



SECOND QUARTER 2023 AND FIRST HALF YEAR RESULTS

HIGHLIGHTS ¹⁾

- 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 the next quarters.

KEY FINANCIAL FIGURES ¹⁾

<i>In USD millions, unless stated otherwise</i>	Q2 2023	Q1 2023	Q2 2022	2022
Freight income	22.1	20.7	12.3	51.5
Voyage related expenses	0.2	0.2	2.1	6.2
EBITDA	18.4	16.6	6.8	31.1
Net profit/(loss)	11.0	9.0	0.0	5.8
Total assets	348.3	348.0	349.4	348.1
Total equity	134.0	129.1	126.6	126.4
Gross interest-bearing debt	201.6	206.3	220.4	211.0
Cash and cash equivalents	29.4	28.0	26.3	26.1
Book equity ratio (in %)	38.5%	37.4%	36.2%	36.3%

¹ Please refer to definitions in Appendix A for descriptions of alternative performance measures

Jon Skule Storheill, Chief Executive Officer, commented:

“On the back of fixed rate contracts for both WilForce and WilPride we are pleased to report another strong quarter with a profit of USD 11.0 million. Seasonally low spot rates throughout the second quarter are now behind us and we are seeing rate levels increasing as usual for this time of year. Although both our vessels will be going through their scheduled second special survey incurring substantial off-hire periods in the third quarter, the fixed earnings contracts will enable the company to continue to return value to our shareholders also in this period. The board resolved and declared a quarterly dividend of NOK 0.25 payable in September 2023”

FINANCIAL REVIEW

Income statement second quarter 2023

Both vessels traded on their fixed rate contracts without any off-hire for the entire quarter, which resulted in increased earnings compared to the previous quarter and a continued 100% utilization of both vessels. TCE earnings for second quarter ended at USD 120,500 per day, up from USD 113,800 per day in first quarter 2023.

Freight income for the quarter totaled USD 22.1 million, up from USD 20.7 million in first quarter 2023. Voyage related expenses were USD 0.2 million, the same as for first quarter 2023. Net freight income for the quarter ended at USD 21.9 million compared to USD 20.5 million in first quarter 2023.

Operating expenses came in at USD 2.4 million in second quarter compared to USD 3.0 million in previous quarter. Administration expenses were USD 1.1 million in second quarter 2023 compared to USD 0.9 million in first quarter 2023. EBITDA for the quarter ended at USD 18.4 million, up from USD 16.6 million in first quarter 2023. Depreciation charges for the quarter were USD 3.1 million, slightly down from USD 3.2 million in the previous quarter.

Net financial expenses were USD 4.3 million in second quarter 2023, down from USD 4.4 million in first quarter 2023. Interest expense on the vessels' financing in second quarter 2023 amounted to USD 4.7 million, up from USD 4.6 million in the previous quarter. Increased floating interest rates continue to impact results, but this is partly offset by increased interest income.

Profits and profit per share for the quarter ended at USD 11.0 million and USD 0.08 respectively, up from USD 9.0 million and USD 0.07 per share in first quarter 2023.

Income statement first half year 2023

For the first half of 2023 freight income was USD 42.8 million compared to USD 26.6 million for the same period last year. Voyage related expenses were USD 0.4 million (USD 2.3 million), operating expenses USD 5.4 million (USD 5.3 million) and administration expenses were USD 1.8 million (USD 1.6 million). EBITDA in the first half of 2023 was USD 35.0 million compared to USD 17.7 million in the first half of 2022. Net profit for the period was USD 20.1 million compared to a net profit of USD 6.0 million in the first half of 2022.

Liquidity and financial position

Cash and cash equivalents increased to USD 29.4 million at the end of second quarter, up from USD 28.0 million at the end of first quarter 2023. The increase is related to higher freight income in first quarter compared to second quarter 2023 off-set by dividend payment of USD 6.4 million in June 2023.

Interest-bearing debt net of capitalized and amortizing transaction costs was reduced by USD 4.5 million in the quarter to USD 198.6 million on June 30, 2023 in accordance with the repayment profile of the leases. The current portion of the interest-bearing debt constituted USD 18.8 million at quarter-end and represents the scheduled amortization for the 12 months after June 30, 2023.

The total book value of WilForce and WilPride was on June 30, 2023, USD 314.0 million after depreciation of USD 3.1 million. One engine overhaul and the second special survey and drydock of both vessels will be performed in third quarter 2023. Prepaid costs for these projects are capitalized and amounted to USD 1.8 million in second quarter 2023.

Book equity on June 30, 2023 was USD 134.0 million and total assets was USD 348.3 million, giving an equity ratio of 38.5% at quarter-end, up from 37.1% as of March 31, 2023.

Corporate development

On August 22, 2023 the Board authorized a cash dividend payment of NOK 0.25 per share to the shareholders on record as of August 31, 2023. The shares in Awilco LNG ASA will be traded ex. dividend from and including August 30, 2023, and dividend will be paid on or about September 14, 2023. The dividend is classified as return of paid in capital.

The Annual General Meeting has given the Board authority to declare quarterly dividends according to the Company's cash flow, subject to debt covenants, capital requirements and a robust cash buffer. The dividend resolved for second quarter 2023 take into account the ongoing drydocking of both vessels.

The process to agree on quantum related to the collision involving WilForce back in 2019 has not made any significant progress during the quarter and the Company is still working towards a positive outcome and final settlement. No effects of the claim will be reflected in Awilco LNG's financial statements until the awarded compensation is determined and received.

MARKET UPDATE

During second quarter we saw the same trend as in first quarter with low gas prices and freight rates, but a slight rebound was experienced at the end of the quarter. This is continuing into the third quarter and currently we see the freight market tightening with rates exceeding \$100,000 per day for TFDE vessels. The uplift in freight rates comes on the back of charterers starting to secure their autumn cargoes ahead of the expected stronger fourth quarter market. This autumn, like last year, we see charterers prefer to go long tonnage to make sure they are covered for the winter season rather than risk being short tonnage during the same period. Even if Asian demand is picking up, we still see most US LNG cargoes go to Europe, continuing to put pressure on ton-mile.

Gas prices have stayed at significantly lower levels than last year as most countries seem to be in better control of their demand and thereby limiting spot buying. This is supported by weaker than expected demand on the back of low growth volumes across the world. Prices in Far-East and Europe have for the most time been relatively equal over the summer and the limited arbitrage between the two regions has not given real support to freight demand.

Chartering activity was limited during the second quarter 2023 as most vessels continue to be controlled by charterers and additional demand for LNG transportation was limited. Over the last weeks we have seen some increased activity as market participants start to prepare for winter and are eager to secure tonnage before the expected tightening in the market. Interest in medium term charters (1 – 3 year) is increasing on the back of increased spot rates. Broker assessments for 1-year charter rates for TFDEs are currently slightly above \$100,000 per day.

Trade flow is largely unchanged in the second quarter with the majority of US LNG heading for Europe. Chinese imports are still below 2021 levels but have increased recently. In second quarter China was again the world's largest LNG importer, a position they lost during the last year. Despite lower gas prices we have still not seen volumes return to previous levels to price sensitive LNG importers in India, Pakistan and Bangladesh according to Fearnley LNG. Total volume of discharged LNG in second quarter came in at 98 MT according to the same source, which represent a 1.4 MT increase year over year.

Only three newbuildings were delivered during second quarter 2023 while two LNGC vessels were sold for recycling. According to Fearnley LNG this brings the total fleet at the end of the quarter to 614 ships. Ordering activity has declined notably with only 16 orders placed across Korean and Chinese yards. The total orderbook at the end of second quarter was then 289 vessels corresponding to 47% of the existing fleet. For the second half of 2023 and 2024 we continue to see a relatively moderate number of newbuilding deliveries, while 2025 and 2026 are expected to see record high deliveries. Newbuilding prices continue to increase and current yard prices exceed USD 260 million for 2027 deliveries.

ORGANISATION

The principal activity of Awilco LNG ASA and its subsidiaries is to invest in and operate LNG transportation vessels. Technical and commercial management of the fleet is performed from the Group's office in Oslo, Norway. The Group had eight employees as per the end of second quarter and Awilco LNG purchases certain administrative and sub-management technical services from companies in the Awilhelmsen Group, see note 5 for further details.

VESSEL STATUS

Both WilForce and WilPride traded the entire second quarter on fixed rate contracts with no off-hire.

In August WilForce went off-hire and into drydock in Singapore to perform her scheduled second special survey. This work is about to be completed and the vessel is scheduled to be on-hire again by the end of the month.

WilPride will be off-hire late August and during September to perform her scheduled second special survey in Spain. She is expected to be on-hire again late September 2023. The docking cost is, as reported earlier, expected to be about USD 12 million in total and the vessels are expected to be off-hire for approximately 60 days in total including positioning and repositioning time.

The company completed overhaul on one main engine in the first quarter 2023 and the corresponding cost are depreciated over a four-year period. One additional engine will be overhauled during drydock. Cash cost is estimated to be approximately USD 1 million for both overhauls in total. No separate off-hire is expected during engine overhauls as they are performed during regular operation.

OUTLOOK

The seasonal low period lasted longer into second quarter with high storage levels and less prominent influence from lost pipeline supply from Russia. However, over the last weeks we have seen an increased demand and an upward trend in LNG shipping freight rates. We expect this to continue towards the coming winter season as security of supply, combined with increasing demand, continues to be a high focus from European buyers. The term market continues to be active, even though at a lower level than seen last year. The large orderbook is expected to influence the spot market particularly towards 2026 and 2027 depending scheduled start of new production plants being on time. Awilco LNG has delivered strong results over the last quarters as both vessels are chartered out on fixed rate time charters. The first vessel is coming open in the third quarter 2024. Short term focus is on efficient and thorough drydocking of both vessels to ensure they are technically and operationally ready for the next five years of service which will affect P&L and cash flow. The Company continue to focus on long term performance and to return cash to our shareholders.

STATEMENT OF RESPONSIBILITY

We confirm, to the best of our knowledge, that the condensed set of financial statements for the first half year of 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting and give a true and fair view of Awilco LNG ASA's consolidated assets, liabilities, financial position, and income statement, and that the interim report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

Oslo, August 22, 2023

Synne Syrrist

Chairman of the Board

Jon-Aksel Torgersen

Board member

Ole Christian Hvidsten

Board member

Annette Malm Justad

Board member

Jens-Julius R. Nygaard

Board member

Jon Skule Storheill

CEO

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

		Q2 2023	Q1 2023	Q2 2022	1.1 - 30.6 2023	1.1 - 30.6 2022
	Note	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<i>In USD thousands, except per share figures</i>						
Freight income	2	22,116	20,655	12,267	42,771	26,581
Voyage related expenses	5	180	178	2,083	358	2,281
Net freight income		21,936	20,477	10,185	42,413	24,300
Other income		-	-	-	-	367
Operating expenses		2,415	2,989	2,665	5,404	5,316
Administration expenses	5	1,084	888	758	1,972	1,607
Earnings before interest, taxes, depr. and amort. (EBITDA)		18,437	16,600	6,761	35,037	17,745
Depreciation and amortisation		3,132	3,156	3,317	6,289	6,433
Earnings before interest and taxes (EBIT)		15,305	13,444	3,444	28,749	11,311
Finance income		477	189	60	666	72
Net gain/(loss) and valuation adjustment of securities		-	-	(661)	-	(163)
Finance expenses		4,739	4,587	2,808	9,326	5,216
Net finance income/(expense)		(4,262)	(4,398)	(3,409)	(8,660)	(5,307)
Profit/(loss) before taxes		11,043	9,046	35	20,089	6,004
Income tax expense		-	-	-	-	-
Profit/(loss) for the period		11,043	9,046	35	20,089	6,004
Earnings per share in USD attributable to ordinary equity holders of Awilco LNG ASA:						
Basic, profit/(loss) for the period		0.08	0.07	0.00	0.15	0.05
Diluted, profit/(loss) for the period		0.08	0.07	0.00	0.15	0.05

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit/(loss) for the period	11,043	9,046	35	20,089	6,004
Other comprehensive income:					
Other comprehensive income items	-	-	-	-	-
Total comprehensive income/(loss) for the period	11,043	9,046	35	20,089	6,004

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30.06.2023	31.03.2023	31.12.2022	30.06.2022
<i>In USD thousands</i>	Note	(unaudited)	(unaudited)	(unaudited)	(unaudited)
ASSETS					
Non-current assets					
Vessels		313,956	315,305	317,087	322,580
Pension assets		551	525	502	459
Other fixed assets incl right-of-use assets		12	14	36	101
Total non-current assets		314,519	315,843	317,624	323,140
Current assets					
Trade receivables		3,775	3,687	3,774	987
Inventory		147	144	233	3,223
Other short term assets		432	337	419	1,397
Cash and cash equivalents		29,421	28,032	26,058	20,649
Total current assets		33,774	32,200	30,483	26,256
TOTAL ASSETS		348,293	348,043	348,107	349,396
EQUITY AND LIABILITIES					
Equity					
Share capital	3	1,976	1,976	1,976	1,976
Share premium	3	120,872	127,004	133,384	133,384
Other paid-in capital		65,588	65,588	65,588	65,588
Retained earnings		(54,473)	(65,516)	(74,562)	(74,358)
Total equity		133,963	129,053	126,387	126,590
Non-current liabilities					
Pension liabilities		619	599	569	528
Long-term interest bearing debt	4	179,831	184,349	188,831	197,858
Total non-current liabilities		180,450	184,948	189,401	198,385
Current liabilities					
Short-term interest bearing debt	4	18,750	18,750	18,804	18,865
Trade payables		695	1,466	771	409
Provisions and accruals	6	14,434	13,827	12,745	5,147
Total current liabilities		33,879	34,042	32,320	24,421
TOTAL EQUITY AND LIABILITIES		348,293	348,043	348,107	349,396

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Q2 2023	Q1 2023	1.1 - 30.6 2023	1.1 - 30.6 2022
<i>In USD thousands</i>	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Cash Flows from Operating Activities:				
Profit/(loss) before taxes	11,043	9,046	20,089	6,004
Interest and borrowing costs expensed	4,696	4,566	9,261	5,161
<i>Items included in profit/(loss) not affecting cash flows:</i>				
Depreciation and amortisation	3,132	3,156	6,289	6,433
<i>Changes in pension assets, operating assets and liabilities:</i>				
Trade receivables, inventory and other short term assets	(212)	235	23	3
Trade payables, provisions and accruals	(294)	1,437	1,142	(4,624)
i) Net cash provided by/(used in) operating activities	18,365	18,439	36,804	12,977
Cash Flows from Investing Activities:				
Investment in vessels / sale of vessels	(1,783)	(1,353)	(3,136)	(2,074)
ii) Net cash provided by/(used in) investing activities	(1,783)	(1,353)	(3,136)	(2,074)
Cash Flows from Financing Activities:				
Dividends paid	(6,132)	(6,380)	(12,512)	
Repayment of borrowings	(4,688)	(4,709)	(9,397)	(9,439)
Interest and borrowing costs paid	(4,374)	(4,023)	(8,397)	(4,451)
iii) Net cash provided by/(used in) financing activities	(15,194)	(15,112)	(30,306)	(13,891)
Net change in cash and cash equivalents (i+ii+iii)	1,388	1,974	3,362	(2,988)
Cash and cash equivalents at start of period	28,032	26,058	26,058	23,637
Cash and cash equivalents at end of period	29,421	28,032	29,421	20,649

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended June 30, 2023

<i>In USD thousands</i>	Share capital	Share premium	Other paid-in capital	Retained earnings	Total equity
Equity at 1 January 2023	1,976	133,384	65,588	(74,562)	126,387
Profit/(loss) for the period	-	-	-	20,089	20,089
Other comprehensive income for the period	-	-	-	-	-
<i>Total comprehensive income</i>	-	-	-	20,089	20,089
Dividends paid	-	(12,512)	-	-	(12,512)
Balance as at June 30, 2023 (unaudited)	1,976	120,872	65,588	(54,473)	133,963

For the period ended June 30, 2022

<i>In USD thousands</i>	Share capital	Share premium	Other paid-in capital	Retained earnings	Total equity
Equity at 1 January 2022	1,976	133,384	65,588	(80,362)	120,587
Profit/(loss) for the period	-	-	-	6,004	6,004
Other comprehensive income for the period	-	-	-	-	-
<i>Total comprehensive income</i>	-	-	-	6,004	6,004
Balance as at June 30, 2022 (unaudited)	1,976	133,384	65,588	(74,358)	126,591

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Corporate information, basis for preparation and accounting policies

Corporate information

Awilco LNG ASA (the Parent Company) is a public limited liability company incorporated and domiciled in Norway. The Parent Company's registered office is Beddingen 8, 0250 Oslo, Norway.

The interim consolidated financial statements (the Statements) comprise the Parent Company and its subsidiaries, together referred to as the Group. The principal activity of the Group is the investment in and operation of LNG transportation vessels. The Group owns and operates two modern TFDE LNG carriers.

Basis of preparation

The Statements for the three months ended June 30, 2023 and first half year ended June 30, 2023 are prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The interim consolidated financial statements are unaudited. The consolidated financial statements are presented in US Dollars (USD) rounded off to the nearest thousands, except as otherwise indicated.

The accounting policies adopted in the preparation of the Statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2022. The Statements do however not include all the information and disclosures required by International Financial Reporting Standards (IFRS) for a complete set of financial statements, and the Statements should be read in conjunction with the Group's annual consolidated financial statements for the period ended December 31, 2022, which includes a detailed description of the applied accounting policies.

Note 2 – Segment information

Operating segments

Awilco LNG owns and operates two LNG vessels. For internal reporting and management purposes the Group's business is organized into one operating segment, LNG transportation. Performance is not evaluated by geographical region as the vessels trade globally and revenue is not dependent on any specific country. Revenue from the Group's country of domicile, Norway, was NIL in second quarter 2023, same as in first quarter 2023.

Information about major customers

The Group had two customers contributing with more than 10 per cent of the Group's freight income in second quarter 2023, at 63 and 37% of total revenue, and three in first quarter 2023 at 45, 39 and 15% of total revenue.

Note 3 – Share capital

There were no changes in the number of issued shares during second quarter 2023. The number of issued shares was 132,548,611 on June 30, 2023. The share capital is denominated in NOK and all issued shares are of equal rights.

On June 15, 2023 the Company paid a dividend of NOK 0.50 / USD 0.046 per share with a total amount of NOK 66.3 million / USD 6.1 million. Total dividend paid during first half 2023 was NOK 1.00 / USD 0.094 per share with a total amount of NOK 132.5 / USD 12.5 million.

Note 4 – Financing and liquidity

Under the sale/leaseback arrangements with CCB Financial Leasing Co. Ltd. (CCBFL), commencing in January 2020, WilForce and WilPride are chartered back on bareboat basis to wholly owned subsidiaries of the Company for a period of up to 10 years from the commencement. The bareboat hire is payable quarterly in arrears and has a 14-year straight line amortisation profile. The Group has rolling repurchase options that started in January 2023, repurchase obligations upon termination of the arrangements and same at maturity of the facilities at USD 37.5 million per vessel.

The sale/leaseback facilities provided by CCBFL contains a minimum value clause in addition to financial covenants that require the Group to maintain consolidated minimum cash and cash equivalents of USD 10.0 million and positive consolidated working capital. The positive working capital financial covenant excludes the short-term portion of long-term debt including lease liabilities. The Company is restricted from declaring or paying dividends if the consolidated cash position of the Group is lower than USD 20.0 million.

At June 30, 2023 the Group had cash and cash equivalents of USD 29.4 million compared to USD 28.0 million on March 31, 2023 and USD 26.1 on December 31, 2022. The Group is in compliance with all financial covenants regarding the lease facilities.

Note 5 – Related party transactions

Contracts with related parties

Awilco LNG has service contracts and transactions with the following related parties:

- 1) Awilco Technical Services AS (ATS) - *Technical sub-management services*
- 2) Awilhelmsen Management AS (AWM) - *Administrative services*
- 3) Integrated Wind Solutions ASA (IWS) – *Technical sub-management services*

1) Awilco LNG's in-house technical manager, ALNG TM, has entered into a sub-management agreement with ATS, whereby ATS assists ALNG TM in management of the Group's fleet. ALNG TM pays ATS a management fee based on ATS' costs plus a margin of 7%, cost being time accrued for the sub-manager's employees involved. The fee is subject to quarterly evaluation and is regulated according to the consumer price index in Norway. The agreement can be terminated by both parties with three months' notice. ATS is 100% owned by Awilco AS.

2) AWM provides the Group with administrative and general services including accounting, payroll, legal, secretary function and IT. The Group pays AWM NOK 2.4 million in yearly management fee (USD 0.24 million) based on AWM's costs plus a margin of 5%. The fee is subject to semi-annual evaluation and is regulated according to the consumer price index in Norway. The agreement can be terminated by both parties with three months' notice. AWM is 100% owned by Awilhelmsen AS, which owns 100% of Awilco AS.

As from June 1, 2023 Awilco LNG moved from offices owned by a non-related party into offices owned by AWM. Subsequently the Company have entered into an agreement to rent offices from AWM at an annual cost of NOK 1.2 million (USD 0.12 million), including common cost and to be adjusted annually according to the consumer price index in Norway. The agreement can be terminated by both parties with six months' notice and is booked as Administration expenses. AWM is 100% owned by Awilhelmsen AS, which owns 100% of Awilco AS.

3) Awilco LNG's in-house technical manager, ALNG TM, has entered into a sub-management agreement with IWS, whereby IWS assists ALNG TM in management of the Group's fleet. ALNG TM pays IWS a management fee based on an agreed hourly rate for the employees involved. The agreement can be terminated by both parties with three months' notice. IWS is 39.4% owned by Awilco AS.

Purchases from related parties

			1.1-30.06	1.1-30.06
<i>In USD thousands</i>	Q2 2023	Q1 2023	2023	2022
Awilco Technical Services AS	107	99	206	222
Awilhelmsen Management AS	62	57	119	123
Integrated Wind Solutions ASA	2	2	4	0

Purchases from related parties are included as part of Administration expenses in the income statement.

Note 6 – Provisions and accruals

Provisions and accruals as of June 30, 2023, were USD 14.4 million (USD 13.8 million as of March 31, 2023), of which deferred income constituted USD 7.5 million (USD 7.3 million as of March 31, 2023), accrued interest towards the CCBFL lease obligations was USD 4.3 million (USD 4.2 million as of March 31, 2023) and provisions for inventory USD 2.0 million.

Note 7 – Events after the balance sheet date

On August 22, 2023 the Board authorized a cash dividend payment of NOK 0.25 per share to the shareholders on record as of August 31, 2023. The shares in Awilco LNG ASA will be traded ex. dividend from and including August 30, 2023, and dividend will be paid on or about September 14, 2023. The dividend is classified as return of paid in capital.

APPENDIX 1 – ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measures (APMs), i.e. financial performance measures not within the applicable financial reporting framework, are used by Awilco LNG to provide supplemental information. Financial APMs are intended to enhance comparability of the results and cash flows from period to period, and it is Awilco LNG's experience that these are frequently used by analysts and investors.

These measures are adjusted IFRS measures defined, calculated, and used consistently. Operational measures such as, but not limited to, volumes, utilisation and prices per MMBTU are not defined as financial APMs. Financial APMs should not be considered as a substitute for measures of performance in accordance with IFRS. Disclosures of APMs are subject to established internal control procedures.

Awilco LNG's financial APMs:

- Net freight income¹⁾: Freight income – Voyage related expenses
- EBIT: Net freight income - Operating expenses - Administration expenses - Vessel repair expenses - Depreciation and amortisation – Impairments
- EBITDA: EBIT + Depreciation and amortisation + Impairments
- Interest bearing debt: Long-term interest-bearing debt + Short-term interest-bearing debt + Pension liabilities + Other non-current liabilities
- Gross interest-bearing debt: Interest-bearing debt before deduction for unamortized transaction costs
- Book equity ratio: Total equity / Total assets
- TCE (time charter equivalent): Net freight income including loss of hire insurance divided by the number of calendar days less off-hire days not covered by loss of hire insurance

The reconciliation of Net freight income, EBIT and EBITDA with IFRS figures can be derived directly from the Group's consolidated Income Statement.

¹⁾ When vessels operate in the spot market, freight income includes bunkers compensation and the fuel element of ballast bonuses, whereas voyage related expenses include the corresponding bunkers costs and other repositioning costs. The APM net freight income adjusts for this grossing up and provides improved comparability of the Group's performance between periods.