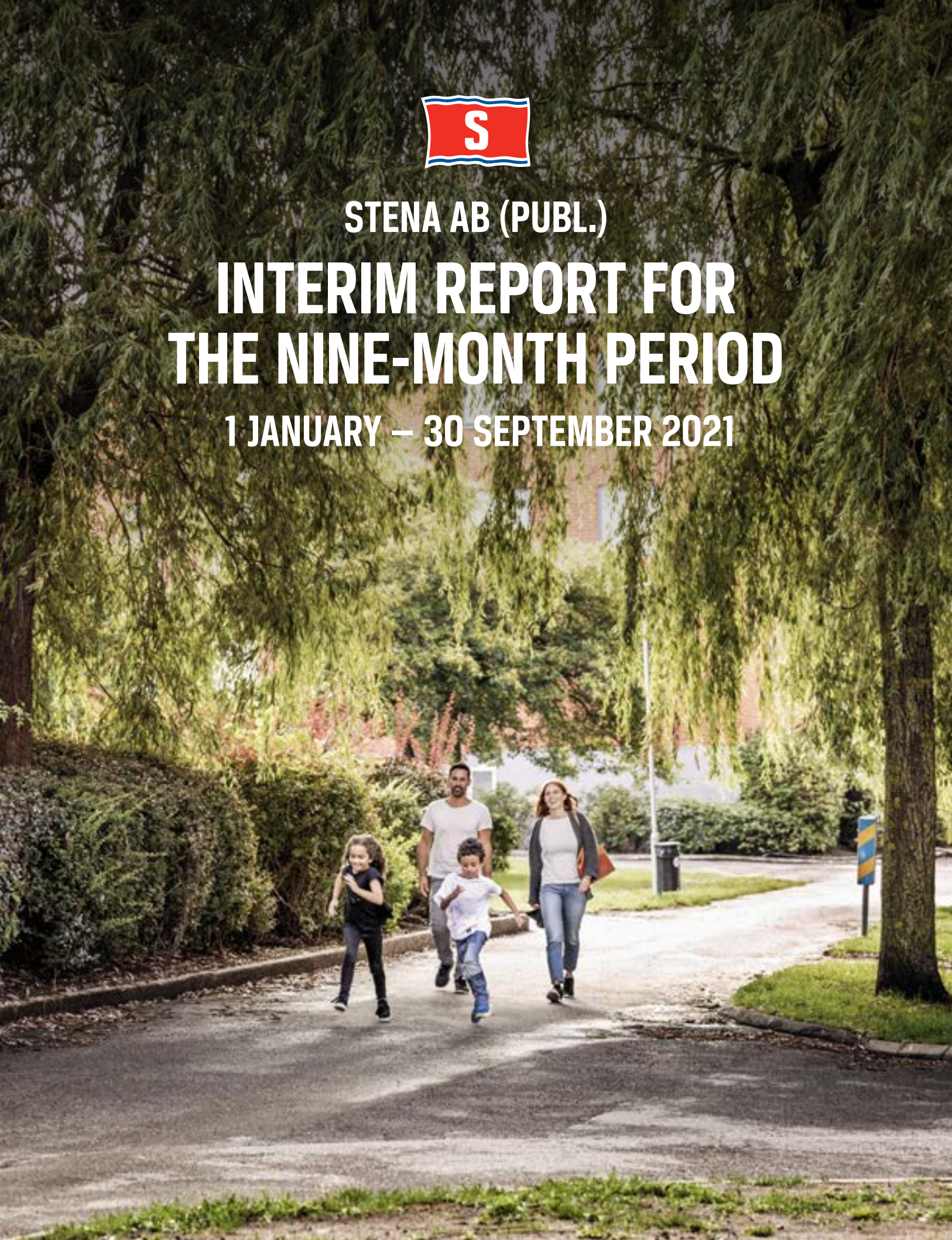




STENA AB (PUBL.)

INTERIM REPORT FOR THE NINE-MONTH PERIOD

1 JANUARY – 30 SEPTEMBER 2021



- **THE RESULT BEFORE TAXES** amounted to SEK 12 (-3,385) million for the nine-month period ended 30 September 2021.
- **CONSOLIDATED EBITDA** for the nine-month period ended 30 September 2021 amounted to SEK 6,116 (4,837) million.
- **CONSOLIDATED EBITDA**, excluding net gain on sale of assets and change in fair value of investment properties, for the nine-month period ended 30 September 2021 amounted to SEK 5,022 (3,918) million.
- **LIQUIDITY** Ensuring a strong available liquidity position has always been the company's strategy. Available liquidity was further strengthened, mainly by the MidMAX arbitration award and sale of investment properties, and amounted to SEK 22.1 billion as of 30th of September 2021.

FERRY OPERATION

EBITDA increased compared to last year mainly due to strong freight volumes and cost reductions. In addition passenger and car volumes in Q3 improved as countries eased off COVID travel restrictions.

DRILLING

Increased EBITDA compared to last year due to more operating days, all units are on contract and operating, together with higher charter rates.

SHIPPING

Decreased EBITDA within Tanker segment compared to last year. The delivered RoPax newbuilding in Q3 2020 and Q2 2021 has commenced their long-term charter contracts which contributes to a stable EBITDA for RoRo operations.

PROPERTY

Continued strong and stable performance with an average occupancy rate in Sweden of around 97%. EBITDA decreased slightly compared to last year due to the sale of the international properties in mid-March 2021. The fair value of investment properties has increased by SEK 748 million, i.e. 1.9 % of the total property portfolio.

NEW BUSINESSES

Continued strong performance in general. Significantly increased EBITDA compared to last year in all subsidiaries, mainly from strong sales but also from lower costs. In April 15% of the shares in Stena Renewable were sold to Alecta.

Göteborg, 29 November 2021

*Annika Hult
Deputy CEO and Principal Financial Officer*





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FORWARD-LOOKING STATEMENTS

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

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

CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED)

(SEK in million)	Three-month period ended 30 Sep		Nine-month period ended 30 Sep	
	2021	2020	2021	2020
Revenue				
Ferry Operations	3,800	2,934	8,964	7,878
Offshore Drilling	790	291	1,817	1,120
Shipping	2,882	2,374	7,677	8,130
Property	630	689	2,089	2,054
New Businesses	1,840	1,650	6,177	5,366
Other	3	2	18	24
Total revenue	9,945	7,940	26,742	24,572
Change in fair value of investment properties	250	265	748	721
Net gain/loss on sale of non-current assets	392	26	346	198
Total other income	642	291	1,094	919
Direct operating expenses				
Ferry Operations	-1,979	-1,780	-5,566	-5,680
Ferry Operations - redundancy costs				-302
Offshore Drilling	-575	-341	-1,767	-1,322
Shipping	-2,349	-1,806	-6,066	-5,471
Property	-162	-174	-664	-598
New Businesses	-1,377	-1,236	-4,574	-4,002
Other	-6	5	-16	15
Total direct operating expenses	-6,448	-5,332	-18,653	-17,360
Selling and administrative expenses	-996	-956	-3,067	-3,294
Profit/loss from investments in operating associates	-26	-23	-54	-5
Depreciation, amortisation and impairment	-1,676	-1,916	-4,978	-5,584
Total operating expenses	-9,146	-8,227	-26,752	-26,243
Operating profit/loss	1,441	4	1,084	-752
Profit/loss from investments in strategic associates	3	-12	335	12
Dividends received	30	6	92	74
Gains/losses on sale of securities	-6	5	264	-536
Interest income	58	42	146	119
Interest expenses	-509	-610	-1,677	-2,099
Exchange gains/losses	10	-33	36	-44
Other finance income/costs	-125	-80	-268	-159
Financial net	-539	-682	-1,072	-2,633
Profit/loss before tax	902	-678	12	-3,385
Income taxes	-496	-301	-452	-250
Profit/loss for the period	406	-979	-440	-3,635
Profit/loss for the period attributable to:				
Shareholders of the Parent company	394	-984	-470	-3,647
Non-controlling interests	12	5	30	12
Profit/loss for the period	406	-979	-440	-3,635

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(SEK in million)	Three-month period ended 30 Sep		Nine-month period ended 30 Sep	
	2021	2020	2021	2020
Profit/loss for the period	406	-979	-440	-3,635
Other comprehensive income				
<i>Items that may subsequently be reclassified to profit or loss</i>				
Change in fair value reserve, net of tax	-15	-1	70	-83
Change in net investment hedge, net of tax	280	101	1,274	-996
Change in translation reserve	-59	-49	186	-251
Share of other comprehensive income of associates	11	10	55	-97
<i>Items that will not be reclassified to profit or loss</i>				
Change in fair value reserve, net of tax	-69	111	-90	116
Change in revaluation reserve, net of tax	-1	30	23	-96
Remeasurements of post-employment benefit obligations			-48	-21
Share of other comprehensive income of associates	-4	-10	1	-9
Other comprehensive income for the period	143	192	1,471	-1,437
Total comprehensive income for the period	549	-787	1,031	-5,072
Total comprehensive income attributable to:				
Shareholders of the Parent company	539	-793	1,004	-5,082
Non-controlling interests	10	6	27	10
Total comprehensive income for the period, net of tax	549	-787	1,031	-5,072

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

CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

(SEK in million)	30 September 2021	31 December 2020
Assets		
Non-current assets		
Intangible assets	4,685	4,731
Property, plant and equipment		
Vessels	36,680	36,012
Construction in progress	2,695	1,869
Equipment	2,648	2,797
Land and buildings	2,318	2,414
Ports	4,508	4,497
Total property, plant and equipment	48,849	47,589
Investment properties	39,659	40,902
Financial assets		
Investments reported according to the equity method	3,739	3,556
Marketable securities	4,012	3,363
Surplus in funded pension plans	1,383	1,195
Other non-current assets	6,594	5,348
Total financial assets	15,728	13,462
Total non-current assets	108,921	106,684
Current assets		
Inventories	1,515	1,080
Trade receivables	3,774	2,867
Other current receivables	2,641	5,591
Prepayments and accrued income	1,789	1,487
Short-term investments	1,689	1,752
Cash and cash equivalents	1,896	1,814
Assets held for sale	80	658
Total current assets	13,384	15,249
Total assets	122,305	121,933

(SEK in million)	30 September 2021	31 December 2020
Equity and liabilities		
Equity	44,013	42,925
Non-current liabilities		
Deferred tax liabilities	5,454	4,820
Pension liabilities	815	748
Other provisions	109	64
Long-term debt	40,243	40,539
Senior Notes	12,770	13,260
Capitalised lease obligations	4,000	2,826
Other non-current liabilities	2,728	3,431
Total non-current liabilities	66,119	65,688
Current liabilities		
Short-term debt	2,261	3,533
Capitalised lease obligations	941	778
Trade payables	2,252	1,944
Tax liabilities	169	109
Other liabilities	2,040	2,086
Accruals and deferred income	4,510	4,870
Total current liabilities	12,173	13,320
Total equity and liabilities	122,305	121,933

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

(SEK in million)	Equity attributable to shareholders of the Parent company					
	Share capital	Reserves	Retained earnings incl. Profit for the period	Total	Non-controlling interests	Total equity
Closing balance, 31 December 2019	5	4,483	43,403	47,891	159	48,050
Change in accounting policy (note 2)		3,717	-2,781	936		936
New opening balance, 1 January 2020	5	8,200	40,622	48,827	159	48,986
Change in fair value reserve		-63	96	33		33
Change in net investment hedge		-996		-996		-996
Change in revaluation reserve		-173	77	-96		-96
Change in translation reserve		-249		-249	-2	-251
Change in associates			-106	-106		-106
Remeasurement of post-employment benefit obligation			-21	-21		-21
Other comprehensive income		-1,481	46	-1,435	-2	-1,437
Profit for the period			-3,647	-3,647	12	-3,635
Total comprehensive income		-1,481	-3,601	-5,082	10	-5,072
Changes in non-controlling interest					28	28
Closing balance, 30 September 2020	5	6,719	37,021	43,745	197	43,942
Closing balance, 31 December 2020	5	6,935	35,766	42,706	219	42,925
Change in fair value reserve		13	-33	-20		-20
Change in net investment hedge		1,274		1,274		1,274
Change in revaluation reserve		-348	371	23		23
Change in translation reserve		189		189	-3	186
Change in associates			56	56		56
Remeasurement of post-employment benefit obligation			-48	-48		-48
Other comprehensive income		1,128	346	1,474	-3	1,471
Profit for the period			-470	-470	30	-440
Total comprehensive income		1,128	-124	1,004	27	1,031
Changes in non-controlling interest			45	45	12	57
Closing balance, 30 September 2021	5	8,063	35,687	43,755	258	44,013

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(SEK in million)	Nine-month period ended 30 Sep	
	2021	2020
Cash flow from operating activities		
Profit for the period	-440	-3,635
Adjustments to reconcile profit for the year to net cash provided by operating activities:		
Depreciation, amortisation and impairment	4,978	5,584
Change in fair value of investment properties	-748	-721
Gain on sale of non-current assets	-346	-198
Gains/losses on sale of securities net	-264	536
Share of strategic associates result	-335	-12
Deferred income taxes	323	322
Exchange differences, unrealised	-352	784
Other non-cash items	236	275
Pensions	-51	-30
Dividend from operational associates and joint ventures	78	46
Net cash flow from trading securities	-201	561
Trade and other receivables	2,129	-179
Prepayments and accrued income	-517	417
Inventories	-422	225
Trade payables	287	-380
Accruals and deferred income	-165	-190
Income tax payable	-74	-85
Other current liabilities	22	198
Cash flow from operating activities	4,138	3,518
Cash flow from investing activities		
Purchase of intangible assets	-111	-77
Sale of property, plant and equipment	1,549	231
Capital expenditure on property, plant and equipment	-4,649	-4,529
Purchase and sale of operations, net of cash	2,195	-182
Dividend from strategic associates and joint ventures	18	10
Investments and disposals in strategic associates and joint ventures	366	-140
Sale of securities	1,736	1,787
Purchase of securities	-2,086	-1,415
Other investing activities	-658	564
Cash flow from investing activities	-1,640	-3,751
Cash flow from financing activities		
Proceeds from issuance of short and long-term debt	2,388	14,709
Principal payments on short and long-term debt	-4,705	-11,536
Net change in borrowings on line-of-credit agreements	365	-3,098
New leases	4	0
Principal payments on capitalised lease obligations	-695	-796
Net change in restricted cash accounts	386	360
Other financing activities	-201	-438
Cash flow from financing activities	-2,458	-799
Effect of exchange rate changes on cash and cash equivalents	42	-47
Net change in cash and cash equivalents	82	-1,079
Cash and cash equivalents at beginning of period	1,814	3,366
Cash and cash equivalents at end of period	1,896	2,287

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1. BASIS OF PRESENTATION

The accompanying condensed consolidated financial statements present the financial position and result of operations of Stena AB (publ) and its subsidiaries (Stena) and have been prepared in accordance with IAS 34, "Interim financial reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended on 31 December 2020, which have been prepared in accordance with IFRS.

The interim financial information included in the condensed consolidated financial statements has not been audited, and reflects all adjustments (consisting only of normal recurring adjustments) that are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. Interim results for the nine months ended on 30 September 2021 are not necessarily an indication of the results to be expected for the full year.

NOTE 2. ACCOUNTING POLICIES

Except for as noted below the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2020, as described in the annual financial statements.

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

Stena's Annual Report 2020 describes the content of the new accounting principles that are regarded as material for the Stena Group (see link [https:// www.stena.com/news-finance/investor-relations/reports/](https://www.stena.com/news-finance/investor-relations/reports/)).

Change in application of capitalised lease obligations

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

New or amended accounting policies applied after 2021

There are no new accounting policies applicable from 2021 that significantly affects the Stena AB Group.

NOTE 3. SEGMENT INFORMATION

Revenue

Three-month period ended 30 September

(SEK in million)	Lease income		Products		Service		Construction Con- tracts		Other		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Ferry operations			272	170	3,548	2,716			-21	48	3,800	2,934
Offshore Drilling	393	160			398	131			-1		790	291
Shipping:												
Roll-on/Roll-off vessel	143	90			9	33				1	153	124
Tanker	636	648			474	419			5	25	1,115	1,092
Other Shipping			57	38	1,557	1,083				36	1,614	1,158
Total Shipping	779	738	57	38	2,041	1,535			5	62	2,882	2,374
Property	619	677			11	12					630	689
New Businesses			1,456	1,308			381	332	3	9	1,840	1,650
Other					2	2			1		3	2
Total	1,791	1,575	1,785	1,516	5,999	4,397	381	332	-13	119	9,945	7,940

Nine-month period ended 30 September

(SEK in million)	Lease income		Products		Service		Construction Con- tracts		Other		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Ferry operations			518	420	8,433	7,303			13	154	8,964	7,878
Offshore Drilling	914	623			902	494			1	3	1,817	1,120
Shipping:												
Roll-on/Roll-off vessel	366	234			54	84			2	2	422	320
Tanker	1,861	2,733			1,295	1,823			18	25	3,174	4,581
Other Shipping			192	193	3,886	2,997			3	40	4,081	3,230
Total Shipping	2,227	2,967	192	193	5,235	4,903			23	67	7,677	8,130
Property	1,878	2,020			33	34			178		2,089	2,054
New Businesses			5,124	4,366		3	1,046	982	7	15	6,177	5,366
Other					16	20			2	4	18	24
Total	5,019	5,610	5,834	4,979	14,619	12,758	1,046	982	235	243	26,742	24,572

(SEK in million)	Three-month period ended 30 Sep		Nine-month period ended 30 Sep	
	2021	2020	2021	2020
Operating profit/loss				
Ferry Operations:	927	90	801	-622
Net gain/loss on sale of vessels	339		339	
Redundancy costs				-302
Total Ferry Operations	1,266	90	1,140	-924
Offshore Drilling	-490	-818	-2,068	-2,714
Shipping: Roll-on/Roll-off vessels	54	29	85	70
Tanker	-229	-89	-539	561
Other shipping	71	32	159	29
Net gain/loss on sale of vessels			-13	
Net gain/loss on sale of operations	11	-3	11	6
Total Shipping	-93	-31	-297	666
Property:	413	468	1,250	1,291
Net gain/loss on sale of properties	23	29	23	144
Net gain/loss on sale of operations			-28	
Change in fair value of investment properties	250	265	748	721
Total Property	686	762	1,993	2,156
New Businesses	133	91	560	336
Other:	-80	-90	-258	-319
Net gain/loss on sale of properties	19		19	
Net gain/loss on sale of operations			-5	47
Total Other	-61	-90	-244	-272
Total Operating profit/loss	1,441	4	1,084	-752

(SEK in million)	Three-month period ended 30 Sep		Nine-month period ended 30 Sep	
	2021	2020	2021	2020
Depreciation, amortisation and impairment				
Ferry Operations	638	810	1,874	2,036
Offshore Drilling	632	667	1,852	2,135
Shipping: Roll-on/Roll-off vessels	45	47	129	120
Tanker	261	305	816	985
Other shipping	25	14	80	49
Total Shipping	331	366	1,025	1,154
Property	3	3	8	8
New Businesses	65	62	196	191
Other	7	8	23	60
Total	1,676	1,916	4,978	5,584

(SEK in million)	Three-month period ended 30 Sep		Nine-month period ended 30 Sep	
	2021	2020	2021	2020
Profit/loss from investments in operating associates				
Shipping: Tanker	-31	-22	-66	2
Other shipping	2	-2	3	-17
Total Shipping	-29	-24	-63	-15
Property	3	1	9	10
Total	-26	-23	-54	-5

(SEK in million)	Three-month period ended 30 Sep		Nine-month period ended 30 Sep	
	2021	2020	2021	2020
EBITDA				
Ferry Operations:	1,565	900	2,675	1,414
Net gain/loss on sale of vessels	339		339	
Redundancy costs				-302
Total Ferry Operations	1,904	900	3,014	1,112
Offshore Drilling	142	-150	-216	-580
Shipping: Roll-on/Roll-off vessels	99	76	214	190
Tanker	65	238	343	1,544
Other shipping	93	47	236	95
Net gain/loss on sale of vessels			-13	
Net gain/loss on sale of operations	11	-3	11	6
Total Shipping	268	358	791	1,835
Property:	412	470	1,249	1,289
Net gain/loss on sale of properties	23	29	23	144
Net gain/loss on sale of operations			-28	
Change in fair value of investment properties	250	265	748	721
Total Property	685	764	1,992	2,154
New Businesses	198	152	756	527
Other:	-73	-81	-235	-258
Net gain/loss on sale of properties	19		19	
Net gain/loss on sale of operations			-5	47
Total Other	-54	-81	-221	-211
Total EBITDA	3,143	1,943	6,116	4,837

(SEK in million)	Nine-month period ended 30 Sep	
	2021	2020
Capital expenditures		
Ferry Operations	745	1,321
Offshore Drilling	280	231
Shipping: Roll-on/Roll-off vessels	994	1,079
Tanker	324	248
Other shipping	21	13
Total Shipping	1,339	1,340
Property	2,113	1,397
New Businesses	132	172
Other	40	68
Total	4,649	4,529

OPERATING AND FINANCIAL REVIEW

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

Significant events of the first nine-month period of 2021

As per 1 January the United Kingdom left the EU, which has not had a significant impact on the Stena AB Group's operation.

In February, Stena Fastigheter acquired two commercial properties in Göteborg.

In March, Stena Realty acquired one commercial property in Poland.

On 5 March, a London Arbitration Tribunal determined certain issues in dispute between Stena Atlantic Limited ("Stena") and Samsung Heavy Industries Co, Ltd ("SHI") over the construction of a harsh environment semi-submersible drilling unit, formerly known as "Stena MidMAX". The Tribunal determined that Stena's termination of the Contract was valid and in doing so dismissed all claims by SHI against Stena. The Tribunal also ordered payment by SHI to Stena of the minimum sum of USD 411 million, which has been received, by way of refundment of Stena's predelivery payments plus further amounts in respect of interest and project costs.

In January, Stena signed an agreement to sell major part of its international properties as part of a restructuring of the international real estate portfolio. On March 11, the transaction was completed, which generated a positive cash flow of SEK 2.3 billion after debt repayments.

In March, *Stena Concert* was sold to an undisclosed party.

In March, the vessel *Stena Nova* was sold and delivered to her new owners.

In April, 15% of the total outstanding shares in Stena Renewable AB were sold to Alecta. After the transaction, Stena Adactum holds 20% of the shares in Stena Renewable.

In April, the term of the contracts with Exxon for *Stena Carron* and *Stena DrillMAX* in Guyana was extended to 31 December 2021.

In April, a contract was signed for *Stena Don* with Hurricane Energy PLC for 15 days commencing in June 2021.

In May, the ropax vessel *Côte d'Opale* was delivered by the Chinese shipyard China Merchants Jinling Shipyard (Weihai). *Côte d'Opale* was simultaneously delivered to the Danish ferry operator DFDS.

In June, contract for *Stena IceMAX* was signed with an undisclosed operator for a one well campaign (30 days) commencing in Q4 2021.

In June, the Stena AB Group repurchased USD 134 million of the USD 527 million outstanding unsecured bond maturing 2024. Stena AB and its affiliates may from time to time repurchase or otherwise trade in its own bonds in open market transactions.

In June, a revolving credit facility agreement was signed regarding a credit facility amounting to USD 121 million, whereof 75% is guaranteed by Exportkreditnämnden, EKN. For Stena AB this is an unsecured credit facility.

In June, a contract was signed for *Stena IceMAX* with Energean Israel for three firm wells plus two options commencing in Q1 2022.

In July, the vessels *Stena Scandica* and *Skåne* were sold to Kollsholmen Shipping AB within Stena Metall Group, and are chartered back to Stena Line.

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

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

In August, time charter agreements were entered into with Concordia Maritime regarding 10 P-MAX vessels for five years.

In September, Stena Line bought the British online ferry ticket and customs clearance company, Freightlink. The acquisition enables them to support the wider market with customs clearance services in light of Brexit as well as stepping into the online ticket market and broaden Stena Lines' product offering.

Subsequent events

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

In November, *Mont Ventoux* was sold to CMA CGM.

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

Currency Effects

Our revenues and expenses, reported in Swedish kronor, are significantly affected by fluctuations in currency exchange rates, primarily relative to the U.S. dollar, the British pound and the Euro. We seek to mitigate the impact of potential adverse foreign currency exchange fluctuations by matching, to a possible extent, revenues and expenses in the same currency. In addition, we enter into certain derivative financial instruments. In the nine-month period that ended on 30 September 2021, approximately 20% of our total revenues were generated in USD, approximately 22% were generated in EUR, approximately 14% were generated in GBP and approximately 29% were generated in SEK

In the nine-month period ended 30 September 2021, approximately 24% of our total expenses were incurred in USD, approximately 19% were incurred in EUR, approximately 19% were incurred in GBP and approximately 23% were incurred in SEK. The reported gross revenues and expenses were affected by changes in the currency rates. The exchange rates used for consolidation purposes are as follows:

	Jan – Sep	Jan – Sep	
Average rates:	2021	2020	Change
US \$	8.4891	9.3951	–10%
British pound	11.7579	11.9376	–2%
Euro	10.1515	10.5567	–4%

	As of 30 Sep	As of 31 Dec	
Closing rates:	2021	2020	Change
US \$	8.7620	8.2273	7%
British pound	11.8059	11.2467	5%
Euro	10.1464	10.0505	1%

SUMMARY FOR THE NINE-MONTH PERIOD 1 JANUARY – 30 SEPTEMBER 2021

Revenues

Total revenues increased by SEK 2,170 million to SEK 26,742 (24,572) million in the nine months ended 30 September 2021. The revenues are higher in all segments except for the Tanker operations within the Shipping segment compared to the same period last year.

Direct Operating Expenses

Total direct operating expenses increased by SEK 1,293 million to SEK 18,653 (17,360) million in the nine months ended on 30 September 2021. The operating expenses are higher in all segments except Ferry Operations compared to the same period last year.

Selling and Administrative Expenses

Selling and administrative expenses decreased by SEK 227 million to SEK 3,067 (3,294) million in the nine months ended 30 September 2021 compared to the same period last year.

Depreciation, Amortisation and Impairment

Depreciation and amortisation charges decreased by SEK 606 million to SEK 4,978 (5,584) million in the nine months ended 30 September 2021 compared to the same period last year.

EBITDA

The EBITDA for the consolidated Stena AB Group increased by SEK 1,279 million to SEK 6,116 (4,837) million in the nine-month period ended on 30 September 2021 compared to the same period last year.

Ferry Operations

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

EBITDA, excluding net gain/loss on sale of vessels increased by SEK 1,563 million to SEK 2,675 (1,112) million in the nine months ended 30 September 2021. Redundancy

costs for closing routes affected the EBITDA with SEK 302 million in the corresponding period last year. Car volumes increased 27% and passenger volumes increased 14% compared to corresponding period last year due to that countries with border restrictions was opening up during 2021. Freight volumes increased 10% compared to the corresponding period last year. January-February 2020 was not affected by Covid-19. Stena Line has taken steps to mitigate the financial impact of the Covid-19 situation. This includes closure of routes in 2020, reducing costs and number of employees.

Offshore Drilling

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

EBITDA increased by SEK 364 million to SEK –216 (–580) million in the nine-month period ended 30 September 2021. The increase is due to more operating days, all units are on contract and operating, together with higher charter rates compared to last year.

Shipping

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

Tankers

EBITDA decreased by 1,201 SEK to SEK 343 (1,544) million in the nine-month period ended 30 September 2021, due to lower tanker rates and weaker demand for oil- and crude products.

RoRo Operations

EBITDA from chartering out Roll-on/Roll-off vessels increased by SEK 24 million to SEK 214 (190) million in the nine-month period ended 30 September 2021. The increase is mainly due to the delivery of *Galicia* in the third quarter 2020 and *Côte d'Opale* in May 2021 partly offset by higher operating costs in 2021.

Property

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

EBITDA decreased by SEK 162 million to SEK 1,992 (2,154) million for the nine months ended 30 September 2021, mainly due to the sale of the international properties except for properties in USA and Poland. The change in fair value of investment properties amounts to SEK 748 (721) million for the nine months period ended 30 September 2021. Occupancy rates for Swedish properties were approximately 97% and for non-Swedish properties approximately 88%.

New Businesses

The EBITDA for New Businesses increased by SEK 229 million to SEK 756 (527) million in the nine-month period ended 30 September 2021.

Ballingslöv: EBITDA increased by SEK 179 million to SEK 534 (355) million for the nine months ended 30 September 2021 due to higher sales together with lower costs. Higher sales is partly explained by new spending patterns during lock-downs in the comparative period last year.

Blomsterlandet: EBITDA increased by SEK 20 million to SEK 235 (215) million for the nine months ended 30 September 2021 mainly due to increased sales.

Envac: EBITDA increased by SEK 54 million to SEK 53 (–1) for the nine months ended 30 September 2021 mainly due to higher results in North and South Europe as well as in the Middle east together with lower costs.

Captum: EBITDA decreased by SEK 1 million to SEK –3 (–2) million for the nine months ended 30 September 2021.

Other Income

Net valuation on investment property

As a result of the revaluation to fair value according to IAS 40 "Investment properties", Stena recognised net gains of SEK 748 (721) million for the nine months ended 30 September 2021.

Net gain/loss on sale of vessels

In the nine months ended 30 September 2021 the net gain/loss on sale of vessels amounted to SEK 326 million. In the corresponding period 2020 there were no sales of vessels.

Net gain/loss on sale of properties

In the nine months ended 30 September 2021 the net gain/loss on sales of properties amounted to SEK 42 (144) million.

Net gain/loss on sale of operations

In the nine months ended 30 September 2021 the net gain/loss on sales of operations amounted to SEK –22 (54) million.

Financial Net

Total finance net increased by SEK 1,561 million to SEK –1,072 (–2,633) million in the nine months ended 30 September 2021. The increase is mainly related to the positive development in the financial portfolios and lower interest costs compared to last year.

Income Taxes

Income taxes for the nine months ended 30 September 2021 were SEK –452 (–250) million, consisting of current taxes of SEK –129 (72) million and deferred taxes of SEK –323 (–322) million.

LIQUIDITY AND CAPITAL RESOURCES

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

As of 30 September 2021, total cash and marketable securities including short-term investments amounted to SEK 7,597 million as compared to SEK 6,929 million as of 31 December 2020.

For the nine-month period ended 30 September 2021, cash flows provided by operating activities amounted to SEK 4,138 (3,518) million. For the nine-month period ended 30 September 2021, cash flows used in investing activities amounted to SEK –1,640 (–3,751) million, including SEK –4,649 (–4,529) million related to capital expenditures. Cash flows from financing activities for the nine-month period ended 30 September 2021 amounted to SEK –2,458 (–799) million.

As of 30 September 2021, the total construction in progress was SEK 2,695 million, as compared to SEK 1,869 million as of 31 December 2020. The remaining capital expenditure commitment for newbuildings on order as of 30 September 2021 was SEK 4,954 million, of which SEK 822 million is due during 2021, SEK 1,165 million is due in 2022 and SEK 2,967 million is due in 2023 and after. Stena intends to finance the remainder of this unpaid balance, together with additional expenses and financing costs, with cash from operations, existing revolving credit facilities, new capital lease agreements, new bank loans and other financing arrangements.

As of 30 September 2021, total interest-bearing debt was SEK 60,215 million as compared to SEK 60,936 million as of 31 December 2020.

As of 30 September 2021, nothing was utilised under the SEK 10,7 billion EKN revolving credit facility compared to SEK 1,460 million as of 31 December 2020.

As of 30 June 2021, USD 115 million was utilised under the USD 121 million EKN revolving credit facility.

As of 30 September 2021, USD 505 million was utilised under the USD 725 million revolving credit facility of which USD 3 million was used for issuing bank guarantees and letters of credit. As of 31 December 2020, USD 531 million was utilized, including USD 3 million used for issuing bank guarantees and letters of credit.

As of 30 September 2021, USD 150 million was utilised under the USD 300 million revolving credit facility entered into by Stena Investment Luxembourg S.à.r.l. compared to USD 68 million as of 31 December 2020.

As of 30 September 2021, SEK 150 million was utilised under the SEK 1,300 million revolving credit facility entered into by Adactum compared to SEK 750 million as of 31 December 2020.

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

OTHER FINANCIAL INFORMATION – RESTRICTED GROUP

For the nine-month period ended 30 September 2021, Restricted Group Data represents the selected consolidated financial information excluding (i) the property business segment, (ii) the business segment of New Businesses, whose activities consist primarily of investing in companies outside our traditional lines of business, and (iii) our subsidiaries Stena Investment Luxembourg S.à.r.l., Stena Investment Cyprus Ltd and Mondaldi Ltd. Our real estate operations and the business of New Businesses are conducted through various subsidiaries. For purposes of the indentures under which our Senior Notes were issued, real estate business and Investments, New Businesses, together with our subsidiaries Stena Investment Luxembourg S.à.r.l., Stena Investment Cyprus Ltd and Mondaldi Ltd, are designated as unrestricted subsidiaries and, as a result, are not bound by the restrictive provisions of the bond indentures.

As of 30 September 2021, Stena had outstanding USD 393 million principal amounts of Senior Notes due 2024. Stena also had outstanding USD 350 million principal amounts of Senior Secured Notes due 2024, USD 350 million principal amounts of Senior Notes due 2025 and EUR 315 million principal amounts of Senior Notes due 2025.

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

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

Significant events of the first nine-month period of 2021 specific to the restricted group

As per 1 January the United Kingdom left the EU, which has not had a significant impact on the Stena AB Group's operation.

On 5 March, a London Arbitration Tribunal determined certain issues in dispute between Stena Atlantic Limited ("Stena") and Samsung Heavy Industries Co, Ltd ("SHI") over the construction of a harsh environment semi-submersible drilling unit, formerly known as "Stena MidMAX". The Tribunal determined that Stena's termination of the Contract was valid and in doing so dismissed all claims by SHI against Stena. The Tribunal also ordered payment by SHI to Stena of the minimum sum of USD 411 million, which has been received, by way of refundment of Stena's predelivery payments plus further amounts in respect of interest and project costs.

In March, *Stena Concert* was sold to an undisclosed party.

In March, the vessel *Stena Nova* was sold and delivered to her new owners.

In April, the term of the contracts with Exxon for *Stena Carron* and *Stena DrillMAX* in Guyana were extended to 31 December 2021.

In April, a contract was signed for *Stena Don* with Hurricane Energy PLC for 15 days commencing in June 2021.

In May, the ropax vessel *Côte d'Opale* was delivered

by the Chinese shipyard China Merchants Jinling Shipyard (Weihai). *Côte d'Opale* was simultaneously delivered to the Danish ferry operator DFDS.

In June, a contract for *Stena IceMAX* was signed with an undisclosed operator for a one well campaign (30 days) commencing in Q4 2021.

In June, the Stena AB Group repurchased USD 134 million of the USD 527 million outstanding unsecured bond maturing 2024. Stena AB and its affiliates may from time to time repurchase or otherwise trade in its own bonds in open market transactions.

In June, a revolving credit facility agreement was signed regarding a credit facility amounting to USD 121 million, whereof 75% is guaranteed by Exportkreditnämnden, EKN. For Stena AB this is an unsecured credit facility.

In June, a contract was signed for *Stena IceMAX* with Energean Israel for three firm wells plus two options commencing in Q1 2022.

In July, the vessels *Stena Scandica* and *Skåne* were sold to Kollsholmen Shipping AB within Stena Metall Group, and are chartered back to Stena Line.

In August, time charter agreements were entered into with Concordia Maritime regarding 10 P-MAX vessels for five years.

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

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

In August, time charter agreements were entered into with Concordia Maritime regarding 10 P-MAX vessels for five years.

In September, Stena Line bought the British online ferry ticket and customs clearance company, Freightlink. The acquisition enables them to support the wider market with customs clearance services in light of Brexit as well as stepping into the online ticket market and broaden Stena Lines' product offering.

Subsequent events

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

In November, *Mont Ventoux* was sold to CMA CGM.

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

GROUP CONSOLIDATED INCOME STATEMENTS – RESTRICTED GROUP (UNAUDITED)

(SEK in million)	Nine-month period ended 30 Sep	
	2021	2020
Revenue		
Ferry Operations	8,964	7,878
Offshore Drilling	1,817	1,120
Shipping	7,677	8,130
Other	18	24
Total revenue	18,476	17,152
Net gain on sale of non-current assets	378	6
Total other income	378	6
Direct operating expenses		
Ferry Operations	-5,566	-5,680
Ferry Operations - redundancy costs		-302
Offshore Drilling	-1,767	-1,322
Shipping	-6,066	-5,471
Other	-22	15
Total direct operating expenses	-13,421	-12,760
Selling and administrative expenses	-2,032	-2,262
Profit/loss from investments in operating associates	-63	-15
Depreciation, amortisation and impairment	-4,774	-5,362
Total operating expenses	-20,290	-20,399
Operating profit/loss	-1,436	-3,241
Dividends received	2,955	3,236
Gains/loss on securities, net	61	-248
Interest income	157	153
Interest expense	-1,320	-1,719
Foreign exchange gains/loss, net	35	-33
Other financial income/expense, net	-260	-156
Financial net	1,628	1,233
Profit/loss after financial net	192	-2,008
Non-controlling interest	-31	-12
Group contribution		5
Profit/loss before tax	161	-2,015
Income taxes	119	182
Profit for the period	280	-1,833

CONDENSED CONSOLIDATED BALANCE SHEETS – RESTRICTED GROUP (UNAUDITED)

(SEK in million)	30 September 2021	31 December 2020
Assets		
Non-current assets		
Intangible assets	2,230	2,303
Property, plant and equipment		
Vessels	36,680	36,012
Construction in progress	2,509	1,752
Equipment	2,259	2,398
Land and buildings	1,222	1,275
Ports	4,508	4,497
Total property, plant and equipment	47,178	45,934
Financial assets		
Marketable securities	567	258
Intercompany accounts, non-current	1,028	1,048
Other non-current assets	17,525	16,676
Total financial assets	19,120	17,982
Total non-current assets	68,528	66,219
Current assets		
Inventories	471	349
Trade receivables	2,949	2,176
Other current receivables	2,246	5,352
Prepayments and accrued income	1,213	999
Short-term investments	1,652	1,629
Intercompany accounts, current	1,648	1,855
Cash and cash equivalents	1,169	1,259
Assets held for sale	80	658
Total current assets	11,428	14,277
Total assets	79,956	80,496

(SEK in million)	30 September 2021	31 December 2020
Equity and liabilities		
Equity		
Share capital	5	5
Reserves	28,681	27,348
Equity attributable to shareholders of the Parent company	28,686	27,353
Non-controlling interests	246	206
Total equity	28,932	27,559
Non-current liabilities		
Deferred tax liabilities	1,131	972
Pension liabilities	640	587
Other provisions	2	1
Long-term debt	21,552	21,897
Senior Notes	12,770	13,260
Capitalised lease obligations	2,945	1,722
Intercompany accounts, non-current		1,904
Other non-current liabilities	1,697	1,953
Total non-current liabilities	40,737	42,296
Current liabilities		
Short-term debt	2,237	3,337
Capitalised lease obligations	751	586
Trade payables	1,223	1,029
Tax liabilities	83	51
Other liabilities	1,544	1,483
Intercompany liabilities, current	1,172	683
Accruals and deferred income	3,277	3,472
Total current liabilities	10,287	10,641
Total equity and liabilities	79,956	80,496

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

(SEK in million)	Nine-month period ended 30 September	
	2021	2020
Cash flow from operating activities		
Profit for the period	280	-1,833
Adjustments to reconcile profit for the year to net cash provided by operating activities:		
Depreciation, amortisation and impairment	4,774	5,362
Gain on sale of non-current assets	-378	-6
Gains/losses on securities, net	-61	248
Deferred income taxes	-136	65
Exchange differences, unrealised	-254	790
Other non-cash items	273	296
Pensions	-58	-23
Net cash flow from trading securities	-201	561
Dividend from Unrestricted group	-2,914	-3,200
Dividend from operational associates and joint ventures	78	45
Changes in working capital	1,733	-406
Cash flow from operating activities	3,136	1,899
Cash flow from investing activities		
Capital expenditure of intangible assets	-75	-53
Sale of property, plant and equipment	1,497	17
Capital expenditure on property, plant and equipment	-2,405	-2,960
Purchase and sale of operations, net of cash	30	-182
Sale of securities	318	27
Purchase of securities	-603	-45
Other investing activities	-551	1
Cash flow from investing activities	-1,789	-3,195
Cash flow from financing activities		
Proceeds from issuance of short and long-term debt	940	12,884
Principal payments on short and long-term debt	-3,997	-11,220
Net change in borrowings on line-of-credit agreements	-240	-2,342
New leases	4	0
Principal payments on capitalised lease obligations	-640	-768
Net change in restricted cash accounts	297	342
Intercompany accounts	-730	-1,282
Dividend received from Unrestricted group	2,914	3,200
Other financing activities	-22	-403
Cash flow from financing activities	-1,474	411
Effect of exchange rate changes on cash and cash equivalents	37	-42
Net change in cash and cash equivalents	-90	-927
Cash and cash equivalents at beginning of period	1,259	2,348
Cash and cash equivalents at end of period	1,169	1,421