(7,740)</u>	<u>(2,195)</u>
<b>Net Profit</b>		<b>\$ 52,293</b>	<b>\$ 2,503</b>
<b>Earnings per Share:</b>			
Net Profit attributable to SNL shareholders			
Basic		<u>\$ 0.98</u>	<u>\$ 0.05</u>
Diluted		<u>\$ 0.98</u>	<u>\$ 0.05</u>

See notes to the unaudited condensed consolidated interim financial statements.

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

	<u>Three Months Ended</u>	
	<u>February 28,</u> <u>2022</u>	<u>February 28,</u> <u>2021</u>
<b>Net profit</b>	<b>\$ 52,293</b>	<b>\$ 2,503</b>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Net gain on cash flow hedges	<b>15,397</b>	16,359
Reclassification of cash flow hedges to income statement	<b>(4,994)</b>	(7,156)
Net gain on cash flow hedges held by joint ventures and associates	<b>1,709</b>	1,577
Deferred tax adjustment on cash flow hedges	<b>(263)</b>	(316)
Exchange differences arising on translation of foreign operations	<b>4,968</b>	11,557
Deferred tax on translation of foreign operations	<b>(885)</b>	110
Exchange differences arising on translation of joint ventures and associates	<b>(2,749)</b>	1,051
Change in value of investments in equity instruments	<b>15,571</b>	7,094
Net profit recognised as other comprehensive income	<b>28,754</b>	30,276
<b>Total comprehensive income</b>	<b>\$ 81,047</b>	<b>\$ 32,779</b>

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, 2022</u>	<u>November 30, 2021</u>
(in thousands)			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		\$ 114,306	\$ 123,868
Restricted cash		6,098	6,096
Receivables		296,985	285,749
Insurance claim receivables		—	58,598
Inventories		6,050	6,986
Biological assets		50,914	50,344
Prepaid expenses		85,180	76,645
Derivative financial instruments	9	1,359	589
Income tax receivable		4,095	987
Other current assets		39,478	54,351
<b>Total Current Assets</b>		<u>604,465</u>	<u>664,213</u>
Property, plant and equipment	6	2,831,588	2,856,137
Right-of-use assets	6	215,988	203,048
Investments in and advances to joint ventures and associates		631,935	611,906
Investments in equity instruments	9	63,479	37,873
Deferred tax assets		8,268	9,238
Intangible assets and goodwill	6	38,567	38,967
Employee benefit assets		26,060	25,370
Derivative financial instruments	9	16,675	6,868
Insurance claim receivables	8	173,464	162,887
Other non-current assets		19,735	19,702
<b>Total Non-Current Assets</b>		<u>4,025,759</u>	<u>3,971,996</u>
<b>Total Assets</b>		<u>\$ 4,630,224</u>	<u>\$ 4,636,209</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Short-term bank loans	7	\$ —	\$ 40,000
Current maturities of long-term debt	7	452,648	490,502
Current lease liabilities		47,345	43,473
Accounts payable		118,223	114,607
Accrued voyage expenses		57,665	51,328
Accrued expenses		198,966	197,904
Provisions		2,433	2,968
Income tax payable		15,069	12,534
Dividend payable	5	—	26,829
Derivative financial instruments	9	6,729	10,239
Other current liabilities		40,918	37,543
<b>Total Current Liabilities</b>		<u>939,996</u>	<u>1,027,927</u>
Long-term debt	7	1,676,015	1,695,142
Long-term lease liabilities		176,219	166,977
Deferred tax liabilities		71,640	68,025
Employee benefit obligations		31,832	31,720
Derivative financial instruments	9	4,549	7,938
Long-term provisions	8	174,741	164,126
Other non-current liabilities		1,256	1,425
<b>Total Non-Current Liabilities</b>		<u>2,136,252</u>	<u>2,135,353</u>
<b>Total Liabilities</b>		<u>3,076,248</u>	<u>3,163,280</u>
<b>Shareholders' Equity</b>			
Founder's Shares	5	14	14
Common Shares	5	58,524	58,524
Paid-in surplus		195,466	195,466
Retained earnings		1,637,271	1,584,978
Other components of equity		(226,248)	(255,002)
		<u>1,665,027</u>	<u>1,583,980</u>
Less – Treasury shares	5	(111,051)	(111,051)
<b>Total Shareholders' Equity</b>		<u>1,553,976</u>	<u>1,472,929</u>
<b>Total Liabilities and Shareholders' Equity</b>		<u>\$ 4,630,224</u>	<u>\$ 4,636,209</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								
	Common Shares	Founder's Shares	Paid-in Surplus	Treasury Shares	Retained Earnings	Foreign Currency	Hedging	Fair Value	Shareholders' Equity Total
	(in thousands)								
<b>Balance, November 30, 2020</b>	<b>\$ 64,134</b>	<b>\$ 16</b>	<b>\$ 314,454</b>	<b>\$ (235,651)</b>	<b>\$ 1,532,060</b>	<b>\$ (132,623)</b>	<b>\$ (41,560)</b>	<b>\$ (82,183)</b>	<b>\$ 1,418,647</b>
<b>Comprehensive income</b>									
Net profit	—	—	—	—	2,503	—	—	—	2,503
<i>Other comprehensive income</i>									
Translation adjustments, net	—	—	—	—	—	12,718	—	—	12,718
Fair value adjustment on equity investments	—	—	—	—	—	—	—	7,094	7,094
Net gain on cash flow hedges and reclassifications to income statement, net of taxes	—	—	—	—	—	—	10,464	—	10,464
Total other comprehensive income	—	—	—	—	—	12,718	10,464	7,094	30,276
<b>Total comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,503</b>	<b>12,718</b>	<b>10,464</b>	<b>7,094</b>	<b>32,779</b>
<b>Balance, February 28, 2021</b>	<b>\$ 64,134</b>	<b>\$ 16</b>	<b>\$ 314,454</b>	<b>\$ (235,651)</b>	<b>\$ 1,534,563</b>	<b>\$ (119,905)</b>	<b>\$ (31,096)</b>	<b>\$ (75,089)</b>	<b>\$ 1,451,426</b>
<b>Balance, November 30, 2021</b>	<b>\$ 58,524</b>	<b>\$ 14</b>	<b>\$ 195,466</b>	<b>\$ (111,051)</b>	<b>\$ 1,584,978</b>	<b>\$ (162,757)</b>	<b>\$ (18,743)</b>	<b>\$ (73,502)</b>	<b>\$ 1,472,929</b>
<b>Comprehensive income</b>									
Net profit	—	—	—	—	52,293	—	—	—	52,293
<i>Other comprehensive income</i>									
Translation adjustments, net	—	—	—	—	—	1,334	—	—	1,334
Fair value adjustment on equity investments	—	—	—	—	—	—	—	15,571	15,571
Net gain on cash flow hedges and reclassifications to income statement, net of taxes	—	—	—	—	—	—	11,849	—	11,849
Total other comprehensive income	—	—	—	—	—	1,334	11,849	15,571	28,754
<b>Total comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>52,293</b>	<b>1,334</b>	<b>11,849</b>	<b>15,571</b>	<b>81,047</b>
<b>Balance, February 28, 2022</b>	<b>\$ 58,524</b>	<b>\$ 14</b>	<b>\$ 195,466</b>	<b>\$ (111,051)</b>	<b>\$ 1,637,271</b>	<b>\$ (161,423)</b>	<b>\$ (6,894)</b>	<b>\$ (57,931)</b>	<b>\$ 1,553,976</b>

See notes to the unaudited condensed consolidated interim financial statements.

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

	<u>Notes</u>	<u>For the Three Months Ended</u>	
		<u>February 28,</u> <u>2022</u>	<u>February 28,</u> <u>2021</u>
		(in thousands)	
<b>Cash generated from operations</b>	3	\$ 199,525	\$ 94,418
Interest paid		(26,010)	(24,606)
Debt issuance costs		(4,827)	(1,539)
Interest received		856	895
Income taxes (paid) received		(4,835)	2,958
<b>Net cash generated by operating activities</b>		<u>164,709</u>	<u>72,126</u>
<b>Cash flows from investing activities</b>			
Capital expenditures	6	(23,614)	(102,697)
Purchase of intangible assets	6	(844)	(1,108)
Proceeds from sale of assets		1,295	732
Investment in joint ventures and associates		(1,479)	(16,423)
Purchase of equity instruments		(10,000)	(3,000)
Repayment of advances to joint ventures and associates, net		1,236	2,500
Other, net		315	261
<b>Net cash used in investing activities</b>		<u>(33,091)</u>	<u>(119,735)</u>
<b>Cash flows from financing activities</b>			
(Decrease) increase in short-term bank loans	7	(40,000)	20,000
Proceeds from issuance of long-term debt	7	—	65,000
Repayment of long-term debt	7	(61,630)	(29,691)
Principal payments on leases		(11,180)	(10,083)
Dividends paid	5	(26,829)	(13,448)
<b>Net cash (used in) generated by financing activities</b>		<u>(139,639)</u>	<u>31,778</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(8,021)</u>	<u>(15,831)</u>
Effect of exchange rate changes on cash		(1,544)	1,107
Cash and cash equivalents at beginning of the period		<u>123,868</u>	<u>187,767</u>
<b>Cash and cash equivalents at the end of the period</b>		<u>\$ 114,303</u>	<u>\$ 173,043</u>

See notes to the unaudited condensed consolidated interim financial statements.

## STOLT-NIELSEN LIMITED

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

#### 1. Basis of Preparation

The unaudited condensed consolidated interim 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, 2021, to fully understand the current financial position of the Group.

#### *Going Concern*

The Group has current debt of \$452.6 million at February 28, 2022, which includes the repayment of the USD bond of \$175.0 million due in September 2022 and balloon payments on two tank container financings of \$138.2 million in May and November 2022. It also has capital expenditure commitments of \$74.8 million and working capital requirements. Along with future cash from operations and cash on hand of \$114.3 million, the Group has renewed the revolving credit facility for \$229.9 million with an expiration date in 2028 and has a \$100.0 million undrawn committed revolving credit facility expiring in December 2022. Also, subsequent to February 28, 2022, the Group entered into a \$128.0 million floating-rate borrowing agreement using a group of tank containers as collateral which will be drawn in May 2022.

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.

The recent ongoing war between Russia and Ukraine and related sanctions imposed could adversely affect global trade, including for products that we ship and store. The higher oil prices have resulted in increased bunker prices, a key cost component for Stolt Tankers. The Group employs crew and officers from both countries, and their availability is being impacted by the war.

Management is of the opinion, after considering its cash requirements and various downside scenarios, that the Company’s cash flows from operations 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. Therefore, the Group continues to adopt the going concern basis in preparing the Consolidated Financial Statements.

#### 2. Significant Accounting Policies

The accounting policies applied are consistent with those described in the Consolidated Financial Statements for the year ended November 30, 2021. No new IFRS became effective in the three months ended February 28, 2022 which had a material effect on the Group.



**STOLT-NIELSEN LIMITED**

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

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

	<u>For the Three Months Ended</u>	
	<u>February 28,</u>	<u>February 28,</u>
	<u>2022</u>	<u>2021</u>
	(in thousands)	
<b>Net profit</b>	<b>\$ 52,293</b>	<b>\$ 2,503</b>
Adjustments to reconcile net profit to net cash from operating activities:		
Depreciation of property, plant and equipment	67,205	70,935
Amortisation of intangible assets	1,078	1,096
Finance expense, net	30,945	32,527
Net periodic benefit expense of defined benefit pension plans	452	599
Income tax expense	7,740	2,195
Share of profit of joint ventures and associates	(13,788)	(9,009)
Fair value adjustment on biological assets	649	(1,317)
Foreign currency related loss (gain)	2,081	(1,184)
Unrealised bunker hedge gain	—	(251)
Gain on disposal of assets, net	(750)	(62)
<b>Changes in assets and liabilities, net of effect of acquisitions and divestitures:</b>		
Decrease in receivables	47,380	4,030
Decrease in inventories	1,082	241
Increase in biological assets	(1,687)	(1,894)
Increase in prepaid expenses and other current assets	(939)	(8,826)
Increase in accounts payable and other current liabilities	9,203	2,455
Contributions to defined benefit pension plans	(761)	(337)
Other, net	(2,658)	717
<b>Cash generated from operations</b>	<b><u>\$ 199,525</u></b>	<b><u>\$ 94,418</u></b>

**STOLT-NIELSEN LIMITED**

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

**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, 2021.

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

	<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, 2022</i>							
Operating revenue	\$ 314,528	\$ 66,079	\$ 195,262	\$ 30,006	\$ —	\$ 333	\$ 606,208
Depreciation and amortisation	(38,476)	(15,215)	(11,162)	(1,967)	—	(1,463)	(68,283)
Share of profit of joint ventures and associates	3,490	6,349	154	—	3,795	—	13,788
Operating profit (loss)	24,973	22,046	40,039	5,856	3,628	(4,732)	91,810
Finance expense (a)	(14,047)	(9,292)	(3,512)	(888)	(1,410)	(2,648)	(31,797)
Finance income	50	80	130	—	—	592	852
Profit (loss) before income tax	10,372	12,604	36,156	5,319	2,211	(6,629)	60,033
Income tax expense	(651)	(2,393)	(2,296)	(1,410)	—	(990)	(7,740)
Net profit (loss)	<u>9,721</u>	<u>10,211</u>	<u>33,860</u>	<u>3,909</u>	<u>2,211</u>	<u>(7,619)</u>	<u>52,293</u>
Capital expenditures (b)	5,416	13,937	5,382	549	—	1,078	26,362
<i>As of February 28, 2022</i>							
Investments in and advances to joint ventures and associates	237,504	278,726	25,583	—	90,122	—	631,935
Segment assets	<u>2,106,669</u>	<u>1,317,884</u>	<u>593,893</u>	<u>140,303</u>	<u>144,499</u>	<u>327,376</u>	<u>4,630,624</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 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	<u>(3,284)</u>	<u>5,817</u>	<u>4,434</u>	<u>195</u>	<u>(856)</u>	<u>(3,803)</u>	<u>2,503</u>
Capital expenditures (b)	89,820	10,013	2,749	1,350	—	618	104,550
<i>As of November 30, 2021</i>							
Investments in and advances to joint ventures and associates	233,184	273,913	25,312	—	79,497	—	611,906
Segment assets	<u>2,247,553</u>	<u>1,308,142</u>	<u>590,411</u>	<u>143,800</u>	<u>113,690</u>	<u>232,613</u>	<u>4,636,209</u>

- (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 assets.

**STOLT-NIELSEN LIMITED**

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

The following table sets out the key elements of the sources of revenue:

	Tankers	Terminals	Tank Containers	Stolt Sea Farm	Other	Total
<i>For the three months ended February 28, 2022</i>						
Revenue recognised over time:						
Freight revenue	\$ 266,676	\$ –	\$ 150,221	\$ –	\$ –	\$ 416,897
Storage and throughput revenue	–	44,047	–	–	–	44,047
	<u>266,676</u>	<u>44,047</u>	<u>150,221</u>	<u>–</u>	<u>–</u>	<u>460,944</u>
Revenue recognised at a point in time:						
Demurrage and ancillary revenue	47,852	–	45,041	–	–	92,893
Turbot and sole	–	–	–	30,006	–	30,006
Rail revenue	–	5,735	–	–	–	5,735
Utility revenue	–	7,207	–	–	–	7,207
Dock, product handling and other revenue	–	9,090	–	–	333	9,423
	<u>47,852</u>	<u>22,032</u>	<u>45,041</u>	<u>30,006</u>	<u>333</u>	<u>145,264</u>
	<u>\$ 314,528</u>	<u>\$ 66,079</u>	<u>\$ 195,262</u>	<u>\$ 30,006</u>	<u>\$ 333</u>	<u>\$ 606,208</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>

**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.

	Founder's Shares par value \$0.001 per share	Common Shares par value \$1 per share
<b>Balance at February 28, 2022:</b>		
Shares Issued	14,630,949	58,523,796
Less Treasury Shares	(1,250,000)	(5,000,000)
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 up to the date of this report, leaving \$8.7 million available for future purchases.

**Dividends**

On February 24, 2022, the Company's Board of Directors recommended a final dividend for 2021 of \$0.50 per Common share, to be voted on at the Group's Annual General Meeting ("AGM") for shareholders to be held on April 21, 2022. If confirmed by the AGM, the dividend will be paid on May 11, 2022 to shareholders of record as of April 27, 2022.

On November 3, 2021, the Company's Board of Directors declared an interim dividend of \$0.50 per Common share and \$0.005 per Founder's share to shareholders of record as of November 10, 2021. The total amount of the dividend was \$26.8 million, which was classified as an interim dividend and paid on December 2, 2021.

## STOLT-NIELSEN LIMITED

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

On February 11, 2021, the Company's Board of Directors recommended a final dividend for 2020 of \$0.25 per Common share payable on May 5, 2021 to shareholders of record as of April 22, 2021. The dividend was approved at the Group's AGM for shareholders held on April 15, 2021 in Bermuda. The total amount of the dividend was \$13.4 million and paid on May 5, 2021.

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

During the three months ended February 28, 2022, the Group spent \$23.6 million on property, plant and equipment. Cash spent during the quarter primarily reflected (a) \$2.8 million on tankers capital expenditures, (b) \$3.4 million on drydocking of ships, (c) \$10.9 million on terminal capital expenditures, including \$0.1 million of capitalised interest, (d) \$5.4 million on construction at STC depots and acquisition of tank containers and (e) \$0.8 million on Stolt Sea Farm capital expenditures.

During the three months ended February 28, 2022, \$11.1 million right-of-use assets have been capitalised, net of retirements.

During the three months ended February 28, 2022, the Group spent \$0.8 million on intangible assets, mainly on computer software. Revaluation for foreign exchange differences on goodwill and other intangibles was a loss of \$0.2 million in the same period.

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

	Cashflows	
	For the Three Months Ended	
	February 28, 2022	February 28, 2021
	(in thousands)	
(Decrease) increase in short-term bank loans	\$ (40,000)	\$ 20,000
Proceeds from issuance of long-term debt	–	65,000
Repayment of long-term debt	(61,630)	(29,691)

Short-term bank loans consist of debt obligations to banks under uncommitted lines of credit and bank overdraft facilities. As of February 28, 2022, the Group had available undrawn committed credit lines of \$329.9 million.

Long-term debt consists of debt collateralised by mortgages on the Group's ships, tank containers and terminals, as well as \$464.2 million unsecured bond financing at February 28, 2022.

The increase in the repayment of long-term debt for the three months ended February 28, 2022 was due to the repayment of the \$30.5 million term loan secured by the *Stolt Groenland* in the first quarter of 2022. This was the result of the Group settling with its hull and machinery insurers for claims on the *Stolt Groenland*, which had an explosion onboard in 2019.

On February 16, 2022, the Group entered into a sustainability-linked secured loan agreement for \$415.0 million, consisting of a term loan of \$180.9 million and a revolving credit line of \$234.1 million. The loan syndication was with 14 banks and led by three bookrunners: Nordea Bank Abp, Danske Bank A/S and DNB (UK) Limited. It expires on February 16, 2028 and is secured by 19 ships. The Group drew down on the term loan on March 15, 2022 to fully repay the loan with Export and Import Bank of China and Standard Chartered Bank ("CEXIM").

The Group remains in compliance with all financial covenants.

#### 8. Long-term Insurance Claims Receivables and Provisions

At February 28, 2022, substantially all of the Long-term insurance claims receivables and Long-term provisions related to the civil action as a result of the fire on the *MSC Flaminia*.

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.

#### 9. 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

**STOLT-NIELSEN LIMITED**

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

value, thus the estimates provided herein are not necessarily indicative of the amounts that could be realised in a current market exchange:

	February 28, 2022		November 30, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(in thousands)			
<b>Financial Assets (Amortised Cost):</b>				
Cash and cash equivalents	\$ 114,306	\$ 114,306	\$ 123,868	\$ 123,868
Restricted cash	6,098	6,098	6,096	6,096
Receivables	296,985	296,985	344,347	344,347
Other current assets	39,478	39,478	54,351	54,351
Long-term receivable from joint ventures	40,536	40,536	34,725	34,725
<b>Financial Assets (Fair Value):</b>				
Investments in equity instruments	63,479	63,479	37,873	37,873
<b>Financial Liabilities (Amortised Cost):</b>				
Accounts payables (excluding withholding and value-added tax)	107,853	107,853	102,704	102,704
Accrued expenses	256,631	256,631	249,232	249,232
Dividend payable	—	—	26,829	26,829
Short-term bank loans and long-term debt including current maturities (excluding debt issuance costs)	2,155,681	2,288,100	2,249,803	2,386,211
Lease liabilities including current maturities	223,564	223,564	210,450	210,450
<b>Derivative Financial Instruments (Fair Value):</b>				
<i>Assets</i>				
Foreign exchange forward contracts	67	67	6	6
Interest rate swaps	247	247	—	—
Cross-currency interest rate swaps	17,720	17,720	7,451	7,451
	<u>\$ 18,034</u>	<u>\$ 18,034</u>	<u>\$ 7,457</u>	<u>\$ 7,457</u>
<i>Liabilities</i>				
Foreign exchange forward contracts	771	771	2,649	2,649
Interest rate swaps	10,507	10,507	14,556	14,556
Cross-currency interest rate swaps	—	—	972	972
	<u>\$ 11,278</u>	<u>\$ 11,278</u>	<u>\$ 18,177</u>	<u>\$ 18,177</u>

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, short-term bank loans 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 \$27.0 million and \$24.2 million, as of February 28, 2022 and November 30, 2021, 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, 2022 and November 30, 2021, respectively, using the discounted cash flow methodology. The fair values of the Group's foreign exchange contracts are based on their estimated market values as of February 28, 2022 and November 30, 2021, 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, 2022 and November 30, 2021, respectively.

**STOLT-NIELSEN LIMITED**

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

*Derivatives*

The Group had derivative assets of \$18.0 million and \$7.5 million as of February 28, 2022 and November 30, 2021 respectively, and derivative liabilities of \$11.3 million and \$18.2 million as of February 28, 2022 and November 30, 2021, 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, 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, 2022 and November 30, 2021, respectively. Derivative financial instruments are measured using inputs other than quoted values. There were no changes in the valuation techniques since November 30, 2021.

No bunker hedge gains or losses were recorded for the three months ended February 28, 2022 or 2021. At February 28, 2022 and November 30, 2021, there were no bunker fuel swap contracts outstanding.

*Investments in equity instruments*

The Group's investments in Golar LNG Limited ("Golar"), Ganesh Benzoplast Limited ("GBL") and Cool Company Limited ("CoolCo") 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:

	<u>For the Three Months Ended</u>	
	<u>February 28,</u> <u>2022</u>	<u>February 28,</u> <u>2021</u>
(in thousands)		
<b>Golar</b>		
Number of equity shares	2,673	2,673
Percentage of shareholding	2.5%	2.5%
Share price at end of period	\$17.40	\$11.29
Gain on FVTOCI	\$ 14,967	5,973
Cumulative loss on FVTOCI	(59,879)	(76,210)
Value of investment	\$ 46,505	\$ 30,175
<b>GBL</b>		
Number of equity shares	6,111	6,111
Percentage of shareholding	9.8%	9.8%
Share price at end of period	\$1.27	\$1.02
Gain on FVTOCI	\$ 1,417	1,121
Cumulative gain on FVTOCI	2,761	1,121
Value of investment	\$ 7,787	\$ 6,258
<b>CoolCo</b>		
Number of equity shares	1,000	—
Percentage of shareholding	2.5%	—
Share price at end of period	\$9.19	—
Loss on FVTOCI	\$ (813)	\$ —
Cumulative loss on FVTOCI	(813)	—
Value of investment	\$ 9,187	\$ —
<b>Total</b>		
Gain on FVTOCI	\$ 15,571	\$ 7,094
Cumulative loss on FVTOCI	(56,989)	(75,089)
Value of investment	\$ 63,479	\$ 36,433

On February 1, 2022, the Group acquired 1.0 million shares or 2.5% of CoolCo for \$10.0 million. CoolCo is listed on the Oslo Stock Exchange.

## STOLT-NIELSEN LIMITED

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

#### 10. Commitments and Contingencies

As of February 28, 2022 and November 30, 2021, the Group had total capital expenditure commitments outstanding of approximately \$74.8 million and \$75.7 million, respectively. At February 28, 2022, \$10.4 million of the total was related to installments on a barge newbuilding. In addition, the Group has committed to other tankers projects of \$4.2 million, terminal projects of \$37.6 million and tank container projects of \$22.1 million. Of the total purchase commitments at February 28, 2022, \$67.9 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 \$60.3 million of total capital expenditure commitments on February 28, 2022. This amount included commitments for Avenir LNG of \$37.0 million which includes one 20,000 cbm LNG newbuilding. A deed of indemnity has been entered into by the Founding Shareholders, which limits the Group's recourse to \$17.6 million. The remaining \$1.9 million of Avenir LNG commitments is without recourse to the Group. Further joint venture commitments include \$23.3 million for the terminal joint ventures, which are without recourse to the Group. Of the total purchase commitments at February 28, 2022 for joint ventures and associates, \$59.7 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, 2021. There have been no significant changes that have occurred since that date.

#### 11. 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, 2021. There have been no significant changes to any ongoing legal proceedings since that time, except as discussed below. The Group believes that the ongoing legal proceedings are unlikely to have a material adverse effect on its business or financial condition.

In regard to the Stolt Tank Containers B.V. civil action as a result of a July 2012 fire on the MSC Flaminia, there have been no significant changes other than the move of the final phase of the trial (Phase 3) to assess the quantum of recoverable damages to the fourth quarter of 2022, rather than an unspecified date in 2022.

##### *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.

#### 12. 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 as well as during the third quarter during the summer season. 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 Tankers' 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

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

#### 13. Subsequent Events

On March 2, 2022, the Group signed a \$128.0 million floating-rate borrowing agreement using a group of tank containers as collateral. The agreement is with ING Bank N.V. and a group of private investors for six and one-quarter years. There are 26 equal payments and at the end of the agreement, the Group has an option to purchase the tank containers by paying a fixed amount. As the option to repurchase was virtually certain to be exercised by the Group at the date of the borrowing, the transaction has been treated as collateralised debt. Cash will be drawn on this facility subsequent to the May 2022 balloon payment of the May 2016 tank container financing, at which time the interest rate will be locked in.

On March 15, 2022, the Group drew \$180.9 million on the sustainability-linked secured loan to fully repay the loan with CEXIM. At the same time, the Group swapped the floating interest of the term loan into a fixed rate. With the repayment of the CEXIM loan, the Group incurred break costs and expensed debt issuance costs of \$3.3 million, which will be recognized in the second quarter. The new loan is a four and one-half year term loan with semi-annual payments.

On March 7, 2022, the Group had acquired enough shares to pass the 5% ownership threshold in Odfjell SE (“Odfjell”) class A shares, triggering a notification obligation to the Oslo Stock Exchange. As of the date of this report, the Group owned 3,367,973 class A shares and 5,055 class B shares, equal to approximately 5.13% of the voting rights. Odfjell is listed on the Oslo Stock Exchange.



**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, 2021 to February 28, 2022 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.

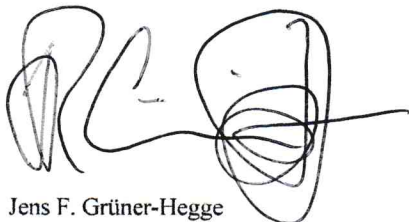
Legislation in Bermuda governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

London  
March 30, 2022

Signed for and on behalf of the Board of Directors



Nils G. Stolt-Nielsen  
*Chief Executive Officer*



Jens F. Grüner-Hegge  
*Chief Financial Officer*