



# INTERIM REPORT

1 January – 30 September 2023



## INTERIM REPORT FOR THE NINE-MONTH PERIOD, 1 JANUARY - 30 SEPTEMBER 2023

- **CONSOLIDATED EBITDA** for the nine-month period ended 30 September 2023 amounted to SEK 10,904 (10,551) million.
- **CONSOLIDATED OPERATIONAL EBITDA**, excluding net gain on sale of assets and change in fair value of investment properties, for the nine-month period ended 30 September 2023 amounted to SEK 10,902 (9,560) million.
- **THE RESULT BEFORE TAXES** amounted to SEK 2,434 (2,418) million for the nine-month period ended 30 September 2023.
- **THE LIQUIDITY POSITION** remains healthy. As per 30 September 2023 available liquidity amounted to SEK 25.6 billion.

### FERRY OPERATION

Travel volumes remain strong after the exceptional post-covid 2022, offset by a softer freight market and increased costs compared to last year.

### OFFSHORE DRILLING

Strong contract coverage ahead. Increased EBITDA compared to last year due to more operating days together with higher charter rates.

### SHIPPING

Increased operational EBITDA as a result of higher rates within Tanker operations together with increased operational EBITDA within the RoRo segment due to larger fleet in operation compared to the same period last year.

### PROPERTY

Continued stable performance. Operational EBITDA increased slightly compared to last year mainly due to lower operating cost and higher rental income. The fair value of investment properties has been adjusted positively by SEK 90 million, i.e. 0.2% of the total property portfolio due to value adding activities and completion of projects.

### NEW BUSINESSES

Strong performance in Envac offset by decreased operational EBITDA in the consumer focus business of Ballingslöv and Blomsterlandet.

*Göteborg, 29 November 2023*

*Annika Hult*

*Deputy CEO and Principal Financial Officer*



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### FORWARD-LOOKING STATEMENTS

This Interim Report includes statements that are, or may be deemed to be, forward-looking statements and can be identified as “forward-looking statements” by terms and phrases such as “anticipate,” “should,” “likely,” “foresee,” “believe,” “estimate,” “expect,” “intend,” “continue,” “could,” “may,” “project,” “plan,” “predict,” “will” and other similar expressions. These forward-looking statements include all matters that are not historical facts.

We do not intend, and undertake no obligation, to revise the forward-looking statements included in this report to reflect any future events or circumstances. Our actual results, performance or achievements could differ materially from the results expressed or implied by these forward-looking statements.



## CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED)

(SEK in million)	Three-month period ended 30 Sep		Nine-month period ended 30 Sep	
	2023	2022	2023	2022
<b>Revenue</b>				
Ferry Operations	5,964	5,611	14,714	13,535
Offshore Drilling	1,681	1,309	4,321	3,046
Shipping	4,060	4,680	12,640	12,102
Property	789	1,193	2,548	2,906
New Businesses	1,901	2,028	6,561	6,820
Other		2	26	13
<b>Total revenue</b>	<b>14,395</b>	<b>14,823</b>	<b>40,810</b>	<b>38,422</b>
Net result on sale of operations	-101	24	-88	93
<b>Total other income</b>	<b>-101</b>	<b>24</b>	<b>-88</b>	<b>93</b>
Change in fair value of investment properties		398	90	897
<b>Total income, net result on sale of operations and change in fair value of investment properties</b>	<b>-101</b>	<b>422</b>	<b>2</b>	<b>990</b>
<b>Direct operating expenses</b>				
Ferry Operations	-3,691	-3,191	-9,893	-8,421
Offshore Drilling	-512	-658	-2,139	-1,964
Shipping	-2,625	-3,114	-7,821	-8,313
Property	-173	-537	-801	-1,269
New Businesses	-1,407	-1,555	-4,780	-5,112
Other	1	5		2
<b>Total direct operating expenses</b>	<b>-8,407</b>	<b>-9,050</b>	<b>-25,434</b>	<b>-25,077</b>
Selling and administrative expenses	-1,443	-1,191	-4,474	-3,784
Profit/loss from investments in operating associates	14	110	71	-63
Depreciation, amortisation and impairment	-2,039	-2,015	-6,037	-5,693
<b>Total operating expenses</b>	<b>-11,875</b>	<b>-12,146</b>	<b>-35,874</b>	<b>-34,617</b>
<b>Operating profit/loss</b>	<b>2,419</b>	<b>3,099</b>	<b>4,938</b>	<b>4,795</b>
Profit/loss from investments in strategic associates	18	-139	52	-149
Dividends received	18	-122	73	84
Gains/losses on sale of securities	-16	-56	91	-107
Interest income	129	104	368	243
Interest expenses	-908	-770	-2,799	-2,091
Exchange gains/losses	-6	-74	-12	-70
Other finance income/costs	-112	-92	-277	-287
<b>Financial net</b>	<b>-877</b>	<b>-1,149</b>	<b>-2,504</b>	<b>-2,377</b>
<b>Profit/loss before tax</b>	<b>1,542</b>	<b>1,950</b>	<b>2,434</b>	<b>2,418</b>
Income taxes	-558	-486	-1,048	-805
<b>Profit/loss for the period</b>	<b>984</b>	<b>1,464</b>	<b>1,386</b>	<b>1,613</b>
<b>Profit/loss for the period attributable to:</b>				
Shareholders of the Parent company	960	1,460	1,394	1,591
Non-controlling interests	24	4	-8	22
<b>Profit/loss for the period</b>	<b>984</b>	<b>1,464</b>	<b>1,386</b>	<b>1,613</b>

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(SEK in million)	Three-month period ended 30 Sep		Nine-month period ended 30 Sep	
	2023	2022	2023	2022
<b>Profit/loss for the period</b>	<b>984</b>	<b>1,464</b>	<b>1,386</b>	<b>1,613</b>
<b>Other comprehensive income</b>				
<i>Items that may subsequently be reclassified to profit or loss</i>				
Change in fair value reserve, net of tax	21	-8	20	-80
Change in hedging reserve, net of tax	1,386	1,123	721	4,605
Change in translation reserve	-207	-176	696	131
Share of other comprehensive income of associates	-21	63	90	166
<i>Items that will not be reclassified to profit or loss</i>				
Change in fair value reserve, net of tax	51	-62	49	-92
Change in revaluation reserve, net of tax	-86	18	147	-103
Remeasurements of post-employment benefit obligations	230	625	244	625
Share of other comprehensive income of associates	-3	-45	-22	45
<b>Other comprehensive income for the period</b>	<b>1,371</b>	<b>1,538</b>	<b>1,945</b>	<b>5,297</b>
<b>Total comprehensive income for the period</b>	<b>2,355</b>	<b>3,002</b>	<b>3,331</b>	<b>6,910</b>
<b>Total comprehensive income attributable to:</b>				
Shareholders of the Parent company	2,381	3,002	3,338	6,891
Non-controlling interests	-26	0	-7	19
<b>Total comprehensive income for the period, net of tax</b>	<b>2,355</b>	<b>3,002</b>	<b>3,331</b>	<b>6,910</b>

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

## CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

(SEK in million)	30 September 2023	31 December 2022
<b>Assets</b>		
<b>Non-current assets</b>		
<b>Intangible assets</b>	<b>6,497</b>	<b>6,203</b>
<b>Property, plant and equipment</b>		
Vessels	39,445	40,984
Construction in progress	4,537	1,382
Equipment	3,113	2,789
Land and buildings	3,747	3,409
Ports	4,748	4,684
<b>Total property, plant and equipment</b>	<b>55,590</b>	<b>53,248</b>
<b>Investment properties</b>	<b>47,369</b>	<b>46,212</b>
<b>Financial assets</b>		
Investments reported according to the equity method	4,624	4,631
Marketable securities	4,129	3,700
Surplus in funded pension plans	1,053	950
Other non-current assets	10,854	10,408
<b>Total financial assets</b>	<b>20,660</b>	<b>19,689</b>
<b>Total non-current assets</b>	<b>130,116</b>	<b>125,352</b>
<b>Current assets</b>		
Inventories	1,889	1,858
Trade receivables	5,633	6,095
Other current receivables	2,953	4,126
Prepayments and accrued income	3,228	2,745
Short-term investments	2,587	2,739
Cash and cash equivalents	5,129	2,157
<b>Total current assets</b>	<b>21,419</b>	<b>19,720</b>
<b>Total assets</b>	<b>151,535</b>	<b>145,072</b>

(SEK in million)	30 September 2023	31 December 2022
<b>Equity and liabilities</b>		
<b>Equity</b>	<b>52,422</b>	<b>49,489</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	7,028	6,286
Pension liabilities	478	640
Other provisions	73	73
Long-term debt	50,884	49,187
Senior notes	11,203	14,911
Capitalised lease obligations	4,147	5,023
Other non-current liabilities	1,311	674
<b>Total non-current liabilities</b>	<b>75,124</b>	<b>76,794</b>
<b>Current liabilities</b>		
Short-term debt	4,791	3,753
Senior notes	4,285	
Capitalised lease obligations	1,286	1,521
Trade payables	2,652	3,035
Tax liabilities	228	161
Other liabilities	2,710	2,840
Accruals and deferred income	8,037	7,479
<b>Total current liabilities</b>	<b>23,989</b>	<b>18,789</b>
<b>Total equity and liabilities</b>	<b>151,535</b>	<b>145,072</b>

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

(SEK in million)	Equity attributable to shareholders of the Parent company					
	Share capital	Reserves	Retained earnings incl. Profit for the period	Total	Non-controlling interests	Total equity
<b>Closing balance, 31 December 2021</b>	5	10,742	36,400	47,147	254	47,401
Change in accounting policy		-5,719	1,029	-4,690		-4,690
<b>New opening balance, 1 January 2022</b>	5	5,023	37,429	42,457	254	42,711
Change in fair value reserve, net of tax		-167	-5	-172		-172
Change in hedging reserve, net of tax		4,605		4,605		4,605
Change in revaluation reserve, net of tax		41	-144	-103		-103
Change in translation reserve		134		134	-3	131
Change in associates			211	211		211
Remeasurement of post-employment benefit obligation			625	625		625
<b>Other comprehensive income</b>		4,613	687	5,300	-3	5,297
Profit for the period			1,591	1,591	22	1,613
<b>Total comprehensive income</b>		4,613	2,278	6,891	19	6,910
Changes in non-controlling interest			21	21		21
Dividend			-43	-43		-43
<b>Closing balance, 30 September 2022</b>	5	9,636	39,685	49,326	273	49,599
<b>Closing balance, 31 December 2022</b>	5	9,358	39,814	49,177	312	49,489
Change in fair value reserve, net of tax		93	-24	69		69
Change in hedging reserve, net of tax		721		721		721
Change in revaluation reserve, net of tax		75	72	147		147
Change in translation reserve		695		695	1	696
Change in associates			68	68		68
Remeasurement of post-employment benefit obligation			244	244		244
<b>Other comprehensive income</b>		1,584	360	1,944	1	1,945
Profit for the period			1,394	1,394	-8	1,386
<b>Total comprehensive income</b>		1,584	1,754	3,338	-7	3,331
Changes in non-controlling interest			-150	-150	4	-146
Dividend			-252	-252		-252
<b>Closing balance, 30 September 2023</b>	5	10,942	41,166	52,113	309	52,422



## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(SEK in million)	Nine-month period ended 30 Sep	
	2023	2022
<b>Cash flow from operating activities</b>		
Profit before tax for the period	2,434	2,418
Depreciation, amortisation and impairment	6,037	5,693
Change in fair value of investment properties	-90	-897
Income tax paid	-334	-634
Adjustment to reconcile profit before tax to net cash flow provided by operating activities	-793	213
<b>Cash flow from operating activities before changes in working capital</b>	<b>7,254</b>	<b>6,793</b>
<b>Changes in working capital</b>		
Change in inventory	2	-60
Change in trade and other receivables	800	-2,644
Change in trade and other payables	-922	497
<b>Cash flow from operating activities</b>	<b>7,134</b>	<b>4,586</b>
<b>Cash flow from investing activities</b>		
Capital expenditure on intangible assets	-249	-180
Capital expenditure on property, plant and equipment	-5,846	-6,578
Proceeds from sale of property, plant and equipment	152	28
Purchase of operations, net of cash	-352	-291
Proceeds from sale of operations, net of cash	0	273
Investment in strategic associates	-8	-525
Purchase of securities	-816	-591
Proceeds from sale of securities	560	514
Other investing activities	1,099	-743
<b>Cash flow from investing activities</b>	<b>-5,460</b>	<b>-8,093</b>
<b>Cash flow from financing activities</b>		
Proceeds from issuance of short and long-term debt	8,841	4,433
Principal payments on short and long-term debt	-5,771	-2,346
Net change in borrowings on line-of-credit agreements	-1,045	3,029
Principal payments on capitalised lease obligations	-1,321	-1,468
Dividend paid	-252	-43
Other financing activities	734	-4
<b>Cash flow from financing activities</b>	<b>1,186</b>	<b>3,601</b>
Effect of exchange rate changes on cash and cash equivalents	112	160
<b>Net change in cash and cash equivalents</b>	<b>2,972</b>	<b>254</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,157</b>	<b>2,412</b>
<b>Cash and cash equivalents at end of period</b>	<b>5,129</b>	<b>2,666</b>

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

### NOTE 1. BASIS OF PRESENTATION

The accompanying condensed consolidated financial statements present the financial position and result of operations of Stena AB (publ) and its subsidiaries (Stena) and have been prepared in accordance with IAS 34, "Interim financial reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended on 31 December 2022, which have been prepared in accordance with IFRS.

The interim financial information included in the condensed consolidated financial statements has not been audited and reflects all adjustments (consisting only of normal recurring adjustments) that are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. Interim results for the nine months ended on 30 September 2023 are not necessarily an indication of the results to be expected for the full year.

Our financial reports are presented in SEK, which is the functional currency of the Company. Unless otherwise indicated, all amounts are rounded to the nearest million. Figures in the reports are based on a consolidation system in SEK thousands. Totals in tables may not always equal the sum of the included rounded numbers as a result of rounding.

### NOTE 2. ACCOUNTING POLICIES

Except for as noted below the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2022, as described in the annual financial statements.

Taxes on income during the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Stena's Annual Report 2022 describes the content of the new accounting principles that are regarded as material for the Stena AB Group (see link <https://www.stena.com/news-finance/investor-relations/reports/>).

#### Change in application of accounting policy

Stena has evaluated the use of the revaluation model for the vessels in the Ferry operation and the units in the Drilling operations. The company has concluded that in order to present the relevant performance of the company the cost model is the preferred method.

Stena has therefore decided to change the accounting policy from revaluation model to the cost model for the vessels in the Ferry operations and the units in the Drilling operations as per 1 January 2023. This means that all previous revaluations, including subsequent depreciation charges, are reversed. The effect of the change is calculated retrospectively, and the adjustment is recognised by adjusting the opening balance of retained earnings as per 1 January, 2022 and the comparative figures for 2022 are restated.

The accounting effects from the change is described below for each of the two segments separately.

#### *Ferry Operations*

Stena has decided to change the measurement policy for vessels within the segment from the revaluation model to cost model. The change is recorded as a one-time effect in revaluation reserves within equity as of 1 January, 2022 amounting to SEK -5.7 billion, with a total equity effect of SEK -4.7 billion. The remeasurement has decreased the value of vessels in the segment with SEK 5.6 billion as of January 1, 2022 before tax. The remeasured value is the new basis for depreciation during the nine months of 2023 and the comparative period 2022. The remeasurement has resulted in decreased depreciations with SEK 578 million for the nine months of 2022.

#### *Offshore Drilling*

Stena has decided to change the measurement policy for units in the segment to the cost model. The change of policy has had no effect on the accounting for the nine months ended 2023 and 2022 since the negative revaluation, recognised when entering the revaluation method, has been reclassified as impairment on group level.

#### **New or amended accounting policies applied after 2023**

There are no new accounting policies applicable from 2023 that significantly affects the Stena AB Group.

## NOTE 3. SEGMENT INFORMATION

### Revenue

Three-month period ended 30 September

(SEK in million)	Lease income		Products		Service		Construction Contracts		Other		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Ferry operations	1		368	387	5,590	5,223			5	1	5,964	5,611
Offshore Drilling	795	644			889	665			-3		1,681	1,309
Shipping:												
Roll-on/Roll-off vessel	238	203			31	11			1	2	270	216
Tanker	1,082	1,528			801	1,102			-4	27	1,880	2,657
Other Shipping			114	88	1,786	1,713			10	6	1,910	1,807
<b>Total Shipping</b>	<b>1,321</b>	<b>1,731</b>	<b>114</b>	<b>88</b>	<b>2,618</b>	<b>2,826</b>			<b>7</b>	<b>35</b>	<b>4,060</b>	<b>4,680</b>
Property	763	666			15	13			11	513	789	1,193
New Businesses			1,355	1,531	43		498	493	5	4	1,901	2,028
Other	1					1				1		2
<b>Total</b>	<b>2,881</b>	<b>3,041</b>	<b>1,837</b>	<b>2,006</b>	<b>9,154</b>	<b>8,728</b>	<b>498</b>	<b>493</b>	<b>25</b>	<b>554</b>	<b>14,395</b>	<b>14,823</b>

Nine-month period ended 30 September

(SEK in million)	Lease income		Products		Service		Construction Contracts		Other		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Ferry operations	1		903	826	13,802	12,700			8	9	14,714	13,535
Offshore Drilling	2,175	1,491			2,144	1,552			2	3	4,321	3,046
Shipping:												
Roll-on/Roll-off vessel	654	572			138	58			2	4	794	634
Tanker	3,553	3,639			2,647	2,608			39	17	6,239	6,264
Other Shipping			354	263	5,222	4,924			31	17	5,607	5,204
<b>Total Shipping</b>	<b>4,207</b>	<b>4,211</b>	<b>354</b>	<b>263</b>	<b>8,007</b>	<b>7,590</b>			<b>72</b>	<b>38</b>	<b>12,640</b>	<b>12,102</b>
Property	2,259	1,943			43	40			246	923	2,548	2,906
New Businesses			4,984	5,419	125		1,440	1,392	12	9	6,561	6,820
Other	2	1			23	10			1	2	26	13
<b>Total</b>	<b>8,644</b>	<b>7,646</b>	<b>6,241</b>	<b>6,508</b>	<b>24,144</b>	<b>21,892</b>	<b>1,440</b>	<b>1,392</b>	<b>341</b>	<b>984</b>	<b>40,810</b>	<b>38,422</b>

(SEK in million)	Nine-month period ended 30 Sep	
	2023	2022
<b>Capital expenditures</b>		
Ferry Operations	1,105	2,142
Offshore Drilling	2,946	689
Shipping: Roll-on/Roll-off vessels	522	493
Tanker	35	75
Other shipping	140	52
<b>Total Shipping</b>	<b>697</b>	<b>620</b>
Property	874	3,037
New Businesses	200	57
Other	24	33
<b>Total</b>	<b>5,846</b>	<b>6,578</b>

### Reconciliation between operational EBITDA and operating result by segment

SEK in million		Three-month period ended 30 September		Nine-month period ended 30 September	
		2023	2022	2023	2022
Ferry Operations	Operational EBITDA	1,897	2,126	3,583	4,189
	Depreciation, amortisation and impairment	-633	-541	-1,785	-1,612
	<b>Operating result</b>	<b>1,264</b>	<b>1,585</b>	<b>1,798</b>	<b>2,577</b>
Offshore Drilling	Operational EBITDA	1,012	507	1,893	703
	Net result on sale of operations	-98	52	-69	50
	Depreciation, amortisation and impairment	-785	-759	-2,196	-2,051
	<b>Operating result</b>	<b>129</b>	<b>-200</b>	<b>-372</b>	<b>-1,298</b>
Shipping					
– RoRo	Operational EBITDA	208	150	653	441
	Depreciation, amortisation and impairment	-85	-71	-248	-206
	<b>Operating result</b>	<b>123</b>	<b>79</b>	<b>405</b>	<b>235</b>
– Tanker	Operational EBITDA	739	1,015	2,639	2,074
	Net result on sale of operations			-17	
	Depreciation, amortisation and impairment	-328	-509	-1,306	-1,461
	Net result from investments in operating associates	79	101	130	-80
	<b>Operating result</b>	<b>490</b>	<b>608</b>	<b>1,446</b>	<b>533</b>
– Other shipping	Operational EBITDA	56	65	238	203
	Net result on sale of operations		-24	1	-24
	Depreciation, amortisation and impairment	-51	-54	-149	-118
	Net result from investments in operating associates	4	4	4	7
	<b>Operating result</b>	<b>10</b>	<b>-10</b>	<b>94</b>	<b>68</b>
<b>Total Shipping</b>	<b>Operating result</b>	<b>622</b>	<b>677</b>	<b>1,945</b>	<b>835</b>
Property	Operational EBITDA	553	596	1,555	1,450
	Net result on sale of operations		-4		77
	Change in fair value of investment properties		398	90	897
	Depreciation, amortisation and impairment	-3	-4	-9	-8
	Net result from investments in operating associates	5	4	11	12
	<b>Operating result</b>	<b>555</b>	<b>991</b>	<b>1,647</b>	<b>2,427</b>
New Businesses	Operational EBITDA	138	159	632	734
	Depreciation, amortisation and impairment	-98	-69	-275	-213
	<b>Operating result</b>	<b>40</b>	<b>90</b>	<b>357</b>	<b>521</b>
Other	Operational EBITDA	-57	-38	-291	-234
	Net result on sale of operations	-3		-4	-9
	Depreciation, amortisation and impairment	-56	-8	-69	-24
	Net result from investments in operating associates	-74	1	-74	
	<b>Operating result</b>	<b>-190</b>	<b>-44</b>	<b>-437</b>	<b>-267</b>
<b>Total</b>	<b>Operational EBITDA</b>	<b>4,546</b>	<b>4,582</b>	<b>10,902</b>	<b>9,560</b>
	<b>Net result on sale of operations</b>	<b>-101</b>	<b>24</b>	<b>-88</b>	<b>93</b>
	<b>Change in fair value of investment properties</b>		<b>398</b>	<b>90</b>	<b>897</b>
	<b>Depreciation, amortisation and impairment</b>	<b>-2,039</b>	<b>-2,015</b>	<b>-6,037</b>	<b>5,693</b>
	<b>Net result from investments in operating associates</b>	<b>14</b>	<b>110</b>	<b>71</b>	<b>-63</b>
	<b>Operating result</b>	<b>2,419</b>	<b>3,099</b>	<b>4,938</b>	<b>4,795</b>

## OPERATING AND FINANCIAL REVIEW

Stena generates revenue primarily from ferry operations, chartering out its owned, chartered-in and leased Roll-on/Roll-off vessels, tankers and drilling rigs, managing tankers, sales of vessels, income from Investments, New Businesses and real estate rents. The period from June through September is the peak travel season for passengers of the ferry operations. Chartering activities are not generally significantly affected by seasonal fluctuations, but variations over the year may occur as a consequence of, among other things, vessel utilisation rates, dry-docking and charter rates. Any sale or acquisition of vessels, drilling rigs and real estate may also have an impact on the results of each period.

### Significant events of the first nine-month period of 2023

In January 2023, contract extensions were signed with Esso Exploration and Production Guyana Limited for *Stena Drillmax* and *Stena Carron* extending these contracts until 30 June 2024 with options to extend further.

In January 2023, a contract extension was signed with BP Canada Energy Group ULC for *Stena Icemax* for two years of firm work in the US Gulf of Mexico commencing in Q3 2023, immediately following a one well campaign in Canada with the same company.

In January 2023, a contract was signed with Ithaca Energy (UK) Limited for *Stena Spey* for one well commencing in June 2023 with an option for one well.

In February 2023, a new bond was issued with due date 2028, amounting to EUR 325 million. The purpose with the transaction was to extend the debt maturity profile and to refinance the outstanding USD 350 million secured bond with original due date March 2024.

In March 2023, the EUR 615 million RCF was increased by EUR 93 million to EUR 708 million.

In March 2023, Stena Drilling exercised its purchase option for a new drilling vessel from Samsung Heavy Industries in Korea. The vessel is contracted for ten years, of which five years are fixed plus options to extend for another five years and will start to operate in the first quarter of 2024.

In May 2023, Stena Logistics Holding AB acquired the remaining 33% in NMT Holding BV, Stena Logistics Holding now owns 100%.

In May 2023, Stena Line Scandinavia AB acquired the operations of the ferry- and ro-ro terminal in the Port of Ventspils, Latvia.

In May 2023, a new loan amounting to USD 278 million was received with the drillship *Stena Forth* as collateral.

In September 2023, Stena Fastigheter acquired one property in Märsta in the Stockholm area.

### Subsequent events

In October 2023, the RoRo vessel *Frijsenborg* was delivered.

In October 2023, Ballingslöv acquired Dan Küchen, Austria's leading kitchen manufacturer, with takeover from November 2023.

In October 2023, Stena Line announced the discontinuation of its route between Nynäshamn and Hanko.

In November 2023, a new loan amounting to USD 270 million was signed with the drillship *Stena Evolution* as collateral.

### 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. In the nine-month period that ended on 30 September 2023, approximately 27% of our total revenues were generated in USD, approximately 22% were generated in EUR, approximately 16% were generated in GBP and approximately 23% were generated in SEK.

In the nine-month period ended 30 September 2023, approximately 29% of our total expenses were incurred in USD, approximately 19% were incurred in EUR, approximately 19% were incurred in GBP and approximately 20% were incurred in SEK. The reported gross revenues and expenses were affected by changes in the currency rates. The exchange rates used for consolidation purposes are as follows:

	Jan – Sep	Jan – Sep	
<b>Average rates:</b>	2023	2022	Change
US \$	10.5887	9.9213	7%
British pound	13.1839	12.4308	6%
Euro	11.4758	10.5287	9%

  

	As of 30 Sep	As of 31 Dec	
<b>Closing rates:</b>	2023	2022	Change
US \$	10.9118	10.4283	5%
British pound	13.3113	12.6005	6%
Euro	11.5370	11.1635	3%

## SUMMARY FOR THE NINE-MONTH PERIOD 1 JANUARY - 30 SEPTEMBER 2023

### Revenues

Total revenues increased by SEK 2,388 million to SEK 40,810 (38,422) million in the nine months ended 30 September 2023. The revenues are higher in the Ferry-, Drilling- and Shipping business segments but lower within the Property- and New Businesses segments compared to the same period last year.

### Direct Operating Expenses

Total direct operating expenses increased by SEK 357 million to SEK 25,434 (25,077) million in the nine months that ended on 30 September 2023. The operating expenses are higher within the Ferry and the Offshore Drilling segments offset by lower expenses within the Shipping, Property and New Businesses segments compared to the same period last year.

### Selling and Administrative Expenses

Selling and administrative expenses increased by SEK 690 million to SEK 4,474 (3,784) million in the nine months that ended 30 September 2023.

### Depreciation, Amortisation and Impairment

Depreciation and amortisation charges increased by SEK 344 million to SEK 6,037 (5,693) million in the nine months ended 30 September 2023.

### EBITDA

The operational EBITDA for the consolidated Stena AB Group increased by SEK 1,342 million to SEK 10,902 (9,560) million in the nine-month period that ended on 30 September 2023.

### Ferry Operations

Ferry revenues are generated from ticket sales, freight haulage and onboard sales. Direct operating expenses consist principally of personnel costs, costs of goods sold onboard the vessels, bunker fuel costs, vessel charter costs, commissions, package tour costs and other related costs. A significant portion of these costs do not vary on account of changes in our seasonal requirements.

Operational EBITDA decreased by SEK 606 million to SEK 3,583 (4,189) million in the nine months ended 30 September 2023. Travel volumes remain strong partly offset by a softer freight market together with increased costs compared to last year mainly related to increased bunker cost. Freight volumes decreased 3% compared to last year, car volumes decreased 2% compared to last year and passenger volumes increased 1% compared to last year.

### Offshore Drilling

Drilling revenues consist of charter hires of drilling rigs. The direct operating expenses for drilling consist primarily of personnel costs, insurance, maintenance and catering costs.

Operational EBITDA increased by SEK 1,190 million to SEK 1,893 (703) million in the nine-month period ended 30 September 2023 mainly due to more operating days together with higher charter rates compared to the same period last year.

### Shipping

Shipping revenues primarily represent charter hires for our owned and chartered in vessels and management fees for vessels managed by Stena. Direct operating expenses for shipping consist primarily of vessel charter costs, fuel costs, personnel costs, insurance and other related vessel costs.

### Tankers

Operational EBITDA increased by SEK 565 million to SEK 2,639 (2,074) million in the nine-month period ended 30 September 2023, mainly due to higher rates within Medium Range and Suez segments compared to the same period last year.

### RoRo Operations

Operational EBITDA from chartering out Roll-on/Roll-off vessels increased by SEK 212 million to SEK 653 (441) million in the nine-month period ended 30 September 2023 mainly due to larger fleet in operation compared to the same period last year.

### Property

Property revenues consists of rents for properties, sale of condominiums, owned and management fees for properties managed by Stena. Property expenses consists primarily of maintenance, heating and personnel costs.

Operational EBITDA increased by SEK 105 million to SEK 1,555 (1,450) million for the nine months ended 30 September 2023, mainly due to increased rental income together with lower costs compared to the same period last year. The change in fair value of investment properties amounted to SEK 90 (897) million for the nine months ended 2023. Occupancy rates for Swedish properties were approximately 98%.

### **New Businesses**

The operational EBITDA for New Businesses decreased by SEK 102 million to SEK 632 (734) million in the nine-month period ended 30 September 2023.

Ballingslöv: Operational EBITDA decreased by SEK 152 million for the nine months ended 30 September 2023 to SEK 365 (517) million mainly due to lower sales compared to the same period last year.

Blomsterlandet: Operational EBITDA decreased by SEK 28 million for the nine months ended 30 September 2023 to SEK 170 (198) million mainly due to higher operating costs compared to the same period last year.

Envac: Operational EBITDA increased by SEK 22 million for the nine months ended 30 September 2023 to SEK 111 (89) million mainly due to higher sales compared to the same period last year.

### **Other Income**

#### *Net valuation on investment property*

As a result of the revaluation to fair value according to IAS 40 "Investment properties", Stena recognized net gains of SEK 90 (897) million for the nine months ended 30 September 2023.

#### *Net gain/loss on sale of vessels*

In the nine months ended 30 September 2023 there were no sale of vessels, same as the corresponding period 2022.

#### *Net gain/loss on sale of operations*

In the nine months ended 30 September 2023 the net loss of liquidations/sale of operations amounted to SEK 88 million. The net gain of liquidations/sale of operations in the corresponding period 2022 amounted to SEK 93 million.

### **Financial Net**

Total finance net decreased by SEK 127 million to SEK -2,504 (-2,377) million in the nine months ended 30 September 2023. The increased costs are mainly related to increased interest costs on floating debts.

### **Income Taxes**

Income taxes for the nine months ended 30 September 2023 were SEK -1,048 (-805) million, consisting of current taxes of SEK -720 (-742) million and deferred taxes of SEK -328 (-63) million.



## LIQUIDITY AND CAPITAL RESOURCES

Our liquidity requirements principally relate to servicing of debt, financing the purchase of vessels and other assets and funding of working capital. We meet our liquidity requirements by cash on hand, cash flows from operations, borrowings under various credit facilities and other financing and refinancing arrangements.

As of 30 September 2023, cash and cash equivalents and short-term investments amounted to SEK 7,716 million, of which SEK 7,679 million was available as compared to SEK 4,896 million as of 31 December 2022 of which SEK 4,784 was available. Together with non-current investments and available credit facilities, the total payment capacity at 30 September 2023 was SEK 25.6 billion as compared to SEK 18.9 billion as of 31 December 2022.

For the nine-month period ended 30 September 2023, cash flows provided by operating activities amounted to SEK 7,134 (4,586) million. For the nine-month period ended 30 September 2023, cash flows used in investing activities amounted to SEK -5,460 (-8,093) million, including SEK -5,846 (-6,578) million related to capital expenditures on property, plant and equipment. Cash flows from financing activities for the nine-month period ended 30 September 2023 amounted to SEK 1,186 (3,601) million.

As of 30 September 2023, the total construction in progress was SEK 4,537 (1,853) million. The remaining capital expenditure commitment for newbuildings on order as of 30 September 2023 was SEK 7,316 million, of which SEK 134 million is due during 2023, SEK 4,990 million is due in 2024 and SEK 2,192 million is due in 2025 and after. Stena intends to finance the remainder of this unpaid balance, together with additional expenses and financing costs, with cash from operations, existing revolving credit facilities, new capital lease agreements, new bank loans and other financing arrangements.

As of 30 September 2023, total interest-bearing debt was SEK 76,596 million as compared to SEK 74,395 million as of 31 December 2022.

The, for Stena AB, unsecured EKN credit facility of SEK 9.6 billion, whereof 75% is guaranteed by Exportkreditnämnden, EKN, was as of September 30, 2023 not utilized as compared to SEK 1.6 billion as of 31 December 2022.

Of the, for Stena AB, unsecured EKN credit facility amounting to USD 121 million, whereof 75% is guaranteed by Exportkreditnämnden, EKN, USD 121 million was utilized as per 30 September 2023, same as of 31 December 2022.

The EUR 615 million credit facility maturing in December 2027 has been increased during the year and the new credit line is EUR 708 million. Of the credit facility of EUR 708 million EUR 296 million and USD 37 million was utilised at 30 September 2023, of which EUR 1 million was related to issued guarantees. As of 31 December 2022 USD 427 million was utilised of which USD 2 million was related to issued guarantees.

As of 30 September 2023, the credit facility of USD 300 million, entered into by Stena Investment Luxembourg S.à.r.l., was utilized with USD 149 million, compared to USD 123 million as of 31 December 2022.

We believe that, based on current levels of operating performance and anticipated market conditions, cash flow from operations, together with other available sources of funds, including refinancing, will be adequate to make required payments of principal and interest on outstanding debt, to make proposed capital expenditures, including new build-ings and other vessel acquisitions, and to fund anticipated working capital requirements.

## OTHER FINANCIAL INFORMATION – RESTRICTED GROUP

For the nine-month period ended 30 September 2023, Restricted Group Data represents the selected consolidated financial information excluding (i) the property business segment, (ii) the business segment of New Businesses, 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 New Businesses are conducted through various subsidiaries. For purposes of the indentures under which our Senior Notes were issued, real estate business, New Businesses, 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 30 September 2023, Stena had outstanding USD 393 million principal amounts of Senior Notes due 2024. Stena also had outstanding USD 350 million principal amounts of Senior Notes due 2025, EUR 315 million principal amounts of Senior Notes due 2025 and EUR 325 million principal amounts of Senior Notes due 2028.

Stena AB has received a dividend from Adactum AB amounting to SEK 1,000 million.

Stena Holding (Cyprus) Limited received a dividend from Mondaldi Limited amounting to USD 0,110 million.

### Significant events of the first nine-month period of 2023 specific to the restricted group

In January 2023, contract extensions were signed with Esso Exploration and Production Guyana Limited for *Stena Drillmax* and *Stena Carron* extending these contracts until 30 June 2024 with options to extend further.

In January 2023, a contract extension was signed with BP Canada Energy Group ULC for *Stena Icemax* for two years of firm work in the US Gulf of Mexico commencing in Q3 2023, immediately following a one well campaign in Canada with the same company.

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In May 2023, Stena Line Scandinavia AB acquired the operations of the ferry- and ro-ro terminal in the Port of Ventspils, Latvia.

In May 2023, a new loan amounting to USD 278 million was received with the drillship *Stena Forth* as collateral.

### Subsequent events for the restricted group

In October 2023, the RoRo vessel *Frijsenborg* was delivered.

In October 2023, Stena Line announced the discontinuation of its route between Nynäshamn and Hanko.

In November 2023, a new loan amounting to USD 270 million was signed with the drillship *Stena Evolution* as collateral.

## GROUP CONSOLIDATED INCOME STATEMENTS – RESTRICTED GROUP (UNAUDITED)

(SEK in million)	Nine-month period ended 30 Sep	
	2023	2022
<b>Revenue</b>		
Ferry Operations	14,714	13,535
Offshore Drilling	4,321	3,046
Shipping	12,640	12,102
Other	27	13
<b>Total revenue</b>	<b>31,702</b>	<b>28,696</b>
Net result on sale of operations	-85	17
<b>Total other income</b>	<b>-85</b>	<b>17</b>
<b>Direct operating expenses</b>		
Ferry Operations	-9,893	-8,422
Offshore Drilling	-2,139	-1,964
Shipping	-7,821	-8,313
Other		
<b>Total direct operating expenses</b>	<b>-19,853</b>	<b>-18,699</b>
Selling and administrative expenses	-3,120	-2,616
Profit/loss from investments in operating associates	60	-74
Depreciation, amortisation and impairment	-5,753	-5,471
<b>Total operating expenses</b>	<b>-28,666</b>	<b>-26,860</b>
<b>Operating profit/loss</b>	<b>2,951</b>	<b>1,853</b>
Dividends received	1,045	48
Gains/loss on securities, net	103	-191
Interest income	426	241
Interest expense	-2,126	-1,692
Foreign exchange gains/loss, net	-9	-29
Other financial income/expense, net	-261	-256
<b>Financial net</b>	<b>-822</b>	<b>-1,879</b>
<b>Profit/loss after financial net</b>	<b>2,129</b>	<b>-26</b>
Non-controlling interest	-2	-24
Group contribution	221	110
<b>Profit/loss before tax</b>	<b>2,348</b>	<b>60</b>
Income taxes	-732	-366
<b>Profit/loss for the period</b>	<b>1,616</b>	<b>-306</b>

## CONDENSED CONSOLIDATED BALANCE SHEETS - RESTRICTED GROUP (UNAUDITED)

(SEK in million)	30 September 2023	31 December 2022
<b>Assets</b>		
<b>Non-current assets</b>		
<b>Intangible assets</b>	<b>3,327</b>	<b>3,133</b>
<b>Property, plant and equipment</b>		
Vessels	39,445	40,984
Construction in progress	4,415	1,215
Equipment	2,347	2,226
Land and buildings	2,258	2,192
Ports	4,748	4,684
<b>Total property, plant and equipment</b>	<b>53,213</b>	<b>51,301</b>
<b>Financial assets</b>		
Marketable securities	1,041	580
Intercompany accounts, non-current	2,099	2,260
Other non-current assets	19,842	19,377
<b>Total financial assets</b>	<b>22,982</b>	<b>22,217</b>
<b>Total non-current assets</b>	<b>79,522</b>	<b>76,651</b>
<b>Current assets</b>		
Inventories	736	710
Trade receivables	4,475	5,182
Other current receivables	2,633	3,850
Prepayments and accrued income	2,512	2,081
Short-term investments	2,533	2,682
Intercompany accounts, current	492	499
Cash and cash equivalents	3,544	1,567
<b>Total current assets</b>	<b>16,925</b>	<b>16,571</b>
<b>Total assets</b>	<b>96,447</b>	<b>93,221</b>

(SEK in million)	30 September 2023	31 December 2022
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	5	5
Reserves	32,819	29,871
<b>Equity attributable to shareholders of the Parent company</b>	<b>32,824</b>	<b>29,876</b>
Non-controlling interests	284	281
<b>Total equity</b>	<b>33,108</b>	<b>30,157</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	903	417
Pension liabilities	371	525
Other provisions	16	19
Long-term debt	26,396	26,888
Senior notes	11,203	14,911
Capitalised lease obligations	2,710	3,916
Intercompany liabilities, non-current	1,328	1,021
Other non-current liabilities	944	310
<b>Total non-current liabilities</b>	<b>43,871</b>	<b>48,007</b>
<b>Current liabilities</b>		
Short-term debt	3,362	3,203
Senior notes	4,285	
Capitalised lease obligations	1,078	1,314
Trade payables	1,560	1,708
Tax liabilities	145	144
Other liabilities	2,186	2,277
Intercompany liabilities, current	147	364
Accruals and deferred income	6,705	6,047
<b>Total current liabilities</b>	<b>19,468</b>	<b>15,057</b>
<b>Total equity and liabilities</b>	<b>96,447</b>	<b>93,221</b>

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW – RESTRICTED GROUP (UNAUDITED)

(SEK in million)	Nine-month period ended 30 September	
	2023	2022
<b>Cash flow from operating activities</b>		
Profit before tax	2,350	84
Depreciation, amortisation and impairment	5,753	5,471
Income tax paid	-296	-606
Adjustment to reconcile profit before tax to net cash flow provided by operating activities	-1,629	520
<b>Cash flow from operating activities before changes in working capital</b>	<b>6,178</b>	<b>5,469</b>
<b>Changes in working capital</b>		
Change in inventory	-1	-135
Change in trade and other receivables	1,141	-2,503
Change in trade and other payables	-463	67
<b>Cash flow from operating activities</b>	<b>6,855</b>	<b>2,898</b>
<b>Cash flow from investing activities</b>		
Capital expenditure of intangible assets	-159	-93
Capital expenditure on property, plant and equipment	-4,771	-3,444
Sale of property, plant and equipment	149	27
Purchase of operations, net of cash	-348	-70
Purchase of securities	-527	-47
Proceeds from sale of securities	10	230
Other investing activities	1,089	-598
<b>Cash flow from investing activities</b>	<b>-4,557</b>	<b>-3,995</b>
<b>Cash flow from financing activities</b>		
Proceeds from issuance of short and long-term debt	6,631	2,552
Principal payments on short and long-term debt	-5,602	-2,203
Net change in borrowings on line-of-credit agreements	-1,955	3,241
Principal payments on capitalised lease obligations	-1,142	-1,350
Intercompany accounts	185	-783
Dividend paid	-245	-43
Dividend from Unrestricted group	1,001	0
Other financing activities	700	-33
<b>Cash flow from financing activities</b>	<b>-427</b>	<b>1,381</b>
Effect of exchange rate changes on cash and cash equivalents	106	126
<b>Net change in cash and cash equivalents</b>	<b>1,977</b>	<b>410</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>1,567</b>	<b>1,372</b>
<b>Cash and cash equivalents at end of period</b>	<b>3,544</b>	<b>1,782</b>