



**Third quarter 2021**

November 26, 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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2. Financials third quarter 2021
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# Highlights

- Awilco LNG achieved a net result of USD 5.1 million and earnings per share of USD 0.04 for third quarter, up from a net result of USD 3.3 million and earnings per share of USD 0.02 in second quarter 2021.
- Net freight income was USD 14.3 million in third quarter 2021, up from USD 12.1 million in second quarter 2021.
- EBITDA for third quarter ended at USD 10.8 million, up from USD 9.0 million in second quarter 2021.
- Average TCE for both vessels in third quarter was USD 78,000 per day.
- Vessel utilisation in third quarter 2021 of 99%, compared to 100% in second quarter 2021.
- Both vessels are on fixed term contracts until the start of second quarter 2022 at rates that secure significant positive cash generation over the period.



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

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# Third quarter 2021 income statement

USD million	Q3'21	Q2'21	2020
Freight income	14.7	12.7	35.6
Voyage related expenses	(0.3)	(0.6)	(5.0)
<b>Net freight income</b>	<b>14.3</b>	<b>12.1</b>	<b>30.7</b>
Other income	-	-	(0.6)
Operating expenses	(2.7)	(2.4)	(8.9)
Administration expenses	(0.8)	(0.7)	(3.0)
<b>EBITDA</b>	<b>10.8</b>	<b>9.0</b>	<b>18.1</b>
Depreciation	(3.2)	(3.1)	(12.5)
Net finance	(2.5)	(2.5)	(13.5)
<b>Profit/(loss) before tax</b>	<b>5.1</b>	<b>3.3</b>	<b>(7.9)</b>
Tax	-	-	-
<b>Profit/(loss)</b>	<b>5.1</b>	<b>3.3</b>	<b>(7.9)</b>



# Third quarter 2021 financial position

USD million	30.09.21	30.06.21	31.12.20
Vessels	330.0	333.1	338.3
Other fixed assets	0.7	0.7	0.7
<b>Total non-current assets</b>	<b>330.7</b>	<b>336.3</b>	<b>339.0</b>
Trade receivables	1.0	2.7	0.1
Other short term assets	0.5	0.8	0.9
Cash and cash equivalents	23.1	17.1	12.6
<b>Total current assets</b>	<b>24.6</b>	<b>20.7</b>	<b>13.6</b>
<b>Total assets</b>	<b>355.3</b>	<b>354.4</b>	<b>352.6</b>
<b>Total equity</b>	<b>114.8</b>	<b>109.7</b>	<b>99.5</b>
Long-term interest bearing debt	211.4	216.0	225.0
Other non-current liabilities	0.5	0.5	0.5
<b>Non-current liabilities</b>	<b>212.0</b>	<b>216.5</b>	<b>225.5</b>
Short-term interest bearing debt	18.9	18.9	18.8
Other current liabilities	9.6	9.3	8.8
<b>Total current liabilities</b>	<b>28.5</b>	<b>28.2</b>	<b>27.7</b>
<b>Total equity and liabilities</b>	<b>355.3</b>	<b>354.4</b>	<b>352.6</b>





# Third quarter 2021 cash flow

USD million	Q3'21	Q2'21	2020
<b>Cash Flows from Operating Activities:</b>			
Profit/(loss) before taxes	5.1	3.3	(7.9)
Income taxes paid	-	-	-
Interest and borrowing costs expensed	2.5	2.6	13.2
Depreciation, amortisation and impairment	3.2	3.1	12.5
Trade receivables, inventory and other short term assets	1.9	(0.4)	2.4
Accounts payable, accrued exp. and deferred revenue	(0.3)	(2.9)	(3.0)
<b>Net cash provided by / (used in) operating activities</b>	<b>13.0</b>	<b>11.5</b>	<b>17.2</b>
<b>Cash Flows from Investing Activities:</b>			
Investment in vessels / sale of vessels	(0.0)	(0.6)	(0.7)
<b>Net cash provided by / (used in) investing activities</b>	<b>(0.0)</b>	<b>(0.6)</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)	(2.4)	(19.5)
<b>Net cash provided by / (used in) financing activities</b>	<b>(7.1)</b>	<b>(7.1)</b>	<b>(27.4)</b>
<b>Net change in cash and cash equivalents</b>	<b>6.0</b>	<b>3.8</b>	<b>(10.9)</b>
Cash and cash equivalents at start of period	17.1	13.3	23.5
Cash and cash equivalents at end of period	23.1	17.1	12.6

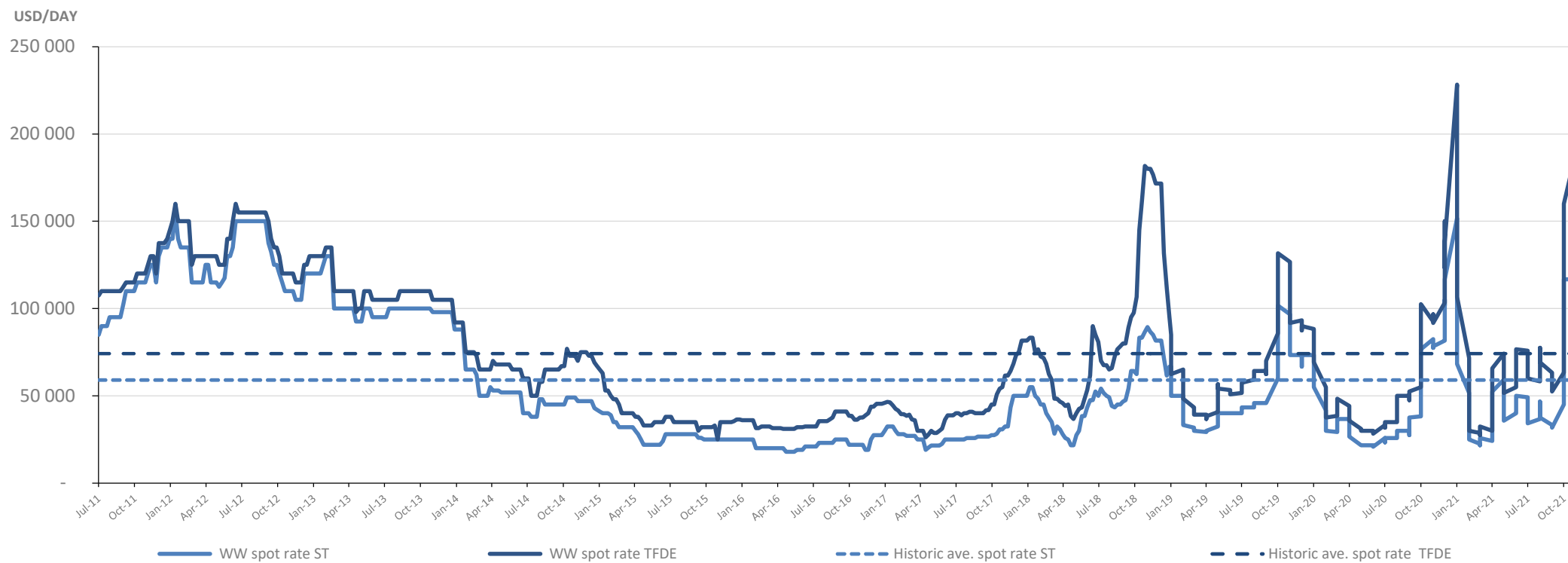


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# Spot rates

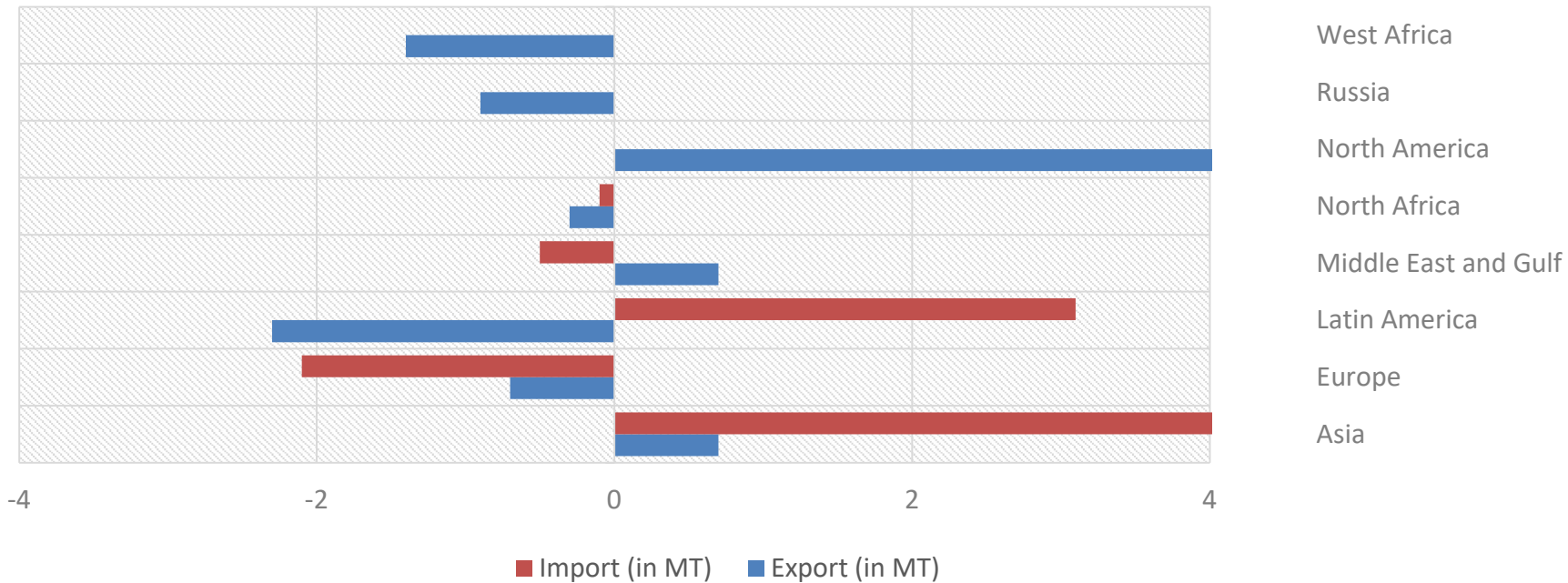


- Following a short-lived seasonal weakness in March/April the market recovered over the summer and has shot to historical heights over the last weeks
- 1-yr TC market has not yet followed suit but is still well above USD 100,000 pd with up to three months forward start for TFDE vessels
- Historical average TFDE spot rate USD 74,300 pd

Source: SSY

# LNG export and import

2021 Q3 vs 2020 Q3 (YoY change)

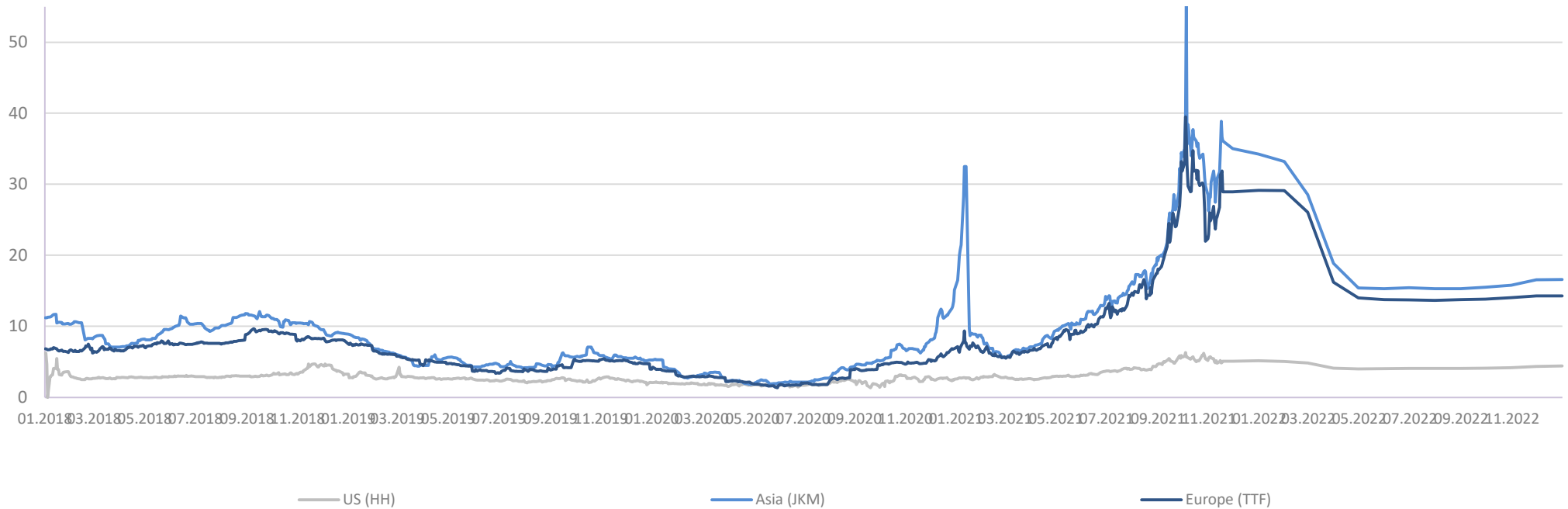


- Third quarter was a period with strong growth for LNG export but is still below the potential growth after addition of more than 20MTPA of new liquefaction capacity.
- Shipping demand is still strong as Asia and Latin America compete for cargoes adding to sailing distances in third quarter

Source: Fearnley LNG

# Gas prices

USD/MMBTU

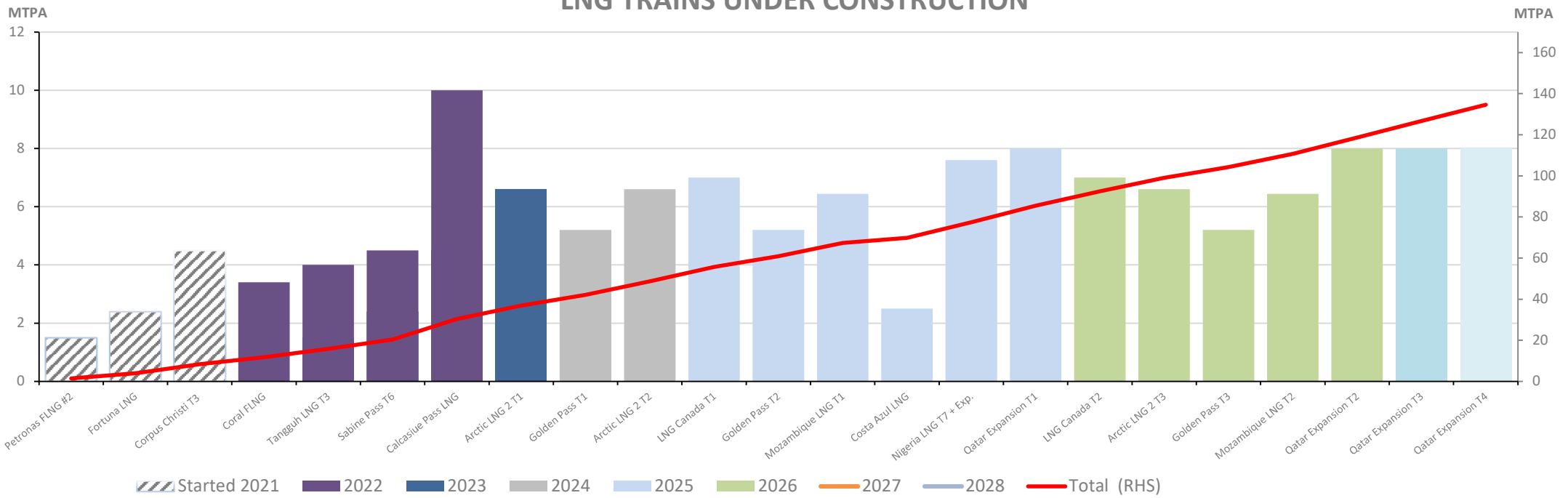


- Lack of pipeline supply in Europe push LNG prices up both in Europe and Asia, which is positive for ton-miles
- The market expects very high gas prices throughout the winter season and recently also lifted the curve considerably throughout 2022

Source: SSY

# Trainspotting

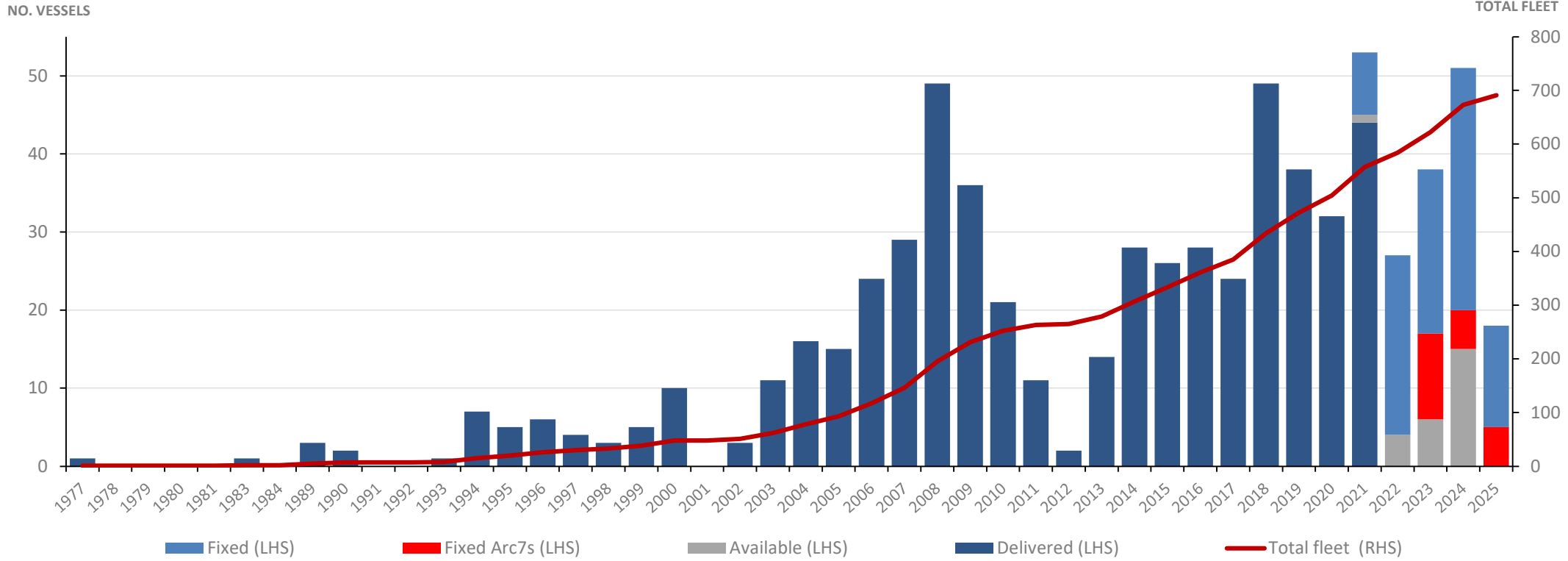
## LNG TRAINS UNDER CONSTRUCTION



- ~ 135 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: Poten & Partners

# 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
- High ordering activity at rising prices based on present market, but with deliveries in now from 2025

Source: Poten & Partners

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# Summary

- High gas prices due to strong demand, both from Europe and Asia support very high freight rates in the spot market
- Strong spot market support strength in demand for multi-month TC contracts and 1-year TC rates for TFDE vessels are well above USD 100,000 pd
  
- Mid- and long-term demand for LNG transportation continue to strengthen
  - Tonne-mile demand growth expected from increased LNG demand both in Europe and Asia, which will be met by US supplies
  - High number of newbuilding deliveries in 2021 absorbed by demand growth
  - Newbuilding deliveries significantly reducing in 2022/23
  - Increased ordering activity on higher prices, but with deliveries well into 2025
  
- Awilco LNG
  - Both vessels fixed rate contracts well into 2022 on cash generating contracts
  - No debt refinancing until 2030
  - On the back of current charter contracts, cash position and expected strong market for the vessels next open position the Board consider to start paying dividend during next year
  - Fully integrated and proven track record
  - Lean and cost focused organization



## A Fully Integrated Pure Play LNG Transportation Provider





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