



Stolt-Nielsen Limited | First-Quarter 2023 Results

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March 30, 2023



Forward-Looking Statements

Included in this presentation are various “forward-looking statements”, including statements regarding the intent, opinion, belief or current expectations of the Company or its management with respect to, among other things, (i) goals and strategies, (ii) plans for new development, (iii) marketing plans, (iv) evaluation of the Company’s markets, competition and competitive positions, and (v) trends which may be expressed or implied by financial or other information or statements contained herein. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other facts that may cause the actual results, performance and outcomes to be materially different for any future results, performance or outcomes expressed or implied by such forward-looking statements. These factors include in particular, but are not limited to, the matters described in the section “Principal Risks” (p. 57 et seq.) in the most recent annual report available at www.stolt-nielsen.com.

Agenda | 1Q23 Results

1. Stolt-Nielsen Limited
2. Stolt Tankers
3. Stolthaven Terminals
4. Stolt Tank Containers
5. Stolt Sea Farm
6. Financials
7. Q&A



1Q23 Highlights | Strong Results From All Businesses

1Q23 vs. 4Q22

OPERATING REVENUE

\$ 708.7m ▼

\$ 732.5m

EBITDA

\$ 213.2m ▲

\$ 196.0m

OPERATING PROFIT

\$ 142.1m ▲

\$ 132.0m

NET PROFIT

\$ 99.8m ▲

\$ 95.3m

FREE CASH FLOW*

\$ 133.1m ▲

\$ 123.7m

NET DEBT TO EBITDA

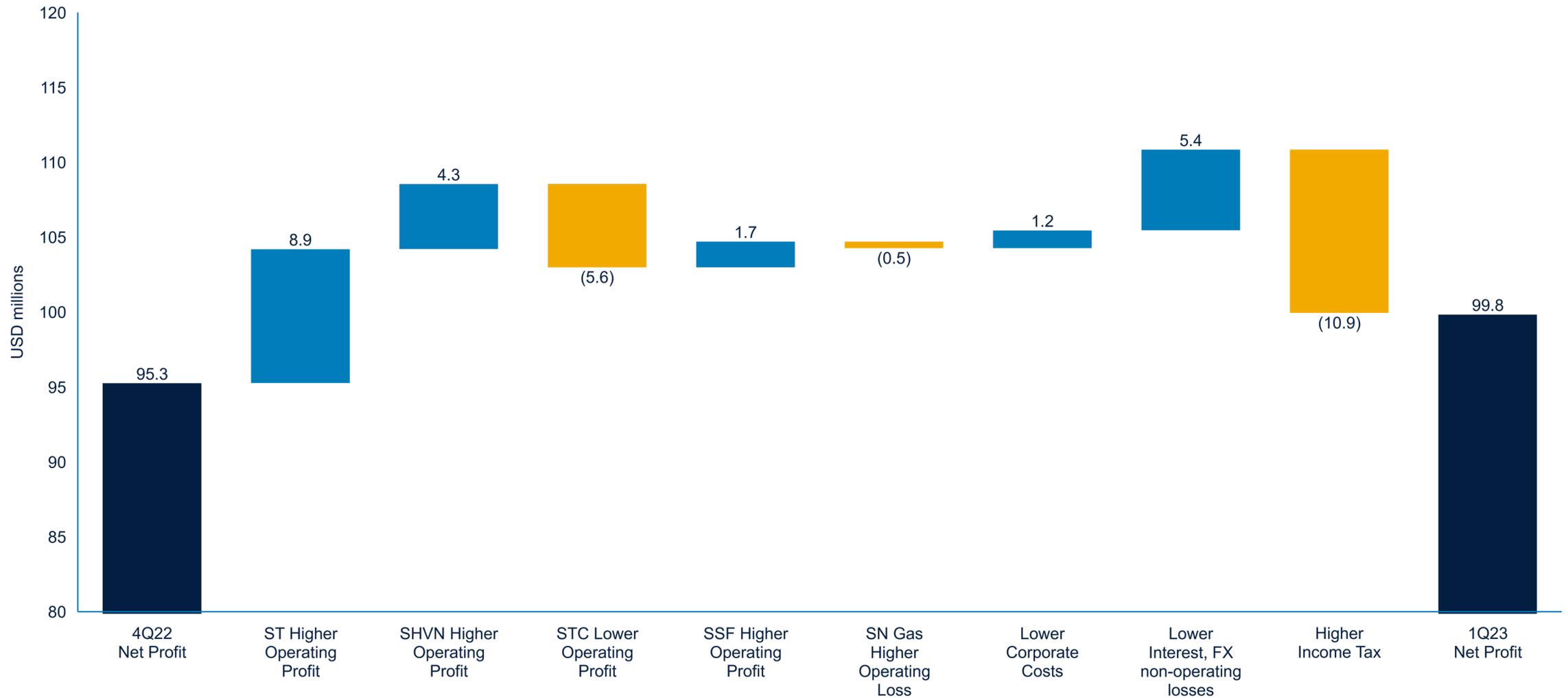
2.57x ▼

2.85x

*Cash from operations less cash used for investing activities

- **Net Profit of \$99.8m**, up from \$95.3m in 4Q22 driven by improved tanker trading results
- **EBITDA of \$213.2m**, up from \$196.0m due to
 - **Stolt Tankers:** Strong results due to higher spot volumes and higher COA rates
 - **Stolthaven Terminals:** Higher results from US and Brazil terminals
 - **Stolt Tank Containers:** Higher number of shipments at lower margins
 - **Stolt Sea Farm:** Strong results during Christmas season, with higher volumes of sales but a slight decrease in Turbot prices
- **Free Cash Flow** increased to \$133.1m, up from \$123.7m
- **Board recommended a final dividend** of \$1.25/share, subject to the AGM approval bringing total for 2022 to \$2.25/share
- **Robust liquidity position of \$479.3m**, up from \$473.0m in previous quarter

Net Profit | Solid Results





Stolt Tankers 

Stolt Tankers | Higher COA Rates Driving Earnings



1Q23
4Q22

OPERATING REVENUE
\$ 415.5m ▲
\$ 412.4m

EBITDA
\$ 125.0m ▲
\$ 115.3m

OPERATING PROFIT
\$ 87.1m ▲
\$ 78.2m

OPERATING DAYS (deepsea)
7,185 ▲
7,153

Operating Profit Variance

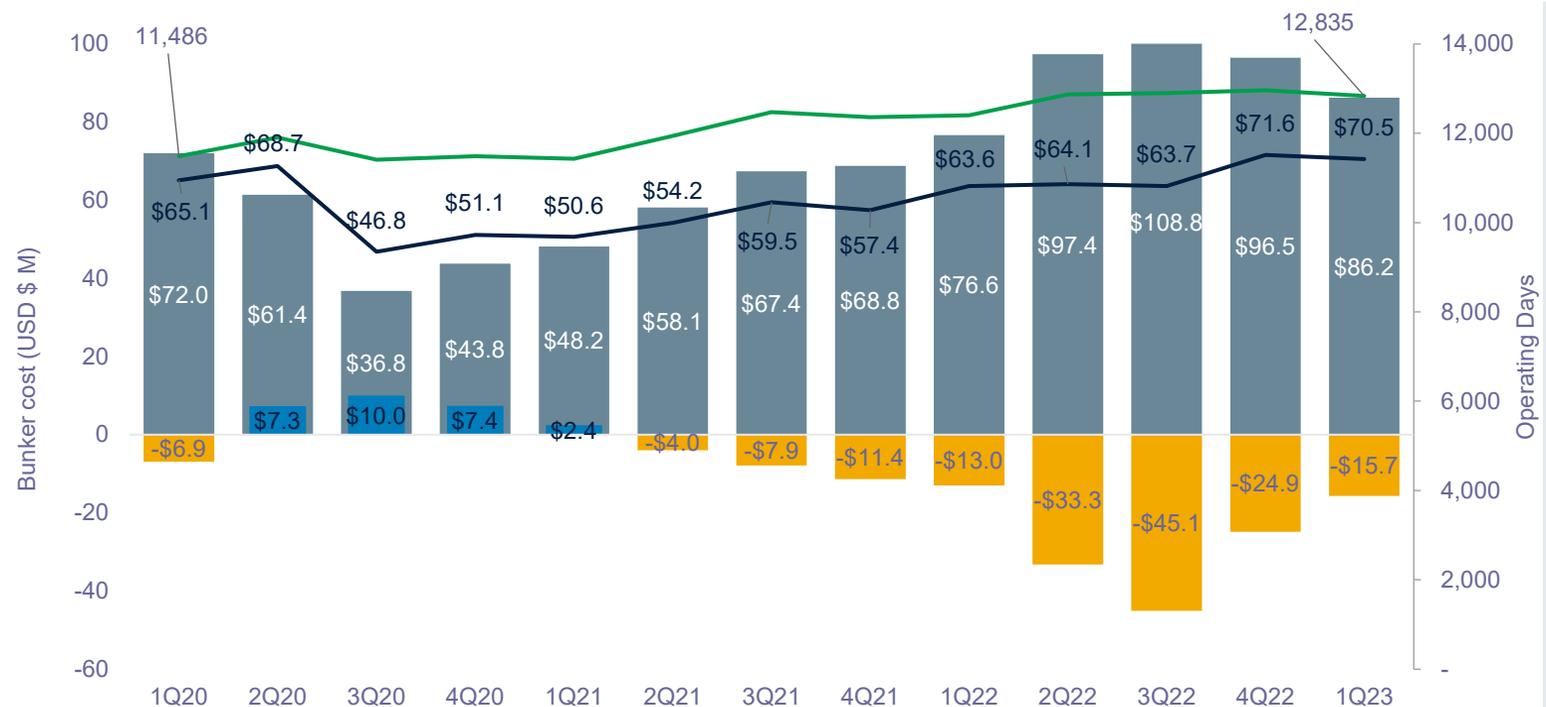


- **Increased trading results** as COA rates improved 16.3%, while Spot rates fell 6.2%; spot volumes were up 16.1%, and COA volumes were down 11.3%
- **Lower net bunker cost** driven by lower bunker prices partially offset by lower bunker surcharges
- **Lower owning expenses** mainly due to recording *Stolt Groenland* insurance claim receivable
- Higher steel prices increased the residual value of the fleet leading to **lower depreciation**
- **Higher JV Equity Income** in line with strong trading results in deepsea and strong operations in regional Asia Pacific JV
- **Lower gain** on sale of assets, as in 4Q22 we sold *Stolt Shearwater* and recycled of *Stolt Groenland*

Bunker Cost Analysis | Lower Net Bunker Cost



Bunker Cost *(deepsea and regional fleets)*



- ~99% of COA volume has a bunker clause
- The total volume covered by bunker clauses was 56.5% in 1Q23
- Bunker surcharge revenue was down by \$9.2m as prices dropped and our CoA volume decreased
- Bunkers consumed down by \$10.3m resulting in a net decrease in bunker cost of \$1.1m

Average price of IFO/VLSF (US\$ per tonne)

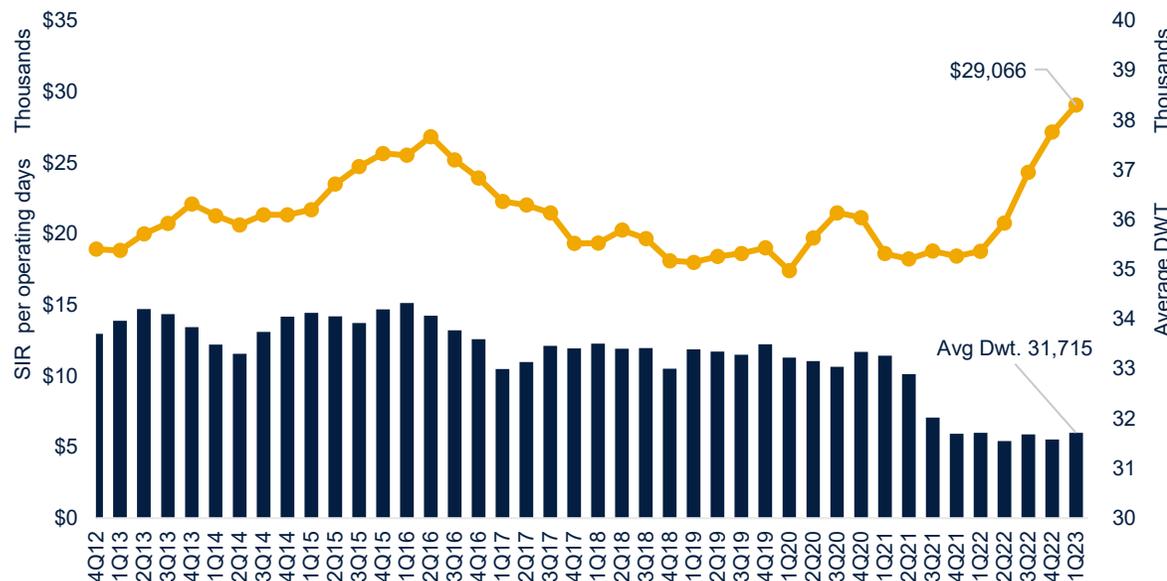
Consumed	\$501	\$388	\$275	\$317	\$370	\$461	\$496	\$530	\$580	\$748	\$864	\$733	\$611
Purchased	\$546	\$274	\$307	\$321	\$417	\$479	\$506	\$561	\$605	\$827	\$865	\$651	\$591

■ Bunker Cost
 ■ Bunker surcharge
 ■ Bunker rebates to customers
 — Net Bunker Cost
 — Operating Days (rhs)

Improving SIR per Operating Day Reflecting Higher COA Rates



STJS – SIR per Operating Day¹



- Improving SIR / Operating day driven by higher COA rates and spot volumes
- Spot / COA volume mix in 1Q23 was 43% / 57%
- 55% of COA scheduled for renewal between 4Q22 and 1Q23
 - Concluded 26 COA during 4Q22 and 1Q23; added 1 new COA
 - 21 COA still under negotiations
 - 22 COA not renewed (increase of 2.7% i.e. 18.7% vs. 16% 4Q22)

Strong SIR / Day development expected to continue in 2Q23



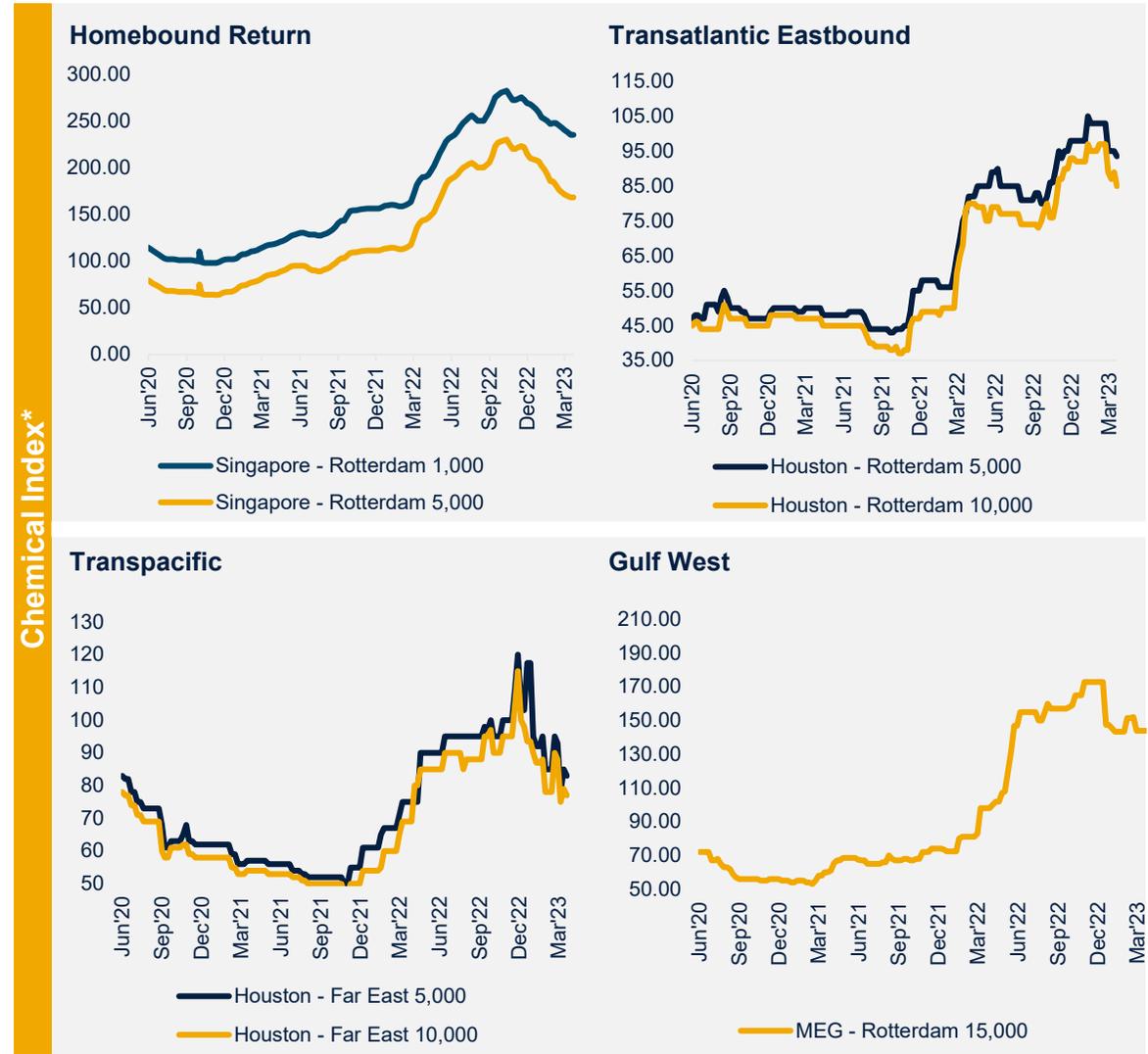
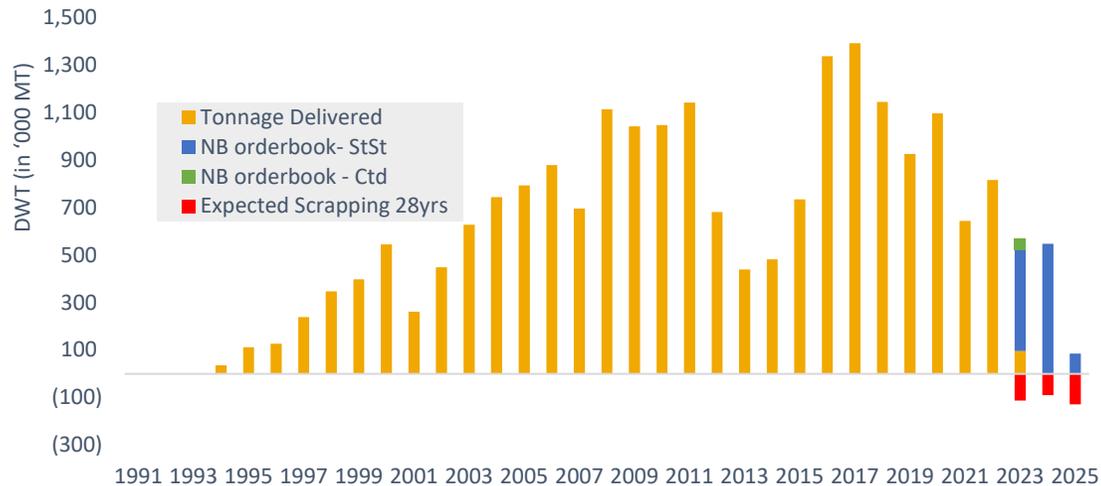
- COAs were renewed in 1Q23 at an average rate increase of 50.3%
 - Positive impact of these renewals is spread over the next 4 quarters starting Q2 onwards
- Indicative expectation for SIR / Operating Day to remain stable / marginally increase in 2Q23 reflecting the knock-on impact from the weak MR spot markets in 1Q23 and an increased ratio of return voyages in 2Q23
 - Reminder: \$1,000 change in SIR / operating day impacts net income per quarter by ~\$6 million

1. Sailed-in revenue per day is calculated as voyage revenue less voyage related expenses and trading overhead expense, divided by total operating days during the period. Note that the Sailed-in revenue excludes any gains on time-chartered ships and fees earned from managing the STJS pool.

Market Highlights | Strong Fundamentals Driving Earnings

- First quarter saw a dip in spot freight rates, partly driven by a fall in MR earnings, which has now reversed in most regions.
- Increased exposure to spot markets to access higher rates faster
- Regional fleets continue to deliver strong results in all regions.
- Small orderbook supports continued strength in the chemical tanker markets.

Orderbook is unchanged at ~5.4%



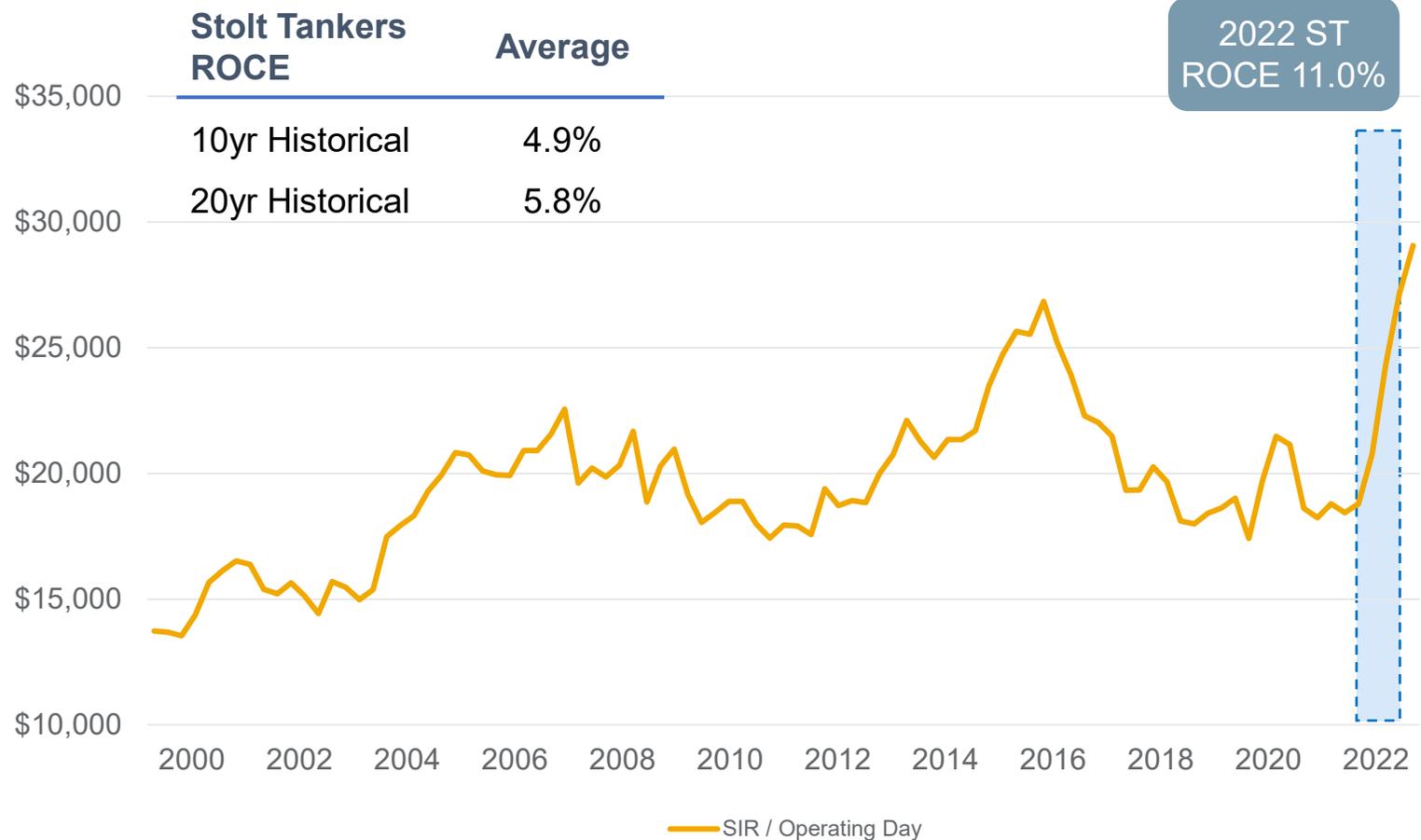
*Source : Clarkson Platou

ST SIR/Day | New Investments Require Sustainable Rates



- As an industrial shipping operator we invest in vessels which service our customers for ~25 years
- Historical returns for chemical shipping have been unsustainable
- New investments require long term returns in excess of cost of capital
- Indicatively, ~20% return on capital employed (ROCE) for the next 5 years would only result in average 20-year returns of ~8%
- Our ambition is to deliver a healthy ROCE by creating value for our customers and achieving our sustainability ambitions

STJS – SIR per Operating Day¹



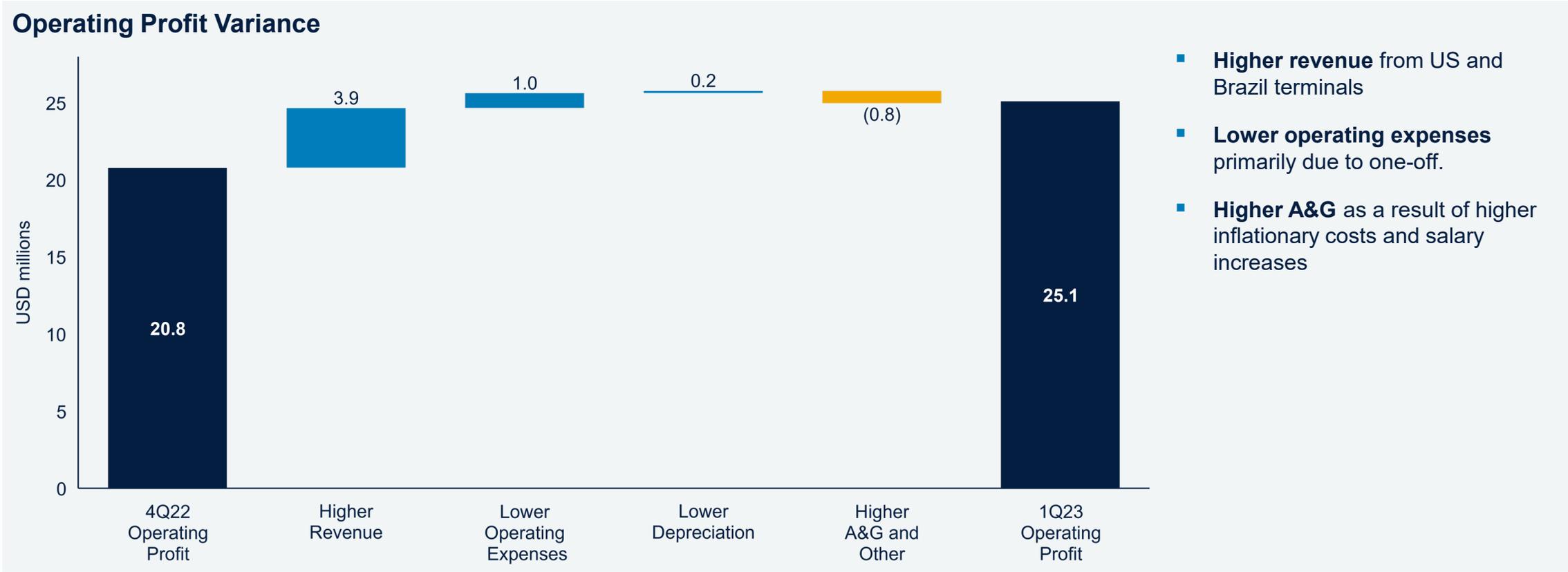


Stolthaven Terminals 

Stolthaven Terminals | Improved Results Driven By Higher Rates



1Q23 4Q22	OPERATING REVENUE	EBITDA	OPERATING PROFIT	UTILISATION (wholly-owned terminals)
	\$ 74.0m ▲ \$ 70.1m	\$ 40.6m ▲ \$ 36.5m	\$ 25.1m ▲ \$ 20.8m	97.3% ▼ 98.0%

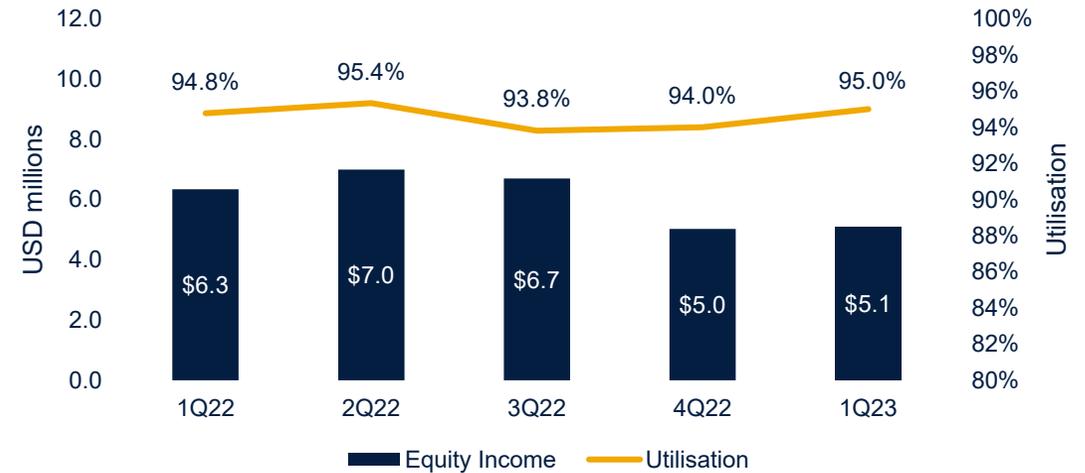


Market Highlights | Stable Demand but Lower Throughput Volumes

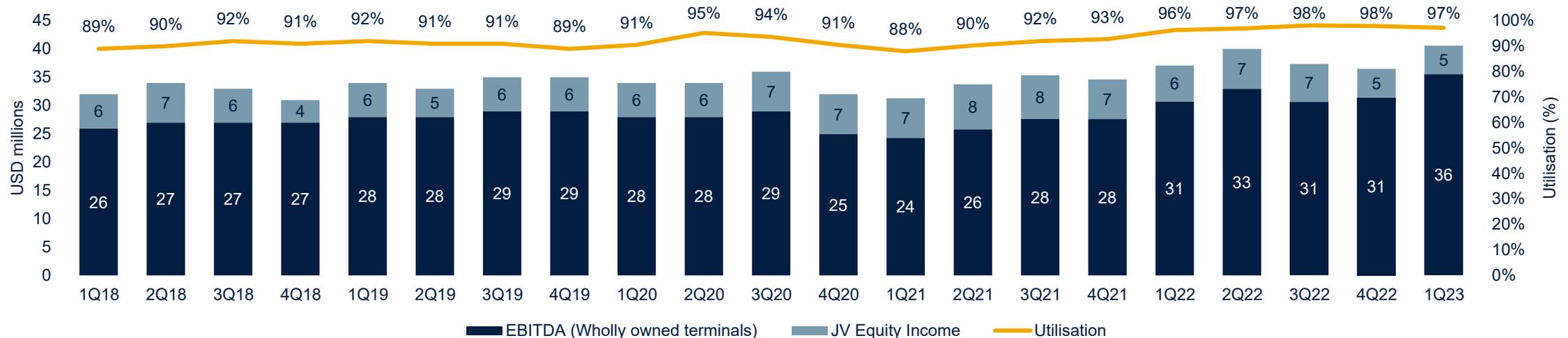


- **US terminals:** Strong demand, utilisation stable with higher rates, but a small seasonal dip in throughput volumes. Double-digit increases achieved on renewals
- **European terminals:** Demand recovering, utilisation stable but lower seasonal throughput volumes
- **Asia terminals:** Varied demand, utilisation and throughput volumes stable signs of a pick up in demand
- We are seeing an increase in inquiries, which is indicating a stronger storage market towards the end of the year

Equity Income/Utilisation (Joint Ventures)



EBITDA /Utilisation (wholly-owned terminals)





Stolt Tank Containers 

Stolt Tank Containers | Margins Normalizing Offset by Increasing Volumes

1Q23
4Q22

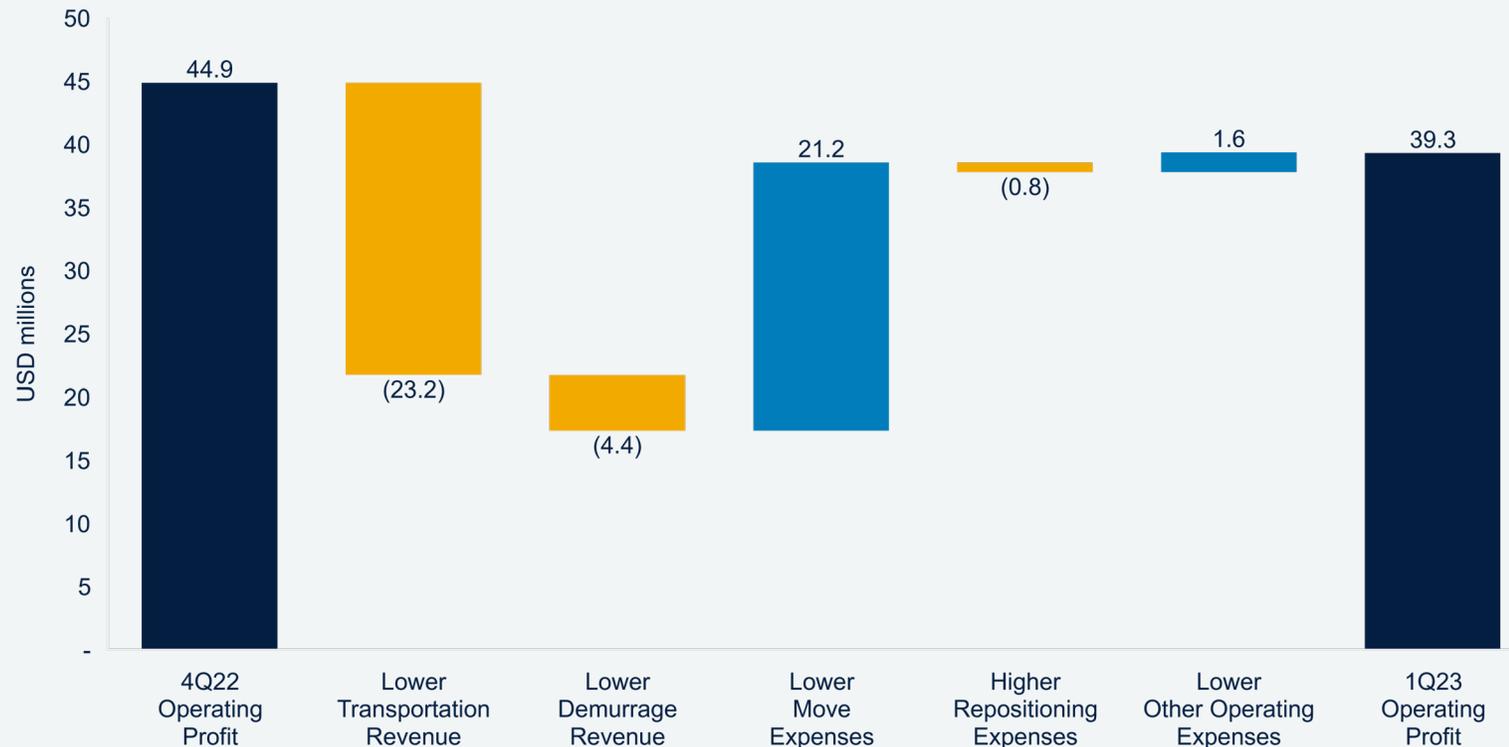
OPERATING REVENUE
\$ 193.9m ▼
\$ 228.5m

EBITDA
\$ 50.8m ▼
\$ 56.1m

OPERATING PROFIT
\$ 39.3m ▼
\$ 44.9m

UTILISATION
64.7% ▼
67.0%

Operating Profit Variance



- **Transportation revenue** decreased by 14.8% driven by lower transportation rates
- **Demurrage revenue** decreased by 12.1% as customers are no longer holding tanks for longer periods
- **Shipments** were 32,833 in 1Q23, up from 32,620 in 4Q22
- **Utilisation** was slightly down to 64.7% as new containers joined the fleet
- **Lower move expenses** as a result of a 30.0% decrease in ocean freight rates, and 6.0% decrease in inland freight rates
- **Lower other operating expenses** due to tank rental and depot costs and reversal of deferred revenue, partially offset by higher A&G

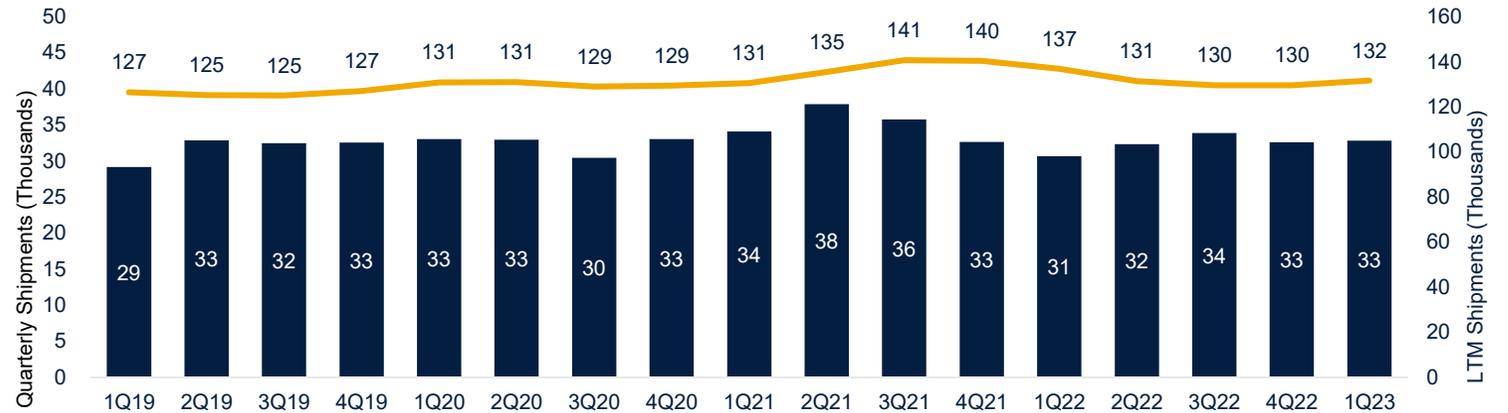
Market Outlook | Reverting Back to Historic Earnings



Demand outlook

- Tale of three markets:
 - East of Suez: Strong volumes/margins
 - Europe: Picking up from low levels
 - US: Stable
- Demurrage levels decreased as supply chain congestion eases
- Demand in the Food grade sector remains strong

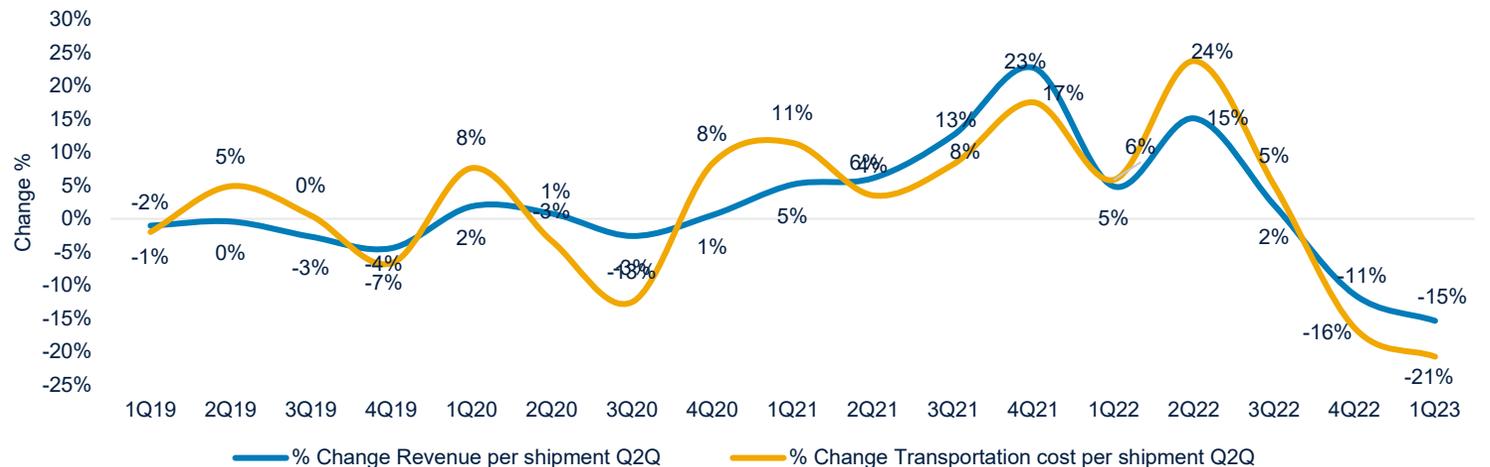
Shipments increased due to good demand and available liner capacity

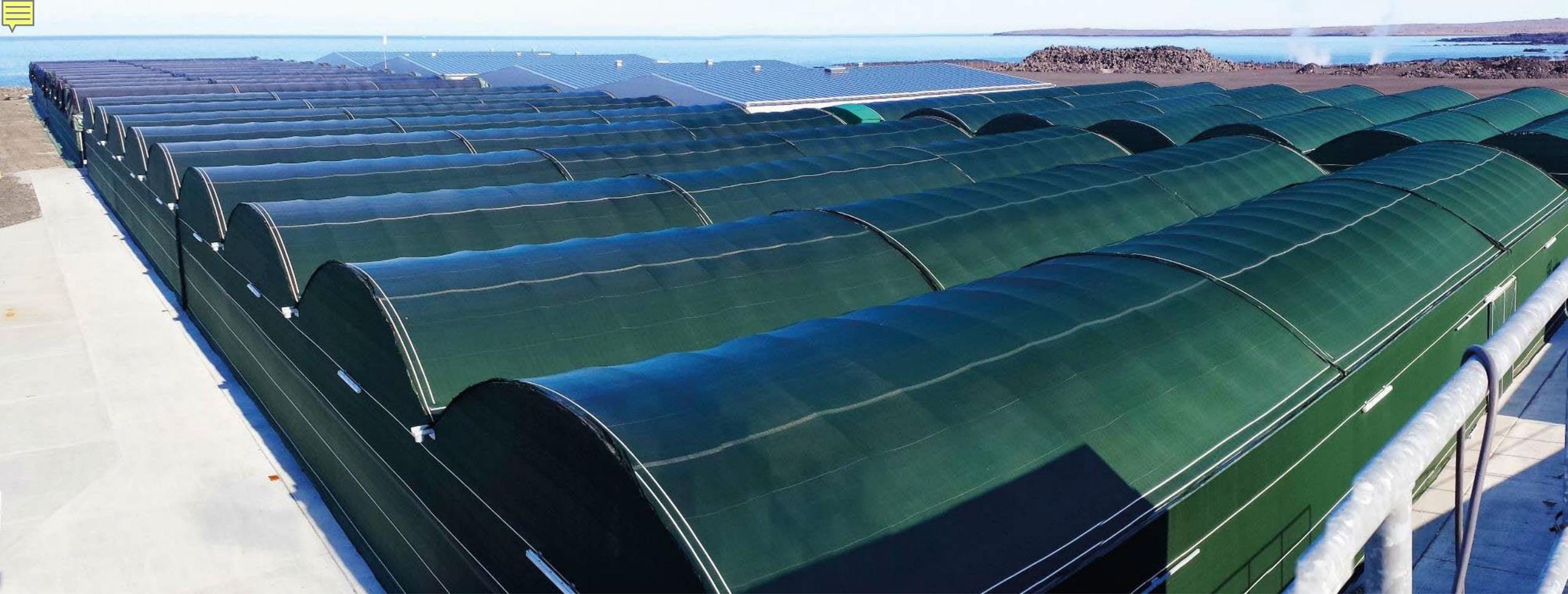


Transportation costs outlook

- Carrier spot rates dropped globally as space on ships opened in most regions
- New container liner capacity is expected to be delivered during 2023

Ocean freight rate continues to decline putting pressure on margins





Stolt Sea Farm 

Stolt Sea Farm | Robust Performance In A Seasonally Strong Market



1Q23

4Q22

OPERATING REVENUE

\$ 25.2m

\$ 21.3m

EBITDA (Excl. FV Adj.)

\$ 7.2m

\$ 4.3m

OPERATING PROFIT (Excl. FV Adj.)

\$ 5.6m

\$ 3.3m

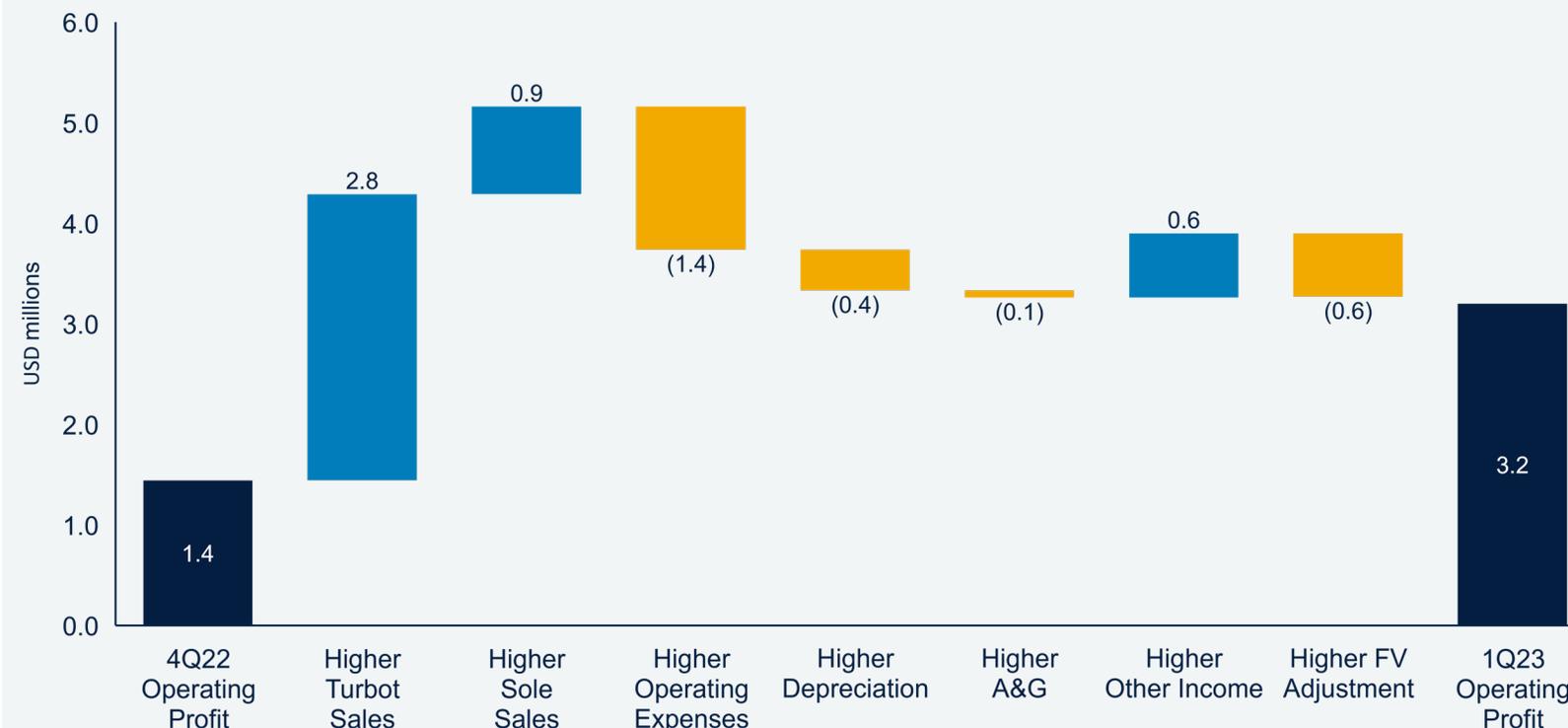
VOLUMES (metric tonnes)**

1,995mt

1,786mt

**Includes turbot and sole

Operating Profit Variance

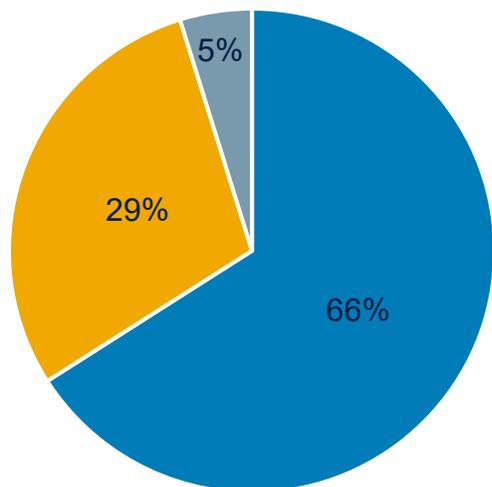


- **Sales volumes of turbot** were up by 13.3% but prices decreased on average by 1.8%
- **Sales volumes of sole** were up by 5.7% and prices increased on average by 3.2%
- **Operating expenses** increased as a result of higher volume. However, opex per kg for Turbot was down by 7.5% in 1Q23 as a result of higher production
- **Fair value adjustment** of biomass was a \$2.4m loss compared with a \$1.8m loss in the prior quarter, reflecting volume and prices impact on inventory levels for turbot

Stolt-Nielsen Investments | Leveraging Our Industrial Knowledge and Expertise

1Q23 Asset Allocation

■ LNG ■ Bulk-liquid logistics ■ Aquaculture



1Q23 Portfolio Value

\$ 202.4m¹

Book value of investments

Current Investments



**Avenir
LNG**

Fully integrated global energy company dedicated to small-scale LNG

47.2%
Stake



**Golar
LNG**

Designs, builds, owns and operates marine infrastructure for the liquefaction and regasification of LNG

2.5%
Stake



Odfjell SE

Seaborne transportation and storage of chemicals and other specialty bulk-liquids

8.3%
Stake



**Ganesh
Benzoplast**

Independent liquid storage tank provider specialising in the storage and handling of liquid chemicals

9.8%
Stake



**The
Kingfish
Company**

A market leader in land-based RAS farming of amberjack yellowtail

8.3%
Stake

Recent Exits



- Participated in the CoolCo IPO in Feb 2022 with a \$10m investment
- During Q1-23 disposed of 923,565 shares for \$11.7m, resulting in a gain of +\$2.5m
- As of today no longer hold a position

Stolt Ventures

- Stolt Ventures was established in 2022 with the aim of investing in sustainable technologies that will contribute to decarbonisation and support our core operations
- Dec 2022: Committed ~\$750k in Motion Ventures, a venture investment fund backed by corporates in the maritime and logistics industries



Financials

Financials | SNL Net Profit

<i>Figures in USD million</i>	Quarter		
	1Q23	4Q22	1Q22
Operating Revenue	\$708.7	\$732.5	\$606.2
Operating Expenses	(\$443.1)	(483.6)	(\$403.0)
Depreciation and amortisation	(69.3)	(71.1)	(68.3)
Share of profit of joint ventures and associates	15.0	15.4	13.8
Administrative and general expenses	(69.5)	(63.1)	(58.6)
(Loss) gain on sale of assets	(0.4)	4.0	0.8
Other operating income (expenses), net	0.7	(2.1)	1.0
Operating Profit (as reported)	\$142.1	\$132.0	\$91.8
Net interest expense	(28.6)	(29.4)	(30.9)
FX loss, net	(1.6)	(2.0)	(2.1)
Income tax expense	(15.1)	(4.2)	(7.7)
Other	3.0	(1.2)	1.2
Net Profit	\$99.8	\$95.3	\$52.3
EBITDA	\$213.2	\$196.0	\$158.5

Highlights

- Decrease in operating revenue due to lower freight rates in Tank Containers partially offset by slightly higher revenue in Stolt Tankers, Stolthaven Terminals and Stolt Sea Farm
- Operating expenses decreased as a result of lower bunker costs in Tankers and lower freight cost in Stolt Tank Containers
- Higher A&G due to annual salary increases and bonuses
- Higher income tax as a result of higher profits at Stolthaven and SSF. Also, 4Q22 included a \$3 million tax credit

Steady growth in EBITDA



*Includes Gas and Bitumen

Financials | Capital Expenditures

	Actuals 1Q23	Remaining 2023	Forecast 2024
<i>Figures in USD millions</i>			
Stolt Tankers	7	71	3
Stolthaven Terminals	17	101	134
Stolt Tank Containers	16	43	-
Stolt Sea Farm	7	12	8
SNL Corporate & Other	-	22	-
Total	\$47	\$249	\$145

Stolt Tankers: Capex excludes drydocking

1Q23 Highlights

- **Stolthaven Terminals:** investments in maintenance projects and Dagenham jetty
- **Stolt Tankers:** payments of \$2.3m for a new barge expected to be delivered in 2Q23.
- **Stolt Tank Containers:** investment in new tank containers



Financials | SNL Cash Flow and Liquidity Position

Figures in USD million

	1Q23	4Q22	1Q22
Cash generated by operating activities	\$176.8	\$202.0	\$199.5
Interest Paid	(28.3)	(33.2)	(26.0)
Debt issuance cost	(0.8)	(1.5)	(4.8)
Interest received	4.0	1.7	0.9
Income taxes paid	(2.2)	(4.6)	(4.8)
Net cash generated by operating activities	149.4	164.4	164.7
Capital expenditures and intangible assets	(54.4)	(68.1)	(24.5)
Investments in & repayment of advances to JVs	(1.1)	(6.4)	(0.2)
Sale / (Purchase) of Shares	11.7	(6.6)	(10.0)
Sale of assets	0.1	4.1	1.3
Other	(0.1)	(1.2)	0.3
Net cash used in investing activities	(\$43.7)	(\$78.1)	(\$33.1)
Proceeds from issuance of long term debt	-	130.2	-
Decrease in loans payable to banks	-	-	(40.0)
Repayment of long-term debt	(32.9)	(287.4)	(61.6)
Principal payment on capital lease	(13.2)	(16.1)	(11.2)
Dividend and other	(53.6)	-	(26.8)
Net cash used in by financing activities	(\$99.7)	(\$173.2)	(\$139.6)
Effect of FX change on cash	0.2	4.9	(1.5)
Total Cash Flow	\$6.3	(\$82.0)	(\$9.6)
Cash and cash equivalents at beginning of period	\$152.1	\$234.4	\$123.9
Cash and cash equivalents at end of period	\$158.4	\$152.1	\$114.3

Highlights

- Cash from operating activities decreased due to an increase in working capital due to the payment of profit sharing
- Interest paid decreased due to semi-annual interest payments made in 4Q22
- CAPEX and drydock payments of \$54.4m
- Sale of CoolCo shares for \$11.7m
- Dividend payment of \$1.0 per share on December 8, 2022

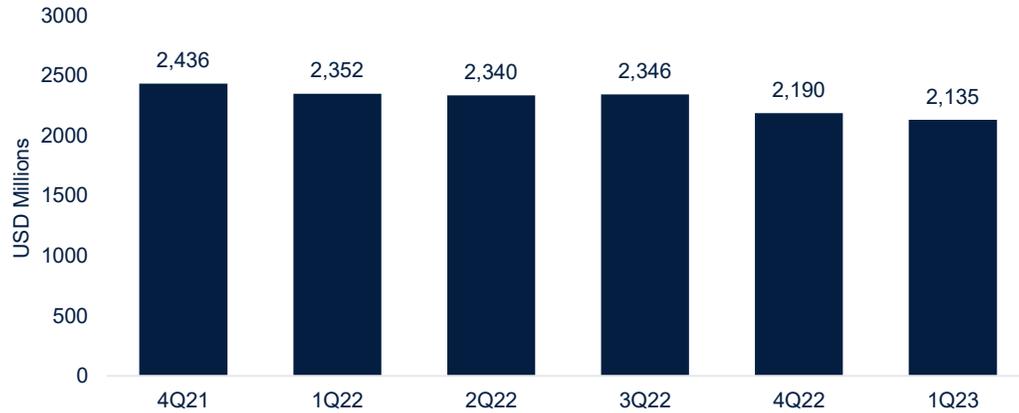
Liquidity available



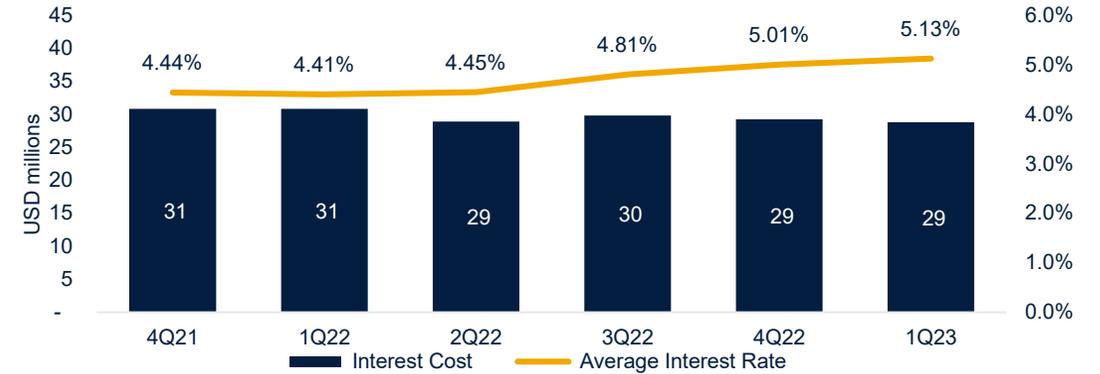
Credit Lines : Committed lines

Debt Profile | Steady Debt Reduction and Stable Interest Costs

Debt

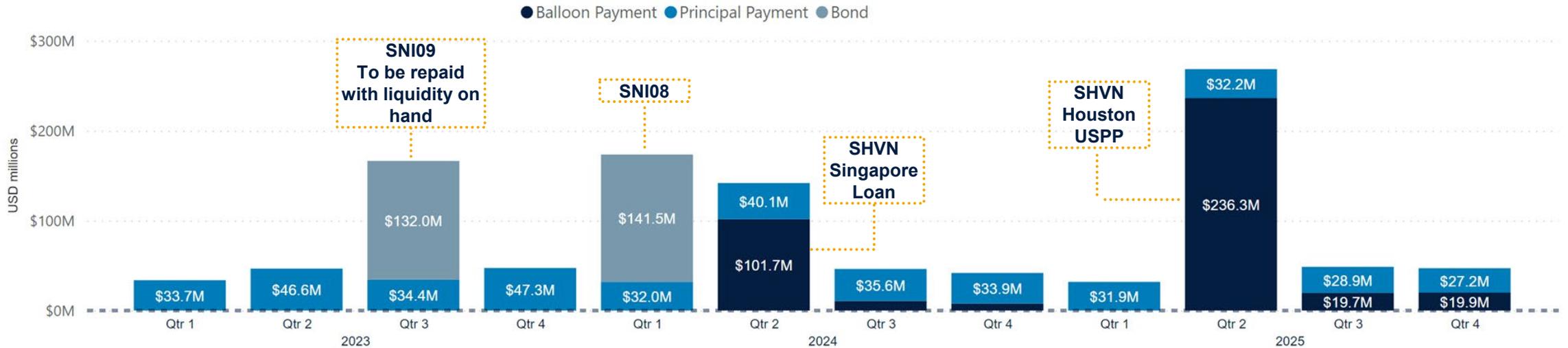


Average cost of debt



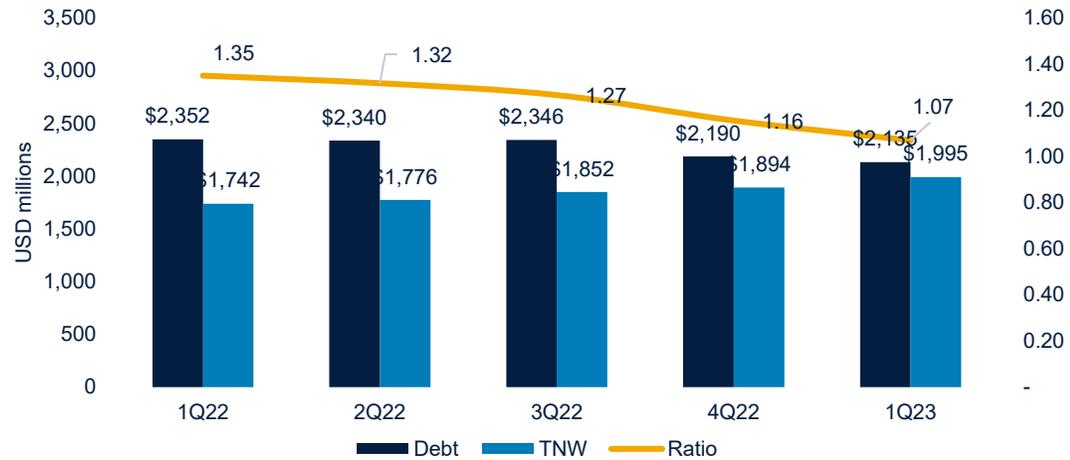
Maturity Profile 2023 -2025

SNL Maturity Profile

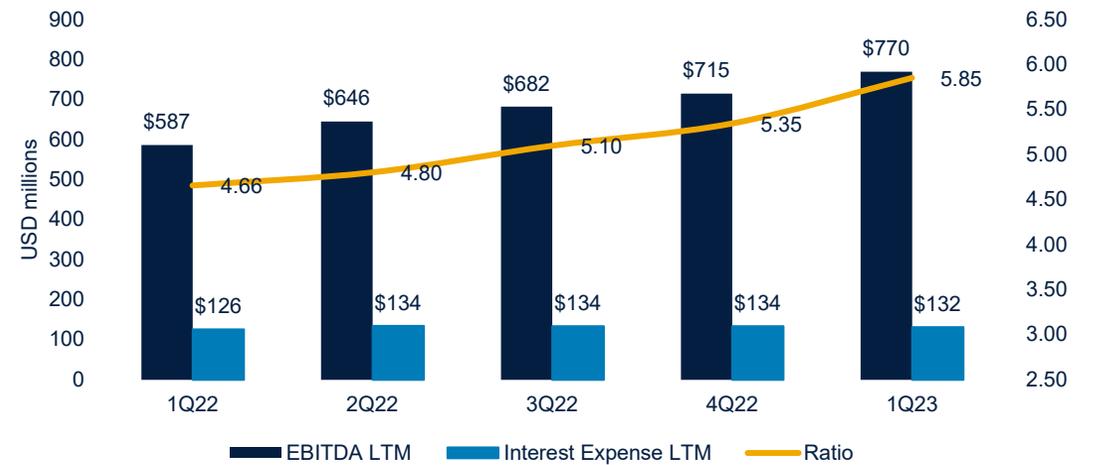


Financial KPIs | Steady Improvement

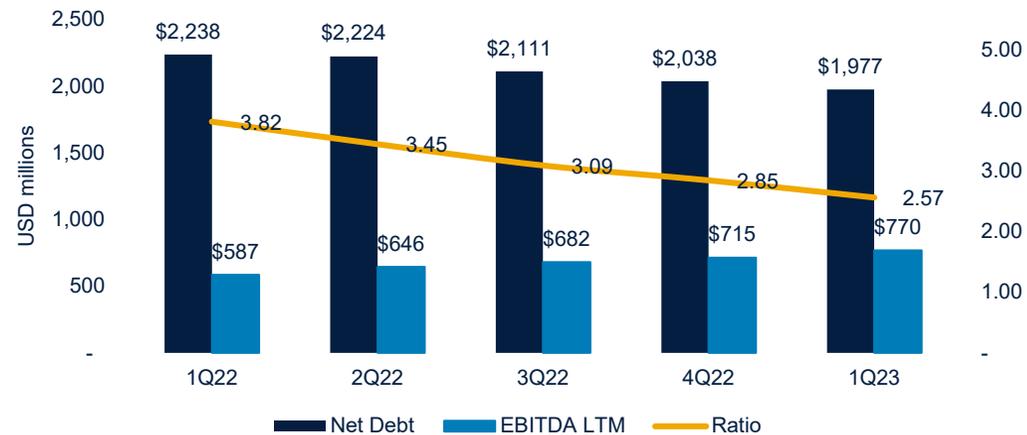
Debt to Tangible Net Worth (maximum 2.00:1.00)



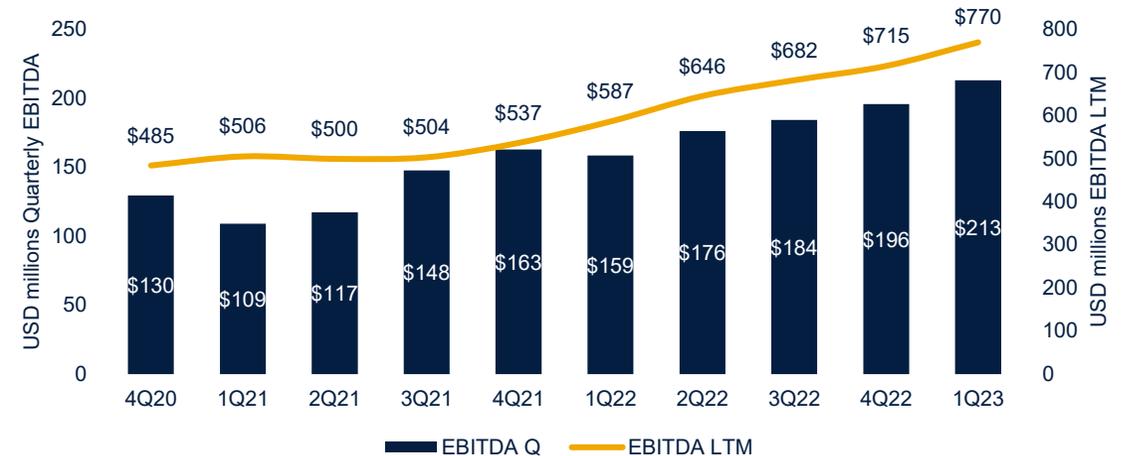
EBITDA to Interest Expense (LTM*) (minimum 2.00:1.00)



Net Debt to EBITDA (LTM*)



EBITDA Development



ESG | Decarbonisation Ambition

Stolt Tankers



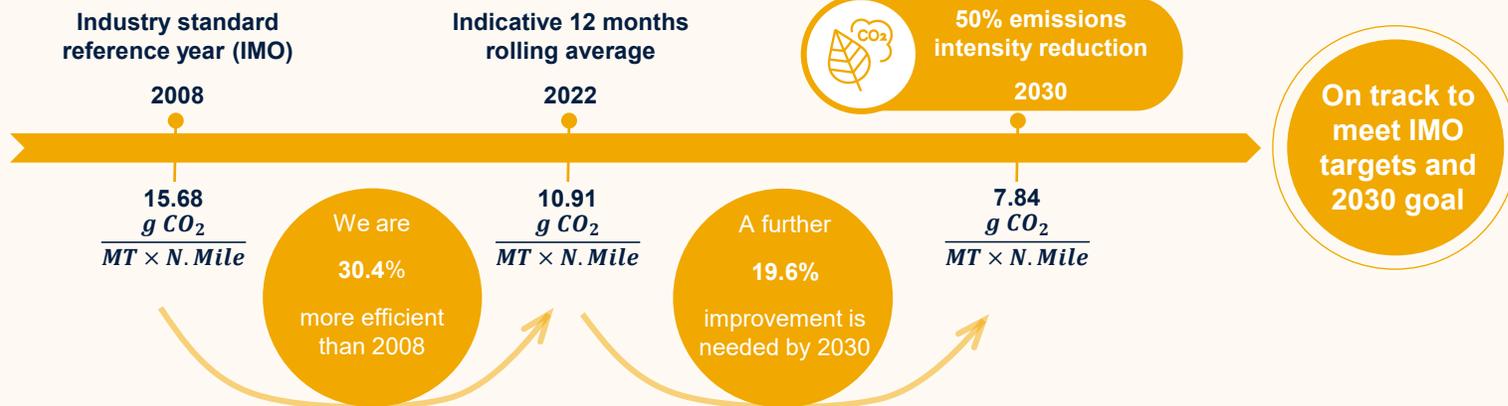
- Reduce carbon intensity by 50% relative to 2008 levels by 2030
- Run a carbon-neutral business by 2050

2022 Highlights

- GHG Emission Intensity (AER) at 10.91 down from 11.06 in 2021
- GHG Emissions Scope 1 decreased by 5.8% in 2022



GHG Emission Intensity (AER)



Stolthaven Terminals



- Reduce carbon intensity by 50% relative to 2008 levels by 2030
- Run a carbon-neutral business by 2050

2022 Highlights

- GHG Emission Scope 1 increased by 4.6%
- EcoVadis Silver rating for the first time for all wholly-owned terminals
- Moerdijk Terminal received International Sustainability and Carbon Certificate and CAT-3 certification



Stolt Tank Containers



- 50% renewable energy consumption at wholly owned depots by 2030
- 40% reductions in our transportation partners' carbon footprint by 2030

2022 Highlights

- GHG Emissions Scope 1 decreased by 4.5%
- Renewed EcoVadis Silver rating



Stolt Sea Farm



- Zero waste to landfill by 2030, focusing on recycling and energy recovery.
- Reduction of fish products in our on-growing feed by 2030: 65% reduction for sole and 50% reduction for turbot

2022 Highlights

- Renewed GlobalG.A.P. certifications
- Renewed ISO 9001 and ISO 14001 Certifications for France, Spain, Portugal and Norway

Key Messages

- Continued strength across all businesses through the typically weak first quarter:
 - At Stolt Tankers the improved COA terms are now starting to show in the financial results
 - Stolthaven Terminals' continued high utilisation has allowed for rate improvements
 - Stolt Tank Containers results are resilient as capacity opens up and margins come under pressure
 - Stolt Sea Farm is expanding its markets and maintaining prices as production grows.
- Strong balance sheet and liquidity position allows for higher dividends: total of **\$2.25/share** for 2022





Q&A

Stolt-Nielsen 