

FIRST-QUARTER 2024 RESULTS

APRIL 10, 2024

Stolt-Nielsen



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. 32 et seq.) in the most recent annual report available at www.stolt-nielsen.com.

Presenters



Udo Lange
Chief Executive Officer



Jens F. Grüner-Hegge
Chief Financial Officer



Alex Ng
Vice President,
Corporate Development
and Strategy

Agenda | 1Q24 Results

1. Group Highlights
2. Financial Highlights
3. Segment Highlights
4. Market Outlook and Summary



1Q24 Key Messages

- Strong start to 2024 with 2Q24 TCE expected to be 6-8% higher
- Investing for growth
 - Fleet renewal continues – our JV with NYK Line ordered six stainless-steel fuel-efficient ships
 - Completion of Stolthaven Dagenham jetty upgrade
 - Increased stake in Odfjell SE class A shares to 13.6%
- *MSC Flaminia* legal claim settled in April within the provisions taken
- Balance sheet strength – 2.54x Net Debt / EBITDA⁽¹⁾
 - \$515m liquidity post-settlement of *MSC Flaminia*
 - Signed new 3+1+1 year \$150m RCF
 - Bond repayment of \$81.5m (SNI08)
- Final dividend of \$1.50 per share (\$2.50 per share for 2023), subject to AGM approval in April 2024



1Q24 SNL Highlights | Strong Start to 2024

1Q24 vs. 1Q23 vs 4Q23

OPERATING REVENUE

\$ 707.3m ▼

\$ 708.7m (-0.2%)

\$ 695.2m (+1.7%)

EBITDA

\$ 210.3m ▼

\$ 213.2m (-1.3%)

\$ 216.7m (-3.0%)

OPERATING PROFIT

\$ 132.1m ▼

\$ 142.1m (-7.0%)

\$ 140.0m (-5.6%)

NET PROFIT

\$ 104.0m ▲

\$ 99.8m (+4.2%)

\$ 98.4m (+5.6%)

FREE CASH FLOW^(1/2)

\$ 57.7m ▼

\$ 133.1m (-56.6%)

\$ 130.5m (-55.8%)

NET DEBT TO EBITDA⁽²⁾

2.54x ▼

2.57x (-0.03x)

2.48x (+0.06x)

SNL Performance Drivers | Solid Execution



TCE / OPERATING DAY⁽¹⁾ (US\$)

▲ +3.0%



YTD 1Q23

YTD 1Q24



UTILISATION⁽²⁾ (%)

▼ -5.1%



YTD 1Q23

YTD 1Q24



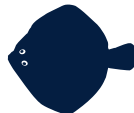
SHIPMENTS (#)

▲ +22.0%



YTD 1Q23

YTD 1Q24



VOLUMES SOLD⁽³⁾ (MT)

▲ +7.4%



YTD 1Q23

YTD 1Q24

1. TCE/Operating day refers to sailed-in revenue per day, which 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; 2. Wholly-owned terminals only; 3. Includes turbot and sole.



Financial Highlights

Financials | Summary Income Statement

Figures in USD millions	Quarter		
	1Q24	4Q23	1Q23
Operating Revenue	\$707.3	\$695.2	\$708.7
Operating Expenses	(453.0)	(418.5)	(443.1)
Depreciation and amortisation	(72.5)	(77.8)	(69.3)
Share of profit of joint ventures and associates	17.5	16.4	15.0
Administrative and general expenses	(68.1)	(76.7)	(69.5)
Gain (Loss) on sale of assets	0.4	0.2	(0.4)
Other operating income (expense), net	0.4	1.2	0.7
Operating Profit (as reported)	\$132.1	\$140.0	\$142.1
Net interest expense	(25.4)	(27.1)	(28.6)
FX loss, net	0.2	(1.6)	(1.6)
Other	5.9	0.7	3.0
Income tax expense	(8.8)	(13.6)	(15.1)
Net Profit	\$104.0	\$98.4	\$99.8
EBITDA	\$210.3	\$216.7	\$213.2

HIGHLIGHTS (1Q24 vs 1Q23)

- **Revenue** in line with previous year, with strong growth in Stolt Tankers, Stolthaven Terminals and Stolt Sea Farm offset by lower freight rates in Tank Containers as market conditions stabilise
- Increase in **operating expenses** driven by higher time-charter and bunker costs in Stolt Tankers, partly offset by lower ocean freight costs for STC
- Higher **equity income** driven by strong JV results in Stolthaven Terminals, partly offset by a reduction in Stolt Tankers JVs
- **A&G** decreased due to improved cost control. Stolt Tank Containers strategy to increase scalability is successfully lowering overall costs
- **Net interest expense** down due to higher finance income in the period
- **Income tax** decreased primarily due to lower taxable profits in STC



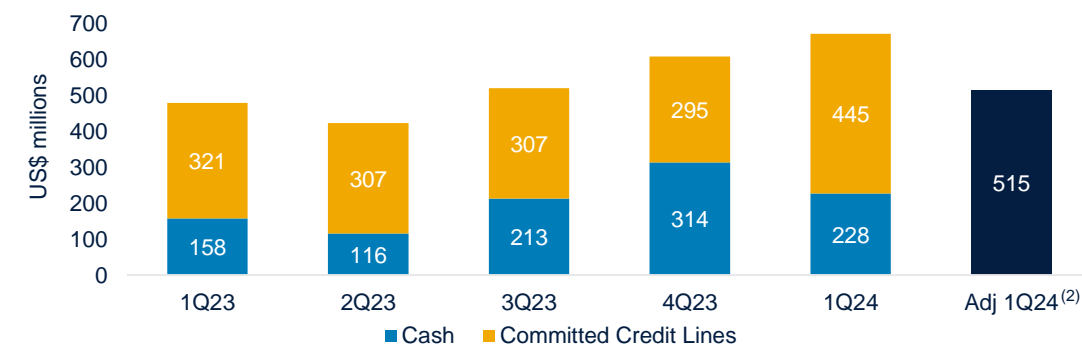
Financials | Cash Flow and Liquidity Position

Figures in USD millions	Quarter		
	1Q24	4Q23	1Q23
Cash generated from operations	\$173.1	\$340.0	\$176.8
Interest paid	(29.1)	(26.8)	(28.3)
Debt issuance cost	(0.4)	(1.5)	(0.8)
Interest received	5.7	3.8	4.0
Income taxes paid	(1.2)	(1.5)	(2.2)
Net cash generated from operations	\$148.1	\$314.0	\$149.4
Capital expenditures and intangible assets	(79.3)	(74.0)	(54.4)
Investments in and repayment of advances to JVs	(5.1)	2.7	(1.1)
(Purchase)/sale of shares	(35.6)	0.3	11.7
Sale of assets	4.1	1.8	0.1
Other	0.5	(7.3)	(0.1)
Net cash used in investing activities	(\$115.4)	(\$76.6)	(\$43.7)
Proceeds from issuance of long-term debt	68.0	112.4	-
Repayment of long-term debt	(116.8)	(110.6)	(32.9)
Principal payment on capital lease	(17.0)	(14.9)	(13.2)
Dividend and other	(53.6)	0.0	(53.6)
Net cash used in financing activities	(\$119.4)	(\$12.9)	(\$99.7)
Effect of FX change on cash	0.8	9.5	0.2
Total cash flow	(\$85.9)	\$234.0	\$6.3
Cash and cash equivalents at beginning of period	\$446.5	\$212.9	\$152.1
Cash and cash equivalents at end of period	\$360.6	\$446.5	\$158.4

HIGHLIGHTS (1Q24 vs 1Q23)

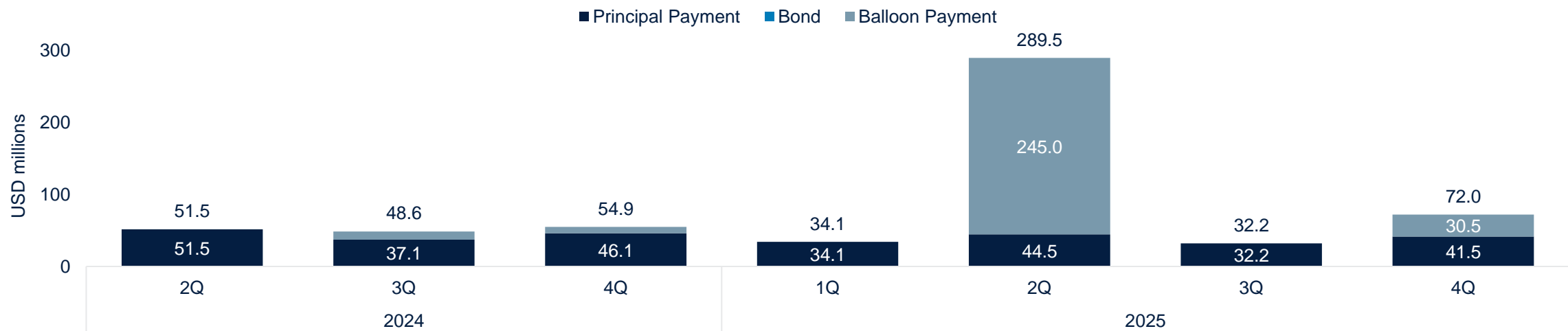
- Cash from **operating activities** decreased due to lower earnings from Stolt Tank Containers
- Higher **CAPEX** and drydock payments of \$79.3m primarily due to initial deposit paid for C38 newbuilds
- Purchase of additional Odfjell class A shares for \$35.6m
- Proceeds of \$68.0m from bond tap and debt issuance
- Bond repayment of \$81.5m made in February 2024 (SNI08)

LIQUIDITY⁽¹⁾

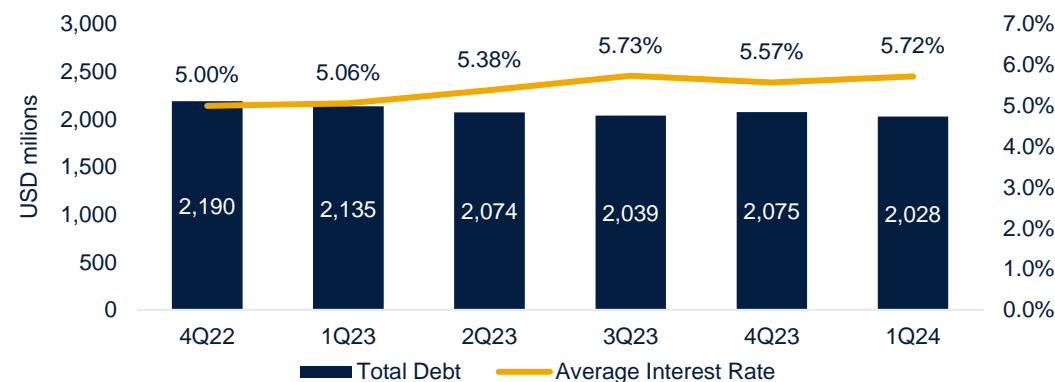


Debt Profile | Freeing Up Additional Debt Capacity

MATURITY PROFILE 2024 – 2025



DECREASING DEBT BALANCE



HIGHLIGHTS

- Finalised a revolving credit facility for \$150.0m in February 2024 using Stolt Sea Farm SA shares as collateral
 - Loan syndication with Danske Bank A/S, Nordea Bank Abp, DNB (UK) Ltd, Swedbank AB and Skandinaviska Enskilda Banken AB
 - 3-year maturity with extension options
- Repaid \$81.5m of senior unsecured bond debt (SNI08) expiring in February 2024 (total issue \$141.5m – repaid \$60.0m in 2023)

Financials | Capital Expenditures

<i>Figures in USD millions</i>	Actuals 1Q24	Remaining FY2024	Approved FY2025
Stolt Tankers	45	29	25
Stolthaven Terminals	16	144	123
Stolt Tank Containers	10	11	3
Stolt Sea Farm	1	41	34
SNL Corporate & Other	1	28	9
Total	\$73	\$253	\$193

Stolt Tankers: Capex excludes drydocking and includes deposits for newbuildings

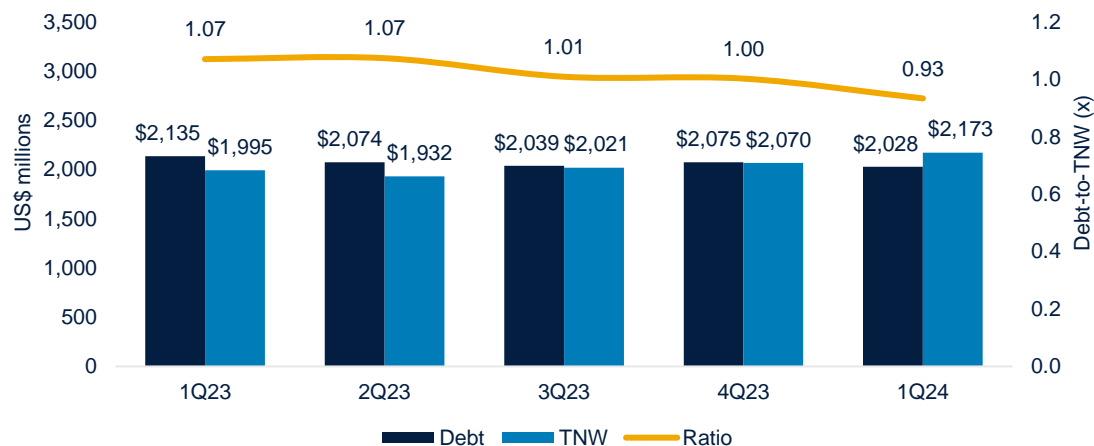
HIGHLIGHTS

- **Stolt Tankers:** Initial downpayment for six C38s from Wuhu Shipyard paid in 1Q24
- **Stolthaven Terminals:** Investments in expansion projects in Houston / New Orleans and Dagenham jetty
- **Stolt Sea Farm:** Major expansion of sole hatchery in Cervo in 2024
- \$41m equity injection into NST (JV with NYK Line) for six C38 newbuildings⁽¹⁾

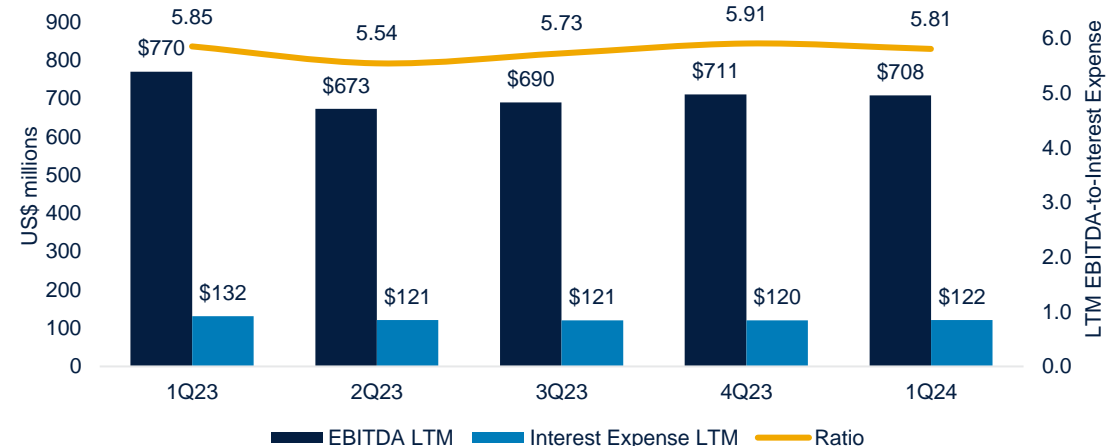


Robust Financial KPIs with Significant Headroom

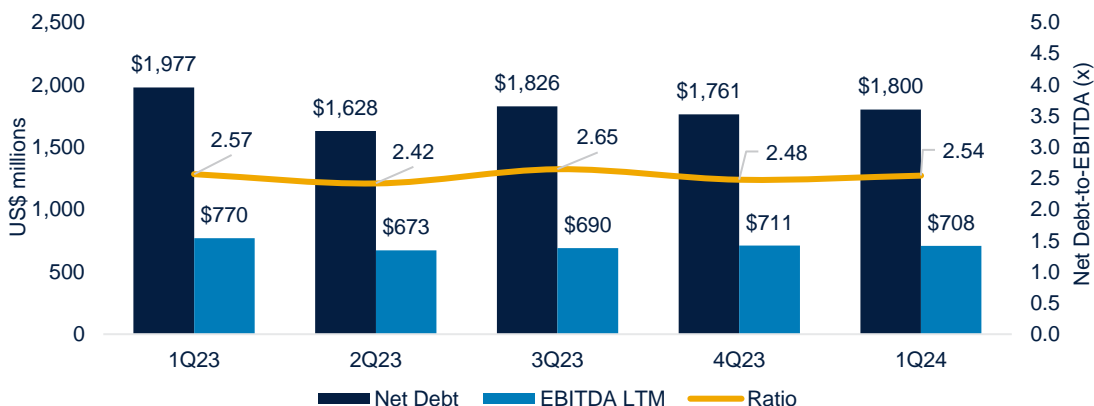
DEBT TO TANGIBLE NET WORTH (MAXIMUM 2.25:1.00)



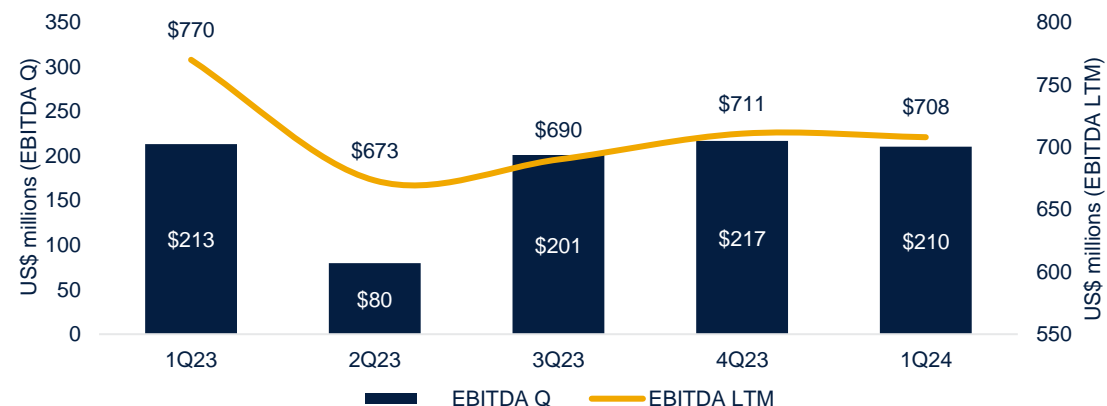
EBITDA TO INTEREST EXPENSE (MINIMUM 2.00:1.00)



NET DEBT to EBITDA⁽¹⁾



EBITDA DEVELOPMENT⁽²⁾





Segment Highlights

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Stolt Tankers | Higher Rates Offsetting Lower Volumes

1Q24 vs. 1Q23 vs. 4Q23

OPERATING REVENUE

\$ 443.8m ▲

\$ 415.5m (+6.8%)

\$ 441.3m (+0.5%)

EBITDA

\$ 132.4m ▲

\$ 125.0m (+5.9%)

\$ 141.3m (-6.3%)

HIGHLIGHTS (1Q24 vs 1Q23)

- Higher revenues due to consolidation of SNAPS regional pool revenue and additional charges for re-routing offset by lower deepsea freight revenues
- Panama and Suez canals disruption – lower volumes partially offset by higher COA rates
- Lower operating days due to redelivery of J19s, partially offset by addition of three 26k DWT CMB ships
- COA renewals and the recent increase in spot rates are expected to be reflected in 2Q onwards

OPERATING PROFIT

\$ 93.0m ▲

\$ 87.1m (+6.8%)

\$ 99.8m (-6.8%)

OPERATING DAYS (Deepsea)

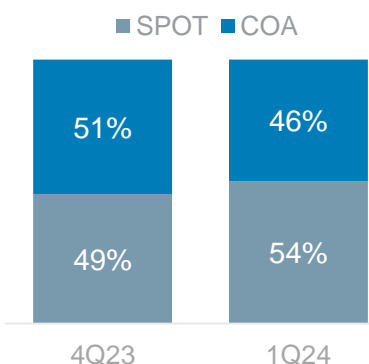
6,984 ▼

7,185 (-2.8%)

7,092 (-1.5%)

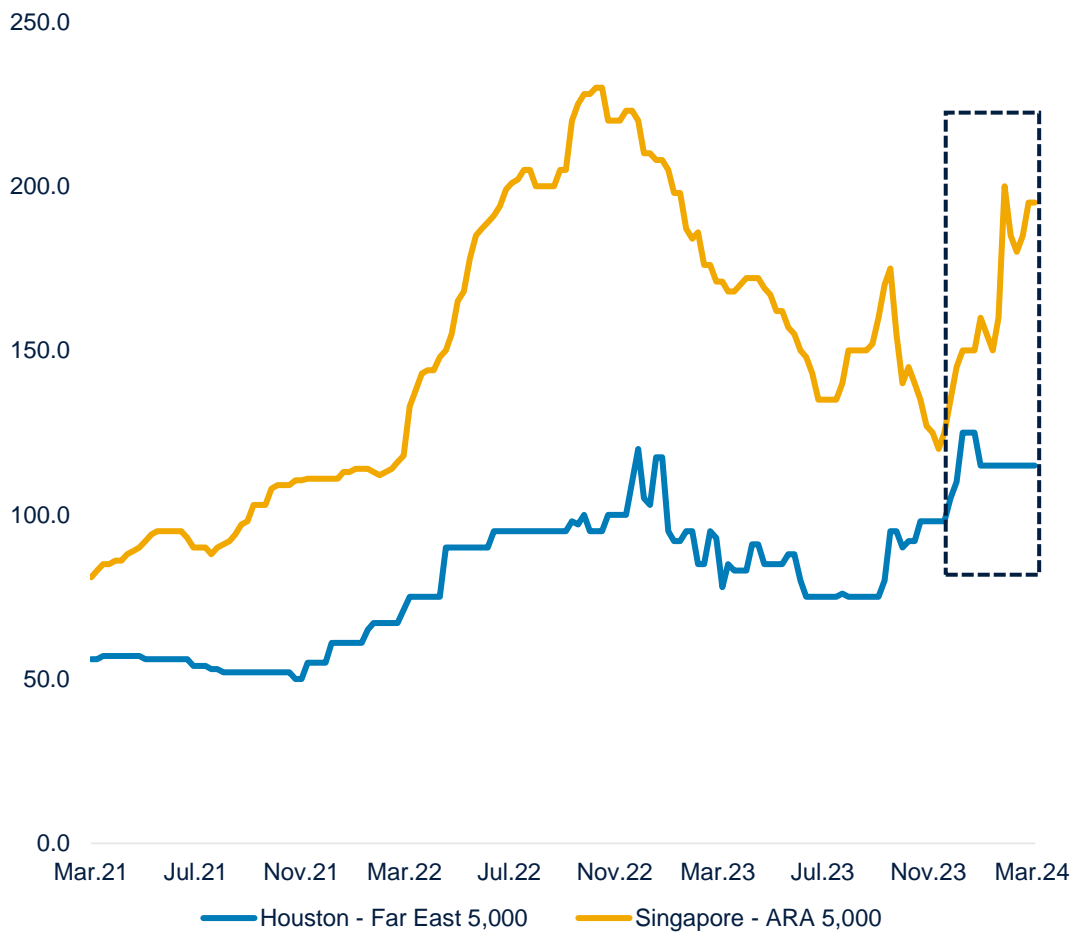
VOLUMES and RATES 1Q24 vs. 4Q23

	COA	SPOT
VOLUMES	-18.5% ▼	-1.1% ▼
RATES	+9.1% ▲	+0.2% ▲



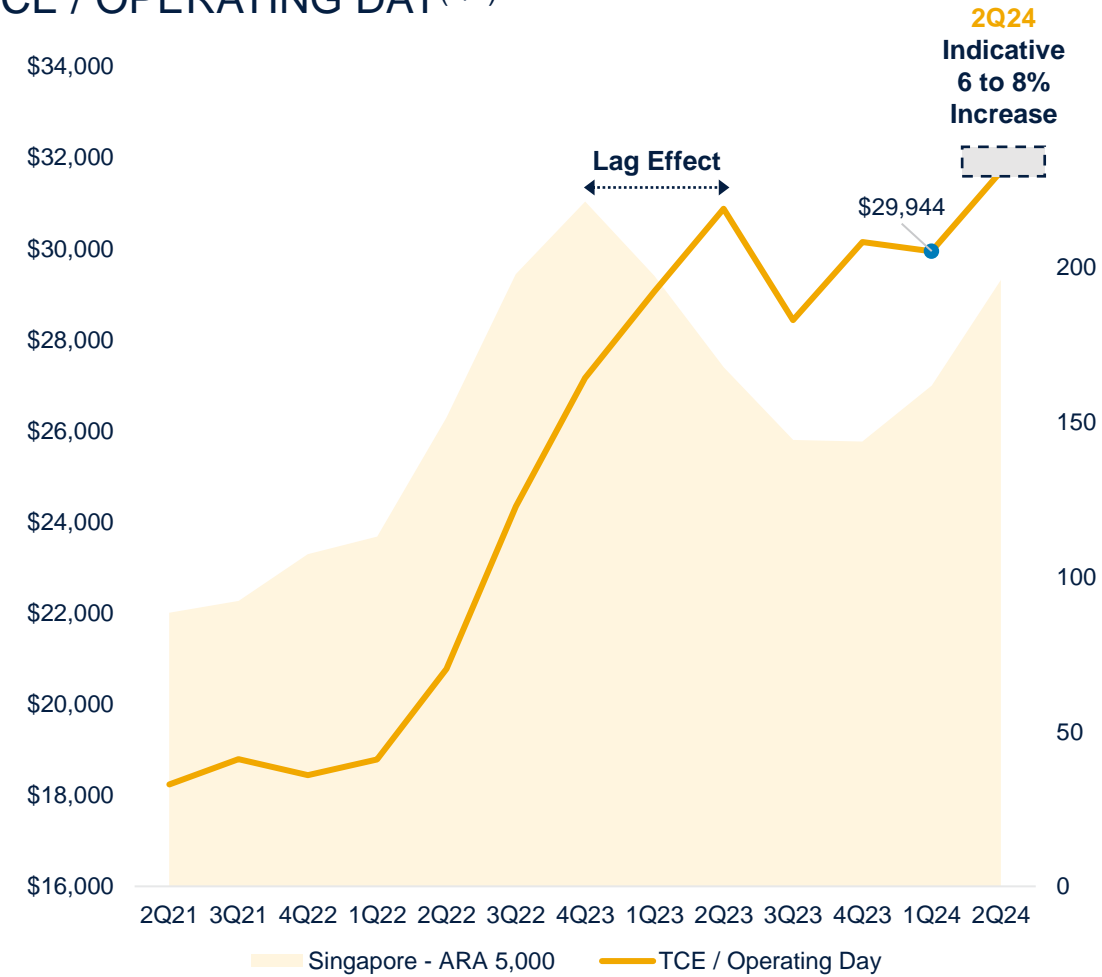
Stolt Tankers | Increasing Spot Rates Expected to Impact Q2

DEEPSEA CHEMICAL INDEX



Source : Clarkson Platou

TCE / OPERATING DAY^(1/2)



1. TCE/Operating day refers to sailed-in revenue per day, which 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; 2. Singapore – ARA 5,000: Average weekly rate aligned with Stolt-Nielsen calendar quarters. Note, 2Q24 rate represents actual average achieved rate in March 2024 only.

Stolthaven Terminals | Record Operating Results



1Q24 vs. 1Q23 vs. 4Q23

OPERATING REVENUE

\$ 76.8m ▲

\$ 74.0m (+3.9%)

\$ 76.8m (+0.0%)

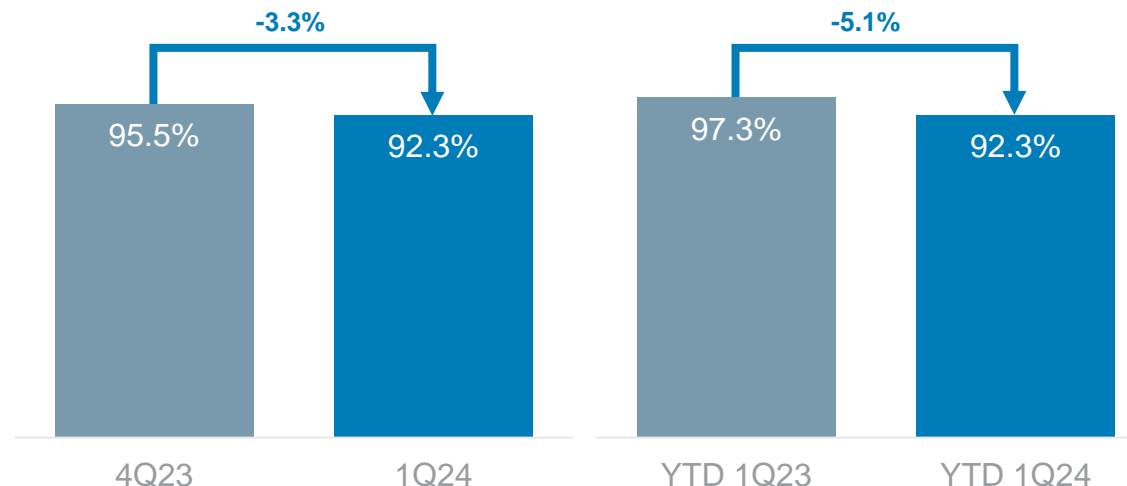
EBITDA

\$ 44.1m ▲

\$ 40.6m (+8.7%)

\$ 42.7m (+3.3%)

UTILISATION⁽¹⁾



OPERATING PROFIT

\$ 28.5m ▲

\$ 25.1m (+13.6%)

\$ 26.0m (+9.6%)

HIGHLIGHTS (1Q24 vs 1Q23)

- Increased operating revenue driven by above-inflation rate escalations, strong throughput and customer optimisation projects
- Lower utilisation driven by the release of existing tank capacity for rate optimisation. Utilisation expected to return to ~95% by end 2024
- Improved margins and higher JV income boosting profitability



Stolt Tank Containers | Highest Ever Shipment Volume

1Q24 vs. 1Q23 vs. 4Q23

OPERATING REVENUE

\$ 156.1m ▼

\$ 193.9m (-19.5%)

\$ 150.0m (+4.1%)

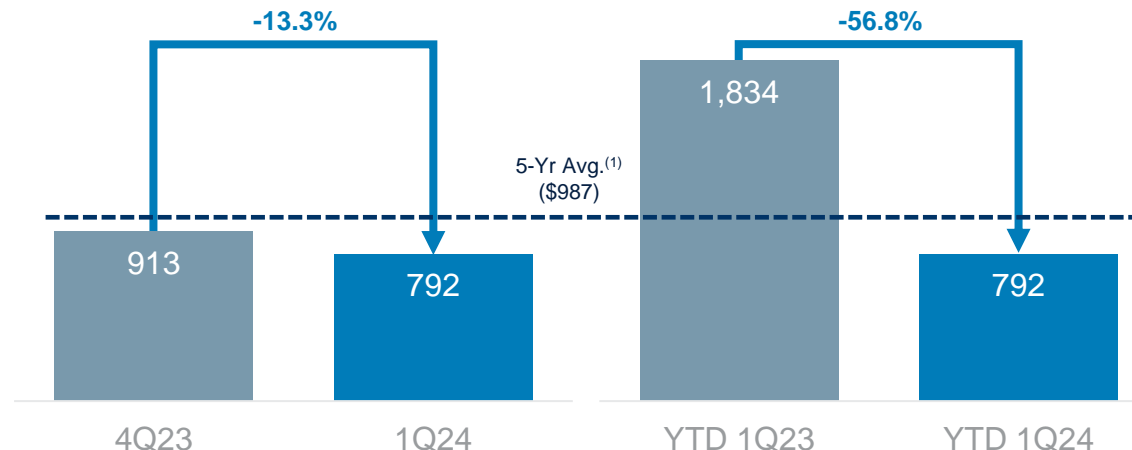
EBITDA

\$ 26.9m ▼

\$ 50.8m (-46.9%)

\$ 30.0m (-10.3%)

GROSS PROFIT PER SHIPMENT (US\$)



OPERATING PROFIT

\$ 13.3m ▼

\$ 39.3m (-66.2%)

\$ 14.2m (-6.7%)

SHIPMENTS

40,047 ▲

32,833 (+22.0%)

37,381 (+7.1%)

HIGHLIGHTS (1Q24 vs 1Q23)

- Decline in YoY results reflecting competitive market
- Record shipment volumes offsetting lower margins & reduced demurrage revenue which seem to have bottomed out
- Firm demand out of the Americas / South-East Asia
- Market remains competitive, albeit with temporary increase in spot rates due to disruption in the Panama and Suez canals



Stolt Sea Farm | Seasonally Strong Quarter



1Q24 vs. 1Q23 vs. 4Q23

OPERATING REVENUE

\$ 30.6m ▲

\$ 25.2m (+21.7%)

\$ 27.0m (+13.3%)

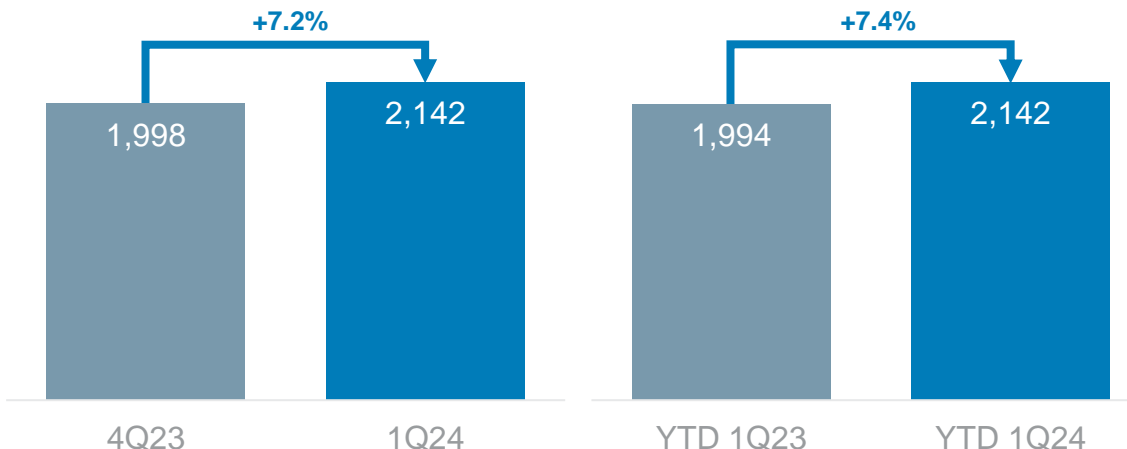
EBITDA (Excl. FV Adj.)

\$ 9.1m ▲

\$ 7.2m (+26.4%)

\$ 5.6m (+63.3%)

VOLUMES SOLD⁽¹⁾ (MT)



OPERATING PROFIT

(Excl. FV Adj.)

\$ 6.9m ▲

\$ 5.6m (+22.4%)

\$ 4.2m (+62.3%)

TURBOT PRICES

(+13.4%) vs. 1Q23

(+10.0%) vs. 4Q23

SOLE PRICES

(+13.0%) vs. 1Q23

(-2.6%) vs. 4Q23

HIGHLIGHTS (1Q24 vs 1Q23)

- Strong sales volume and firming prices
- Production remains strong across all sites
- High energy and feed costs expected to impact margins
- Focus on volumes and prices heading into key summer months

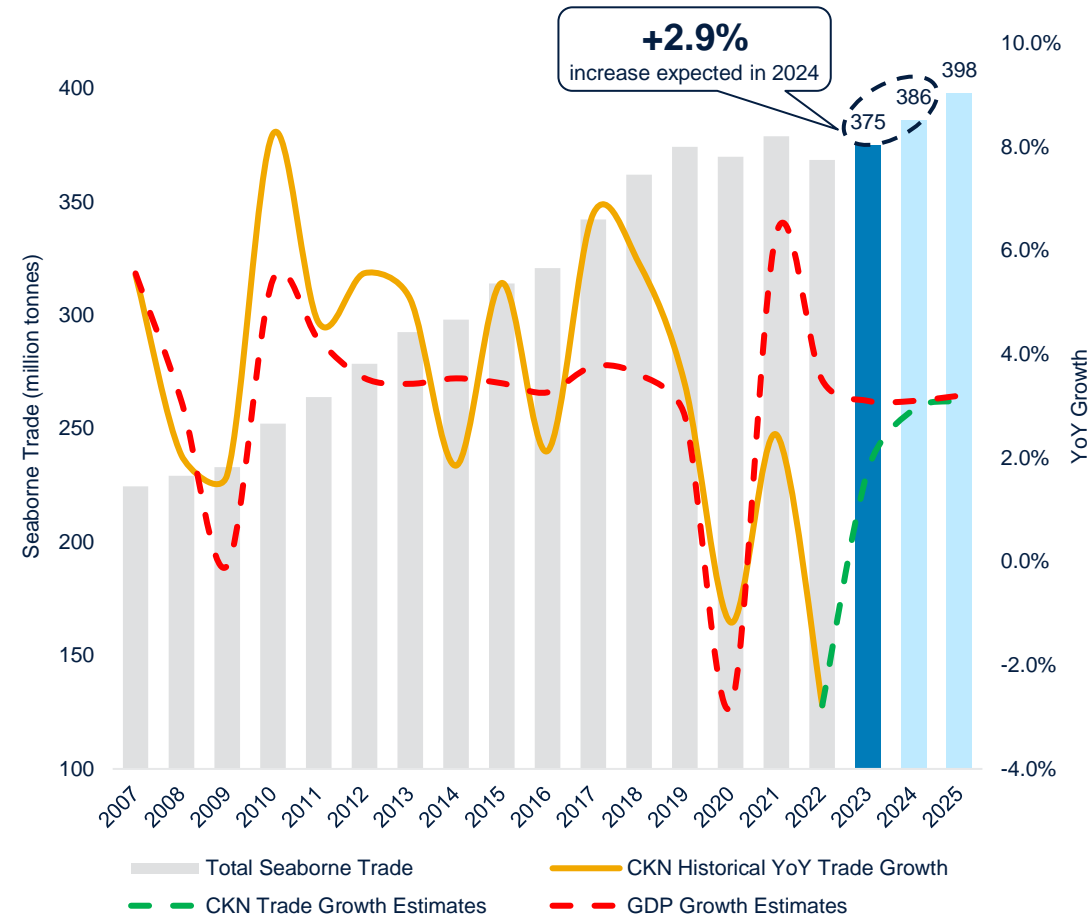




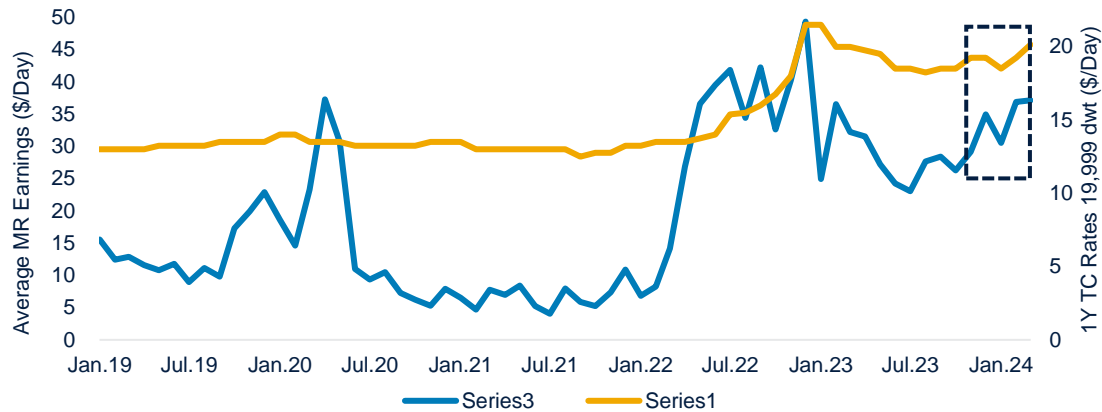
Market Outlook

Market Outlook | Favourable Market Fundamentals

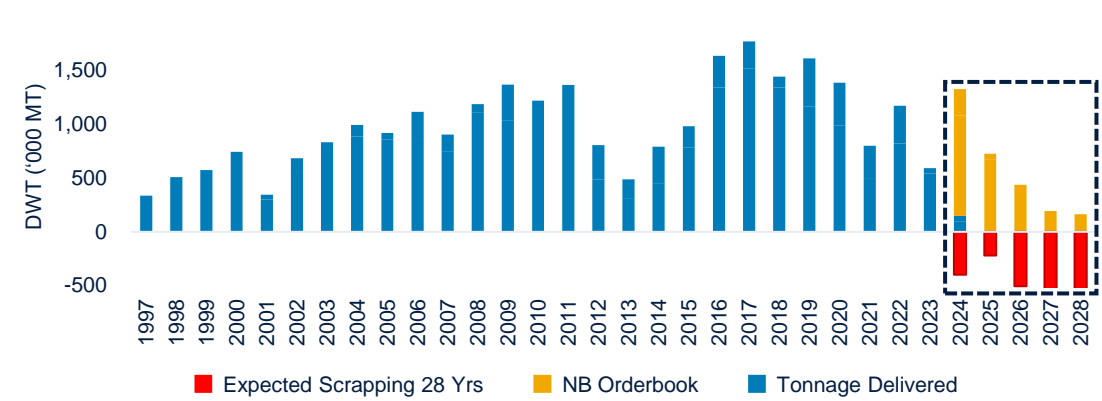
SEABORNE TRADE EXPECTED TO INCREASE



RATES REBOUND – LIMITING SWING TONNAGE



HISTORICALLY LOW NEWBUILD ORDERBOOK (~8.8%)⁽¹⁾



Sources: Clarksons Platou, BRS, Industry Sources (April 2024)

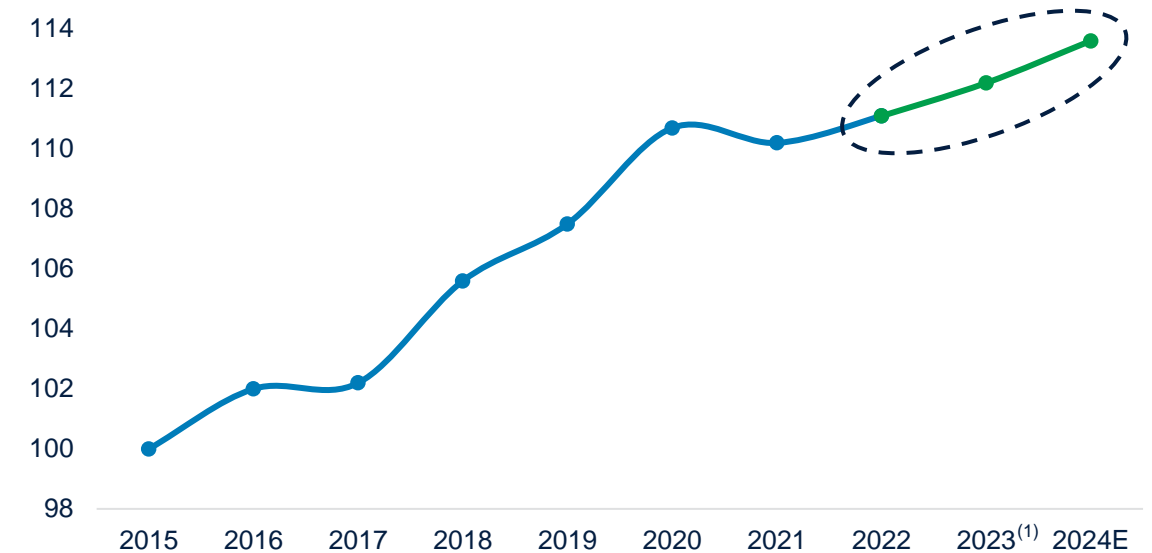
1. Includes stainless steel and coated ships with sizes between 3-50k DWT.

Market Outlook | Drivers Supporting Attractive Freight Rates

FREIGHT RATE KEY DRIVERS

- 1 Volumes** 
- 2 Voyage Distances** 
- 3 Supply** 
- 4 CPP Market Sentiment** 

ANNUAL AVERAGE HAUL DEVELOPMENT (INDEX 2015)



- Volumes expected to remain largely flat with some signs of growth
- Restricted transits through the Panama and Suez canals resulting in longer voyages – working closely with customers to minimise any negative impact on their supply chains
- Low net supply growth of ~1% over the next two years due to low newbuild deliveries balanced against limited scrapping
- Firm MR market – expected to remain healthy in 2024

Sources: Clarksons Platou, Industry Sources

Concluding Remarks



POSITIVE 2024 OUTLOOK



- TCE expected to reach historic high levels



- Improved pricing and utilisation in 2H24 as we optimise our contract portfolio



- Shipment margins have likely bottomed; focus on volumes and reducing costs



- Strong prices and volumes expected to continue, offset by energy and feed costs



CASH FLOWS FOR EARNINGS AND RETURNS



- Balance sheet strength – new RCF and concluded on *MSC Flaminia*



- Targeted investments across each of our business units



- Strong cash flow generation for earnings growth and dividends

CAPITAL MARKETS DAY, 12 JUNE 2024, LONDON





Q&A

Stolt-Nielsen 