



Q1 2018

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Company overview



Awilco LNG is a fully integrated pure play LNG transportation provider, owning and operating LNG vessels. The Company owns two 2013 built 156,000 cbm TFDE membrane LNG vessels, WilForce and WilPride. Awilco LNG is listed on Oslo Axess under the ticker code ALNG.

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1st quarter highlights

1st quarter 2018

- Awilco LNG reported:

– Net freight income	MUSD 12.5	MUSD 7.3 in Q4 2017
– EBITDA	MUSD 9.5	MUSD 4.2 in Q4 2017
– Net profit/(loss)	MUSD 1.0	MUSD (4.5) in Q4 2017
- Vessel utilisation of 97 % compared to 83 % previous quarter
- TCE* of USD ~69,200 pd (USD ~39,900 pd in Q4 2017), current CBE** of USD ~53,000 pd

*TCE: net freight income divided by the number of calendar days minus off-hire days

**CBE: Cash break even in USD per day including operating expenses, administration expenses, dry-docking and financing costs (estimated)

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Q1 2018 income statement

USD million	Q1'18	Q4'17	2017
Freight income	13.8	9.6	20.4
Voyage related expenses	(1.4)	(2.3)	(6.9)
Net freight income	12.5	7.3	13.6
Operating expenses	(1.9)	(1.9)	(7.9)
Administration expenses	(1.0)	(1.2)	(3.9)
EBITDA	9.5	4.2	1.7
Depreciation	(3.2)	(3.2)	(12.3)
Net finance	(5.3)	(5.5)	(21.2)
Profit/(loss) before tax	1.0	(4.5)	(31.8)
Tax	-	-	-
Profit/(loss)	1.0	(4.5)	(31.8)



Q1 2018 financial position

USD million	31.03.18	31.12.17
Vessels	361.8	363.9
Total non-current assets	361.8	363.9
Trade receivables	0.4	1.6
Other short term assets	6.0	5.1
Cash	30.1	29.0
Total current assets	36.5	35.7
Total assets	398.3	399.6
Total equity	128.0	127.0
Long-term interest bearing debt	262.8	263.9
Other non-current liabilities	2.3	2.3
Non-current liabilities	265.1	266.2
Short-term interest bearing debt	3.9	2.7
Other current liabilities	1.2	3.7
Total current liabilities	5.1	6.4
Total equity and liabilities	398.3	399.6



Q1 2018 cash flow

USD million	Q1'18	Q4'17	2017
Cash Flows from Operating Activities:			
Profit/(loss) before taxes	1.0	(4.5)	(31.8)
Income taxes paid	-	-	-
Interest and borrowing costs expensed	5.4	5.5	22.2
Depreciation, amortisation and impairment	3.2	3.2	12.3
Trade receivables, inventory and other short term assets	-	(1.1)	(1.6)
Accounts payable, accrued exp. and deferred revenue	(2.0)	1.6	1.1
Net cash provided by / (used in) operating activities	7.6	4.7	2.1
Cash Flows from Investing Activities:			
Investment in vessels	(1.1)	(0.8)	(2.3)
Net cash provided by / (used in) investing activities	(1.1)	(0.8)	(2.3)
Cash Flows from Financing Activities:			
Gross proceeds from equity issue	-	-	26.8
Transaction costs of equity issue	-	-	(0.7)
Repayment of borrowings	-	-	(5.6)
Interest and borrowing costs paid	(5.4)	(5.2)	(21.4)
Net cash provided by / (used in) financing activities	(5.4)	(5.2)	(0.9)
Net changes in cash and cash equivalents	1.1	(1.4)	(1.1)
Cash and cash equivalents at start of period	29.0	30.4	30.0
Cash and cash equivalents at end of period	30.1	29.0	29.0

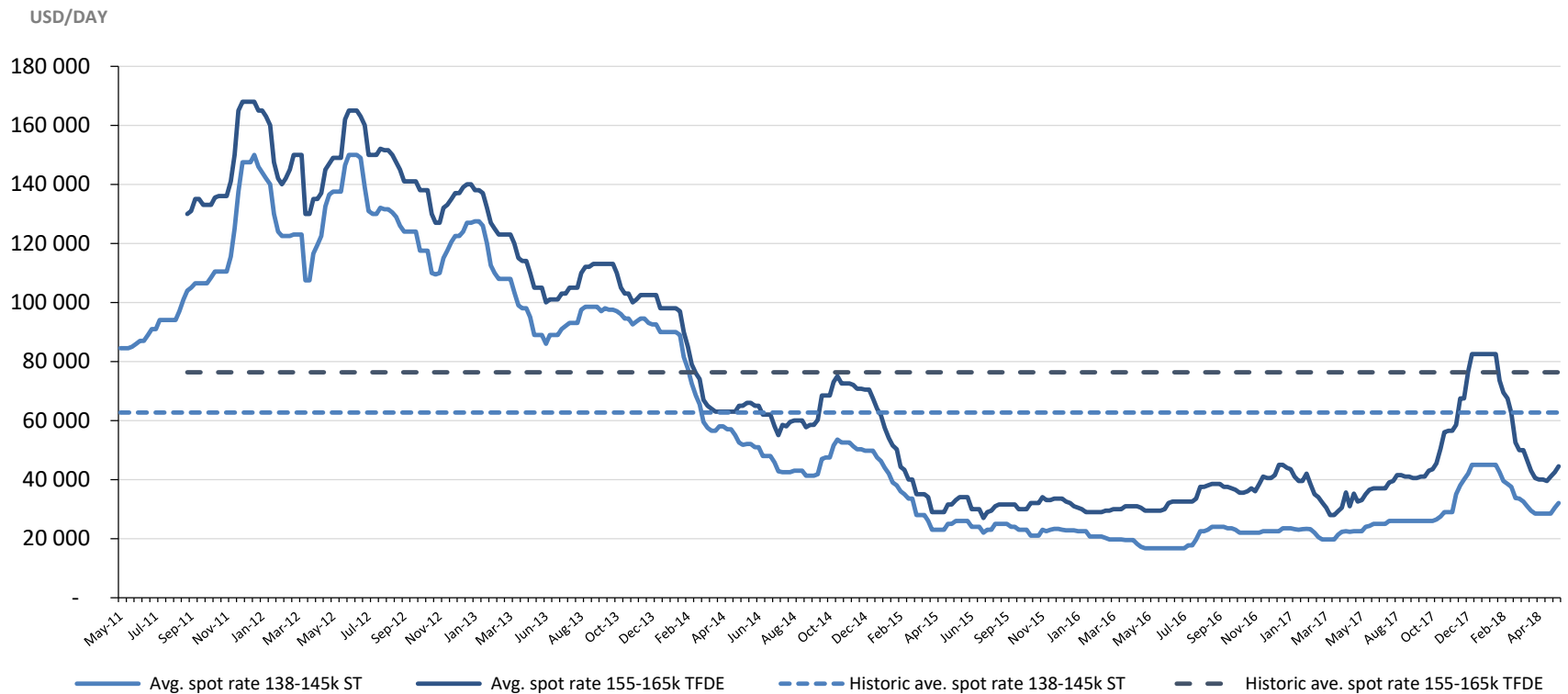


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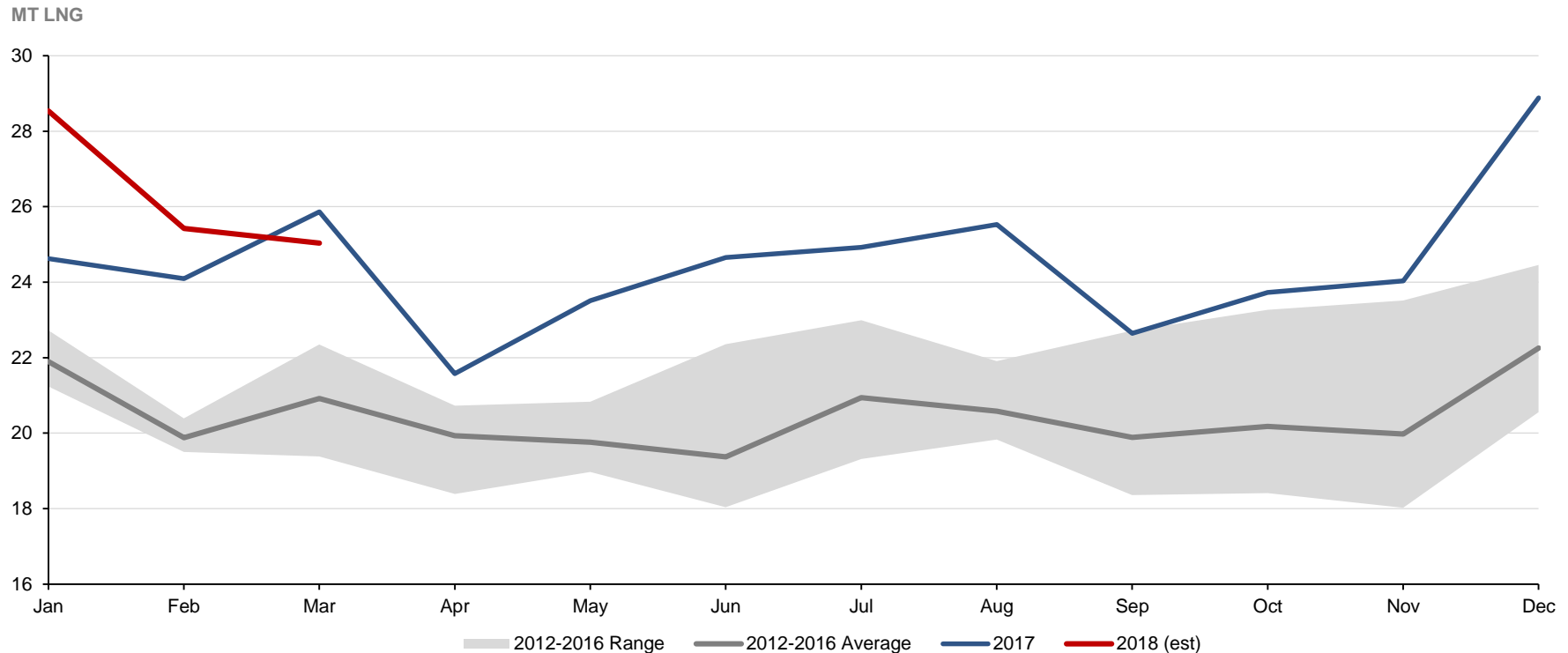
LNGC rates



- Utilisation and rates improved in Q4 2017 and into late January before softening heading into shoulder season
- Q1 2018 headline rates on average 70 % higher vs Q1 2017 + improved ballast bonus terms
- Rates turned in May 2018, both spot and multi-month activity has picked up

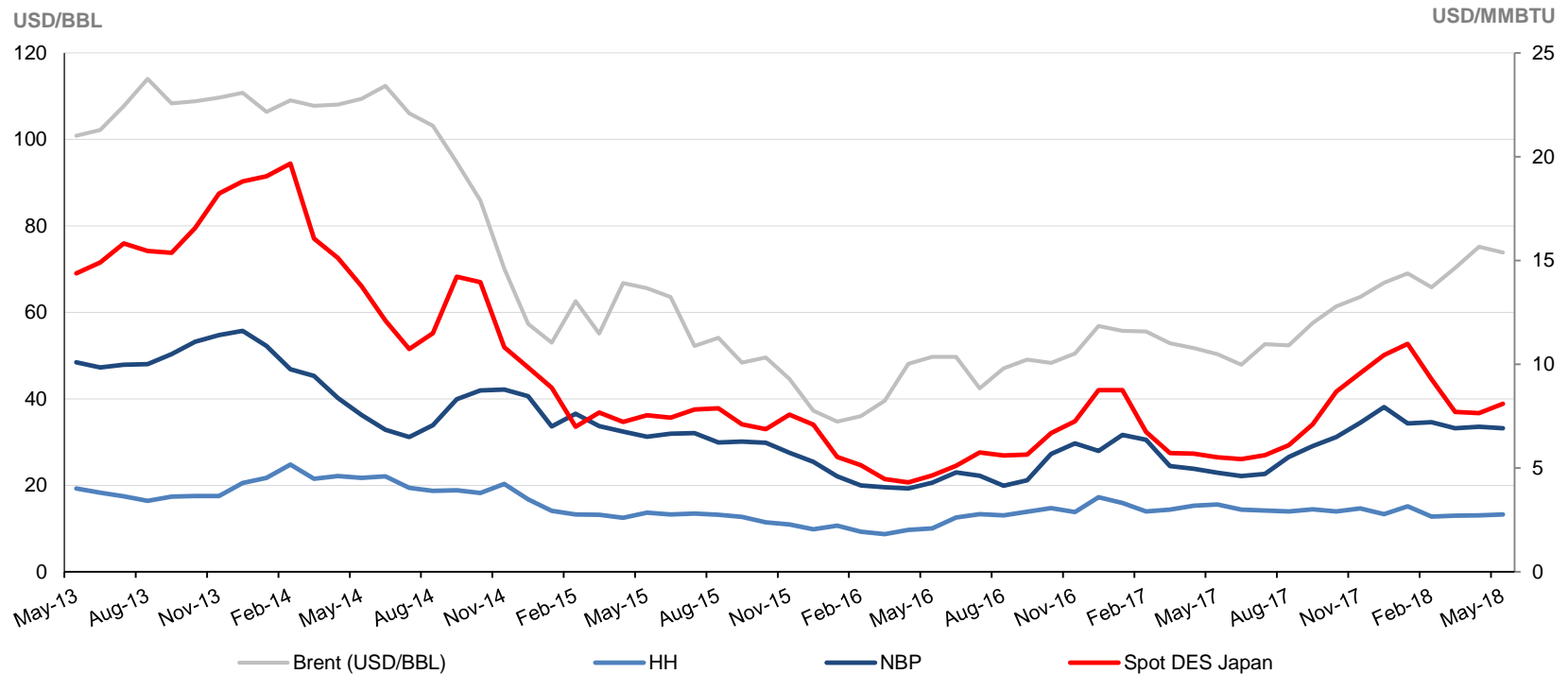
Source: Fearnley LNG

Monthly global LNG trade



- Global LNG trade up by 6 % in Q1 2018, equating to 4.4 MT
- Increase due to ramp up of production capacity added second half 2017, partially offset by six week outage at PNG

Gas price

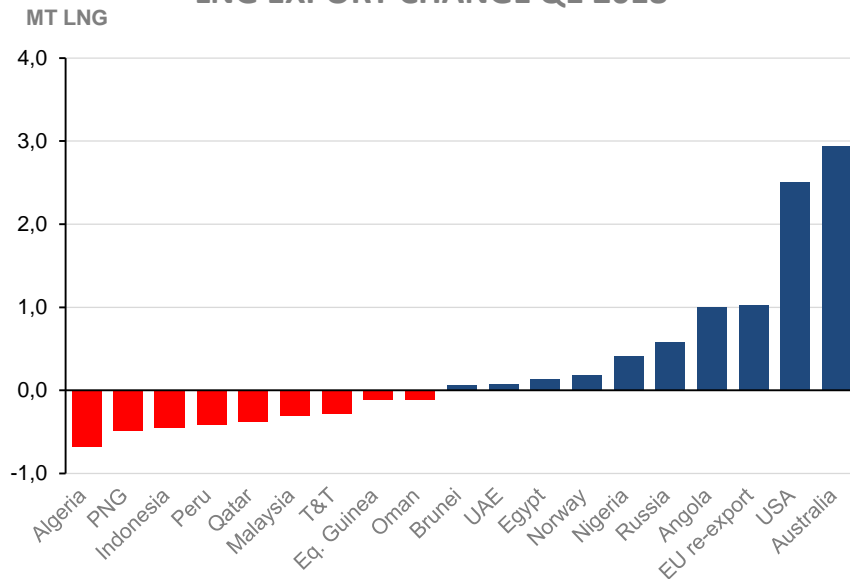


- Winter, China substituting coal with gas and the oil price increase pushed Far East prices to highest level in three years in Q1 2018
- Far East and NBP prices have fallen into the shoulder season, but oil price increase supportive of higher gas prices
- Spread HH vs ROW drives exports from US to Far East
 - 68 % of US volumes in Q1 headed to Asia (50 % in 2017), supporting a 18 % increase in ton-mile in LNG shipping

Source: Clarksons Platou, Poten

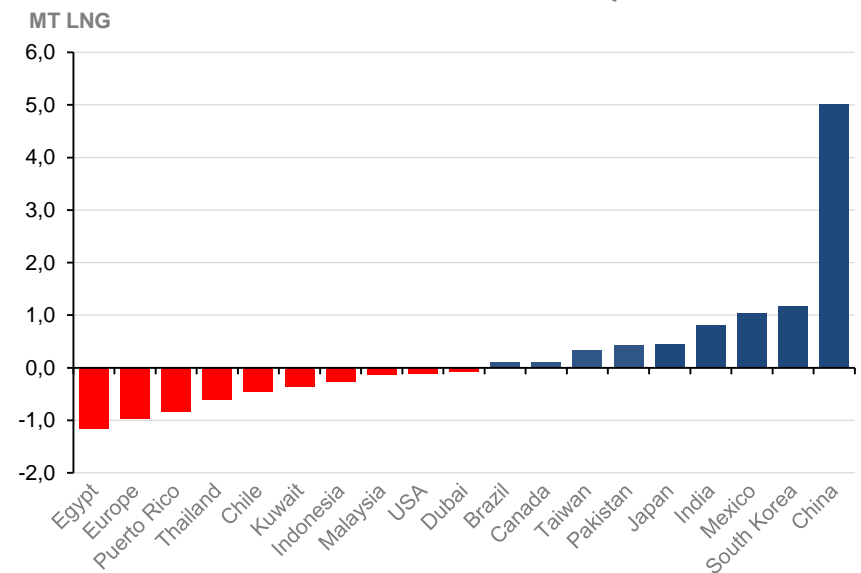
LNG trade change

LNG EXPORT CHANGE Q1 2018



- LNG exports increased by 6 %
- No new production facilities added in Q1; exports up due to ramp up of capacity added 2017 in Australia, US and Russia offset by outages at PNG and Peru and maintenance in Indonesia

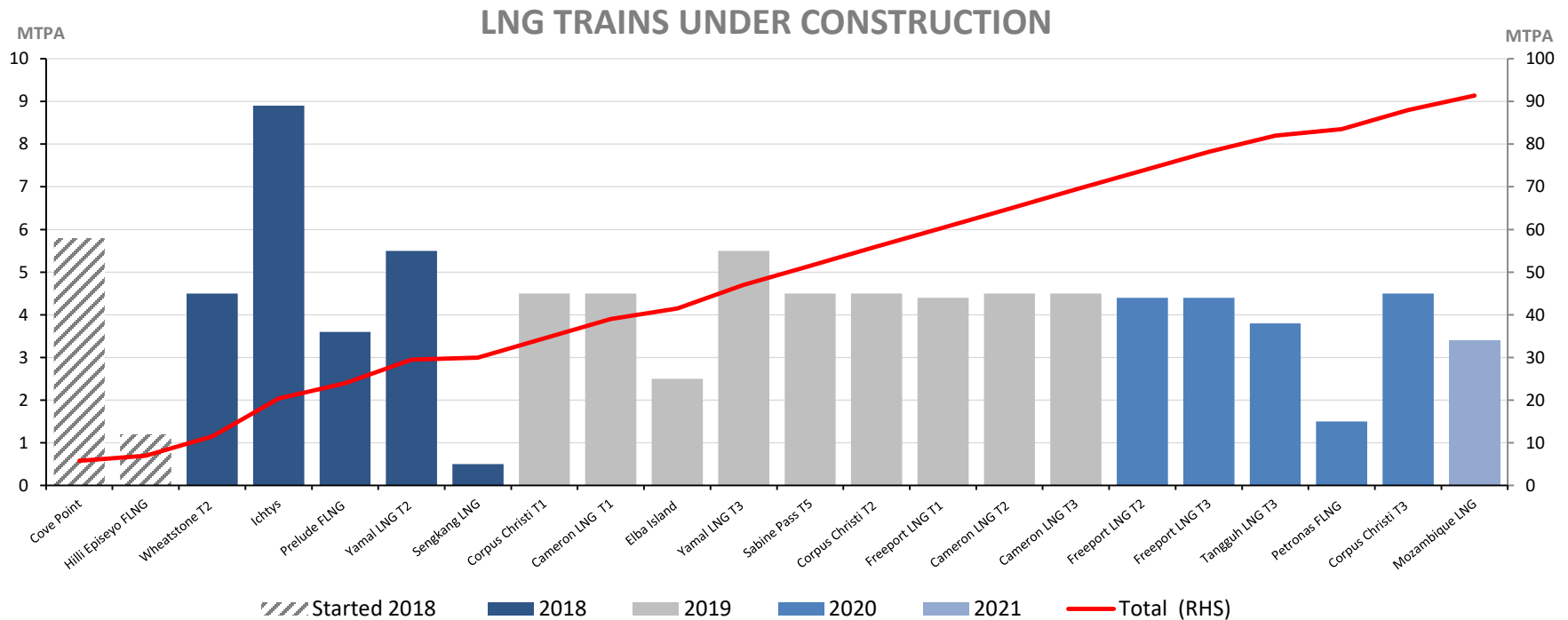
LNG IMPORT CHANGE Q1 2018



- China up 59 % and South Korea up 15 % on switch to gas from coal and nuclear respectively
- Egypt down on increased domestic production, could become net exporter in near future

Source: Clarksons Platou, Energy Aspects

LNG production

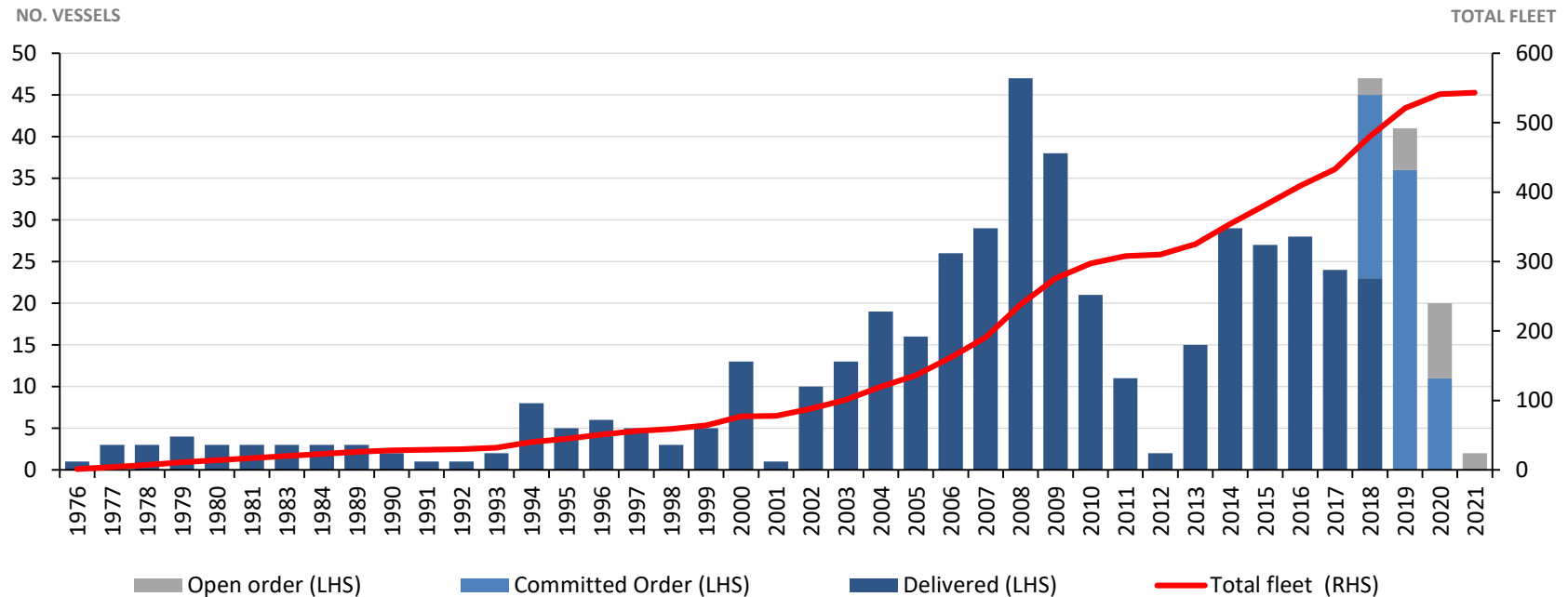


- 30 MTPA of liquefaction capacity expected to start up in 2018, and a further 61 MTPA in 2019 – 2021
 - Cheniere FID on Corpus Christi T3 this week, trains under construction ahead of schedule (SPL T5, CCL T1 + T2)
 - Freeport delayed 9 months
- Beyond 2020 over 700 MTPA new LNG production is in planning stages with some 200+ in pre-FID phase with specified timeline

Source: Clarksons Platou, Arctic Securities, Fearnley LNG, Company presentations

LNG fleet and orderbook

LNG FLEET AND ORDERBOOK EARLY MAY 2018



- 23 vessels delivered as of early May 2018
- 24 further vessels scheduled for delivery in 2018, although some delays may be expected
- Total fleet of 456 LNGC above 125' cbm - 22 laid up, 77 vessels built before year 2000 (3 scrapped in 2017, 1 conversion in 2018)
- 17 newbuilding orders so far in 2018 of which 9 speculative
- Orderbook at 87 vessels, of which 18 assumed available

Source: Fearnley LNG

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Summary

- Increasing volumes and sailing distances creating a firm market – despite influx of newbuildings
 - Winter market high of USD 80's pd and shoulder season low of USD 40' pd in 2017/2018 vs USD 45' pd and USD 28' pd in 2016/2017 - seasonality still valid
 - US production and Chinese demand driving ton/mile increase
 - Market turned in early May, charterers appear to be positioning for a firm 2nd half 2018

- Mid- and long-term demand for LNG transportation remains strong
 - We are at the start of the biggest increase of LNG volumes in history; global gas demand and oil price increase is expected to trigger FIDs in the near future for the next liquefaction wave
 - Expected LNG glut now seen as gone
 - 77 vessels built prior to 2000, smaller and inefficient

- Awilco LNG
 - Pure play fully integrated LNG transportation company with excellent operational track record
 - Spot vessels provides full exposure to increasing activity and rates
 - Refinancing significantly reduces ALNG cash break even, rolling purchase options

- Awilco LNG's vessels are trading spot and ideally positioned for taking advantage of improving market



Q&A

A Fully Integrated Pure Play LNG Transportation Provider





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