

STENA NORTH SEA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

STENA NORTH SEA LIMITED

COMPANY INFORMATION

Directors	Michael Hugh Percy Mikael Fredrik Stenvaller Ian Hampton Mauro Mattiuzzo Annika Hult Sindo Dominic Fernandez-Ares
Registered number	04571379
Registered office	First Floor 6 Arlington Street London SW1A 1RE
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors The Capitol 431 Union St Aberdeen AB11 6DA

STENA NORTH SEA LIMITED

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STENA NORTH SEA LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Introduction

The Directors present the Strategic Report of Stena North Sea Limited (the "Company") for the year ended 31 December 2024.

Principal activities

The principal activities of the Company are to own, operate and charter out freight and passenger vessels.

Strategy

The strategy of the Company is to create value by owning and chartering out vessels, and by buying and selling vessels at the right time in the business cycle.

There are no employees in the Company.

Business review

The Company is acting mainly in the European market. It currently operates six ships which are either owned or leased (2023: six).

The business is cyclical in its characteristics. Factors that drive the cyclicity are the general economic environment in the regions where the Company is active, tonnage supply and demand balance and competition from other forms of transport. This presents the Company with both opportunities and challenges throughout a business cycle.

Management measures business performance through their review of the charter rates, the costs profile and the fleet utilization rate. The charter rates achieved and the costs profile during the year were satisfactory. The utilization rate of the fleet was 100% (2023: 100%).

Key performance indicators

A turnover of €73,000k was generated during the year (2023: €73,000k).

Operating costs of €41,000k (2023: €41,000k) primarily consist of ship depreciation charges and other ship operating costs.

The Company's solvency ratio, being equity divided by total assets, at the year end was 23% (2023: 16%). It is expected that this ratio will improve, due to the Company's forecast profits.

In early 2024, the Company continued to fund the construction of a new ice-class ropax vessel, which was delivered in February 2024 and named Ala-Suinu. Stena North Sea Limited invested in a subsidiary, Stena North Atlantic Limited, which purchased the vessel on delivery for nil gain or loss in Stena North Sea Limited.

Non-financial key performance indicators

The directors have considered non-financial key performance indicators and have concluded there are no relevant measures that are not already disclosed in key financial performance indicators, taking into account the principal activities of the Company.

Results and dividends

The Company made a profit for the financial year of €35,300k (2023: €12,900k). The increase in profits was primarily as a result of an adjustment the deferred tax on entering the UK Tonnage Tax Regime.

No dividends were paid to the parent company, Stena (UK) Limited, during the year or in the prior year.

The financial position of the Company as at 31 December 2024 is shown on page 12.

STENA NORTH SEA LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Principal risks and uncertainties

The principal risks and uncertainties faced by the Company include the residual value of owned and finance leased ships at the time of disposal. The Company undertakes an annual impairment review of the carrying value and useful economic lives of all ship assets, using third party valuations and value in use assessments where appropriate.

The announcement of tariffs on international trade by US president Donald Trump in April 2025 triggered a period of volatility on global stock markets. The short term impact of the tariff announcement resulted in a bond market sell off and an upwards revision to future inflation expectations. At the date of signing these financial statements, policy is still developing and the Directors are assessing the potential risk to the wider group business. The Company's operations are predominately based within the European market, and hence the Directors do not perceive a material risk at this stage.

The ongoing conflicts in Ukraine and the Middle East have had no major consequences on the company's operations to date. The long term effects will most likely be limited as long as these conflicts are geographically contained. However both conflicts have intensified increases in energy prices which along with restricted labour markets and industrial disputes have created upward pressure on employment costs, both globally and in Europe. Freight volumes and consumer spending have started to slow down in the markets in which the company's clients operate as a result of these higher energy prices and increases in other costs of living. If this intensifies there could be downward pressure on charter income rates for the European Roro and Ropax sectors. As operations are, in the main, between the Company and its related parties, the impact on the supply chain cost is expected to be minimal. Management and the Directors are continuing to closely monitor the situation.

Financial risk management

The Company's trading and financing transactions are principally Euro denominated. Consequently, the financial statements are presented in that currency.

Hedging, using derivative financial instruments, is undertaken for planned currency exposures arising from material transactions which are not denominated in Euros.

Ships are financed by way of third party and inter-group loans. Borrowings are undertaken at variable rates. The Company is exposed to credit and cash flow risks in the normal course of business, which is managed through the credit control procedures in place.

STENA NORTH SEA LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Directors' statement of compliance with duty to promote the success of the Company

The Directors must act in accordance with a set of general duties. These duties are detailed in section 172(1) of the Companies Act 2006 which is summarized as follows:

"A Director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of the shareholders as a whole and in doing so have regard, among other matters to:

- the likely consequences of any decisions in the long-term
- the interest of the company's employees
- the need to foster the company's relationships with suppliers, customer and others
- the impact of the company's operations on the community and environment
- the desirability of the company to maintain a reputation for high standards of business conduct, and
- the need to act fairly as between shareholders of the company"

In carrying out their duties the Directors apply the principles and guidelines established and adopted by the immediate or the ultimate parent company and which are described in the following documents:

- Principles, convictions and basic values for Stena AB (publ.) (issued by the ultimate parent company)
- Code of Conduct (issued by the ultimate parent company)
- Slavery and Human Trafficking Statement (issued by the immediate parent company)
- Anti-Bribery and Corruption Policy (issued by the immediate parent company)

The documents can be found on the immediate parent company's webpage www.stena.co.uk.

Risk Management: The Company carefully considers the risks and uncertainties, described in the section "Principal risks and uncertainties" above, in any decisions.

People/Employees: The Company is committed to be a responsible employer and applies the principles and guidelines established by the immediate and the ultimate parent company.

Business Relationships: The Company always strives to develop and maintain strong client relationships by delivering high quality and cost efficient services.

Community and Environment: The Company always strives to improve efficiency and performance to reduce the environmental impact of the business and to contribute to a sustainable development of the community.

For further information reference is made to the Sustainability Report incorporated in the Annual Report of the ultimate parent company which can be found on the immediate parent company's webpage www.stena.co.uk

This report was approved by the board and signed on its behalf on 13 May 2025.



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Sindo Dominic Fernandez-Ares
Director

STENA NORTH SEA LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their report and the audited financial statements for the year ended 31 December 2024.

Dividends and Financial Risk Management

Reference is made to the relevant sections in the Strategic Report.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

The directors 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

Michael Hugh Percy
Mikael Fredrik Stenvaller
Ian Hampton
Mauro Mattiuzzo
Annika Hult
Sindo Dominic Fernandez-Ares

The Directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of the approval of the financial statements.

Environmental matters

Climate and energy issues are important to the Stena AB group business and plans. Areas of focus for Stena are energy efficiency improvement, the transition to renewable energy, and electrification. The group has a tradition of strong technical expertise, which enables innovation, development and implementation of future climate-smart technology and solutions. While many initiatives are in progress, Stena is well aware that the rate of transformation needs to increase sharply in the coming years in order to achieve society's climate goals.

STENA NORTH SEA LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Streamlined Energy & Carbon Reporting

The entity is a low energy user - limited to office consumption of electricity. The company consumed 40,000 kWh of energy or less in the United Kingdom during the period in respect of which the directors' report is prepared and the company is therefore exempt from the Department for Business, Energy and Industrial Strategy (BEIS)'s Streamlined Energy & Carbon reporting requirements.

Going concern

The Company (together with two other group companies) has a multicurrency revolving credit facility provided by a fellow group company, AB Stena Finans. As at 31 December 2024 the limit of the facility was \$140,000k (2023: \$170,000k), reducing by \$30,000k per annum.

At year-end, and as at the date of signing, \$0.0k (2023: \$0.0k) was drawn on the facility, leaving a further \$140,000k (2023: \$170,000k) undrawn. The facility was extended in February 2025 to mature on 31 December 2028.

At the year end, the Company has net cash at bank of €142,500k (2023: €95,300k).

The Company had six JOLCO (Japanese Operating Lease with Call Option) leases in place in respect of each of the vessels at year end (2023: Six). Four of these are due to be repaid in 2025 and therefore the remaining liabilities at year end on these leases have been classed as current, giving rise to a net current liability. The first two of these leases terminated in January 2025 and were refinanced with two new three year JOLCOs in February 2025. Management are in the process of refinancing the remaining leases as and when they expire. The market for such arrangements for modern and efficient vessels remains positive.

Based upon the availability of its drawn and undrawn loan facilities and having reviewed the Company's future forecast cash flows, the Directors expect the Company to be a going concern for at least 12 months from the date of signing the financial statements and therefore prepared the financial statements on a going concern basis.

STENA NORTH SEA LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Future developments

The market is evaluated on an ongoing basis and management and the Directors have at this stage, no significant doubts about the continued operations as the overall business is expected to develop in the same direction and to about the same extent as in 2024.

Amendments to the International Convention for the Prevention of Pollution from Ships (MARPOL) Annex VI entered into force on 1 November 2022. Developed under the framework of the Initial IMO Strategy on Reduction of GHG Emissions from Ships agreed in 2018, these technical and operational amendments require ships to improve their energy efficiency in the short term and thereby reduce their greenhouse gas emissions.

From 1 January 2023 it is mandatory for all ships to calculate their attained Energy Efficiency Existing Ship Index (EEXI) to measure their energy efficiency and to initiate the collection of data for the reporting of their annual operational carbon intensity indicator (CII) and CII rating.

These measurements have been implemented as a stimulus to reduce carbon intensity of all ships by 40% by 2030, compared to the 2008 baseline.

The Company and wider group are investing in research to ensure that all vessels held have reduced their carbon intensity, for both the short-term and long-term, in alignment with the IMO Strategy.

The Board approved with the operator of the Stena Superfast VII and Stena Superfast VIII to convert these vessels to a dual fuel diesel and methanol machinery to future proof the assets and form part of the wider group's methanol hub strategy ensuring CII compliance.

In conjunction with the Company's internal clients and the wider group the ability to transition to a climate neutral business, leveraging new technology and generating smarter solutions is an opportunity to grow and strengthen market position and to further establish Stena as a leader in Sustainability.

In early 2025, the Company was one of three group companies formally accepted by HRMC into the UK tonnage tax regime. This will result in two of the Company's six vessels falling out of normal taxation to a system of fixed taxation based on net tonnage from 1st January 2025. Based on current and past profitability, this is expected to see a reduction in current taxation from 2025 onwards for these vessels.

Engagement with suppliers, customers and others

All customers and the majority of suppliers are from within the wider Stena AB group. Management maintain good relationships with all the business areas in the group, with regular communication. Transfer pricing rules are adhered to using market data and third party guidance, where required.

Third party lending is arranged by the central treasury team of the group. The directors make decisions on the funding strategy based on the treasury team's guidance.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

STENA NORTH SEA LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

This report was approved by the board on 13 May 2025 and signed on its behalf.



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Sindo Dominic Fernandez-Ares
Director

STENA NORTH SEA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STENA NORTH SEA LIMITED

Opinion

In our opinion, Stena North Sea Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2024; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant 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 company 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.

Conclusions relating to going concern

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 company'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 company'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.

STENA NORTH SEA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STENA NORTH SEA LIMITED (CONTINUED)

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.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, 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 company'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 company or to cease operations, or have no realistic alternative but to do so.

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.

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.

STENA NORTH SEA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STENA NORTH SEA LIMITED (CONTINUED)

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and UK corporation tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. 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 manipulation of the results of the company through inappropriate journals entries or bias in assumptions relating to accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance of laws and regulations and fraud;
- Reviewing legal and professional expenses and the minutes of meetings of those charged with governance for any indication of non-compliance with laws and regulations;
- Understanding and evaluating the design and implementation of management's controls designed to prevent and detect irregularities;
- Challenging the assumptions and judgements made by management in accounting estimates; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations impacting the result for the year.

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.

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

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 Chapter 3 of Part 16 of the Companies Act 2006 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.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Martin Cowie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Aberdeen
13 May 2025

STENA NORTH SEA LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 €	2023 €000
Turnover	4	72,920	72,722
Gross profit		<u>72,920</u>	<u>72,722</u>
Administrative expenses		(41,261)	(41,282)
Operating profit	5	<u>31,659</u>	<u>31,440</u>
Interest receivable and similar income	7	8,942	7,364
Interest payable and similar expenses	8	(18,004)	(20,490)
Profit before tax		<u>22,597</u>	<u>18,314</u>
Tax on profit	9	12,745	(5,411)
Profit for the financial year		<u><u>35,342</u></u>	<u><u>12,903</u></u>

There was no other comprehensive income for 2024 (2023:€Nil).

The notes on pages 14 to 30 form part of these financial statements.

STENA NORTH SEA LIMITED
REGISTERED NUMBER: 04571379

BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 €000	2024 €000	2023 €000	2023 €000
Fixed assets					
Tangible assets	10		208,706		299,053
Fixed asset Investments	11		23,183		-
Other non-current assets					
Deferred Taxation	17		30,741		2,429
			262,630		301,482
Current assets					
Debtors: amounts falling due within one year	12	61,045		53,426	
Cash at bank and in hand			142,715		101,989
			203,760		155,415
Creditors: amounts falling due within one year	13	(249,151)		(78,745)	
Net current (liabilities)/assets			(45,391)		76,670
Total assets less current liabilities			217,239		378,152
Creditors: amounts falling due after more than one year	14		(109,792)		(306,047)
Net assets			107,447		72,105
Capital and reserves					
Called up share capital	18		1,000		1,000
Profit and loss account			106,447		71,105
Total equity			107,447		72,105

The financial statements on pages 11 to 30 were approved and authorised for issue by the board and were signed on its behalf on 13 May 2025.



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Sindo Dominic Fernandez-Ares
 Director

The notes on pages 14 to 30 form part of these financial statements.

STENA NORTH SEA LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Called up share capital	Profit and loss account	Total equity
	€000	€000	€000
At 1 January 2023	1,000	58,202	59,202
Comprehensive income for the year			
Profit for the year	-	12,903	12,903
At 31 December 2023 and 1 January 2024	<u>1,000</u>	<u>71,105</u>	<u>72,105</u>
Comprehensive income for the year			
Profit for the year	-	35,342	35,342
At 31 December 2024	<u><u>1,000</u></u>	<u><u>106,447</u></u>	<u><u>107,447</u></u>

The notes on pages 14 to 30 form part of these financial statements.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

Stena North Sea Limited (the "Company") is a private company limited by shares and is incorporated in England, United Kingdom. The address of its registered office is First Floor, 6 Arlington Street, London, England, SW1A 1RE.

The principal activities of the Company are to own, operate and charter out freight and passenger vessels.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- From preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the company's cash flows;
- From the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures;
- From disclosing share-based payment arrangements, required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23, concerning its own equity instruments, as the company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein; and
- From disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

This information is included in the consolidated financial statements of Stena AB (publ.) as at 31 December 2024 and these financial statements may be obtained from Masthuggskajen, 405 19, Gothenburg, Sweden.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of a state other than the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.4 Going concern

The Company (together with two other group companies) has a multicurrency revolving credit facility provided by a fellow group company, AB Stena Finans. As at 31 December 2024 the limit of the facility was \$140,000k (2023: \$170,000k), reducing by \$30,000k per annum.

At year-end, and as at the date of signing, \$0.0k (2023: \$0.0k) was drawn on the facility, leaving a further \$140,000k (2023: \$170,000k) undrawn. The facility was extended in February 2025 to mature on 31 December 2028.

At the year end, the Company has net cash at bank of €142,500k (2023: €95,300k).

The Company had six JOLCO (Japanese Operating Lease with Call Option) leases in place in respect of each of the vessels at year end (2023: Six). Four of these are due to be repaid in 2025 and therefore the remaining liabilities at year end on these leases have been classed as current, giving rise to a net current liability. The first two of these leases terminated in January 2025 and were refinanced with two new three year JOLCOs in February 2025. Management are in the process of refinancing the remaining leases as and when they expire. The market for such arrangements for modern and efficient vessels remains positive.

Based upon the availability of its drawn and undrawn loan facilities and having reviewed the Company's future forecast cash flows, the Directors expect the Company to be a going concern for at least 12 months from the date of signing the financial statements and therefore prepared the financial statements on a going concern basis.

2.5 Foreign currency translation

The Company's trading and financing transactions are principally Euro denominated. Since this is the functional currency, the financial statements have been prepared in Euros.

Transactions in foreign currencies are recorded using the rate of exchange at the date of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.6 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Company and value added taxes.

The Company charters out freight and passenger vessels services.

Revenue is recognized when;

- a) the significant risks and rewards of ownerships has been transferred to the buyer;
- b) the Company retains no continuing involvement or control over the goods/service;
- c) the amount of revenue can be measured reliably;
- d) it is probable that future economic benefits will flow to the entity.

The revenue on charter income is recognised in the year the services are rendered when the outcome of the contract can be measured reliably.

2.7 Operating leases: the Company as lessor

Rental income from operating leases is credited to profit or loss on a straight line basis over the lease term.

2.8 Interest receivable and similar income

Interest income is recognised in profit or loss using the effective interest method.

2.9 Interest payable and similar expenses

Interest payable and similar expenses are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.11 Current and deferred taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date, except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

As an exception to the requirements, an entity shall not take into account the effects of Pillar Two legislation when measuring deferred tax assets and deferred tax liabilities.

2.12 Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2.13 Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.13 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Ships	- 20 - 30 years
Machinery and equipment	- 5 - 10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Assets under construction, including improvements to previously held assets, are not depreciated. Once the assets are in use, depreciation is provided for at the above rates.

2.14 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.16 Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in Profit and loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

2.17 Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Profit and loss, unless the asset has been revalued when the amount is recognised in the Profit and loss to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Profit and loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Profit and loss.

2.18 Financial instruments

The Company has chosen to adopt the Sections 11 and 12 exemption of FRS 102 in respect of financial instruments.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.19 Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, third party loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will not be drawn down, the fee is capitalised and amortised over the period of the facility to which it relates.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.20 Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.21 Derivatives

The Company does not generally apply hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies or for transactions entered into to manage the cash flow exposure of borrowings. Interest rate swaps are held to manage interest rate exposures and are designed as cash flow hedges of floating rate borrowings.

Changes to the fair values of derivatives designed as cash flow hedges, and which are effective, are recognized directly in equity. Any ineffectiveness in the hedging relationship (being the excess of the cumulative change in fair value of the hedging instrument since inception of the hedge over the cumulative change in the fair value of the hedged item since inception of the hedge) is recognized in the Income Statement. Where formal hedge documentation has not been put in place, the movement in the fair value is recognised in the Profit and loss.

The gain or loss recognized in other comprehensive income is reclassified to the Profit and loss when the hedging relationship ends. Hedge accounting is discontinued when the hedge relationship ends. Hedge accounting is discontinued when the hedging instrument expires, no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised or the hedging instrument is terminated.

2.22 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Management make estimates and assumptions concerning future developments in conjunction with the preparation of the financial statements. The resulting accounting estimates will, by definition, rarely be equal to the actual results. Those estimations and assumptions implying a significant risk of material adjustments in the in the carrying amounts of assets and liabilities during the next financial period are discussed below.

Vessels

The Company reviews the estimated useful lives of vessels based on factors such as business plans and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimate useful lives of vessels would increase the recorded depreciation and decrease the value of the vessel.

The Company uses appraisals carried out by independent vessel brokers for impairment assessment. If a review indicates that the net carrying amount of an asset exceeds its recoverable amount, discounted cash flows based on estimated capital expenses and estimated future returns are used. If impairment exists on the balance sheet date, the recoverable amount to the asset is estimated and the asset is written down to this value. Impairment is reversed if any change is made to the calculations used to determine the recoverable amount.

The residual values and useful lives of the assets are tested on every balance sheet date and adjusted when needed.

No impairment loss has been recognised in the current year (2023: Nil). See Note 10 for further details.

Investments in subsidiaries

The Company appraises the investments in subsidiaries by comparison of net assets to investment cost. Where the investment costs are higher than net assets, the Company looks to valuations of the assets held within the subsidiaries, from appraisals carried out by independent brokers. Further assessment is undertaken of business plans and strategies and future expected earnings. If a review indicates that the net carrying value exceeds the recoverable amount, the investment is written down to the value indicated by the review.

No impairment losses have been recognised in the current year. See note 11 for further details.

Deferred tax asset

In the preparation of the financial statements, the Company prepares a calculation of income taxes well as deferred taxes attributable to temporary differences.

Deferred tax assets that are primarily attributable to tax losses carried forward and temporary differences are reported if the tax assets can be expected to be recovered through future taxable income. Changes in the assumptions regarding forecasted future taxable income, as well as changes in tax rates, may result in significant differences in the valuation of deferred taxes. See Note 9 for further details.

Derivative financial instruments

The Company uses forward exchange contracts in order to hedge against fluctuations in the value of the US Dollar loans. A financial asset or liability is recognised at fair value through profit and loss, calculated using the exchange rates prevailing at the reporting date, assuming an available market for the forward exchange contracts.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

4. Turnover

Turnover comprises charter hire receivable on vessels owned, leased and managed during the year. Charter hire arises in the following geographical markets:

	2024 €000	2023 €000
Europe	<u>72,920</u>	<u>72,722</u>

5. Operating profit

The operating profit is stated after charging / (crediting):

	2024 €000	2023 €000
Depreciation	40,086	40,086
Exchange differences	<u>(4,287)</u>	<u>(644)</u>
	2024 €000	2023 €000

Fee payable to the Company's auditors for the audit of the Company's financial statements

	<u>24</u>	<u>29</u>
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The directors have agreed with the Company's auditors that the auditor's liability to damages for breach of duty in relation to the audit of the Company's financial statements for the year to 31 December 2024 should be limited to the greater of £5,000,000 or 5 times the auditor's fee for the statutory audit, and that, in any event, the auditor's liability for damages will be limited to that part of any loss suffered by the Company as is just and equitable having regard to the extent to which the auditor, the Company and any third parties are responsible for the loss in question. The shareholders of the Company approved this liability limitation agreement, as required by the Companies Act 2006, by a resolution dated 21 January 2025.

6. Employees

The Company has no employees who receive any remuneration (2023 - £Nil).

The remuneration of the directors is paid by a fellow group company, which makes no recharge to the company. They are directors of the fellow group company and a number of fellow subsidiaries, and it is not possible to make an accurate apportionment of their remuneration in respect of each of the subsidiaries. Accordingly, no remuneration has been disclosed in respect of these directors. Their total remuneration is included in the aggregate of directors' remuneration disclosed in the financial statements of the fellow group company.

STENA NORTH SEA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

7. Interest receivable and similar income

	2024	<i>2023</i>
	€000	<i>€000</i>
Bank deposit interest	2,549	<i>1,994</i>
Deposit interest from fellow group undertakings	1,837	<i>1,755</i>
Other interest receivable	33	<i>74</i>
Derivative financial instruments	236	<i>2,897</i>
Exchange gain	4,287	<i>644</i>
	<u>8,942</u>	<i><u>7,364</u></i>

8. Interest payable and similar expenses

	2024	<i>2023</i>
	€000	<i>€000</i>
Bank interest and other charges	16,249	<i>18,466</i>
Bank guarantee costs	1,755	<i>2,024</i>
	<u>18,004</u>	<i><u>20,490</u></i>

The ultimate parent company, Stena AB (publ.), guarantees all external loans and leases.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9. Tax on profit

	2024 €000	2023 €000
Corporation tax		
Group relief payable at 25% (2023: 23.5%)	15,673	8,906
Adjustments in respect of previous periods	(106)	(5,191)
	<u>15,567</u>	<u>3,715</u>
Total current tax	<u>15,567</u>	<u>3,715</u>
Deferred tax		
Current year	(28,425)	(4,893)
Adjustments in respect of previous periods	113	6,589
	<u>(28,312)</u>	<u>1,696</u>
Total deferred tax	<u>(28,312)</u>	<u>1,696</u>
Total tax on profit	<u>(12,745)</u>	<u>5,411</u>

The previous year adjustments relate to the change in the Group relief position in the filed tax returns.

Factors affecting tax (credit)/charge for the year

The tax assessed for the year is lower than (2023 - *higher than*) the standard rate of corporation tax in the UK of 25% (2023 - 23.5%). The differences are explained below:

	2024 €000	2023 €000
Profit before tax	<u>22,597</u>	<u>18,314</u>
Profit before tax multiplied by standard rate of corporation tax in the UK of 25% (2023 - 23.5%)	5,649	4,304
Effects of:		
Expenses not deductible for tax purposes	19	-
Adjustments in respect of previous periods	7	1,398
Deferred tax rate changes	-	(291)
Deferred tax adjustment on entering UK tonnage tax	(18,420)	-
Total tax (credit)/charge for the year	<u>(12,745)</u>	<u>5,411</u>

STENA NORTH SEA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

9. Tax on profit (continued)

OECD Pillar Two model rules

The Company is within the scope of the OECD Pillar Two model rules. Pillar Two legislation has been enacted in the UK, the jurisdiction in which the entity is incorporated, and is effective in 2024.

Under the legislation, the group is liable to pay a top-up tax in the UK for the difference between the GloBE effective tax rate for each jurisdiction and the 15% minimum rate. In addition, top-up taxes are payable locally where qualifying domestic minimum top-up taxes have been legislated and are in effect.

The group applies the exemption to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

The group intend to take safe harbour exemptions in accordance with the satisfaction of the required criteria for the UK. The company has entered into the UK tonnage tax regime from 01 January 2025. At this stage, the Directors are evaluating the potential impact this may have on future Pillar Two calculations.

10. Tangible assets

	Ships €000	Machinery and equipment €000	Total €000
Cost or valuation			
At 1 January 2024	782,513	20,428	802,941
Additions	75,352	-	75,352
Disposals	(125,613)	-	(125,613)
At 31 December 2024	<u>732,252</u>	<u>20,428</u>	<u>752,680</u>
Accumulated Depreciation			
At 1 January 2024	483,460	20,428	503,888
Charge for the year on owned assets	40,086	-	40,086
At 31 December 2024	<u>523,546</u>	<u>20,428</u>	<u>543,974</u>
Net book value			
At 31 December 2024	<u>208,706</u>	<u>-</u>	<u>208,706</u>
At 31 December 2023	<u>299,053</u>	<u>-</u>	<u>299,053</u>

Included in Ships are vessels, with net book value of €206,000k (2023: €246,000k), which have been pledged as collateral to securitize the loans received from the bank and other third party lender (notes 14 and 15).

STENA NORTH SEA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. Tangible assets (continued)

11. Investments

Cost or valuation	Investments in subsidiary companies €000
Additions	23,183
At 31 December 2024	<u><u>23,183</u></u>

On 1 January 2024, the Company acquired the €100 Ordinary shares of Stena North Atlantic Limited from its parent, Stena (UK) Limited, at par. On 16 January 2024, the Company invested \$25,000k, translated to €23,200k, into its newly acquired subsidiary.

In the opinion of the Directors, the investments in, and the amounts due from, the Company's subsidiary company is worth at least the amounts at which they are stated in the balance sheet.

The Company did not receive any dividends from its subsidiary during the year.

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Holding
Stena North Atlantic Limited	First Floor, 6 Arlington Street, London, England, SW1A 1RE	100 %

12. Debtors: amounts falling due within one year

	2024 €000	2023 €000
Trade debtors	10	12
Amounts owed by group undertakings	45,126	43,088
Derivative financial instruments	14,557	7,006
Prepayments and accrued income	1,352	3,320
	<u><u>61,045</u></u>	<u><u>53,426</u></u>

Prepayments and accrued income include €500k (2023: €1,300k) relating to periods after more than one year.

STENA NORTH SEA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024	<i>2023</i>
	€000	<i>€000</i>
Amounts owed by group undertakings consists of:		
Unsecured interest-bearing deposit	32,838	<i>30,800</i>
Intra-group receivables	12,288	<i>12,288</i>
	<u>45,126</u>	<i><u>43,088</u></i>

The unsecured interest-bearing deposit is repayable on demand and interest is charged on a variable rate basis of SOFR plus 0.25% (2023: 0.25%).

Intra-group receivables are interest free and repayable on demand.

13. Creditors: Amounts falling due within one year

	2024	<i>2023</i>
	€000	<i>€000</i>
Bank loans and overdrafts	213	<i>6,678</i>
Bank and third party borrowings	217,556	<i>61,175</i>
Amounts owed to group undertakings	24,504	<i>9,051</i>
Accruals and deferred income	6,878	<i>1,841</i>
	<u>249,151</u>	<i><u>78,745</u></i>

Amounts owed to group undertakings are unsecured, repayable on demand and are non interest bearing.

STENA NORTH SEA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

14. Creditors: Amounts falling due after more than one year

	2024	2023
	€000	€000
Bank and third party borrowings	109,792	306,047
	109,792	306,047

The Company (together with two other group companies) has a multicurrency revolving credit facility provided by a fellow group company, AB Stena Finans. As at 31 December 2024 the limit of the facility was \$140,000k (2023: \$170,000k), reducing by \$30,000k per annum. At year-end \$0.0k (2023: \$0.0k) was drawn on the facility, leaving a further \$140,000k (2023: \$170,000k) undrawn.

The facility was repayable in full on December 31, 2025. The interest charged is on a variable rate basis, and interest is charged at SOFR plus 3.25% (2023: 3.25%).

The facility was extended on 6 February 2025 and will continue to reduce by \$30m per annum until 31 December 2028.

The Company has a multicurrency credit facility provided by a bank and another third party lender. The interest rates are charged on a fixed rate, between 3.2 – 3.5% (2023: 3.2 - 3.5%) on the USD elements and variable rates of EURIBOR plus 1.93 – 2.25% (2022: 1.93 - 2.25%) on the Euro loans. These loans were obtained to refinance the ownership of vessels which have also been used as collateral to secure the loans (note 10). The loans are repayable over a 7-year period.

15. Loans

Analysis of the maturity of loans is given below:

	2024	2023
	€000	€000
Amounts falling due within one year		
Bank and third party borrowings	217,556	61,175
Amounts falling due 1-5 years		
Bank and third party borrowings	109,792	306,047
	327,348	367,222

Bank and third party borrowings at 31 December 2024 of €327,300k (2023: €367,200k) consist of secured facilities to finance the ownership of ships (note 10). Interest is payable on a fixed and variable interest rate basis.

STENA NORTH SEA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16. Financial instruments

	2024	2023
	€000	€000
Financial assets		
Financial assets measured at fair value through profit or loss	<u>14,557</u>	<u>7,006</u>

Financial assets measured at fair value through profit or loss comprise forward exchange contracts.

17. Deferred taxation

	2024	2023
	€000	€000
At beginning of year	2,429	4,125
Charged/(Credited) to profit or loss	28,312	(1,696)
At end of year	<u>30,741</u>	<u>2,429</u>

The deferred tax asset is made up as follows:

	2024	2023
	€000	€000
Accelerated capital allowances	30,741	2,429
	<u>30,741</u>	<u>2,429</u>

18. Called up share capital

	2024	2023
	€000	€000
Allotted, called up and fully paid		
1,000,000 (2023 - 1,000,000) Ordinary shares of €1.00 each	<u>1,000</u>	<u>1,000</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

19. Capital commitments

At 31 December 2024 there were future commitments for capital expenditure of €12,900k (2023: €12,900k) relating to the conversion of engines to methanol for two vessels.

STENA NORTH SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

20. Related party transactions

Under paragraph 33.1A of FRS 102, the Company is exempt from the requirement to disclose related party transactions with other group undertakings as it is a wholly owned subsidiary of a parent undertaking which prepares and publishes consolidated financial statements. There are no further related party transactions, which in the opinion of the Directors require disclosure in the financial statements.

21. Parent company and ultimate parent company

The Company is a wholly owned subsidiary of Stena (UK) Limited, which is incorporated in London, Great Britain and registered in England and Wales. The ultimate parent and controlling company is Stena AB (publ.), a company incorporated in Sweden.

The smallest and largest group in which the results of the Company are consolidated is that headed by Stena AB (publ.). The consolidated financial statements of Stena AB (publ.) are available at Masthuggskajen, 405 19, Gothenburg, Sweden.

The immediate parent undertaking is Stena (UK) Limited.