Financial Statements

Consolidated Statement of Total Comprehensive Income

(in US $ thousands, except per share data)	Notes	For the years ended November 30 2024	2023
Operating Revenue	3, 4	**2,890,625**	2,820,218
Operating Expenses	5	**(1,851,010)**	(1,745,793)
Legal claims provision	26	**–**	(155,000)
		1,039,615	919,425
Depreciation and amortisation	14, 15, 16	**(298,757)**	(292,321)
Gross Profit		**740,858**	627,104
Share of profit of joint ventures and associates	17	**62,758**	62,265
Administrative and general expenses	5	**(274,087)**	(273,412)
Gain on disposal of assets, net	7	**7,485**	3,606
Other operating income		**2,821**	3,406
Other operating expense		**(1,305)**	(3,322)
Operating Profit		**538,530**	419,647
Non-Operating (Expense) Income			
Finance expense on lease liabilities	8	**(14,177)**	(11,389)
Finance expense on debt	8	**(112,001)**	(108,967)
Finance income	8	**16,258**	7,742
Foreign currency exchange loss, net		**(4,045)**	(5,289)
Other non-operating income, net		**16,550**	7,690
Profit before income tax		**441,115**	309,434
Income tax expense	9	**(46,356)**	(12,783)
Net Profit		**394,759**	296,651
Earnings per share:			
Basic	31	**7.38**	5.54
Diluted	31	**7.38**	5.54

(in US $ thousands)	Notes	For the years ended November 30 2024	2023
Net profit		**394,759**	296,651
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gain on pension schemes	25	**1,913**	1,357
Actuarial gain on pension scheme of joint venture	17	**531**	524
Deferred tax adjustment on defined benefit and other post-employment benefit obligations	9	**(920)**	(343)
Items that may be reclassified subsequently to profit or loss:			
Net loss on cash flow hedges		**(11,942)**	(28,142)
Reclassification of cash flow hedges to income statement		**3,077**	10,707
Net (loss) gain on cash flow hedges held by joint ventures	17	**(2,273)**	1,068
Deferred tax adjustment on cash flow hedges	9	**327**	1,169
Exchange differences arising on translation of foreign operations		**(20,167)**	19,518
Exchange differences arising on translation of joint ventures and associates	17	**(12,223)**	3,939
Change in value of investment in equity instruments	18	**40,455**	(1,595)
Net (loss) profit recognised as other comprehensive income		**(1,222)**	8,202
Total comprehensive income		**393,537**	304,853

Notes 1 to 33 are an integral part of these Consolidated Financial Statements.

Consolidated Balance Sheet

(in US $ thousands)	Notes	As of November 30 2024	2023
ASSETS			
Current Assets:			
Cash and cash equivalents	10	**334,738**	446,515
Receivables, net	11	**376,732**	341,319
Inventories, net	12	**7,295**	8,390
Biological assets	12	**52,545**	54,812
Prepaid expenses	13	**95,222**	108,727
Derivative financial instruments	22	**7,014**	6,096
Income tax receivable	9	**4,647**	2,029
Other current assets		**34,885**	47,082
Total Current Assets		**913,078**	1,014,970
Property, plant and equipment	14	**2,775,044**	2,840,502
Right-of-use assets	15	**331,492**	228,271
Deposit for newbuildings	14	**41,328**	–
Investments in and advances to joint ventures and associates	17	**719,563**	650,163
Investment in equity and debt instruments	18	**205,274**	132,864
Deferred tax assets	9	**18,488**	19,144
Intangible assets and goodwill	16	**42,455**	40,283
Employee benefit assets	25	**24,082**	21,292
Derivative financial instruments	22	**2,337**	4,788
Insurance claims receivable	19	**12,848**	14,927
Other non-current assets		**16,613**	16,519
Total Non-Current Assets		**4,189,524**	3,968,753
Total Assets		**5,102,602**	4,983,723

The financial statements on pages 69 to 137 were approved by the Board of Directors on March 13, 2025 and signed on its behalf by

Udo Lange
Chief Executive Officer

Jens F. Grüner-Hegge
Chief Financial Officer

(in US $ thousands)	Notes	As of November 30 2024	2023
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities:			
Current maturities of long-term debt	24	**195,645**	255,109
Current lease liabilities	15	**58,581**	55,456
Accounts payable	20	**96,325**	114,695
Accrued voyage expenses and unearned revenue		**70,862**	76,814
Dividend payable	30	**66,972**	53,591
Accrued expenses	20	**282,158**	235,044
Provisions	26	**521**	302,184
Income tax payable	9	**24,505**	16,901
Derivative financial instruments	22	**7,342**	11,940
Other current liabilities		**56,031**	55,569
Total Current Liabilities		**858,942**	1,177,303
Long-term debt	24	**1,647,127**	1,581,492
Long-term lease liabilities	15	**285,430**	182,751
Deferred tax liabilities	9	**109,629**	90,516
Employee benefit liabilities	25	**20,197**	19,937
Derivative financial instruments	22	**12,671**	7,656
Long-term provisions	26	**15,049**	17,194
Other non-current liabilities		**1,223**	820
Total Non-Current Liabilities		**2,091,326**	1,900,366
Total Liabilities		**2,950,268**	3,077,669
Shareholders' Equity	30		
Founder's Shares		**14**	14
Common Shares		**58,524**	58,524
Paid-in surplus		**195,466**	195,466
Retained earnings		**2,216,245**	1,967,219
Other components of equity		**(206,864)**	(204,118)
		2,263,385	2,017,105
Less – Treasury shares		**(111,051)**	(111,051)
Total Shareholders' Equity		**2,152,334**	1,906,054
Total Liabilities and Shareholders' Equity		**5,102,602**	4,983,723

Notes 1 to 33 are an integral part of these Consolidated Financial Statements.

Consolidated Statement of Changes in Shareholders' Equity

(in US $ thousands)	Common Shares	Founder's Shares	Paid-in surplus	Treasury shares	Retained earnings	Foreign currency (a)	Hedging (a)	Fair value (a)	Attributable to equity holders of SNL
Balance, December 1, 2022	**58,524**	**14**	**195,466**	**(111,051)**	**1,787,198**	**(227,767)**	**24,885**	**(5,573)**	**1,721,696**
Comprehensive income (loss)									
Net profit	–	–	–	–	296,651	–	–	–	296,651
Other comprehensive income (loss)									
Transfer related to disposal of equity investment	–	–	–	–	2,327	–	–	(2,327)	–
Translation adjustments, net	–	–	–	–	–	23,457	–	–	23,457
Remeasurement of post-employment benefit obligations, net of tax	–	–	–	–	1,538	–	–	–	1,538
Fair value adjustment on equity investments	–	–	–	–	–	–	–	(1,595)	(1,595)
Net loss on cash flow hedges and reclassifications to income statement, net of taxes	–	–	–	–	–	–	(15,198)	–	(15,198)
Total other comprehensive income (loss)	–	–	–	–	3,865	23,457	(15,198)	(3,922)	8,202
Total comprehensive income (loss)	**–**	**–**	**–**	**–**	**300,516**	**23,457**	**(15,198)**	**(3,922)**	**304,853**
Transactions with shareholders									
Cash dividends paid –$2.25 per Common Share (b)	–	–	–	–	(120,428)	–	–	–	(120,428)
Cash dividends paid –$0.005 per Founder's Share (b)	–	–	–	–	(67)	–	–	–	(67)
Total transactions with shareholders	**–**	**–**	**–**	**–**	**(120,495)**	**–**	**–**	**–**	**(120,495)**
Balance, November 30, 2023	**58,524**	**14**	**195,466**	**(111,051)**	**1,967,219**	**(204,310)**	**9,687**	**(9,495)**	**1,906,054**
Comprehensive income (loss)									
Net profit	–	–	–	–	394,759	–	–	–	394,759
Other comprehensive income (loss)									
Translation adjustments, net	–	–	–	–	–	(32,390)	–	–	(32,390)
Remeasurement of post-employment benefit obligations, net of tax	–	–	–	–	1,524	–	–	–	1,524
Fair value adjustment on equity investments	–	–	–	–	–	–	–	40,455	40,455
Net loss on cash flow hedges and reclassifications to income statement, net of taxes	–	–	–	–	–	–	(10,811)	–	(10,811)
Total other comprehensive income (loss)	–	–	–	–	1,524	(32,390)	(10,811)	40,455	(1,222)
Total comprehensive income (loss)	**–**	**–**	**–**	**–**	**396,283**	**(32,390)**	**(10,811)**	**40,455**	**393,537**
Transactions with shareholders									
Cash dividends paid –$2.75 per Common Share (c)	–	–	–	–	(147,190)	–	–	–	(147,190)
Cash dividends paid –$0.005 per Founder's Share (c)	–	–	–	–	(67)	–	–	–	(67)
Total transactions with shareholders	**–**	**–**	**–**	**–**	**(147,257)**	**–**	**–**	**–**	**(147,257)**
Balance, November 30, 2024	**58,524**	**14**	**195,466**	**(111,051)**	**2,216,245**	**(236,700)**	**(1,124)**	**30,960**	**2,152,334**

a. Other components of equity on the balance sheet of $206.9 million and $204.1 million at November 30, 2024 and 2023, respectively, are composed of foreign currency, hedging and fair value.
b. The $120.4 million is the 2022 final and 2023 interim dividends for Common Shares and $0.1 million for Founder's Shares.
c. The $147.2 million is the 2023 final and 2024 interim dividends for Common Shares and $0.1 million for Founder's Shares.

Notes 1 to 33 are an integral part of these Consolidated Financial Statements.

Consolidated Statement of Cash Flows

(in US $ thousands)	Notes	For the years ended November 30 2024	2023
Cash generated from operations	32	**543,879**	974,343
Interest paid		**(119,546)**	(109,567)
Debt issuance costs		**(5,743)**	(4,440)
Interest received		**14,763**	7,742
Income taxes paid		**(21,740)**	(13,682)
Net cash generated from operating activities		**411,613**	854,396
Cash flows from investing activities			
Capital expenditures	14	**(229,537)**	(259,438)
Purchase of intangible assets	16	**(6,593)**	(8,538)
Deposits for newbuildings	14	**(41,328)**	–
Investments in joint ventures and associates	17	**(14,520)**	(18,175)
Proceeds from sales of assets	14	**64,745**	6,333
Repayment of advances to joint ventures	17	**6,061**	17,994
Advances to joint ventures	17	**(65,169)**	(3,399)
Purchase of shares in equity instruments	18	**(35,600)**	–
Sale of shares in equity instruments	18	**–**	11,798
Other, net		**811**	(7,727)
Net cash used in investing activities		**(321,130)**	(261,152)
Cash flows from financing activities			
Proceeds from issuance of long-term debt	24	**518,326**	333,840
Repayment of long-term debt	24	**(519,643)**	(461,745)
Principal payments on leases	15	**(64,130)**	(54,495)
Dividends paid	30	**(133,876)**	(120,495)
Net cash used in financing activities		**(199,323)**	(302,895)
Net (decrease) increase in cash and cash equivalents		**(108,840)**	290,349
Effect of exchange rate changes on cash and cash equivalents		**(2,937)**	4,025
Cash and cash equivalents at beginning of year		**446,515**	152,141
Cash and cash equivalents at end of year		**334,738**	446,515

Notes 1 to 33 are an integral part of these Consolidated Financial Statements.

Notes to the Financial Statements

1. General Information

Stolt-Nielsen Limited (the "Company" or "SNL") and its subsidiaries (collectively, the "Group"), through its divisions, Stolt Tankers ("Tankers"), Stolthaven Terminals ("Terminals") and Stolt Tank Containers ("STC"), is engaged in the worldwide transportation, storage and distribution of bulk liquid chemicals, edible oils, acids, and other speciality liquids. The Group is also engaged in the seafood business, which is carried out through Stolt Sea Farm ("SSF"), which produces, processes and markets turbot and sole. Furthermore, the Group holds investments across the bulk-liquid logistics and distribution field with its 13.6% investment in Odfjell SE and 8.5% investment in Ganesh Benzoplast Limited ("GBL"), liquefied natural gas ("LNG") through Avenir LNG Limited ("Avenir") (47.0% owned in 2024 with a further 48.8% acquired subsequent to the end of the year), its 50% holding of Higas Holdings Limited ("Higas") and its 2.5% holding of Golar LNG Limited. In addition, it has invested in land-based aquaculture through its 8.3% investment in The Kingfish Company NV ("Kingfish").

The Company is a limited liability holding company incorporated in Bermuda on June 11, 2010. The Company is listed on the Oslo Stock Exchange under the ticker symbol SNI and the registered address is Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda, with the registration number EC 44330.

2. Summary of Material Accounting Policies

Basis of preparation

The Consolidated Financial Statements of the Group have been prepared using accounting policies consistent with International Financial Reporting Standards as adopted by the European Union ("IFRS") and interpretations issued by the IFRS Interpretations Committee. Accounting policies have been applied on a consistent basis with the prior year, except when new accounting policies have been adopted.

The Consolidated Financial Statements are prepared and published according to the provisions of Bermuda company law.

The presentation currency used in these Consolidated Financial Statements is the US dollar. The functional currency of the Company is the US dollar.

Going concern

As part of the going concern evaluation, Management considered the following large expenditures that are expected to occur from December 1, 2024 to May 31, 2026:

- Repayments of long-term debt of $365.0 million through the period, including the early repayment of a portion of the CMB Financial Leasing Co. Ltd. ("CMBFL") debt in December 2024 as discussed in Note 33, Subsequent events,
- Investment and capital expenditure commitments of approximately $303.8 million including acquiring the remaining 50% of Hassel Shipping 4 ("HS4"),
- Dividends paid on December 4, 2024 of $67.0 million.
- Acquisition of the remaining 53% of Avenir LNG Limited ("Avenir") which was approved subsequent to November 30, 2024 for approximately $88.3 million, and
- Routine working capital requirements.

These future expenditures are covered by the following:

- At November 30, 2024, the Group had cash and cash equivalents of $334.7 million.
- The Group also has an undrawn committed revolving credit facility for $168.2 million with an expiration date in 2028 and another for $150.0 million with an expiration in 2027. Subsequent to November 30, 2024, a third committed $100.0 million revolving credit facility which was expiring in December 2024 was renewed for $120.0 million for two more years.
- In connection with the HS4 acquisition, the Group will also assume approximately $182.0 million of debt.
- The ability of the Group to meet future expenditure requirements is dependent on the timing and quantum of cash flows from operations. The Group has prepared a detailed cash flow forecast for 2025 and 2026 which shows continued robust cash from operations. Cash flow forecasts are revised and reviewed by Management monthly and reviewed by the Board of Directors quarterly.
- The Group has access to alternative forms of capital such as sale of equity instruments or other assets, reissuance of treasury shares and the ability to reduce dividends.
- The Group has performed stress testing by considering various downside scenarios without negative results, including not breaking debt covenants. The downside scenarios considered involve a decrease in sailed-in rates of 9% in 2025 and 32% in 2026, before slowly recovering towards base case expectations in 2029.

In the opinion of Management the Group has adequate resources to continue in operational existence for the foreseeable future and to comply with all debt covenants. If for any reason the Group is unable to continue as a going concern, then this could have an impact on the Group's ability to realise assets at their recognised values, in particular goodwill and other intangible assets, and to extinguish liabilities in the normal course of business at the amounts stated in the Consolidated Financial Statements.

Notes to the Financial Statements continued

Basis of measurement

The Consolidated Financial Statements are prepared on the historical cost basis except for derivative financial instruments, financial instruments measured at fair value through other comprehensive income, defined benefit plan assets and biological assets, all of which are stated at their fair value.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists where a parent entity is either exposed to, or has rights to, variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. A parent entity has power over the subsidiary when it has existing rights to direct the relevant activities of the subsidiary. The relevant activities are those that significantly affect the subsidiary's returns. The ability to approve the operating and capital budget of a subsidiary, and the ability to appoint key management personnel, are decisions that demonstrate that the Group has existing rights to direct the relevant activities of a subsidiary. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date that control begins until the date that control ceases. Where necessary, adjustments are made to the Financial Statements of subsidiaries to bring the accounting policies used in line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Foreign currency

(i) Foreign currency transactions

Separate Financial Statements of the subsidiaries and equity method investees of the Group are presented in the functional currency of the primary economic environment in which they operate.

Transactions in foreign currencies are translated at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate prevailing at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are not retranslated, while non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates prevailing at the dates the fair values were determined.

Foreign exchange differences arising on translation are recognised in the income statement, except for those differences arising from hedging and monetary balances with foreign operations where settlement is not planned and unlikely to occur, which are recorded in other comprehensive income. Differences related to hedging of operating expenses are recorded in operating expenses.

(ii) Foreign operations

For the purpose of presenting Consolidated Financial Statements, the assets and liabilities of the Group's foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated at foreign exchange rates prevailing at the balance sheet date. The operating revenue and expenses of foreign operations are translated at an average rate for the period where this rate approximates the foreign exchange rates at the dates of the transactions. The differences are recorded in other comprehensive income.

Other material accounting policies

Accounting policies for individual balance sheet and income statement accounts are included in the respective footnotes.

New standards that are not yet effective

There are no standards that are not yet effective that are expected to have a material effect on the Group's financial statements.

Accounting policies that became effective during the year

There are no new accounting policies that have become effective during the year that have had a material effect on the Group's financial statements.

Notes to the Financial Statements continued

Critical accounting judgements and key sources of estimation uncertainty

In connection with the preparation of the Consolidated Financial Statements, management has made assumptions and estimates about future events, and applied judgements that affect the reported amounts of assets, liabilities, operating revenue, expenses and the related disclosures. The assumptions, estimates and judgements are based on historical experience, current trends and other factors that management believes to be relevant at the time the Consolidated Financial Statements are prepared. Actual results may differ from these estimates. On a regular basis, management reviews the accounting policies, assumptions, estimates and judgements to ensure that the Consolidated Financial Statements are presented fairly and in accordance with IFRS and Bermuda company law, applied on a consistent basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the change affects both as per IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

Critical accounting estimates and judgements are those that have a significant risk of having a material impact on the Consolidated Financial Statements. Management believes the following areas are the significant judgements and estimates used in the preparation of the Consolidated Financial Statements:

Critical accounting estimate	Sources of accounting judgement or estimation uncertainty	Effect if actual results differ from assumptions
Voyage revenue and costs		
The Group generates a majority of its operating revenue through its tanker segment from the transportation of liquids by sea and inland waterways under contracts of affreightment or through contracts on the spot market. Tankers recognise the majority of its operating revenue over time on a prorated basis based on the time cargo is loaded to its estimated dispatch. When calculating the voyage revenue and costs, this recognition is first based on 'budgeted voyage legs' that are reviewed and updated annually. After the voyage legs have begun, they are updated for actual results and the latest updated estimates.	In applying the percentage of completion method, the revenue and expenses for voyages still in progress at the end of the reporting period are estimated and prorated over the period of the service provided for each active contract. For each voyage leg, estimates are made of revenues and related costs based on available actual information, current market parameters such as fuel cost and customer contract portfolios, and relevant historical data, such as port costs. Revenue and cost estimates are updated continually throughout the voyage to account for changes in voyage patterns, to include the most up-to-date data and to finalise revenues and expenses.	The accrued voyage and prepaid voyage expense accounts are used to adjust revenues billed and vendor invoices received to the appropriate amounts to be recognised based on the percentage of completion method of accounting. Management does not believe there would be a material change if the percentage of completion method was based on full voyages or other criteria, rather than using voyage legs. However, if actual results are not consistent with estimates or assumptions, revenues or costs may be over or understated. At November 30, 2024 and 2023, the accrued voyage expense account was \$70.9 million and \$76.8 million, respectively, of which \$40.2 million and \$47.1 million related to contract liabilities for unearned revenues. Prepaid expenses included \$24.1 million and \$29.1 million of prepaid invoices for voyages in progress applicable to periods subsequent to November 30, 2024 and 2023, respectively.

Notes to the Financial Statements continued

Critical accounting judgements and key sources of estimation uncertainty continued

Critical accounting estimate	Sources of accounting judgement or estimation uncertainty	Effect if actual results differ from assumptions
Depreciation and residual values		
Ships, barges, tank containers and terminals are depreciated on a straight-line basis over their estimated useful lives, after reducing for the estimated residual value. Estimated useful lives are based on past experience, expected future performance and management's estimate of the period over which the asset will provide economic benefit. For ships and barges, residual values are estimated based on the steel price, the estimated light displacement tonnage of the fleet and current trends in the price of recycling of ships. For the majority of the fleet, the steel price used is the average steel price for the last three years. For ships expected to be recycled in the next three years, the steel price at the previous year-end date is used. The evaluation of residual values and estimated useful lives for tank containers is based on the steel price of different grades of steel. In the case of terminals, the lives of terminals can range up to 40 years and the prices of steel and construction costs can vary across different terminals. If there is a material change in the estimated life of the terminal or price of steel, then the estimates are revised. Both estimated useful lives and the residual values are evaluated annually, and the effect of any change is considered as a revision of accounting estimates, and the effect is reflected in the future depreciation charge.	In order to achieve component accounting, the Group uses the weighted average useful economic life of the asset. In the case of ships, estimated useful lives of the components of the ships range from an estimated 25 to 33 years. However, actual lives of the components of ships or barges may be different depending on many factors such as quality of maintenance and repair and the type of product carried by the ships or barges which may result in a shorter or longer life. Future useful lives could be reduced based on customer preferences, new technological advances, governmental and industry regulations and the effects of climate changes. In the case of tank containers, the estimated useful life ranges between 10 and 20 years, depending on the supplier and the quality of steel used. Terminals tanks and structures have lives up to 40 years. Residual values are difficult to estimate given the long lives of ships, barges, terminals and tank containers, the uncertainty as to future economic conditions and the price of steel, which is considered as the main determinant of the residual price.	If the estimated economic useful life has to be reduced in future periods, an impairment loss or additional depreciation expense could result. A decrease in the useful life of the ship, barge, terminal or tank container or fall in the residual value would have the effect of increasing the annual depreciation charge and potentially resulting in an impairment loss. If the residual value is overestimated, this would reduce the annual depreciation and overstate the value of the assets. See Note 14 for further details.

Notes to the Financial Statements continued

Critical accounting judgements and key sources of estimation uncertainty continued

Critical accounting judgement	Sources of accounting judgement or estimation uncertainty	Effect if actual results differ from assumptions
Review of impairment triggers		
Under IAS 36, Impairment of Assets, external and internal sources of information are to be reviewed for potential triggers of asset impairment for each Cash Generating Unit ("CGU") in the business segments. External triggers include: • Observable indications of declining value of the CGU beyond normal use. • Adverse changes in the CGU's technological, market, economic or legal environment. • Increase in market interest rates which would affect the discount rate used in calculating the asset's value in use. • Carrying value of the net assets of the entity which was more than its market capitalisation. Internal triggers include: • Evidence of obsolescence or physical damage of the CGU's assets. • Significant adverse changes which have changed or will change how the CGU's assets are used. • Indications, through review of internal reports, that the economic performance of a CGU's assets are or will be worse than expected. • Other specific risks within each CGU. At November 30, 2024, the book equity of the Group was more than its market capitalisation. However, the discount rate has decreased from the prior year, no unrecorded impairment was noted in the prior year, the expected cash flows have not deteriorated materially nor had any other external or internal trigger been noted. Therefore, no further testing was required for any of the CGUs.	There is significant judgement required to determine whether an external or internal trigger has been met. Uncertainties related to impairment triggers include: • Effect of future technological advances on the value of our assets. • Determination of the future effects of climate change on asset values. • Effect of current and expected future changes to the political environments in which the CGUs operate. • Changes in rules and regulations (for example, taxes on carbon usage). • Effect of market capitalisation, which is still less than the net assets of the entity. • Evaluation of factors related to the discount rate.	If the judgement applied in determining whether there was an impairment trigger was incorrect or the fact pattern on which it was based changes, this could result in an impairment test being required and, possibly, an impairment being reflected in the Consolidated Financial Statements.

Notes to the Financial Statements continued

Critical accounting judgements and key sources of estimation uncertainty continued

Critical accounting judgement	Sources of accounting judgement or estimation uncertainty	Effect if actual results differ from assumptions
Investments in joint ventures and associates		
The Consolidated Financial Statements include the Group's results and all other entities in which the Group has control, except where control over the operations is limited by significant participating interests held by another investor. The Group has $719.6 million in investments in and advances to joint ventures and associates. Determination of whether an entity is an investment in a joint venture or associate is based on certain relevant activities such as the ability to approve the operating and capital budgets of an entity and the ability to appoint key management personnel.	There are a number of areas where significant judgement is exercised to establish whether an entity needs to be consolidated or reported under the equity method of accounting. To establish whether an entity is a consolidated subsidiary, a joint venture or an associate, key areas of judgement include: • Qualitative analysis of an entity including review of, among other factors, its capital structure, contractual terms, key decisions requiring unanimous approval, related party relationships and the design of the entity. • Rights of partners regarding significant business decisions, including disposals and acquisitions of assets. • Board and management representation and ability to appoint key management personnel. • Potential voting rights. • Ability to make financing decisions. • Approval of operating and capital budgets and contractual rights of other shareholders. The exercise of judgement in these areas determines whether a particular entity is consolidated as a subsidiary or accounted for under the equity method.	If the judgement applied in determining the accounting treatment of an entity is incorrect or the fact pattern on which it is based changes, such entities may need to be consolidated or accounted for as an investment at cost. For example, it is possible that an investment is accounted for as a joint venture or associate using the equity method despite having an ownership interest exceeding 50%, where the investor does not exercise direct or indirect control over the investee. To the extent that the Group is deemed to control these entities, the entities would have to be consolidated. This would affect the balance sheet, income statement, statement of cash flows and debt covenants. See Note 17 for further details.

Notes to the Financial Statements continued

3. Business and Geographic Segment Information

The Group has five reportable segments: Tankers, Terminals, Tank Containers, Stolt Sea Farm and Stolt-Nielsen Gas. The nature of these segments is described in Note 1. Reportable segments are defined as components of an enterprise for which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company's Executive Management team has been identified as the chief operating decision maker as it directs the allocation of resources to operating segments based on the net profit (loss) of each respective segment.

The Corporate and Other category includes corporate-related items, such as profit sharing and long-term incentive expenses for the Group, and the results of other insignificant operations not reportable under other segments.

The basis of measurement and accounting policies of the reportable segments are the same as those described in Note 2 and in the footnotes that support the financial statements. Inter-segment sales and transfers are not significant and have been eliminated and not included in the following table. Indirect costs and assets have been apportioned between the segments of the Group on the basis of corresponding direct costs and assets.

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

For the year ended and as of November 30, 2024 (in US $ thousands)	Tankers	Terminals	Tank Containers	Stolt Sea Farm	Stolt-Nielsen Gas	Corporate and Other	Total
Operating revenue	1,802,914	308,048	652,121	126,789	–	753	2,890,625
Operating expenses	(1,202,411)	(110,207)	(460,886)	(76,401)	–	(1,105)	(1,851,010)
Depreciation and amortisation	(162,965)	(64,456)	(57,292)	(8,593)	–	(5,451)	(298,757)
Share of profit (loss) of joint ventures and associates	50,565	29,136	2,041	–	(18,984)	–	62,758
Administrative and general expenses	(104,807)	(52,721)	(79,704)	(12,358)	(721)	(23,776)	(274,087)
Operating profit (loss)	390,082	110,354	58,988	29,179	(20,492)	(29,581)	538,530
Finance expense (a)	(68,197)	(46,301)	(18,871)	(4,642)	(6,506)	18,339	(126,178)
Finance income	76	1,335	494	64	1	14,288	16,258
Profit (loss) before income tax	322,301	64,786	39,615	24,639	(24,290)	14,064	441,115
Income tax (expense) benefit	(1,630)	(17,114)	(29,644)	(2,392)	–	4,424	(46,356)
Net profit (loss)	320,671	47,672	9,971	22,247	(24,290)	18,488	394,759
Balance Sheet							
Capital expenditures (b)	122,296	88,693	46,271	14,542	–	10,317	282,119
Investments in and advances to joint ventures and associates	294,715	315,004	27,250	–	82,594	–	719,563
Intangible assets and goodwill	13,578	1,206	19,399	337	–	7,935	42,455
Segment assets	2,234,290	1,412,516	674,689	159,499	187,855	433,753	5,102,602

a. Interest is allocated to the business segments based on the average interest rate of the Group times a percentage of each segment's net asset base.
b. Capital expenditures include additions to property, plant and equipment, net of grant receipts, drydocking, ship deposits and intangible assets other than goodwill. Capital expenditures do not include capitalised right-of-use assets.

Notes to the Financial Statements continued

For the year ended and as of November 30, 2023 (in US $ thousands)	Tankers	Terminals	Tank Containers	Stolt Sea Farm	Stolt-Nielsen Gas	Corporate and Other	Total
Operating revenue	1,709,839	299,815	699,504	110,831	–	229	2,820,218
Operating expenses	(1,125,687)	(107,114)	(452,399)	(67,336)	–	6,743	(1,745,793)
MSC Flaminia provision	–	–	(155,000)	–	–	–	(155,000)
Depreciation and amortisation	(160,410)	(64,101)	(53,571)	(8,592)	–	(5,647)	(292,321)
Share of profit (loss) of joint ventures and associates	44,214	25,922	1,989	–	(9,860)	–	62,265
Administrative and general expenses	(99,925)	(50,192)	(78,646)	(11,349)	(344)	(32,956)	(273,412)
Operating profit (loss)	371,076	104,968	(37,831)	24,352	(10,396)	(32,522)	419,647
Finance expense (a)	(60,900)	(40,664)	(15,886)	(3,830)	(6,058)	6,982	(120,356)
Finance income	393	261	530	–	–	6,558	7,742
Profit (loss) before income tax	309,216	64,445	(56,489)	20,054	(15,085)	(12,707)	309,434
Income tax (expense) benefit	(3,816)	(14,432)	18,089	(5,065)	–	(7,559)	(12,783)
Net profit (loss)	305,400	50,013	(38,400)	14,989	(15,085)	(20,266)	296,651
Balance Sheet							
Capital expenditures (b)	102,283	76,320	68,154	17,573	–	5,772	270,102
Investments in and advances to joint ventures and associates	237,940	308,268	27,853	–	76,102	–	650,163
Intangible assets and goodwill	10,489	1,584	18,730	317	–	9,163	40,283
Segment assets	2,117,714	1,387,962	666,447	153,711	133,889	524,000	4,983,723

a. Interest is allocated to the business segments based on the average interest rate of the Group times a percentage of each segment's net asset base. It also includes the Loss on early extinguishment of debt.
b. Capital expenditures include additions to property, plant and equipment, net of grant receipts, drydocking, ship deposits and intangible assets other than goodwill. Capital expenditures do not include capitalised right-of-use assets.

Notes to the Financial Statements continued

The following table sets out operating revenue by country for the reportable segments. Operating revenue for Tankers, Terminals and Tank Containers is allocated on the basis of the country in which the cargo is loaded. SSF operating revenue is allocated on the basis of the country in which the sale is generated.

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Operating Revenue:		
Tankers:		
US	**535,357**	533,074
South America	**88,284**	94,878
The Netherlands	**102,831**	116,445
Belgium	**80,492**	66,484
Other Europe	**73,439**	92,750
South Korea	**99,896**	63,001
Malaysia	**106,240**	87,340
Indonesia	**121,541**	142,238
China	**112,047**	101,708
Other Asia	**112,909**	71,394
Saudi Arabia	**133,766**	112,654
Qatar	**53,743**	56,025
Other Middle East	**85,547**	91,406
Africa	**58,363**	67,224
Other	**38,459**	13,218
	1,802,914	1,709,839
Terminals:		
US	**177,589**	176,631
Singapore	**44,015**	42,263
Australia and New Zealand	**22,519**	19,612
Brazil	**25,246**	25,449
United Kingdom	**26,065**	21,314
The Netherlands	**12,614**	14,546
	308,048	299,815

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Tank Containers:		
US	**118,927**	135,233
South America	**40,732**	39,891
France	**44,533**	54,044
The Netherlands	**34,166**	43,186
Italy	**18,280**	24,168
United Kingdom	**31,129**	30,369
Other Europe	**16,324**	21,093
Singapore	**85,070**	81,602
Japan	**21,033**	24,521
China	**120,330**	114,302
India	**27,791**	27,043
Other Asia	**37,376**	39,497
Middle East	**30,840**	22,623
Other	**25,590**	41,932
	652,121	699,504
Stolt Sea Farm:		
US	**7,110**	7,097
Spain	**44,922**	40,420
France	**20,903**	16,798
Italy	**17,986**	17,398
Germany	**6,978**	5,943
Other Europe	**28,163**	22,789
Other	**727**	386
	126,789	110,831

There were no customers of Tankers, Terminals, Tank Containers or SSF segments that accounted for more than 10% of the consolidated operating revenue for the years ended November 30, 2024 and 2023.

Notes to the Financial Statements continued

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

For the year ended November 30, 2024 (in US $ thousands)	Tankers	Terminals	Tank Containers	Stolt Sea Farm	Other	Total
Operating revenue recognised over time:						
Freight revenue	1,528,990	–	491,711	–	–	2,020,701
Storage and throughput revenue	–	206,604	–	–	–	206,604
	1,528,990	206,604	491,711	–	–	2,227,305
Operating revenue recognised at a point in time:						
Demurrage, bunker surcharge and ancillary revenue	273,924	–	160,410	–	–	434,334
Turbot and sole	–	–	–	126,789	–	126,789
Railcar revenue	–	21,800	–	–	–	21,800
Utility revenue	–	32,262	–	–	–	32,262
Dock, product handling and other revenue	–	47,382	–	–	753	48,135
	273,924	101,444	160,410	126,789	753	663,320
	1,802,914	**308,048**	**652,121**	**126,789**	**753**	**2,890,625**

For the year ended November 30, 2023 (in US $ thousands)	Tankers	Terminals	Tank Containers	Stolt Sea Farm	Other	Total
Operating revenue recognised over time:						
Freight revenue	1,473,908	–	506,264	–	–	1,980,172
Storage and throughput revenue	–	202,310	–	–	–	202,310
	1,473,908	202,310	506,264	–	–	2,182,482
Operating revenue recognised at a point in time:						
Demurrage, bunker surcharge and ancillary revenue	235,931	–	193,240	–	–	429,171
Turbot and sole	–	–	–	110,831	–	110,831
Railcar revenue	–	22,480	–	–	–	22,480
Utility revenue	–	30,840	–	–	–	30,840
Dock, product handling and other revenue	–	44,185	–	–	229	44,414
	235,931	97,505	193,240	110,831	229	637,736
	1,709,839	**299,815**	**699,504**	**110,831**	**229**	**2,820,218**

The following table sets out non-current assets excluding long-term deferred income tax assets and long-term pension assets by country for the reportable segments. Non-current assets include property, plant and equipment, right-of-use assets, intangible assets, investments in and advances to joint ventures and associates, investment in equity and debt instruments and certain other non-current assets.

Non-current assets by country are only reportable for the Terminals and Stolt Sea Farm operations. Stolt Tankers, Stolt Tank Containers and Stolt-Nielsen Gas operations operate on a worldwide basis and are not restricted to specific locations. Accordingly, it is not possible to allocate the assets of these operations to specific countries. The total net book value of non-current assets for Tankers amounted to $1,878.6 million and $1,812.4 million at November 30, 2024 and 2023, respectively. For Stolt Tank Containers, the total net book value of non-current assets amounted to $481.6 million and $482.9 million at November 30, 2024 and 2023, respectively. For Stolt-Nielsen Gas, the net book value of non-current assets amounted to $153.3 million and $123.3 million for the years ended November 30, 2024 and 2023, respectively.

Notes to the Financial Statements continued

(in US $ thousands)	As of November 30 2024	2023
Non-current Assets:		
Terminals:		
US	**479,797**	440,126
The Netherlands	**50,662**	54,772
Singapore	**183,677**	196,458
Australia and New Zealand	**139,730**	145,747
United Kingdom	**120,629**	118,727
Brazil	**43,771**	49,892
South Korea	**118,331**	123,738
Belgium	**115,153**	115,879
China	**32,505**	35,707
Taiwan	**29,784**	24,309
Turkey	**9,461**	1,245
Other	**10,668**	8,589
	1,334,168	1,315,189
Stolt Sea Farm:		
Spain	**54,181**	48,847
Norway	**753**	812
Portugal	**13,943**	12,924
Iceland	**8,859**	9,581
France	**975**	1,263
	78,711	73,427

The Group has no material operating revenue or non-current assets in Bermuda, its country of domicile.

4. Operating Revenue

Accounting policy

Operating revenue is recognised when performance obligations are met, which transfer the control of goods or provide services to the customer, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, net of discounts and sales taxes.

Costs to obtain a contract are immediately expensed when the related revenue is expected to be recognised within one year.

(i) Tankers

Operating revenue is recognised upon delivery of services in accordance with the terms and conditions of the contract of affreightment or spot contract and such services are performed over time. For voyages in progress at the end of a period, the uncertainty and the dependence on estimates are greater than for finalised voyages. The Group recognises a percentage of the estimated revenue for the voyage equal to the percentage of the estimated duration of the voyage completed at the balance sheet date. Demurrage and other revenues are uncertain elements of revenue and are recognised when incurred and generally invoiced at the end of the month.

The Group operates the Stolt Tankers Joint Service (the "Joint Service") and the Stolt NYK Asia Pacific Service Pool ("SNAPS Pool"), which are arrangements in which the Group acts as the principal for the delivery of services and provides the coordinated marketing, operation and administration of deep-sea intercontinental and regional parcel tankers owned or chartered by the Group. As the Group acts as the principal in the arrangement, all revenue relating to the Joint Service and SNAPS Pool are recognised on a gross basis in the income statement. Certain ships that are not owned by the Group are time chartered by the Group from participants in the Joint Service and the SNAPS Pool. The time charter expense is calculated based upon the combined operating revenue of the ships which participate in the Joint Service and SNAPS Pool less combined voyage expenses, overhead costs, and commissions to outside brokers and upon each ship's cargo capacity, its number of operating days during the period, and its assigned earnings factor.

(ii) Terminals

Tank storage rentals, including minimum guaranteed throughputs, are recognised over the contractual period during which the services are rendered. These charges are mostly due at the beginning of the month to which such charges relate. Operating revenue from additional throughput fees, ancillary fees, and railcar storage, loading, switching and other fees based on actual usage are recognised at the point in time when those services are delivered.

Notes to the Financial Statements continued

(iii) Tank Containers

Transportation revenue is recognised upon delivery of services in accordance with the agreement with customers and is recognised over time using a measure of progress. For tank container movements in progress at the end of a period, the uncertainty and the dependence on estimates are greater than for finalised movements. The Group recognises a percentage of the estimated revenue for the movement using the percentage of effort ('input method') required at origin and destination. Demurrage and other revenues are uncertain elements of revenue and are recognised when incurred and generally invoiced at the end of the month.

(iv) SSF

Operating revenue is recognised when performance obligations are satisfied by transferring control of a good or service to the customer. Where the terms of sale are free on board, operating revenue is recognised on dispatch of products to the customer. Operating revenue is recognised on delivery where the terms of sale include costs, insurance, freight and destination duty paid. The amount recorded as revenue includes all amounts recognised according to the terms of sale, including shipping and handling costs billed to customers, and after deductions for claims or returns of goods, rebates and allowances against the price of goods.

An analysis of the Group's operating revenue for the year (excluding finance income – see Note 8), is as follows:

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Operating revenue from the rendering of services	**2,763,836**	2,709,387
Operating revenue from the sale of goods	**126,789**	110,831
	2,890,625	2,820,218

Operating revenue generated by the Joint Service in Tankers under contracts of affreightment was approximately 45% and 51% of the Joint Service's total revenue for the years ended November 30, 2024 and 2023, respectively. All other revenue generated by the joint service is from spot contracts.

Payment terms generally do not have a financing element. Variable consideration is limited to that related to variable costs which are contractually passed on to the customer and uncertain revenues such as demurrage.

5. Operating Expenses

Accounting policy

(i) Tankers

Tankers operating expenses include costs directly associated with the operation and maintenance of the parcel tankers and barges. These types of costs include time charter costs, the service element of leases, bunker fuel costs, port costs, manning costs (for example, ship personnel and benefits), sublet costs, repair and maintenance of tankers, commission expenses, barging and trans-shipment costs, canal transit costs, insurance premiums and other ship-owning expenses (for example, agency fees, provisions, ship supplies, cleaning, cargo survey costs and foreign exchange hedging costs).

(ii) Terminals

Operating expenses of Terminals consist of costs directly associated with the operation and maintenance of the terminals. These types of costs include labour and employee benefit costs, utilities, rail car hire expenses, real estate taxes for sites, maintenance and repair costs, regulatory expenses, disposal costs, storage costs and other operating expenses (for example, insurance, electricity, survey costs, cleaning, line haul, rail costs and tank car hire costs).

(iii) Tank Containers

Operating expenses of Tank Containers consist of costs directly associated with the operation and maintenance of the tank containers. These types of costs include ocean and inland freight charges, short-term tank rental expenses, cleaning and survey costs, additional costs (services purchased and charged through to customers), maintenance and repair costs, storage costs, insurance premiums and other operating expenses (for example, depot expenses, agency fees and refurbishing costs).

(iv) SSF

SSF operating expenses include production cost of goods sold ('PCOGS'), which are costs incurred for the production of juvenile fish and the subsequent growing of juvenile fish into adult fish ready for market. These PCOGS include costs to produce eggs for fertilisation, onsite labour/personnel costs, feed costs, energy costs, contract grower fees, repair and maintenance costs, oxygen costs and veterinary fees. Other costs included within operating expenses are costs of fish purchased from third parties, freight costs to customers, all primary and secondary processing and packaging costs, distribution and handling costs, storage, import duties, inventory write downs, mortality losses and fair value movements.

Notes to the Financial Statements continued

Operating expenses comprised the following:

(in US $ thousands)	For the years ended November 30 2024	2023
Bunker fuel costs	**364,197**	334,802
Charter and lease expenses	**353,172**	303,084
Ocean and inland freight charges	**273,553**	250,153
Operating employees' personnel and benefit expenses	**220,398**	212,555
Port charges	**149,288**	179,546
Maintenance and repairs	**72,617**	69,678
Cleaning costs	**47,643**	45,409
Tank container ancillary billable costs	**40,011**	46,950
Repositioning of tank containers	**33,586**	38,486
Ship supplies and provisions	**32,404**	33,858
Storage and other tank container move-related costs	**26,869**	29,246
Facilities and utilities	**33,035**	33,069
Expenses related to biological assets	**40,015**	38,245
Commissions	**38,258**	35,339
Insurance	**37,746**	24,384
Service element of leases	**24,864**	19,891
Voyage costs	**18,742**	12,172
Barging and trans-shipments	**6,669**	5,423
Owning costs	**9,084**	7,700
Packing expenses	**7,721**	6,376
Regulatory costs	**7,030**	7,769
Rail expenses	**5,643**	6,106
Sublet expenses	**2,530**	5,487
Purchase of biological assets	**–**	1,768
Biological assets market valuation adjustment	**699**	(3,914)
Other expenses	**5,236**	2,211
Total operating expenses	**1,851,010**	1,745,793
Legal claims provision (see Note 26)	**–**	155,000

An analysis of administrative and general expenses is as follows:

(in US $ thousands)	For the years ended November 30 2024	2023
Administrative and general employees' personnel and benefit expenses	**210,913**	213,641
Information systems	**19,411**	16,869
Professional fees	**13,019**	12,281
Travel and entertainment expenses	**7,939**	7,620
Office expenses	**6,924**	7,314
Legal fees	**2,993**	2,455
Management fee to joint venture	**1,838**	2,613
Investor relations and publicity	**2,886**	2,433
Communication expenses	**761**	1,101
Office lease expenses	**1,692**	1,305
Board fees and expenses	**1,948**	1,803
Bank non-interest fees	**1,283**	1,602
Other	**2,480**	2,375
Total administrative and general expenses	**274,087**	273,412

Notes to the Financial Statements continued

An analysis of employee benefit expenses included in operating expenses and administrative and general expenses is as follows:

	For the years ended November 30	
(in US $ thousands, except employee data)	**2024**	2023
Salaries	**290,654**	282,808
Profit sharing and long-term incentive programmes	**30,736**	38,845
Social security expenses	**24,745**	23,568
Pension expenses for defined contribution plans (Note 25)	**20,246**	20,990
Temporary and contract employees	**15,518**	14,739
Travel of seafarers and relocation	**13,821**	13,804
Medical and life insurance	**14,056**	12,155
Training	**8,499**	7,733
Expatriate expenses	**1,792**	1,401
Pension expenses for defined benefit plans and post-retirement benefit plan (Note 25)	**1,067**	906
Other benefits	**10,177**	9,247
Total employee benefit expenses	**431,311**	426,196
Average number of employees:		
Tankers*	**4,752**	4,632
Tank Containers	**823**	823
Terminals	**628**	627
Stolt Sea Farm	**604**	522
Other	**91**	78
Total average number of employees	**6,898**	6,682

* Including seafarers working on joint venture or third-party ships.

6. Auditors' Remuneration

The analysis of auditors' remuneration is as follows:

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Fees payable to the Group auditors and associates for the audit of the Consolidated Financial Statements and subsidiary statutory audits	**3,089**	3,006
Fees payable to the Group auditors and associates for other services as detailed below	**245**	296
Total fees	**3,334**	3,302
Tax services	**24**	27
Half-year reviews	**120**	120
Other	**101**	149
Total non-audit fees	**245**	296

The audit and non-audit fees relate to PricewaterhouseCoopers LLP and its associate firms.

Notes to the Financial Statements continued

7. Gain on Disposal of Assets, net

Gain (loss) on disposal of assets, net, comprised the following:

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Gain on sale of ships	**7,083**	2,994
Gain on sale of tank containers	**1,934**	923
Loss on sale of other assets	**(1,532)**	(311)
	7,485	3,606

During 2024, gain on sale of ships includes $7.1 million on the sale of *Stolt Sisto, Stolt Cormorant* and *Stolt Facto*.

During 2023, gain on sale of ships includes $3.0 million on the sale of *Stolt Guillemot*.

8. Finance Expenses and Income

Accounting policy

(i) Finance expenses

Finance expenses are recognised in the income statement as they accrue, using the effective interest method.

For finance leases, lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) Finance income

Finance income is recognised in the income statement as it accrues, using the effective interest method.

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Finance expense on debt		
Interest on loans	**111,799**	107,856
Amortisation of debt issuance costs	**5,132**	5,287
Realised gain on interest rate swaps (Note 22)	**(4,968)**	(6,434)
Commitment fees	**3,053**	2,577
Other interest expense	**77**	1,211
Total interest expense	**115,093**	110,497
Less interest capitalised to property, plant and equipment	**(3,092)**	(1,530)
	112,001	108,967
Finance expense on lease liabilities		
Interest on lease liabilities	**14,177**	11,389
Finance income		
Interest from joint ventures	**4,135**	872
Interest on bank deposits	**12,000**	6,412
Other	**123**	458
	16,258	7,742

The average interest rates used to capitalise interest to property, plant and equipment were 5.8% and 5.5% for 2024 and 2023, respectively.

Notes to the Financial Statements continued

9. Income Tax

Accounting policy

Income tax represents the sum of current tax and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case the tax treatment follows the accounting treatment for the underlying item.

Current tax is the sum of tax payable in respect of the taxable profit for the current year and any adjustment to tax payable in respect of previous years. Taxable income differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

The Group operates in many territories with complex and varied tax systems. Management exercises judgement in relation to the level of provision required in respect of uncertain tax positions. For positions not agreed with tax authorities where different interpretations of legislation could lead to a range of outcomes, judgements are made for each position considering particular circumstances and advice obtained.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used in the calculation of taxable income. The following temporary differences are not provided for: the initial recognition of goodwill for which no tax deduction is available; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries and joint ventures if it is probable that the temporary difference will not reverse in the foreseeable future and the Group can control the reversal. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and recognised only to the extent that it is probable that sufficient future taxable income will be available to allow the asset to be utilised based on Board-approved budgets and up-to-date expectations of future trading. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off and where the balances relate to the same taxation authority. Current tax assets are set off against current tax liabilities when they relate to income taxes levied by the same taxation authority. The Group intends to settle its current tax assets and liabilities on a net basis. The Company is incorporated in Bermuda, which is a non-taxable jurisdiction for the years ended November 30, 2024 and 2023.

The following tables present the components of the income tax expense for the years ended November 30, 2024 and 2023:

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Current income tax expense	**13,715**	21,152
Adjustments in respect of prior years	**13,500**	(4,815)
	27,215	16,337
Deferred income tax expense (benefit)	**21,130**	(2,287)
Adjustments in respect of prior years	**(1,989)**	(1,267)
	19,141	(3,554)
Total income tax expense	**46,356**	12,783

The following reconciles the actual income tax expense to income taxes computed at the Bermuda statutory tax rate of nil:

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Profit before income tax expense	**441,115**	309,434
Tax at the Bermuda statutory tax rate	**–**	–
Differences between the Bermuda and other tax rates	**115,615**	130,673
Non-taxable income and disallowed expenses	**(83,125)**	(112,975)
Provision for uncertain tax positions, net of releases	**(581)**	10,877
Changes in the recognition of tax losses	**-**	(553)
Adjustments in respect of prior years	**11,511**	(3,559)
Other differences, net	**2,936**	(11,680)
Total income tax expense	**46,356**	12,783

The non-taxable income arises because substantially all of the Group's international tanker operations are carried out in subsidiaries incorporated in the Netherlands, which imposes income tax on a fixed profit calculated by reference to the deadweight tonnage of the ships in the fleet rather than on the operating profits of the business. The Group incurred tonnage tax in the Netherlands of $0.6 million for both the years ended November 30, 2024 and 2023, which is included in Other operating expense.

Notes to the Financial Statements continued

The following are the major deferred tax (liabilities) assets recognised and the movement thereon:

(in US $ thousands)	Accelerated tax depreciation	Retirement benefit obligations	Tax losses	Right-of-Use Assets/Lease Liability	Derivatives	Other	Total
Balance, December 1, 2022	**(88,545)**	**2,852**	**14,027**	**–**	**(546)**	**(2,532)**	**(74,744)**
(Charge) credit to income statement	(1,625)	(368)	3,220	–	–	2,327	3,554
(Charge) credit to Other comprehensive income	–	(343)	–	–	1,169	–	826
Reallocations	2,384	(3,278)	–	–	–	492	(402)
Exchange differences	(465)	–	(9)	–	(3)	(129)	(606)
Balance, November 30, 2023	**(88,251)**	**(1,137)**	**17,238**	**–**	**620**	**158**	**(71,372)**
(Charge) credit to income statement	(5,943)	2,532	(11,234)	288	–	(4,784)	(19,141)
(Charge) credit to Other comprehensive income	–	(489)	–	–	327	–	(162)
Reallocations	90	(1,452)	213	116	–	110	(923)
Exchange differences	322	–	(16)	(11)	–	162	457
Balance, November 30, 2024	**(93,782)**	**(546)**	**6,201**	**393**	**947**	**(4,354)**	**(91,141)**

Certain deferred tax assets and liabilities have been offset when there is a legally enforceable right to set off. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	As of November 30	
(in US $ thousands)	**2024**	2023
Deferred tax liabilities	**(109,629)**	(90,516)
Deferred tax assets	**18,488**	19,144
	(91,141)	(71,372)

The following is an analysis of the deferred taxes as of November 30, 2024 that are expected to be recovered or settled less than and more than twelve months after November 30, 2024:

(in US $ thousands)	Less than 12 Months	More than 12 Months	Total
Deferred tax liabilities	(9,878)	(99,751)	(109,629)
Deferred tax assets	828	17,660	18,488
	(9,050)	**(82,091)**	**(91,141)**

As of November 30, 2024, the Group has recognised deferred tax assets on unused national corporate tax losses of $22.5 million (2023: $115.9 million) and unused regional tax losses of $40.0 million (2023: $54.3 million) available for offset against future profits. A deferred tax asset of $15.4 million at November 30, 2024 (2023: $18.6 million) has not been recognised in respect of losses carried forward at the balance sheet date of $53.1 million (2023: $69.3 million). These losses have arisen in Group companies where profits are not forecast for the foreseeable future.

Deferred income tax liabilities of $17.6 million at November 30, 2024 (2023: $14.6 million) have not been recognised for the withholding tax and other taxes that would be payable on the undistributed earnings of certain subsidiaries. Such amounts are considered permanently reinvested, which means that the deferred income tax liabilities will not be realised in the foreseeable future. Undistributed earnings totalled $3.9 billion at November 30, 2024 (2023: $3.9 billion).

Notes to the Financial Statements continued

The Group's income tax provisions are made in line with Group accounting policy. However, amounts asserted by tax authorities could be greater or less than the amounts accrued and reflected in the Group's consolidated balance sheet. Accordingly, provisions have been made to reflect uncertainties in tax positions. Provisions made for uncertain tax positions may be revised in future periods as underlying matters are resolved or as they develop.

During 2021, the Organisation for Economic Co-operation and Development published a framework for the introduction of a global minimum effective tax rate of 15%, applicable to large multinational groups ('Pillar II'). During 2023, several of the territories in which the Group operates, including the Netherlands and the United Kingdom, introduced legislation giving effect to this framework which applies to the Group with effect from December 1, 2024. On May 23, 2023, the IASB issued International Tax Reform – Pillar II Model Rules – Amendments to IAS12 to clarify the application of IAS12 Income Taxes. This included a mandatory temporary exception to the accounting for deferred income taxes arising from the implementation of the Pillar II rules (including Qualifying Domestic Minimum Top-Up Tax) which the Group is applying. The assessment of the potential exposure to Pillar II income taxes is based on the tax filings, country-by-country reporting, and financial statements for the constituent entities in the Group. The main jurisdictions which are expected to result in top-up taxes becoming due include the Netherlands, and from 2026, Bermuda, although the impact is not expected to be material. The Group will continue to review guidance which may be released by the OECD and governments implementing this new tax regime to assess the potential impact.

On December 8, 2023, Bermuda introduced the Corporate Income Tax Act 2023 which effectively levies a corporate income tax of 15% on Bermuda businesses that are part of Multinational Enterprise Groups with annual revenue in excess of €750 million. Following detailed analysis, due to the Group's ownership structure this legislation does not apply to Stolt-Nielsen Limited or its Bermudan subsidiaries as the Group is held less than 80% by its immediate Bermudan Parent entity. However, the Bermudan Parent entity of the Group can make an election to bring in any of the Group's Bermudan entities into its Bermudan Constituent Entity Group if this is determined to be beneficial. No such election has been made to date.

10. Cash and Cash Equivalents

Accounting policy

Cash and cash equivalents comprise cash balances and short-term time deposits with an original duration of less than three months, which are subject to an insignificant risk of changes in value.

	As of November 30	
(in US $ thousands)	**2024**	2023
Cash deposit	**92,073**	176,780
Short-term time deposits	**242,665**	269,735
Cash and cash equivalents	**334,738**	446,515

Cash and cash equivalents comprise cash and short-term time deposits held by the Group.

11. Receivables, Net

Accounting policy

Trade and other receivables are recognised initially at transaction price and are subsequently stated at amortised cost, less allowances for expected credit losses. The Group measures the loss allowance for trade receivables at an amount equal to the lifetime expected credit losses. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to its recognised amount is recognised as an impairment loss or a reversal of an impairment loss in the income statement. Trade and other receivables are written off (either partially or in full) when there is no reasonable expectation of recovery.

Contract assets represent the right to receive consideration for goods or services transferred to the customer. If the Group partially satisfies its performance obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional on further performance obligations being satisfied.

A trade receivable represents the Group's right to an amount of consideration where all performance obligations have been satisfied. Accrued revenue are trade receivables which have not yet been invoiced to customers.

Expected credit losses on trade receivables are calculated by using the provision matrix approach. The provision matrix is determined based on historical observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

Provision for expected credit losses is made when the Group does not expect to collect all amounts due. Changes in estimation basis or in economic conditions could lead to a change in the level of provision recorded and, consequently, on the charge or credit to profit or loss.

Impairment on receivables is measured as lifetime expected credit losses.

Notes to the Financial Statements continued

(in US $ thousands)	As of November 30 2024	2023
Customer trade receivables	**366,523**	319,826
Contract assets	**17,202**	14,124
Receivable from Deltech Corporation ("Deltech")	**–**	13,000
Accrued revenue	**10,292**	7,831
Insurance receivable	**1,075**	1,241
Interest	**349**	536
Other	**2,482**	6,039
	397,923	362,597
Allowance for impairment on customer trade and accrued receivables	**(21,191)**	(21,278)
Receivables, net	**376,732**	341,319

See Note 21 for an analysis of the credit risk of receivables.

Contract assets

A contract asset has been recorded for STC's transportation revenue which has been earned but not yet invoiced. Contract assets are typically invoiced within a month of any accrual.

(in US $ thousands)	2024 <1 year	2024 >1 year	2023 <1 year	2023 >1 year
Balance, December 1	**14,124**	**–**	15,433	–
Transfer to trade receivables	**(488,633)**	**–**	(507,573)	–
Revenue recognised (current year performance obligations)	**491,711**	**–**	506,264	–
Balance, November 30	**17,202**	**–**	14,124	–

12. Inventories and Biological Assets, Net

Accounting policy

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle and includes expenditures incurred in acquiring the inventories and bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of items transferred from biological assets to inventory is the fair value less costs to sell at the date of harvest.

Biological assets primarily comprised turbot and sole, which include fish with and without an active market for sale ('mature' and 'juvenile' fish), which are farmed by the Group.

Turbot is considered 'mature' when it weighs more than 300 grammes, while juvenile turbot weighs less than 300 grammes. Sole is considered mature at 200 grammes. All mature turbot and sole are held at fair value less costs to sell and costs related to packaging. Gains and losses from changes in fair value are recognised in the income statement. Fair value is determined on the basis of quoted prices in the principal market for the fish, where such information is available. The fair value adjustment on biological assets has no cash impact and does not affect the result of operations before unrealised fair value adjustments.

Juvenile turbot and sole are carried at cost less provision for impairment, as management does not believe that reliable fair values exist. This approach is used to measure juvenile turbot and sole for the following reasons:

- *There is no active market for juvenile turbot or sole.*
- *A non-active market price based on discounted cash flows requires a number of variables and assumptions which historically cannot be reliably determined. Key variables and assumptions for turbot and sole include mortality rate, time to maturity, rate of growth and market price at the point of harvest. Given the specific circumstances for juvenile assets, any assumptions are subjective.*
- *The extent of these uncertainties also results in difficulty in determining the appropriate discount rate.*

A fair value adjustment is made at the point when previously juvenile turbot and sole is considered to mature. These fair value adjustments are recognised in the income statement.

After harvest, the produce from harvest is treated as inventory and the fair value at the point of harvest is treated as the cost of the inventory.

Notes to the Financial Statements continued

Inventories as of November 30, 2024 and 2023 consisted of the following:

November 30, 2024 (in US $ thousands)	Terminals	SSF	Other	Total
Raw materials	**–**	**313**	**107**	**420**
Consumables	**745**	**–**	**1,653**	**2,398**
Finished goods	**–**	**4,477**	**–**	**4,477**
	745	**4,790**	**1,760**	**7,295**

November 30, 2023 (in US $ thousands)	Terminals	SSF	Other	Total
Raw materials	–	261	107	368
Consumables	576	–	1,768	2,344
Finished goods	–	5,678	–	5,678
	576	5,939	1,875	8,390

The cost of inventory included in operating expenses in 2024 and 2023 was $62.5 million and $59.3 million for Stolt Sea Farm and $4.9 million and $7.9 million for Stolt Tank Containers, respectively. No inventory was written down in the years ended November 30, 2024 and 2023. Bunkers of $39.3 million and $43.9 million were included in prepaid expenses at November 30, 2024 and 2023, respectively.

Biological assets in the balance sheet

	As of November 30	
(in US $ thousands)	**2024**	2023
Turbot and sole	**52,545**	54,812

Biological assets are the work in process: live turbot and sole that are in the process of growing to marketable size. The biological assets are transferred to inventory after being harvested.

Reconciliation of changes in book value of turbot and sole

(in US $ thousands)	**2024**	2023
Balance at December 1,	**54,812**	46,181
Increases owing to production and purchases	**61,594**	63,435
(Loss) gain from change in fair value	**(699)**	3,914
Effect of changes in foreign currency rates	**(1,249)**	1,857
Decreases owing to mortalities	**(1,097)**	(1,136)
Transfer to inventory	**(60,816)**	(59,439)
Balance at November 30,	**52,545**	54,812

Fair value adjustments on biological assets in the income statement

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Total fair value adjustment of turbot and sole recognised in operating expenses	**(699)**	3,914

Value of biological assets at fair value

	As of November 30	
(in US $ thousands)	**2024**	2023
Total turbot and sole held at fair value included in the balance sheet	**48,442**	50,751

Volumes of biomass

	For the years ended and as of November 30	
(in tonnes)	**2024**	2023
Volume of biomass harvested during the year (live weight)	**8,476**	8,250
Volume of biomass in the water at year end (live weight)	**4,272**	4,310

Notes to the Financial Statements continued

Value of juvenile biological assets at cost

(in US $ thousands)	As of November 30 2024	2023
Total turbot and sole held at cost included in the balance sheet	**4,103**	4,061

The income statement impact relating to the change in carrying value when juvenile assets have reached maturity is immaterial for the years ended November 30, 2024 and 2023.

The Group is exposed to risks arising from fluctuations in the price of turbot and sole and monitors the effect of price changes on profitability.

13. Prepaid Expenses

(in US $ thousands)	2024	2023
Prepaid voyages	**24,103**	29,066
Prepaid bunkers	**39,269**	43,941
Prepaid rent and time-charter hire	**4,583**	1,704
Prepaid value added taxes	**5,479**	6,806
Prepaid insurance	**6,578**	12,728
Prepaid other	**15,210**	14,482
Prepaid expenses	**95,222**	108,727

14. Property, Plant and Equipment and Deposit for Newbuildings

Accounting policy

(i) Recognition and measurement

Property, plant and equipment is stated at cost less accumulated depreciation and any recognised impairment loss.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Borrowing costs directly attributable to the construction of significant assets are added to the cost of such assets until they are ready for their intended use. The cost of ships includes the contract price, pre-delivery costs incurred during the construction of newbuildings, borrowing costs and any material expenses incurred upon acquisition such as improvements and delivery expenses to prepare the ships for their initial voyage.

(ii) Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful life of each component of an item of property, plant and equipment. Land and assets under construction are not depreciated. Property, plant and equipment is depreciated to a residual value which reflects management's estimate of scrap value or otherwise recoverable value at the end of the estimated useful life of the asset. Residual values and economic lives are reviewed annually.

(iii) Subsequent costs – drydocking costs

Upon acquisition of a ship, the estimated cost of each component of drydocking is deducted from the initial cost of the ship and separately capitalised and depreciated over its estimated life. Ships drydock every five years thereafter. After a ship is 15 years old, a shipping society classification intermediate survey is performed between the second and third year of the five-year drydocking period. The Group capitalises a substantial portion of the costs incurred during drydocking, including the survey costs, and depreciates those costs on a straight-line basis from the time of completion of a drydocking or intermediate survey based on the estimated life of each component of the drydocking. The residual value of the drydocking components is zero. The Group expenses costs related to routine repairs and maintenance incurred during drydocking that do not improve or extend the useful lives of the ships. If the drydock results in an extension of the life of a ship, then the estimated useful life of the ship is changed accordingly.

(iv) Impairment of tangible and intangible assets with finite useful lives

Tangible assets and intangible assets with finite lives are tested for impairment if there are indications of impairment. The carrying amounts of the Group's tangible and finite-lived intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the extent of any impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Ship newbuildings and other assets under construction are tested for impairment when there is an indication of impairment.

The Group measures the recoverable amount of assets by comparing their carrying amount with the higher of their fair value less costs of disposal ("FVLCD") or value in use ("VIU").

FVLCD is determined as the amount that would be obtained from the sale of the asset in an orderly transaction between market participants. FVLCD is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion projects, and its eventual disposal, using assumptions that an independent market participant may take into account. These cash flows are discounted at an appropriate rate to arrive at a net present value of the asset.

Notes to the Financial Statements continued

VIU is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. VIU is determined by applying assumptions specific to the Group's continued use and cannot take into account future development. These assumptions are different from those used in calculating fair value and consequently the value in use calculation is likely to give a different result to a fair value calculation.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

An impairment loss, other than for goodwill, is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

(v) Estimated useful lives

The estimated useful lives are as follows:

	Average Years
Buildings	15 to 50
Ships and barges	
Ships	25 to 33
Barges	25 to 38
Tank containers	10 to 20
Plant and equipment:	
Terminal tanks and structures	10 to 40
Terminal other support equipment and other assets	10 to 30
SSF transportation equipment	4 to 5
SSF operating equipment and other assets	5 to 15
Other assets	3 to 20
Leasehold improvements	5 to 10

Average years exclude immaterial assets.

Notes to the Financial Statements continued

(vi) Disposals

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

The below table shows owned property, plant and equipment.

Cost (in US $ thousands)	Land	Buildings	Ships and Barges	Tank Containers	Plant and Equipment	Leasehold Improvements	Construction In Progress	Total
Balance at December 1, 2022	**55,419**	**141,234**	**3,209,309**	**490,109**	**1,542,580**	**9,554**	**93,225**	**5,541,430**
Additions	4,314	2,340	91,838	60,574	6,052	934	96,235	262,287
Grant receipts	–	(153)	–	–	(1,312)	–	–	(1,465)
Disposals and retirements	–	(1,360)	(33,584)	(8,414)	(6,814)	(71)	(253)	(50,496)
Net foreign exchange differences	1,386	2,488	3,298	(39)	15,181	78	1,908	24,300
Transfers	3,588	788	27,885	–	46,405	22	(78,688)	–
Reclasses and other	–	(4)	(3)	–	(21)	26	182	180
Balance at November 30, 2023	**64,707**	**145,333**	**3,298,743**	**542,230**	**1,602,071**	**10,543**	**112,609**	**5,776,236**
Additions	1,063	1,472	81,595	41,189	7,966	973	100,940	235,198
Grant receipts	–	(258)	–	–	(1,063)	–	–	(1,321)
Disposals and retirements	–	(1,064)	(132,515)	(19,502)	(11,274)	(2,132)	56	(166,431)
Net foreign exchange differences	(1,430)	(1,117)	(2,141)	(113)	(19,719)	(65)	(2,937)	(27,522)
Transfers	–	2,695	–	372	89,932	5,786	(98,785)	–
Reclasses and other	–	(2)	(5)	–	372	6	(643)	(272)
Balance at November 30, 2024	**64,340**	**147,059**	**3,245,677**	**564,176**	**1,668,285**	**15,111**	**111,240**	**5,815,888**

Notes to the Financial Statements continued

Accumulated depreciation and impairment (in US $ thousands)	Land	Buildings	Ships and Barges	Tank Containers	Plant and Equipment	Leasehold Improvements	Construction In Progress	Total
Balance at December 1, 2022	**–**	**57,352**	**1,735,047**	**255,886**	**689,560**	**5,656**	**–**	**2,743,501**
Depreciation expense	–	5,332	135,957	19,429	68,486	853	–	230,057
Disposals and retirements	–	(1,342)	(32,468)	(6,605)	(6,263)	(70)	–	(46,748)
Net foreign exchange differences	–	681	1,681	(16)	7,363	31	–	9,740
Reclasses and other	–	34	2	(2)	(865)	15	–	(816)
Balance at November 30, 2023	**–**	**62,057**	**1,840,219**	**268,692**	**758,281**	**6,485**	**–**	**2,935,734**
Depreciation expense	–	2,752	131,024	21,147	71,236	1,049	–	227,208
Disposals and retirements	–	(258)	(80,434)	(14,938)	(10,922)	(2,132)	–	(108,684)
Net foreign exchange differences	–	(257)	(1,142)	(62)	(9,114)	(60)	–	(10,635)
Reclasses and other	–	2,352	(22)	(234)	(4,873)	(2)	–	(2,779)
Balance at November 30, 2024	**–**	**66,646**	**1,889,645**	**274,605**	**804,608**	**5,340**	**–**	**3,040,844**
Net book value:								
At November 30, 2023	**64,707**	**83,276**	**1,458,524**	**273,538**	**843,790**	**4,058**	**112,609**	**2,840,502**
At November 30, 2024	**64,340**	**80,413**	**1,356,032**	**289,571**	**863,677**	**9,771**	**111,240**	**2,775,044**

During the year ended November 30, 2024, the Group had additions of property, plant and equipment of $235.2 million. Additions, excluding accruals during the year, were $229.5 million and primarily reflected i) $45.6 million on tankers capital expenditures including $2.3 million of capitalised interest on tankers capital expenditures, ii) $89.3 million on terminal capital expenditures, iii) $29.3 million on drydocking of ships, iv) $39.8 million on the purchase of tank containers and construction at depots, and v) $14.5 million on Stolt Sea Farm capital expenditures. Interest of $3.1 million was capitalised on the new construction of terminals and tankers.

During the year ended November 30, 2023, the Group had additions of property, plant and equipment of $262.3 million. Additions, excluding accruals during the year, were $259.4 million and primarily reflected i) $72.4 million on tankers capital expenditures including $50.2 million on two second-hand ships, ii) $72.0 million on terminal capital expenditures, iii) $30.3 million on drydocking of ships, iv) $65.0 million on the purchase of tank containers and construction at depots, and v) $17.4 million on Stolt Sea Farm capital expenditures. Interest of $1.0 million was capitalised on terminals projects.

For the year ended November 30, 2024, the Group paid $41.3 million on deposits for six newbuildings. See Note 27.

Proceeds of $64.7 million and $6.3 million were received from the sale of ships and retirement of tank containers and other assets during the year ended November 30, 2024 and 2023, respectively.

Certain property, plant and equipment assets have been pledged as security on loans. See Note 23 for additional details.

Plant and equipment principally includes assets of the Terminal and Stolt Sea Farm businesses.

Impairment of non-current assets

See Note 2 for further discussion of impairment testing.

Notes to the Financial Statements continued

15. Right-of-use Assets and Lease Liabilities

Accounting policy

(i) Right-of-use assets

Right-of-use assets are measured initially at cost based on the associated lease liability, adjusted for any payments made before inception, initial direct costs and an estimate of the dismantling, removal and restoration costs required in the terms of the lease.

Subsequent to initial recognition, the Group depreciates the right-of-use assets over the term of the lease or, if shorter, the leased asset's remaining economic life.

(ii) Lease liabilities

In respect of leases of low-value items and those that are less than 12 months at the inception of the lease, the Group recognises an expense on a straight-line basis over the life of the lease. For all other leases, the Group recognises a right-of-use asset and corresponding liability at the date the leased asset is made available to the Group.

Lease liabilities are measured at the present value of the future lease payments, excluding any payments relating to non-lease components. Future lease payments include options to the extent that it is reasonably certain that such payments will be made. The payments are discounted at the rate implicit in the lease or, where that cannot be measured, at an incremental borrowing rate.

Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Group changes its assessment of whether it will exercise an extension or termination option. When a lease liability is remeasured in this way, a corresponding adjustment is made to the carrying value of the right-of-use asset, or is recorded to profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Time charter contracts include the lease of a specific ship and a non-lease component for crew, maintenance and other operating expenses. When measuring lease liabilities, the non-lease component has been separated from the lease component based on internal sources of ships of similar classes as the ship under contract. The non-lease element is recorded in Operating expenses as the Service component of leases.

Subsequent to initial recognition, the Group records an interest charge in respect of the lease liability.

(iii) Lease expenses

Short-term leases (defined as less than one year) and low-value leases are expensed in the income statement.

(iv) Variable lease consideration

The Group operates the Joint Service, delivering freight services to customers in which external ships participate. The lease payments to external parties are entirely variable and therefore not included when calculating the lease liability. The variable lease payment, less a management fee, is included in the income statement as Charter and lease expense.

Notes to the Financial Statements continued

Right-of-use Assets

The below table shows right-of-use assets, held under lease agreements.

Cost (in US $ thousands)	Land	Buildings	Ships and Barges	Tank Containers	Plant and Equipment	Total
Balance at December 1, 2022	**86,718**	**20,014**	**105,268**	**96,109**	**9,597**	**317,706**
New leases and other increases	4,036	5,428	19,283	39,983	1,526	70,256
Retirements and other decreases	(987)	(5,027)	(10,932)	(14,123)	(1,145)	(32,214)
Net foreign exchange differences	(199)	408	1,098	(27)	255	1,535
Balance at November 30, 2023	**89,568**	**20,823**	**114,717**	**121,942**	**10,233**	**357,283**
New leases and other increases	2,511	10,628	147,736	39,983	2,507	203,365
Retirements and other decreases	(1,123)	(7,542)	(24,089)	(48,441)	(3,103)	(84,298)
Net foreign exchange differences	(1,412)	807	(813)	6	(496)	(1,908)
Balance at November 30, 2024	**89,544**	**24,716**	**237,551**	**113,490**	**9,141**	**474,442**

Accumulated depreciation (in US $ thousands)	Land	Buildings	Ships and Barges	Tank Containers	Plant and Equipment	Total
Balance at December 1, 2022	**7,747**	**9,071**	**45,185**	**35,621**	**3,644**	**101,268**
Depreciation expense	3,281	4,118	22,245	26,877	1,265	57,786
Retirements and other decreases	(181)	(4,366)	(10,432)	(14,887)	(849)	(30,715)
Net foreign exchange differences	96	201	231	(26)	66	568
Reclasses and other	(161)	(343)	–	101	508	105
Balance at November 30, 2023	**10,782**	**8,681**	**57,229**	**47,686**	**4,634**	**129,012**
Depreciation expense	3,738	3,973	28,650	29,047	1,879	67,287
Retirements and other decreases	(844)	(6,157)	(21,562)	(21,537)	(2,630)	(52,730)
Net foreign exchange differences	(148)	27	(457)	12	(267)	(833)
Reclasses and other	(69)	172	–	–	111	214
Balance at November 30, 2024	**13,459**	**6,696**	**63,860**	**55,208**	**3,727**	**142,950**
Net book value:						
At November 30, 2023	**78,786**	**12,142**	**57,488**	**74,256**	**5,599**	**228,271**
At November 30, 2024	**76,085**	**18,020**	**173,691**	**58,282**	**5,414**	**331,492**

During 2024 and 2023, the Group entered into leases for land, offices, ships, barges, tank containers and terminal and sea farm equipment. At November 30, 2024, the Group has leases expiring from 2025 to 2070.

Notes to the Financial Statements continued

Lease Liabilities

(in US $ thousands)	As of November 30 2024	2023
Contractual undiscounted cash flows:		
Less than:		
1 year	**75,848**	66,440
2 years	**60,564**	50,304
3 years	**49,064**	33,017
4 years	**39,295**	25,079
5 years	**30,623**	16,632
Thereafter	**223,903**	152,668
Total undiscounted cash flows	**479,297**	344,140
Total lease liabilities (discounted based on the Group's incremental borrowing rate)	**344,011**	238,207
Less current maturities	**(58,581)**	(55,456)
Non-current	**285,430**	182,751

See Note 8, Finance expenses and income, for interest expense from lease liabilities. Lease interest payments were $14.2 million and $11.4 million for the years ended November 30, 2024 and 2023, respectively. Total lease payments, including principal and interest, were $78.3 million and $65.9m million for the years ended November 30, 2024 and 2023, respectively.

Operating Leases

Minimum future lease commitments, under agreements which expire at various dates through 2028, are as follows:

(in US $ thousands)	2024	2023
Less than:		
1 year	**2,939**	3,801
2 years	**566**	443
3 years	**410**	283
4 years	**282**	139
5 years	**88**	30
	4,285	4,696

The commitments for the year ended November 30, 2024 related to leases which are short-term (less than one year) or low-value (less than $5,000) and consist of tank containers, ships, barges, offices, automobiles and equipment leases.

Rental and charter hire expenses under operating lease agreements for the years ended November 30, 2024 and 2023 were $34.7 million and $35.3 million, respectively. There was no sub-lease income in either year.

Variable lease consideration related to charter hire expenses to participants in the Joint Service was included in Charter and lease expenses. It was $318.8 million and $264.1 million, respectively, for the years ended November 30, 2024 and 2023.

There were no non-cancellable sub-leases during the years ended November 30, 2024 and 2023.

16. Intangible Assets and Goodwill

Accounting policy

Goodwill represents amounts arising on the acquisition of subsidiaries, associates and joint ventures. Goodwill arising on acquisition represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. Identifiable intangible assets are those that can be sold separately, or which arise from legal rights regardless of whether those rights are separable.

Goodwill is initially recognised at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment, or more frequently when there is an indication that the CGU is impaired. With respect to associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment in the associate or joint venture.

Goodwill is tested for impairment on an annual basis for each CGU to which the goodwill is allocated. When goodwill is monitored at the level of a group of CGUs, it is tested for impairment at that level. The Group's unimpaired goodwill relates to the Tankers and Tank Container segments.

In the case of bargain purchases, the excess of net assets acquired over the fair value of the consideration paid arising on an acquisition is recognised in other operating income in the income statement in the period in which the acquisition is completed.

Notes to the Financial Statements continued

Other intangible assets with finite lives that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses. Amortisation of customer contracts is charged to operating revenue over the life of the contracts based on the underlying cash flows. Other finite-lived intangibles are charged to the income statement under operating expenses over the estimated useful lives of the intangible assets on a straight-line basis. The trademark intangible was amortised over a ten-year life while the customer relations and contract intangibles were amortised from two to 14 years and computer software is amortised over an average life of three to ten years. Both intangibles were retired during 2024.

See Note 14 for the accounting policy for the impairment of intangible assets with finite lives.

Intangible assets are shown below:

(in US $ thousands)	Goodwill	Trademark	Customer Relations/ Contracts	Computer Software	Other	Total
Cost:						
Balance, December 1, 2022	**32,546**	**1,357**	**7,111**	**54,817**	**753**	**96,584**
Additions	–	–	–	7,892	135	8,027
Disposals and retirements	–	–	–	(851)	–	(851)
Net foreign exchange differences	755	–	–	1,375	383	2,513
Balance, November 30, 2023	**33,301**	**1,357**	**7,111**	**63,233**	**1,271**	**106,273**
Additions	–	–	–	8,219	61	8,280
Disposals and retirements	–	(1,357)	(7,111)	(329)		(8,797)
Net foreign exchange differences	57	–	–	(2,767)	59	(2,651)
Reclasses and other	–	–	–		114	114
Balance, November 30, 2024	**33,358**	**–**	**–**	**68,356**	**1,505**	**103,219**
Accumulated amortisation:						
Balance, December 1, 2022	**12,394**	**1,357**	**7,111**	**39,287**	**556**	**60,705**
Amortisation charge for the year	–	–	–	4,367	111	4,478
Disposals and retirements	–	–	–	(851)	–	(851)
Net foreign exchange differences	–	–	–	1,275	371	1,646
Reclasses and other	–	–	–	(1)	13	12
Balance, November 30, 2023	**12,394**	**1,357**	**7,111**	**44,077**	**1,051**	**65,990**
Amortisation charge for the year	–	–	–	4,341	–	4,341
Disposals and retirements	–	(1,357)	(7,111)	(146)	–	(8,614)
Net foreign exchange differences	–	–	–	(1,076)	64	(1,012)
Reclasses and other	–	–	–	(32)	91	59
Balance, November 30, 2024	**12,394**	**–**	**–**	**47,164**	**1,206**	**60,764**
Net book value:						
At November 30, 2023	**20,907**	**–**	**–**	**19,156**	**220**	**40,283**
At November 30, 2024	**20,964**	**–**	**–**	**21,192**	**299**	**42,455**

Other than goodwill, all intangible assets were subject to amortisation as of November 30, 2024 and 2023.

Notes to the Financial Statements continued

During the year ended November 30, 2024, the Group spent $6.6 million on intangible assets, mainly on the acquisitions of computer software.

At November 30, 2024, goodwill primarily consisted of $5.4 million for goodwill on a prior year acquisition of the Tankers segment and $15.6 million related to a prior year business combination in the Tank Containers segment.

The Tankers and Tank Containers segments' goodwill has been tested for impairment as of November 30, 2024 and 2023. To calculate the recoverable amount, the VIU was calculated. For Tankers, goodwill was allocated to the deep-sea fleet CGU while for Tank Containers, goodwill was allocated to the Tank Container fleet CGU. In both cases, these were the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. VIU was based on a discounted cash flow basis using the approved projections in the five-year plan.

Based on management judgement and past experience, the following assumptions were used in the calculation of VIU:

- Pre-tax discount rate of 7.6% based on the weighted average cost of capital for the risks specific to the Tankers and Tank Containers businesses.
- Future growth rates based on trends in industrial production. The growth rate used in perpetuity beyond the projection period is 2%.
- For Tankers, assumptions for the sailed-in rates per operating day (a profit measure of operating revenue less variable voyage expenses including bunker costs, on existing and future contracts and the spot market) during the project period from 2025 to 2029 for the deep-sea fleet (adjusted for capacity changes) is an average decrease of 3.7%.
- For STC, future escalation of price and cost increases obtained from shipping and transportation carriers and extent of capital expenditures from Tank Containers' approved capital expenditure projections and competition.

No impairment was noted.

Revaluation for foreign exchange differences for goodwill and other intangibles amounted to a loss of $1.6 million for the year ended November 30, 2024.

The trademark intangible was amortised over a ten-year life and is now fully amortised while the customer relations and contracts intangibles were being amortised from two to 14 years and are now fully amortised. Computer software is being amortised over an average life of three to ten years.

17. Investments in and Advances to Joint Ventures and Associates

Accounting policy

(i) Associates

Associates are those entities over which the Group is able to exercise significant influence but does not control or jointly control the entities' financial and operating policies. Significant influence is exercised generally through direct or indirect ownership of 20% to 50% of the voting rights. Such investments in associates are recorded in the Consolidated Financial Statements using the equity method and are initially recognised at cost. The Consolidated Financial Statements include the Group's share of the total comprehensive income of associates based on the equity method of accounting, from the date that significant influence begins until the date that significant influence ceases.

Investments in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Group's share of net assets of the associate, less any impairment in the value of individual investments. Where necessary, adjustments are made to the Financial Statements of associates to bring the accounting policies used into line with those used by the Group.

When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an associate.

(ii) Joint Ventures

Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement. Joint control requires unanimous consent of the parties sharing control in the decision-making on relevant activities. The Consolidated Financial Statements include the Group's share of the total comprehensive income of joint ventures based on the equity method of accounting, from the date that joint control begins until the date that joint control ceases. Where necessary, adjustments are made to the Financial Statements of joint ventures to bring the accounting policies used into line with those used by the Group.

Material investments are those that the Group considers to be strategic to its operations and whose investment balances are material.

Notes to the Financial Statements continued

Investments in and advances to joint ventures and associates, which are all accounted for using the equity method of accounting, consisted of the following:

(in US $ thousands)	Location[1]	2024 % Shares	2024 % Voting Rights	As of November 30 2024	2023
Joint Ventures:					
Tankers' material joint ventures:					
NYK Stolt Tankers S.A.	Panama	50	50	**111,425**	54,969
NYK Stolt Shipholding Pte. Ltd.	Singapore	50	50	**75,657**	66,576
Shanghai SC-Stolt Shipping Ltd	China	49	50	**39,534**	38,707
Hassel Shipping 4 AS	Norway	50	50	**65,343**	66,500
Tankers' non-material joint ventures:					
Stolt NYK Asia Pacific Services Inc.	Liberia	50	50	**905**	2,689
SIA LAPA, Ltd	Latvia	70	50	**1,656**	2,418
Shanghai New Xing Yang Marine Services Co. Ltd	China	40	40	**–**	–
				294,520	231,859
Terminals' material joint ventures:					
Advario Stolthaven Antwerp, NV	Belgium	50	50	**115,153**	115,879
Jeong-IL Stolthaven Ulsan Co. Ltd	South Korea	50	50	**118,331**	123,738
Tianjin Lingang Stolthaven Terminal Co.	China	65	50	**21,607**	24,564
Tianjin Lingang Stolthaven Jetty Company	China	40	50	**10,898**	11,144
Terminals' non-material joint ventures:					
Stolthaven Revivegen Kaohsiung Co., Ltd	Taiwan	49	50	**29,784**	24,309
Ceyhan Terminal Himzetleri Anonim Sirketu	Turkey	33	50	**9,461**	–
Stolthaven (Westport) Sdn. Bhd.	Malaysia	49	50	**9,122**	6,715
				314,356	306,349
Tank Containers' non-material joint ventures:					
Hyop Woon Stolt Transportation Services Co. Ltd	South Korea	50	50	**3,850**	3,808
Kanoo Tank Services Ltd.	Saudi Arabia	60	60	**16,352**	16,883
Vado Tank Cleaning SRL	Italy	50	50	**1,716**	1,549
Laem Chabang Tank Service Co. Ltd.	Thailand	49	49	**1,070**	1,653
FSTS CO., Ltd	Thailand	49	49	**1,056**	1,144
Joint Tank Services FZCO	United Arab Emirates	40	40	**1,494**	1,229
				25,538	26,266
Stolt-Nielsen Gas' material joint venture:					
Avenir LNG Limited	Bermuda	47	47	**70,482**	76,102
Stolt-Nielsen Gas' non-material joint venture:					
Higas Holdings Limited	Italy	50	50	**12,112**	–
				82,594	76,102
Subtotal				**717,008**	640,576

Notes to the Financial Statements continued

(in US $ thousands)	Location[1]	2024 % Shares	2024 % Voting Rights	As of November 30 2024	2023
Non-material associates:					
Brovig SS II Indre Selskap	Norway	50	50	**31**	5,917
Essberger & Stolt Tankers GMbH & Co KG	Germany	28	28	**164**	164
N.C. Stolt Transportation Services Co. Ltd	Japan	50	50	**1,226**	1,159
Norterminal A.S.	Norway	25	25	**648**	674
N.C. Stolt Chuyko Transportation Services Co. Ltd	Japan	35	35	**486**	428
Other				**–**	1,245
Subtotal				**2,555**	9,587
				719,563	650,163

1. Represents the country of incorporation which is the principal place of business, except for NYK Stolt Tankers S.A., Stolt NYK Asia Pacific Services Inc., NYK Stolt Shipholding Pte. Ltd., Hassel Shipping 4 AS, Essberger & Stolt Tankers GMbH & Co KG, Brovig SS II Indre Selskap and Avenir LNG Limited which operate on a worldwide or regional basis.

(in US $ thousands)	Joint Ventures	Associates	Total
Balance, December 1, 2022	**613,988**	**8,956**	**622,944**
Share of profit of joint ventures and associates	61,693	572	62,265
Dividends	(64,467)	(365)	(64,832)
Net foreign exchange differences	4,131	(192)	3,939
Net gain on cash flow hedges held by joint ventures	1,068	–	1,068
Repayment of advances to joint ventures, net	(14,595)	–	(14,595)
Net actuarial gain on pension schemes held by joint venture	524	–	524
Investment in joint venture and associate	38,557	618	39,175
Other	(323)	(2)	(325)
Balance, November 30, 2023	**640,576**	**9,587**	**650,163**
Share of profit of joint ventures and associates	62,646	112	62,758
Dividends	(48,288)	(5,520)	(53,808)
Net foreign exchange differences	(12,193)	(30)	(12,223)
Net loss on cash flow hedges held by joint ventures	(2,273)	–	(2,273)
Advances to joint ventures, net of repayments	59,108	–	59,108
Net actuarial gain on pension schemes held by joint venture	531	–	531
Investment in joint venture and associate	14,520	–	14,520
Transfer	1,245	(1,245)	–
Other	1,136	(349)	787
Balance, November 30, 2024	**717,008**	**2,555**	**719,563**

Notes to the Financial Statements continued

Summarised financial information of material joint ventures

The below table provides summarised financial information of the Group's material joint ventures, representing 100% of the respective amounts included in the individual joint ventures' Financial Statements as of and for the years ended November 30, 2024 and 2023. The figures have been amended to reflect modifications for differences in accounting policy.

	NYK Stolt Tankers S.A.		NYK Stolt Shipholding Pte. Ltd.		Shanghai SC-Stolt Shipping Ltd		Hassel Shipping 4 AS	
(in US $ thousands)	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Selected Balance Sheet Information								
Cash and cash equivalents	**41,282**	14,582	**26,754**	2,877	**24,814**	25,781	**18,813**	14,249
Current assets, other than cash	**15,009**	19,050	**8,135**	12,312	**5,389**	7,355	**8,471**	25,725
Current assets	**56,291**	33,632	**34,889**	15,189	**30,203**	33,136	**27,284**	39,974
Non-current assets	**294,460**	217,721	**154,777**	162,636	**55,363**	49,956	**282,165**	284,566
Total Assets	**350,751**	251,353	**189,666**	177,825	**85,566**	83,092	**309,449**	324,540
Financial liabilities, other than accounts payable	**13,692**	13,405	**4,498**	5,410	**–**	–	**15,130**	14,384
Other current liabilities	**8,091**	5,411	**–**	–	**4,140**	4,098	**–**	–
Current liabilities	**21,783**	18,816	**4,498**	5,410	**4,140**	4,098	**15,130**	14,384
Financial liabilities	**190,693**	122,599	**33,854**	39,264	**745**	–	**170,762**	184,613
Total non-current liabilities	**190,693**	122,599	**33,854**	39,264	**745**	–	**170,762**	184,613
Net Assets	**138,275**	109,938	**151,314**	133,151	**80,681**	78,994	**123,557**	125,543
Selected Income Statement Information								
Operating revenue	**105,068**	95,961	**63,455**	52,825	**34,896**	41,949	**108,425**	100,709
Depreciation and amortisation	**15,052**	15,506	**12,006**	12,536	**6,025**	4,392	**13,106**	13,628
Finance income	**–**	–	**486**	271	**–**	–	**1,081**	1,176
Finance expense	**8,641**	9,821	**2,019**	2,347	**–**	–	**11,816**	12,444
Profit before taxes	**35,184**	28,468	**18,655**	8,384	**1,801**	7,081	**44,217**	37,709
Income tax expense	**–**	–	**–**	–	**329**	(1,930)	**–**	–
Net profit	**35,184**	28,468	**18,655**	8,384	**2,130**	5,151	**44,217**	37,709
Other comprehensive (loss) income	**(847)**	791	**(493)**	(87)	**(444)**	(623)	**(3,204)**	1,389
Total comprehensive income	**34,337**	29,259	**18,162**	8,297	**1,686**	4,528	**41,013**	39,098
Dividends received by Group	**3,000**	–	**–**	–	**–**	–	**21,500**	20,000

Long-term financial liabilities for NYK Stolt Tankers S.A. included shareholder loans of $85.5 million and nil for the years ended November 30, 2024 and 2023, respectively.

Notes to the Financial Statements continued

(in US $ thousands)	Advario Stolthaven Antwerp, NV 2024	Advario Stolthaven Antwerp, NV 2023	Jeong-IL Stolthaven Ulsan Co. Ltd 2024	Jeong-IL Stolthaven Ulsan Co. Ltd 2023	Tianjin Lingang Stolthaven Terminal Co. 2024	Tianjin Lingang Stolthaven Terminal Co. 2023	Tianjin Lingang Stolthaven Jetty Company 2024	Tianjin Lingang Stolthaven Jetty Company 2023
Selected Balance Sheet Information								
Cash and cash equivalents	**2,800**	4,041	**12**	13	**3,084**	3,595	**4,735**	2,522
Current assets, other than cash	**26,300**	26,497	**22,698**	26,085	**1,127**	1,012	**3,956**	3,988
Current assets	**29,100**	30,538	**22,710**	26,098	**4,211**	4,607	**8,691**	6,510
Non-current assets	**316,542**	329,763	**337,249**	369,439	**32,550**	34,365	**21,239**	22,692
Total Assets	**345,642**	360,301	**359,959**	395,537	**36,761**	38,972	**29,930**	29,202
Financial liabilities, other than accounts payable	**22,306**	31,488	**62,654**	71,070	**1,381**	1,401	**–**	–
Other current liabilities	**18,581**	13,593	**10,103**	11,215	**2,117**	2,140	**2,202**	1,028
Current liabilities	**40,887**	45,081	**72,757**	82,285	**3,498**	3,541	**2,202**	1,028
Financial liabilities	**69,177**	78,136	**57,743**	74,352	**128**	4,777	**–**	–
Non-current liabilities	**42,780**	43,977	**787**	–	**–**	–	**–**	–
Total non-current liabilities	**111,957**	122,113	**58,530**	74,352	**128**	4,777	**–**	–
Net Assets	**192,798**	193,107	**228,672**	238,900	**33,135**	30,654	**27,728**	28,174
Selected Income Statement Information								
Operating revenue	**110,719**	107,970	**95,086**	96,325	**12,109**	11,144	**7,235**	7,080
Depreciation and amortisation	**32,611**	32,117	**12,298**	12,531	**2,363**	2,775	**1,269**	1,310
Finance income	**–**	–	**–**	–	**–**	–	**17**	26
Finance expense	**2,972**	3,158	**4,019**	4,959	**122**	614	**173**	–
Profit before taxes	**20,593**	18,914	**37,508**	35,694	**3,683**	2,489	**2,746**	2,593
Income tax expense	**(5,547)**	(4,798)	**(8,147)**	(7,608)	**(728)**	1	**(693)**	(653)
Net profit	**15,046**	14,116	**29,361**	28,086	**2,955**	2,490	**2,053**	1,940
Other comprehensive (loss) income	**(5,531)**	8,825	**(16,639)**	(44)	**(472)**	(217)	**(428)**	(245)
Total comprehensive income	**9,515**	22,941	**12,722**	28,042	**2,483**	2,273	**1,625**	1,695
Dividends received by Group	**4,912**	2,200	**11,475**	7,706	**–**	–	**829**	1,453

Tianjin Lingang Stolthaven Terminal Co. has nil and $4.8 million of shareholder loans with the Group at November 30, 2024 and 2023, respectively.

Notes to the Financial Statements continued

In addition to the table above, Avenir LNG Limited is publicly traded on the Norwegian over-the-counter ("NOTC") market. The financial statements for December 31, 2023 have been filed on the NOTC. Avenir LNG Limited had total assets of $281.7 million, total liabilities of $167.9 million and total net assets of $113.8 million. Avenir LNG Limited has not published any interim earnings releases since this date. The market price of Avenir LNG Limited shares was NOK 10.00 per share at November 30, 2024. The Group owned 78.5 million shares of Avenir LNG Limited at November 30, 2024. See below for discussion of the Avenir and Higas separation.

The above joint ventures, other than Avenir LNG Limited, are private companies and there are no quoted market prices available for their shares.

Description of the nature of activities of the material joint ventures

NYK Stolt Tankers S.A. is a joint venture with NYK Line which owns nine parcel tankers that participate in the Joint Service. The Group performs marketing, operational, administration and ship-owning services for NYK Stolt Tankers S.A.'s fleet in the deep-sea intercontinental market. The Group considers the investment in NYK Stolt Tankers S.A. to be strategic as it provides sophisticated tonnage to the Joint Service.

NYK Stolt Shipholding Pte. Ltd. ("NSSH") is a ship-owning joint venture and owns 11 of the ships operated by the SNAPS Pool. The investment in NSSH is considered to be strategic to the Group by serving the East Asia and South East Asia markets and supporting customers of the Joint Service.

Hassel Shipping 4 AS is a 50% joint venture with J.O. Invest AS for the joint ownership and operation of eight 33,000 dwt, stainless steel, chemical tankers. The ships are operated through the Joint Service. This joint venture is considered to be strategic as it provides sophisticated tonnage to the Joint Service. See Note 33 for discussion of the acquisition of the remaining 50% from the joint venture partner in January 2025.

Shanghai SC-Stolt Shipping Ltd is a 49% owned joint venture with Shanghai Junzheng Logistics Co. Ltd to operate chemical tankers in the Chinese coast cabotage market. As of November 30, 2024, the joint venture operated nine ships. It is considered to be a joint venture as all significant decisions are made unanimously.

Avenir LNG Limited is a 47% owned joint venture with Golar LNG Limited and Höegh LNG Holdings Ltd. and supplies LNG for the power, bunkering, trucking and industrial markets. Although listed on the NOTC market, it is considered to be a joint venture as the Group, along with Golar LNG Limited and Höegh LNG Holdings Ltd., make significant decisions unanimously. See Note 33 for discussion of acquisition of 48.8% from shareholders subsequent to the end of the year.

Advario Stolthaven Antwerp, NV ("ASA"), is a 50% owned joint venture with Advario BV and has a terminal facility in Antwerp, Belgium which provides independent tank terminal services in the Port of Antwerp for bulk liquid products, animal and vegetable oils and gas and other products. The investment in ASA is considered to be strategic to the Group as it is integral to the Group's ability to provide an efficient ship-terminal interface.

Jeong-IL Stolthaven Ulsan Co. Ltd ("JSTT") is a 50% owned joint venture that owns a terminal facility in Ulsan, South Korea which provides independent tank terminal services for primarily clean petroleum and chemical products. The Group considers its investment in JSTT to be strategic as it is integral in the Group's ability to provide an efficient ship-terminal interface.

Tianjin Lingang Stolthaven Terminal Co., a 65% owned joint venture with the Lingang Harbor Affairs Company ("LHAC"), owns a terminal facility in Tianjin, China. It is considered to be a joint venture as all significant decisions are made unanimously.

Tianjin Lingang Stolthaven Jetty Company, a 40% owned joint venture with LHAC, owns and operates a jetty and docks in Tianjin, China. It is considered to be a joint venture as all significant decisions are made unanimously.

Notes to the Financial Statements continued

Reconciliation of Summarised Financial Information from Prior Year Net Assets to Investment in and Advances to Joint Ventures

	NYK Stolt Tankers S.A.		NYK Stolt Shipholding Pte. Ltd.		Shanghai SC-Stolt Shipping Ltd		Hassel Shipping 4 AS	
(in US $ thousands)	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Net Assets:								
Balance, December 1	**109,938**	70,679	**133,151**	82,855	**78,994**	73,771	**125,543**	126,445
Profit for the year	**35,184**	28,468	**18,655**	8,384	**2,130**	5,151	**44,217**	37,709
Capital contribution	**–**	10,000	**–**	42,000	**–**	–	**–**	–
Dividends	**(6,000)**	–	**–**	–	**–**	–	**(43,000)**	(40,000)
Other comprehensive (loss) income	**(847)**	791	**(493)**	(87)	**(444)**	(623)	**(3,204)**	1,389
Other	**–**	–	**1**	(1)	**1**	695	**1**	–
Balance, November 30	**138,275**	109,938	**151,314**	133,151	**80,681**	78,994	**123,557**	125,543
Percentage owned	**50%**	50%	**50%**	50%	**49%**	49%	**50%**	50%
Interest in joint venture	**69,138**	54,969	**75,657**	66,576	**39,534**	38,707	**61,779**	62,772
Purchase adjustment to property	**–**	–	**–**	–	**–**	–	**3,525**	3,727
Advances	**42,287**	–	**–**	–	**–**	–	**–**	–
Other	**–**	–	**–**	–	**–**	–	**39**	1
Investment in and advances to joint ventures	**111,425**	54,969	**75,657**	66,576	**39,534**	38,707	**65,343**	66,500

Notes to the Financial Statements continued

(in US $ thousands)	Advario Stolthaven Antwerp, NV 2024	Advario Stolthaven Antwerp, NV 2023	Jeong-IL Stolthaven Ulsan Co. Ltd 2024	Jeong-IL Stolthaven Ulsan Co. Ltd 2023	Tianjin Lingang Stolthaven Terminal Co. 2024	Tianjin Lingang Stolthaven Terminal Co. 2023	Tianjin Lingang Stolthaven Jetty Company 2024	Tianjin Lingang Stolthaven Jetty Company 2023
Net Assets:								
Balance, December 1	**193,107**	174,566	**238,900**	226,284	**30,654**	28,380	**28,174**	30,113
Profit for the year	**15,046**	14,116	**29,361**	28,086	**2,955**	2,490	**2,053**	1,940
Dividends	**(9,824)**	(4,400)	**(22,950)**	(15,413)	**–**	–	**(2,071)**	(3,632)
Other comprehensive (loss) income	**(5,531)**	8,825	**(16,639)**	(44)	**(472)**	(217)	**(428)**	(245)
Other	**–**	–	**–**	(13)	**(2)**	1	**–**	(2)
Balance, November 30	**192,798**	193,107	**228,672**	238,900	**33,135**	30,654	**27,728**	28,174
Percentage owned	**50%**	50%	**50%**	50%	**65%**	65%	**40%**	40%
Interest in joint venture	**96,399**	96,553	**114,336**	119,450	**21,538**	19,925	**11,091**	11,270
Advances	**–**	–	**–**	–	**–**	4,639	**–**	–
Purchase adjustment to property	**2,690**	3,083	**–**	–	**–**	–	**–**	–
Goodwill	**14,253**	14,672	**3,995**	4,288	**–**	–	**–**	–
Other	**1,811**	1,571	**–**	–	**69**	–	**(193)**	(126)
Investment in and advances to joint ventures	**115,153**	115,879	**118,331**	123,738	**21,607**	24,564	**10,898**	11,144

Notes to the Financial Statements continued

Summarised financial information for non-material joint ventures and associates

In aggregate, the Group's investments in and advances to non-material joint ventures were $88.6 million and $59.7 million, and in the non-material associates were $2.6 million and $9.6 million, for the years ended November 30, 2024 and 2023, respectively. The below summarises the financial information of the non-material joint ventures and associates:

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Joint Ventures		
Profit before taxes	**16,186**	11,985
Income tax expense	**3,151**	1,855
Net profit	**13,035**	10,130
Other comprehensive loss	**(213)**	(946)
Total comprehensive income	**12,822**	9,184

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Associates		
Profit before taxes	**281**	414
Income tax expense (benefit)	**150**	(154)
Net profit	**131**	568
Other comprehensive loss	**–**	(1,293)
Total comprehensive income	**131**	(725)

Avenir and Higas separation

As part of a restructure of Avenir, it sold Higas, which owns a storage terminal in Sardinia, to the Group, Hoegh Evi Ltd and Golar LNG Limited ("Higas Shareholders") on November 9, 2024. The Group purchased 50% of Higas for $7.9 million with Hoegh Evi Ltd and Golar LNG Limited purchasing 25% each. Payment was made through Avenir's transfer of an existing shareholder loan to Higas and the Higas Shareholders' transfer of a portion of Avenir shares back to Avenir. The Group's interest in Avenir fell from 47.2% to 47.0% as a result of the transaction and investment in and advances to Avenir decreased to $70.5 million from $78.4 million. The purpose of the Avenir restructure was to enable Avenir to operate as a pure play small-scale LNG shipping and trading company.

If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the below amounts, or any additional provisions that existed at the date of acquisition, then the below disclosures will be revised.

The consideration was follows:

(in US $ thousands)	
Cash	3,484
Accounts receivable	2,714
Receivable from Avenir	2,000
Inventory	824
Prepayment	103
Property, plant and equipment	34,568
Shareholder loan to the Group, Hoegh Evi Ltd and Golar LNG Limited	(24,679)
Accounts payable	(479)
Accrued expenses	(2,071)
Lease liability	(672)
Net assets of Higas	15,792
Percentage purchased by the Group	50%
Investment in Higas	7,896
Advance to Higas	10,500
Total Consideration	18,396
Loan receivable impairment	(5,000)
Investment and advances in Higas	13,396

Upon purchase, the Group performed a fair value analysis of the Higas net assets. Based on IFRS 13, Fair Value Measurements, fair value is to be calculated as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. The Group's Management determined that based on that definition, the fair value was different from the consideration paid. This is due to the transaction being between related parties and not necessarily indicative of the price that would have been paid if entered into at market terms. As such, a loan receivable impairment of $5.0 million was recorded against the Investments in and advances to joint ventures in November 2024.

Excluding the above adjustment to fair value, the share of loss on joint ventures included in the consolidated income statement since November 9, 2024 was $1.3 million.

While the total share of profit of joint ventures would not have changed with the above transaction as both Avenir and Higas are accounted for using the equity accounting method, the full year share of loss of joint ventures for Higas would have been $5.9 million, excluding the above adjustment to fair value.

Notes to the Financial Statements continued

Commitments

The Group has a commitment to loan NYK Stolt Tankers S.A. $30.9 million and Avenir $29.0 million for future deposits on newbuilding contracts at November 30, 2024. Capital commitments in joint ventures are in Note 27.

See Note 28 for amounts due from and to the Group from joint ventures and associates.

18. Investments in Equity and Debt Instruments

Accounting policy

Investments in equity instruments which are designated as fair value through other comprehensive income ("FVTOCI") are carried at their fair value and remeasured each period. Movements in the carrying amount are taken through other comprehensive income. Upon disposal of these equity investments, any balance within other comprehensive income for these equity investments is reclassified to retained earnings and is not reclassified to profit or loss.

Equity investments designated at FVTOCI

At November 30, 2024, the Group had investments in Golar LNG Limited, GBL, Odfjell SE and Kingfish that have been designated as FVTOCI as they are not held for trading by the Group.

On February 5, 2024, the Group acquired a further 3,225,000 shares of Odfjell SE for $35.6 million.

During the year ended November 30, 2024 GBL allotted 3,880,000 shares, diluting the Group's shareholding to 8.5%.

During the year ended November 30, 2023, the Group disposed of its 1.0 million shares of Cool Company Limited ("CoolCo") for $11.5 million, resulting in a gain on sale of $2.3 million which has been transferred from the fair value reserve to retained earnings. CoolCo is listed on the Euronext Growth Oslo.

During the year ended November 30, 2023, Kingfish borrowed $2.7 million from the Group through a convertible loan agreement. The convertible loan agreement carries an annual interest rate of 15% and allows for the loan to be converted into shares at a fixed price of Euro 0.929 at a future date. Kingfish is listed on the Euronext Growth Oslo.

In 2023, the Group's shareholding in Kingfish decreased to 8.3% upon Kingfish issuing further shares.

The Group received dividends of $13.4 million from Odfjell SE and $2.7 million from Golar LNG Limited during the year (2023: $6.3 million from Odfjell SE and $1.3 million from Golar LNG).

Notes to the Financial Statements continued

Investments in equity instruments increased from November 30, 2023 owing to the purchase of additional Odfjell SE shares and the change in fair market value of the Golar LNG Limited investment in 2024. A summary of changes in value of investments in equity instruments for the year ended November 30, 2024 and 2023 is summarised below:

As of November 30,	2024	2023	2024	2023	2024	2023
(in US $ thousands, except for per share amounts)	Golar LNG Limited		GBL		CoolCo	
Number of equity shares	**2,673**	2,673	**6,111**	6,111	**–**	–
Percentage of shareholding as of November 30	**2.5%**	2.5%	**8.5%**	9.4%	**–**	–
Share price as of November 30	**39.37**	21.53	**1.63**	2.04	**–**	–
Dividends received	**2,712**	1,336	**–**	–	**–**	–
Gain (loss) on FVTOCI	**47,521**	(9,301)	**(2,441)**	1,266	**–**	(261)
Cumulative (loss) gain on FVTOCI	**(1,159)**	(48,680)	**4,795**	7,236	**–**	–
Value of investment	**105,224**	57,703	**9,980**	12,478	**–**	–

As of November 30,	2024	2023	2024	2023	2024	2023
(in US $ thousands, except for per share amounts)	Kingfish		Odfjell SE		Total	
Number of equity shares	**9,238**	9,238	**8,239**	5,014		
Percentage of shareholding as of November 30	**8.3%**	8.3%	**13.6%**	8.3%		
Share price as of November 30	**0.61**	0.78	**9.93**	10.55		
Dividends received	**–**	–	**13,400**	6,323	**16,112**	7,659
(Loss) gain on FVTOCI	**(1,545)**	(3,167)	**(3,080)**	9,868	**40,455**	(1,595)
Cumulative (loss) gain on FVTOCI	**(1,774)**	(229)	**29,098**	32,178	**30,960**	(9,495)
Convertible loan	**2,652**	2,652	**–**	–	**2,652**	2,652
Value of investment	**8,269**	9,813	**81,801**	52,870	**205,274**	132,864

Notes to the Financial Statements continued

19. Long-term Insurance Claims Receivable

Accounting policy

The Group maintains insurance to cover a number of risks including employee health, workers' compensation, pollution, damages to hull and machinery for each of our ships, property damages, war damage and general liabilities for third-party claims. The Group recognises a provision for future expected payments to third parties plus self-insured liabilities (deductibles) in respect of all claims (see Note 26).

The Group recognises insurance reimbursement receivables from insurers for third-party claims at the time the recovery is virtually certain. Substantially all of the long-term insurance reimbursement receivables are for claims such as collision, property damage, pollution, environmental damage, general average, injury and cargo. The liabilities associated with the claims are estimated based on the specific merits of the individual claims.

At November 30, 2024 and 2023, respectively, the Group included $12.8 million and $14.9 million for long-term insurance claims receivables.

All of the Group's insurance policies are subject to coverage limits, exclusions and deductible levels. While the Group believes that the estimated accrued claims reserves are adequate, the ultimate losses can differ.

20. Accounts Payable, Accrued Expenses and Deferred Revenue

Accounting policy

Accounts payable are initially valued at their fair value and subsequently at amortised cost.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received or is entitled to consideration. When consideration is paid by a customer before the Group transfers goods or services to satisfy the performance obligation, a contract liability is recognised. Contract liabilities are recognised as operating revenue when the Group satisfies the contractual performance obligations.

	As of November 30	
(in US $ thousands)	2024	2023
Trade payables	**87,206**	106,787
Withholding and value added tax	**8,005**	7,553
Insurance premiums payable	**1,028**	46
Other	**86**	309
	96,325	114,695

Contract liabilities

	2024		2023	
(in US $ thousands)	<1 year	>1 year	<1 year	>1 year
Balance, December 1	**47,050**	–	41,707	–
Revenue recognised (from opening balance)	**(47,050)**	–	(41,707)	–
Revenue recognised (current year)	**(1,481,940)**	–	(1,432,201)	–
Cash received in advance of completion of the performance obligation	**1,522,183**	–	1,479,251	–
Balance, November 30	**40,243**	–	47,050	–

Contract liabilities are typically recognised as operating revenue within 45 days of the completion of the performance obligation so all contract liabilities are current liabilities. Contract liabilities are included in Accrued voyage expenses and unearned revenue.

Accrued expenses and deferred revenue

	As of November 30	
(in US $ thousands)	2024	2023
Accrued employee expenses	**85,008**	80,543
Accrued transportation expenses	**45,292**	40,508
Accrued VAT expenses	**40,000**	–
Accrued consumables	**17,718**	10,282
Accrued other expenses	**72,572**	84,576
Deferred revenue	**21,568**	19,135
	282,158	235,044

Notes to the Financial Statements continued

21. Financial Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. The Group's activities expose it to a variety of financial risks such as market risk (including currency risk, political risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures. Risk management is carried out by a central Treasury department under policies approved by the Board of Directors. Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and investment of excess liquidity.

Risk	Exposure arising from	Measurement	Management
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in US dollars	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts and cross-currency interest rate swaps
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Cross-currency interest rate swaps, interest rate swaps
Market risk – commodity price	Changes in fuel prices	Cash flow forecasting Sensitivity analysis	Bunker surcharge clauses and bunker swaps
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, available-for-sale debt instruments and held-to-maturity investments	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit Investment guidelines for available-for-sale and held-to-maturity investments
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Market risk

The Group is exposed to market risk, including changes in interest rates, currency exchange rates, price risk and bunker fuel costs. To manage the volatility relating to these exposures, the Group enters into derivative transactions in accordance with Group policies. The financial impact of these instruments is offset by corresponding changes in the underlying exposures being hedged. Derivative instruments are not held for trading or speculative purposes.

The Group analyses its interest rate exposure based on sensitivity analysis. Scenarios are simulated, taking into consideration refinancing, renewal of existing positions, alternative financing and hedging.

The Group calculates the impact on profit and loss of a defined interest rate shift. At November 30, 2024, 13.8% of the Group's long-term debt had variable interest rates. At November 30, 2024, if interest rates on the Group's short-term and long-term debt had been 1% higher/lower with all other variables held constant, the calculated pre-tax profit for the year would have been $2.7 million lower/higher, mainly as a result of higher/lower interest expense on floating rate debt for which the interest rate has not been hedged.

In addition, for bunker fuel risk, all of the contracts of affreightment ("COA") entered into by the Group's Tanker segment include provisions intended to pass through fluctuations in fuel prices to customers. The Group's policy is to hedge a minimum of 50% of expected bunker purchases within the next 12 months through either bunker surcharge clauses included in the COAs or through hedging. For the years ended November 30, 2024 and 2023, the expected coverage from fluctuations in bunker fuel prices was 49.2% and 50.8%, respectively.

Notes to the Financial Statements continued

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Most of the operating revenue earned by Tankers and Tank Containers is in US dollars, while a significant portion of their operating expenses is incurred in other currencies, primarily the euro, the Philippine peso, the Singapore dollar, the Japanese yen and the British pound. When there is a mismatch between revenue and expense currencies, any depreciation of the revenue currency relative to the expense currency will decrease profit margins. In addition, exposure occurs when a member of the Group holds accounts receivable or payable in a non-functional currency.

At November 30, 2024, prior to the effect of hedging, if the US dollar had weakened or strengthened by 5% against the major currencies mentioned above, with all other variables remaining constant, the recalculated pre-tax profit for the year would have been approximately $7.7 million higher or lower, mainly due to the effect of operating and administrative and general expenses, net of revenues, from non-US dollar transactions as well as foreign exchange gains or losses on the remeasurement of non-US dollar-denominated accounts receivable and payable balances through the income statement.

SNL's policy is to hedge between 50% to 80% of the Group's expected 12-month future foreign currency exposure and 100% of its future committed capital expenditures denominated in foreign currencies.

Concentration of credit risk

Trade receivables are from customers across all lines of the Group's business. The Group extends credit to its customers in the normal course of business. The maximum exposure to credit risk is the net customer accounts receivable balance, contract assets and accrued revenue of $372.8 million and cash balance of $334.7 million. The Group regularly reviews its accounts receivable by performing credit checks upon entering into an initial sales contract with a customer and by the respective business controllers regularly reviewing the days past due accounts receivable reports. The majority of trade receivables are in US dollars.

An analysis of the age of customer trade receivables that are past due is as follows:

	As of November 30, 2024	
(in US $ thousands)	**Not Impaired**	**Impaired**
Current	**216,899**	**127**
Up to 30 days past due	**60,917**	**709**
31 to 60 days past due	**22,763**	**494**
61 to 90 days past due	**13,106**	**323**
Greater than 91 days past due	**31,647**	**19,538**
	345,332	**21,191**

	As of November 30, 2023	
(in US $ thousands)	Not Impaired	Impaired
Current	176,400	429
Up to 30 days past due	62,642	438
31 to 60 days past due	18,195	327
61 to 90 days past due	12,262	347
Greater than 91 days past due	29,049	19,737
	298,548	21,278

No collateral is held on any accounts receivable.

The only material loss allowance held against financial assets relates to trade receivables and is calculated on a lifetime expected loss basis. There have been no changes in the estimation techniques applied in the calculation of the loss allowance during the year.

The allowance for impairment on customer trade receivables changed as follows:

	As of November 30	
(in US $ thousands)	**2024**	2023
Allowance for impairment on customer trade and accrued receivables, brought forward	**21,278**	21,618
Impairment recognised, net	**3,112**	1,861
Accounts written off	**(3,199)**	(2,201)
Balance at the end of the year	**21,191**	21,278

Notes to the Financial Statements continued

The amount of the impairment allowance on receivables is based on the age of unpaid balances, information about the current and expected future financial condition of customers and the markets in which they operate, and other relevant information. Management does not believe significant risk exists in connection with concentrations of credit as of November 30, 2024. There have been no significant changes to the impairment allowance because of changes in the gross carrying amount of trade receivables.

There are no significant amounts written off which are still subject to enforcement activity.

The Group's cash is held by a diverse group of financial institutions, which is monitored on an annual ongoing basis by Group Treasury.

Liquidity risk

Cash flow forecasting is performed by the operating entities of the Group and is aggregated at the corporate level. The Group Treasury department monitors rolling forecasts of the Group's liquidity requirements to ensure the Group has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (see Note 23) at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and certain currencies' restrictions. The Group also reviews and monitors sensitivities.

22. Financial Instruments

Accounting policy for financial instruments

IFRS 9 contains a classification and measurement approach for financial assets and liabilities, including derivative instruments, that reflects the business model in which assets are managed and their cash flow characteristics.

Under IFRS 9, all financial instruments are initially measured at fair value. In addition, for financial assets or liabilities not remeasured at fair value through profit or loss, financial instruments are adjusted for transaction costs. The classification of a financial asset is determined at initial recognition; however, if certain conditions are met, an asset may subsequently need to be reclassified.

IFRS 9 contains three principal classification categories for financial assets, based on the business models under which they are held:

Amortised cost: The Group classifies its financial assets at amortised cost only if both of the following criteria are met: the assets are held within a business model with the objective of collecting the contractual cash flows; and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. Income from these financial assets is included in finance income using the effective interest rate method. The Group's assets measured at amortised cost include trade and other receivables, cash and cash equivalents and advances from joint ventures and associates.

Fair value through other comprehensive income (FVTOCI): Assets that are held for collection of contractual cash flows and for future sales, where the assets' cash flows represent solely payments of principal and interest and dividends, are measured at fair value through other comprehensive income.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss.

(i) Impairment

As required by IFRS 9, the Group adopted an "expected credit loss model" which requires the Group to account for expected credit losses and changes in those expected credit losses at each year end or half year to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Credit losses are calculated as the present value of the difference between all contractual cash flows that are due and all cash flows that the entity expects to receive. Expected credit losses are the sum of all possible credit losses, weighted by their probability of occurrence.

The "12-month expected credit losses" approach is applied to all financial assets with the exception of trade receivables and advances to joint ventures. Both these asset classes generally do not contain a significant financing component. For these assets, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, net of any allowance losses. The allowance loss measurement is determined by applying a simplified approach equalling the lifetime expected credit losses.

Under the simplified approach, the tracking of changes in credit risk is not required, but instead the base lifetime expected credit loss at all times is applied. An allowance for loss is made for potentially impaired receivables during the year in which they are identified based on a periodic review of all outstanding amounts. Losses are recorded within selling, marketing and distribution expenses in the income statement. Trade receivables are deemed as impaired when there is an indication of significant financial difficulties of the debtor (delinquency in or default on payments occurs, probability of bankruptcy or need for financial reorganisation).

Notes to the Financial Statements continued

(ii) Fair value estimation

The information below summarises financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

New business quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The Group's investments in Golar LNG Limited, Kingfish, Odfjell SE and GBL are measured using quoted prices in an active market (Level 1). The Group's derivative assets and liabilities are measured using inputs other than quoted prices (Level 2). The Group's mature biological assets are measured using inputs other than quoted prices (Level 2). There have been no changes in the fair value methodology in the periods presented.

(iii) Hedge accounting

In accordance with IFRS 9's transition provisions for hedge accounting, the Group has not applied the IFRS 9 hedge accounting requirements and will continue to apply the hedge accounting requirements of IAS 39.

Accounting policy for derivative assets and liabilities

The Group enters into forward exchange contracts to hedge foreign currency transactions, interest rate swaps to hedge the risk of variability of interest payments, cross-currency interest rate swaps to hedge the risk of variability of interest and principal payments on non-US dollar denominated borrowings, and bunker fuel hedge contracts to lock in the price for a portion of forecasted bunker fuel requirements. No instruments are held for speculative purposes.

For bonds and loan facilities where it is determined that there is an interest rate or foreign currency risk that should be hedged, the derivative financial instrument acquired will have critical terms that mirror those of the underlying debt. In these circumstances, it is the Group's objective to achieve 100% effectiveness.

Derivative financial instruments are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss on remeasurement is recognised immediately in the income statement unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition of any resultant gain or loss on the income statement depends on the nature of the item being hedged. The impact in the income statement is shown in interest, foreign currency exchange gain (loss) or operating expenses as appropriate, based on the underlying nature of the derivative.

(i) Determination of fair value

The fair value of interest rate swaps, cross-currency interest rate swaps and foreign exchange contracts is based on discounted cash flow models based upon the valuations received from financial institutions, taking into account current interest rates and foreign exchange rates.

(ii) Cash flow hedges

The Group applies cash flow hedge accounting to its interest rate swaps and cross-currency interest rate swaps.

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income. Any ineffective portion of the hedge is recognised immediately in the income statement.

When the forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated cumulative gain or loss recognised in other comprehensive income is removed and included in the initial cost or other carrying amount of the asset or liability.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains and losses that were recognised directly in equity are reclassified into the income statement in the same period or periods during which the asset acquired or liability assumed affects profit or loss, that is, when finance income or expense is recognised.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in other comprehensive income is recognised in the income statement immediately.

Any unrealised and realised gains or losses on foreign exchange forward contracts are taken directly to the income statement.

Notes to the Financial Statements continued

(iii) Embedded derivatives

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to the host contract. Contracts are assessed for embedded derivatives at inception of such contracts or when the Group becomes party to them. Embedded derivatives that have been separated from host contracts are measured at fair value at each balance sheet date. Any gains or losses arising from changes in fair value are taken directly to the income statement.

The Group holds the following financial instruments:

	November 30, 2024				November 30, 2023			
(in US $ thousands)	Current	Non-current	Total carrying value	Fair value	Current	Non-current	Total carrying value	Fair value
Financial Assets								
Financial assets at FVTOCI								
Investments in equity instruments – listed	**–**	**205,274**	**205,274**	**205,274**	–	132,864	132,864	132,864
Financial assets at amortised cost								
Cash and cash equivalents	**334,738**	**–**	**334,738**	**334,738**	446,515	–	446,515	446,515
Trade receivables, excluding contract receivables	**359,530**	**–**	**359,530**	**359,530**	327,195	–	327,195	327,195
Loans and advances to joint ventures and associates	**–**	**81,372**	**81,372**	**81,372**	–	25,764	25,764	25,764
Other current assets	**34,885**	**–**	**34,885**	**34,885**	47,082	–	47,082	47,082
	729,153	**286,646**	**1,015,799**	**1,015,799**	820,792	158,628	979,420	979,420
Financial Liabilities								
Financial liabilities at amortised cost								
Accounts payables, excluding withholding and value added taxes	**88,320**	**–**	**88,320**	**88,320**	107,142	–	107,142	107,142
Accrued expenses and accrued voyage expenses, excluding contract liabilities	**312,777**	**–**	**312,777**	**312,777**	264,808	–	264,808	264,808
Dividend payable	**66,972**	**–**	**66,972**	**66,972**	53,591	–	53,591	53,591
Short-term loans and long-term debt, including current maturities and excluding debt issuance costs	**200,446**	**1,660,051**	**1,860,497**	**1,979,333**	258,889	1,594,576	1,853,465	1,911,088
Other current liabilities	**56,031**	**–**	**56,031**	**56,031**	55,569	–	55,569	55,569
	724,546	**1,660,051**	**2,384,597**	**2,503,433**	739,999	1,594,576	2,334, 575	2,392,198

Notes to the Financial Statements continued

(in US $ thousands)	November 30, 2024 Current	Non-current	Total carrying value	Fair value	November 30, 2023 Current	Non-current	Total carrying value	Fair value
Derivative Financial Instruments at Fair Value								
Assets								
Foreign currency exchange contracts – cash flow hedges	**3,142**	**–**	**3,142**	**3,142**	794	–	794	794
Interest rate swaps – cash flow hedges	**3,283**	**2,337**	**5,620**	**5,620**	5,256	4,788	10,044	10,044
Cross-currency interest rate swaps – cash flow hedges	**189**	**–**	**189**	**189**	46	–	46	46
Carbon emission forward contracts – cash flow hedges	**400**	**–**	**400**	**400**	–	–	–	–
	7,014	**2,337**	**9,351**	**9,351**	6,096	4,788	10,884	10,884
Liabilities								
Cross-currency interest rate swaps – cash flow hedges	**776**	**7,860**	**8,636**	**8,636**	11,470	3,780	15,250	15,250
Foreign currency exchange contracts – cash flow hedges	**5,720**	**–**	**5,720**	**5,720**	470	–	470	470
Interest rate swaps – cash flow hedges	**846**	**4,811**	**5,657**	**5,657**	–	3,876	3,876	3,876
	7,342	**12,671**	**20,013**	**20,013**	11,940	7,656	19,596	19,596

Fair value of financial instruments

The estimated fair value amounts of financial instruments have been determined by the Group, using appropriate market information and valuation methodologies. Considerable judgement is required to develop these estimates of fair value, so the estimates provided here are not necessarily indicative of the amounts that could be realised in a current market exchange.

The carrying amount of cash and cash equivalents, receivables, other current assets, accounts payable (excluding withholding and value added tax payables), accrued expenses, other current liabilities and dividend payable are a reasonable estimate of their fair value, owing to their short maturity. Long-term debt in the table above excludes debt issuance costs of $17.7 million and $16.9 million, as of November 30, 2024 and 2023, respectively. The estimated value of the Group's senior unsecured bond issues is based on traded values, while the value on the remaining long-term debt is based on interest rates as of November 30, 2024 and 2023, respectively, using the discounted cash flow methodology. The fair values of the Group's foreign exchange contracts are based on their estimated market values as of November 30, 2024 and 2023, respectively. Market value of interest rate and cross-currency interest rate swaps was estimated based on the amount the Group would receive or pay to terminate its agreements as of November 30, 2024 and 2023.

The estimated value of the Group's financial assets and marketable securities are based on traded value. The estimated value of its senior unsecured bond issues is based on traded values (Level 1 valuation method), while the values on the remaining long-term debt are based on interest rates as of November 30, 2024 and 2023, respectively, using the discounted cash flow methodology (Level 2 valuation method). The fair values of the Group's foreign exchange and bunker contracts are based on their estimated market values as of November 30, 2024 and 2023. Market value of interest rate and cross-currency interest rate swaps are estimated based on the amount the Group would receive or pay to terminate its agreements as of November 30, 2024 and 2023.

The Group's financial instruments did not result in any income or loss recognised in the income statement.

Notes to the Financial Statements continued

Derivatives

The Group has derivative assets of $9.4 million and $10.9 million as of November 30, 2024 and 2023, respectively and derivative liabilities of $20.0 million and $19.6 million as of November 30, 2024 and 2023, respectively. All the Group's derivative activities are financial instruments entered into with major financial institutions and brokers for hedging the Group's committed exposures, or firm commitments with major financial credit institutions, shipbuilders and ship-repair yards. The fair values of the Group's foreign exchange contracts and cross-currency interest rate swaps are based on their estimated market values as of November 30, 2024 and 2023, respectively. Derivative financial instruments are measured using inputs other than quoted values. There have been no changes in the valuation techniques since November 30, 2023.

None of the Group's derivative activities are publicly traded financial instruments. Instead, the financial instruments have been entered into with major financial institutions and brokers. The Group holds foreign exchange forward contracts, commodity contracts and interest rate swaps, which subject the Group to a minimum level of counterparty risk. The Group does not believe that it has a material exposure to credit risk from third parties failing to perform according to the terms of hedge instruments. The cumulative net gains (losses) recognised in equity were as follows at November 30, 2024 and 2023:

	As of November 30	
(in US $ thousands)	2024	2023
Interest rate derivatives	**(999)**	5,093
Cross-currency interest rate swaps	**(4,104)**	(1,537)
Foreign exchange and interest rate hedges held by joint ventures	**2,612**	5,486
Deferred income tax gain on the interest rate derivatives	**1,367**	645
	(1,124)	9,687

Foreign currency

The following foreign exchange contracts, maturing through November 2025, were outstanding as of November 30, 2024 and 2023:

	Purchase	
(in local currency, thousands)	2024	2023
Euro	**69,000**	43,000
Singapore dollar	**20,000**	14,000
Norwegian krone	**327,000**	–
British pound	**18,000**	14,000

The US dollar equivalent of the currencies which the Group had contracted to purchase was $139.6 million and $75.4 million as of November 30, 2024 and 2023, respectively.

The Group utilises foreign currency derivatives to hedge committed and forecasted cash flow exposures.

The Group has elected to apply non-hedge accounting treatment for all contracts. Gains and losses on hedges of committed commercial transactions are recorded as a foreign exchange gain or loss.

Interest rate and cross-currency interest rate swaps

The Group had interest rate and cross-currency interest rate swaps with notional values of $477.3 million and $544.7 million as of November 30, 2024 and 2023, respectively. These derivatives have been designated as cash flow hedges. For the years ended November 30, 2024 and 2023, $5.0 million and a $6.4 million gain, respectively, were recognised in finance expense. Any remaining amounts currently in other comprehensive income are expected to be reclassified to earnings between 2025 and 2030.

Notes to the Financial Statements continued

Maturity of financial liabilities

For the year ended November 30, 2024 (in US $ thousands)	**Less than 1 yr**	**2-3 yrs**	**4-5 yrs**	**More than 5 yrs**	**Total**
Contractual obligations:					
Accounts payable, excluding withholding and value added taxes	**88,320**	**–**	**–**	**–**	**88,320**
Accrued expenses and dividend payable	**419,992**	**–**	**–**	**–**	**419,992**
Long-term lease liabilities, including current maturities	**58,581**	**83,169**	**51,368**	**150,893**	**344,011**
Interest on long-term lease liabilities	**17,267**	**26,459**	**18,551**	**73,010**	**135,287**
Long-term debt, including current maturities	**200,446**	**506,426**	**605,365**	**548,260**	**1,860,497**
Interest on long-term debt	**103,040**	**170,949**	**114,561**	**93,865**	**482,415**
Derivative financial liabilities	**1,616**	**6,688**	**5,489**	**447**	**14,240**
Other current liabilities	**56,031**	**–**	**–**	**–**	**56,031**
Total contractual obligations	**945,293**	**793,691**	**795,334**	**866,475**	**3,400,793**

For the year ended November 30, 2023 (in US $ thousands)	Less than 1 yr	2-3 yrs	4-5 yrs	More than 5 yrs	Total
Contractual obligations:					
Accounts payable, excluding withholding and value added taxes	107,142	–	–	–	107,142
Accrued expenses and dividend payable	365,449	–	–	–	365,449
Long-term lease liabilities, including current maturities	55,456	68,490	31,978	82,283	238,207
Interest on long-term lease liabilities	10,958	14,857	9,733	70,385	105,933
Long-term debt, including current maturities	258,889	669,539	529,957	395,080	1,853,465
Interest on long-term debt	93,404	154,866	88,913	34,277	371,460
Derivative financial liabilities	11,732	5,427	3,489	995	21,643
Other current liabilities	55,569	–	–	–	55,569
Total contractual obligations	958,599	913,179	664,070	583,020	3,118,868

Long-term debt in the table above excludes debt issuance costs of $17.7 million and $16.9 million as of November 30, 2024 and 2023, respectively. Derivative financial liabilities are stated at future undiscounted cash flows; therefore, they do not agree to the balance sheet.

Notes to the Financial Statements continued

23. Short-Term Bank Loans

Accounting policy

Interest-bearing borrowings are recognised initially at fair value less directly attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

There were no outstanding short-term bank loans at November 30, 2024 or 2023.

On February 28, 2024, the Group entered into a revolving credit facility with Danske Bank A/S, Nordea Bank Abp, DNB (UK) Ltd, Swedbank AB and Skandinaviska Enskilda Banken AB ("SSF RCF") for $150.0 million using Stolt Sea Farm SA shares as collateral. The weighted average interest rate on the RCF was 7.3% for the year ended November 30, 2024.

On February 16, 2022, the Group entered into a sustainability-linked secured loan agreement for $415.0 million, consisting of a term loan of $180.9 million and a revolving credit facility ("RCF") of $234.1 million. The loan syndication was with 14 banks and led by three bookrunners: Nordea Bank Abp, Danske Bank A/S and DNB (UK) Limited ("DNB"). It expires on February 16, 2028 and is secured by 17 ships. The revolving credit line reduces semi-annually by $13.2 million.

The RCF was undrawn in 2024 and 2023 so there is no weighted average interest rate for the year.

On December 9, 2022, the Group signed a two-year revolving credit facility with DNB ("DNB RCF") secured by the shares in the Group's joint venture, ASA, for $100.0 million. The facility has the option to be extended for two additional years. The weighted average interest rate on the DNB RCF was 5.7% for the year ended November 30, 2024. The DNB RCF was undrawn in 2023 so there is no weighted average interest rate for the year.

As of November 30, 2024, the Group had available undrawn committed credit lines of $168.2 million from the RCF, $150.0 million on the SSF RCF and $100.0 million from the DNB RCF.

Commitment fees for unused lines of credit were $3.1 million and $2.6 million for the years ended November 30, 2024 and 2023, respectively.

Several of the short-term and long-term credit facilities contain various financial covenants applicable either quarterly or annually, which, if not complied with, could result in the acceleration of repayment of amounts due and could limit the ability of the Group to draw funds from time to time. At November 30, 2024 and 2023, the Group was in compliance with the financial covenants under its debt agreements.

Agreements executed in connection with certain debt obligations, both short-term and long-term, require that the Group maintains defined financial covenants, including, but not limited to, minimum consolidated tangible net worth of $600.0 million, maximum ratio of consolidated debt to consolidated tangible net worth from 2.0 : 1 to 2.5 : 1 and minimum ratio of consolidated EBITDA to consolidated interest expense of 2 : 1. Most of the debt agreements provide for a cross default in the event of a default in another agreement. In the event of a default that extends beyond the applicable remedy or cure period, lenders may accelerate repayment of amounts due to them.

24. Long-Term Debt

Accounting policy

Interest-bearing borrowings are recognised initially at fair value less directly attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Long-term debt as of November 30, 2024 and 2023 consisted of the following:

(in US $ thousands)	Notes	2024	2023
Preferred ship fixed rate mortgages:			
Fixed interest rates ranging from 4.2% to 5.7% (2023: 2.7% to 5.4%), maturities vary through 2038	(i)	**402,636**	443,404
Preferred ship variable rate mortgages:			
Interest rates ranging from 7.6% to 8.5% (2023: 7.6% to 8.3%), maturities vary through 2031	(ii)	**253,749**	313,622
Senior secured credit facilities	(iii)	**1,040,170**	887,096
Senior unsecured bond issues	(iv)	**136,673**	178,924
Bank loans:			
Interest rates ranging from 1.5% to 2.1% (2023: 1.5% to 2.1%), maturities vary through 2028		**9,544**	13,555
		1,842,772	1,836,601
Less – current maturities		**(195,645)**	(255,109)
		1,647,127	1,581,492

The classification of debt and the interest rates shown in the above table are after considering existing interest rate and cross-currency interest rate hedges.

Notes to the Financial Statements continued

Long-term debt

The majority of long-term debt is denominated in or swapped into US dollars, with $202.9 million and $229.6 million denominated in other currencies and not swapped to US dollars as of November 30, 2024 and 2023, respectively.

Long-term debt consists of debt collateralised by mortgages on ships, tank containers and terminals, as well as $137.4 million unsecured bond financing at November 30, 2024.

(i) Preferred ship fixed rate mortgages

On January 24, 2024, the Group signed a $37.5 million loan agreement with Nordea Bank Abp in a new four-and-a-half-year loan with semi-annual payments and a final balloon payment of $27.5 million. The loan is secured by two second-hand ships purchased in 2023. The Group fixed the interest rate at 5.74%.

On June 29, 2023, the Group received EUR 13.2 million in proceeds from the financing of *Stolt Ludwigshafen*, a newbuilding chemical tanker/barge. The agreement is with KfW IPEX-Bank GmbH. The term loan has fixed interest of 4.97% and is for 15 years.

On August 3, 2022, the Group signed a $66.0 million top-up of the term loan with Danish Ship Finance A/S, increasing the term loan to $168.7 million and extending the maturity profile to June 2027. The loan was drawn in 2022 to finance the purchase of two second-hand ships and for general corporate purposes. At the time of draw down, the interest rate was fixed.

As a part of the sustainability-linked secured loan agreement entered into on February 16, 2022, the Group drew $180.9 million on a term loan in March 2022. At the same time, the Group swapped the floating interest of the term loan into a fixed rate. The new term loan is a five-and-a-half-year term loan with semi-annual payments.

During February and March 2019, the Group received $241.6 million under a fixed rate borrowing agreement, involving eight ships. The agreement is with Development Bank of Japan, ING Bank N.V., National Australia Bank, Société Générale and a group of private investors at fixed interest rates ranging from 4.16% to 4.27%. There are equal quarterly payments for each ship for an average tenor of eight years. At the end of the agreement, the Group has an option to purchase the ships by paying fixed amounts. As the option to repurchase was virtually certain to be exercised by the Group at the date of the borrowing, the transaction has been treated as collateralised debt. This debt refinanced the acquisition debt relating to the Jo Tankers acquisition in 2016.

(ii) Preferred ship variable rate mortgages

During March 2021, the Group closed a $77.0 million floating rate facility with CMB Financial Leasing Co. Ltd. ("CMBFL Facility") including three newly acquired CTG ships. There are quarterly repayments for each ship over ten years whereby the Group has an option to purchase the ships by paying $12.8 million for each ship. As the option to repurchase was virtually certain to be exercised by the Group at the date of the borrowing, the transaction has been treated as collateralised debt.

In August 2019, the Group closed a $415.6 million floating rate facility with CMBFL Facility, involving 20 ships. There are equal quarterly payments for each ship for an average tenor of seven years and floating interest rates. At the end of the agreement, the Group has an option to purchase the ships by paying fixed amounts. As the option to repurchase was virtually certain to be exercised by the Group at the date of the borrowing, the transaction has been treated as collateralised debt. The loan was used to pay down existing debt and for general corporate purposes. This loan was partially repaid in the first quarter of 2025. See Note 33.

(iii) Senior secured credit facilities

On July 9, 2024, the Group refinanced the 2015 private placement facility maturing in March 2025 through the issuance of $450.0 million in seven-year and ten-year notes in the US private placement market. The notes are secured by US-based assets and a guarantee from Stolt-Nielsen Limited. The notes are fixed rate notes with the interest rate for both tranches fixed at just under 6%. The funding took place on July 18, 2024, at which time the 2015 private placement facility was repaid.

On June 12, 2023, the Group refinanced its previous Stolthaven Singapore facility with a SGD 280.0 million ($208.4 million) term loan. The agreement is with DBS Bank Ltd., ING Bank N.V., KfW IPEX-Bank GmbH and Oversea-Chinese Banking Corporation Limited. The debt will be repaid over seven years with a final balloon payment of SGD 112.0 million and the interest rate has been fixed at 5.3%. The net proceeds were used to repay a NOK bond (SNI09) with $132.0 million outstanding and for general corporate purposes.

On June 21, 2022, the Group signed a $110.0 million floating rate borrowing agreement using a group of tank containers as collateral. The agreement is with ING Bank N.V. and a group of private investors for seven years and ten months. There are 33 equal payments, with a balloon payment at maturity.

On March 2, 2022, the Group signed a $127.6 million floating rate borrowing agreement using a group of tank containers as collateral. The agreement is with ING Bank N.V. and a group of private investors for six years and ten months. There are 29 equal payments, with a balloon payment at maturity. Cash was drawn on the new facility subsequent to the May 2022 balloon payment of the May 2016 tank container financing and the interest rate was fixed just before draw down.

Notes to the Financial Statements continued

On December 3, 2020, the Group entered into a $65.0 million fixed rate term loan facility using Stolthaven Dagenham and Stolthaven Moerdijk terminals as collateral. The facility agreement is with KFW IPEX-BANK GmbH for six years. There are eight equal payments of 6.25% of the total commitment beginning in 2023 with a final balloon obligation of $32.5 million.

In July 2019, Stolthaven New Orleans LLC issued $200.0 million Senior Secured Notes with a group of private investors. The private placement has a ten-year term at a fixed interest rate of 5.15% and is secured by the terminal in Braithwaite, Louisiana. Proceeds were used for general corporate purposes.

On February 19, 2015, the Group announced that it had closed a $250.0 million private placement with American International Group. The private placement has a term of ten years and is secured by the Group's terminal in Houston. The loan was used to pay down existing debt and for general corporate purposes. This facility was refinanced in July 2024.

(iv) Senior unsecured bond issue

On November 27, 2023, the Group issued an additional NOK 325 million (swapped into $30.5 million) on the 2023 Bond. The Group swapped the bond proceeds into a US dollar obligation at a fixed interest of 7.81%. Net proceeds were for general corporate purposes. The bond proceeds were received in the first quarter of 2024.

On September 12, 2023, the Group completed a placement of senior unsecured bonds ("2023 Bond") for NOK 1.2 billion (swapped into $112.4 million) in a new five-year bond issue, carrying a coupon of three-month NIBOR plus 3.15%. The Group swapped the bond proceeds into a US dollar obligation at a fixed interest of 7.82%. Net proceeds from the bond issue were used to repurchase $60.0 million of the $141.5 million bonds which is maturing on February 20, 2024, and for general corporate purposes.

On February 5, 2020, the Group completed a placement of senior unsecured bonds for NOK 1.3 billion (swapped into $141.5 million) in a new four-year bond issue carrying a coupon of three-month NIBOR plus 3.65%. The Group swapped the bond proceeds into a US dollar obligation at a fixed interest rate of 5.44%. The settlement date for the bonds was February 20, 2020. Net proceeds from the bond issue were used to repurchase $53.4 million of the SNI06 bonds with maturity date of April 8, 2020 and for general corporate purposes.

(v) Debt issuance costs

Debt issuance costs of $17.7 million and $16.9 million have been netted against long-term debt at November 30, 2024 and 2023, respectively. Debt issuance costs recognised in the income statement as part of effective interest rates were $5.1 million and $5.3 million for the years ended November 30, 2024 and 2023, respectively.

Notes to the Financial Statements continued

Analysis of net debt

Net debt at November 30, 2024 comprises lease liabilities of $344.0 million (2023: $238.2 million) and long-term debt, including current maturities, of $1,842.8 million (2023: $1,836.6 million) less cash and cash equivalents of $334.7 million (2023: $446.5 million).

(in US $ thousands)	At December 1, 2023	Cash flow	Exchange differences	Other movements	**At November 30, 2024**
Cash deposits	176,780	(81,770)	(2,937)	–	**92,073**
Short-term time deposits	269,735	(27,070)	–	–	**242,665**
Cash and cash equivalents	446,515	(108,840)	(2,937)	–	**334,738**
Borrowings:					
Long-term debt, including current maturities	(1,836,601)	1,317	(8,104)	616	**(1,842,772)**
Lease liabilities, including current maturities	(238,207)	64,130	2,567	(172,501)	**(344,011)**
Net debt	**(1,628,293)**	**(43,393)**	**(8,474)**	**(171,885)**	**(1,852,045)**

(in US $ thousands)	At December 1, 2022	Cash flow	Exchange differences	Other movements	At November 30, 2023
Cash deposits	71,040	101,715	4,025	–	176,780
Short-term time deposits	81,101	188,634	–	–	269,735
Cash and cash equivalents	152,141	290,349	4,025	–	446,515
Borrowings:					
Long-term debt, including current maturities	(1,966,779)	127,905	3,643	(1,370)	(1,836,601)
Lease liabilities, including current maturities	(223,584)	54,495	(1,180)	(67,938)	(238,207)
Net debt	**(2,038,222)**	**472,749**	**6,488**	**(69,308)**	**(1,628,293)**

Short-term time deposits included within cash and cash equivalents relate to term deposits repayable within three months.

In the year ended November 30, 2024, other non-cash movements in net debt primarily represent $171.7 million of new or modified leases, net of reductions, and $5.2 million amortisation of debt issuance costs offset by the capitalisation of debt issuance costs of $5.7 million.

In the year ended November 30, 2023, other non-cash movements in net debt primarily represent $67.6 million of new or modified leases, net of reductions, and $5.3 million amortisation of debt issuance costs offset by the capitalisation of debt issuance costs of $4.4 million.

Notes to the Financial Statements continued

25. Pension and Other Post-Retirement Benefit Plans

Accounting policy

(i) Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred. The Group has no further payment obligations once the contributions have been paid.

(ii) Defined benefit plans and other post-employment benefits

The Group's net obligation in respect of defined benefit pension plans and other post-employment benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) is deducted.

The liability discount rate for each plan is based on the yield curve of a portfolio of high-quality corporate bonds that have maturity dates which are approximately the same as the terms of the respective plans' obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

The current service cost of the defined benefit plan, recognised in the income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employees' service in the current year, benefit changes, curtailments and settlements.

When the benefits of a plan are increased, the increased benefit relating to past service by employees is recognised as an expense in the income statement immediately.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in Other comprehensive income in the period in which they arise.

Where the calculation results in a benefit to the Group, the asset recognised is limited to the present value of any future refunds from the plan or reductions in future contributions to the plan.

Gains and losses on the curtailment or settlement of a defined benefit plan are recognised at the time the curtailment or settlement occurs. A curtailment occurs when the Group adopts a significant reduction in the number of employees covered by a plan or changes the terms of a defined benefit plan such that a significant part of future earnings to current employees will no longer qualify for benefits or will qualify only for reduced benefits.

(iii) Short-term and long-term cash-based benefits

Short-term employee benefit obligations are measured on an undiscounted basis while long-term cash-based employee benefit obligations are discounted based on expected payment date. They are expensed in the period in which the related service is provided. An accrual is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employees and the obligation can be estimated reliably.

At November 30, 2024, the Group operated a number of pension plans for the benefit of its employees throughout the world, with varying rights and obligations depending on the conditions and practices in the specific countries. The Group's pension plans are provided through both defined benefit and defined contribution arrangements. These plans are regulated by the respective regulators in each of the countries where they are set up.

The Group operates defined benefit plans in the United States, the United Kingdom, Bermuda, the Netherlands, Norway, the Philippines and Japan. One of the defined benefit plans covers certain ship officers and other seafarers while the others are for shore-based employees. Company-sponsored defined contribution pension plans are currently provided in all of the above countries and Spain. The Group also operates an unfunded post-retirement medical plan in the United States.

Defined benefit plans provide benefits based on the employees' length of pensionable service and their final pensionable salary or other criteria. Defined contribution plans offer employees individual funds that are converted into benefits at the time of retirement.

Defined benefit plans

The Group's significant defined benefit pension plans are in the United States, Bermuda, the Netherlands and the United Kingdom.

The Pension Committees participate in the governance of each of the significant defined benefit pension plans. These Pension Committees comprise representatives who are employees and former employees. In addition, actuarial advisers and investment management advisers also participate in the Pension Committee meetings. The Pension Committees for plans act in the best interest of the plan participants and are responsible for setting certain policies, such as strategic asset allocation, investment and contribution policies in consultation with the Group.

The defined benefit plans expose the Group to actuarial risks such as longer than expected longevity of members, lower than expected return on investments and higher than expected inflation, which may increase the liabilities or reduce the value of assets of the plans.

Recognising these risks, the Group has adopted an approach of moving away from providing defined benefit plans. All defined benefit plans have also been closed to future accrual and new entrants.

Notes to the Financial Statements continued

The Group follows a coordinated strategy for the funding and investment of its defined benefit pension plans subject to abiding by all local laws and regulations applicable to those plans. The assets of the plan are generally held separately from those of the Group and are administered by local management in the respective countries. The Group has no legal obligation to settle these liabilities with any immediate contributions or additional one-off contributions. The Group intends to continue to contribute to each defined benefit pension and post-retirement medical plan in accordance with the latest recommendations of each plan actuary and its pension funding policy.

In terms of investments, the Group's aim is for the value of defined benefit plan assets to be maintained at close to the value of the corresponding benefit obligations, allowing for some short-term volatility.

Plan assets are invested in a diversified range of asset classes, predominantly comprising bonds and equities. In some locations, such as the United Kingdom, plan trustees and other bodies have legal and fiduciary responsibility for the investment of plan assets, and decisions on investment strategy are taken in consultation with the Group.

The Group monitors its exposure to changes in equity markets, interest rates and inflation, and measures its balance sheet pension risk using a risk-based approach. Strategic asset allocation studies and asset-liability studies are carried out periodically for the significant pension plans.

On a quarterly basis, the performance of all investments across the significant defined benefit plans is reviewed with the Group's investment management advisers.

Pension plans overview

The amounts recognised at November 30, consisted of the following:

	As of November 30	
(in US $ thousands)	**2024**	2023
Non-current assets	**24,082**	21,292
Non-current liabilities	**(20,197)**	(19,937)
Net pension asset	**3,885**	1,355

This is composed of the net of the present value of funded obligations and fair value of plan assets as follows:

	As of November 30	
(in US $ thousands)	**2024**	2023
Present value of funded obligations	**(170,552)**	(168,950)
Fair value of plans assets	**174,437**	170,305
	3,885	1,355

US post-retirement healthcare plan

US-based employees retiring from the Group, having attained the age of 55 with at least ten years of cumulative US service by January 1, 2018, or who become disabled, are eligible to receive both pre-Medicare and post-Medicare benefit offerings for themselves and their eligible dependants. Employees working until age 65 with at least ten years of US cumulative service are eligible for post-Medicare benefits only. All benefits are unfunded.

Components of defined benefit cost

The net periodic benefit cost for the Group's defined benefit pension plans (including a retirement arrangement for one of the Group's ex-Directors) and US post-retirement healthcare plan shown above for the years ended November 30, 2024 and 2023, consisted of the following:

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Service cost	**437**	408
Interest cost, net	**155**	166
Cost of plan administration	**475**	332
Net periodic benefit cost	**1,067**	906

Impact on equity

Remeasurements that are recognised in Other comprehensive income are as follows:

	For the years ended November 30	
(in US $ thousands)	**2024**	2023
Effect of changes in demographic assumptions	**(410)**	7
Effect of changes in financial assumptions	**4,149**	(7,225)
Effect of experience assumptions	**439**	(796)
Return on plan assets (excluding interest income)	**(6,091)**	6,657
Remeasurements recognised in other comprehensive income	**(1,913)**	(1,357)

Notes to the Financial Statements continued

The following tables set out the change in benefit obligations for the Group's defined benefit pension plans and US post-retirement medical plan and the change in plan assets for the defined benefit pension plans.

Change in benefit obligation

(in US $ thousands)	For the years ended November 30 2024	2023
Benefit obligations at beginning of year	**168,950**	177,630
Current service cost	**437**	408
Interest cost	**8,856**	8,633
Benefits paid	**(11,823)**	(10,425)
Foreign exchange rate changes	**(46)**	718
Remeasurements:		
Effect of changes in demographic assumptions	**(410)**	7
Effect of changes in financial assumptions	**4,149**	(7,225)
Effect of experience adjustments	**439**	(796)
Benefits obligation at end of year	**170,552**	168,950

Change in plan assets

(in US $ thousands)	For the years ended November 30 2024	2023
Fair value of plan assets at beginning of year	**170,305**	177,890
Return on plan assets (excluding interest income)	**6,091**	(6,657)
Interest income	**8,701**	8,467
Company contributions	**1,612**	443
Foreign exchange rate changes	**26**	919
Benefits paid	**(11,823)**	(10,425)
Expenses paid	**(475)**	(332)
Fair value of plan assets at end of year	**174,437**	170,305

Change in asset ceiling

There were no defined benefit plans whose recognition of assets was limited for the years ended November 30, 2024 and 2023.

Participant profile

The defined benefit obligation by participant status is as follows:

(in US $ thousands)	As of November 30 2024	2023
Actives	**25,133**	26,718
Vested former employees not yet retired	**27,869**	28,584
Retirees	**117,550**	113,648
	170,552	168,950

The number of participants are as follows:

	As of November 30 2024	2023
Actives	**962**	1,002
Vested former employees not yet retired	**465**	476
Retirees	**728**	715
	2,155	2,193

Key actuarial assumptions

The following are the assumptions used in the measurement of the projected benefit obligation for the Group's defined benefit pension plans and the accumulated projected benefit obligation for US post-retirement medical plan benefits:

	As of November 30 2024	2023
Weighted-average assumptions to determine projected benefit obligations:		
Discount rate	**5.19 %**	5.45 %
Rate of compensation increase	**3.54 %**	3.54 %
Rate of pension increases	**3.07 %**	3.12 %
Rate of price inflation	**3.14 %**	3.14 %
Life expectancy for an individual currently at 65:		
Male	**21.0 yrs**	21.0 yrs
Female	**23.0 yrs**	23.0 yrs

The net period pension expense and retiree medical expense is based on the prior year's weighted average assumptions for the projected benefit obligation.

Notes to the Financial Statements continued

Exposure to variances in healthcare cost trends have been mitigated to the extent that a 1% change would have a negligible effect on the accumulated post-retirement benefit obligation at the end of 2024.

		Impact on Defined Benefit Obligation	
	Change in Assumption	Increase in Assumption	Decrease in Assumption
Discount rate	0.25%	Decrease by 2.4%	Increase by 2.4%
Salary growth rate	0.25%	Increase by 2.0%	Decrease by 2.0%
Pension growth rate	0.25%	Increase by 2.2%	Decrease by 2.1%

	Increase by 1 Year in Assumption	Decrease by 1 Year in Assumption
Life expectancy	Increase by 2.6%	Decrease by 2.6%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied as when calculating the pension liability recognised within the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

Fair value of plan assets

The Group's defined benefit pension plans' assets and weighted-average asset allocation as of November 30, 2024 and 2023, by category, were as follows:

	As of November 30			
(in US $ thousands)	2024	%	2023	%
Cash and cash equivalents	**5,836**	**3%**	7,354	4%
Equity instruments	**26,780**	**15%**	39,483	23%
Debt instruments	**137,117**	**79%**	117,130	69%
Real estate	**2,252**	**1%**	3,260	2%
Investment funds	**1,030**	**1%**	1,820	1%
Assets held by insurance company	**322**	**–**	190	–
Other	**1,100**	**1%**	1,068	1%
Total	**174,437**	**100%**	170,305	100%

The fair value of all plan assets was based on quoted market prices

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It is the Group's policy to invest pension plan assets for its defined benefit plans to ensure that there is an adequate level of assets to support benefit obligations to participants and retirees over the life of the plans, maintain liquidity in plan assets sufficient to cover current benefit obligations and earn the maximum investment return consistent with a prudent level of investment and actuarial risk.

Investment return is the total compounded annual return, calculated as interest and dividend income and realised and unrealised capital gains and losses, less expenses of the plan.

The Group expects to contribute $1.8 million to its defined benefit pension and post-retirement benefit plans in 2025.

Weighted average duration of the defined benefit obligation is 9.7 years.

Expected maturity analysis of undiscounted pension and post-employment benefits

As of November 30, 2024 (in US $ thousands)	Less than a year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
Pension benefits	11,503	23,741	24,853	60,744	**120,841**
Post-employment benefits	409	643	559	1,272	**2,883**
Total	**11,912**	**24,384**	**25,412**	**62,016**	**123,724**

As of November 30, 2023 (in US $ thousands)	Less than a year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
Pension benefits	11,781	22,487	24,927	60,556	**119,751**
Post-employment benefits	478	773	611	1,292	**3,154**
Total	**12,259**	**23,260**	**25,538**	**61,848**	**122,905**

The above tables exclude vested deferred participants who have not started their retirement payments.

The Group also provides defined contribution plans to certain of its qualifying employees. Group contributions charged to expense for these plans were $20.2 million and $21.0 million for the years ended November 30, 2024 and 2023, respectively.

Notes to the Financial Statements continued

26. Provisions

Accounting policy

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the balance sheet date. If the effect is material, provisions are recognised at present value by discounting the expected future cash flows at a pre-tax rate that reflects the time value of money.

When a contract becomes onerous, the present obligation under the contract is recognised as a provision and measured at the lower of the expected cost of fulfilling the contract and the expected cost of terminating the contract as far as they exceed the expected economic benefits of the contract. Additions to provisions and reversals are generally recognised in the Consolidated Income Statement.

The present value of the recognised obligations associated with the retirement of property, plant and equipment (asset retirement obligations) that result from the acquisition, construction, development or normal use of an asset is added to the carrying amount of the related asset. The additional carrying amount is depreciated over the useful life of the related asset. Additions to and reductions from the present value of asset retirement obligations that result from changes in estimates are generally recognised by adjusting the carrying amount of the related asset and provis ion. If the asset retirement obligation is settled for other than the carrying amount of the liability, the Company recognises a gain or loss on settlement.

A provision is established for obligations under lease agreements to dismantle and/or restore leased property to its original condition.

Short-term provisions

(in US $ thousands)	Claims provision	Environmental provision	Restructuring	Total
Balance at December 1, 2023	**301,566**	**581**	**37**	**302,184**
Additional (reversal) provisions recognised, net	245	(6)	–	239
Reductions arising from payments	(301,333)	(458)	(37)	(301,828)
Net foreign exchange differences	(74)	–	–	(74)
Balance at November 30, 2024	**404**	**117**	**–**	**521**

The claims provision is in relation to short-term claims made against the Group by external parties.

In 2013, the Group sold land in Perth Amboy, New Jersey. The sale price included an obligation to remediate certain environmental matters at the site. The environmental provision includes the expected future costs to remediate the land. The environmental provision also includes disposal costs for specific chemicals at the Moerdijk terminal.

The restructuring provision relates to severance payments.

Long-term provisions

(in US $ thousands)	Asset retirement obligations	Claims provision	Total
Balance at December 1, 2023	**1,933**	**15,261**	**17,194**
Additional (reversal) provisions recognised, net	3	(2,155)	(2,152)
Net foreign exchange differences	(8)	15	7
Balance at November 30, 2024	**1,928**	**13,121**	**15,049**

The asset retirement obligations relate to an obligation to dismantle and/or restore leased property to its pre-leased condition. At November 30, 2024, these amounts related to obligations on certain offices with this obligation. Amounts are estimated based on the present value of the expected future costs to restore the leased property in accordance with the lease contracts and are expected to be utilised in approximately three to five years.

The claims provision relates to claims made against the Group by external parties. These relate to third-party claims such as collision, property damage, pollution, environmental damage, general average, injury and cargo claims. In most cases, legal provisions are settled on a net basis by insurance companies. The timing of the payments of the long-term provisions is expected to be greater than one year.

Notes to the Financial Statements continued

27. Commitments and Contingencies

As of November 30, 2024, and 2023, the Group had total capital expenditure purchase commitments outstanding of approximately $655.3 million and $41.5 million, respectively. At November 30, 2024, the Group has committed tanker projects of $515.0 million, including six newbuilding contracts for tankers and the purchase of Hassel Shipping 4 shares from its joint venture partner in early 2025. Additional purchase commitments included terminal projects of $68.0 million, tank container projects of $26.6 million, $29.3 million at Stolt Gas and $15.1 million in Sea Farm. The $281.8 million commitments at November 30, 2024 are expected to be paid within the next 12 months. The commitments will either be paid out of operating cash flow, existing liquidity or through external financing.

Newbuilding contracts

On December 15, 2023, the Group contracted for six 38,000 deadweight tonne stainless steel parcel tankers. These ships will be built by Wuhu Shipyards with expected delivery between 2026 and 2028. The first newbuilding deposit of $41.3 million was paid in December 2023 and the total cost for the six ships is expected to be approximately $457.6 million, including site team costs and capitalised interest.

Purchase commitments of joint ventures and associates

The Group's joint ventures and associates had $520.2 million of total capital expenditure commitments on November 30, 2024 of which $92.9 million is expected to be paid within the next 12 months. Of the total commitments, $329.4 million related to newbuilding contracts for NYK Stolt Tankers S.A. and $126.2 million related to newbuilding contracts for Avenir LNG Limited. In addition, $27.8 million related to two 9,000 dwt newbuildings at Shanghai SC-Stolt Shipping Ltd, $7.6 million related to a planned expansion at the joint venture terminal in Malaysia and $23.4 million in a new joint venture terminal in Taiwan. The commitments will be paid out of the existing liquidity of those joint ventures, capital injections, loans from their shareholders or through external financing.

Joint Venture newbuilding contracts

On February 7, 2024, the Group announced that its joint venture, NYK Stolt Tankers S.A., had reached an agreement with Nantong Xiangyu Shipyard in China to build six 38,000 deadweight tonne stainless steel chemical tankers for delivery between late 2026 and 2029. The total cost to the joint venture is expected to be approximately $463.6 million, including site team costs and capitalised interest. The newbuilding deposits will be paid out of operating cash flow and shareholder loans prior to delivery.

Avenir LNG Limited entered into a shipbuilding contract on April 25, 2024 with Nantong CIMC Sinopacific Offshore & Engineering Co. Ltd in China for two 20,000 cubic metre LNG bunker and supply carriers which are scheduled for delivery in 2026 and 2027. The newbuilding downpayment was financed by the Group ("Stolt RCF") on an arm's length basis with an expiration date of the loan of November 30, 2025. At November 30, 2024, the remaining committed balance was $29.3 million. See Note 33 for subsequent events relating to Avenir.

Environmental

The Group's operations involve the carriage, use, storage and disposal of chemicals and other hazardous materials and wastes. The Group is subject to applicable international and national health, safety and environmental laws relating to the protection of the environment, including those governing discharges of pollutants to air and water; the generation, management and disposal of hazardous materials and wastes; and the clean-up of contaminated sites.

The Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), commonly known as Superfund, was enacted by the US Congress on December 11, 1980. This law created a tax on the chemical and petroleum industries and provided broad federal authority to respond directly to releases or threatened releases of hazardous substances that may endanger public health or the environment. This law and similar state environment statutes and common laws can impose liability for the entire clean-up of contaminated sites or for third-party claims for property damage and personal injury, regardless of whether the current owner or operator owned or operated the site at the time of the release of contaminants or of the legality of the original disposal activities.

Actual or discontinued operations in the US may, therefore, trigger a future liability. Owing to the uncertainty whether or the length of time before any liability may occur, it is currently not considered probable that a liability will arise and consequently no provision has been recorded.

28. Related Party Transactions

The Group is ultimately controlled by trusts established for the benefit of the Stolt-Nielsen family. Compensation and Board fees are provided to certain members of the Stolt-Nielsen family. There are no other transactions between the Group and the Stolt-Nielsen family, other than those described below.

Employee and officer loans and advances

Included in Other current assets are loans and advances to employees and officers of the Group of $0.5 million as of both November 30, 2024 and 2023. In addition, included in Other non-current assets are loans and advances to employees and officers of the Group of nil and $0.5 million at November 30, 2024 and 2023, respectively. Of the total loans and advances, nil and $0.5 million were interest-bearing, with interest rates ranging from 6.0% to 7.0% as of the year ended November 30, 2023. Interest received was nil and less than $0.1 million for 2024 and 2023, respectively.

Notes to the Financial Statements continued

Board of Directors and key management compensation

Key management includes the Executive Officers and Presidents of the Group's major businesses. Total compensation and benefits of the Board of Directors and the key management were as follows:

(in US $ thousands)	For the years ended November 30 2024	2023
Board fees	**2,140**	1,132
Salary and benefits	**6,048**	5,928
Profit sharing	**3,607**	3,104
Long-term incentives	**2,279**	1,424
Defined benefit pension cost	**148**	81
Defined contribution pension cost	**481**	416
Total compensation and benefits	**14,703**	12,085
Average number of key managers included	**11**	10

At the end of 2024 and 2023, the Board of Directors consisted of six and seven members, respectively. Insurance has been taken out for the Board of Directors and Executive Officers in respect of their potential liability to the Group and third parties.

Transactions with joint ventures and associates

The consolidated balance sheets include the following items related to transactions with the Group:

(in US $ thousands)	As of November 30 2024	2023
Joint ventures:		
Amounts due from the Group	**26,157**	30,337
Amounts due to the Group	**87,046**	35,836

Included within Amounts due to the Group are $5.7 million and $10.0 million as of November 30, 2024 and 2023, respectively, for receivables from joint ventures and associates. These amounts are reflected in the consolidated balance sheets as Other current assets. The remaining amounts due to the Group are included in Investments in and advances to joint ventures and associates. Amounts due from the Group are included in Other current liabilities in the consolidated balance sheets.

The long-term advances to NYK Stolt Tankers S.A. of $42.7 million and nil as of November 30, 2024 and 2023, bear interest at 5.23%. The Group had also made long-term advances of $38.7 million and $25.8 million to other joint ventures and associates at November 30, 2024 and 2023, respectively. Interest on these range from 4.8% to 7.0% in 2024 and 2023. Interest received in cash for 2024 and 2023 was nil million and $1.7 million, respectively.

The joint ventures and associates include the following items related to transactions with the Group:

(in US $ thousands)	For the years ended November 30 2024	2023
Joint Ventures		
Charter hire revenue[1]	**213,483**	196,670
Tank container cleaning station revenue	**9,167**	10,742
Charter hire expense	**131,535**	63,265
Management, freight and joint service commission and other expenses	**37,263**	35,076
Finance expense	**4,135**	872
Other expense	**–**	519
Associates		
Bareboat revenue	**4,231**	4,348
Commission, management and other revenue[2]	**1,838**	2,613
Tank container cleaning station revenue	**3,531**	3,280

1. The charter hire revenues are amounts distributed to NYK Stolt Tankers S.A. and Hassel Shipping 4 AS, joint ventures of the Group, for their share of the Joint Service's revenue.
2. Represents commission and management fees paid to E&S Tankers as the joint venture trades certain of the Group's European fleet.

The Group has a 24.99% interest in Norterminal A.S. which is a company working on storage projects in northern Norway. The remaining 75.01% of Norterminal A.S. is controlled by S-N Terminal A.S., a company wholly owned by one of SNL's Directors who is a member of the Stolt-Nielsen family. The Group's investment in Norterminal A.S. was $0.6 million and $0.7 million as of November 30, 2024 and 2023, respectively.

Notes to the Financial Statements continued

29. Legal Claims and Proceedings

There are various legal proceedings arising in the ordinary course of business, and in cases where the Group believes the likelihood of losses is probable and can be estimated, provisions are recorded. While ongoing legal proceedings could have a material adverse effect on the Group's consolidated financial position or results of operations in the future, the Group believes that none of these matters will have a material adverse effect on its business or financial condition.

During 2024, the Group has been involved in certain civil litigation cases, which are described below .

Civil actions as a result of the fire on the *MSC Flaminia*

On July 14, 2012, a fire broke out aboard the *MSC Flaminia* in cargo hold number 4 during the ship's crossing of the Atlantic Ocean. During the crew's attempt to extinguish the fire, an explosion occurred. Stolt Tank Containers had 29 tank containers onboard the ship, three of which were stowed in cargo hold number 4. These tank containers carried various products for various customers. STC filed claims for the replacement value of the tank containers and the product carried. In August 2012, vessel interests declared General Average. The vessel was initially hauled to Germany and then sailed onward to Romania for inspection, investigation and discharge operations.

On May 29, 2013, the vessel interests, namely the owner, manager and operator, filed counter and cross-claims against STC and Deltech, the shipper of the three tank containers stowed in cargo hold number 4, alleging that these tank containers were the cause of the fire and that STC did not adequately warn of the inherently dangerous nature of the cargo. Since that time, several other cargo claimants have filed cross-claims against STC and Deltech.

The trial was held in the US Federal Court sitting in the Southern District of New York. The US District Court for the Southern District of New York delivered a judgment on September 10, 2018, which held the Group jointly liable with Deltech for the incident where the counterparties were alleging damages of $186.0 million, excluding interest. On June 30, 2023 the Court of Appeals rejected STC and Deltech's appeal of the liability ruling. The proceedings returned to the Trial Court to determine the recoverable damages.

The Company recorded a loss provision of $155.0 million in the November 30, 2023 Consolidated Financial Statements for the *MSC Flaminia* legal claim. This was based on arbitral awards in favour of the owner of the *MSC Flaminia* against the Charterer, Mediterranean Shipping Company ("MSC") as well as other claims made by MSC and the owner of the *MSC Flaminia*.

In January 2024, mediation proceedings took place, and as a result, a final figure to settle the *MSC Flaminia* legal proceedings was agreed among the parties. This ended all legal proceedings in the US and in the UK. The parties signed a final binding settlement agreement in April 2024. The final settlement amount utilised the 2023 loss provision and the insurance proceeds received in 2023.

Civil actions as a result of Hurricane Isaac

At the end of August 2012, Hurricane Isaac caused widespread flooding in southern Louisiana, including an unprecedented storm surge at the terminal in New Orleans/Braithwaite of about 13 feet of water. The storm surge overtopped the Parish levee system and despite extensive efforts to prepare the terminal for the impact of the hurricane, extensive damage was sustained to various portions of the facility, including several tanks, causing some tank releases of stored product to occur. Multiple notices were made to the relevant authorities. The protective measures taken in and around the terminal were successful in retaining a considerable amount of the releases. Following the hurricane, the rail cars stored at the terminal were inspected and no leaks were detected.

All regulatory claims brought by the state and federal regulators against the terminal for i) failure to properly provide notice in accordance with the respective regulatory requirements, and ii) the release of certain chemical products being stored at the terminal have been resolved.

Following the flooding at the terminal, two class actions and multiple individual actions were filed at the District Court in the Parish of Plaquemines, State of Louisiana. All actions allege pollution of the claimants' properties with liquids stored at the terminal and allegedly released because of the flooding. In November 2023, the parties to all of the cases reached a settlement for all claims in the amount of $2.5 million. The court has since approved the settlement and issued a permanent injunction against any and all future litigation arising out of the incident. A final order of dismissal with prejudice has been signed by the court, bringing all litigation to its final conclusion. All these matters, including the legal fees for the defence, are covered by insurance maintained by the Group and it is not expected that they will have a material adverse effect on its business or financial condition.

General

The ultimate outcome of governmental and third-party legal claims and proceedings is inherently difficult to predict. The Group's operations are affected by international and domestic environmental protection laws and regulations. Compliance with such laws and regulations may entail considerable expense, including ship modifications and changes in operating procedures.

Notes to the Financial Statements continued

30. Common Shares, Founder's Shares, Paid-in Surplus and Dividends Declared

Accounting policy

Equity capital stock

The Company's capital comprises equity capital stock. Equity capital stock is measured based on net proceeds.

Dividends

Dividends recommended by the Board of Directors are recognised in the Financial Statements when they have been approved by the shareholders at the Annual General Meeting. Interim dividends are recognised when approved by the Board of Directors.

Treasury shares

Upon the Group's purchase of its own shares (Treasury shares), the consideration paid is deducted from equity attributable to equity holders until the shares are cancelled, reissued or otherwise disposed of. In cases where such shares are subsequently sold or reissued, any consideration received is included in equity attributable to equity holders.

	Founder's Shares par value $0.001 per share		Common Shares par value $1 per share	
	Shares Issued	Treasury Shares	Shares Issued	Treasury Shares
Balance at November 30, 2023 and 2024	**14,630,949**	**1,250,000**	**58,523,796**	**5,000,000**

Share rights

The Group's authorised share capital consists of 65,000,000 Common Shares, par value $1.00 per share, and 16,250,000 Founder's Shares, par value $0.001 per share as of November 30, 2024 and 2023. As of November 30, 2024 and 2023, there were 58,523,796 Common Shares issued, of which Treasury shares were 5,000,000. Except for matters where applicable law requires the approval of both classes of shares voting as separate classes, Common Shares and Founder's Shares vote as a single class on all matters submitted to a vote of the shareholders, with each share entitled to one vote. All issued and outstanding shares have been fully paid.

Under the Bye-Laws, holders of Common Shares and Founder's Shares participate in annual dividends, if any are declared by the Group, in the following order of priority: (i) $0.005 per share to Founder's Shares and Common Shares equally; and (ii) thereafter, all further amounts are payable to Common Shares only.

Furthermore, the Bye-Laws also set forth the priorities to be applied to each of the Common Shares and Founder's Shares in the event of a liquidation. Under the Bye-Laws, in the event of a liquidation, all debts and obligations of the Group must first be paid and thereafter all remaining assets of the Group are paid to the holders of Common Shares and Founder's Shares in the following order of priority: (i) Common Shares rateably to the extent of the par value thereof ($1.00 per share); (ii) Common Shares and Founder's Shares participate equally up to $0.05 per share; and (iii) thereafter, Common Shares are entitled to all remaining assets.

Dividends

On November 7, 2024, the Company's Board of Directors declared an interim dividend of $1.25 per Common share and $0.005 per Founder's share to shareholders of record as of November 22, 2024. The total amount of the dividend was $67.0 million, which was classified as an interim dividend and paid on December 4, 2024.

On February 22, 2024, the Company's Board of Directors recommended a final dividend for 2023 of $1.50 per Common share. The dividend was approved at the Group's Annual General Meeting for shareholders held on April 18, 2024 in Bermuda. The total amount of the dividend was $80.3 million and paid on May 8, 2024.

On November 16, 2023, the Company's Board of Directors declared an interim dividend of $1.00 per Common share and $0.005 per Founder's share to shareholders of record as of November 23, 2023. The total amount of the dividend was $53.6 million, which was classified as an interim dividend and paid on December 7, 2023.

Treasury shares

The Board has authorised the purchase of up to $30.0 million worth of the Company's Common Shares, of which the Company has utilised $21.3 million prior to 2023, leaving $8.7 million available for future purchases. No purchase of shares has been made since 2019.

Founder's Shares and Treasury shares

As of November 30, 2024 and 2023, 13,380,949 of Founder's Shares had been issued to Fiducia Ltd, net of Treasury shares. Additional Founder's Shares are issuable to holders of outstanding Founder's Shares without consideration, in quantities sufficient to maintain a ratio of Common Shares to Founder's Shares of 4 to 1.

As of November 30, 2024 and 2023, 5,000,000 Treasury shares were held by the Group. The Group also held 1,250,000 of Founder's Shares. Note that dividends are not paid on Treasury shares held by the Group.

Notes to the Financial Statements continued

Capital management

The Group defines capital as net debt and equity attributable to equity holders of SNL. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, repurchase shares or sell assets to reduce debt.

The Group monitors capital on the basis of the ratio of debt to tangible net worth. This is calculated as short-term and long-term debt and lease liabilities divided by equity attributable to equity holders less intangible assets and excluding other components of equity. The Group's management targets maintaining a ratio of debt to tangible net worth at or below 1.50. As of November 30, 2024 and 2023, the ratio of debt to equity attributable to equity holders of SNL less intangible assets and excluding other components of equity was as follows:

	As of November 30	
(in US $ thousands)	2024	2023
Short-term loans, long-term debt and lease liabilities	**2,186,783**	2,074,808
Equity attributable to equity holders of SNL less intangible assets and excluding other components of equity	**2,316,743**	2,069,889
Debt to tangible net worth	**0.94**	1.00

The debt to tangible net worth of 0.94 at November 30, 2024 is in line with management's expectations and below its target ratio of 1.50.

The Group has external restrictions on its capital, which are its bank covenants. See Note 23 for further details.

31. Earnings per Share

Accounting policy

Basic Earnings per Common share ("EPS") is calculated by dividing net profit by the weighted average number of shares outstanding during the year. Diluted EPS is calculated by adjusting the weighted average number of shares outstanding during the year for all potentially dilutive shares and equivalents outstanding during the year using the Treasury stock method.

As further discussed in Note 30, Founder's Shares, which provide the holder thereof with certain control features, only participate in earnings to the extent of $0.005 per share for the years in which dividends are declared and are limited to $0.05 per share upon liquidation. For the purposes of calculating EPS, dividends paid on Founder's Shares are deducted from earnings to arrive at net profit attributable to holders of Common Shares. Founder's Shares are not included in the basic or diluted weighted average shares outstanding in the calculation of earnings per Common Share.

The following is a reconciliation of the numerator and denominator of the basic and diluted earnings per share computations:

	For the years ended November 30	
(in US $ thousands, except per share data)	2024	2023
Net profit	**394,759**	296,651
Less: Dividends on Founder's Shares	**(67)**	(67)
Net profit attributable to holders of Common Shares	**394,692**	296,584
Basic and diluted weighted average shares outstanding	**53,524**	53,524
Basic earnings per share	**7.38**	5.54
Diluted earnings per share	**7.38**	5.54

Notes to the Financial Statements continued

32. Reconciliation of Net Profit to Cash Generated from Operations

(in US $ thousands)	For the years ended November 30 2024	2023
Net profit	**394,759**	296,651
Adjustments to reconcile net profit to net cash from operating activities:		
Depreciation of property, plant and equipment	**294,416**	287,843
Amortisation of intangible assets	**4,341**	4,478
Finance expense, net	**109,984**	112,614
Net periodic benefit expense of defined benefit pension plans	**1,067**	906
Income tax expense	**46,356**	12,783
Share of profit of joint ventures and associates	**(62,758)**	(62,265)
Fair value adjustment on biological assets	**699**	(3,914)
Foreign currency exchange gain, net	**(277)**	(3,199)
Gain on disposal of assets, net	**(7,485)**	(3,606)
Changes in assets and liabilities:		
(Increase) decrease in receivables	**(36,653)**	26,630
Decrease in inventories	**624**	1,692
Decrease (increase) in biological assets	**208**	(2,752)
Decrease (increase) in prepaid expenses and other current assets	**25,633**	(23,978)
Increase in accounts payable and other current liabilities	**10,972**	156,309
Contributions to defined benefit pension plans	**(1,642)**	(1,794)
Payment of the *MSC Flaminia* provision	**(290,000)**	–
Insurance proceeds related to *MSC Flaminia* lawsuit	**–**	133,000
Dividends from joint ventures and associates	**53,808**	43,832
Other, net	**(173)**	(887)
Cash generated from operations	**543,879**	974,343

33. Subsequent Events

The following are non-adjusting events which occurred after November 30, 2024.

On December 5, 2024, the Group completed the early repayment of a portion of the CMBFL debt for four ships for $103.0 million, including accrued interest. Additionally, on December 31, 2024 and January 2, 2025, the Group refinanced the debt on the remaining ships. As a result, the interest rate on ten ships has been fixed at less than 6.0% and the margin on the last three ships, which remain floating, was lowered.

On December 10, 2024, the Group refinanced its revolving credit facility with DNB (UK) Limited and Swedbank AB that is secured by the shares in the Group's joint venture, Advario Stolthaven Antwerp N.V. (the "ASA RCF"). The ASA RCF was increased to $120.0 million and has a maturity date in December 2026, with two one-year options to extend it further.

On December 19, 2024, the Group contracted for two 2,800 deadweight tonne stainless steel inland barges. These ships will be built in China with expected delivery in late 2026 to early 2027. The first newbuilding deposit of $5.7 million was paid in January 2025. The total cost for the two barges is $24.0 million including capitalised interest.

On January 6, 2025, the Group signed an agreement for two 38,000 deadweight tonne stainless steel parcel tankers. These ships will be built by Nantung Xiangyu Shipbuilding & Offshore Engineering Co., Ltd with expected delivery between 2028 to 2029. A newbuilding deposit of $13.9 million will be paid in the first quarter of 2025 and the total cost for the two ships is expected to be approximately $155.6 million, including site team costs and capitalised interest. The Group plans to transfer the agreements to its joint venture, NYK Stolt Tankers S.A. in the first quarter of 2025.

In January 2025, the Company acquired a further 7,936,024 shares of Kingfish for $3.7 million, taking the Company's shareholding to 12.3%.

On February 11, 2025, the Company's Board of Directors recommended a final dividend for 2024 of $1.25 per Common share, to be voted on at the Group's Annual General Meeting for shareholders held on April 17, 2025 in Bermuda. If confirmed by the AGM, the dividend will be paid on May 7, 2025 to shareholders of record as of April 24, 2025.

Acquisition of 48.8% of Avenir

On January 27, 2025, the Group entered into a share purchase agreement (the "SPA") to acquire the 46.9% of Avenir owned by Golar and Hoegh's ownership interests (the "Avenir Transaction"). The Avenir Transaction was completed on February 6, 2025. Under the terms of the SPA, the Group acquired the shares for $1.00/share or approximately $79.6 million. After the Transaction, the Group has acquired an additional 1.9% of Avenir shares from other Avenir shareholders at $1.00 per share. On March 5, 2025, the Group launched a compulsory offer for the remaining 4.2% of Avenir shares, which is expected to be completed by the end of April 2025.The Group controls approximately 95.8% of the shares and voting rights of Avenir at the date of this report and will consolidate Avenir in the Consolidated Financial Statements in the future.

Notes to the Financial Statements continued

The Group's purpose of acquiring the remaining shares of Avenir was to strengthen its position in the LNG sector and identify more sustainable energy solutions.

Since the transaction was completed after the year end, the purchase consideration, fair values and the purchase price allocation are preliminary and subject to change. As permitted under IFRS 3, if new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the below amounts, or any additional provisions that existed at the date of acquisition, then the accounting for this acquisition will be revised.

The following table summarises the preliminary consideration transferred to acquire Avenir and the amounts of identified assets acquired and liabilities assumed at the acquisition date.

(in US $ thousands)	
Cash consideration for equity	81,905
Share of closing net debt and shareholder loan to SNL	83,626
Share of working capital	(7,355)
Total consideration	158,176
Fair value of the Group's investment in Avenir before the business combination	77,951
Non-controlling interest	6,350

Recognised amounts of identifiable assets acquired and liabilities assumed:

	Preliminary		
(in US $ thousands)	Transfer Value	Fair Value Adjustments	Total
Cash and cash equivalents	17,801	–	17,801
Net working capital	(2,875)	–	(2,875)
Newbuildings	25,166	(18,218)	6,948
Ships in service	210,213	99,562	309,775
Shareholder loan to the Group	(27,818)	–	(27,818)
Debt related to ships	(140,133)	(1,749)	(141,882)
Net assets acquired	82,354	79,595	161,949
Consideration paid for net assets and non-controlling interest	166,207	–	166,207
Goodwill		4,258	4,258

As a result of the Group obtaining control over Avenir, the Group's previously held 47% interest was remeasured to fair value, resulting in a gain of $32.0 million. The gain will be recognised in Other non-operating income on the Consolidated Financial Statements in the first quarter of 2025.

The fair value of the noncontrolling interest of $6.4 million and the Group's previously held equity interest of $45.9 million was estimated by applying a market approach. These fair value measurements are based on significant inputs not observable in the market, and thus represent Level 3 measurements.

Avenir's goodwill is attributable to the synergies expected to arise after the Group's acquisition of Avenir.

Ships in-service

Avenir's in-service fleet includes five LNG ships, built between 2020 and 2022. The Group has recognised the ships in-service in the opening balance sheet at their fair value based on the guidance in IFRS 13 Fair Value. Further, the useful economic lives of all recognised assets were assessed at the opening balance sheet dates and any changes applied prospectively. The income approach was used in the valuation of these ships which considered the present value of future cash flows and earnings expectations for each vessel and its residual value.

Newbuildings

See Note 27.

Debt related to ships

Avenir's loans are at SOFR plus a margin ranging from 1.9% to 3.0%. Given the floating rate structure of the loans, the loans' carrying amounts are materially reflective of fair value. The debt issuance costs were reversed upon acquisition.

Financial performance summary

The following unaudited pro forma summary presents the Group as if the 81,905,982 shares of Avenir purchased had been acquired on December 1, 2023. The pro forma information is provided for comparative purposes only and does not necessarily reflect the actual results that would have occurred, nor is it necessarily indicative of future results of operations of the combined companies.

(in US $ thousands)	**Pro forma year ended November 30, 2024**
Revenue	**2,976,009**
Net profit	**392,468**

Notes to the Financial Statements continued

Acquisition of Remaining 50% of Hassel Shipping 4 AS

On January 31, 2025, the Group acquired the ownership interest of J.O. Invest AS in Hassel Shipping 4 AS ("HS4") for $111.9 million. This amount will be adjusted for changes in working capital and debt. This acquisition increased the Group's ownership interest to 100% in which case HS4 became a consolidated subsidiary of the Group on this date. HS4 was previously recorded using the equity method of accounting. The Group's purpose in acquiring the remaining ownership interest was to address the tonnage replacement needs of the Group's existing chemical tanker fleet.

Since the transaction was completed after the year end, the purchase consideration, fair values and the purchase price allocation are preliminary and subject to change. As permitted under IFRS 3, if new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the below amounts, or any additional provisions that existed at the date of acquisition, then the accounting for this acquisition will be revised.

The following table summarises the preliminary consideration transferred to acquire HS4 and the amounts of identified assets acquired and liabilities assumed at the acquisition date.

(in US $ thousands)	
Cash consideration for equity	111,851
Share of closing debt and interest rate swap assumed	87,704
Share of working capital	(14,555)
Total consideration	185,000
Fair value of the Group's investment in HS4 before the business combination	111,851

Recognised amounts of identifiable assets acquired and liabilities assumed:

	Preliminary		
(in US $ thousands)	Transfer Value	Fair Value Adjustments	Total
Cash and cash equivalents	21,364	–	21,364
Net working capital	7,746	–	7,746
Derivatives	5,541	–	5,541
Ships in service	283,970	87,081	371,051
Debt related to ships	(180,949)	(1,051)	(182,000)
Net assets acquired	137,672	86,030	223,702

As a result of the Group obtaining control over HS4, the Group's previously held 50% interest was remeasured to fair value, resulting in a gain of $42.1 million. The gain will be recognised in Other non-operating income in the Consolidated Financial Statements in the first quarter of 2025.

The fair value of the Group's previously held equity interest of $68.7 million was estimated by applying a market approach. These fair value measurements are based on significant inputs not observable in the market, and thus represent Level 3 measurements.

Ships in-service

HS4's in-service fleet includes eight chemical tankers, built between 2016 and 2018. The Group has recognised the ships in-service in the opening balance sheet at their fair value based on the guidance in IFRS 13 Fair Value. Further, the useful economic lives of all recognised assets were assessed at the opening balance sheet dates and any changes applied prospectively. The income approach was used in the valuation of these ships which considered the present value of future cash flows and earnings expectations for each vessel and its residual value.

Debt related to ships

HS4's debt which is secured by the eight ships are at SOFR plus a 2.5% margin and due in 2028. There are interest rate hedges on 75% of the loan. The debt issuance costs were reversed upon acquisition.

Financial performance summary

The following unaudited pro forma summary presents consolidated information of the Group as if the business combination had occurred on December 1, 2023.

(in US $ thousands)	Pro forma year ended November 30, 2024
Revenue	**2,890,825**
Net profit	**408,495**

There is no change to revenue as HS4 was a participant in the Joint Service. These pro forma adjustments have been calculated after adjusting the results of the Group to reflect the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment had been applied from December 1, 2024.

Responsibility Statement

We confirm, to the best of our knowledge, that the consolidated Group and Company Financial Statements for the period December 1, 2023 to November 30, 2024 have been prepared in accordance with IFRS as adopted by the European Union and give a true and fair view of the Group's assets, liabilities, financial position and profit as a whole. In preparing these Financial Statements, we are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable;
- State whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

We are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable us to ensure that the Financial Statements comply with the Bermuda Company Act of 1981. We are also responsible for safeguarding the assets of the Company and the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. We are responsible for the maintenance and integrity of the Company's website. We highlight that legislation in Bermuda governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

We also confirm, to the best of our knowledge, that the Financial Review and the Business Review include a fair review of important events that have occurred during the financial year and their impact on the Financial Statements, and a description of the principal risks and uncertainties facing the Group and material related party transactions.

The Financial Statements on pages 69-137 were approved and signed on behalf of the Board of Directors.

Udo Lange
Chief Executive Officer

Jens F. Grüner-Hegge
Chief Financial Officer

London

March 13, 2025

Independent auditors' report to the members of Stolt-Nielsen Limited

Report on the audit of the Group financial statements

Opinion

In our opinion, Stolt-Nielsen Limited's Group financial statements (the 'financial statements'):

- give a true and fair view of the state of the Group's affairs as at 30 November 2024 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 1981 (Bermuda).

We have audited the financial statements, included within the Annual Report (the 'Annual Report'), which comprise: the Consolidated Balance Sheet as at 30 November 2024; the Consolidated Statement of Total Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Shareholders' Equity for the year then ended; and the notes to the financial statements, which include a description of the material accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Independent auditors' report to the members of Stolt-Nielsen Limited continued

Our audit approach

Overview

Materiality

Overall materiality: $28.9m (2023: $28.3m) based on 1% of revenue.

Performance materiality: $21.6m (2023: $21.2m).

Audit Scope

- Full scope audits of the Deep Sea Trading and Owning divisions of Stolt Tankers, and the Stolt Tank Containers BV division of Stolt Tank Containers; the largest trading divisions of the Group.
- Audits of certain financial statement line items within Terminals and Stolt Sea Farms entities, in addition to entities within the Tankers and Stolt Tank Containers divisions outside of the full scope components mentioned above.
- Procedures were also performed at the Group level including audit of certain financial statement line items across the Group and testing of the consolidation process.
- The reporting locations subject to audit procedures accounted for 78% of the Group's revenue and 82% of the Group's total assets.

Key Audit Matter

- Voyage Revenue Recognition

Independent auditors' report to the members of Stolt-Nielsen Limited continued

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Capability of the audit in detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulations implemented by the International Maritime Organisation ('IMO'), The International Convention for the Prevention of Pollution from Ships ('MARPOL'), the International Convention for the Safety of Life at Sea ('SOLAS'), and the Bribery Act 2010 (UK), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 1981 (Bermuda) and international tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates or judgements. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed included:

- Inquiring of management, including those in the legal and regulatory compliance departments, the head of operational audit and the Audit Committee as to known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing matters reported on the Group's 'Speak Up' system and the results of management's investigation of such matters;
- Challenging assumptions and judgements made by management in connection with significant accounting estimates;
- Consideration of recent correspondence with legal advisors in respect of uncertain legal matters;
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations, including journals crediting revenue with unexpected offsetting accounts and those journals debiting property, plant and equipment where the offsetting credit entry impacts the income statement; and
- Testing material consolidation adjustments.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

Independent auditors' report to the members of Stolt-Nielsen Limited continued

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Accounting for claims, which was a key audit matter last year, is no longer included because, through various procedures performed to determine the status of previous as well as new claims in the year, we identified no significant claims which give rise to a reasonable risk of material misstatement this year. The MSC Flaminia claim, which was a key area of focus for the audit last year, reached final settlement during the year; the claimants' proceeds payable by Stolt were cash settled in April 2024 while the related insurance proceeds receivable by Stolt were received in the previous year.

Otherwise, the key audit matters are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Voyage Revenue Recognition Voyage revenue for Stolt Tankers, including freight, demurrage and other revenue, includes estimation of revenue for incomplete voyages and claimed amounts for demurrage as at the balance sheet date. For voyages in progress at year-end, the percentage of completion of those voyages is estimated by management. Due to an inherent level of estimation uncertainty, the greater need and scope for management to apply judgement, and greater complexity involved with voyage revenue calculations, we concluded that the risk of error in voyage accounting was an area which required more audit effort. Specifically, our work focussed on the calculation of voyage revenue and costs and estimates over the percentage of completion of voyages in progress at the year-end. Refer also to note 2 in the consolidated financial statements.	We have performed the following procedures to address this key audit matter: • Obtained an understanding of the processes and controls over voyage revenue recognition, including assessing the design and implementation of key controls over this area, and assessed the appropriateness of management's accounting policy, which has not changed since the prior year. • Assessed the methodology for estimating and reviewing the amount of revenue recognised at the year end and compared this to the relevant accounting guidance under IFRS 15, Revenue from contracts with customers. • Tested certain key controls across the revenue cycle, including those over key systems and automated calculations of revenue and voyage accruals. • Performed a fluctuation analysis for revenue and expense accruals, comparing to change in average percentage of voyage completion. • Tested the run-off of the voyage accruals after year end. • Tested management's estimates regarding voyage accounting using a retrospective analysis of previous accruals and final voyage outcomes. • For freight revenue, matching of revenue recognised at the transaction level in the subledger to revenue recognised in the general ledger, purchase order data, invoice and bill of lading data, and cash receipt data and testing a sample of unmatched items. • Substantive testing of demurrage revenue transactions.

Independent auditors' report to the members of Stolt-Nielsen Limited continued

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which it operates.

Stolt-Nielsen Limited has six divisions that operate globally: Stolt Tankers which operates chemical tankers for the transportation of bulk-liquid chemicals, oils, acids and clean petroleum products; Stolthaven Terminals which provides storage for bulk-liquid chemicals, oils, acids and clean petroleum products; Stolt Tank Containers which provides transportation for bulk-liquid chemicals and food-grade products; Stolt Sea Farm which operates farms producing premium fish species; Stolt-Nielsen Gas, which focuses mainly on investing in entities in the Liquefied Natural Gas (LNG) sector, including LNG shipping, storage and distribution; and, Corporate and Other. The Group has a number of subsidiaries, joint ventures and associates, including those within the divisions mentioned and also operates a shared service centre in Manila. Our scoping considerations for the Group audit were based both on financial significance and risk.

Using audit teams based in Rotterdam and Houston, we have performed full scope audits of the Deep Sea Trading and Owning divisions of Stolt Tankers, and the Stolt Tank Containers BV division of Stolt Tank Containers, due to the financial significance of these components. In addition, specified procedures have been performed by these teams over certain financial statement line items for certain Stolt Tankers and Stolt Tank Containers entities, and certain corporate entities.

For Stolthaven Terminals, an audit of Property, plant and equipment has been carried out at Stolthaven Houston, Stolthaven New Orleans and Stolthaven Singapore. An audit of Right-of-use assets, Lease liabilities and cash and cash equivalents has also been carried out at Stolthaven Singapore and Stolthaven Australasia, as well as the audit of cash and cash equivalents at the Saudi Arabia and Brazil Terminals. Procedures performed over the financial statement line items for Stolthaven Singapore were performed by our local team in this territory.

For Stolt Sea Farm, specified procedures have been performed over Biological assets in Stolt Sea Farm Spain by our local team in this territory.

Certain procedures have also been performed centrally in London over additional items at the Group level, including Investments in and advances to joint ventures and associates, Long-term debt and related interest expense, Short-term bank loans, Derivative financial instruments, Intercompany eliminations, Income tax expense, Income tax receivable, Income tax payable, Deferred tax assets, Deferred tax liabilities, in order to gain coverage over these financial statement line items as a whole across the Group. Procedures are performed on certain processes undertaken by the shared service centre in Manila to the extent that those processes contribute to the financial information of the components as noted above.

Where work was performed by teams outside of the UK, we determined the level of independent involvement needed at those local operations to be able to conclude whether sufficient, appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole. We issued formal, written instructions to the teams outside the UK, setting out the work to be performed by each of them and maintained regular communication throughout the audit cycle. These interactions included participating in planning and clearance meetings with our teams in the Netherlands, Spain, Singapore, and The United States of America, holding regular video conference calls, attending site visits to our Stolt Tank Containers component in Houston and Tankers component in Rotterdam, as well as reviewing working papers remotely and assessing matters reported.

In total the work performed accounted for 78% of consolidated Group revenue and 82% of the Group's total assets. At the Group level we also carried out analytical and other procedures on the components not covered by the procedures described above.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the process management adopted to assess the extent of the potential impact of climate risk on the Group's financial statements and support the disclosures made within the financial statements.

We challenged the completeness of management's climate risk assessment by assessing the consistency of management's climate impact assessment with internal climate plans and minutes of meetings of the board of Directors. We also read the applicable sections of the Group's website for details of climate-related impacts.

Independent auditors' report to the members of Stolt-Nielsen Limited continued

Management has stated aspirations of running a carbon-neutral Tankers business by 2050 and continues to work on how to achieve this. Given the stage of development of the Group's work toward finalising a transition plan, and the medium to long-term horizon it will play out in, the future financial impacts are uncertain. The estimated financial impacts of climate change will be reassessed prospectively and our expectation is that climate change disclosures will evolve as the understanding of the actual and potential impacts on the Group's future operations are established with greater certainty.

The key area of the financial statements where management evaluated that climate risk had a potential significant impact was in the review of the Tankers cash-generating units ('CGUs') for potential indicators of impairment.

Using our knowledge of the business we evaluated management's risk assessment, its estimates as set out in note 2 of the financial statements and resulting disclosures, where significant. We considered the review of impairment indicators to potentially be impacted by climate risk and performed audit work in this area accordingly.

To respond to the audit risk identified in this area we tailored our audit approach to, in particular, evaluate whether the impact of both physical and transition risks arising due to climate risk gave rise to a specific indicator requiring a further impairment assessment. Additionally, we challenged whether the impact of climate risk in the assessment and disclosures associated with the ability of the Group to continue as a going concern were both consistent with management's climate impact assessment.

We also considered the consistency of the disclosures in relation to climate change within the Annual Report with the financial statements and the knowledge obtained from our audit.

Our procedures did not identify any material impact in the context of our audit of the financial statements as a whole or our key audit matters for the year ended 30 November 2024.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the Group financial statements as follows:

Overall materiality	$28.9m (2023: $28.3m).
How we determined it	1% of revenue.
Rationale for benchmark applied	Based on the benchmarks used in the Annual Report, we believe that revenue is the primary measure generally used by the shareholders in assessing the performance of the Group.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between $2.4m and $22.2m.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to $21.6m (2023: $21.2m) for the Group financial statements. Component performance materiality was also 75% (2023: 75%) of allocated materiality.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above $1.4m (2023: $1.4m) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Independent auditors' report to the members of Stolt-Nielsen Limited continued

Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

Review of management's base case and severe but plausible downside scenario, ensuring the Directors have considered all appropriate factors. This included consideration of the future cash flows, the liquidity position of the Group, available financing facilities, and the timing of contractual debt repayments and committed capital expenditure. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Responsibility Statement set out on page 138, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ('ESEF Regulation').

Independent auditors' report to the members of Stolt-Nielsen Limited continued

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

It is also our responsibility to assess whether the consolidated financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Section 90 of the Companies Act 1981 (Bermuda) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Partner responsible for the audit

The engagement partner on the audit resulting in this independent auditors' report is David Beer.

Other required reporting

Report on other legal and regulatory requirements

We have checked the compliance of the consolidated financial statements of the Company as at 30 November 2024 with the relevant statutory requirements set out in the ESEF Regulation that are applicable to financial statements. That is, for the Group:

The consolidated financial statements are prepared in a valid xHTML format;

The XBRL markup of the consolidated financial statements uses the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 30 November 2024, identified as stoltnielsen-2024-11-30-en.zip, have been prepared, in all material respects, in compliance with the requirements laid down in ESEF Regulation.

PricewaterhouseCoopers LLP
Chartered Accountants
Watford
March 13, 2025

a. The maintenance and integrity of the Stolt-Nielsen Limited website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

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