



**Q2 2021**

August 27, 2021

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# Company overview



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Awilco LNG is a fully integrated pure play LNG transportation provider, owning and operating LNG carriers.

The Company owns and operates two 2013-built 156,000 cbm TFDE LNG carriers, WilPride and WilForce, trading in the medium term and spot market.

Awilco LNG is listed on Euronext Expand with ticker ALNG.

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# Agenda August 27, 2021



1. Highlights
2. Financials Q2 2021
3. Market update
4. Summary

# Highlights

- Awilco LNG achieved net result for the period of USD 3.3 million, equivalent to an earnings per share of USD 0.02. For first half 2021 net result ended at USD 10.2 million or USD 0.08 per share.
- Net TCE for second quarter and first half year ended at USD 66,500 per day and USD 78,000 per day respectively
- Net freight income was USD 12.1 million in Q2 2021, down from USD 16.2 million in Q1 2021. For first half 2021 net freight income ended at USD 28.3 million, up from 17.1 million for the same period last year
- EBITDA for the quarter ended at USD 9.0 million, compared with USD 12.7 million in Q1 2021. For first half 2021 EBITDA ended at USD 21.7 million, up from USD 11.3 million for the same period last year
- Vessel utilisation in Q2 2021 of 100%, same as in Q1 2021
- In April WilForce was fixed on a 12 months contract and in June WilPride was fixed on a 10 months contract, both at rates that secure significant positive cash generation over the periods.



<sup>1)</sup> TCE: Net freight income divided by the number of calendar days less off-hire days

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# Q2 2021 income statement

USD million	Q2'21	Q1'21	2020
Freight income	12.7	17.6	35.6
Voyage related expenses	(0.6)	(1.4)	(5.0)
<b>Net freight income</b>	<b>12.1</b>	<b>16.2</b>	<b>30.7</b>
Other income	-	-	(0.6)
Operating expenses	(2.4)	(2.4)	(8.9)
Administration expenses	(0.7)	(1.0)	(3.0)
<b>EBITDA</b>	<b>9.0</b>	<b>12.7</b>	<b>18.1</b>
Depreciation	(3.1)	(3.1)	(12.5)
Net finance	(2.5)	(2.7)	(13.5)
<b>Profit/(loss) before tax</b>	<b>3.3</b>	<b>6.9</b>	<b>(7.9)</b>
Tax	-	-	-
<b>Profit/(loss)</b>	<b>3.3</b>	<b>6.9</b>	<b>(7.9)</b>



# Q2 2021 financial position

USD million	30.06.21	31.03.21	31.12.20
Vessels	333.1	335.6	338.3
Other fixed assets	0.7	0.7	0.7
<b>Total non-current assets</b>	<b>336.3</b>	<b>336.3</b>	<b>339.0</b>
Trade receivables	2.7	0.4	0.1
Other short term assets	0.8	2.7	0.9
Cash and cash equivalents	17.1	13.3	12.6
<b>Total current assets</b>	<b>20.7</b>	<b>16.4</b>	<b>13.6</b>
<b>Total assets</b>	<b>354.4</b>	<b>352.7</b>	<b>352.6</b>
<b>Total equity</b>	<b>109.7</b>	<b>106.4</b>	<b>99.5</b>
Long-term interest bearing debt	216.0	220.5	225.0
Other non-current liabilities	0.5	0.5	0.5
<b>Non-current liabilities</b>	<b>216.5</b>	<b>221.0</b>	<b>225.5</b>
Short-term interest bearing debt	18.9	18.9	18.8
Other current liabilities	9.3	6.4	8.8
<b>Total current liabilities</b>	<b>28.2</b>	<b>25.3</b>	<b>27.7</b>
<b>Total equity and liabilities</b>	<b>354.4</b>	<b>352.7</b>	<b>352.6</b>



# Q2 2021 cash flow

USD million	Q2'21	Q1'21	2020
<b>Cash Flows from Operating Activities:</b>			
Profit/(loss) before taxes	3.3	6.9	(7.9)
Income taxes paid	-	-	-
Interest and borrowing costs expensed	2.6	2.7	13.2
Depreciation, amortisation and impairment	3.1	3.1	12.5
Trade receivables, inventory and other short term assets	(0.4)	(2.1)	2.4
Accounts payable, accrued exp. and deferred revenue	(2.9)	(2.3)	(3.0)
<b>Net cash provided by / (used in) operating activities</b>	<b>11.5</b>	<b>8.3</b>	<b>17.2</b>
<b>Cash Flows from Investing Activities:</b>			
Investment in vessels / sale of vessels	(0.6)	(0.4)	(0.7)
<b>Net cash provided by / (used in) investing activities</b>	<b>(0.6)</b>	<b>(0.4)</b>	<b>(0.7)</b>
<b>Cash Flows from Financing Activities:</b>			
Proceeds from borrowings	-	-	262.5
Repayment of borrowings	(4.7)	(4.7)	(270.4)
Interest and borrowing costs paid	(2.4)	(2.5)	(19.5)
<b>Net cash provided by / (used in) financing activities</b>	<b>(7.1)</b>	<b>(7.2)</b>	<b>(27.4)</b>
<b>Net change in cash and cash equivalents</b>	<b>3.8</b>	<b>0.7</b>	<b>(10.9)</b>
Cash and cash equivalents at start of period	13.3	12.6	23.5
Cash and cash equivalents at end of period	17.1	13.3	12.6

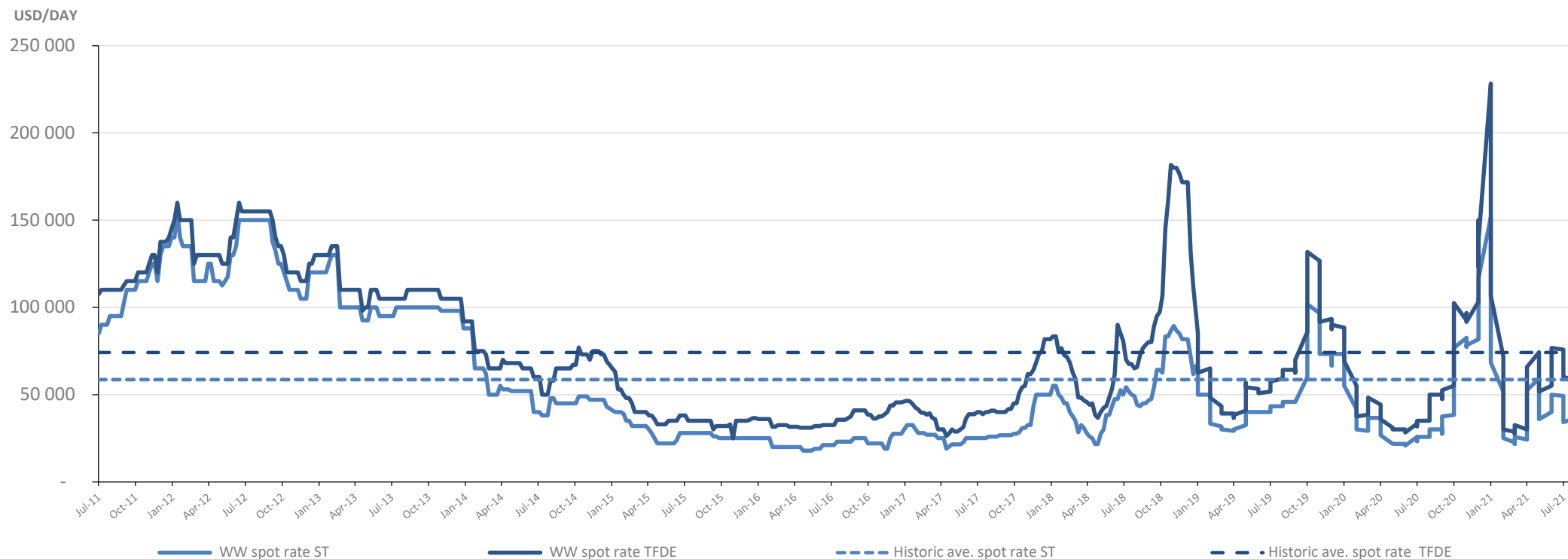


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# Spot rates

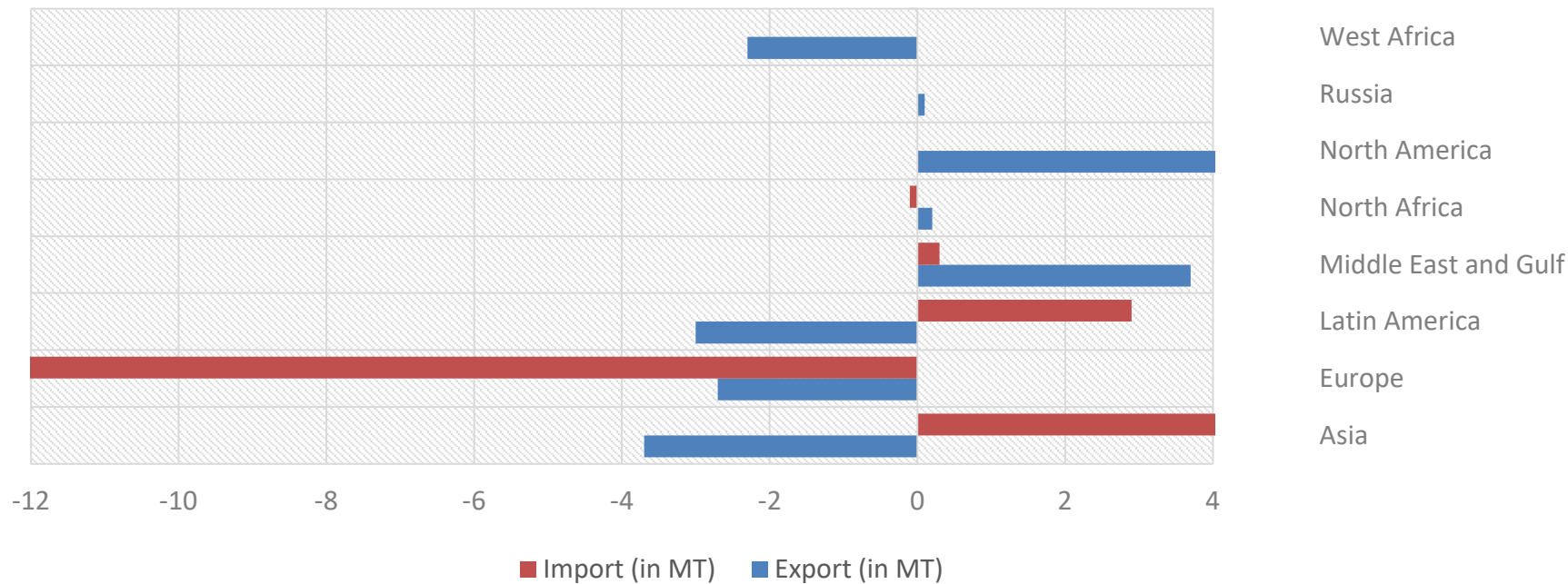


- Following a short lived seasonal weakness in March/April the market recovered to historical average over the summer
- 1-yr TC market continue to be strong as market participants want to take cover next winter and few vessels are available
- Historical average TFDE market rate USD 74,100 pd, current spot rate levels "normal"

Source: SSY

# LNG export and import

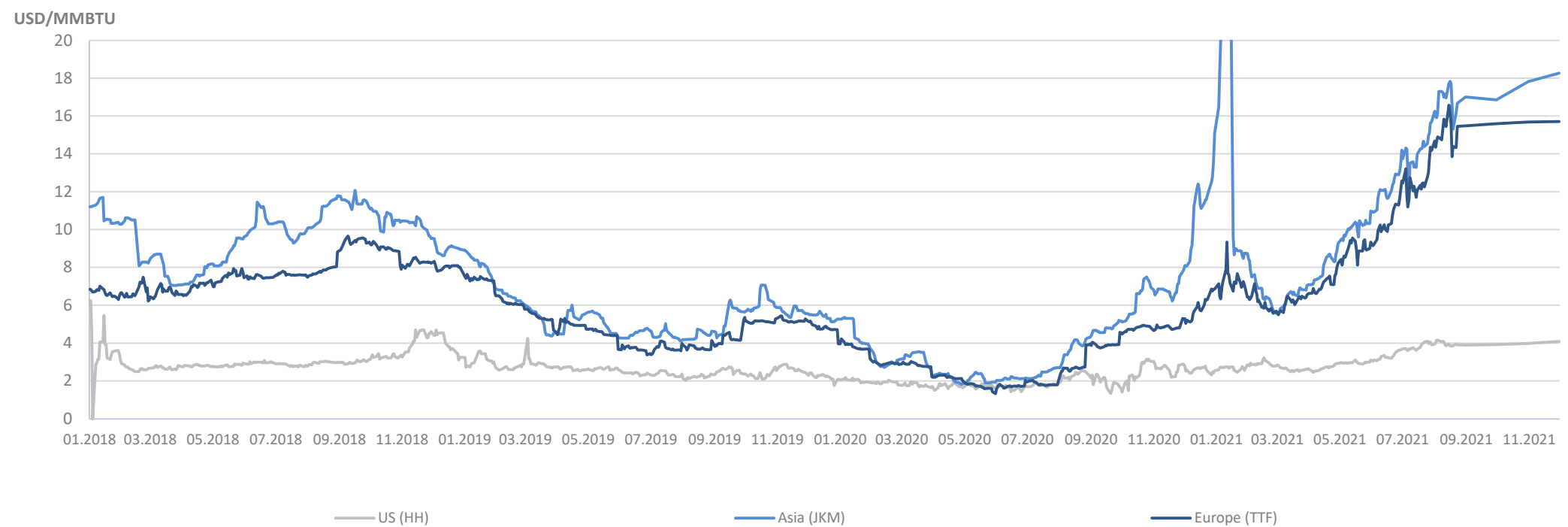
2021 vs 2020 (YoY change)



- Covid-19 had a serious impact on LNG demand in 2020 that was otherwise expected to increase by about 20 MTPA, economic recovery and low inventories particularly in Europe set the stage for continued need for transportation

Source: Fearnley LNG

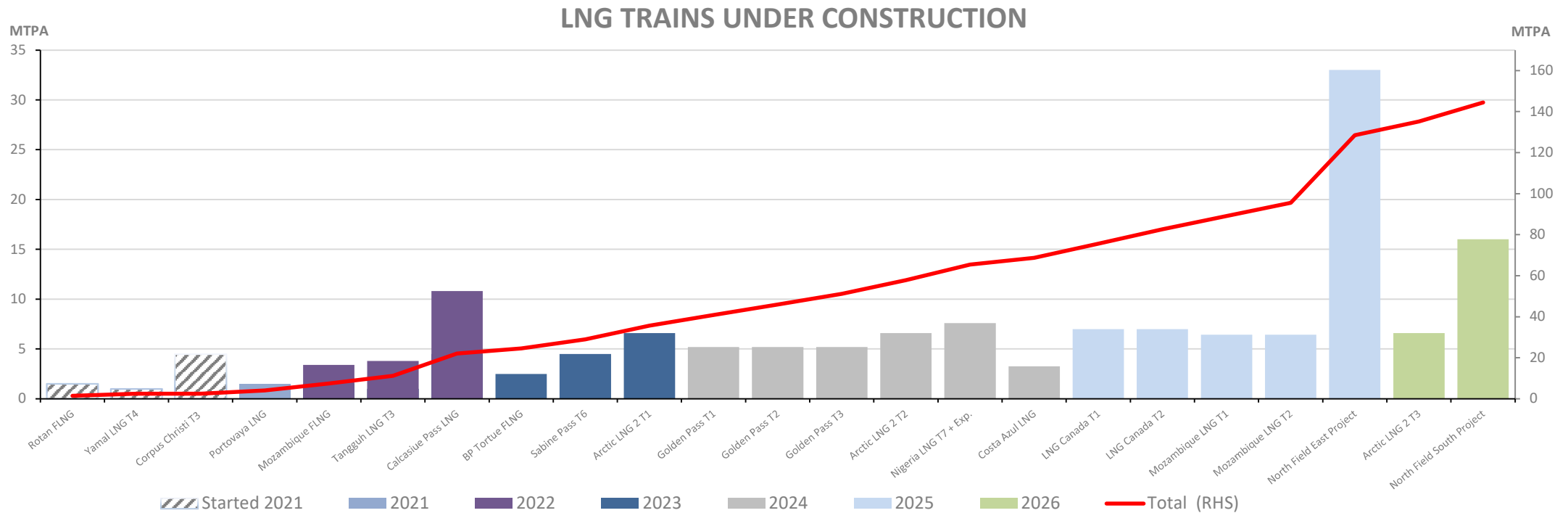
# Gas prices



- Despite increasing supply, demand for gas/LNG is pushing prices to unusually high prices
- Geographical price differential (arbitrage) creates additional demand for transportation

Source: SSY

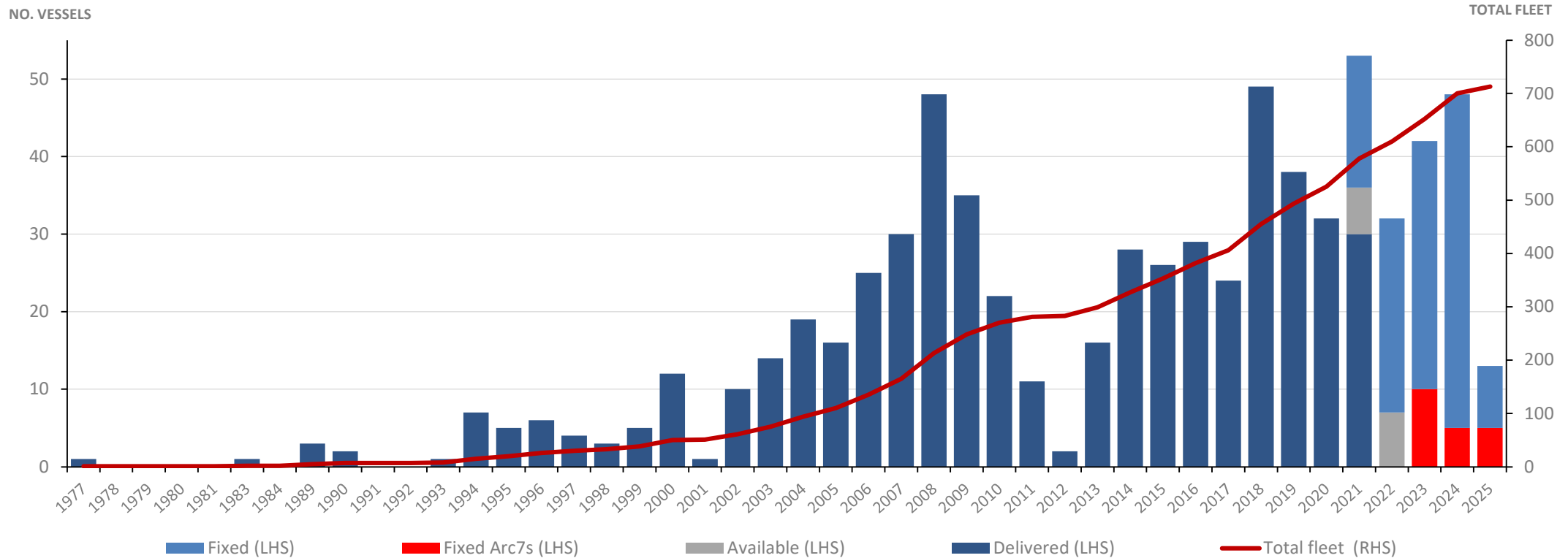
# Trainspotting



- ~ 145 MTPA new capacity currently under construction
- Further FIDs needed to meet expected demand from 2025
- More than 800 MTPA of new liquefaction capacity is in various stages of planning

Source: IGU, Company presentations, Bloomberg

# LNG fleet and orderbook



- Newbuilding deliveries set to slow down in 2022 and 2023 compared to 2021 to support a strong market for the next years
- Yards are filling up with high paying orders from other segments pushing prices and deliveries

Source: Fearnley LNG

<sup>1)</sup> Excluding Arc7/Azipod vessels

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- Increasing gas prices and continued recovery of global LNG demand support spot and multi month freight rates at good levels
- Few vessels available for upcoming winter season
- Mid- and long-term demand for LNG transportation remains strong
  - Tonne-mile demand growth expected from increased LNG demand in Asia being met by US supplies, potentially somewhat offset by a recovery of the European market
  - High number of newbuilding deliveries in 2021 absorbed by demand growth
  - Newbuilding deliveries significantly down in 2022/23
- Awilco LNG
  - Both vessels fixed rate contracts well into 2022 on cash generating contracts
  - No debt refinancing until 2030
  - Fully integrated and proven track record
  - Lean and cost focused organisation



## A Fully Integrated Pure Play LNG Transportation Provider





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