



Second quarter 2023

August 23, 2023

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Company overview



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 market.

Awilco LNG is listed on Euronext Expand with ticker ALNG.

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Highlights

- Awilco LNG achieved a net result of USD 11.0 million and profit per share of USD 0.08 in the second quarter, up from a net result of USD 9.0 million and USD 0.07 per share in the first quarter 2023. First half 2023 net result ended at USD 20.1 million or USD 0.15 per share
- Net freight income of USD 21.9 million in second quarter 2023, up from USD 20.5 million in first quarter 2023. First half 2023 net freight income ended at USD 42.4 million, up from USD 24.3 for the same period last year
- EBITDA second quarter 2023 ended at USD 18.4 million, up from USD 16.6 million in first quarter 2023. First half 2023 EBITDA ended at USD 35.0 million, up from 17.7 million for the same period last year
- Vessel utilization was 100% in second quarter and for the first half year in total, compared to 88% and 94% for the same periods last year
- Net TCE came in at USD 120,500 and USD 117,150 per day for second quarter and first half year respectively, compared to USD 56,400 and USD 67,400 per day respectively for the same periods last year
- In June the Company paid NOK 0.50 per share in dividend, corresponding to USD 6.4 million bringing total paid dividend during first half of 2023 to NOK 1.00 per share, corresponding to USD 12.5 million in total
- On August 22, 2023, the Board authorized a cash dividend payment of NOK 0.25 per share to be paid in September. After completing the ongoing dry docking of both vessels, the Board expects to increase dividend payments for the next quarters

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

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Second quarter 2023 income statement

USD million	Q2'23	Q1'23	Q2'22	2022
Freight income	22.1	20.7	12.3	51.5
Voyage related expenses	(0.2)	(0.2)	(2.1)	(6.2)
Net freight income	21.9	20.5	10.2	45.3
Other income	0.0	0.0	0.0	0.4
Operating expenses	(2.4)	(3.0)	(2.7)	(11.0)
Administration expenses	(1.1)	(0.9)	(0.8)	(3.6)
EBITDA	18.4	16.6	6.8	31.1
Depreciation	(3.1)	(3.2)	(3.3)	(12.7)
Net finance	(4.3)	(4.4)	(3.4)	(12.6)
Profit/(loss) before tax	11.0	9.0	0.0	5.8
Tax	-	-	-	-
Profit/(loss)	11.0	9.0	0.0	5.8



Second quarter 2023 financial position

USD million	30.06.23	31.03.23	31.12.22
Vessels	314.0	315.3	317.1
Other fixed assets	0.5	0.5	0.5
Total non-current assets	314.5	315.8	317.6
Trade receivables	3.8	3.7	3.8
Financial investments	0.0	0.0	0.0
Other short term assets	0.6	0.5	0.6
Cash and cash equivalents	29.4	28.0	26.1
Total current assets	33.8	32.2	30.6
Total assets	348.3	348.0	348.1
Total equity	134.0	129.1	126.4
Long-term interest bearing debt	179.8	184.3	188.8
Other non-current liabilities	0.6	0.6	0.6
Non-current liabilities	180.4	184.9	189.4
Short-term interest bearing debt	18.8	18.8	18.8
Other current liabilities	15.1	15.3	13.5
Total current liabilities	33.9	34.0	32.3
Total equity and liabilities	348.3	348.0	348.1



Second quarter 2023 cash flow

USD million	Q2'23	Q1'23	Q2'22	2022
Cash Flows from Operating Activities:				
Profit/(loss) before taxes	11.0	9.0	0.0	5.8
Income taxes paid	-	-	-	-
Interest and borrowing costs expensed	4.7	4.6	2.8	12.8
Depreciation, amortisation and impairment	3.1	3.2	3.3	12.7
Valuation adjustment of securities, net	0.0	0.0	0.7	0.0
Trade receivables, inventory and other short term assets	(0.2)	0.2	3.6	1.1
Accounts payable, accrued exp. and deferred revenue	(0.3)	1.4	(0.5)	2.0
Net cash provided by / (used in) operating activities	18.4	18.4	2.7	34.5
Cash Flows from Investing Activities:				
Investment in vessels and securities	(1.8)	(1.4)	(6.1)	(2.8)
Net cash provided by / (used in) investing activities	(1.8)	(1.4)	(6.1)	(2.8)
Cash Flows from Financing Activities:				
Dividends paid	(6.1)	(6.4)	-	-
Repayment of borrowings	(4.7)	(4.7)	(4.7)	(18.9)
Interest and borrowing costs paid	(4.4)	(4.0)	(2.2)	(10.4)
Net cash provided by / (used in) financing activities	(15.2)	(15.1)	(6.9)	(29.2)
Net change in cash and cash equivalents	1.4	1.9	1.9	2.4
Cash and cash equivalents at start of period	28.0	26.1	18.8	23.6
Cash and cash equivalents at end of period	29.4	28.0	20.6	26.1

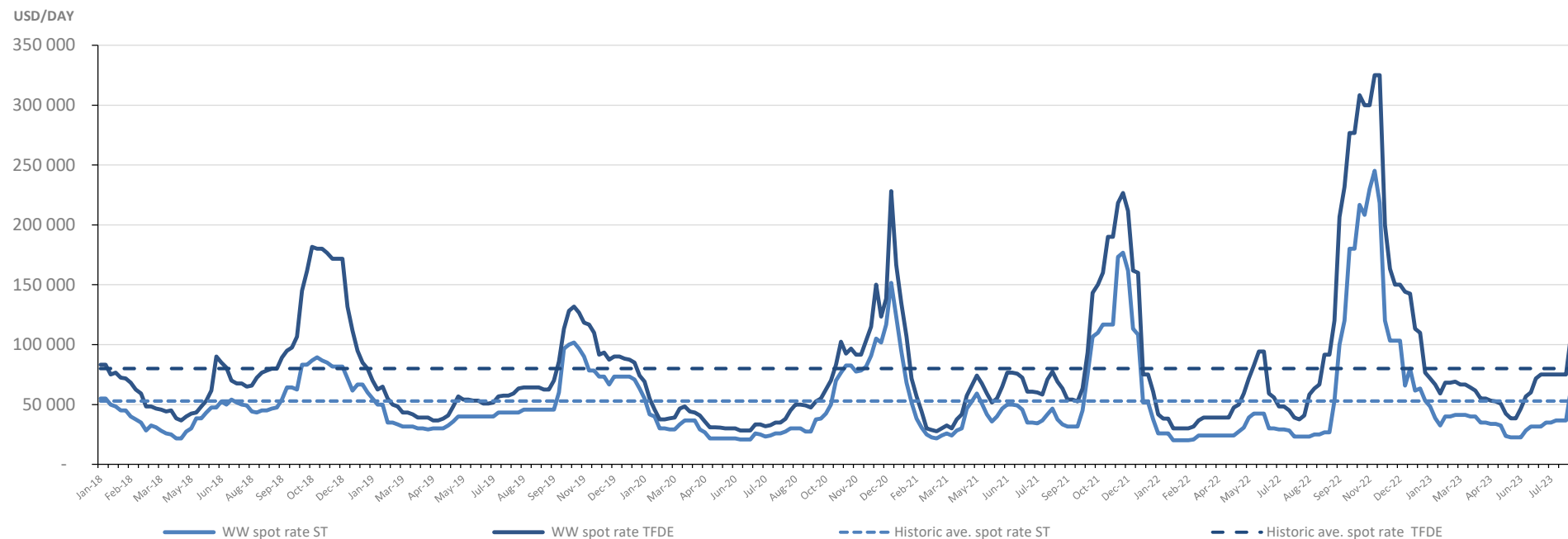


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Spot rates

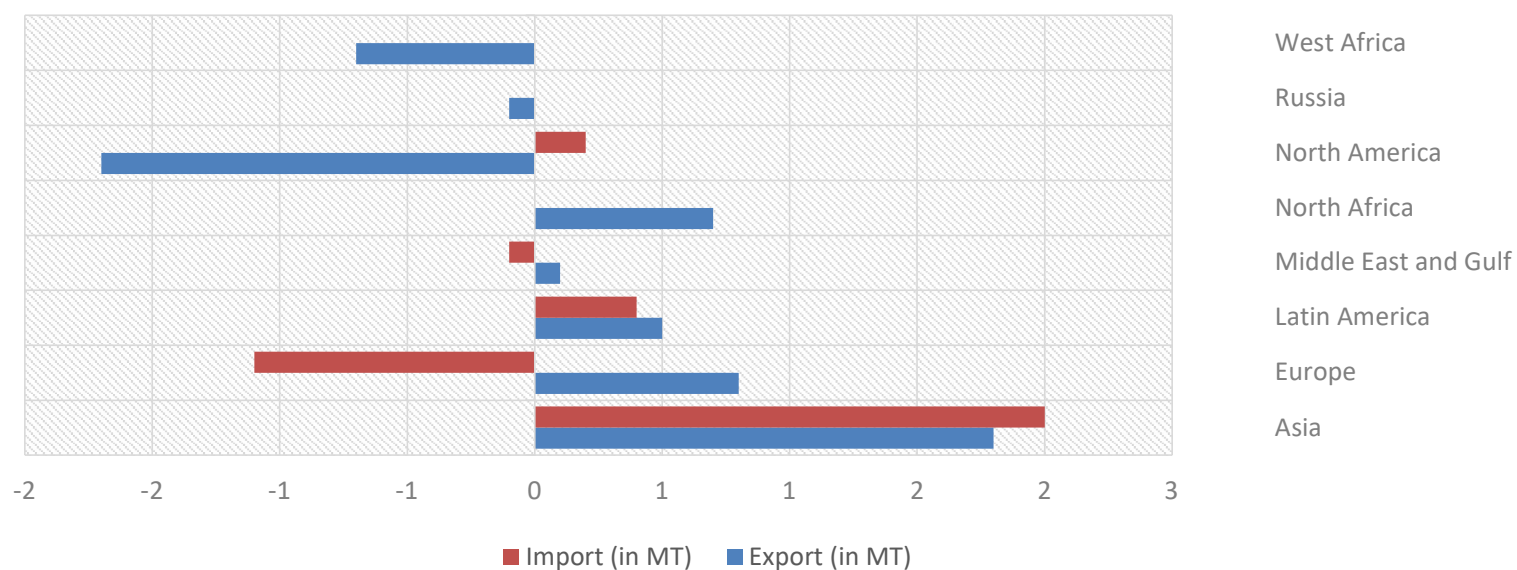


- The LNG market has rebounded the last weeks following a seasonal weak period. Focus is now to secure tonnage for the upcoming winter season.
- The period market is still slow, but rates are holding as available vessels are limited

Source: SSY

LNG export and import

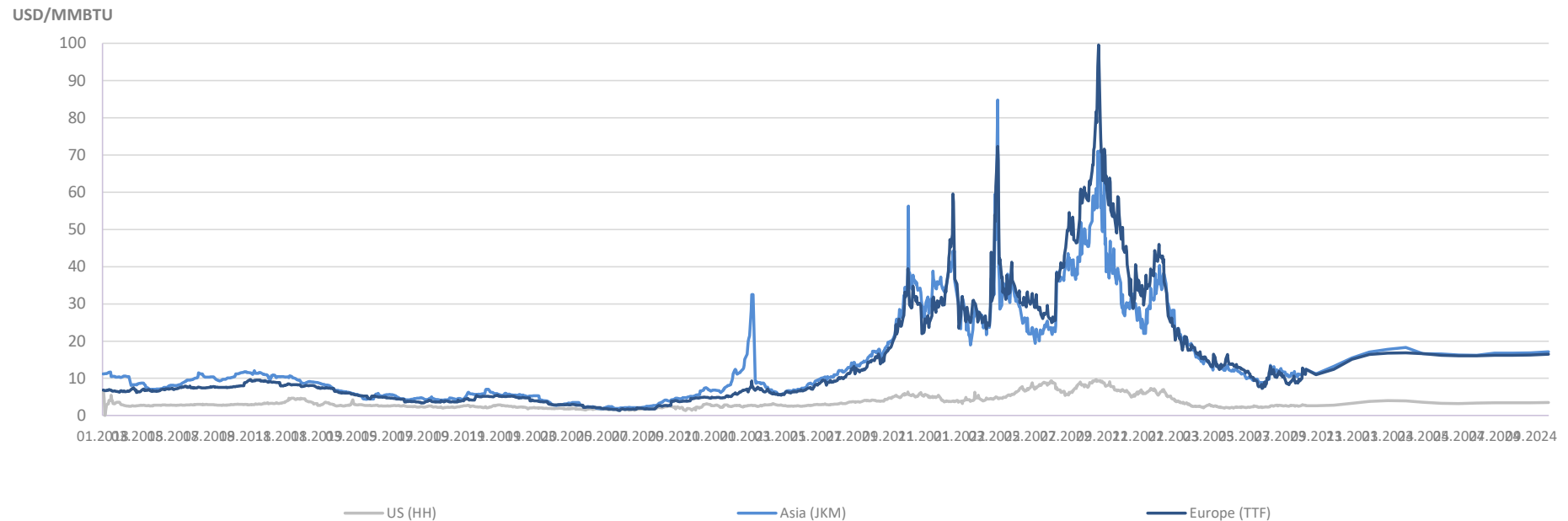
Q2 2023 vs Q2 2022 (YoY change)



- Small positive change in volume of discharged LNG compared to second quarter last year
- Continued lower export from the US mainly as a result of Freeport LNG incident last year, set to change in the coming quarters

Source: Fearnley LNG

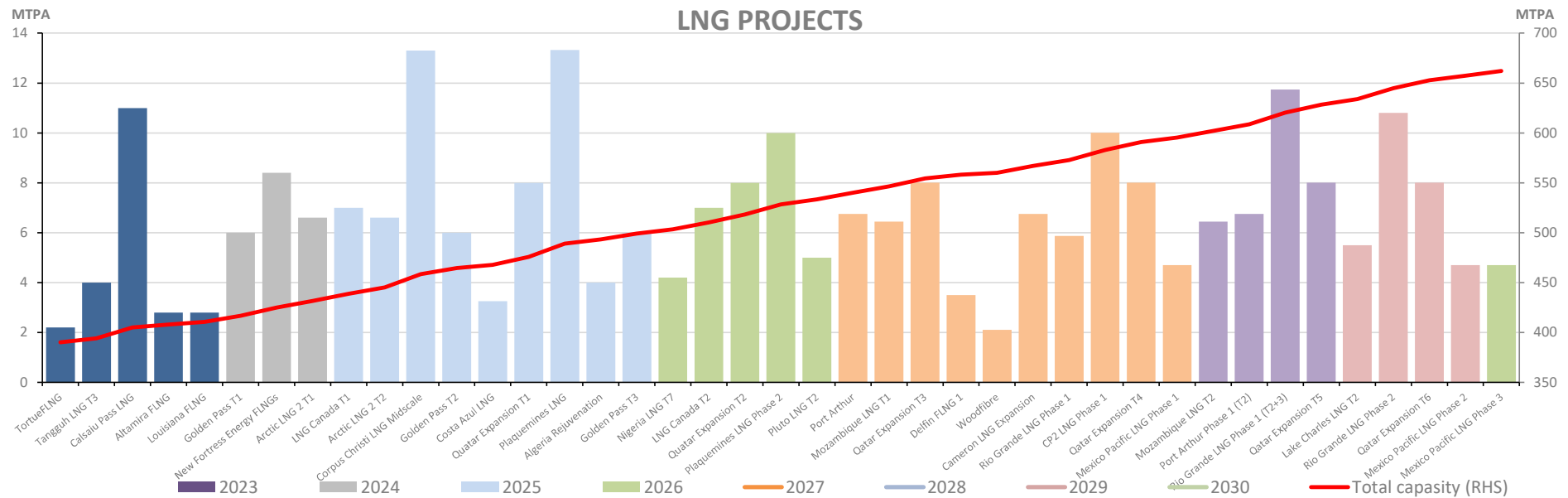
Gas prices



- Gas prices have come down but remain extremely volatile ahead of another winter in Europe with minimal Russian pipeline gas while Chinese demand is hit by weak economic growth ahead of winter heating period.
- Prices are still well above historical levels for this time of the year, where high stock levels fend off some of the nervousness while the threat of strike in Australia cause irrational momentary spikes.

Source: SSY

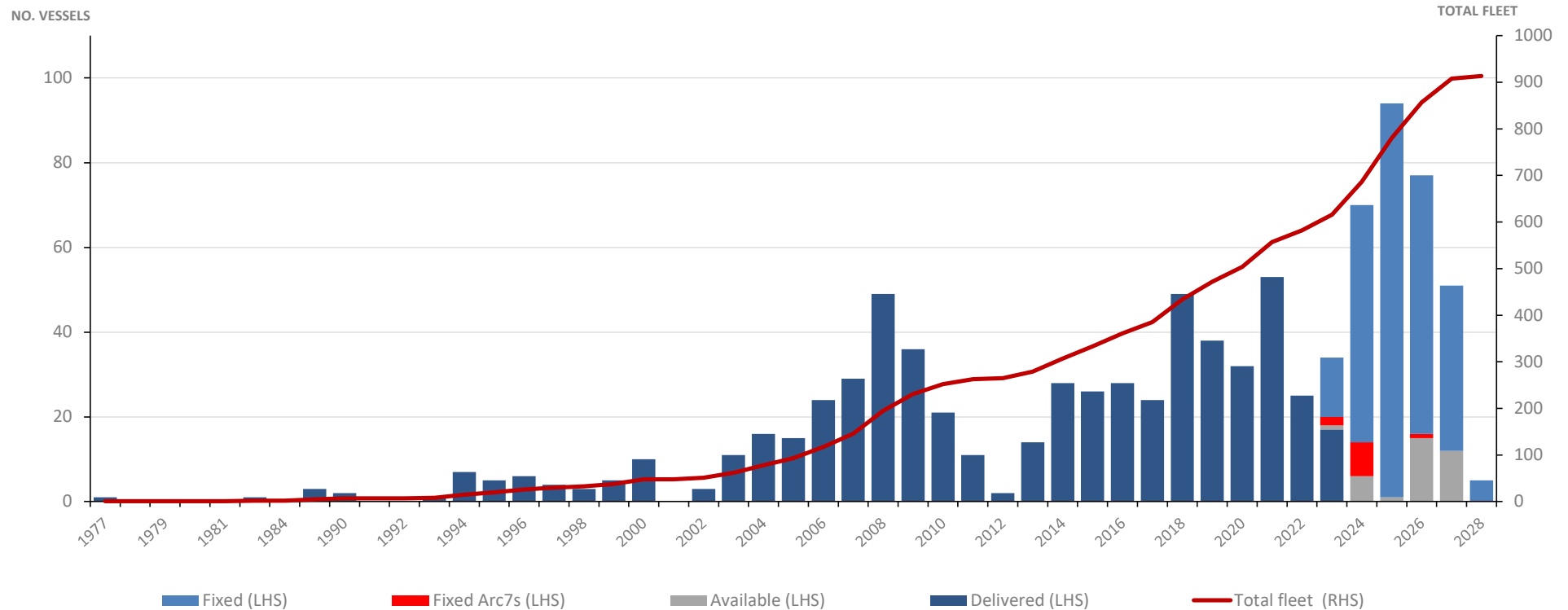
Trainspotting



- ~ 280 MTPA new capacity currently under construction or planning.
- Continued high activity following Europe's renewed focus on security of supply and high prices for LNG

Source: Poten & Partners

LNG fleet and orderbook



- Orderbook for LNGC now stand at 314 of which about 10% are unfixed
- Limited newbuilding deliveries in 2023 support a strong market for this year
- Newbuilding cost, payment terms and increasing lead time indicate well above USD 280 million delivered cost

*Including 11 Arc-7 vessels

Source: Poten & Partners

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- The Company report a profit for the quarter of USD 11.0 million and an all-time high first half year result of USD 20.1 million
- Both vessels are trading on fixed rate contracts, securing employment until third quarter 2024 with an average rate of USD 121,500 pd
- The Board of Directors approved a dividend of NOK 0.25per share, payable on or about September 14, 2023
- Both vessels to undergo second special survey, including dry dock during third quarter 2023, affecting P&L and Cash Flow for the period

- Mid- and long-term demand for LNG transportation remains strong
 - Continued focus on security of supply in Europe maintaining chartering interest in mid-long term
 - Ton-mile demand expected to increase with lower gas prices and normalized demand from Asia
 - Large increase in exports from USA with several projects taking FID
 - Most orders with firm long-term commitment against new LNG production

- Awilco LNG
 - WilForce open in third quarter 2024
 - WilPride delivered on a 3+2-year contract in December 2022
 - Awilco LNG have repurchase options and a purchase obligation in 2030 on both vessels



A Fully Integrated Pure Play LNG Transportation Provider





Jon Skule Storheill

CEO

Mobile: +47 913 44 356

E-mail: jss@awilcolng.no

Per Heiberg

CFO

Mobile: +47 952 20 264

E-mail: pheiberg@awilcolng.no