

STENA AB (publ.)

Restricted Group Data as of December 31, 2021



Please note that this report only consists of Restricted Group Data. All other customary information can be found in the Stena AB Group Annual Report.



Stena AB and Consolidated Subsidiaries

Significant Events of 2021 – Restricted Group

Ferry Operations

As per 1 January 2021 Brexit was implemented in the UK, which has not had a significant impact on the Stena Group operation.

In February 2021 *Stena Embla* entered into traffic on the route Belfast–Birkenhead.

In July 2021 the prolonged vessel *Stena Scandica* entered into traffic on the Nynäshamn–Ventspils route and *Stena Baltica* entered into traffic on the same route in January 2022. These vessels replaced the chartered in vessel Scottish Viking, which was delivered back to the owners and *Stena Flavia*, which is now on the Travemünde–Liepaja route together with the chartered in vessel *Stena Livia*.

In September 2021, Stena Line bought the British online ferry ticket and customs clearance company Freightlink. The acquisition enables Stena Line to support the wider market with customs clearance services in light of Brexit. It also allows Stena Line to step into the online ticket market and broaden its product offering.

Offshore Drilling

On 5 March 2021, a London Arbitration Tribunal determined certain issues in dispute between Stena Atlantic Limited (“Stena”) and Samsung Heavy Industries Co, Ltd (“SHI”) over the construction of a harsh environment semi-submersible drilling unit, formerly known as “*Stena MidMAX*”. The Tribunal determined that Stena’s termination of the Contract was valid and in doing so dismissed all claims by SHI against Stena. The Tribunal also ordered payment by SHI to Stena of the minimum sum of USD411 million, which has been received, by way of refundment of Stena’s pre-delivery payments plus further amounts in respect of interest and project costs. Stena also recovered further significant sums in respect of its financing costs and legal costs during 2021. Stena Drilling has entered a purchase option agreement with Samsung Heavy Industries for one of their undelivered drill ships. The option to buy the unit will be exercised if a suitable contract is secured.

During 2021 Stena Drilling secured the following new contracts for its fleet of drilling units;

In April, the term of the contracts with Esso Exploration and Production Guyana Limited for *Stena Carron* and *Stena DrillMAX* for work in Guyana was extended.

In April, a contract was signed for *Stena Don* with Hurricane Energy PLC for 15 days.

In May, a contract was signed for *Stena IceMAX* with FAR Gambia Limited for a one well campaign.

In June, a contract was signed for *Stena IceMAX* with Energean Israel Limited for three firm wells plus two options.

In September, a contract was signed for *Stena Don* with Chariot Limited for a one well campaign.

In October, the term of the contracts with Esso Exploration and Production Guyana Limited for *Stena Carron* and *Stena DrillMAX* for work in Guyana was extended to 31 December 2022.

In November, a contract was signed for *Stena Forth* with ExxonMobil Canada Ltd for a one well campaign in Canada commencing in Q2 2022.

In December, a contract was signed for *Stena Don* with Petrofac Facilities Management Limited for a one well campaign commencing in Q3 2022.

In December, a further contract was signed for *Stena Spey* with Total Energies E&P UK Limited for abandonment operations on four wells commencing in Q1 2022.

Shipping – Stena Bulk

In March 2021, *Stena Concert* was sold to its new undisclosed owners.

In August 2021, time charter agreements for five years were entered into with Concordia Maritime regarding all ten P-MAX vessels in their fleet.

In October 2021, *Stena Conqueror* was sold to an undisclosed owner.

In October 2021, *Stena Weco Impulse* was sold and chartered back to Stena Bulk on a five year bareboat contract with an option for four additional years.



Stena AB and Consolidated Subsidiaries

Shipping – Stena RoRo

In March 2021 the vessel *Stena Nova* was sold and delivered to its new undisclosed owners.

In May 2021, the RoPax vessel *Côte d’Opale* was delivered by the CMI Jinling Weihai shipyard. *Côte d’Opale* was simultaneously delivered to the Danish shipping and logistic company DFDS on a long term bareboat charter.

In July 2021, Stena ordered three additional three E-Flexer RoPax vessels from the CMI Jinling Weihai shipyard. In total 12 E-Flexer RoPax vessels have now been ordered. One of the new orders will be chartered out to Marine Atlantic for five years and is expected to be delivered during 2024. The other two orders are expected to be delivered during 2024 and 2025 and will be chartered out for ten years to the French ferry operator Brittany Ferries.

In November 2021, the vessel *Mont Ventoux* was sold to CMA CGM, who previously chartered the vessel for 16 years.

The RoPax vessel *Salamanca* was delivered in November 2021 by the CMI Jinling Weihai shipyard. *Salamanca* was simultaneously delivered to the French ferry operator Brittany Ferries.

In December 2021, the vessel *Stena Saga* was delivered to Bridgemans International, Hong Kong, to serve as accommodation vessel in the Philippines.

The RoPax vessel *Sassnitz* was divested during the year.

Other

In August 2021, S&L Access Systems AB, owned by Stena AB, which developed the Salamander Quick Lift Crane Technology featuring a new top crane technology enabling heavy lifts on hub heights beyond 200 meters, partnered up with Vestas. Vestas now owns 20% in S&L Access Systems AB.

Subsequent Events

In January 2022, the Rotterdam Europoort freight service relocated from Killingholme to the Port of Immingham. Also, Stena Line signed a new agreement with Associated British Ports (ABP) to jointly develop a new freight terminal at the Port of Immingham. The agreement to operate the facility is for 50 years.

In February 2022 a new route was opened on the Baltic Sea from Nynäshamn in Sweden to Hangö in Finland. It is operated by the vessel *Urd* in the starting phase and planned to be joined by the vessel *Stena Gothica* as of May 2022.

The current conflict between Russia and Ukraine has, in the short perspective, had no major effect on the Stena Group operations. The long term effects will most likely be limited, as long as the conflict is geographical contained. Should this change, the effect on the business can be extensive.



Stena AB and Consolidated Subsidiaries

Currency Effects

Our revenues and expenses, reported in Swedish kronor, are significantly affected by fluctuations in currency exchange rates, primarily relative to the U.S. dollar, the British pound and the Euro. We seek to mitigate the impact of potential adverse foreign currency exchange fluctuations by matching, to a possible extent, revenues and expenses in the same currency. In addition, we enter into certain derivative financial instruments.

<i>Average rates:</i>	January – December 2019	January – December 2020	Change	January – December 2021	Change
US \$	9.4604	9.2037	-3%	8.5815	-7%
British pound.....	12.0658	11.7981	-2%	11.8022	-
Euro.....	10.5892	10.4867	-1%	10.1449	-3%
 <i>Closing rates:</i>	 As of 31 Dec 2019	 As of 31 Dec 2020	 Change	 As of 31 Dec 2021	 Change
US \$	9.3650	8.2273	-12%	9.0542	10%
British pound.....	12.4152	11.2467	-9%	12.2521	9%
Euro.....	10.5010	10.0505	-4%	10.2946	2%

Other financial information – Restricted Group

For the twelve months ended 31 December 2021, Restricted Group Data represent the selected consolidated financial information excluding (i) the property business segment, (ii) the business segment of Adactum, whose activities consist primarily of investing in companies outside our traditional lines of business, and (iii) our subsidiaries Stena Investment Luxembourg S.à.r.l., Stena Investment Cyprus Ltd and Mondaldi Ltd. Our real estate operations and the business of Adactum are conducted through various subsidiaries. For purposes of the indentures under which our Senior Notes were issued, real estate business and Investments, Adactum, together with our subsidiaries Stena Investment Luxembourg S.à.r.l., Stena Investment Cyprus Ltd and Mondaldi Ltd, are designated as unrestricted subsidiaries and, as a result, are not bound by the restrictive provisions of the bond indentures.

As of 31 December 2021, Stena had outstanding USD 393 million principal amounts of Senior Notes due 2024 and USD 350 million principal amounts of Senior Secured Notes due 2024, USD 350 million principal amounts of Senior Notes due 2025 and EUR 315 million principal amounts of Senior Notes due 2025. Stena AB and its affiliates may from time to time repurchase or otherwise trade in its own bonds in open market transactions.

Stena Holland BV has received a dividend from Stena Realty BV amounting to EUR 189 million.

Stena AB has received dividends from Stena Fastigheter AB amounting to SEK 1,000 million.

Stena AB has received a dividend from Adactum AB amounting to SEK 348 million.

Stena Realty Estate BV has received a dividend from Stena DOF Investments BV amounting to EUR 35 million.

Stena International S.A. has received a dividend from Stena Investment SARL amounting to EUR 46 million.

Change in application of capitalised lease obligations

As stated in Note 19 of the Stena AB's annual report 2020, sale and lease back contracts with a repurchase agreement clause were included in capitalised lease obligations. From 1 January 2021 these liabilities have been reclassified to long- and short term debt in the balance sheet with the corresponding amounts of SEK 9,615 million and SEK 957 million respectively as per 31 December 2020.



Stena AB and Consolidated Subsidiaries

Condensed Consolidated Income Statements – Restricted Group

(SEK in million) (unaudited)	Twelve month period ended 31 December		
	2019	2020	2021
Revenue:			
Ferry operations.....	14,286	10,362	12,354
Offshore Drilling.....	2,440	1,332	2,513
Shipping.....	8,728	10,752	10,864
Other	4	36	23
Total revenue	<u>25,458</u>	<u>22,482</u>	<u>25,754</u>
Net gain on sales of non-current assets	171	-82	473
Total other income	171	-82	473
Direct operating expenses:			
Ferry operations.....	-9,482	-7,766	-7,827
Offshore Drilling.....	-1,755	-1,726	-2,192
Shipping.....	-6,489	-7,552	-8,455
Other	354	27	-23
Total direct operating expenses.....	<u>-17,372</u>	<u>-17,017</u>	<u>-18,497</u>
Selling and administrative expenses	-3,082	-3,012	-2,789
Net result from investments in operating associates	-128	-62	-92
Depreciation, amortisation and impairment	<u>-6,920</u>	<u>-7,202</u>	<u>-6,807</u>
Total operating expenses.....	-27,502	-27,293	-28,185
Operating profit.....	<u>-1,873</u>	<u>-4,893</u>	<u>-1,958</u>
Net financial income and expenses:			
Dividends received	1,564	3,255	4,137
Gains/losses on sale of securities	392	-689	111
Interest income.....	503	264	256
Interest expense.....	-2,449	-2,157	-1,767
Exchange gains/losses.....	74	-21	-1
Other finance income/costs.....	<u>-200</u>	<u>-256</u>	<u>-390</u>
Financial net.....	<u>-116</u>	<u>396</u>	<u>2,346</u>
Profit after financial net	-1,989	-4,497	388
Non-controlling interest	12	-25	-34
Group contribution.....	3	56	71
Profit before tax	<u>-1,974</u>	<u>-4,466</u>	<u>425</u>
Income taxes	454	715	383
Profit for the year	<u>-1,520</u>	<u>-3,751</u>	<u>808</u>



Stena AB and Consolidated Subsidiaries

Condensed Consolidated Balance Sheets – Restricted Group

(SEK in million) (unaudited)	31 December 2019	31 December 2020	31 December 2021
ASSETS			
<i>Non-current assets:</i>			
Intangible assets	<u>2,300</u>	<u>2,303</u>	<u>2,512</u>
Property, plant and equipment:			
Vessels	39,919	36,012	43,502
Construction in progress	3,074	1,752	2,282
Equipment	2,678	2,398	2,249
Ports	4,188	4,497	4,711
Land and buildings	<u>1,047</u>	<u>1,275</u>	<u>1,284</u>
Total property, plant and equipment	<u>50,906</u>	<u>45,934</u>	<u>54,028</u>
Financial assets:			
Marketable securities	235	258	1,200
Intercompany accounts, non-current	1,052	1,048	1,210
Other non-current assets	<u>15,836</u>	<u>16,676</u>	<u>17,330</u>
Total non-current assets	<u>70,329</u>	<u>66,219</u>	<u>76,280</u>
<i>Current assets:</i>			
Inventories	498	349	580
Trade receivables	2,280	2,176	3,092
Other current receivables	6,099	5,352	2,964
Prepayments and accrued income	1,726	999	1,498
Short-term investments	2,302	1,629	2,123
Intercompany accounts, current	4,514	1,855	1,613
Cash and cash equivalents	2,348	1,259	1,372
Assets held for sale	-	658	-
Total current assets	<u>19,767</u>	<u>14,277</u>	<u>13,242</u>
Total assets	<u>90,096</u>	<u>80,496</u>	<u>89,522</u>
EQUITY AND LIABILITIES			
<i>Equity:</i>			
Share Capital	5	5	5
Reserves	<u>30,917</u>	<u>27,348</u>	<u>31,963</u>
Equity attributable to shareholders of the company	<u>30,922</u>	<u>27,353</u>	<u>31,968</u>
Non-controlling interest	<u>147</u>	<u>206</u>	<u>244</u>
Total equity	<u>31,069</u>	<u>27,559</u>	<u>32,212</u>
<i>Non-current liabilities:</i>			
Deferred tax liabilities	1,153	972	1,303
Pension liabilities	587	587	607
Other provisions	1	1	25
Long-term debt	22,061	21,897	23,627
Senior notes	8,212	13,260	13,136
Capitalized lease obligations	8,091	1,722	4,773
Intercompany accounts, non-current	5,140	1,904	-
Other non-current liabilities	<u>1,360</u>	<u>1,953</u>	<u>1,366</u>
Total non-current liabilities	<u>46,605</u>	<u>42,296</u>	<u>44,837</u>
<i>Current liabilities:</i>			
Short-term debt	1,654	3,337	2,800
Senior notes	2,100	-	-
Capitalized lease obligations	1,403	586	1,325
Trade payables	1,141	1,029	1,591
Tax liabilities	30	51	84
Other liabilities	2,017	1,483	2,349
Intercompany liabilities, current	246	683	783
Accruals and deferred income	3,831	3,472	3,541
Total current liabilities	<u>12,422</u>	<u>10,641</u>	<u>12,473</u>
Total equity and liabilities	<u>90,096</u>	<u>80,496</u>	<u>89,522</u>



Stena AB and Consolidated Subsidiaries

Condensed Consolidated Statements of Cash Flow – Restricted Group

(SEK in million) (unaudited)	Twelve month period ended 31 December		
	2019	2020	2021
<i>Cash flows from operating activities:</i>			
Profit for the year	-1,520	-3,751	808
Adjustments to reconcile profit for the year to net cash provided by operating activities:			
Depreciation, amortisation and impairment	6,920	7,202	6,807
Gain on sale of non-current assets	-171	82	-473
Gains/losses on securities, net.....	-392	689	-111
Exchange differences, unrealized.....	-446	1,054	-346
Deferred income taxes	-535	-260	-542
Other non-cash items	-352	476	477
Pensions	-224	-208	-105
Dividend from Unrestricted group	-1,539	-3,200	-4,085
Dividend from operational associates	27	44	79
Investment and disposals in operational associates.....	-147	0	0
Net cash flows from trading securities.....	1,046	210	-337
Changes in working capital.....	<u>-485</u>	<u>403</u>	<u>1,980</u>
Cash flow from operating activities	2,182	2,741	4,152
<i>Cash flows from investing activities:</i>			
Capital expenditure of intangible assets.....	-229	-66	-107
Sale of property, plant and equipment	235	104	1,680
Capital expenditure on property, plant and equipment.....	-3,522	-3,861	-4,006
Purchase of operations, net of cash acquired	-293	-208	-669
Sale of securities	1,130	27	341
Purchase of securities.....	-745	-76	-1,300
Increase in other non-current assets	-251	-269	-807
Decrease in other non-current assets.....	37	253	72
Other investing activities	<u>-168</u>	<u>-35</u>	<u>125</u>
Cash flow from investing activities.....	-3,806	-4,131	-4,671
<i>Net cash flows from financing activities:</i>			
Proceeds from issuance of debt.....	625	7,686	1,591
Principal payments on debt.....	-4,731	-11,457	-4,733
Net change in borrowings on line-of-credit agreements	4,942	48	2,022
New lease obligations	3,413	4,684	5
Principal payments on capital lease obligations.....	-1,563	-1,912	-1,139
Net change in restricted cash accounts.....	6	240	281
Intercompany accounts	-1,018	-1,601	-1,491
Dividend received from Unrestricted group.....	1,539	3,200	4,085
Dividend paid.....	-90	0	0
Other financing activities	<u>-86</u>	<u>-465</u>	<u>-51</u>
Cash flow from financing activities	3,037	423	570
Effect of exchange rate changes on cash and cash equivalents	<u>27</u>	<u>-122</u>	<u>62</u>
Change in cash and cash equivalents	1,440	-1,089	113
Cash and cash equivalents at beginning of period.....	908	2,348	1,259
Cash and cash equivalents at end of period.....	<u>2,348</u>	<u>1,259</u>	<u>1,372</u>