



AB KLAIPĖDOS NAFTA

UNAUDITED FINANCIAL RESULTS OF KN GROUP FOR 2023 Q1

May 22, 2023



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CHIEF EXECUTIVE OFFICER



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HIGHLIGHTS



BUSINESS OVERVIEW



FINANCIAL RESULTS



OTHER INFORMATION

REGULATED ACTIVITY



LNG TERMINAL CAPACITY EXPANSION

KN as the operator of Klaipeda LNG Terminal together with gas transmission system operator AB Amber Grid has decided to start preparing documents for the binding phase of Open season procedure concerning expansion of the Klaipeda LNG terminal regasification capacity as well capacity of gas transmission system.

GSA PLATFORM

Pursuant to the provisions of Council Regulation (EU) 2022/2576 of 19 December 2022, Terminal user's booked and unused Klaipeda LNG terminal regasification capacities starting 1 April 2023 are offered in secondary market via GSA secondary capacity trading platform.

BUSINESS DEVELOPMENT



FSRU TERMINAL IN ITALY

KN has been chosen by Italian energy company Snam FSRU Italia to cooperate in the start-up of a greenfield FSRU based LNG terminal project in the port of Piombino.

A FRAMEWORK AGREEMENT SIGNED

KN and SK E&S, which is responsible for energy sectors such as LNG, renewable and hydrogen within the SK Group in Republic of Korea, signed a Framework Agreement on cooperation opportunities in the field of international LNG business development.

FINANCIAL PERFORMANCE



9.8 MEUR

Group EBITDA 17% higher than in 2022 Q1.

22.2 MEUR

Group revenue 24% higher than in 2022 Q1.

3.1 MEUR

Oil Terminals segment EBITDA 54% higher than in 2022 Q1.

OTHER NEWS



LETTER OF EXPECTATIONS

On 8 March 2023 KN received the Letter of expectations from the Ministry of Energy of the Republic of Lithuania.

CHANGES IN COLLEGIAL BODIES

On 20 April 2023 Šarūnas Radavičius was elected as a Chairman of the Audit Committee.

SUSTAINABILITY REPORT

On 25 April 2023 KN released the Sustainability Report of 2022. Report is prepared with reference to the international Global Reporting Initiative (GRI) Standards.

ANNUAL GENERAL MEETING OF SHAREHOLDERS

An Annual General Meeting of Shareholders was convened on 28 April 2023 and adopted the following resolutions: to approve the audited Financial Statements of the Company for the year 2022; to allocate profit of the Company; to approve the Report on remuneration of the Company.

BUSINESS OVERVIEW



Firm demand for KN terminal oil products transshipment and storage services in 2023 Q1 led to **22% higher revenue** in comparison to the same period in 2022.

98% HIGHER REVENUE FROM RENT OF SHORE TANKS

Intensified transshipment of diesel for delivery to Ukraine activity significantly contributed to increased demand for shore tank rent and storage services of handled oil products – total revenue from the rent of shore tanks in 2023 Q1 increased 98% compared to the same period of 2022.

BIOFUELS

While biofuels transshipment volumes remained stable in comparison with Q1 2022, the demand for biofuels storage services led to nearly 2 times bigger revenue from biofuels segment, where ethanol was the main driver.

HEATING FUEL SUPPLY

In 2023 Q1 KN continued to participate in the logistics chain of fuel oil supply to “Vilnius šilumos tinklai” contributing to the lower municipality heating prices and energetic security during the cold season.

2023 Q1 Klaipėda's LNG terminal regasification and reloading quantities were 9.04 TWh - 145% higher compared to the same period last year

145% HIGHER REGASIFICATION AND RELOADING QUANTITIES

13 LNG carriers have arrived at the LNG terminal during 2023 Q1 (both loading and reloading) and 9.04 TWh of LNG have been regasified and reloaded, which is 145% more than during the same period a year ago (3.69 TWh).

AVERAGE EUROPE'S LNG TERMINALS UTILIZATION 63%

The average utilisation of Europe's LNG terminals in 2023 Q1 was 63% (vs 61% a year ago and vs 65% a previous quarter). The average utilisation of Klaipėda LNG terminal was 81% (since May 2022 terminal works at almost maximum level). The average Dutch TTF Natural Gas Index was equal to 79.16 EUR/MWh in Q1 of 2023 vs 93.83 EUR/MWh in the same period a year ago and vs 154.30 EUR/MWh in the previous quarter.
(Source: ICE)

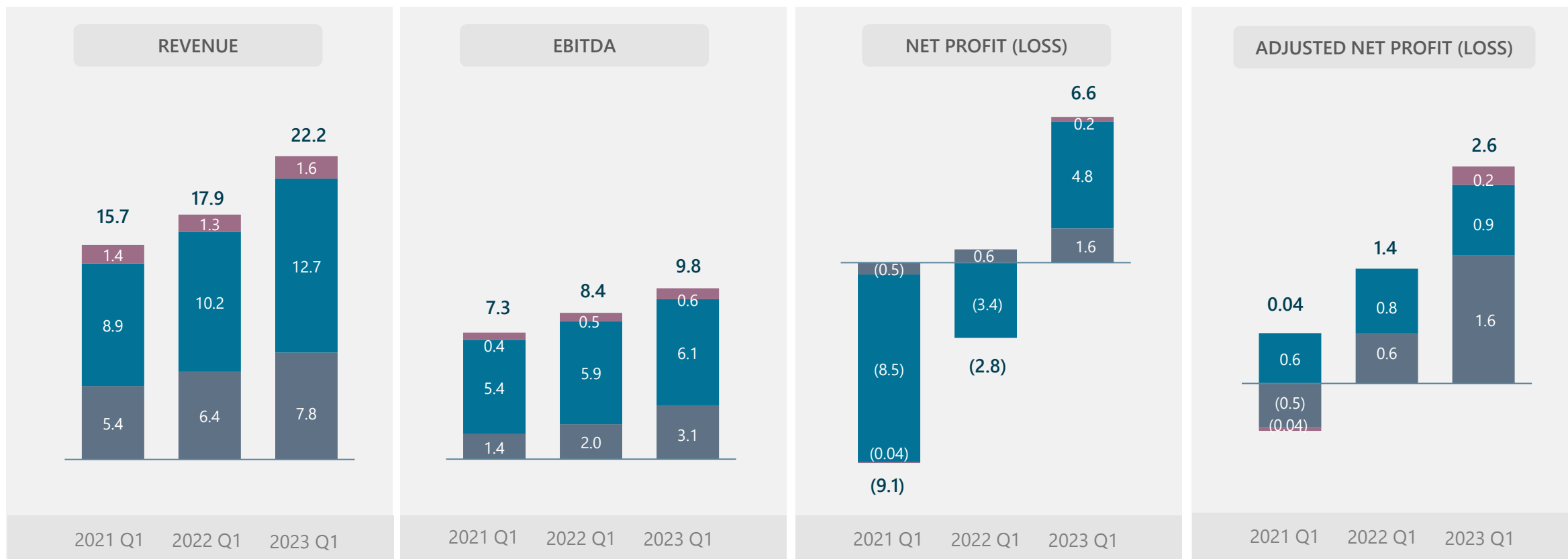
90% OF IMPORTED NATURAL GAS INTO LITHUANIA WERE FROM KLAIPĖDA LNGT

In 2023 Q1, Lithuania's natural gas consumption was about 3.2 TWh (44% less than in the winter of 2022). 90% from all imported natural gas in Lithuania's transmission system operator AB "Amber Grid" system in the first quarter of 2023 were from Klaipėda LNGT (excluding gas transit to Kaliningrad).

FINANCIAL RESULTS



CONSOLIDATED FINANCIAL RESULTS (UNAUDITED) FOR 2023 Q1, MEUR



SEGMENTS EXPLANATION

Commercial LNG activities (comLNG):

- small-scale LNG reloading station in Klaipėda
- operation of LNG terminal in Açu port in Brazil and
- business development projects and consultations.

Oil Terminals (OT):

- Klaipėda Oil Terminal and
- Subačius Oil Terminal

Regulated LNG activities (LNGT):

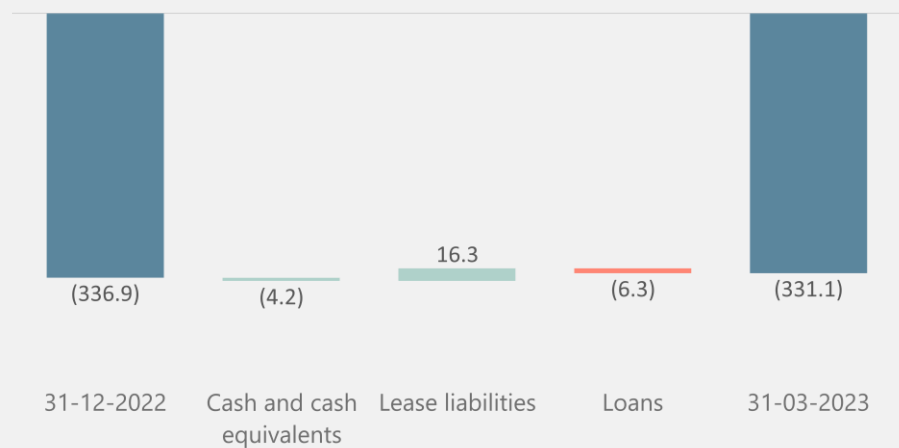
- Klaipėda LNG Terminal

FREE CASH FLOW (FCF), MEUR



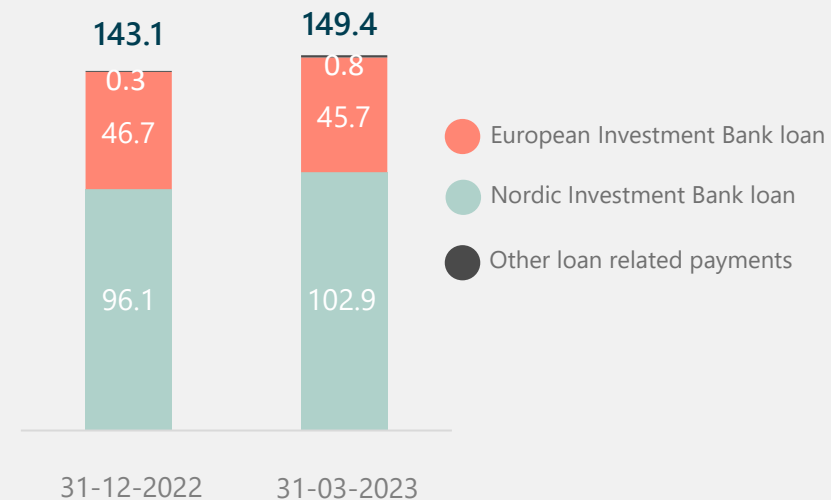
Changes in the working capital were more significant than improvement in EBITDA and lower investments, resulting in an overall lower FCF.

NET DEBT DEVELOPMENT, MEUR

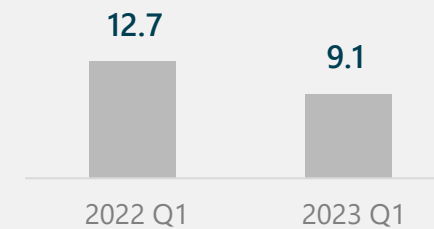


MEUR	31-12-2022	31-03-2023
Cash and cash equivalents	72.4	68.2
Loans	(143.1)	(149.4)
Lease liabilities	(266.2)	(249.9)
Net Debt	(336.9)	(331.1)

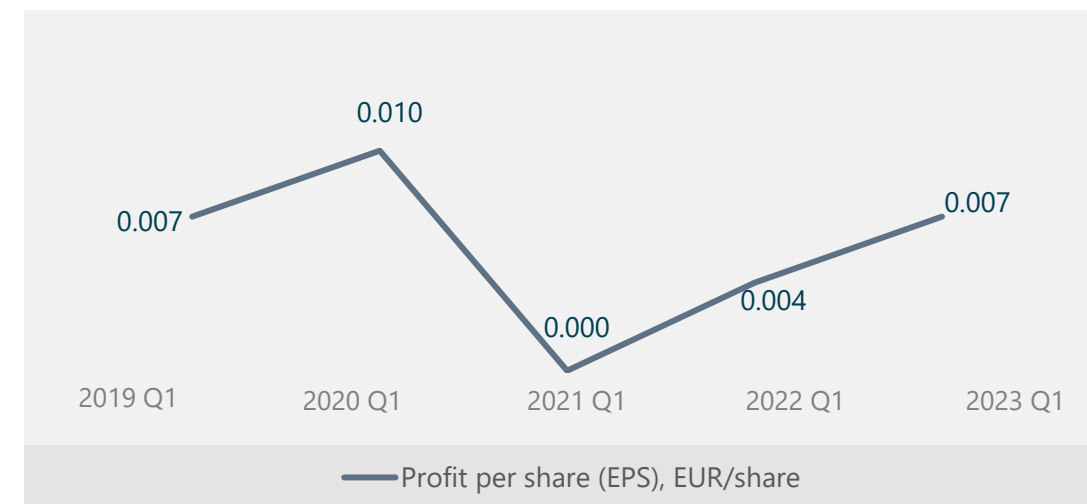
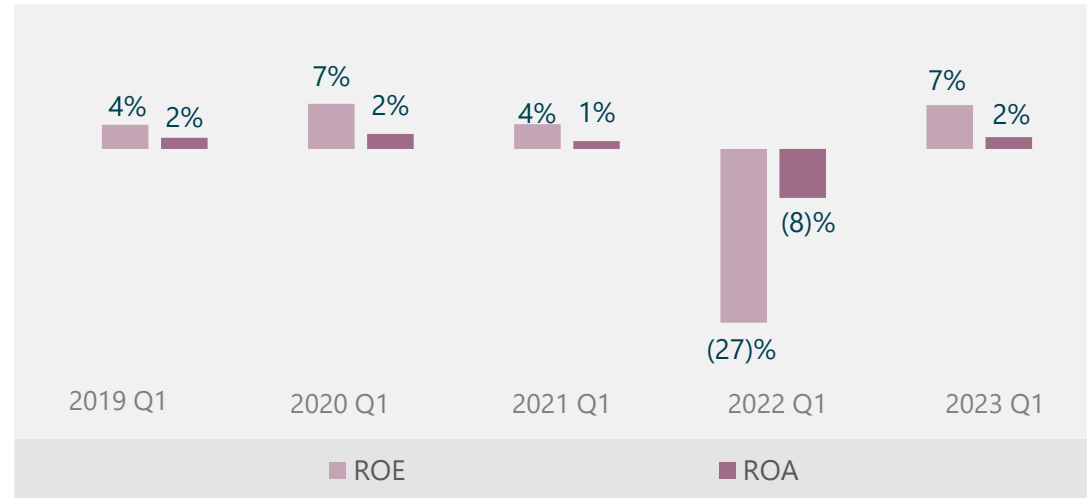
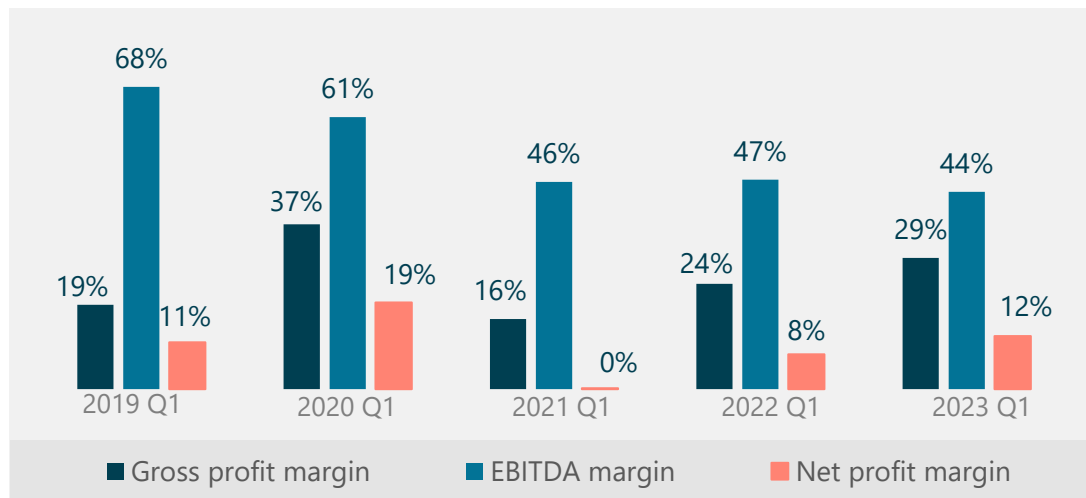
LOANS, MEUR



NET DEBT / EBITDA, TIMES



PROFITABILITY AND MARKET VALUE RATIOS FOR 2023 Q1



* Net profit margin, ROE, ROA, EPS and P/E ratios are calculated based on adjusted profit (loss) and adjusted equity figures.

The background image shows an industrial facility, likely a refinery or chemical plant. In the foreground, there are several large, parallel pipes running horizontally. In the middle ground, there are several tall, vertical yellow cranes or distillation columns. In the background, there are more industrial structures, including a white building with a green sign featuring a white 'S' and the word 'KAIROS' on its roof. The sky is overcast and grey. A dark teal semi-transparent box is overlaid on the left side of the image, containing the text 'Q & A'. A red diagonal line is in the bottom right corner.

Q & A

The background image shows an industrial facility, likely a refinery or chemical plant. In the foreground, there are numerous large, parallel pipes running across the ground. In the middle ground, there are several tall, vertical yellow cranes or distillation columns. In the background, there are white industrial buildings and more complex piping structures. The sky is overcast. A dark teal semi-transparent box is overlaid on the left side of the image, containing the text 'OTHER INFORMATION'.

OTHER INFORMATION

ALTERNATIVE PERFORMANCE MEASURES

MEASURE	EXPLANATION *
EBITDA	Earnings before taxes – Financial activity income + Financial activity expenses + Depreciation and amortization expenses + Impairment expenses and reversals
EBITDA margin	EBITDA / Revenue
Gross profit margin	(Revenue – COGS) / Revenue x 100
Net profit margin	Adjusted profit (loss) for the period / Revenue
ROE	Adjusted profit (loss) of the last twelve months / (Equity at the end of Q of the reporting year + Equity at the end of Q of the prior reporting year) / 2
ROA	Adjusted profit (loss) of the last twelve months / (Total assets at the end of the period + Total assets at the beginning of the period) / 2
Price / earnings ratio	Average share price for the period / (Adjusted profit (loss) of the last twelve months / Total number of shares at the end of the period)
Net Debt	Cash and cash equivalents – long-term and short-term loans – long-term and short-term lease liabilities
Net Debt / EBITDA	Net Debt / EBITDA for the last twelve months
Earnings per share	Adjusted profit (loss) for the period / total number of shares at the end of the period

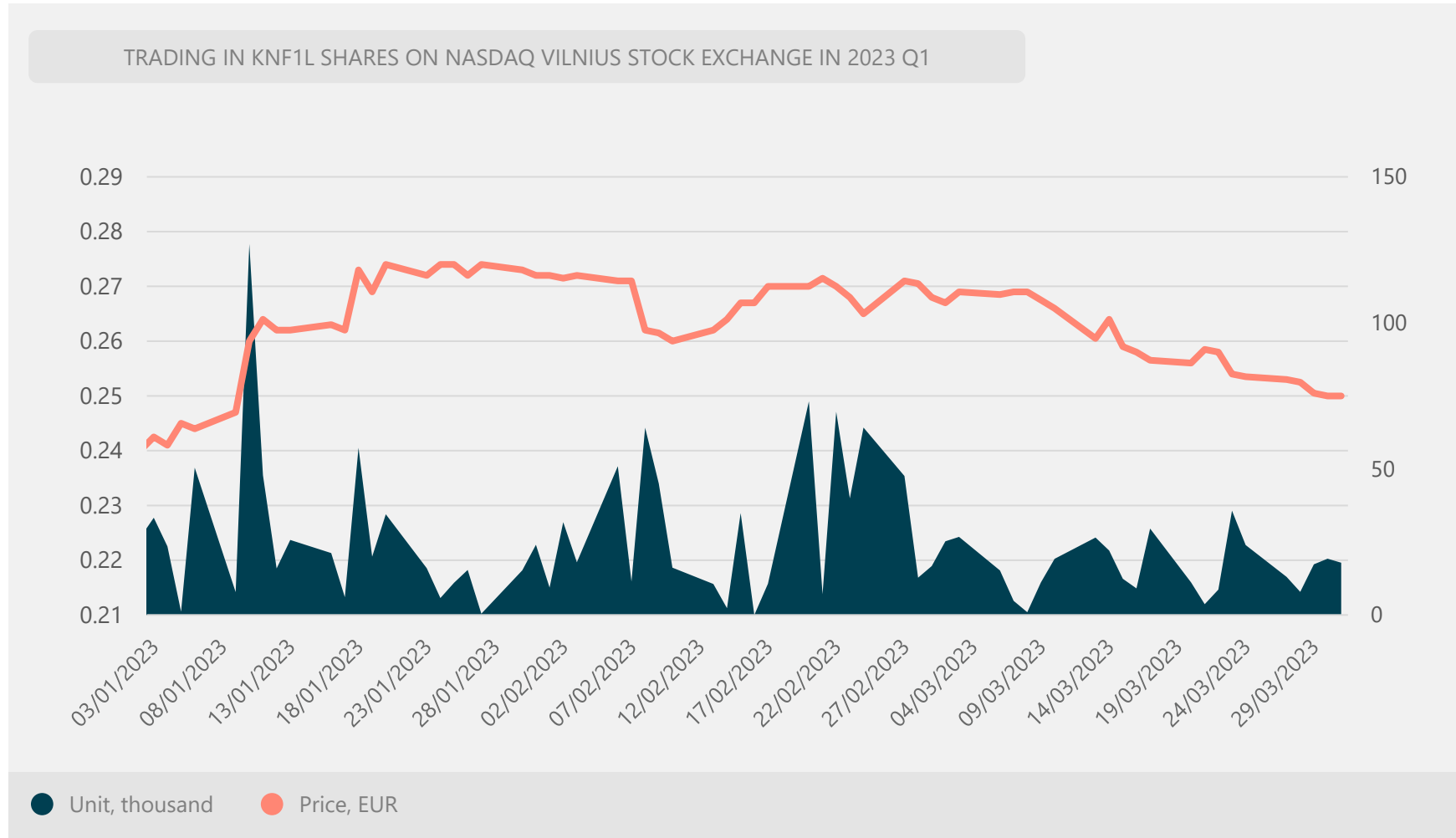
* Adjusted financial indicators/data are recalculated and presented by eliminating from net profit (loss) the following amounts: (1) the impact of unrealised foreign currency exchange rates (forex) arising from IFRS 16 requirements, (2) respective impact of deferred income tax arising from forex and (3) impact of financial derivatives.

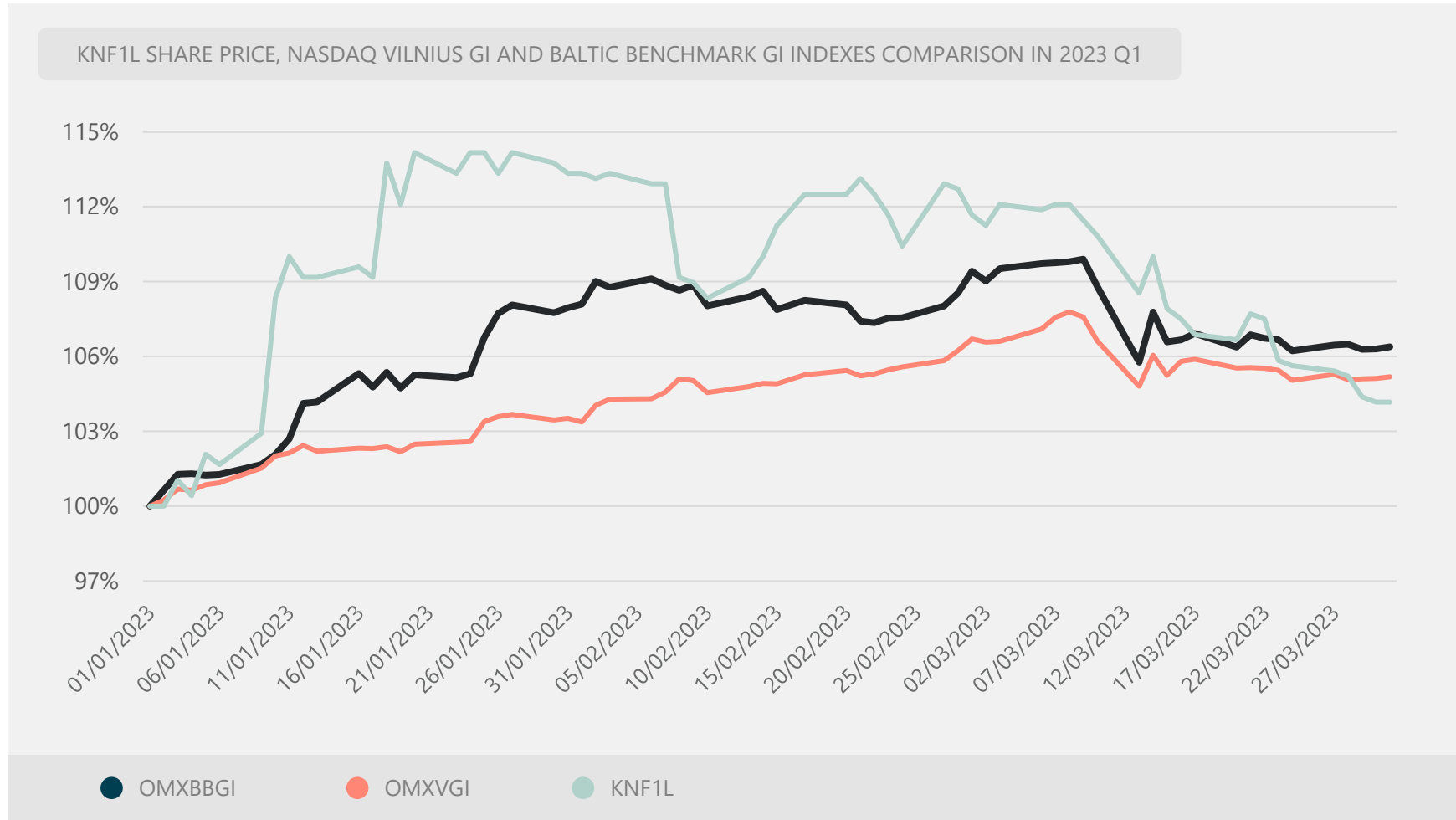


Since 2003 the shares of the Company are listed on NASDAQ OMX Vilnius stock exchange.

ISIN code – LT000011650
Abbreviation – KNF1L

SHAREHOLDER'S NAME (company's name, address, company code of registration)	31 MARCH 2023		31 DECEMBER 2022	
	NUMBER OWNED SHARES (UNIT)	PART OF AUTHORIZED CAPITAL (%)	NUMBER OWNED SHARES (UNIT)	PART OF AUTHORIZED CAPITAL (%)
The Republic of Lithuania, represented by the Ministry of Energy of the Republic of Lithuania	275,687,444	72.47	275,687,444	72.47
UAB koncernas "ACHEMOS GRUPĖ"	39,662,838	10.43	39,662,838	10.43
Other (each owning less than 5%)	65,046,303	17.10	65,046,303	17.10
Total	380,396,585	100.00	380,396,585	100.00







THANK YOU FOR YOUR ATTENTION

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