



Avance Gas

Investor presentation

DNB's Investor lunch, New York

June 24th, 2024

FORWARD-LOOKING STATEMENTS

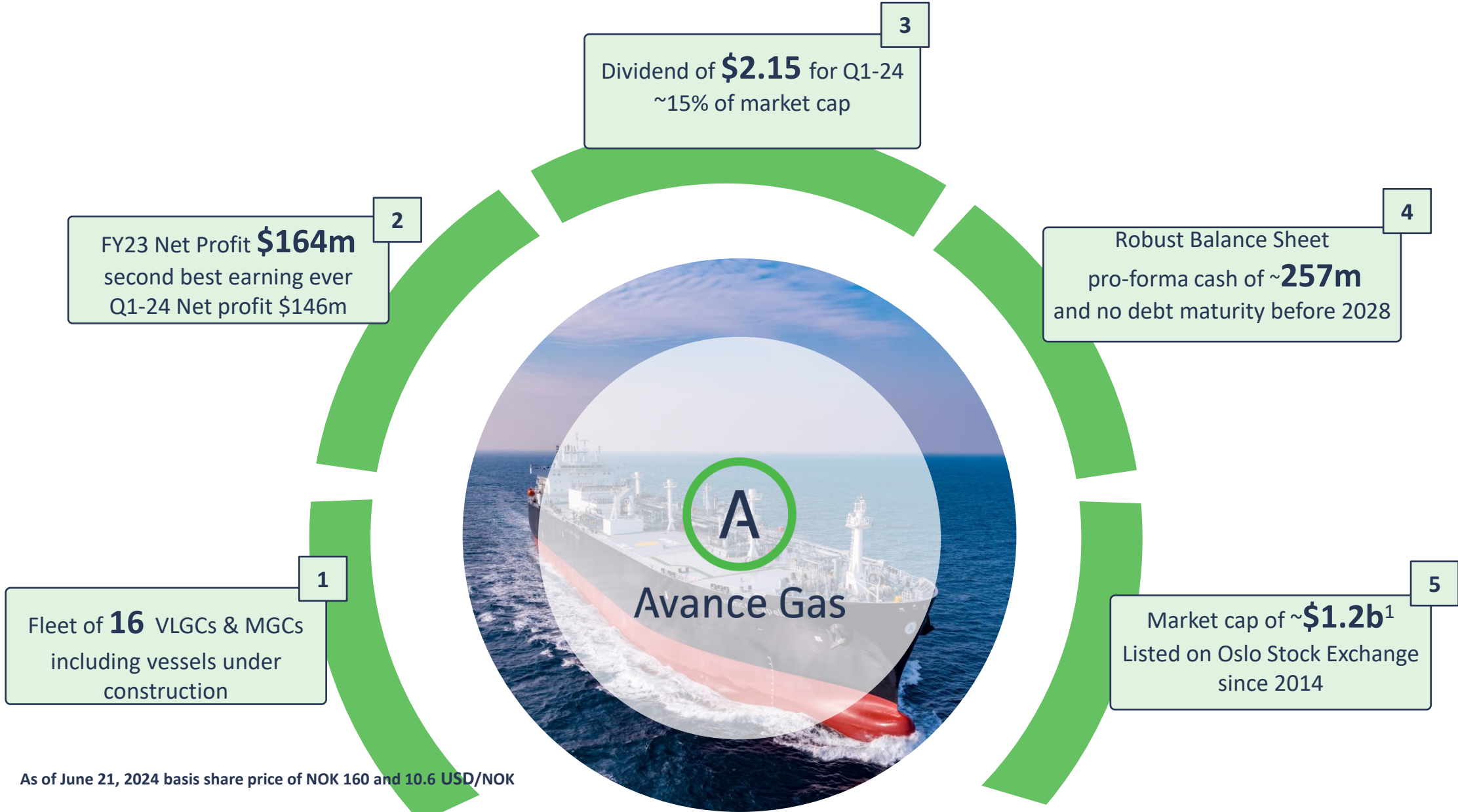


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This information is subject to disclosure requirements pursuant to Section 5-12 of the Norwegian Securities Trading Act

AVANCE GAS HIGHLIGHTS



(1) As of June 21, 2024 basis share price of NOK 160 and 10.6 USD/NOK

FLEET RENEWAL COMPLETED



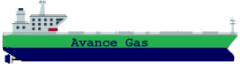



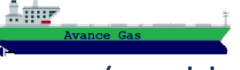
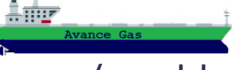
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16 Vessels ¹	8 Dual-fuel vessels
Avg. Age ~ 5 years ²	6 Scrubber fitted vessels

2008/2009 class

-  **SOLD**
Venus Glory (2008)
-  **SOLD**
Iris Glory (2008)
-  **SOLD**
Promise (2009)
-  **SOLD**
Providence (2008)
-  **SOLD**
Thetis Glory (2008)

2015 eco class

-  Chinook
-  Mistral (scrubber)
-  Pampero
-  Monsoon (scrubber)
-  Levant (scrubber)
-  Passat (scrubber)
-  Breeze (scrubber)
-  Sirocco (scrubber)

DF class

-  Polaris (2022)
-  Capella (2022)
-  Rigel (2023)
-  Avior (2023)
-  **SOLD**
Castor (2024)
-  **SOLD**
Pollux (2024)

MGC/MACs

-  MGC #1 (2025)
-  MGC #2 (2026)
-  MGC #3 (2026)
-  MGC #4 (2026)



(1) Including vessels under construction
(2) Incl. VLGC and MGC newbuilds (assumed zero age) at quarter end, but excluding vessel held for sale

EMPLOYMENT OVERVIEW



Vessel	Size (CBM)	Built	EGCS	LPG	NH3	2024				2025			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Breeze	83 000	2015	v			Spot				Spot			
Chinook	83 000	2015				Variable TC				Spot			
Levant	83 000	2015	v			Spot				Spot			
Mistral	83 000	2015	v			Spot				Spot			
Monsoon	83 000	2015	v			Spot				Spot			
Pampero	83 000	2015				Fixed TC				Spot			
Passat	83 000	2015	v			Spot				Spot			
Sirocco	83 000	2015	v			Spot				Spot			
Polaris	91 000	2022		v		Variable TC				Spot			
Capella	91 000	2022		v		Spot				Spot			
Rigel	91 000	2023		v	v*	Spot				Spot			
Avior	91 000	2023		v	v*	Spot				Spot			
MGC Newbuild #1	40 000	Q4-2025			v	Yard				Yard			
MGC Newbuild #2	40 000	Q1-2026			v	Yard				Yard			
MGC Newbuild #3	40 000	Q2-2026			v	Yard				Yard			
MGC Newbuild #4	40 000	Q4-2026			v	Yard				Yard			

FFA 1: one scrubber vessel (HFO)

\$60k/day

FFA 2: % of one scrubber vessel (HFO)

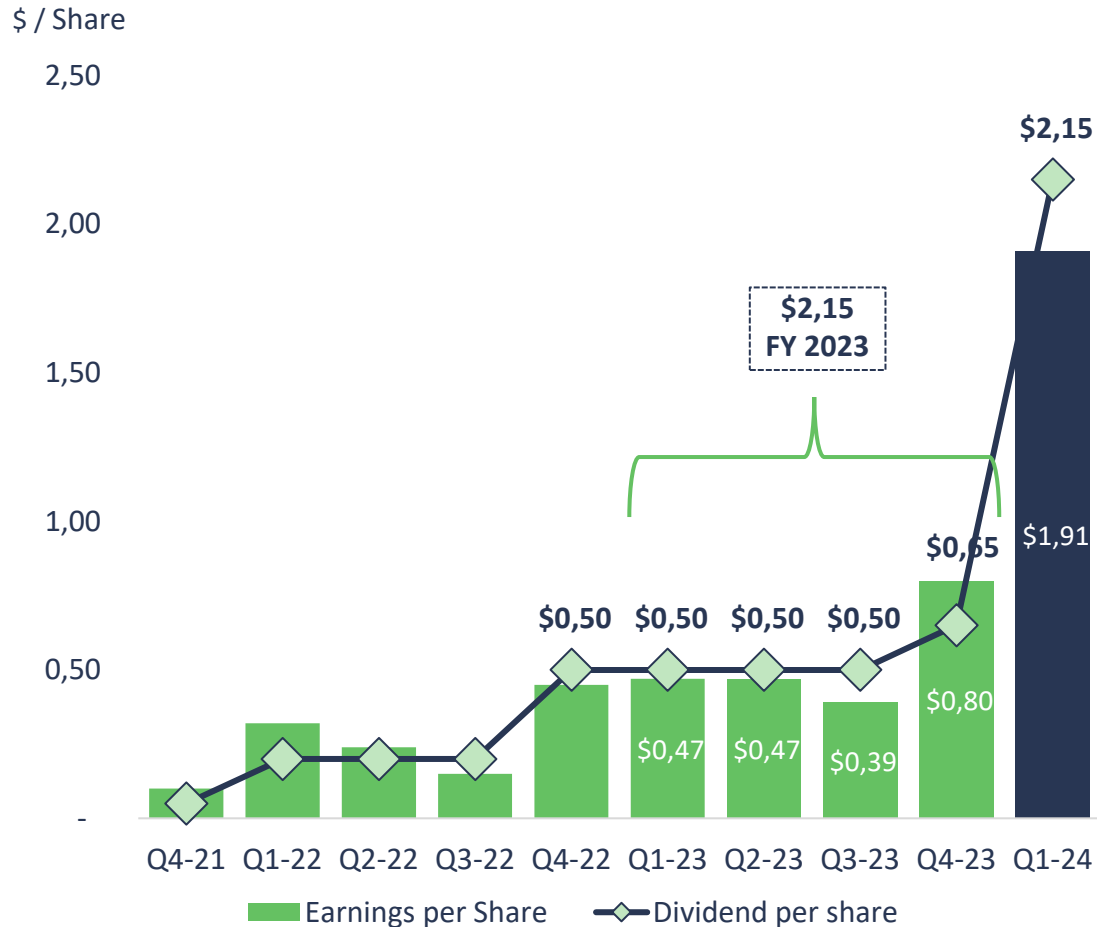
50% at \$70k/day

*Can run on NH3 (ammonia) subject main engine modification, but not carry NH3

WE HAVE BEEN RAMPING UP DIVIDEND WITH EARNINGS



Dividend distribution



Dividend decision criteria's

	Q4-23	Q1-24	
1 Earnings and cashflow	✓	✓	Net Profit \$146m – highest quarterly result ever
2 Market outlook	✓	✓	Strong US production and limited fleet growth in 2024 & 2025 - FFA rates at \$54,000 for H2-2024
3 Backlog and visibility	✓	✓	Three vessels on Time Charter and a half ship hedged by FFAs for the remainder of 2024
4 Liquidity	✓	✓	Solid cash position of ~\$360m end Q1-24, Q2-24 pro-forma cash of \$257m following sale & dividend
5 Covenant compliance	✓	✓	Significant buffer to all debt covenant thresholds
6 Debt maturities	✓	✓	Staggered debt maturity profile with no debt maturities prior to 2028
7 Capex liabilities	✓	✓	MGCs to be financed closer to delivery, cash balance and cashflow sufficient to fund predelivery CAPEX
8 Other Considerations	✓	✓	Robust balance sheet capable of handling a potential sudden downturn in the market

COMPLETED REFINANCINGS - NO DEBT MATURITIES PRIOR 2028



\$43 million Bank Term Facility



- Financing amount: \$43 million for the VLGC Pampero (2015-built)
- Repayment profile: 20 years age-adjusted
- Maturity: January 2028
- Margin: SOFR + 190bps
- Cash release of ~\$5 million during the first quarter 2024

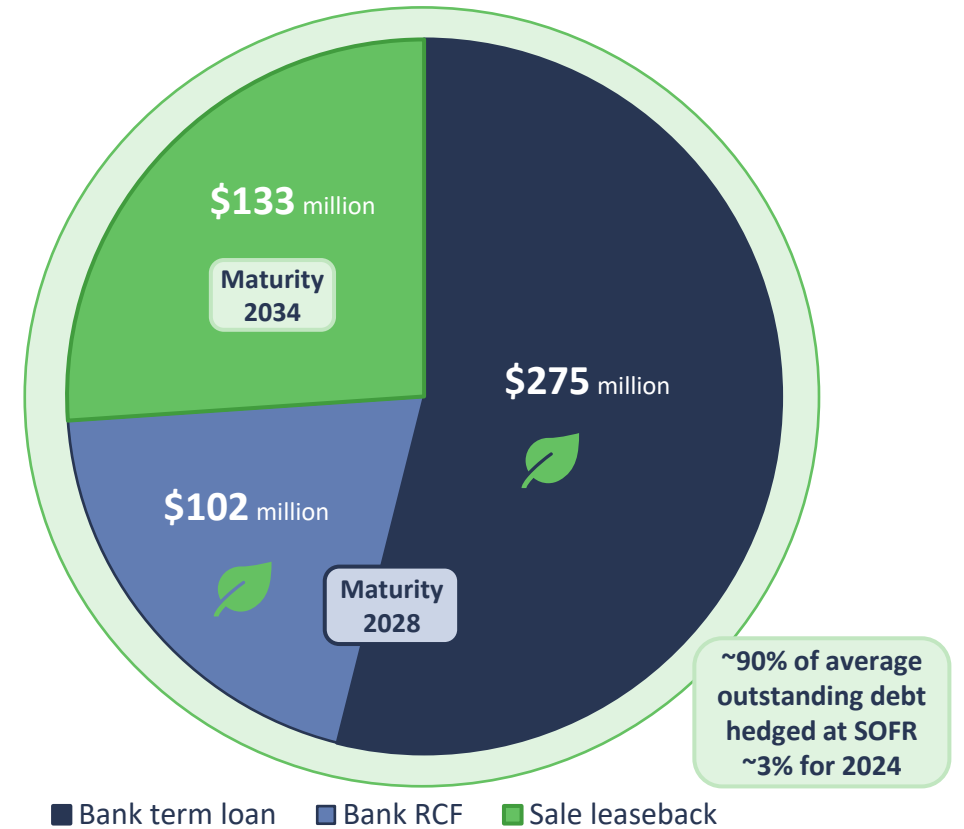
\$135 million Sale leaseback arrangement



- Financing amount: \$135 million previously intended for the sold VLGCs Avance Castor & Avance Capella (2024-built) swapped with VLGC Avance Polaris and Avance Capella (2022-built)
- Repayment profile: 24 years age-adjusted
- Maturity: Extended debt maturity to 2034
- Re-purchase options in favour of Avance Gas after 2.5 years
- Cash release of ~\$40 million during the first quarter 2024

Simplifying our Financing Portfolio

Total Interest-bearing debt of ~\$510 million as of March 31, 2024



Sustainability linked financing for 65% of our outstanding debt March 31, 2024

WELL AHEAD OF IMO AND POSEIDON EMISSION TARGETS



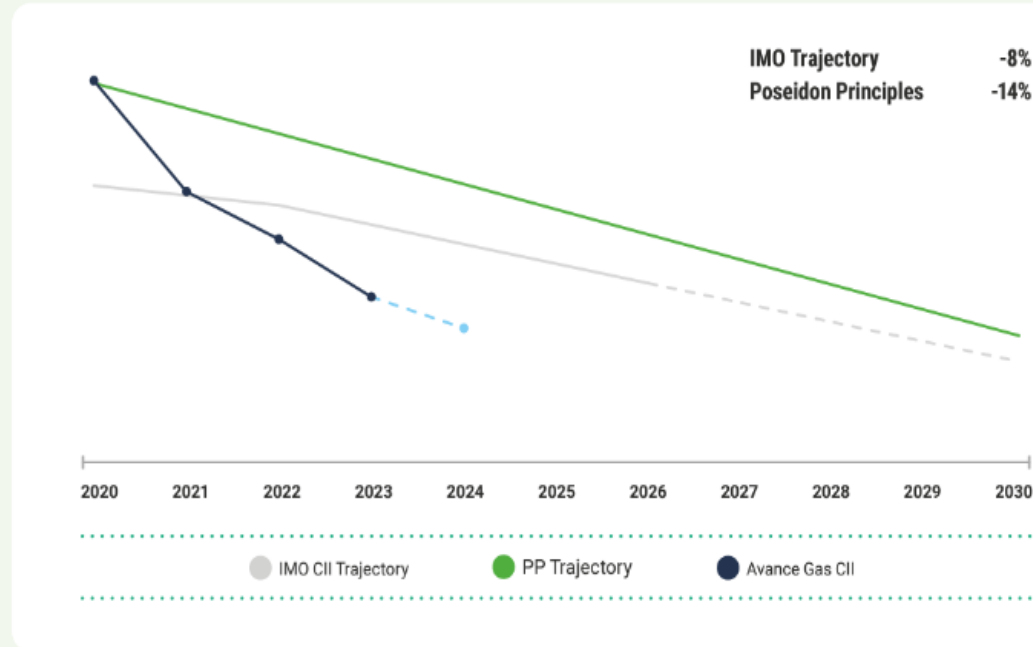
Emissions measured in AER (Annual Efficiency Ratio)



Key takeaways from the ESG report 2023

- AER of **6.64** for 2023, reduced CO2 emissions by **20%** in three years measured in Annual Efficiency Ratio
- 8% ahead of IMO Trajectory and 14% ahead of Poseidon Principles in 2023
- Overall fleet weighted CII (Carbon Intensity Indicator) rating for the fleet was B for 2023
- Avance Gas fleet set to meet the IMO revised target of reducing well-to-wake GHG emissions by 20% in 2030, compared to 2008
- Our fleet renewal and dual fuel technology aligns with our goal to outperform the increasingly stringent trajectories set by IMO and the Poseidon Principles.

Avance Gas outperformed the IMO and Poseidon Principles trajectory in 2023

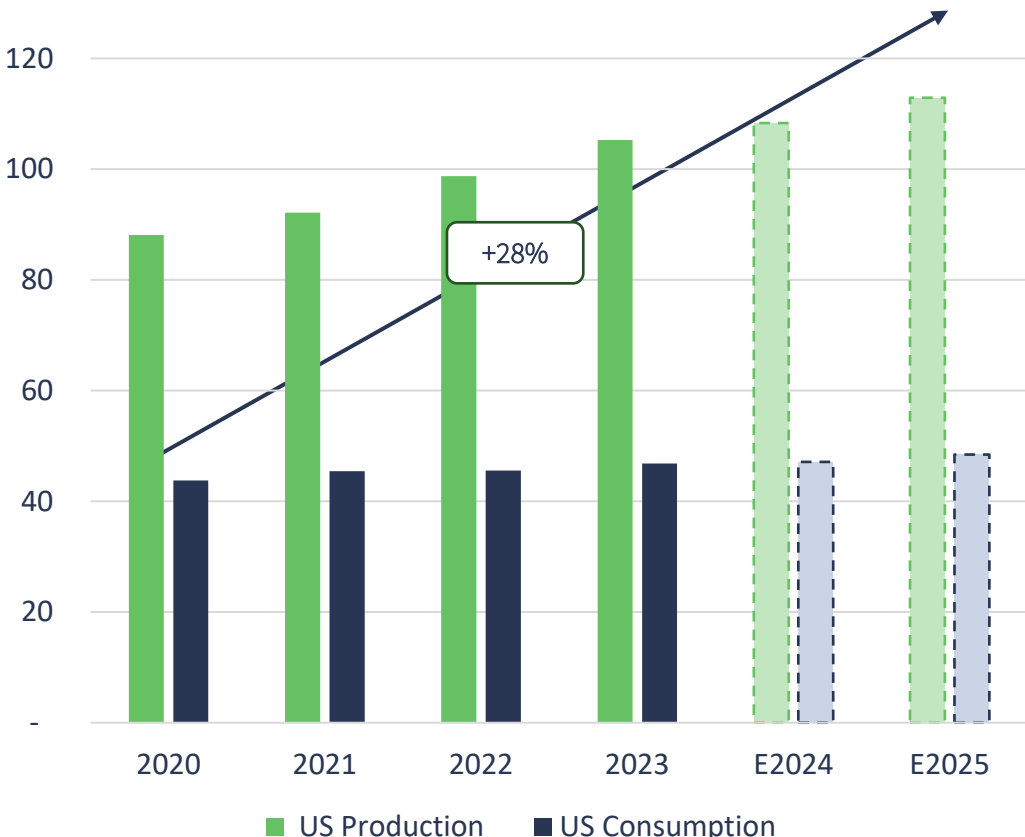


US LPG PRODUCTION GROWS WHILE CONSUMPTION REMAINS FLAT



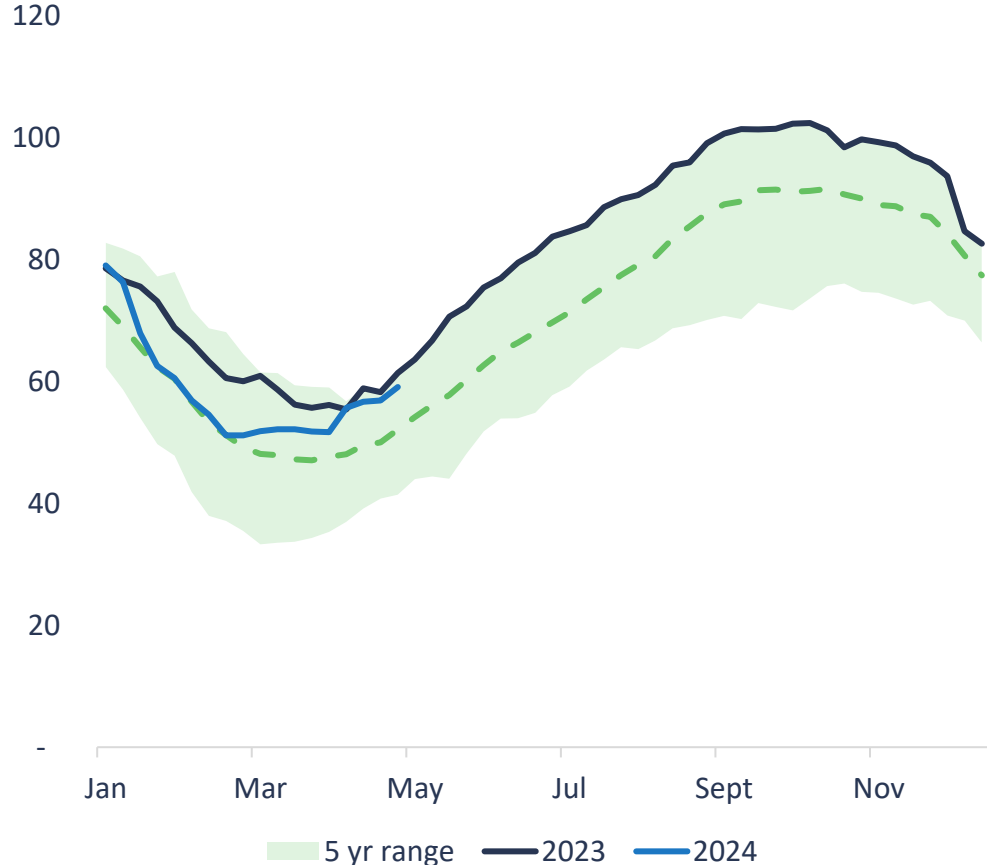
US LPG production and consumption

million tons/year



Inventories on the rise after the cold snap

Million Bbl

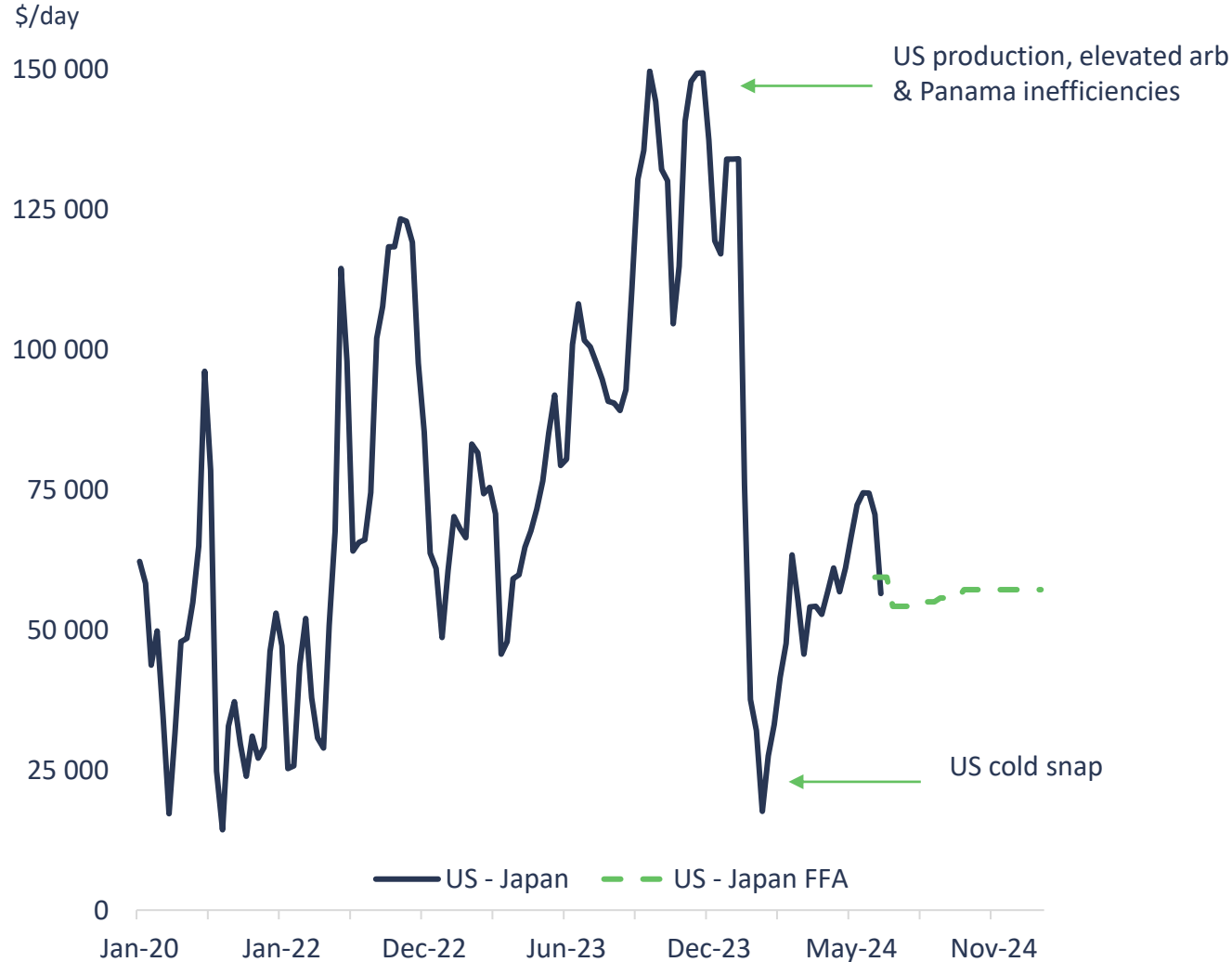


Source: EIA STEO June 2024, propane and butane from Natural Gas Processing Plants and Refinery, conversion factor barrels/tons 12.4 propane and 10.8 butane. US Consumption basis propane and butane.

SPOT FREIGHT MARKET REBOUNDED FROM THE COLD SNAP



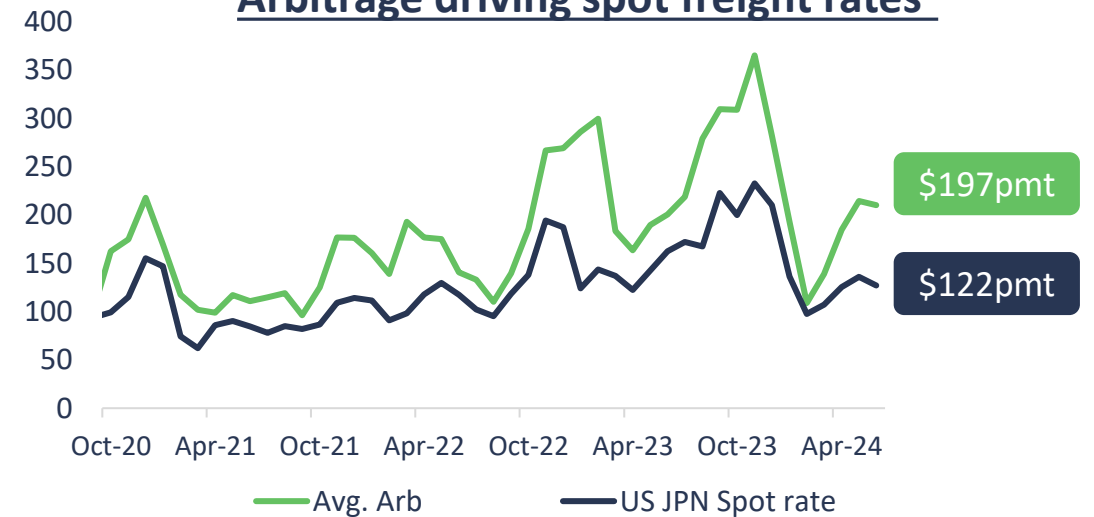
US Spot freight rates in TCE/day¹



Current spot freight rates²



Arbitrage driving spot freight rates¹



Source: Fearnleys, Clarkson and Company estimates

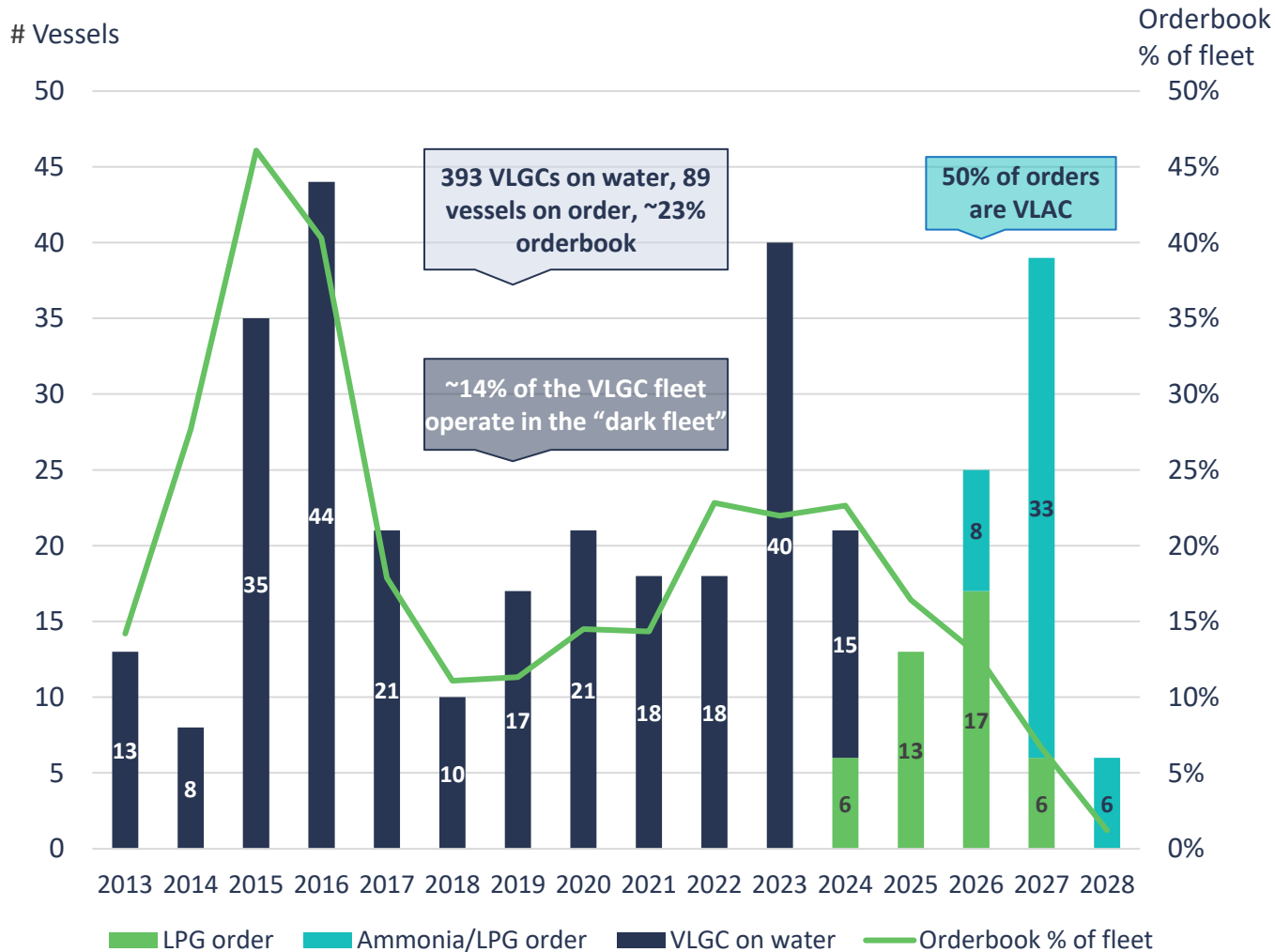
(1) Monthly average arbitrage pricing and TCE/day monthly average broker quotes

(2) Spot freight rates as of June 21, 2024

VLGC FLEET – LIMITED GROWTH FOR 2024 AND 2025

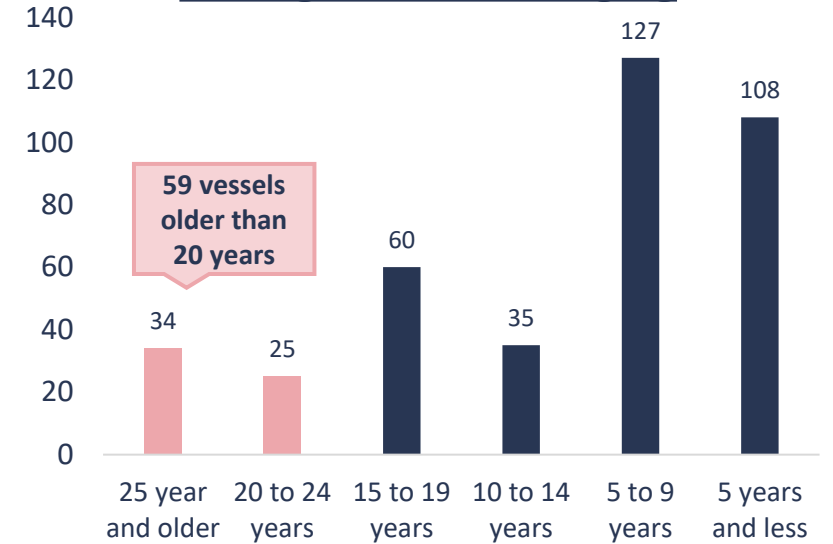


VLGC orderbook as of May 2024

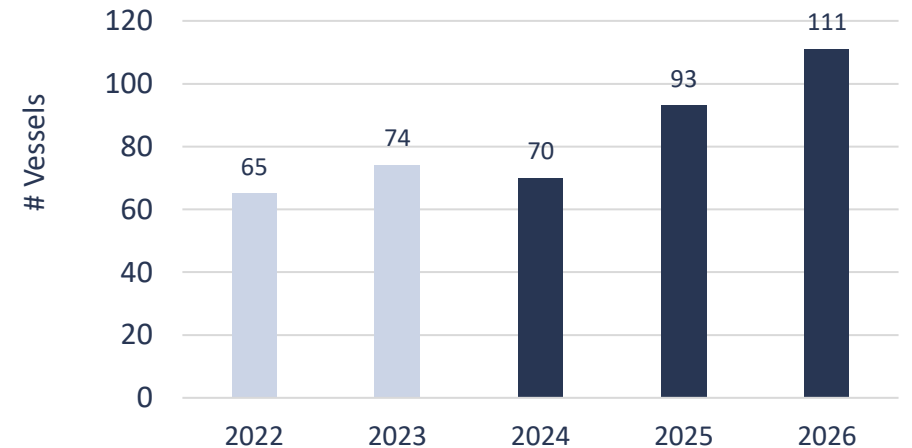


Vessels

VLGC global fleet is aging



Substantial docking scheduled for 2025-26



Source: Clarkson SIN as of June 21, 2024, Gibson & Company estimates, excluding VLEC vessels

INVESTMENT HIGHLIGHTS



FY 23 Net Profit of \$164 million and EPS of \$2.14, second best profit ever
Q1 Net Profit of \$146 million and EPS of \$1.91, highest ever quarterly net profit
Robust balance sheet and solid pro-forma cash balance of \$257 million



Sold four vessels in H1 2024 with total profit of ~\$121m and cash release of \$189m
Reduced average age of the fleet to below 5 years
Agreed two new variable one-year TCs for Avance Polaris and Chinook until Q1-25 and Q2-25 with supermajor



Cold weather in the US caused a slump in freight rates beginning of 2024
Freight market has since rebounded and FFA rates are currently at \$54,000⁽¹⁾ for H2-2024
Guided Q2 24 ~83% of Q2-24 at an average TCE of ~\$48,000/day on discharge-to-discharge



Declared dividend of \$165m or \$2.15 per share for FY 2023 – dividend yield of ~14%⁽²⁾
Declaring dividends of \$165m or \$2.15 per share – combination of return of capital and dividend
First quarter dividend represents 15% of current Market Capitalization⁽²⁾

(1) Average TCE of BLPG1 and BLPG 3, Eco non-scrubber VLGC, according to Clarksons

(2) Annualised yield given share price of NOK 160 with USDNOK 10.6



Avance Gas

Thank you!



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Investor Relations



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Stock Exchange



ticker: AGAS