



Company Presentation

18 May 2017



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Risk factors

- Risks related to the Company and the LNG industry
 - The Company's business, financial condition, results of operations and ability to pay dividends depend on the level of activity in the gas industry in general and the LNG industry in particular which can be materially adversely affected by:
 - Volatile natural gas prices
 - Decline in LNG production
 - Decline in exports
 - Decline in the overall demand for natural gas and LNG
 - Gas prices are volatile and are affected by numerous factors beyond the Company's control, including, but not limited to worldwide demand for natural gas and the following:
 - the cost of exploring for, developing, producing, transporting and distributing of natural gas;
 - expectations regarding future energy prices - for both natural gas and other sources of energy;
 - level of world-wide LNG production and exports;
 - the competitiveness of alternative energy sources;
 - environmental protection and other laws and regulations;
 - local and international political and economic conditions.
 - Oversupply of LNG vessels may negatively impact the utilization rates and dayrates for LNG carriers
 - The Company's operations are currently depending on two vessels. Any operational downtime or any failure to secure employment for any vessel at satisfactory rates will affect the Company's results more significantly than for companies with larger fleets.

Risk factors

- The Company relies on a significant supply of consumables, spare parts and equipment. Cost increases, delays or unavailability could negatively impact the Company's operations and result in higher downtime due to the repair and maintenance of its fleet.
- The Company's vessel operating expenses and dry-dock capital expenditure depend on a variety of factors including crew costs, provisions, deck and engine stores and spares, lubricating oil, insurance, maintenance and repairs and shipyard costs, many of which are beyond the Company's control and affect the entire shipping industry.
- The Company operates in a highly competitive market
 - Several competitors are substantially larger companies
 - Several competitors have substantially greater resources
- Risks related to the financial situation
 - Many of the Company's operating costs are unpredictable and can vary based on events beyond the Company's control. The Company's gross margins will therefore vary over the terms of its contracts.
 - There can be no assurance that the Company will be able to comply with the renegotiated terms with Teekay
 - There can be no assurance that the Company will be able to obtain the required financing for its operations going forward
- Risks related to the shares
 - The market price of the shares may be highly volatile and investors could suffer substantial loss
 - Issuance of shares may dilute the holdings of shareholders and could materially affect the share price

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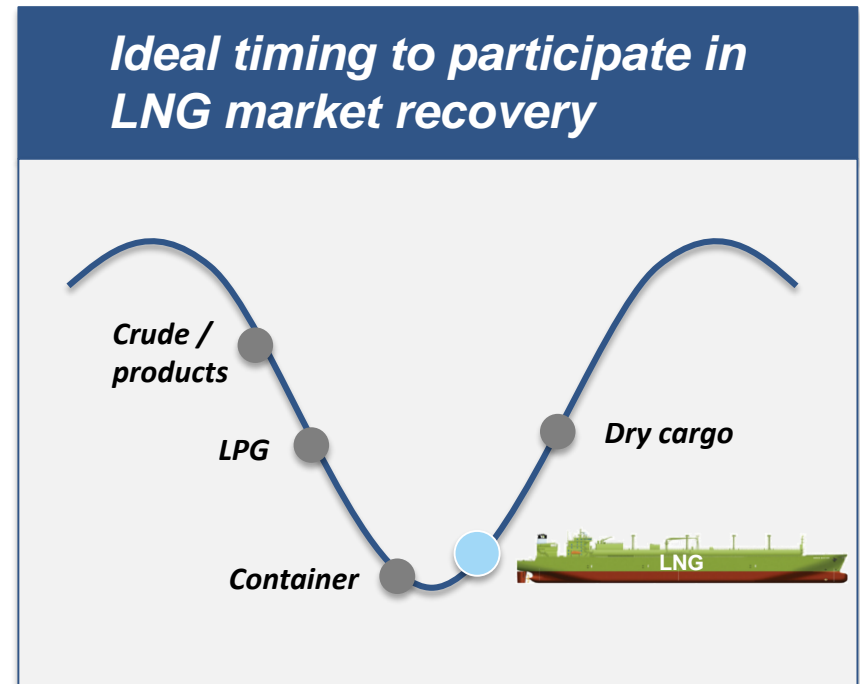
LNG shipping market

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Financials

Key highlights

- Renegotiated flexible agreement with Teekay to extend charter period and defer charter hire
- Awilco LNG will be fully financed through the equity issuance
- LNG market fundamentals set for recovery – reflecting significant volume growth in years to come
- The transaction is supported by key existing shareholders



Significant relief and extensions secured

Key highlights of renegotiated agreement with Teekay

Deferral of charter hire

- Front loaded reduction in bare-boat rate payable to Teekay providing significantly lower cash breakeven – total of USD 29.3m deferred
- Rate reduced from current level of USD 49,100 per day to:
 - USD 28,500 per day for both vessels the first 10 months
 - USD 33,500 per day subsequent 11 months
 - USD 38,500 per day last 10 months
- Deferred amounts will become payable at maturity of the contract (year-end 2019)
- Cash sweep mechanism introduced to reduce deferred amounts

Charter period extended and flexible

- Bareboat charters for both vessels extended to 31 December 2019
- Option for early termination and refinance vessels at any time before maturity of the contracts
- Total purchase obligation of USD 113.3m and USD 114.5m at maturity (excluding deferred hire)
- No financial covenants except for dividend restrictions

Renegotiated flexible agreement with Teekay provides bridge to full market recovery

An attractive entry point with significant recovery potential



Renegotiated flexible agreement with Teekay provides bridge to full market recovery

An attractive pure-play on LNG recovery

Short-term LNG fundamentals improving – long term outlook firm

Opportunistic strategy for maximising shareholder values

Solid support from long term owners with established track record

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Modern fleet with two sister vessels

WilForce



WilPride



Year built	2013
Yard	DSME
Capacity	156,007m ³
DWT	87,750 mt
Draft	12.521m
Manager	Awilco LNG
	Technical Mgmt
Flag	 NIS
Propulsion	TFDE

Spot market (ended three-year contract in December 2016)

Year built	2013
Yard	DSME
Capacity	156,089m ³
DWT	87,677 mt
Draft	12.521m
Manager	Awilco LNG
	Technical Mgmt
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Spot market

- ✓ *Pure-play exposure towards LNG transportation market*
- ✓ *Vessels currently trading in the spot market – with full exposure to improving market conditions*
- ✓ *Homogenous fleet of modern Daewoo-built vessels*
- ✓ *Attractive design well suited for infrastructure opportunities*
- ✓ *Three older vessels divested in 2015 and 2016*

Focused LNG owner and operator

Fully integrated LNG transportation provider

- ✓ **In-house commercial operation**
 - Established at startup in 2011
 - Fixed in excess of 40 contracts from spot to mid-term
- ✓ **In-house technical operations**
 - Established own unit in 2012
 - Built and operated vessels since contracted
 - Accepted by multiple majors for long term charters
- ✓ **Key employees with extensive shipping-, LNG- and Natural Gas experience**

Invited to tender for long-term contracts by multiple major oil companies

Trading with a growing list of clients

22 different charterers **48** terminals called

Mid-term clients (1-3 yrs)

- ENI
- Petrobras
- Excelerate / North West Shelf

Short-term clients

- Centrica
- Mitsui
- Iberdrola

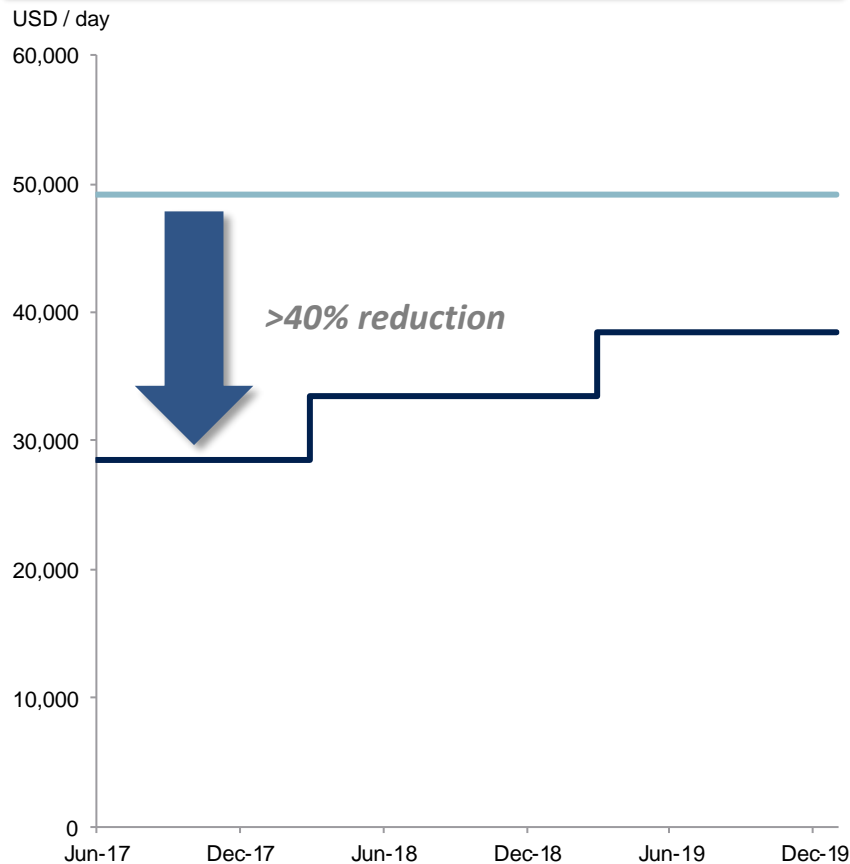
Spot voyages

- Petronet
- RasGas
- EDF
- RWE
- Gunvor
- Kogas
- Statoil
- Vitol
- Gas Natural
- Trafigura
- Pertamina
- Pavillion

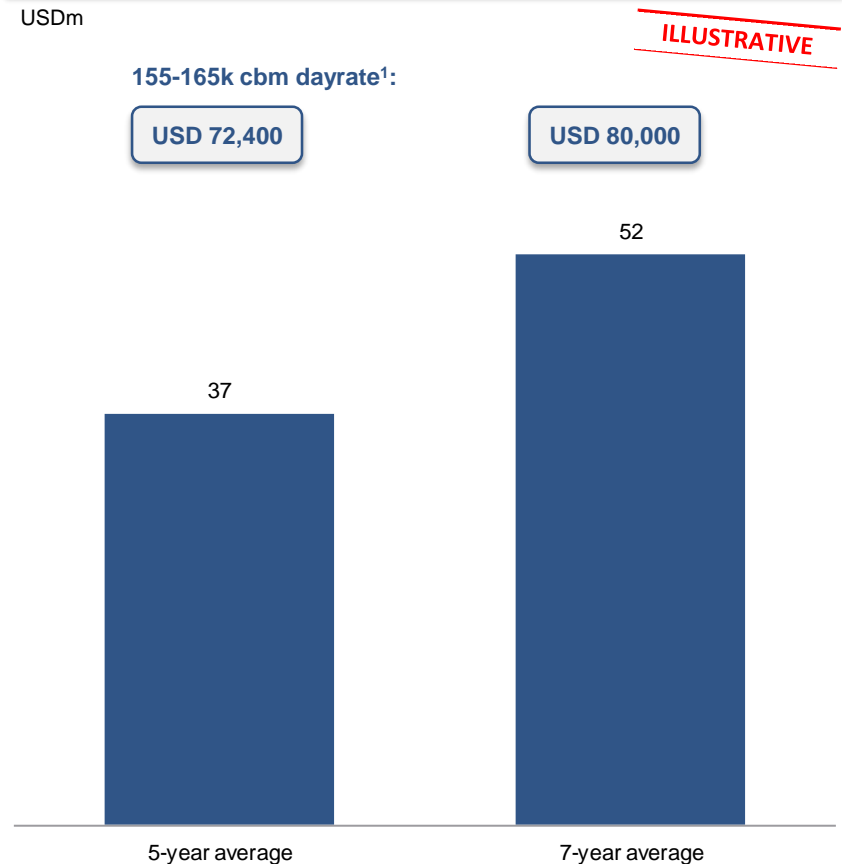


Robust headroom whilst significant upside potential retained

Renegotiated bareboat rates with Teekay



Cash generation to YE2019 at historical rates



Highly experienced management team and board

Executive management team

Jon Skule Storheill – Co-founder / Chief Executive Officer since 2011

- **Prior experience:**
 - Managing Director of Awilco AS
 - Director of S&P/Projects with Frontline Management
 - Director/Partner of shipbroking company P.F. Bassøe AS
 - Chairman of the Board of Wilhelmsen Marine Services AS in addition to serving with various board positions in the industry
 - More than 25 years of shipping experience

Snorre Schie Krogstad – Chief Financial Officer since 2011

- **Prior experience:**
 - CFO at Camillo Eitzen & Co ASA
 - More than 25 years of experience from the shipping, offshore and banking industry both in Norway and internationally

Ian S. Walker – SVP Chartering since 2011

- **Prior experience:**
 - SVP Chartering at Golar LNG
 - Various Commercial, Marketing and Project Development roles in LNG projects for both BG and Shell
 - More than 25 years experience from the natural gas & shipping industry

Jan Espen Andersen – Head of Operation since 2011

- **Prior experience:**
 - Head of Operations at Höegh LNG
 - Various shore side marine related positions since 1997 following 7 years at sea and is a certified Master Mariner
 - More than 25 years of shipping experience

Board of Directors

Sigurd E. Thorvildsen – Chairman and Non-Executive Director

- CEO of the Awilhelmsen group and Chairman of the Board of Awilco Drilling
- More than 25 years of experience from the shipping- and offshore industry

Jon-Aksel Torgersen – Non-Executive Director

- CEO of Astrup Fearnley AS
- Extensive board experience from a number of companies in the property, shipping, finance and offshore sectors

Henrik Fougner – Non-Executive Director

- COO of the Awilhelmsen group, and serves on the board of Awilco Drilling
- More than 25 years of experience from the shipping, offshore and banking industry both in Norway and internationally

Annette Malm Justad – Non-Executive Director

- Previously worked i.a. as CEO in Eitzen Maritime Services, VP and Head of Purchasing at Yara International ASA.
- Extensive board experience in the shipping and offshore industry

Synne Syrrist – Non-Executive Director

- Work experience as an independent consultant, and as financial analyst in Elcon Securities ASA and First Securities ASA
- Board experience from both listed and private companies, currently i.a. board member of Awilco Drilling Plc and Eidesvik Offshore ASA

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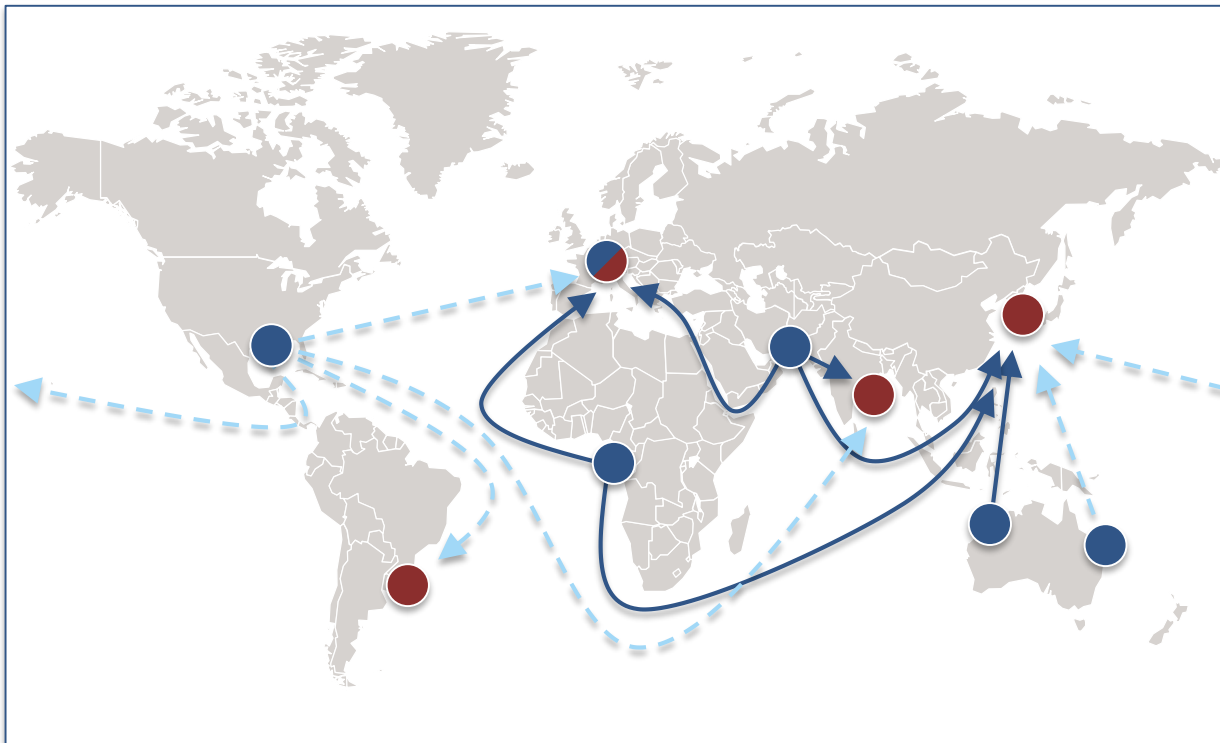
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Financials

LNG trade patterns becoming increasingly fragmented demanding further vessels

Traditional and emerging trading routes

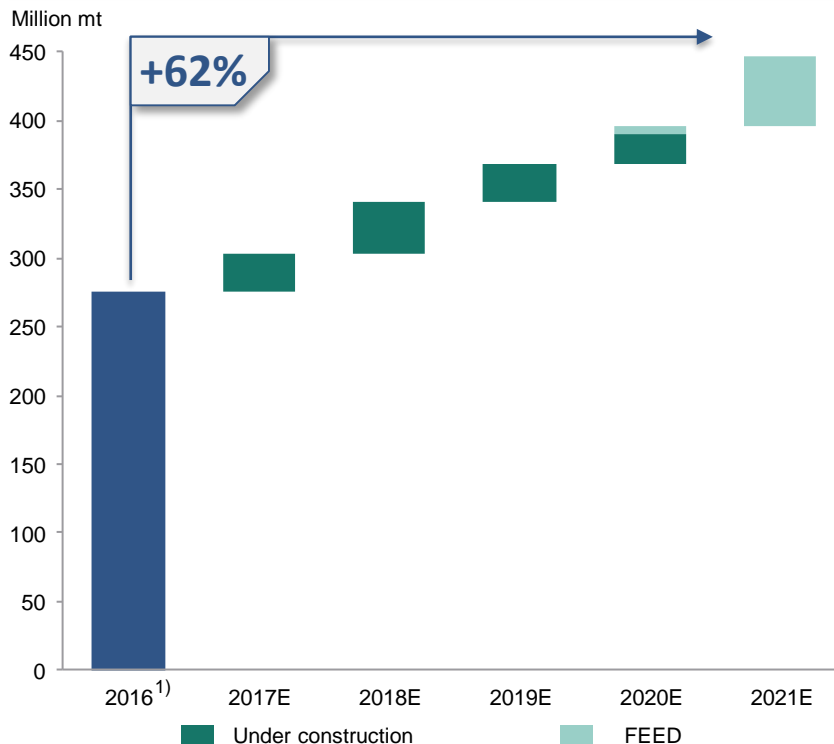


- Cargoes following new trade patterns with emerging long-haul routes
- Cheap US LNG prices catering for long-distance cargoes to Far East destinations
 - 2016 average 1.7 ships/mtpa vs historical average ~1.3 ships/mtpa
- The emerging and more fragmented trade patterns of LNG trade demand higher slack capacity and consequently absorb more tonnage

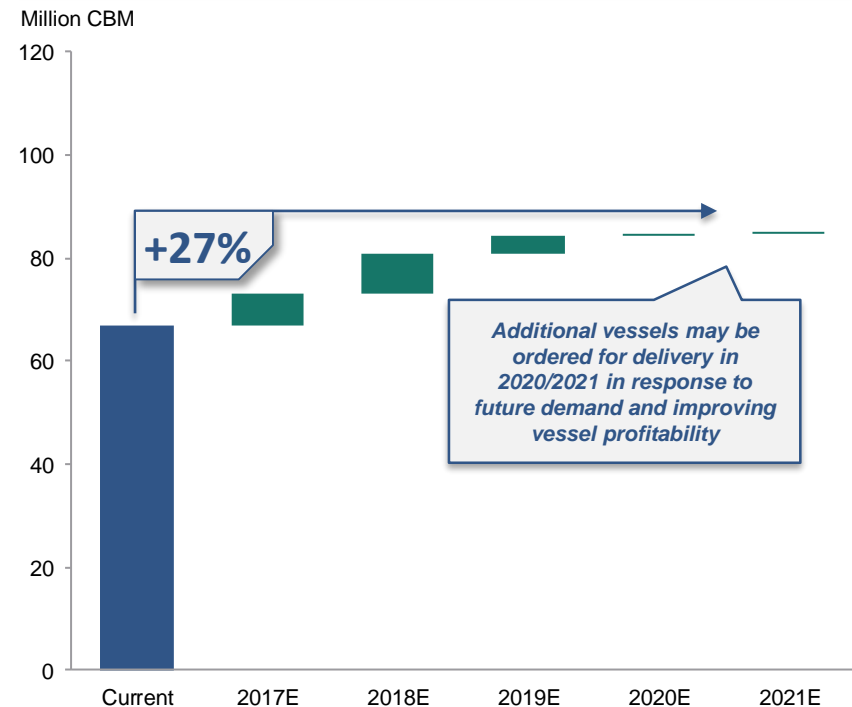
 Importers  Exporters  Traditional route  Emerging route

LNG volumes to significantly out-grow the current orderbook

LNG production capacity



Deliveries – current orderbook

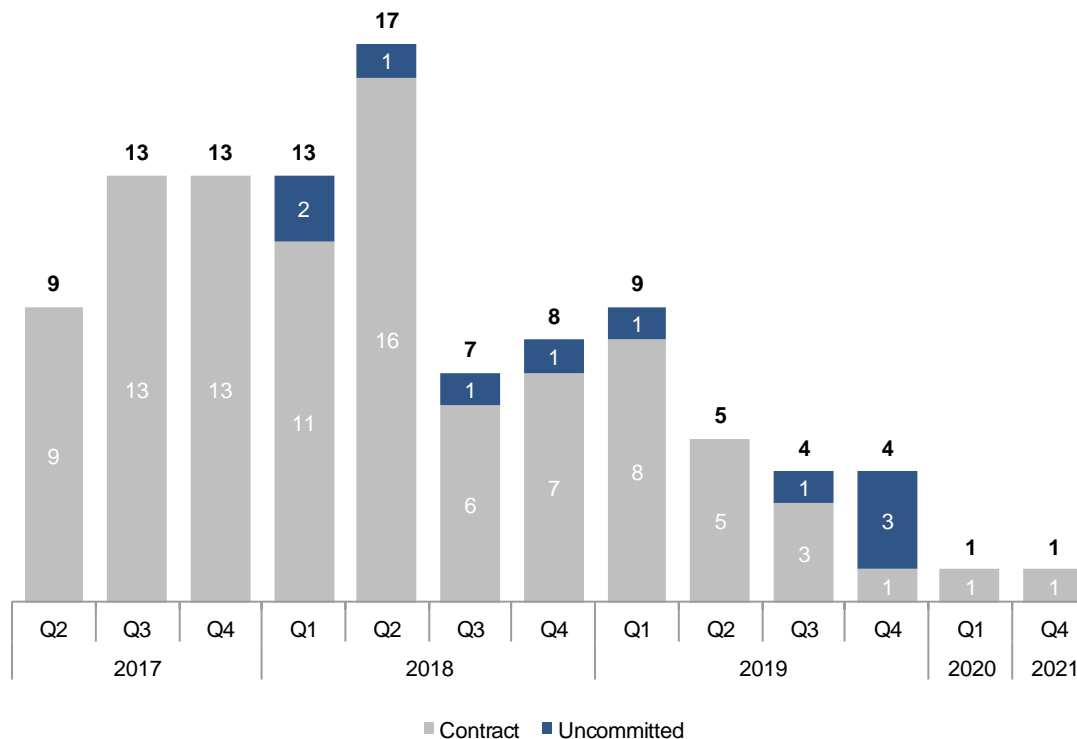


LNG production capacity growth to out-grow current orderbook by ~2.3x over the coming 5 years

Few available LNG vessels to compete in the spot market

Current orderbook – number of vessels

Number of vessels



- 90% of the orderbook is committed (94 out of 104 vessels)
- Limited speculative newbuilding orders expected to create attractive spot market opportunities
- 30 months design and construction period prevent imminent changes to supply of uncommitted vessels

LNG rates show signs of tightening spot market and improved negotiation conditions

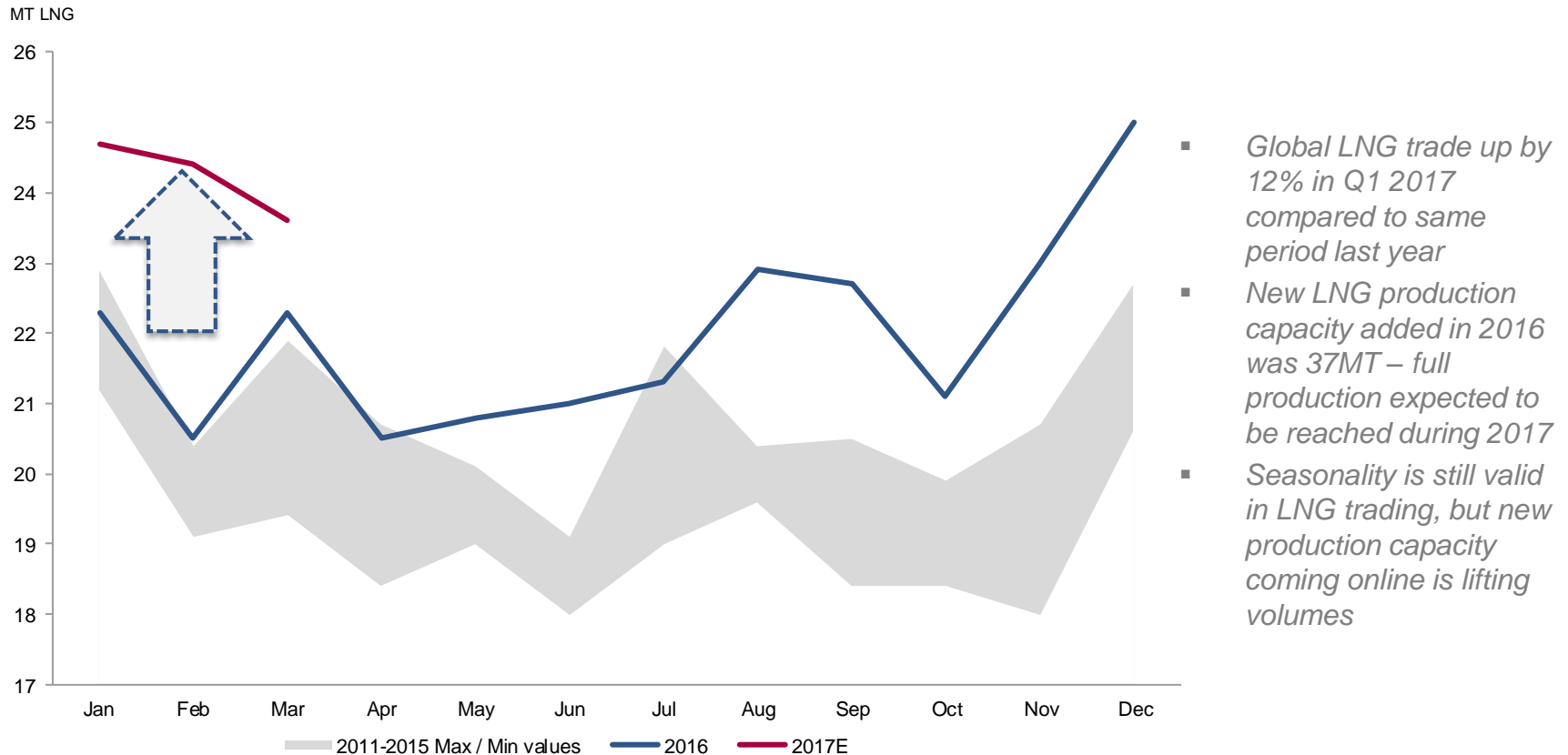
Historical LNG spot rates (USD / day)



- *Market shows early signs of recovery, as seasonal demand fluctuations quickly absorb the moderate excess capacity, triggering rapid and large spot rate movements*
- *Rates have traded at all-time-low levels for two years, catering limited vessel orders*
- *Significant upside potential and ideal timing to participate in recovering market, with rates trading ~50% below historical average*

Year on year improvement evident in monthly lifting statistics

Monthly global LNG trade



Key market trends

Vessel demand

- Continued political support for natural gas as a clean, cheap and available source of energy
- Exports of LNG set to grow unprecedented the coming next years reflecting increase in export capacity
- Significant increase in exports particularly out of the US representing long-haul transportation to markets primarily in the Far East
- LNG trade patterns becoming increasingly fragmented demanding additional vessels
- LNG projects to be executed on schedule, in contrast to history of delayed projects and tonnage being delivered on time

Vessel supply

- Very limited ordering activity in recent years in response to weak rate environment
- Projected demand for vessels far outstripping projected deliveries, whilst long yard lead times and few capable yards prevents imminent changes to supply
- Multiple vessels scheduled to come off long term contracts in the coming years, may due to size and fuel consumption become obsolete, represents substantial replacement potential
- Very few uncommitted vessels in the orderbook available for slack production, corresponding spot market opportunities

Rate development

- Improved vessel demand set to gradually drive rate development in the coming years
- Period of depressed spot rates well below rate levels providing fair return on capital – improved rate environment needed to close projected demand/supply deficit

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Financials – Income statement

USD million	Q1'17	2016	2015
Freight income	2.5	34.8	37.4
Voyage related expenses	(1.6)	(2.8)	(4.9)
Net freight income	0.8	32.0	32.5
Operating expenses	(1.9)	(8.7)	(12.7)
Administration expenses	(0.9)	(3.5)	(4.0)
EBITDA	(2.0)	19.8	15.8
Depreciation	(2.9)	(12.9)	(16.6)
Impairment	-	(6.6)	(11.5)
Net finance	(5.5)	(23.2)	(24.0)
Profit/(loss) before tax	(10.4)	(22.8)	(36.3)
Tax	-	-	-
Profit/(loss)	(10.4)	(22.8)	(36.3)

- **Freight income:**

- Q1'17: both vessels traded in weak spot market at 41% utilization
- 2016: WilForce employed on a 3 year high earning TC, redelivered December 2016. WilPride traded spot achieving 59 % utilisation

- **Opex**

- Vessels managed in-house at very competitive levels. Both 2016 and 2015 figures reflect lay-up costs of three previously owned steam vessels

- **Administration expenses**

- Lean organisation of 8 employees
- Non-core functions outsourced at competitive levels

- **Deprecation and impairment:**

- Impairments in 2016 of USD 6.6m and in 2015 of USD 6.5m relating to disposal of two steam vessels

- **Divested vessels:**

- 2015 and 2016 net income includes P&L effects from the three divested vessels WilGas, WilPower and WilEnergy. These vessels contributed negatively to net income, with USD 16.7m and USD 9.1m in 2015 and 2016, respectively

Financials – Balance sheet

USD million	31.03.17	31.12.16	31.12.15
Vessels	369.2	371.8	422.5
Other non-current assets	0.1	0.1	0.1
Total non-current assets	369.3	371.9	422.6
Trade receivables	-	0.6	2.5
Other short term assets	5.2	5.8	3.1
Cash	19.4	30.0	17.3
Total current assets	24.6	36.4	22.8
Total assets	393.9	408.4	445.5

Total equity	122.4	132.8	155.6
Long-term interest bearing debt	255.4	259.0	272.8
Other non-current liabilities	0.3	0.3	0.2
Non-current liabilities	255.7	259.3	273.0
Short-term interest bearing debt	14.1	13.8	12.8
Other current liabilities	1.7	2.5	4.1
Total current liabilities	15.8	16.3	16.9
Total equity and liabilities	393.9	408.4	445.5

▪ **Non-current liabilities 31.3.2017:**

- USD 255.4m long-term portion of WilForce and WilPride financial lease liabilities

▪ **Current liabilities 31.3.2017:**

- USD 14.1m short-term portion of WilForce and WilPride financial lease liabilities

Financials – Cash flow

USD million	Q1'17	2016	2015
Cash Flows from Operating Activities:			
Profit/(loss) before taxes	(10.4)	(22.8)	(36.3)
Income taxes paid	-	-	-
Interest and borrowing costs expensed	5.5	23.2	24.1
Depreciation, amortisation and impairment	2.9	19.5	28.2
Trade receivables, inventory and other short term assets	1.2	1.3	(0.2)
Accounts payable, accrued exp. and deferred revenue	(0.9)	(1.5)	(4.0)
Net cash provided by / (used in) operating activities	(1.6)	19.6	11.8
Cash Flows from Investing Activities:			
Investment in vessels / sale of vessels	(0.3)	32.1	17.4
Proceeds from sale of other fixed assets	-	-	0.1
Net cash provided by / (used in) investing activities	(0.3)	32.1	17.5
Cash Flows from Financing Activities:			
Repayment of borrowings	(3.3)	(13.9)	(10.7)
Interest and borrowing costs paid	(5.5)	(25.1)	(22.1)
Net cash provided by / (used in) financing activities	(8.7)	(39.0)	(32.8)
Net changes in cash and cash equivalents	(10.7)	12.7	(3.5)
Cash and cash equivalents at start of period	30.0	17.3	20.8
Cash and cash equivalents at end of period	19.4	30.0	17.3

- **Cash flows from investing activities:**
 - 2016: USD 32.2m net proceeds from sale of WilGas and WilEnergy, investment in vessels of USD 0.3m
 - 2015: USD 17.8m net proceeds from sale of WilPower offset by investment in vessels of USD 0.3m
- **Cash flows from financing activities:**
 - Proforma Q1 2017 after amended agreement with Teekay net cash used USD 5.1m, a reduction of USD 3.6m (approx. 40 %)



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