



# Second quarter 2024

August 21, 2024

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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 currently own and operates two 2013-built 156,000 cbm TFDE LNG carriers, WilPride and WilForce, trading in the medium-term market.

Awilco LNG is listed on Euronext Expand with ticker ALNG.

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# Agenda August 21, 2024



1. Highlights
2. Financials second quarter 2024
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# Highlights

- 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.



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

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# Second quarter 2024 income statement

USD million	Q2'24	Q1'24	Q2'23	2023
Freight income	22.8	22.1	22.1	80.7
Voyage related expenses	(0.4)	(0.2)	(0.2)	(1.3)
<b>Net freight income</b>	<b>22.4</b>	<b>21.9</b>	<b>21.9</b>	<b>79.4</b>
Other income	0.0	0.0	0.0	5.0
Operating expenses	(2.8)	(3.5)	(2.4)	(11.3)
Administration expenses	(0.8)	(0.9)	(1.1)	(4.2)
<b>EBITDA</b>	<b>18.9</b>	<b>17.6</b>	<b>18.4</b>	<b>68.9</b>
Depreciation	(3.9)	(3.9)	(3.1)	(12.9)
Net finance	(6.2)	(6.5)	(4.3)	(17.7)
<b>Profit/(loss) before tax</b>	<b>8.7</b>	<b>7.2</b>	<b>11.0</b>	<b>38.3</b>
Tax	-	-	-	-
<b>Profit/(loss)</b>	<b>8.7</b>	<b>7.2</b>	<b>11.0</b>	<b>38.3</b>



# Second quarter 2024 financial position

USD million	30.06.24	31.03.24	31.12.23
Vessels	309.9	313.8	317.3
Other fixed assets	0.6	0.5	0.5
<b>Total non-current assets</b>	<b>310.5</b>	<b>314.3</b>	<b>317.8</b>
Trade receivables	2.8	0.0	2.8
Other short term assets	5.3	1.3	2.2
Cash and cash equivalents	36.7	38.3	27.1
<b>Total current assets</b>	<b>44.8</b>	<b>39.6</b>	<b>32.1</b>
<b>Total assets</b>	<b>355.3</b>	<b>353.9</b>	<b>349.9</b>
<b>Total equity</b>	<b>139.1</b>	<b>139.7</b>	<b>144.7</b>
Long-term interest bearing debt	184.1	168.4	170.8
Other non-current liabilities	0.6	0.6	0.5
<b>Non-current liabilities</b>	<b>184.7</b>	<b>169.0</b>	<b>171.3</b>
Short-term interest bearing debt	13.0	18.8	18.8
Other current liabilities	18.4	26.4	15.1
<b>Total current liabilities</b>	<b>31.4</b>	<b>45.2</b>	<b>33.9</b>
<b>Total equity and liabilities</b>	<b>355.3</b>	<b>353.9</b>	<b>349.9</b>





# Second quarter 2024 cash flow

USD million	Q2'24	Q1'24	Q2' 23	2023
<b>Cash Flows from Operating Activities:</b>				
Profit/(loss) before taxes	8.7	7.2	11.0	38.3
Income taxes paid	-	-	-	-
Interest and borrowing costs expensed	6.4	6.8	4.7	18.8
Depreciation, amortisation and impairment	3.9	3.9	3.1	12.9
Trade receivables, inventory and other short term assets	(6.9)	3.7	(0.2)	(0.5)
Accounts payable, accrued exp. and deferred revenue	(2.1)	(0.6)	(0.3)	0.9
<b>Net cash provided by / (used in) operating activities</b>	<b>10.0</b>	<b>20.9</b>	<b>18.4</b>	<b>70.5</b>
<b>Cash Flows from Investing Activities:</b>				
Investment in vessels and securities	(0.0)	(0.4)	(1.8)	(13.1)
<b>Net cash provided by / (used in) investing activities</b>	<b>(0.0)</b>	<b>(0.4)</b>	<b>(1.8)</b>	<b>(13.1)</b>
<b>Cash Flows from Financing Activities:</b>				
Proceeds from borrowings	200.0	-	-	-
Dividends paid	12.2	(0.0)	6.1	20.0
Repayment of borrowings	(187.5)	(4.7)	(4.7)	(18.8)
Interest and borrowing costs paid	(12.0)	(4.6)	(4.4)	(17.6)
<b>Net cash provided by / (used in) financing activities</b>	<b>(11.6)</b>	<b>(9.3)</b>	<b>(15.2)</b>	<b>(56.3)</b>
<b>Net change in cash and cash equivalents</b>	<b>(1.6)</b>	<b>11.2</b>	<b>1.4</b>	<b>1.0</b>
Cash and cash equivalents at start of period	38.3	27.1	28.0	26.1
<b>Cash and cash equivalents at end of period</b>	<b>36.7</b>	<b>38.3</b>	<b>29.4</b>	<b>27.1</b>

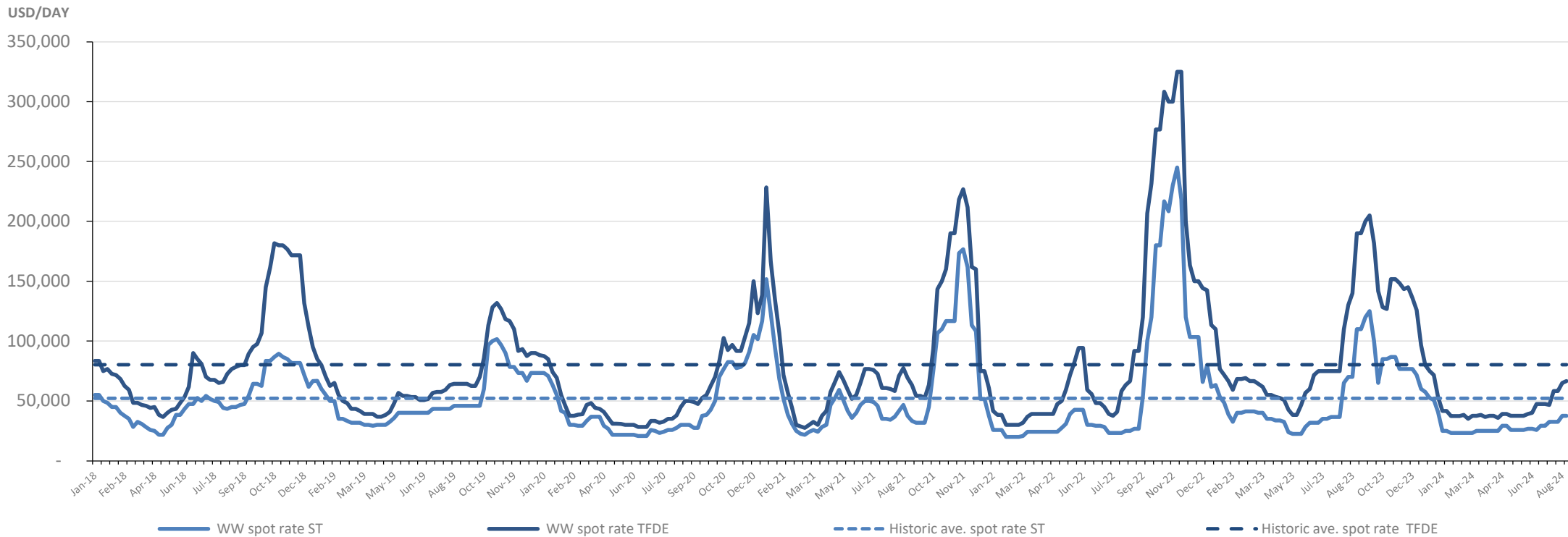


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# Spot rates

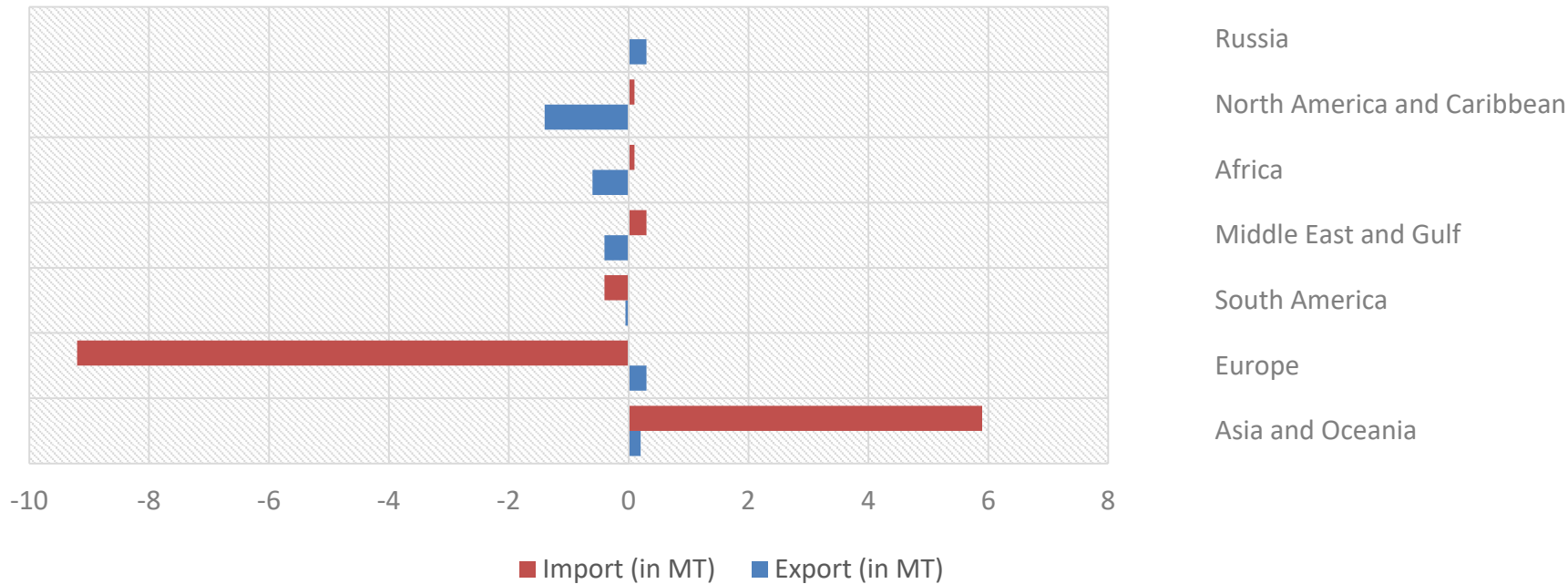


- Rates stayed at low levels during second quarter but have been slightly more volatile so far in third quarter as outages at production facilities have put pressure on activity and rates.
- Spot rates are slowly inching up which is driving some more activity on multi-month deals with the 1/year TC for TFDEs continue to be quoted around USD 60-65,000 per day

Source: SSI

# LNG export and import

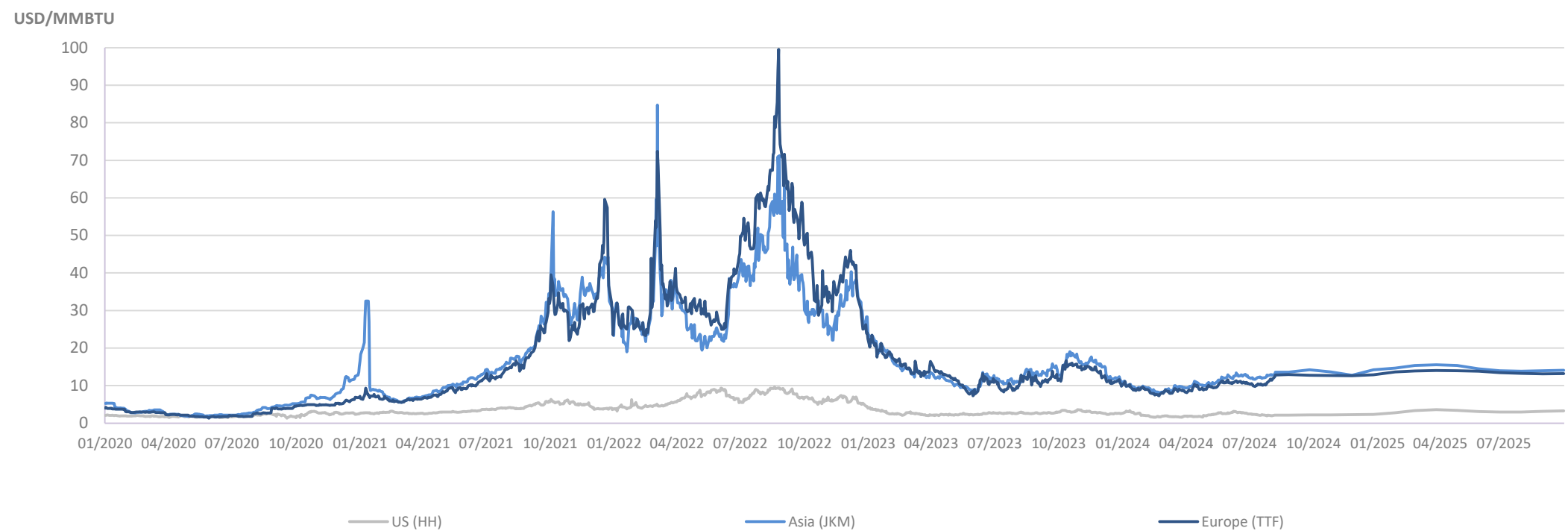
Q2 2024 vs Q2 2023 (YoY change)



- European import decreased significantly for year over year for the quarter due to mild winter and high storage level
- Increased Asian import, primarily to China partly compensated shortage of European import
- Limited growth in US export, set to increase going forward

Source: Fearnley LNG

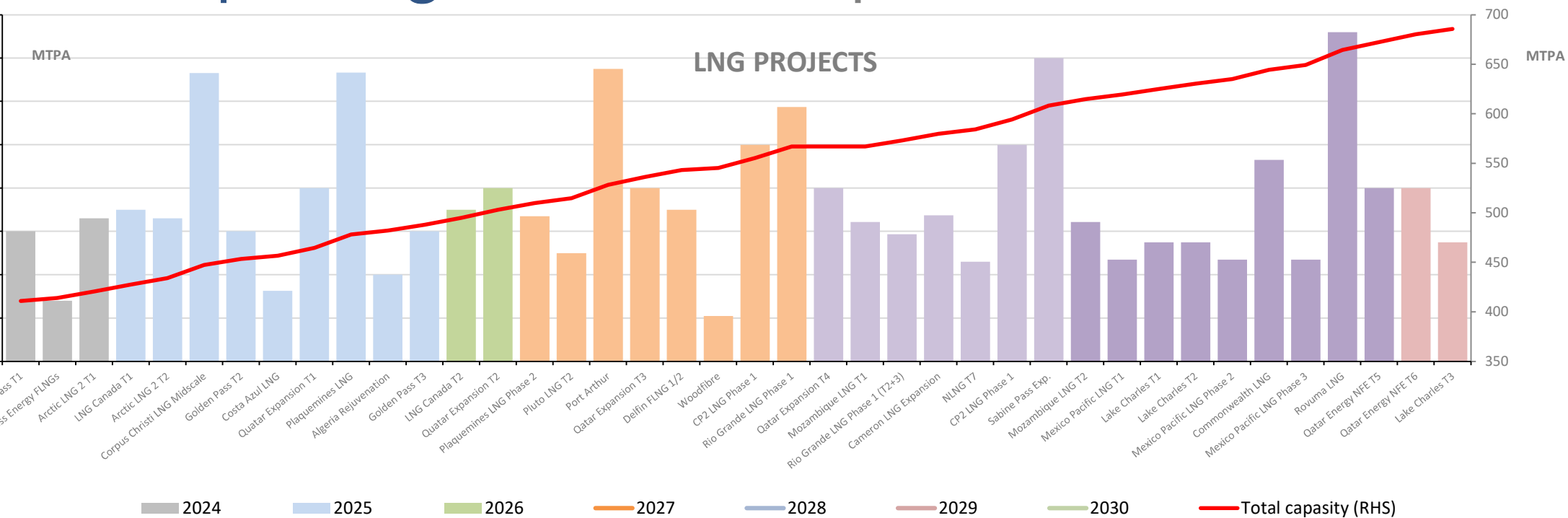
# Gas prices



- Volatility in gas prices back “to normal” as prices also normalize in the \$7-14 range.
- Limited arbitrage opportunities between gas prices in Europe and Asia

Source: SSY

# Trainspotting – new LNG production

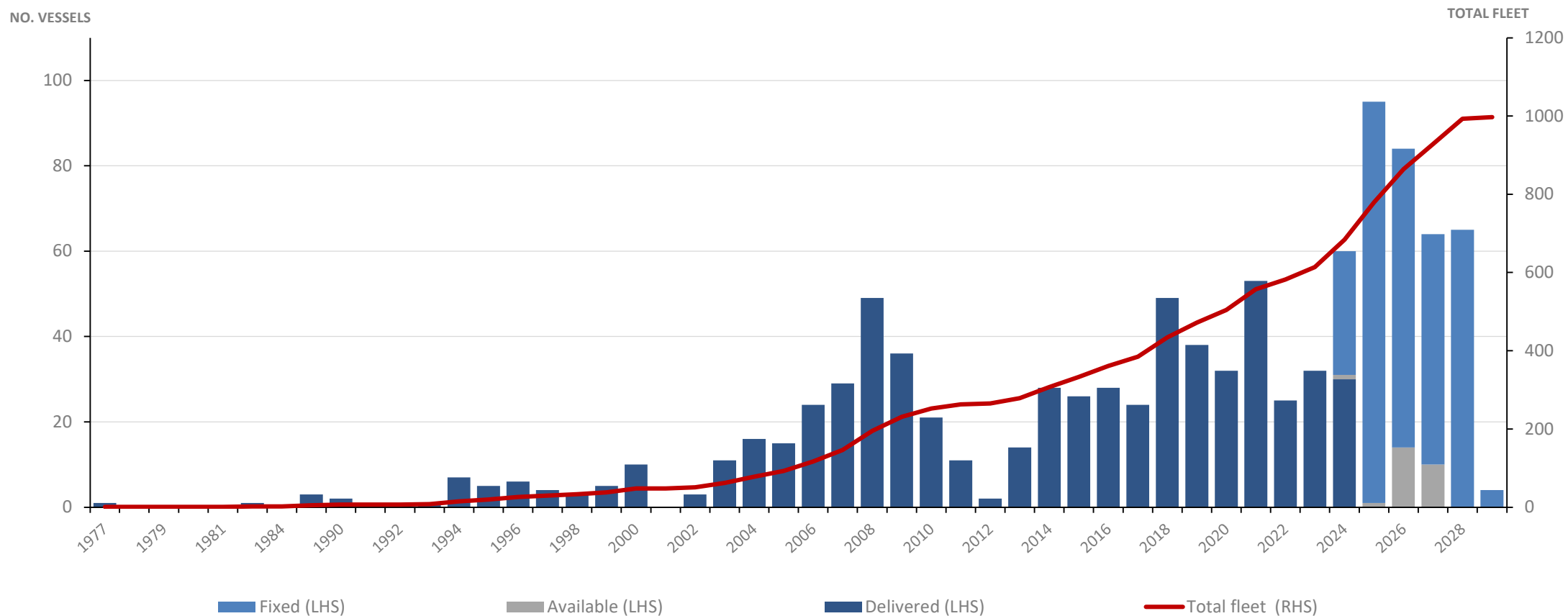


- ~ 295 MTPA new capacity currently under construction or in advanced planning
  - of this ~90 MTPA are at potential risk should the US Department of Energy stop issuing non-FTA permits
- Qatar announced next phase aiming to increase exports from 121 MTPA to 142 MTPA by 2030
- Shell expects more than 50% rise in global LNG demand by 2040 – more FID's required to meet demand

Source: *Poten & Partners*



# LNG fleet and orderbook



- Orderbook for LNGC stands at 353 of which about 7% are unfixed
- Contract prices have flattened out but remain high, as do interest rates while charter rates do not support speculative ordering.

Source: Poten & Partners

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# Summary

- The Company report a profit for the quarter of USD 8.7 million
- Completed refinancing in June 2024, reducing Cash BE with USD 9,000 per day per vessel and reducing cash outlay with USD 6.5 million over the next 12 months
- WilForce trading in the spot market while actively seeking longer employment
- The Board of Directors approved a dividend of NOK 0.25 per share, payable on or about September 12, 2024
  
- Mid- and long-term demand for LNG transportation remains strong
  - Disruptions in trade patterns will increase ton-mile until resolved
  - High delivery pace from shipyards going forward may limiting rate improvement but commercial and environmental phase-out of older and smaller steam vessels reduce tonnage surplus
  - LNG volumes are set to grow massively during 2<sup>nd</sup> half of this decade with several FIDs recently taken
  
- Awilco LNG
  - WilForce trading in the spot market, while actively pursuing longer contracts
  - WilPride fixed until December 2025 + 2 year option



## A Fully Integrated Pure Play LNG Transportation Provider





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