



Nordnet

September 14, 2023



Avance Gas



FORWARD LOOKING STATEMENTS



Matters discussed in this announcement may constitute forward-looking statements. All statements other than statements of historical facts included in this announcement, including those regarding Avance Gas' plans, strategies, business prospects, changes and trends in its business and the markets which it operates are forward-looking statements. These forward-looking statements may, but not necessarily, be identified by words such as "anticipate", "believe", "continue", "estimate", "expect", "intends", "may", "should", "will", "would", "can", "could" or, in each case, their negative, or other variations or comparable terminology and similar expressions. The forward-looking statements in this release are based upon various assumptions and may not be guaranteed, many of which are based, in turn, upon further assumptions. Although Avance Gas believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such 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

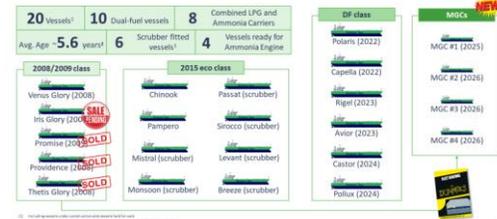
INVESTMENT HIGHLIGHTS



Attractive Fleet

20 vessels (incl. NBs), only 5.6 average age

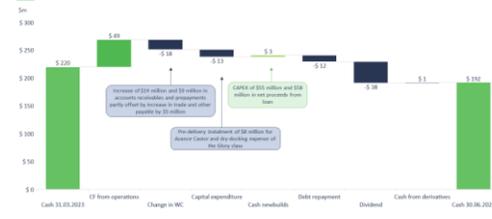
FUTURE PROOFING THE AVANCE FLEET



Strong Balance Sheet

Cash of \$ 192m and an Equity ratio of >50%

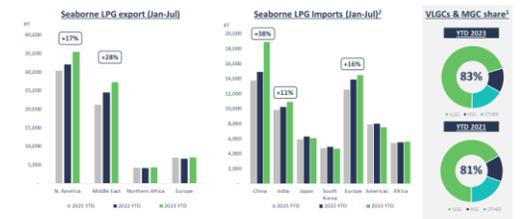
SOLID CASH POSITION OF \$192M AT QUARTER-END



Attractive market fundamentals

Continued increase in demand for VLGCs

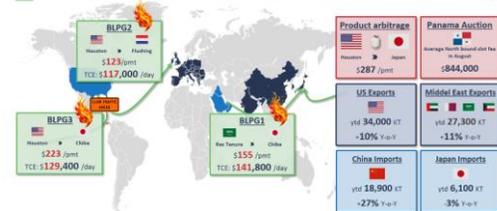
STRONG DEMAND FOR SEABORNE TRANSPORTATION OF LPG



High Exposure to strong market

Liq. Mkt offering strong earnings potential

VLGC FREIGHT RATES REACHED NEW "ALL TIME HIGH"



Maximizing shareholder value

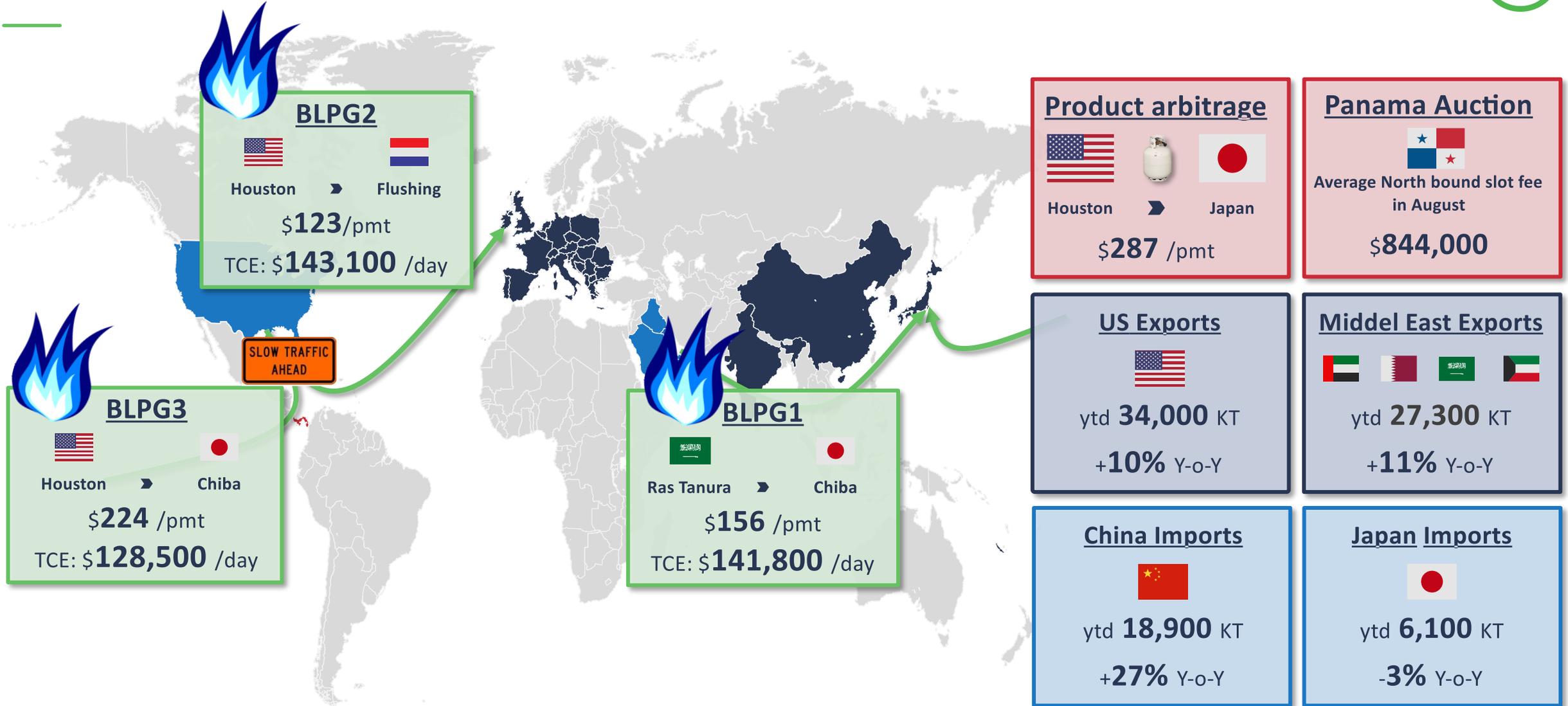
\$1.70 per share in dividends LTM

RAMPING UP DIVIDEND IN LINE WITH INCREASED EARNINGS



VLGC FREIGHT RATES REACHED NEW “ALL TIME HIGH”

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Source: Fearnley, Baltic Exchange, Gibson, Braemar and Kpler
 Note: Baltic rates as of Sept. 13th, 2023, TCE numbers from Fearnleys, import export figures as of end July 2023
 (1) Panama northbound auction cost by Norton Lilly as of August 27, 2023

FUTURE PROOFING THE AVANCE FLEET

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NEW!

20 Vessels ¹	10 Dual-fuel vessels	8 Combined LPG and Ammonia Carriers
Avg. Age ~ 5.6 years ²	6 Scrubber fitted vessels ¹	4 Vessels ready for Ammonia Engine

2008/2009 class

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

2015 eco class

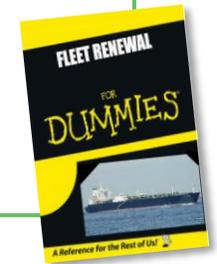
- | | |
|--------------------|--------------------|
| Chinook | Passat (scrubber) |
| Pampero | Sirocco (scrubber) |
| Mistral (scrubber) | Levant (scrubber) |
| Monsoon (scrubber) | Breeze (scrubber) |

DF class

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

MGCs

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

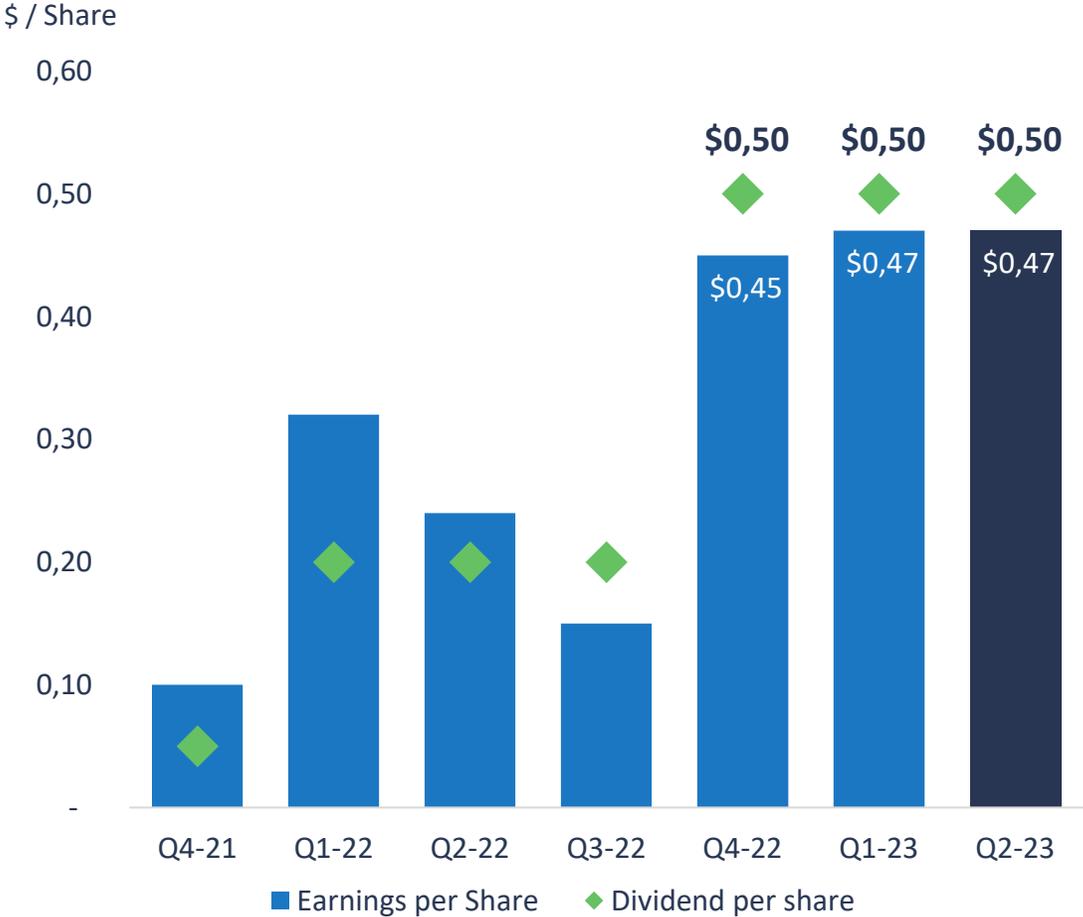


(1) Including vessels under construction and vessels held for sale
 (2) Incl. VLGC newbuilds for delivery in 2024, but excluding vessel held for sale and MGCs

RAMPING UP DIVIDEND IN LINE WITH INCREASED EARNINGS



Dividend distribution



Dividend decision criteria's

	Q1-23	Q2-23	
1 Earnings and cashflow	✓	✓	Strongest ever 1H profit of \$72m
2 Market outlook	✓	✓	Q3-23 TCE/day bookings are in the high \$50s and FFAs suggest solid levels for Q4-23
3 Backlog and visibility	✓	✓	Three ships on fixed hire rate, two on variable hire and two ship hedged by FFAs
4 Liquidity	✓	✓	Solid cash position of ~\$192m end Q2-23
5 Covenant compliance	✓	✓	Significant buffer to all debt covenant thresholds
6 Debt maturities	✓	✓	Staggered debt maturity profile with no debt maturities prior to 2027
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

INCOME STATEMENT AND KEY FINANCIAL FIGURES



Income Statement (in million \$)	Q2 2023	Q1 2023	Variance
TCE earnings	63	62	0.2
Operating Profit before depreciation	52	51	0.3
Depreciation	(12)	(11)	(1)
Net finance expense	(4)	(4)	0.1
Net profit	36	36	(0.6)
Earnings per share (\$)	0.47	0.47	-
Per day figures (in \$)	Q2 2023	Q1 2023	Variance
TCE (Discharge to Discharge)	50,826	55,500	(4,674)
TCE (Load to Discharge)	52,015	58,379	(6,365)
Operating expense ('OPEX')	8,003	8,626	(623)

- TCE of \$52,000/day for Q2, above guidance of \$50,000/day. TCE Earnings maintained due to more vessel days as we took delivery of Avance Avior
- Spot market considerably stronger than FFA coverage of \$47,500/day, thereby a loss of \$2,500/day is recognized thru TCE earnings
- Interest expense in line with the first quarter despite increase in interest rates due to high hedge ratio (~90%)
- Net profit of \$35.7 million or EPS of \$0.47 - results for Avance Gas. Net profit year to date of \$72 million or EPS of \$0.94 is the best first half result ever
- Annualised return on book equity ~24%

BALANCE SHEET AND KEY FINANCIAL FIGURES



Balance Sheet (in million \$)	Q2 2023	Q1 2023	Variance
Cash & cash equivalents	192	219	(28)
VLGCs & newbuildings under construction	907	850	56
Other assets	68	42	26
Total assets	1,166	1,112	54
Total liabilities	576	511	64
Total shareholders' equity	590	601	(10)
Balance sheet ratios	Q2 2023	Q1 2023	Variance
Book equity ratio	51%	54%	-3%
Loan to value ¹	51%	55%	-4%

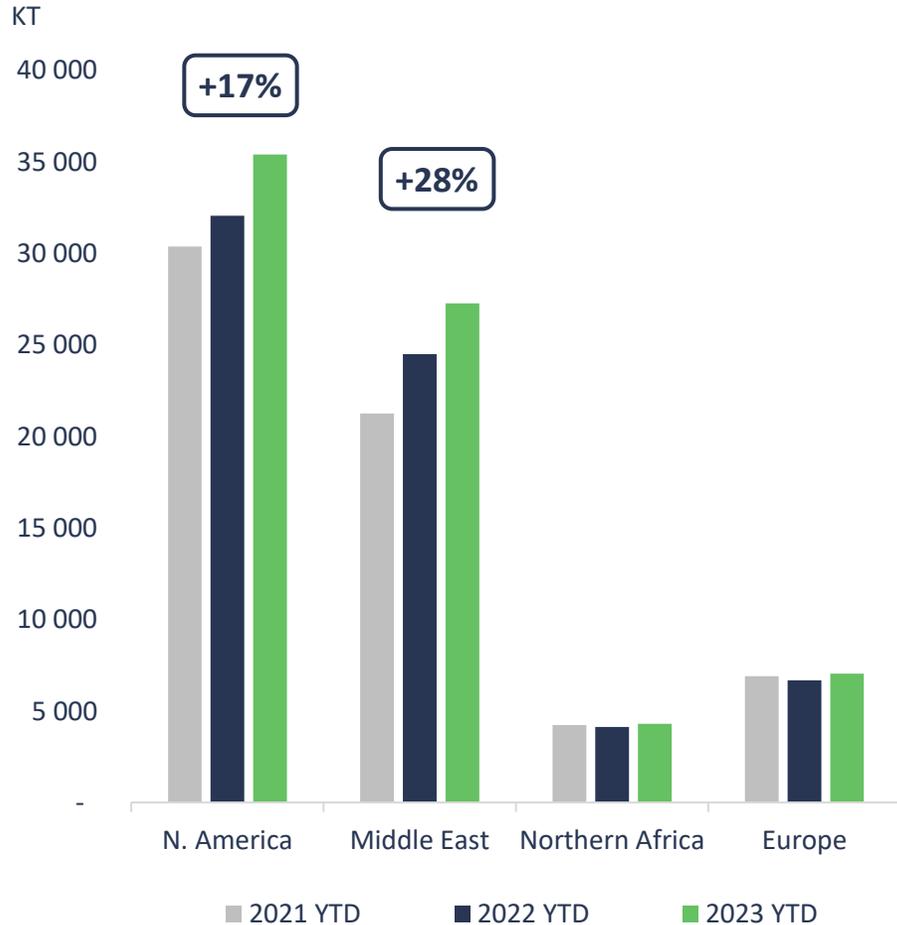
- Total assets consist primarily of 14 VLGCs on water as well as two dual fuel VLGC and two MGC under construction. Two additional MGC newbuilds were contracted after quarter-end.
- Avance Rigel was delivered during the first quarter 2023 while Avance Avior was delivered during second quarter on May 30, 2023
- Reasonable loan to value of ~51%
- Maintained a strong book equity ratio ~ 51% at quarter-end
- Significant cash balance of \$192 million

1) Loan to value: total broker value of all vessels including newbuildings divided by total outstanding financing and committed financing for undrawn loans

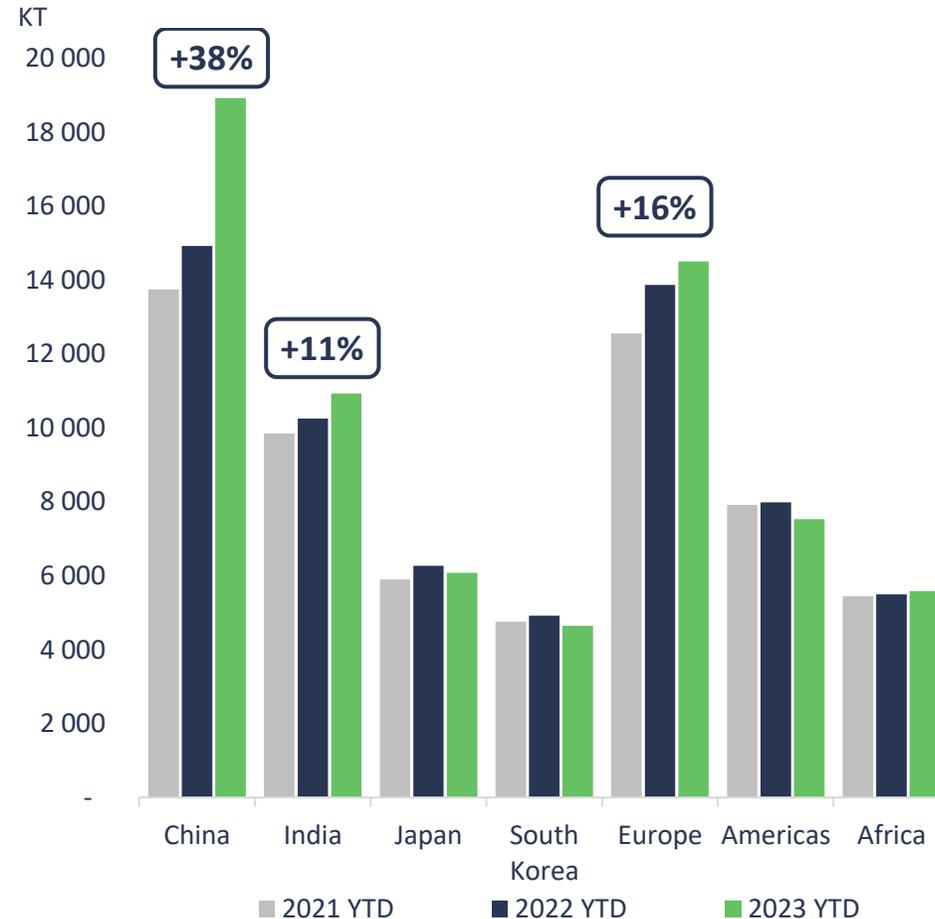
STRONG DEMAND FOR SEABORNE TRANSPORTATION OF LPG



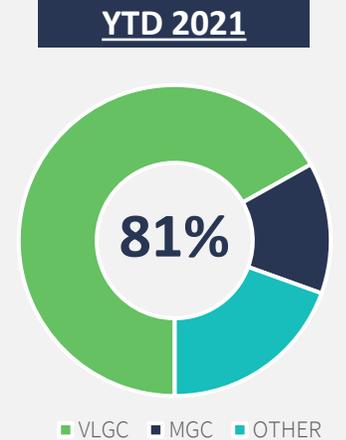
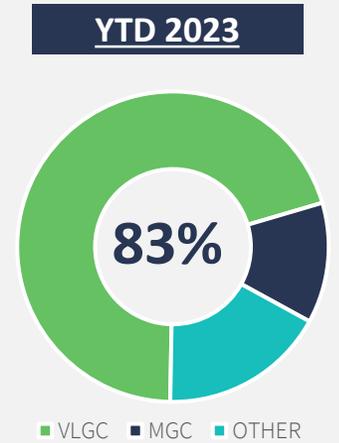
Seaborne LPG export (Jan-Jul)



Seaborne LPG Imports (Jan-Jul)²



VLGCs & MGC share¹



Source: Kpler

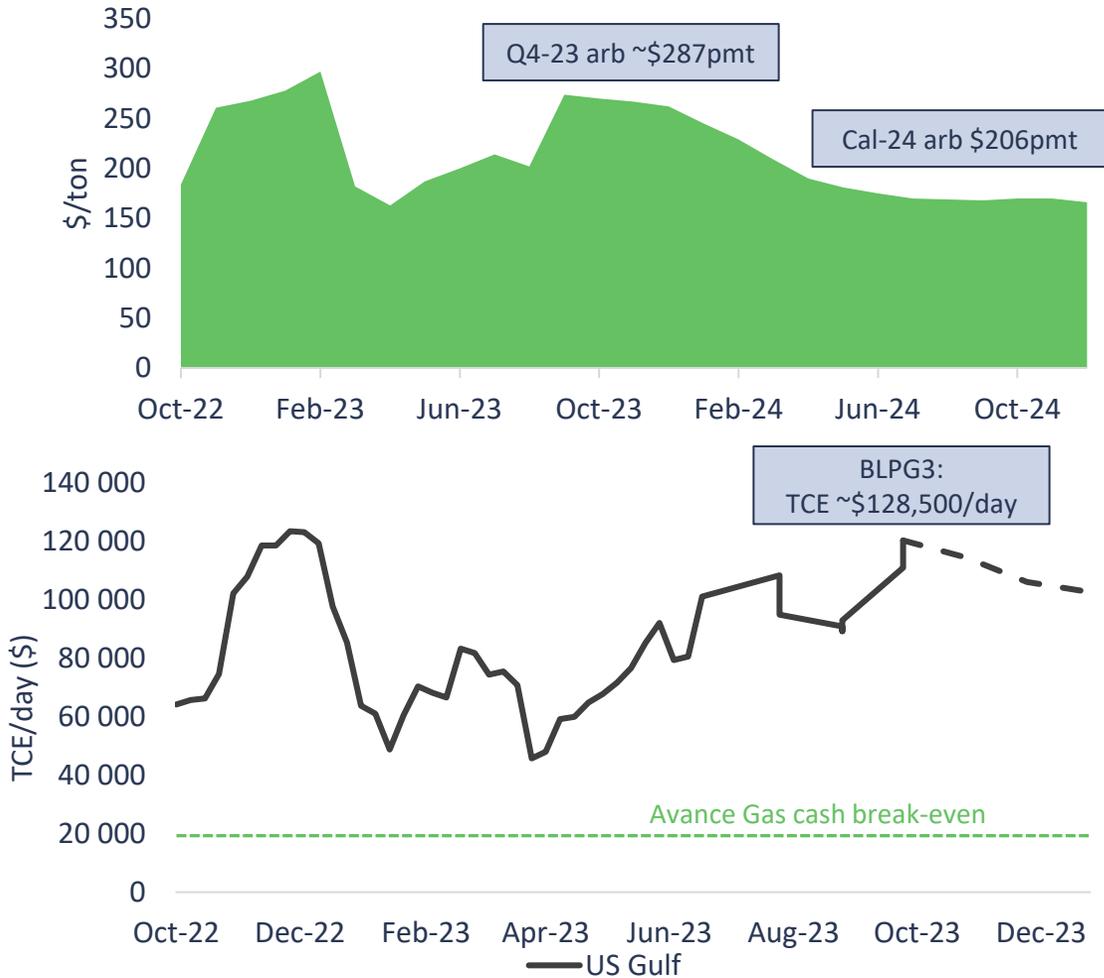
(1) As % of all seaborne LPG Export (Jan-Jul)

(2) Kpler export data based on cargo destination

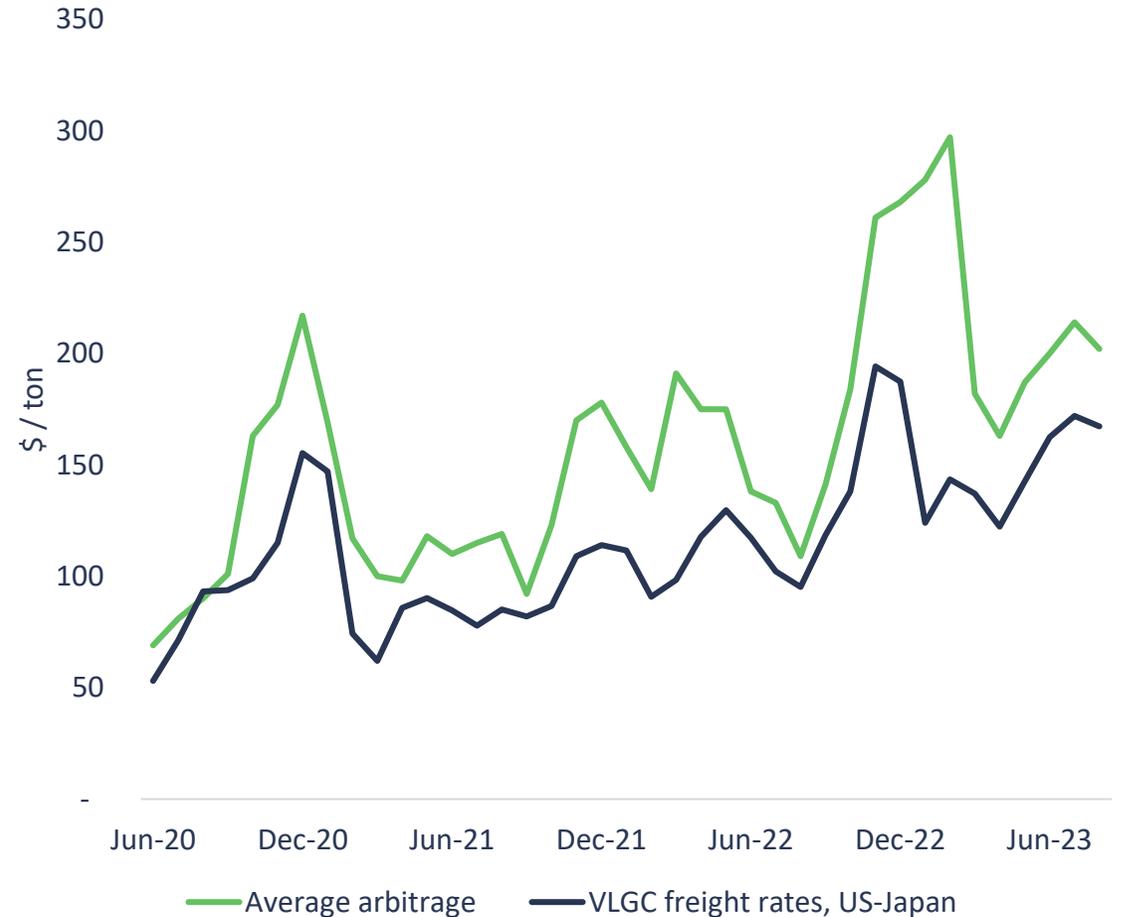
STRONG PRODUCT ARBITRAGE SUPPORTING FREIGHT RATES



US Far East product arbitrage



Strong correlation between arbitrage and freight rates

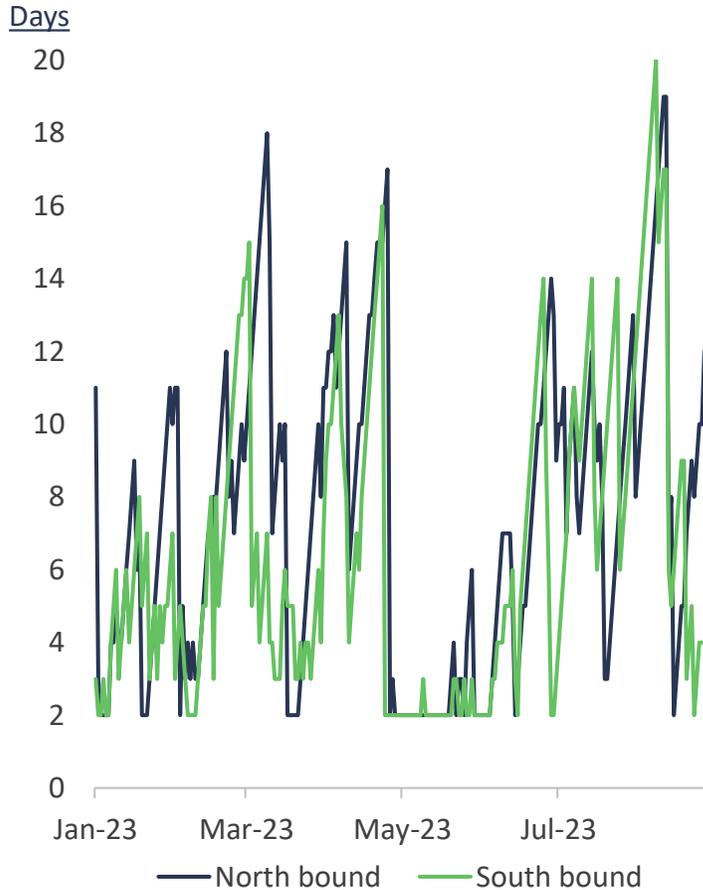


Source: Kpler, Argus and Company estimates

PANAMA CANAL HAS BECOME “THE TRAFFIC JAM OF THE SEAS”



Waiting time Panamax: Neo-Panamax

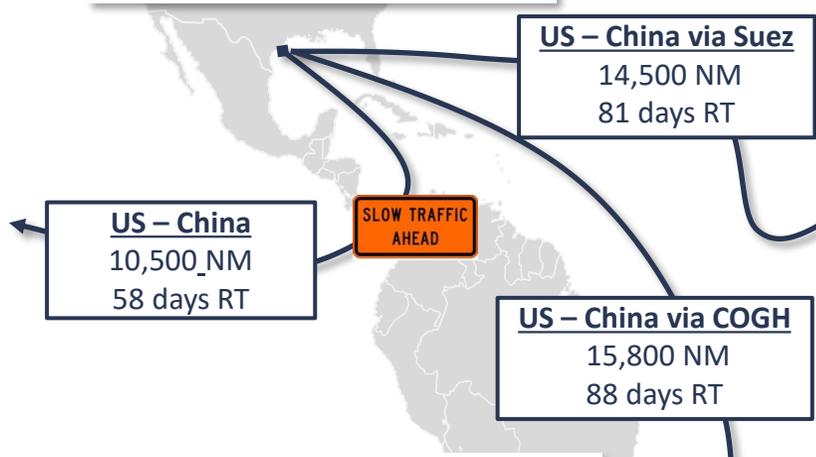


THE WALL STREET JOURNAL.

BUSINESS | LOGISTICS

The Panama Canal Has Become a Traffic Jam of the Seas

More than 200 vessels are stuck on either side of the waterway as a serious drought cuts crossings



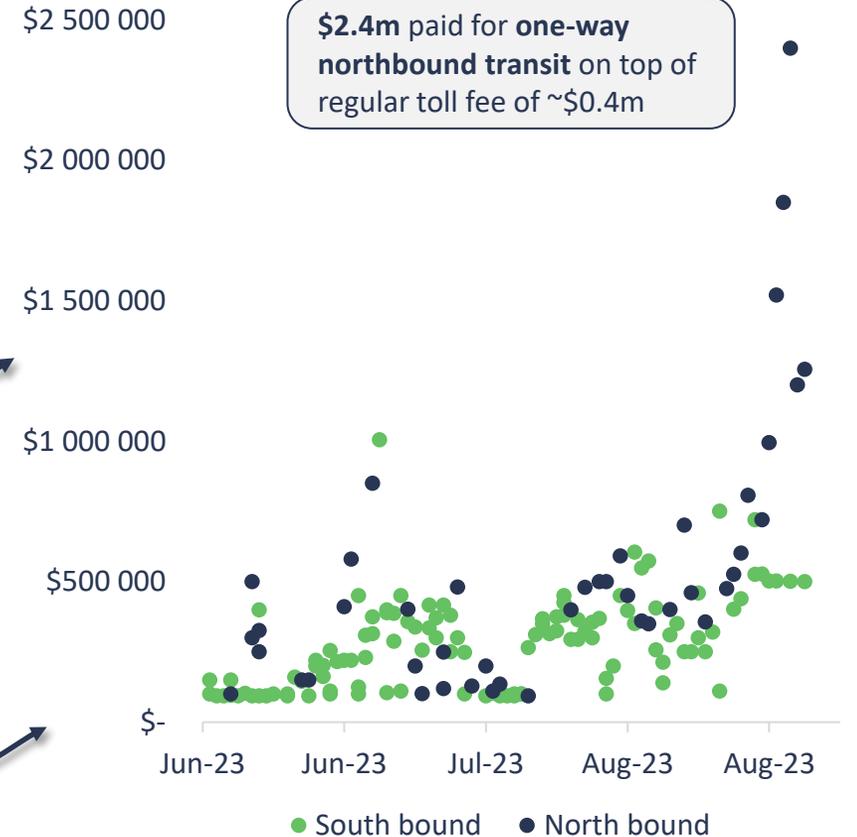
TradeWinds

The Global Shipping News Source

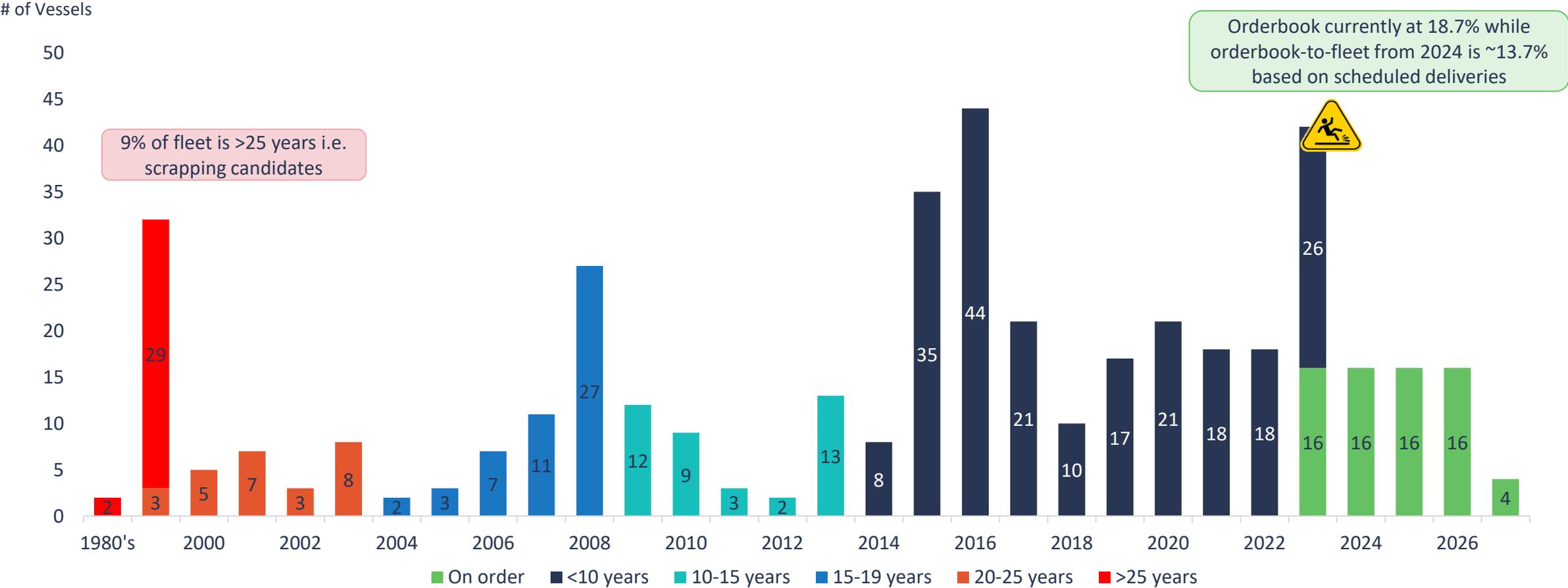
Panama Canal booking slots reduced as wait times reach 20 days

Canal is experiencing a backlog of 150 ships as draught restrictions limit daily crossings

Auction price for spot Neo-Panamax slot



RENEWAL OF THE VLGC FLEET AHEAD OF NEW REGULATIONS



Source: Clarkson SIN, as of August 29, 2023

Thank you!



Avance Gas

