

Avance Gas Marine Money week

New York
June 20, 2023



Avance Gas



FORWARD LOOKING STATEMENTS



This presentation contains forward looking-statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “anticipate”, “believe”, “continue”, “estimate”, “expect”, “intends”, “may”, “should”, “will”, and similar expressions. The forward-looking statements in this presentation are based upon various assumptions, 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 presentation by such forward-looking statements.

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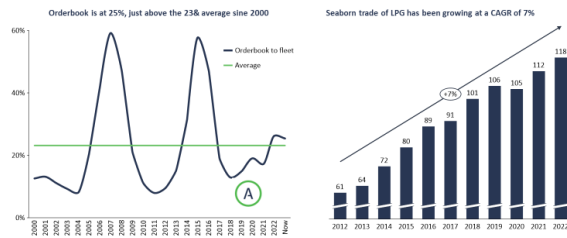
NOT LOOKING TOO BAD AFTER ALL



Attractive Long-Term Fundamentals

Continued increase in demand for VLGCs

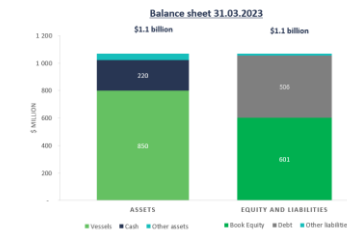
MANAGEABLE ORDERBOOK WITH CONT'D GROWTH IN DEMAND **A**



Strong Balance Sheet

Cash position of \$ 220m and an Equity ratio of >54%

STRONG BALANCE SHEET WITH AMPLE LIQUIDITY



High Exposure to strong market

Liquid spot market offering strong earnings potential

HIGH SPOT EXPOSURE IN A STRONG MARKET

Vessel	Year	Type	Status	2023				2024					
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Vna Glory	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Vna Glory	2024	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Breeze	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chimera	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lionel	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Meteor	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Murphy	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Phoenix	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Praxis	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Stargate	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Pharos	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Capella	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Apollon	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Auror	2023	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Carion	2024	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Polaris	2024	VLGC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓



Maximizing shareholder value

Annualised dividend yield of ~25% basis Q1 23

RAMPING UP DIVIDEND IN LINE WITH INCREASED EARNINGS

	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q1-23
Earnings per share	\$0.10	\$0.32	\$0.24	\$0.15	\$0.45	\$0.47	\$1.31
Dividends per share	\$0.05	\$0.20	\$0.20	\$0.20	\$0.50	\$0.50	\$1.40

Decision Factors:

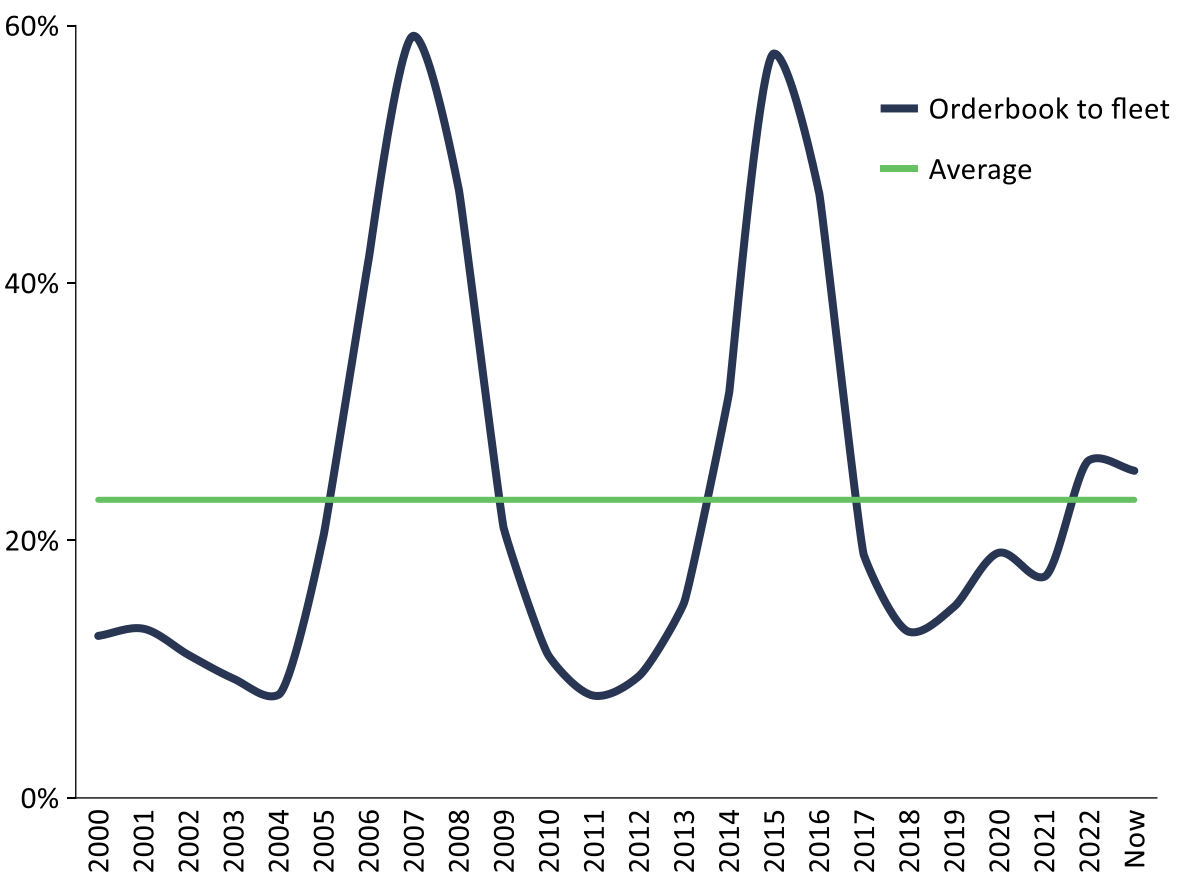
- Earnings and cash flow: ✓
- Market outlook: ✓
- Backlog and visibility: ✓
- Liquidity position: ✓
- Covenant compliance: ✓
- Debt maturities: ✓
- Capex liabilities: ✓
- Other considerations: ✓



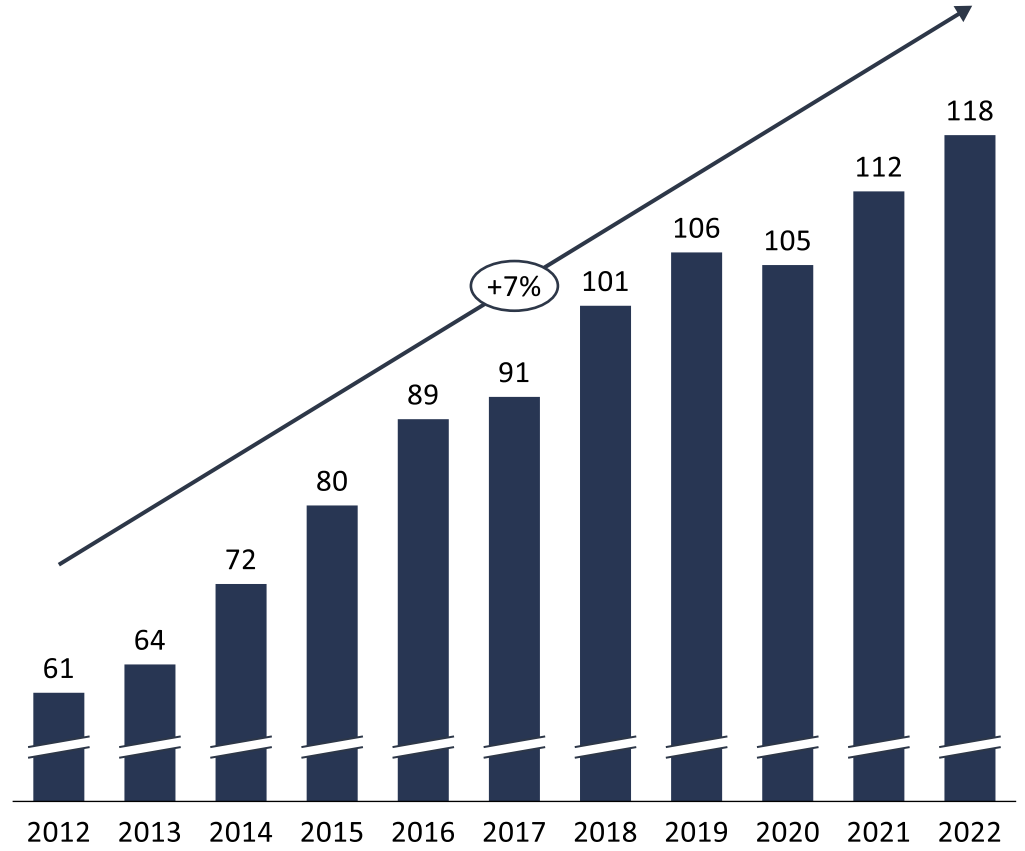
MANAGEABLE ORDERBOOK GIVEN GROWTH AND AGING FLEET



Orderbook is at 25%, just above the average since 2000

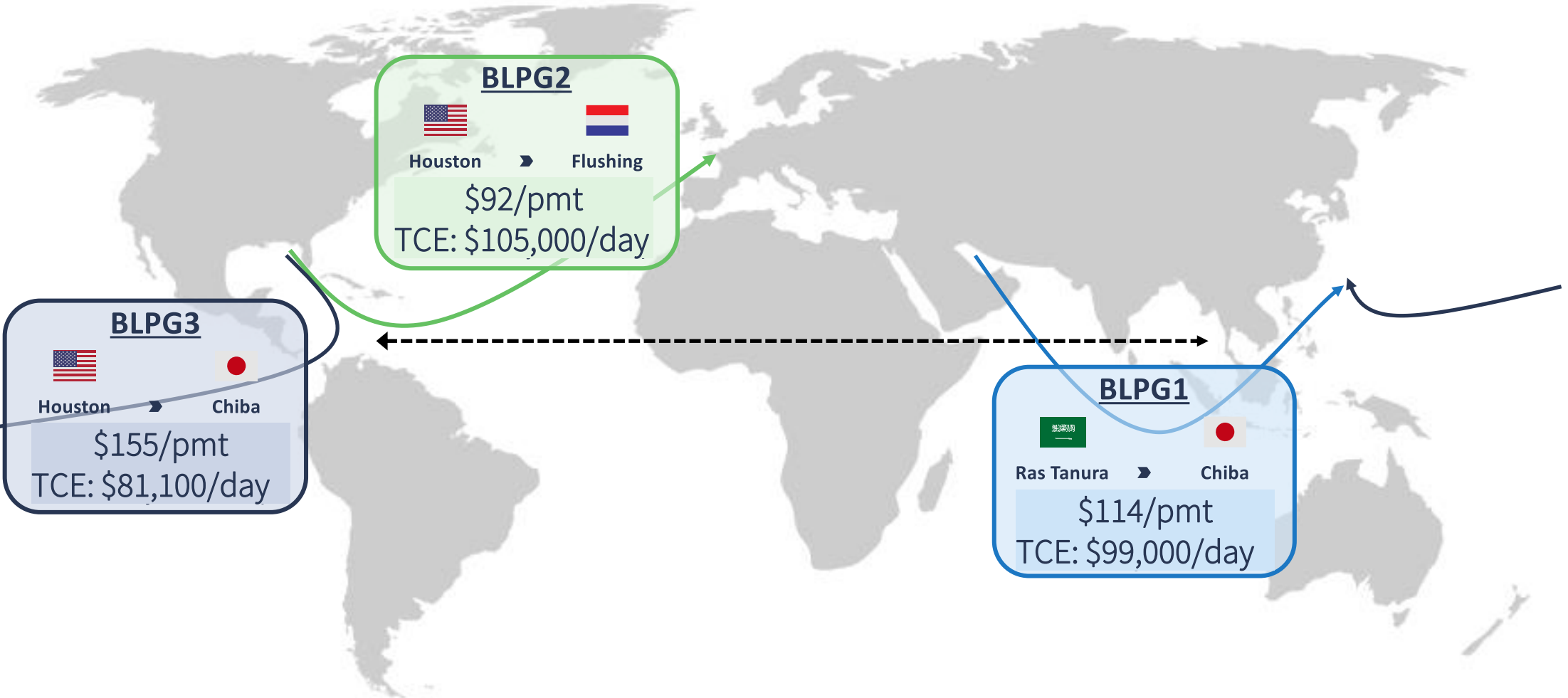


Seaborn trade of LPG has been growing at a CAGR of 7%



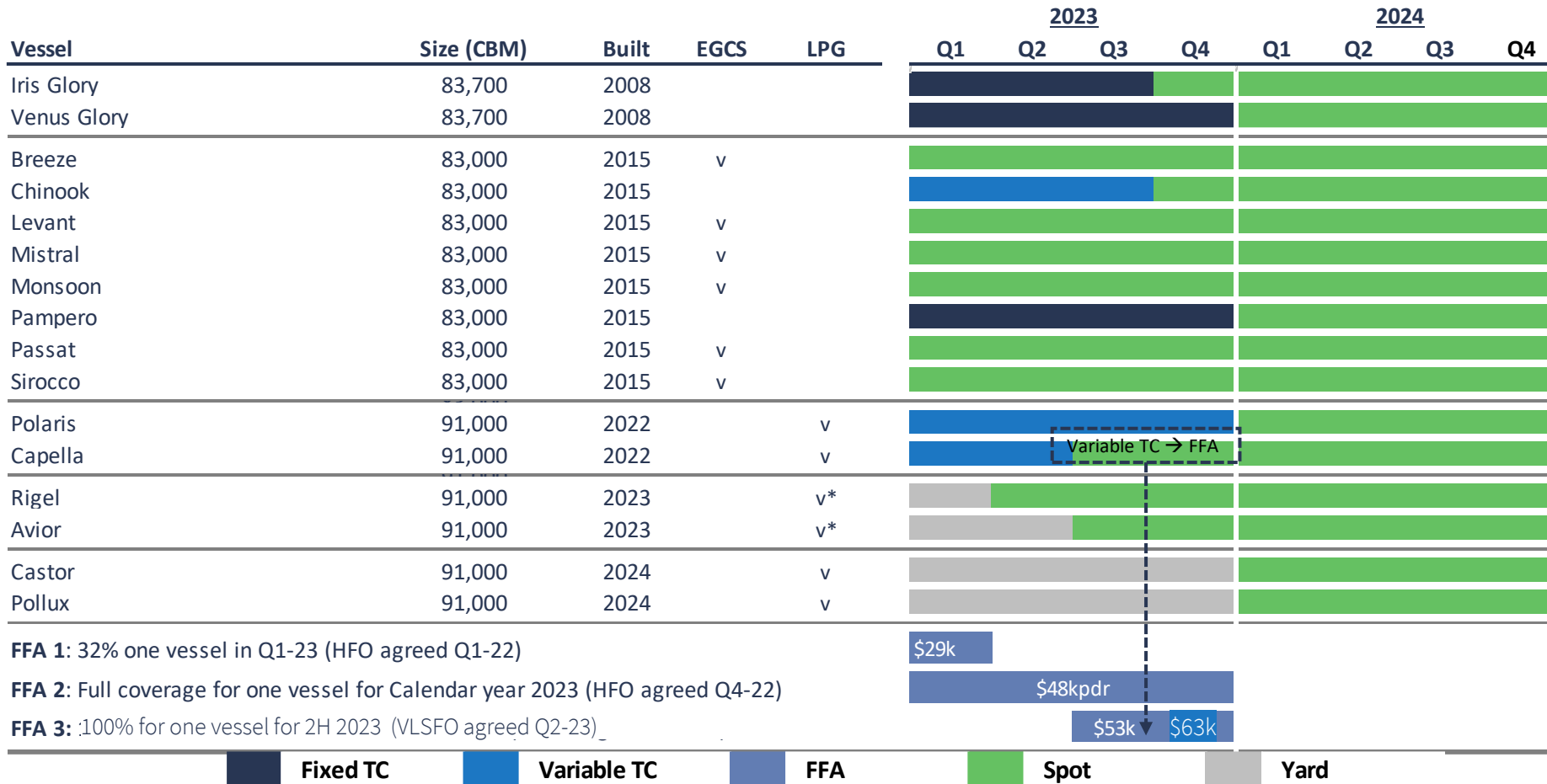
Source: Clarkson SIN

CURRENT STATUS OF THE VLGC MARKET



Source: Fearnleys numbers. TCE theoretical numbers calculated basis fuel consumption and waiting days. Numbers is for non scrubber eco ships.

HIGH SPOT EXPOSURE IN A STRONG MARKET



- Docking scheduled for Venus Glory during Q3. Iris Glory docked during Q1.
- We have mutually agreed to terminate variable hire TC for Capella which was due February 2024. This TC cover have been replaced through FFAs where 100% of Q3 and 100% of Q4 is covered as of today.
- There are upside in the FFA3 numbers in case we burn LPG instead of VLFSO and/or if we load larger cargoes than conventional size as our dual fuel ships can carry ~5,000mt larger parcels than conventional ships

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

EXPANDING INTO A NEW SUB SEGMENT BY ORDERING TWO MGCs

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Acquiring two high spec MGCs¹ + two options at a very attractive price level with early delivery



Attractive Vessels

- 2x 40,000 cbm + 2 options with high spec LPG and ammonia carriers
- Dual fuel engines as well as shaft generators reducing the carbon footprint whilst keeping opex low
- Attractive price of just \$61.5m per vessel
- Short construction period in today's shipbuilding market with delivery in Q4-25 and Q1-26



Increase exposure to ammonia trade

- Strong underlying fundamentals for LPG transportation
- Long term ammonia trade is expected to increase significantly
- Currently the MGCs fleet accounts for almost half of all seaborne transportation of ammonia
- Adding MGCs will increase exposure towards ammonia whilst broadening our LPG client base



Need for modern MGC tonnage

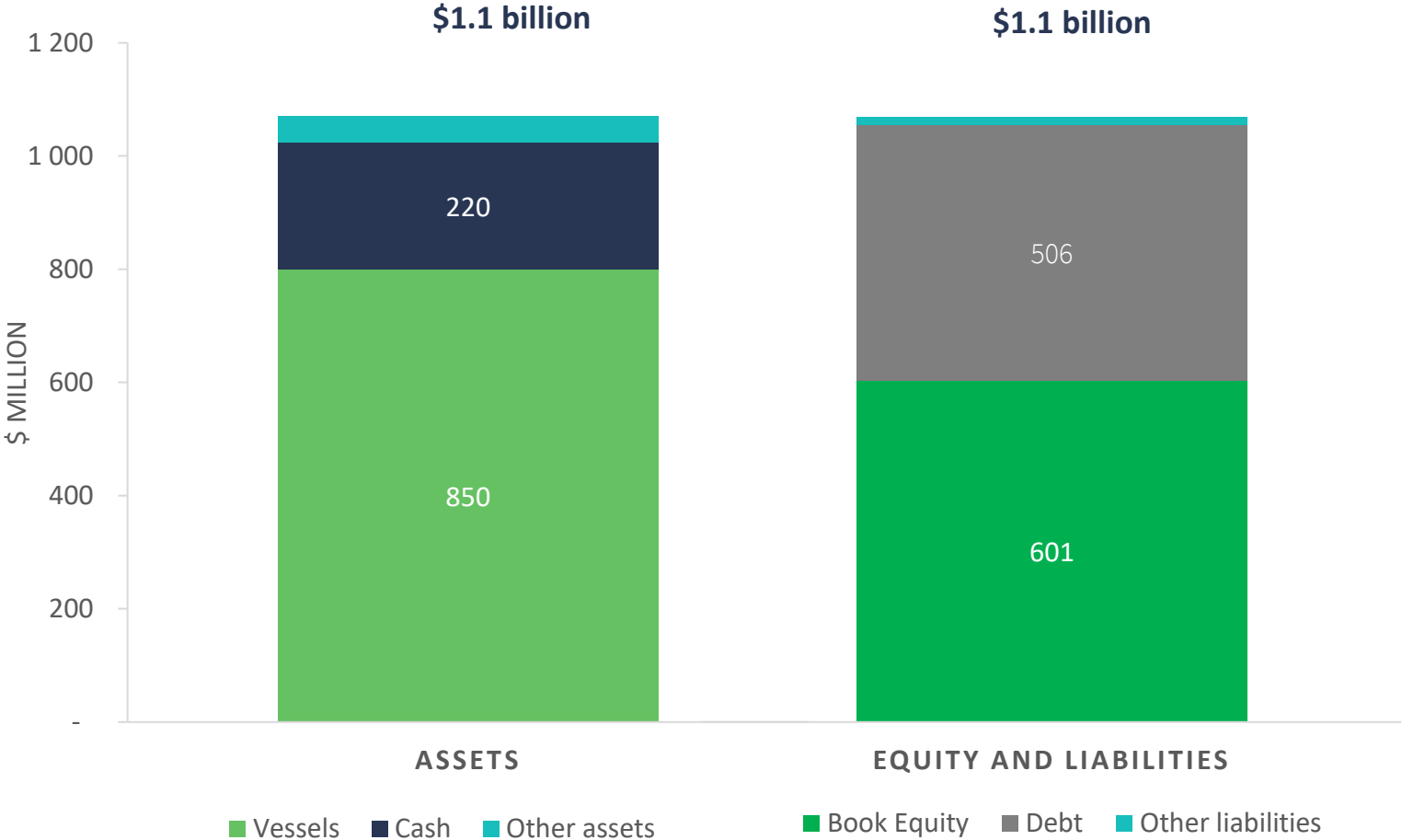
- Current world MGC fleet is aging (average age of 10+ yrs)
- Approx. 15-20% of the current fleet will be above or close to 20 years prior to delivery of the two newbuildings
- Modern vessels are increasingly more competitive due to stricter environmental regulation and improved fuel economy
- Limited availability of modern vessels as most newbuilds have already been fixed

1) Medium size gas carriers

STRONG BALANCE SHEET WITH AMPLE LIQUIDITY



Balance sheet 31.03.2023



- Total assets consist primarily of 13 VLGCs on water and 3 dual fuel newbuildings under construction. Avance Rigel was delivered during the first quarter 2023 while Avance Avior was delivered May 30, 2023
- Balanced loan to value of ~55%.
- Maintained a strong equity ratio ~ 54% at quarter end
- Significant cash balance of \$220 million

RAMPING UP DIVIDEND IN LINE WITH INCREASED EARNINGS



	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	LTM
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Dividends per share	\$0.05	\$0.20	\$0.20	\$0.20	\$0.50	\$0.50	\$1.40

Decision Factors

Earnings and cash flow	✓	✓	✓	✓	✓	✓
Market outlook	✓	✓	✓	✓	✓	✓
Backlog and visibility	✓	✓	✓	✓	✓	✓
Liquidity position	✓	✓	✓	✓	✓	✓
Covenant compliance	✓	✓	✓	✓	✓	✓
Debt maturities	✓	✓	✓	✓	✓	✓
Capex liabilities	✓	✓	✓	✓	✓	✓
Other considerations	✓	✓	✓	✓	✓	✓

Strongest first quarter since 2015 with TCE/day of \$58,400

Q2-23 bookings are ~\$50,000/day and FFA suggest higher levels in 2H-23

Three ships on fixed hire rate, two on variable hire and ~1.9 ship on FFA

Ample cash position of \$220m at end of the quarter

We are passing all debt covenants with flying green colours

Staggered debt with first scheduled maturities in 2027

No capex except of drydocking and all remaining newbuildings are fully financed

Robust balance sheet to handle any downturn in the market



Avance Gas



Thank you!

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Stock Exchange



ticker: AGAS