AWILCO LNG

FIRST QUARTER 2025 RESULTS

HIGHLIGHTS [1)]

- Awilco LNG reports a net loss of USD 3.3 million and loss per share of USD 0.02 in the first quarter 2025, down from a net profit of USD 1.5 million and USD 0.01 per share in the fourth quarter 2024.
- Net freight income of USD 8.3 million in first quarter 2025, compared to USD 9.3 million in fourth quarter 2024.
- EBITDA in first quarter 2025 ended at USD 3.8 million, down from USD 8.8 million in fourth quarter 2024.
- Vessel utilization was 72% for first quarter 2025, compared to 89% for fourth quarter 2024.
- Net TCE came in at USD 46,000 per day for first quarter 2025, compared to USD 56,800 per day for fourth quarter 2024.

KEY FINANCIAL FIGURES [1)]

In USD millions, unless stated otherwise	**Q1 2025**	Q4 2024	2024
Freight income	**10.2**	10.6	67.6
Voyage related expenses	**1.9**	1.3	3.2
EBITDA	**3.8**	8.8	52.5
Net profit/(loss)	**(3.3)**	1.5	17.1
Total assets	**329.6**	335.2	335.2
Total equity	**134.0**	137.3	137.3
Gross interest-bearing debt	**187.7**	190.8	190.8
Cash and cash equivalents	**22.9**	23.5	23.5
Book equity ratio (in %)	**40.7%**	40.9%	40.9%

Jon Skule Storheill, Chief Executive Officer, commented:

“With one vessel trading on a fixed rate contract and the other in a very challenging spot market experiencing idle periods, the Company report a loss of USD 3.3 million for the quarter. The spot shipping market for LNGCs has been exceptionally weak for the last period as surplus of vessels continue to put pressure on the market. An increasing number of the uncompetitive steam vessels are seen in lay-up, more vessels are sold for demolition and the number of cargoes to be lifted from the US is increasing, all factors that eventually will re-balance the market.”

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

FINANCIAL REVIEW

Income statement first quarter 2025

With WilForce trading in an exceptionally weak market with lengthy idle periods during the quarter the TCE earnings ended at USD 46,000 per day on average for both vessels, down from USD 56,800 in the previous quarter. WilPride continues to trade on her fixed rate contract until late 2025.

Freight income for the quarter ended at USD 10.2 million compared to USD 10.6 million in fourth quarter 2024. Voyage related expenses were USD 1.9 million, up from USD 1.3 million in fourth quarter 2024. Net freight income for the quarter ended at USD 8.3 million compared to USD 9.3 million in fourth quarter 2024.

Operating expenses came in at USD 3.6 million in first quarter 2025 compared to USD 3.0 million in previous quarter and administration expenses were USD 0.9 million in first quarter 2025, compared to USD 1.2 million in fourth quarter 2024. EBITDA for the quarter ended at USD 3.8 million, down from USD 8.8 million in fourth quarter 2024. Depreciation charges for the quarter were USD 3.9 million, the same as for the previous quarter.

Net financial expenses were USD 3.2 million in first quarter 2025, down from USD 3.4 million in fourth quarter 2024. Running interest expense on the vessels' financing in first quarter 2025 amounted to USD 3.3 million, down from USD 3.7 million in the previous quarter. Running interest expenses will fluctuate with the development of SOFR interest rates.

Loss and loss per share for the quarter ended at USD 3.3 million and USD 0.02 respectively, compared to a profit of USD 1.5 million and a profit per share of USD 0.01 in fourth quarter 2024.

Liquidity and financial position

Cash and cash equivalents decreased slightly from USD 23.5 million at the end of fourth quarter 2024 to USD 22.9 million at the end of first quarter 2025. Cash flow from operations was USD 6.0 million in first quarter, up from USD 4.8 million in fourth quarter. There were no investments in vessels during the quarter, while the company had a small investment in furniture and fittings related to the move of offices during first quarter 2025.

Interest-bearing debt net of capitalized and amortized transaction costs was reduced by USD 3.0 million in the quarter to USD 187.7 million as of March 31, 2025, in accordance with ordinary repayment on the company's leases. The current portion of the interest-bearing debt constituted USD 13 million at the end of the quarter and represents the scheduled amortization for the 12 months following March 31, 2025. The Group has rolling repurchase options of the vessels starting in June 2026 and repurchase obligations at maturity of the facility.

As at March 31, 2025 total book value of WilForce and WilPride was USD 298.2 million following depreciation of USD 3.9 million and zero capitalization of any investments in the vessels during the quarter.

Book equity on March 31, 2025, was USD 134.0 million and total assets were USD 329.6 million, resulting in an equity ratio of 40.7% at quarter-end, down from 40.9% as of December 31, 2024.

MARKET UPDATE

The start of 2025 has been a real challenge for the LNG shipping market with rates at historically low levels. Cargoes out of the US have been steadily increasing with the startup of new trains at Calcasieu Pass and Plaquemines projects, but this is far from enough to cover for the newbuildings delivered from the shipyards and reduced ton-mile as more US produced LNG heads for Europe. So far this year we have seen an increased number of older steam vessels in lay-up and sold for demolition than ever before. For the longer term we expect that phase out of steam ships, ramp up of new production capacity and reduced pace of newbuilding deliveries combined with expected demand growth, especially in Asia, will give boost to an improved market.

Following a period of very low Spot LNG shipping rates there has been a slight increase over the last weeks and are currently quoted in the region of USD 20,000 per day for TFDE vessels. More 2-stroke vessels are chartered out and fewer are available in the spot market as they are employed on their intended long-term commitment following the ramp of production seen lately, especially from US suppliers. Charterers focus has therefore shifted towards TFDEs, even if they are forced to discount rates in order to compete. With low but increasing inventory levels in Europe we expect activity to pick up in the coming months in order to reach required filling targets for the next winter season. Multi-month fixtures are still at low levels but somewhat firming on increasing activity as charterers look to secure their medium-term need at low levels.

Loaded volumes of LNG reached its highest quarterly level ever of 109 MT in first quarter 2025 according to Fearnleys, this is up 2 MT from fourth quarter 2024, which is not enough to cover for the increased number of new tonnage available in the market. The US continues to be the largest exporter with 26 MT, which is 4.4 MT more than Qatar, as the second largest. Japan was the top importer during the quarter with 18 MT, followed by China with a surprisingly low 15 MT.

16 LNGCs were delivered during first quarter 2025 according to Fearnley LNG, which brings the sailing fleet of LNGC to above 700 ships. However, 18 vessels are registered in lay-up. Very few new orders were placed during the quarter combined with a high number of deliveries brings the orderbook-to-fleet ratio down to 45% at the end of first quarter. For the remaining period of the year 69 vessels are scheduled for delivery. We also expect a number of deliveries scheduled for 2025 to be pushed into next year.

Order books are full for 2026 and 2027 so any new orders will be for 2028 and onwards delivery. For 2028 and onwards, the orderbook is significantly lower.

The new US administration has greenlighted several new LNG export projects for expediting start-ups but has also recently announced USTR port fee structure which may affect the LNG shipping market although the final wording is still not clear.

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 four employees as per the end of first quarter and Awilco LNG purchases certain administrative services from the Awilhelmsen Group, see note 5 for further details.

VESSEL STATUS

WilForce is trading in a challenging spot market while the Company is searching for longer employment. The existing charter party for WilPride runs until late 2025, the charterer has an option to extend the charterparty for two more years at the current rate. Notice to extend is to be given by 1st August.

OUTLOOK

The current LNG market is challenging although there are positive signs from increasing LNG production and phase out of older steam vessels indicating a rebalancing of the market. LNG has over the last two years proven its flexibility and importance as a source of energy. We believe demand for LNG will continue to increase going forward and support the LNG shipping market.

Oslo, May 20, 2025

Synne Syrrist *Chair of the Board*	Jens Ismar *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

In USD thousands, except per share figures	Note	Q1 2025 (unaudited)	Q4 2024 (unaudited)	2024 (audited)
Freight income	2	10 190	10 609	67 589
Voyage related expenses	5	1 904	1 265	3 246
Net freight income		**8 286**	**9 344**	**64 343**
Other income		-	3 661	3 661
Operating expenses		3 596	2 978	11 881
Administration expenses	5	860	1 206	3 624
Earnings before interest, taxes, depr. and amort. (EBITDA)		**3 831**	**8 820**	**52 499**
Depreciation and amortisation		3 900	3 891	15 569
Earnings before interest and taxes (EBIT)		**(69)**	**4 930**	**36 931**
Finance income		219	323	1 121
Finance expenses		3 402	3 756	20 941
Net finance income/(expense)		**(3 183)**	**(3 433)**	**(19 821)**
Profit/(loss) before taxes		**(3 252)**	**1 497**	**17 110**
Income tax expense		-	-	
Profit/(loss) for the period		**(3 252)**	**1 497**	**17 110**
Earnings per share in USD attributable to ordinary equity holders of Awilco LNG ASA:				
Basic, profit/(loss) for the period		(0,02)	0,01	0,13
Diluted, profit/(loss) for the period		(0,02)	0,01	0,13

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit/(loss) for the period	(3 252)	1 497	17 110
Other comprehensive income:			
Other comprehensive income items	-	-	-
Total comprehensive income/(loss) for the period	**(3 252)**	**1 497**	**17 110**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In USD thousands	Note	31.03.2025 (unaudited)	31.12.2024 (audited)
ASSETS			
Non-current assets			
Vessels		298 238	302 129
Pension assets		620	589
Other fixed assets incl right-of-use assets		177	12
Total non-current assets		**299 035**	**302 730**
Current assets			
Trade receivables		2 892	2 818
Inventory		2 432	3 452
Other short term assets		2 321	2 711
Cash and cash equivalents		22 928	23 536
Total current assets		**30 574**	**32 517**
TOTAL ASSETS		**329 609**	**335 247**
EQUITY AND LIABILITIES			
Equity			
Share capital	3	1 976	1 976
Share premium	3	88 846	88 846
Other paid-in capital		65 588	65 588
Retained earnings		(22 412)	(19 160)
Total equity		**133 998**	**137 250**
Non-current liabilities			
Pension liabilities		707	637
Long-term interest bearing debt	4	174 646	177 750
Total non-current liabilities		**175 354**	**178 387**
Current liabilities			
Short-term interest bearing debt	4	13 067	13 000
Trade payables		1 684	1 033
Provisions and accruals	6	5 505	5 576
Total current liabilities		**20 257**	**19 610**
TOTAL EQUITY AND LIABILITIES		**329 609**	**335 247**

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

In USD thousands	Q1 2025 (unaudited)	Q4 2024 (unaudited)	2024 (audited)
Cash Flows from Operating Activities:			
Profit/(loss) before taxes	(3,252)	1,497	17,110
Interest and borrowing costs expensed	3,398	3,750	20,898
Items included in profit/(loss) not affecting cash flows:			
Depreciation and amortisation	3,900	3,891	15,569
Changes in pension assets, operating assets and liabilities:			
Trade receivables, inventory and other short term assets	1,305	(2,306)	(4,117)
Trade payables, provisions and accruals	664	(2,057)	(4,940)
i) Net cash provided by/(used in) operating activities	**6,015**	**4,774**	**44,519**
Cash Flows from Investing Activities:			
Investment in vessels	0	-	(388)
Investment in other assets	(23)		
ii) Net cash provided by/(used in) investing activities	**(23)**	**-**	**(388)**
Cash Flows from Financing Activities:			
Proceeds from borrowings	-	-	200,000
Dividends paid	-	-	(24,572)
Repayment of borrowings	(3,250)	(3,250)	(198,822)
Interest and borrowing costs paid	(3,349)	(3,703)	(24,296)
iii) Net cash provided by/(used in) financing activities	(6,599)	(6,953)	**(47,690)**
Net change in cash and cash equivalents (i+ii+iii)	(607)	(2,179)	(3,558)
Cash and cash equivalents at start of period	23,536	25,715	27,094
Cash and cash equivalents at end of period	**22,928**	**23,536**	**23,536**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended March 31, 2025

In USD thousands	Share capital	Share premium	Other paid-in capital	Retained earnings	Total equity
Equity at 1 January 2025	1,976	88,846	65,588	(19,160)	137,250
Profit/(loss) for the period	-	-	-	(3,252)	(3,252)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income	-	-	-	*(3,252)*	*(3,252)*
Balance as at March 31, 2025 (unaudited)	1,976	88,846	65,588	(22,412)	133,996

For the period ended March 31, 2024

In USD thousands	Share capital	Share premium	Other paid-in capital	Retained earnings	Total equity
Equity at 1 January 2024	1,976	113,417	65,588	(36,270)	144,712
Profit/(loss) for the period	-	-	-	7,167	7,167
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income	-	-	-	*7,167*	*7,167*
Dividends	-	(24,572)	-	-	(24,572)
Balance as at March 31, 2024 (unaudited)	1,976	88,846	65,588	(29,103)	127,308

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 Haakon VIIs Gate 1, 0161 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 TFDE LNG carriers.

Basis of preparation

The Statements for the three months ending March 31, 2025, 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, 2024. 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, 2024, 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 first quarter 2025, same as in fourth quarter 2024.

Information about major customers

The Group had two customers contributing more than 10 per cent of the Group's freight income in first quarter 2025, at 84 and 16% of total revenue, this compared to two in fourth quarter 2024 with 80, and 11% respectively.

Note 3 – Share capital

There were no changes in the number of issued shares during first quarter 2025. The number of issued shares was 132,548,611 on March 31, 2025. The share capital is denominated in NOK and all issued shares are of equal rights.

Note 4 – Financing and liquidity

The WilForce and WilPride are financed with an up-to 12-year sale/leaseback facility provided by China Development Bank Financial Leasing Co. Ltd. (CDBL) in June 2024.

Both vessels were sold to CDBL at a gross amount of USD 200 million in total (USD 100 million per vessel). The vessels are chartered back on a bareboat basis to wholly owned subsidiaries of the Company for a period of up to 12 years. The facility bears a 26-year (age-adjusted) straight-line amortisation profile and carries a floating interest rate structure based on 3-month USD SOFR plus a margin. Approximately USD 2.9 million in transaction fees were incurred in the refinancing, which is presented net of lease obligations in the statement of financial position and amortised over the lease period, presented as finance expenses. Based on criteria in IFRS 16 the lease agreements are not considered to represent a sale of assets. Consequently, the vessels are accounted for at continuity and the agreements are considered as financing transactions.

The Group has rolling repurchase options starting in June 2026 and repurchase obligations at maturity of the facility.

On March 31, 2025, the Group had cash and cash equivalents of USD 22.9 million compared to USD 23.5 million on December 31, 2024. The Group complies 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 party:

1) Awilhelmsen Management AS (AWM) - *Administrative services*

1) AWM provides the Group with administrative and general services including accounting, payroll, legal, secretary function and IT. As the Group moved to external offices on February 15, 2025 some services was substantially reduced from that day. The Group pays AWM NOK 1.1 million in yearly management fee, down from NOK 2.5 million (USD 0.1 million, down from USD 0.23 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.

The Company have entered into an agreement to rent offices from a non-related party from February 15, 2025 and only paid AWM up to that date for the old offices.

Purchases from related parties

In USD thousands	Q1 2025	Q4 2024	Q1 2024	2024
Awilhelmsen Management AS	35	79	87	341

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 March 31, 2025, were USD 5.5 million (USD 5.6 million as of December 31, 2024), of which deferred income constituted USD 2.7 million (USD 2.8 million as of December 31, 2024), accrued interest towards the CDBL lease obligations was USD 0.7 million (USD 0.7 million as of December 31, 2024) and other provisions were USD 2.1 million (USD 2.1 as of December 31, 2024).

Note 7 – Events after the balance sheet date

There were no material events after the balance sheet date.

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 income [1)]: 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.