



AB KLAIPĖDOS NAFTA

UNAUDITED FINANCIAL RESULTS OF KN GROUP FOR 9 MONTHS OF 2022

November 28, 2022



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HIGHLIGHTS



BUSINESS OVERVIEW



FINANCIAL RESULTS



OTHER INFORMATION

REGULATED ACTIVITY



ACQUISITION OF FSRU INDEPENDENCE

KN has notified HÖEGH group companies that it exercises an option right to acquire the floating storage regasification unit INDEPENDENCE.

THE PUBLIC PROCUREMENT FOR O&M SERVICES HAS LAUNCHED

KN has launched a public procurement for operation and maintenance of the LNG terminal's vessel. The selected contractor will be responsible for the safe and reliable operation of the FSRU, the management of the vessel's maintenance and technical risks, and for the compliance with environmental and other requirements.

BUSINESS DEVELOPMENT



OPERATIONAL SERVICES TO THE FLOATING LNG TERMINAL IN GERMANY

KN was selected by German energy company Uniper to provide the operational services of the floating LNG terminal under construction in Wilhelmshaven on the North Sea coast.

CO2 CAPTURE TECHNOLOGY

KN, Akmenės cementas, and Orlen Lietuva have signed letters of intent for a joint feasibility study to assess the potential and feasibility of liquefied carbon dioxide capture and storage technology for industrial companies in the country.

CARBON NEUTRAL LNG PROJECT

KN participates in the CarbonNeutralLNG project which has launched in Germany at the beginning of November. Participants will collaborate on developing processes to produce hydrogen and convert it into synthetic methane.

FINANCIAL PERFORMANCE



27 MEUR

Group EBITDA 34% higher than for the respective period in 2021.

57 MEUR

Group revenue 22% higher than for the respective period in 2021.

6 MEUR

Oil Terminals segment EBITDA 34% higher than for the respective period in 2021.

OTHER NEWS



CHANGES IN KN COLLEGIAL BODIES

Supervisory Council

- the Extraordinary General Meeting of Shareholders has approved the members of the Company's Supervisory Council. Robertas Vyšniauskas was elected as a chairperson on the first meeting of the Supervisory council.

Audit Committee

- as of 01-12-2022 the independent member of the Audit Committee Žana Kraučėnienė is revoked;
- as of 24-11-2022 Robertas Vyšniauskas and Mantas Šukevičius are elected as independent Company's Audit Committee members.

Remuneration and Nomination Committee

- new committee was formed and as of 24-11-2022 Dovilė Kavaliauskienė and Robertas Vyšniauskas are elected as members.

BUSINESS OVERVIEW



Increasing demand for fuels had a positive effect on transshipment volumes through KN oil terminals and led to **35% higher transshipment volumes** than in 9 months of 2021.

43% HIGHER TRANSSHIPMENT OF BIOFUELS AND PETROCHEMICALS

During the 9 months of 2022 transshipment of petrochemicals increased approximately 6-times while transshipment of renewables increased ~22%.

KN TAKES ~21% OF BITUMEN TRANSSHIPMENT MARKET

Bitumen handling operations started and successfully implemented using tanks reconstructed in 2021. During the 9 months of 2022, Klaipėda oil terminal took about 21.0% of the bitumen transshipment market in the terminals of the Baltic countries and the Gulf of Finland (Russia).

14 TYPES OF PRODUCTS TRANSSHIPPED

At the Klaipėda oil terminal 14 types of various oil and petrochemical products were transshipped during the 9 months of 2022 compared to 12 - in 2020 and 2021, and 13 - in the first half of 2022, thus further increasing the diversification of its services and confirming its multimodal terminal status.

For the first time Klaipėda LNG terminal has allocated long-term capacity. Approximately **60 percent** of the total LNG terminal's capacity has been allocated for **10 years period**.

LONG-TERM AND ANNUAL 2023 REGASIFICATION CAPACITIES HAVE BEEN ALLOCATED

Klaipėda LNG Terminal has allocated long-term LNG regasification capacities until 2033 (24 TWh in total annually to 4 customers from Lithuania, Latvia and Poland). Moreover, LNG terminal's annual regasification capacity of 9 TWh has been allocated for the gas year 2023 to 5 customers.

AVERAGE EUROPE'S LNG TERMINALS UTILIZATION 66%

The average utilization of Europe's LNG terminals was 66% (vs 42% a year ago). The average utilization of Klaipėda LNG terminal was 68% (as of May, 2022 terminal works at maximum level). The average Dutch TTF Natural Gas Index was equal to 124.30 EUR/MWh versus 25.02 EUR/MWh in the same period year ago (source: ICE).

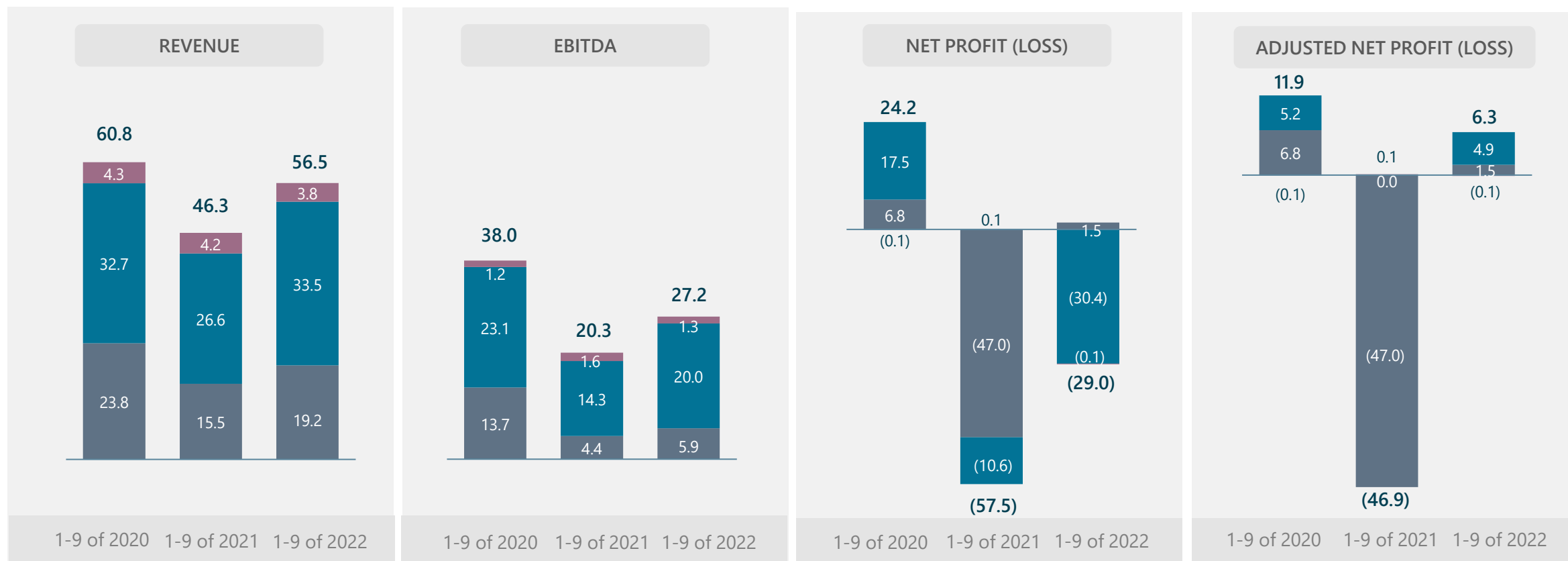
AMENDMENTS TO REGULATIONS

NERC approved a new version of the Regulations for use of the liquified natural gas terminal.

FINANCIAL RESULTS



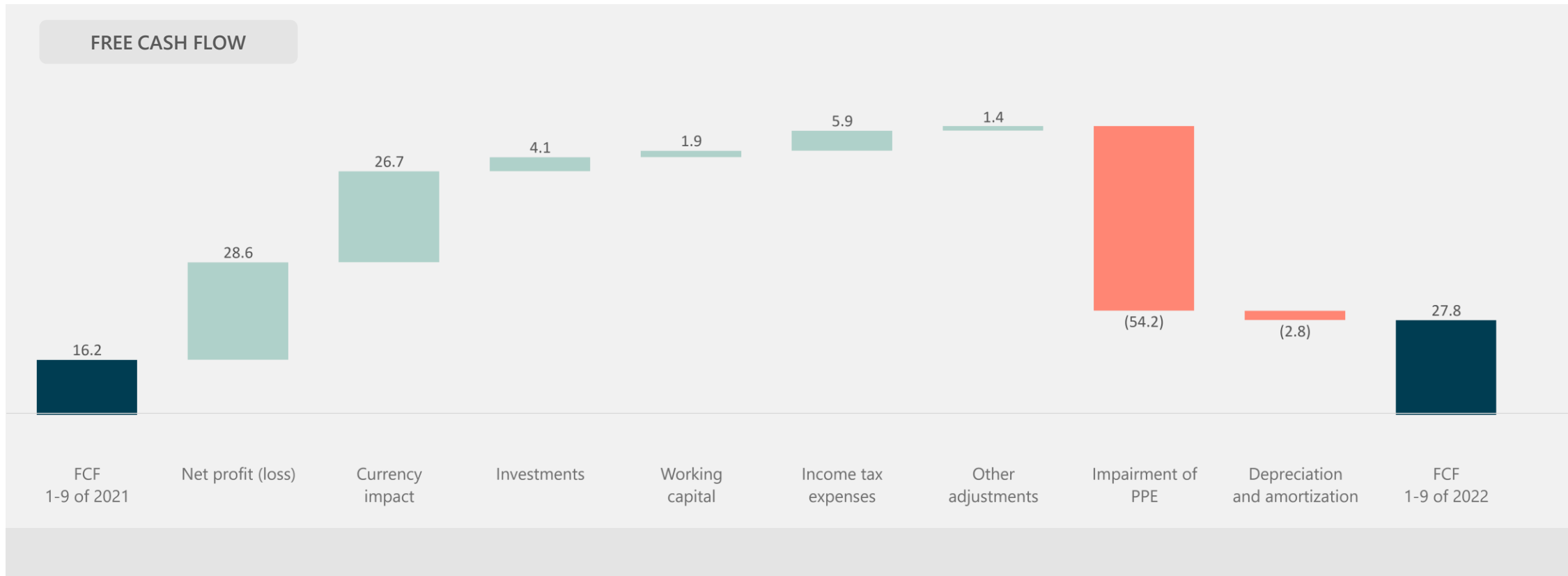
CONSOLIDATED FINANCIAL RESULTS (UNAUDITED) FOR 9 MONTHS OF 2022, MEUR



SEGMENTS EXPLANATION

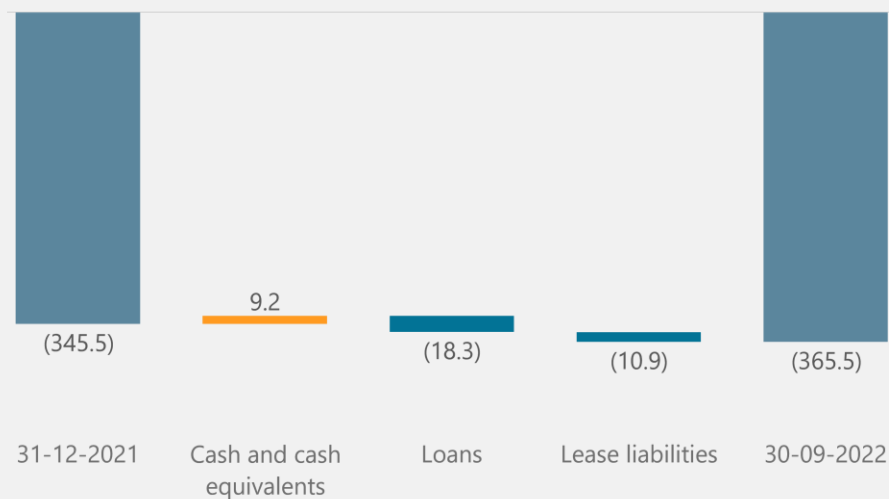
- **Commercial LNG activities (comLNG):**
 - small-scale LNG reloading station in Klaipėda
 - operation of LNG terminal in Açu port in Brazil and
 - business development projects and consultations.
- **Oil Terminals (OT):**
 - Klaipėda Oil Terminal and
 - Subačius Oil Terminal
- **Regulated LNG activities (LNGT):**
 - Klaipėda LNG Terminal

FREE CASH FLOW (FCF), MEUR

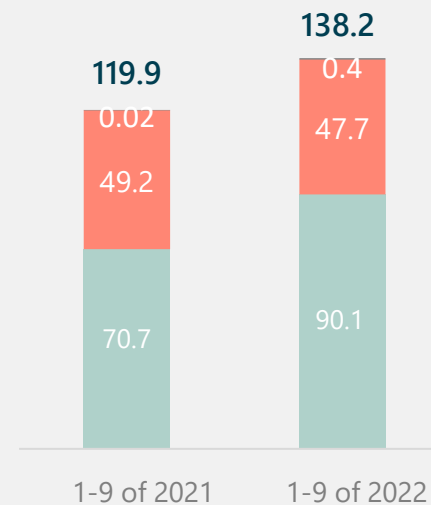


Higher net profit (loss) and lower impairment of property, plant, and equipment (PPE) expenses resulted in a better FCF.

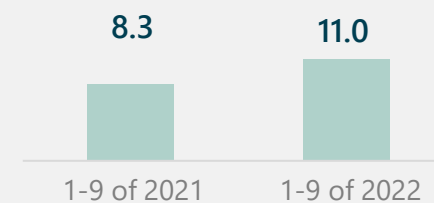
NET DEBT DEVELOPMENT, MEUR



LOANS, MEUR



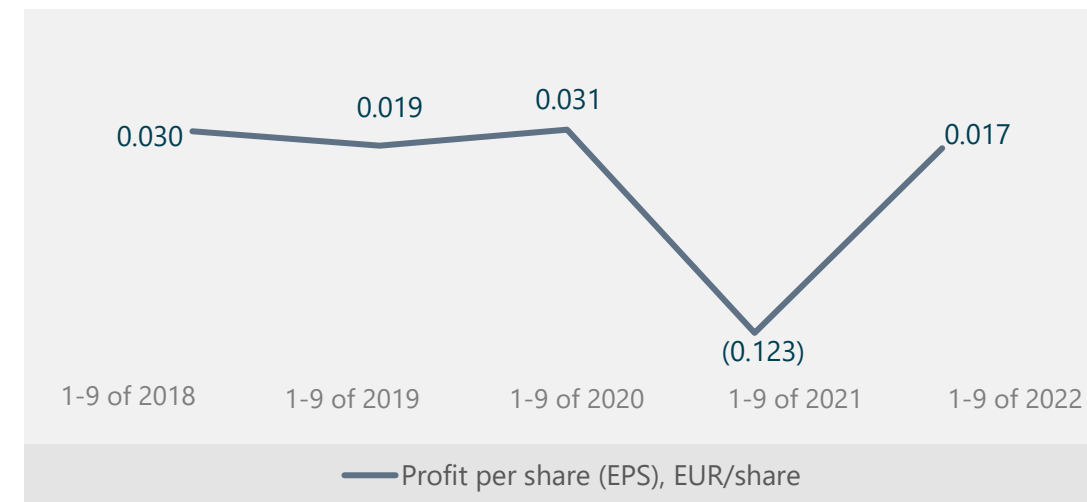
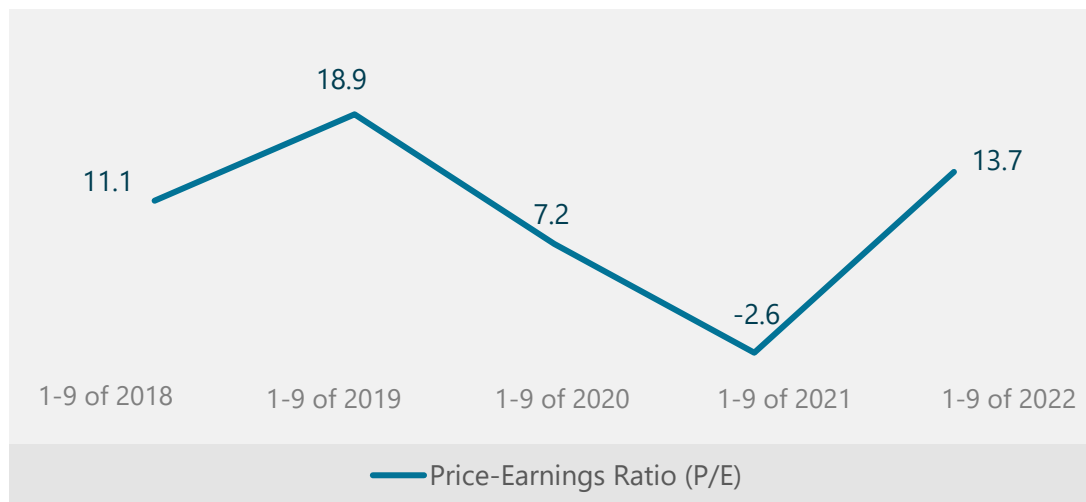
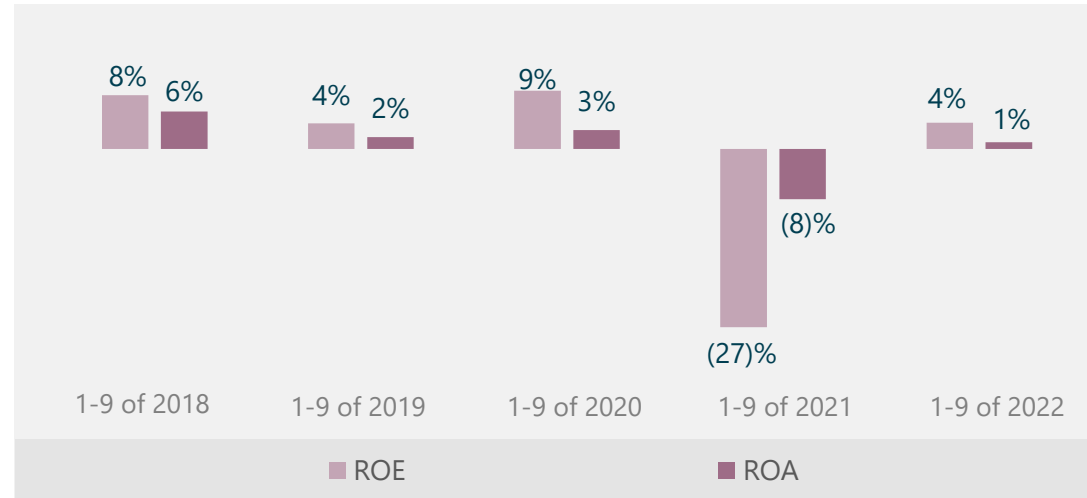
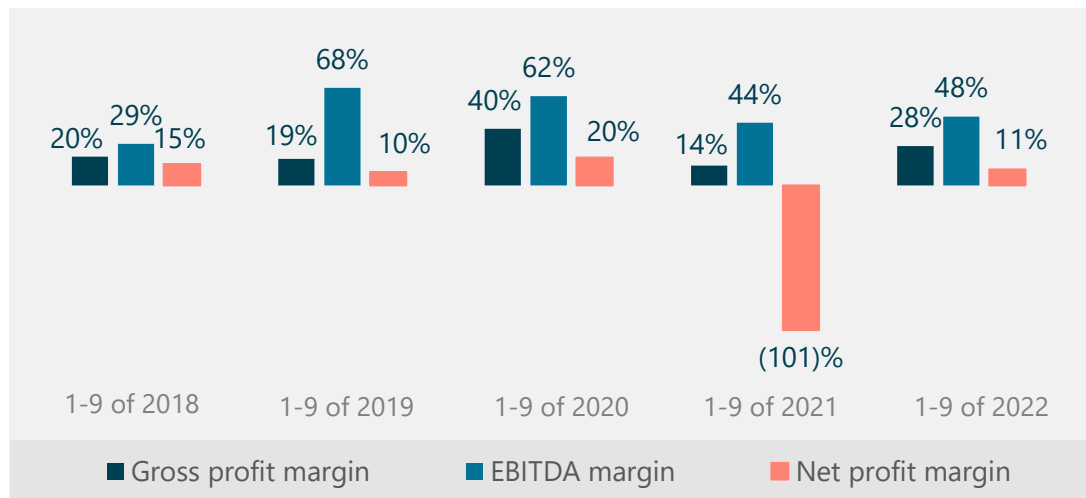
NET DEBT / EBITDA, TIMES



TEUR	31-12-2021	30-09-2022
Cash and cash equivalents	61.5	70.7
Loans	(119.9)	(138.2)
Lease liabilities	(287.1)	(298.0)
Net Debt	(345.5)	(365.5)

● European Investment Bank loan
 ● Nordic Investment Bank loan
 ● Other loans

PROFITABILITY AND MARKET VALUE RATIOS FOR 9 MONTHS OF 2022



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



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 horizontally. In the mid-ground, there are several tall, vertical yellow cranes or distillation columns. The background features more complex industrial structures, including a white building with a green sign that has a white letter 'S' on it. The name 'KAIROS' is visible on a structure in the upper left. The overall scene is industrial and complex.

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

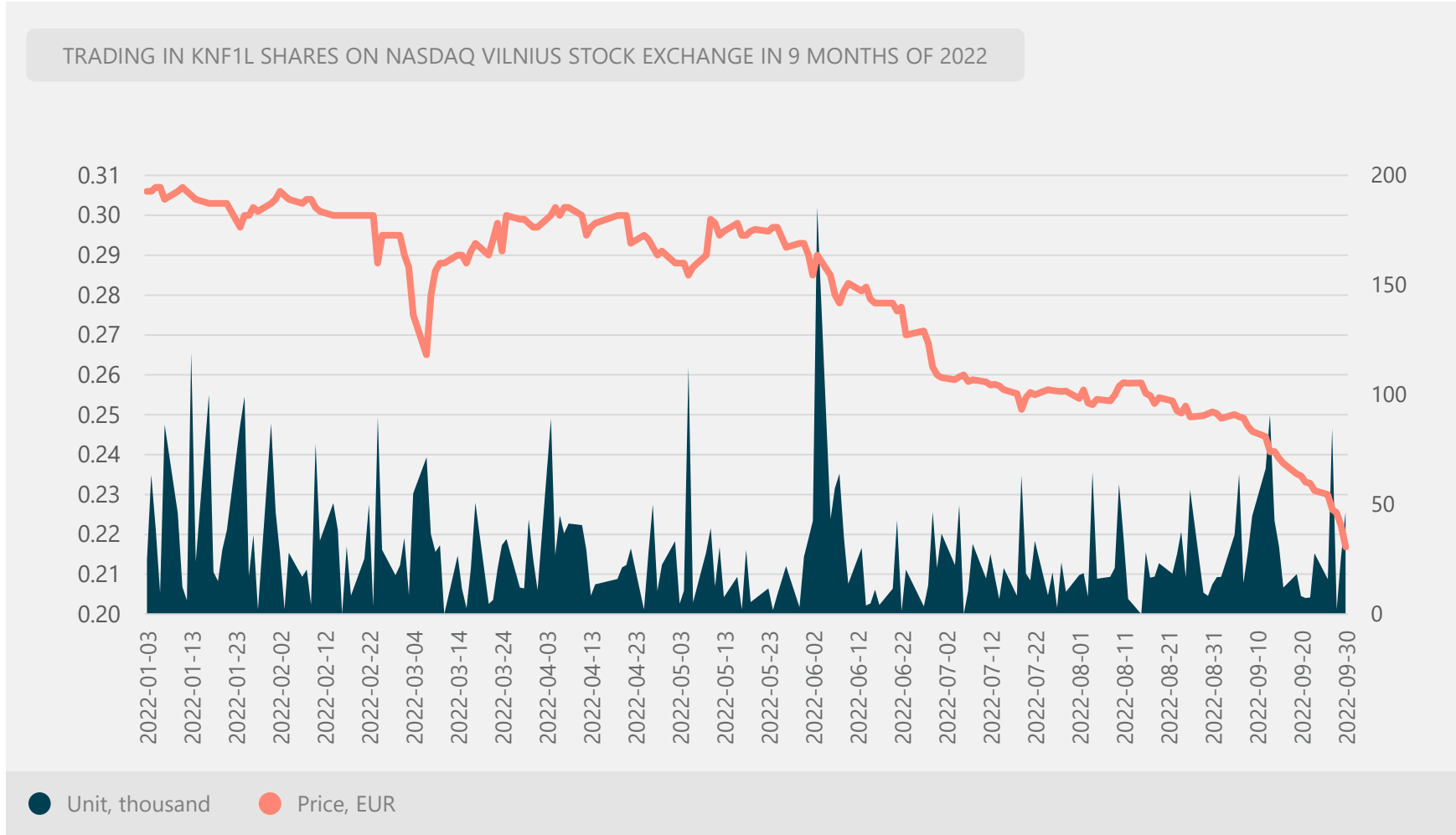
* Adjusted financial indicators/data are recalculated and presented by eliminating from net profit (loss) the following amounts: (1) the impact of unrealised foreign currency exchange rates (forex) arising from IFRS 16 requirements, (2) respective impact of deferred income tax arising from forex and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



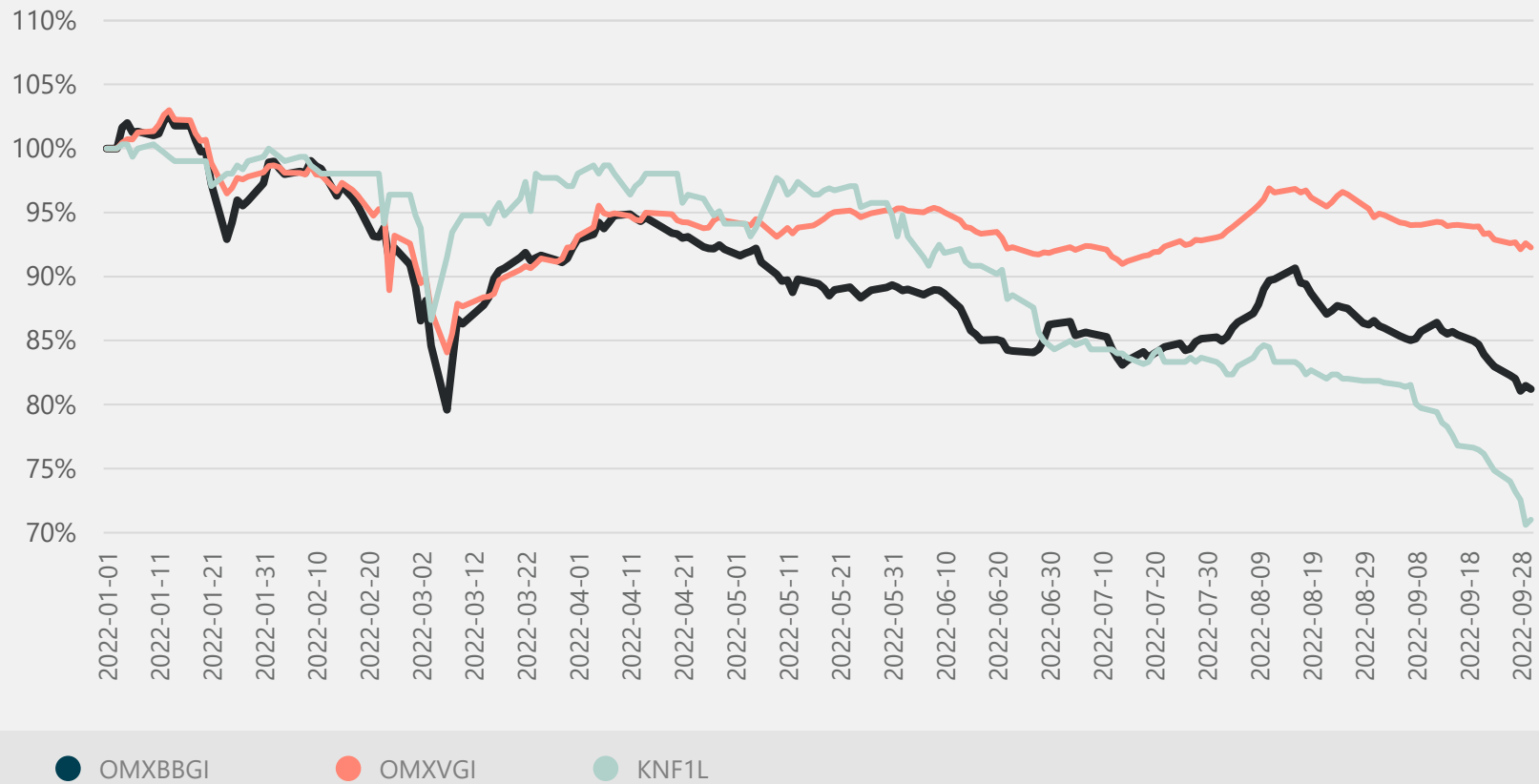
Since 2003 the shares of the Company are listed on NASDAQ OMX Vilnius stock exchange.

ISIN code – LT000011650
Abbreviation – KNF1L

SHAREHOLDER'S NAME (company's name, address, company code of registration)	30 SEPTEMBER 2022		31 DECEMBER 2021	
	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



KNF1L SHARE PRICE, NASDAQ VILNIUS GI AND BALTIC BENCHMARK GI INDEXES COMPARISON IN 9 MONTHS OF 2022





THANK YOU FOR YOUR ATTENTION

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