



## SECOND QUARTER 2024 AND FIRST HALF YEAR RESULTS

### HIGHLIGHTS <sup>1)</sup>

- Awilco LNG achieved a net result of USD 8.7 million and earnings per share of USD 0.07 in the second quarter 2024, up from a net result of USD 7.2 million and USD 0.05 per share in the first quarter 2024. First half year 2024 net result ended at USD 15.8 million and USD 0.12 per share.
- Net freight income of USD 22.4 million in second quarter 2024, compared to USD 21.9 million in first quarter 2024. First half year 2024 net freight income ended at USD 44.3 million, up from USD 42.4 million for the same period last year.
- EBITDA in second quarter 2024 ended at USD 18.8 million, up from USD 17.6 million in first quarter 2024. First half year 2024 EBITDA ended at USD 36.4 million, up from 35.0 million for the same period last year.
- Vessel utilization was 100% for second quarter 2024, the same as for first quarter 2024 and for first half year last year.
- Net TCE came in at USD 122,900 and USD 121,700 per day for second quarter and first half year respectively, compared to USD 120,500 and USD 117,500 per day respectively for the same periods last year.
- In May the Company declared a dividend of NOK 0.75 per share for the first quarter. The dividend, corresponding to USD 9.3 million was paid in July 2024.
- On June 13, 2024 the Company completed the refinancing of both vessels. The refinancing will reduce the Company's cash payments by approximately USD 6.5 million over the next 12 months and cash break-even will be reduced by approximately USD 9,000 per day per vessel compared to the previous financing.
- On August 20, 2024, the Board authorized a cash dividend payment of NOK 0.25 per share to be paid in September 2024. The Company has thus declared a total of NOK 3.60 per share in dividends since the inception of dividends in March 2023.

### KEY FINANCIAL FIGURES <sup>1)</sup>

<i>In USD millions, unless stated otherwise</i>	<b>Q2 2024</b>	Q1 2024	Q2 2023	2023
Freight income	<b>22.8</b>	22.1	22.1	80.7
Voyage related expenses	<b>0.4</b>	0.2	0.2	1.3
EBITDA	<b>18.8</b>	17.6	18.4	68.9
Net profit/(loss)	<b>8.7</b>	7.2	11.0	38.3
Total assets	<b>355.3</b>	353.9	348.3	349.9
Total equity	<b>139.1</b>	139.7	134.0	144.7
Gross interest-bearing debt	<b>197.1</b>	187.5	201.6	192.2
Cash and cash equivalents	<b>36.7</b>	38.3	29.4	27.1
Book equity ratio (in %)	<b>39.2</b>	39.5%	38.5%	41.4%

<sup>1</sup> Please refer to definitions in Appendix A for descriptions of alternative performance measures

Jon Skule Storheill, Chief Executive Officer, commented:

“We are pleased to report another strong quarterly and half year profit in 2024. The completed refinancing of our vessels will significantly reduce our financing cost, cash break even, and increase the company’s financial robustness going forward. WilForce is currently trading in the spot market while we are actively seeking longer term employment for the vessel. Activity picked up this summer and towards the upcoming winter season although we have only seen a small improvement in rates so far as disruption of LNG production in the USG after hurricane Beryl mid-July led to several cargo cancellations and thereby increase of available vessels. The board resolved and declared a dividend of NOK 0.25 per share for the second quarter, payable in September 2024”.

## FINANCIAL REVIEW

### *Income statement second quarter 2024*

Both vessels traded on their fixed rate contracts with 100% utilization in second quarter 2024 resulting in full earnings from their charter contracts and TCE earnings for the quarter ended at USD 122,900 per day, up from USD 120,500 for first quarter 2024.

Freight income for the quarter ended at USD 22.8 million compared to USD 22.1 million in first quarter 2024. Voyage related expenses were USD 0.4 million, up from USD 0.2 million in first quarter 2024. Net freight income for the quarter ended at USD 22.4 million compared to USD 21.9 million in first quarter 2024.

Operating expenses came in at USD 2.8 million in second quarter 2024 compared to USD 3.5 million in previous quarter and administration expenses were USD 0.8 million in second quarter 2024 compared to USD 0.9 million in first quarter 2024. EBITDA for the quarter ended at USD 18.8 million, up from USD 17.6 million in first quarter 2024. Depreciation charges for the quarter was USD 3.9 million, the same as for the previous quarter. As a result of the Group's annual reassessment at the end of 2023 the normal useful life of our vessels has from January 1, 2024, been revised from an estimation of 40 years to an estimate of 35 years from delivery. The full annual effect of this change is approximately USD 1.7 million.

Net financial expenses were USD 6.4 million in second quarter 2024, down from USD 6.8 million in first quarter 2024. The refinancing completed in June 2024 lead to higher financial expenses than normal as the Company accounted for a non-cash one-time modification loss of USD 2.2 million in capitalized transaction costs in first quarter as a result of the change in contractual maturity of repayment of the existing financing and paid USD 1.8 million related to repurchase of the vessels from the outgoing lessor in second quarter 2024. Running interest expense on the vessels’ financing in second quarter 2024 amounted to USD 4.2 million, down from USD 4.4 million in the previous quarter. As the new lease facility bear a reduced margin above SOFR compared to the outgoing lease, running interest expenses will be reduced going forward. This will depend on how the SOFR interest rates develop in the future.

Profits and earnings per share for the quarter ended at USD 8.7 million and USD 0.07 respectively, up from USD 7.2 million and USD 0.05 per share in first quarter 2024.

### *Income statement first half year 2024*

For the first half of 2024 freight income was USD 44.9 million compared to USD 42.8 million for the same period last year. Voyage related expenses were USD 0.6 million (USD 0.4 million), operating expenses USD 6.3 million (USD 5.4 million) and administration expenses were USD 1.6 million (USD 2.0 million). EBITDA in the first half of 2024 was USD 36.4 million compared to USD 35.0 million in the first half of 2023. Net profit for the period was USD 15.9 million compared to a net profit of USD 20.1 million in the first half of 2023.

### *Liquidity and financial position*

Cash and cash equivalents decreased slightly from USD 38.3 million at the end of first quarter 2024 to USD 36.7 million at the end of second quarter 2024. Cash flow from operations was USD 10.0 million in second quarter, down from USD 20.9 million in first quarter. There were no investments in vessels during the quarter. The dividend of USD 12.2 million (NOK 1.00 per share) declared in February 2024 was paid in April 2024 while the dividend of USD 9.3 million (NOK 0.75 per share) declared in May 2024 was paid in July 2024.

Both vessels were purchased from the outgoing lessor China Construction Bank Financial Leasing Co. Pte. (CCBFL) for the outstanding amount under the leasing agreement plus a brake fee, USD 184.6 million in total, and further sold to China Development Bank Financial Leasing Co. Ltd. (CDBL) at a gross consideration of USD 200 million in total (USD 100 million per vessel). The vessels are chartered back on bareboat basis to wholly owned subsidiaries of the Company for a period of up to 12 years. The facility bears a 15.4-year straight-line amortisation profile, which represent a 26-year age adjusted profile for the vessels and carries a floating interest rate structure based on 3-month USD SOFR plus a margin. A total of approximately USD 2.9 million in transaction fees, excluding the above-mentioned brake fee, were incurred in the refinancing and is presented net of the lease obligations. The gross lease liability on June 30, 2024 was USD 200 million, of which USD 184.1 million is presented as long-term interest-bearing debt net of unamortized transaction costs of USD 2.9 million and USD 13.0 million as short-term interest-bearing debt representing scheduled amortization for the 12 months after June 30, 2024. This compares to long- and short-term interest-bearing of USD 168.4 million and 18.8 million respectively at the end of the first quarter 2024.

Cash Flow to financing for Awilco LNG over the next 12 months is expected to be reduced by about USD 6.5 million compared to the previous financing arrangement. This relates to reduced margin and longer amortisation period, partly off-set by higher floating interest expenses due to increased total debt. At current forward interest rates the bareboat rate, which includes amortisation, will be about USD 36,150 on average per day/per vessel over the next 12 months, of which amortization is about USD 18,100 per day/per vessel. Bareboat hire is payable quarterly in arrears, with the first bareboat hire to be paid mid-September 2024.

The Group has rolling repurchase options starting after two years and repurchase obligations at maturity of the facility.

The total book value of WilForce and WilPride was on June 30, 2024, USD 309.9 million after depreciation of USD 3.9 million and zero capitalization of any investments in the vessels during the quarter.

Book equity on June 30, 2024 was USD 139.1 million and total assets were USD 355.3 million, resulting in an equity ratio of 39.2% at quarter-end, down from 39.5% as of March 31, 2024.

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### Corporate development

On August 20, 2024 the Board authorized a cash dividend payment of NOK 0.25 per share to the shareholders on record as of September 3, 2024. The shares in Awilco LNG ASA will be traded ex. dividend from and including September 2, 2024, and the dividend will be paid on or about September 12, 2024. 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, capital requirements, and a robust cash buffer.

### MARKET UPDATE

Charter rates stayed mostly flat at a relatively low level during most of the second quarter until we saw a slight upward movement towards the end of the quarter and into the 3<sup>rd</sup> quarter until one producer in the USG was hit by hurricane Beryl and closed for about 3 weeks leading to an increase in available vessels and momentarily drop in rates. This drop has since rebounded with rates particularly in the East recovering nicely the last week. The list of available vessels has been long and the increased tone-mile due to limited activity both in the Suez and the Panama Canal have been offset by weak demand during the summer period. Some increased import activity due to warm weather in Asia led to an open arbitrage for US cargoes to head East for a short period of time.

Charter rates started to drop at the end of 2023 and this continued well into 2024. Rates in the second quarter stayed at the lowest level for the period since 2020. Over a long period there has been a significant difference in rates favoring the Atlantic basin above the Pacific as there has been an open arbitrage for USG cargoes to head East leaving the list of available vessels longer in the Pacific than in the Atlantic region although this has changed recently. Spot rates have increased slightly and are currently quoted at around USD 70,000 in the Pacific and USD 55,000 per day in the Atlantic for TFDE vessels. In anticipation of the upcoming winter season, we have seen some more requirements for Term charter contracts, but rates for 1-3 years remain flat and are currently quoted at USD 60-65,000 per day for TFDE-vessels.

Although charter rates stayed at relatively low levels the spot fixing activity in first half of 2024 increased significantly with 170 fixtures concluded during the period compared to around 200 for the entire year of 2023. Multi-months and 1-3 years term activity have stayed at approximately the same level as earlier years.

Due to planned maintenance and unplanned outages, loaded volume declined compared to previous quarter and was slightly lower also compared to the same period in the two previous years according to Fearnely LNG. The US continues to be the top exporter in the world with 21% of the 98 MT loaded in the quarter. Australia and Qatar follows thereafter with 19.5% and 18.8% respectively. Limited trade through both the Suez and the Panama Canal led to longer sailing distances and the ton-miles increase, which to a certain extent compensate for less volume. EU storage levels continue at comfortable levels and EU seems to be on track to reach the required levels before the upcoming winter season although the balance is fine.

The fleet of LNGC's grew by 12 ships in second quarter, bringing total deliveries in first half year 2024 to 24. 27 orders were made during the quarter, mainly driven by requirements linked to the Qatar Expansion projects, which brought the order book to 349 vessels by the end of second quarter according to Fearnely LNG. The orderbook to fleet ratio stood at almost 54% at the end of the quarter, of which 35% is for the Qatar Expansion project. The record high number of deliveries for the next three years in combination with limited new LNG production expected on stream until 2<sup>nd</sup> half of 2025 may point to a challenging period going forward unless ton-miles increase. Some of the newbuildings will replace some of the more than 200 smaller and inefficient steam vessels which are older than 20 years.

Newbuilding prices are largely unchanged with contract prices for Korean built vessels quoted around USD 265 million for 2027/2028 delivery.

## 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 six 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 first half-year of 2024 with no off-hire. WilForce was redelivered from the previous medium-term charter contract at the very end of June. Currently, the vessel is trading in the spot market. For WilPride the current charter party lasts until late 2025, the charterer has an option to extend the charterparty for two more years at the current rate. Notice is to be given approximately six months prior to expiry of the fixed period.

## OUTLOOK

The Company delivered solid results for first half 2024 and completed the refinancing of the vessels. As WilForce was redelivered from the previous charter contract on expiry at the end of second quarter and has been trading in the spot market while searching for longer term employment. Seasonal low demand, a softer world economic growth and comfortable storage levels in Europe have led to lower charter rates over the period than in recent years. Market activity for medium-term charter contracts has picked up ahead of the coming winter season and the company is actively marketing the vessel as there is earnings risk trading one vessel in the somewhat illiquid spot market. With reduced cash break-even level following the refinancing and one vessel trading in the spot market, the Company will continue to focus on technical and operational performance in order to return cash to our shareholders and aim to maintain the dividend distribution subject to vessel employment and earnings.

## STATEMENT OF RESPONSIBILITY

We confirm, to the best of our knowledge, that the condensed set of financial statements for the first half year of 2024 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 20, 2024

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 2024	Q1 2024	Q2 2023	1.1 - 30.6 2024	1.1 - 30.6 2023
<i>In USD thousands, except per share figures</i>	Note	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Freight income	2	22,814	22,133	22,116	44,947	42,771
Voyage related expenses	5	436	191	180	627	358
<b>Net freight income</b>		<b>22,378</b>	<b>21,942</b>	<b>21,936</b>	<b>44,320</b>	<b>42,413</b>
Other income		-	-	-	-	-
Operating expenses		2,818	3,486	2,415	6,304	5,404
Administration expenses	5	772	875	1,084	1,648	1,972
<b>Earnings before interest, taxes, depr. and amort. (EBITDA)</b>		<b>18,788</b>	<b>17,580</b>	<b>18,437</b>	<b>36,368</b>	<b>35,037</b>
Depreciation and amortisation		3,891	3,897	3,132	7,787	6,289
<b>Earnings before interest and taxes (EBIT)</b>		<b>14,897</b>	<b>13,683</b>	<b>15,305</b>	<b>28,581</b>	<b>28,749</b>
Finance income		188	260	477	448	666
Finance expenses		6,367	6,776	4,739	13,143	9,326
<b>Net finance income/(expense)</b>		<b>(6,179)</b>	<b>(6,516)</b>	<b>(4,262)</b>	<b>(12,695)</b>	<b>(8,660)</b>
<b>Profit/(loss) before taxes</b>		<b>8,718</b>	<b>7,167</b>	<b>11,043</b>	<b>15,886</b>	<b>20,089</b>
Income tax expense		-	-	-	-	-
<b>Profit/(loss) for the period</b>		<b>8,718</b>	<b>7,167</b>	<b>11,043</b>	<b>15,886</b>	<b>20,089</b>
Earnings per share in USD attributable to ordinary equity holders of Awilco LNG ASA:						
Basic, profit/(loss) for the period		0.07	0.05	0.08	0.12	0.15
Diluted, profit/(loss) for the period		0.07	0.05	0.08	0.12	0.15

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit/(loss) for the period	8,718	7,167	11,043	15,886	20,089
<b>Other comprehensive income:</b>					
Other comprehensive income items	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>	<b>8,718</b>	<b>7,167</b>	<b>11,043</b>	<b>15,886</b>	<b>20,089</b>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30.06.2024	31.03.2024	31.12.2023	30.06.2023
<i>In USD thousands</i>	Note	(unaudited)	(unaudited)	(audited)	(unaudited)
<b>ASSETS</b>					
<b>Non-current assets</b>					
Vessels		309,910	313,800	317,310	313,956
Pension assets		554	522	497	551
Other fixed assets incl right-of-use assets		12	12	12	12
<b>Total non-current assets</b>		<b>310,476</b>	<b>314,335</b>	<b>317,819</b>	<b>314,519</b>
<b>Current assets</b>					
Trade receivables		2,825	-	2,806	3,775
Inventory		3,812	137	204	147
Other short term assets		1,454	1,118	1,946	432
Cash and cash equivalents		36,702	38,307	27,094	29,421
<b>Total current assets</b>		<b>44,793</b>	<b>39,562</b>	<b>32,050</b>	<b>33,774</b>
<b>TOTAL ASSETS</b>		<b>355,269</b>	<b>353,897</b>	<b>349,869</b>	<b>348,293</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	3	1,976	1,976	1,976	1,976
Share premium	3	91,911	101,249	113,418	120,872
Other paid-in capital		65,588	65,588	65,588	65,588
Retained earnings		(20,384)	(29,102)	(36,270)	(54,473)
<b>Total equity</b>		<b>139,091</b>	<b>139,710</b>	<b>144,712</b>	<b>133,963</b>
<b>Non-current liabilities</b>					
Pension liabilities		604	573	544	619
Long-term interest bearing debt	4	184,140	168,443	170,782	179,831
<b>Total non-current liabilities</b>		<b>184,744</b>	<b>169,016</b>	<b>171,326</b>	<b>180,450</b>
<b>Current liabilities</b>					
Short-term interest bearing debt	4	13,000	18,750	18,750	18,750
Trade payables		835	1,737	1,649	695
Provisions and accruals	6	17,599	24,682	13,431	14,434
<b>Total current liabilities</b>		<b>31,434</b>	<b>45,170</b>	<b>33,831</b>	<b>33,879</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>355,269</b>	<b>353,896</b>	<b>349,869</b>	<b>348,293</b>

## INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Q2 2024	Q1 2024	1.1 - 30.6 2024	1.1 - 30.6 2023
<i>In USD thousands</i>	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Cash Flows from Operating Activities:</b>				
Profit/(loss) before taxes	8,718	7,167	15,886	20,089
Interest and borrowing costs expensed	6,352	6,768	13,120	9,261
<i>Items included in profit/(loss) not affecting cash flows:</i>				
Depreciation and amortisation	3,891	3,897	7,787	6,289
<i>Changes in pension assets, operating assets and liabilities:</i>				
Trade receivables, inventory and other short term assets	(6,867)	3,676	(3,192)	23
Trade payables, provisions and accruals	(2,055)	(623)	(2,677)	1,142
<b>i) Net cash provided by/(used in) operating activities</b>	<b>10,039</b>	<b>20,885</b>	<b>30,925</b>	<b>36,804</b>
<b>Cash Flows from Investing Activities:</b>				
Investment in vessels	0	(388)	(388)	(3,136)
<b>ii) Net cash provided by/(used in) investing activities</b>	<b>0</b>	<b>(388)</b>	<b>(388)</b>	<b>(3,136)</b>
<b>Cash Flows from Financing Activities:</b>				
Proceeds from borrowings	200,000		200,000	-
Dividends paid	(12,169)	(0)	(12,169)	(12,512)
Repayment of borrowings	(187,499)	(4,688)	(192,186)	(9,397)
Interest and borrowing costs paid	(11,977)	(4,598)	(16,574)	(8,397)
<b>iii) Net cash provided by/(used in) financing activities</b>	<b>(11,644)</b>	<b>(9,285)</b>	<b>(20,929)</b>	<b>(30,306)</b>
<b>Net change in cash and cash equivalents (i+ii+iii)</b>	<b>(1,605)</b>	<b>11,213</b>	<b>9,608</b>	<b>3,362</b>
Cash and cash equivalents at start of period	38,307	27,094	27,094	26,058
<b>Cash and cash equivalents at end of period</b>	<b>36,702</b>	<b>38,307</b>	<b>36,702</b>	<b>29,421</b>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### For the period ended June 30, 2024

<i>In USD thousands</i>	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	-	-	-	15,886	15,886
<i>Total comprehensive income</i>	-	-	-	15,886	15,886
Dividends	-	(21,507)	-	-	(21,507)
<b>Balance as at June 30, 2024 (unaudited)</b>	<b>1,976</b>	<b>91,910</b>	<b>65,588</b>	<b>(20,384)</b>	<b>139,090</b>

### 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	-	(12,512)	-	-	(12,512)
<b>Balance as at June 30, 2023 (unaudited)</b>	<b>1,976</b>	<b>120,872</b>	<b>65,588</b>	<b>(54,473)</b>	<b>133,963</b>



## 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 TFDE LNG carriers.

#### *Basis of preparation*

The Statements for the three months ended June 30, 2024 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, 2023. 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, 2023, which includes a detailed description of the applied accounting policies.

#### *Changes in estimates from January 1, 2024*

The useful life of the vessels has in the past been estimated to 40 years, and the vessels have been depreciated accordingly. As a result of The Group's annual reassessment at the end of 2023 the normal useful life of LNG vessels has from the 1<sup>st</sup> of January 2024 been revised from an estimation of 40 years to an estimate of 35 years from delivery. The main reason is prevailing longer-term market trends and all else equal this will increase annual depreciation with approximately USD 1.7 million.

### 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 2024, same as in first quarter 2024.

#### *Information about major customers*

The Group had two customers contributing more than 10 per cent of the Group's freight income in second quarter 2024, at 63 and 37% of total revenue, the same as in first quarter 2024.

### Note 3 – Share capital

There were no changes in the number of issued shares during second quarter 2024. The number of issued shares was 132,548,611 on June 30, 2024. The share capital is denominated in NOK and all issued shares are of equal rights.

On May 24, 2024 the Company declared a dividend of NOK 0.75 / USD 0.07 per share, payable in July 2024, with a total amount of NOK 99.4 million / USD 9.3 million.

### Note 4 – Financing and liquidity

The WilForce and WilPride financial leases with CCB Financial Leasing Co. Ltd. (CCBFL) were refinanced in mid-June 2024 with a new up-to 12-year sale/leaseback facility provided by China Development Bank Financial Leasing Co. Ltd. (CDBL).

Both vessels were purchased from CCBFL for the at that time outstanding amount under the leasing agreement plus a brake fee, USD 184.6 million in total and further sold to CDBL at a gross consideration 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. A total of approximately USD 2.9 million in transactions fees, excluding the above-mentioned brake fee, 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.

Awilco LNG's finance cost for the next year is expected to be reduced by about USD 6.5 million compared to the previous financing arrangement subject to interest rate fluctuations. At current forward interest rates the bareboat rate, which includes amortisation, is expected at about USD 36,150 on average per day/per vessel over the next 12 months, of which amortization is about USD 18,100 per day/per vessel. Bareboat hire is payable quarterly in arrears, with the first bareboat hire paid in mid-September 2024.

The Group has rolling repurchase options starting after two years and repurchase obligations at maturity of the facility.

On June 30, 2024 the Group had cash and cash equivalents of USD 36.7 million compared to USD 38.3 million on March 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 and office rent*

1) AWM provides the Group with administrative and general services including accounting, payroll, legal, secretary function and IT. The Group pays AWM NOK 2.5 million in yearly management fee (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 AWM at an annual cost of NOK 1.2 million (USD 0.11 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

and no right-of-use assets or lease liability is booked in relation to this agreement. AWM is 100% owned by Awilhelmsen AS, which owns 100% of Awilco AS.

#### *Purchases from related parties*

<i>In USD thousands</i>	<b>Q2 2024</b>	<b>Q1 2024</b>	<b>1.1-30.6 2024</b>	<b>1.1-30.6 2023</b>
Awilhelmsen Management AS	88	87	175	119

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, 2024, were USD 17.6 million (USD 24.7 million as of March 31, 2024), of which deferred income constituted USD 2.8 million (USD 7.3 million as of March 31, 2024), accrued interest towards the CDBL lease obligations was USD 0.8 million (USD 4.2 million towards CCBFL as of March 31, 2024), accrued dividend USD 9.3 million, accrued expenses related to inventory of USD 3.8 million and other provisions were USD 0.9 million (USD 1.0 as of March 31, 2024).

#### **Note 7 – Events after the balance sheet date**

On August 20, 2024 the Board authorized a cash dividend payment of NOK 0.25 per share to the shareholders on record as of September 3, 2024. The shares in Awilco LNG ASA will be traded ex. dividend from and including September 2, 2024, and dividend will be paid on or about September 12, 2024. 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 income<sup>1)</sup>: 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.

<sup>1)</sup> 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.