THIRD QUARTER 2020 RESULTS

Highlights third quarter

- The Awilco LNG Group (Awilco LNG or the Group) reported net freight income of MUSD 2.4 (MUSD 4.1 in Q2 2020), an EBITDA of MUSD (0.5) (MUSD 1.4 in Q2 2020) and a loss for the period of MUSD 6.5 (MUSD 5.3 in Q2 2020).

- Vessel utilisation of 99 %, same as in Q2 2020.

Covid-19 update

The ongoing Covid-19 pandemic has severely impacted global economic activity and energy demand in 2020. LNG Shipping rates have been weak in the period April to October this year and only lately started to climb following demand recovery reinforced by seasonal effects and the expectation of a colder Northern Hemisphere winter.

In this difficult and uncertain situation, the Company's first priority is securing the health and safety of our crew and employees and to ensure safe and uninterrupted vessel operations. Regular crew changes are vital for the safety and efficient operation of our vessels but are challenging due to lockdowns, strict port state rules and the pandemic's effects on air travel. The Company has been able to accommodate crew rotations and both vessels are fully operational with no Covid-19 cases reported in the Company to date.

Subsequent events

- WilForce will be delivered on a 90-day time charter contract in late November at USD 80,000 per day and the current firm LNG spot shipping market is expected to improve the Company's financial results in the near term.

Key financial figures

USD million	Q3'20	Q2'20	Q1'20	2019
Freight income	3.7	5.1	14.0	37.1
Voyage related expenses	1.3	0.9	1.1	3.4
EBITDA	(0.5)	1.4	9.9	25.2
Net profit/(loss)	(6.5)	(5.3)	2.7	(8.3)
Total assets	354.6	363.1	375.8	377.4
Total equity	98.3	104.7	110.0	107.3
Gross Interest-bearing debt	253.9	258.6	262.8	260.6
Cash and cash equivalents	8.0	14.8	21.9	23.5
Book equity ratio	28 %	29 %	29 %	28 %

FINANCIAL REVIEW

Income statement

Freight income for the quarter was MUSD 3.7, down from MUSD 5.1 in Q2 2020, following continued LNG demand destruction caused by Covid-19 leading to weak gas prices and spot market rates. Freight income was negatively impacted by positioning fees of MUSD 1.9 attributable to positioning in Q3 2020 which will not be recognised as revenue until Q4 2020 due to accounting policy. Despite the weak shipping rates spot market fixture activity in general remained high and fleet utilisation for the quarter ended at 99 %, same as in Q2 2020. Voyage related expenses amounted to MUSD 1.3, up from MUSD 0.9 in Q2 2020.

Operating expenses were MUSD 2.2 in the quarter compared to MUSD 2.1 in Q2 2020. Administration expenses were MUSD 0.7 in Q3, up from MUSD 0.6 in Q2 2020.

EBITDA for the quarter was MUSD (0.5) (MUSD 1.4 Q2 2020) and depreciation for the quarter was MUSD 3.1, same as in the previous quarter.

Net financial expenses were MUSD 2.8, down from MUSD 3.6 in Q2 due to lower interest charge on the lease agreements for WilForce and WilPride, which are subject to floating 3-month USD libor interest. Interest expenses towards the vessels' lease obligations amounted to MUSD 2.6 in Q3, down from MUSD 3.3 in Q2. A total of MUSD 0.2 in transaction fees incurred from the refinancing of the vessels was amortised with no cash effect in the quarter, same as in Q2 2020.

Loss for the period was MUSD 6.5 compared to a loss of MUSD 5.3 in Q2 2020.

Statement of financial position

Book value of vessels was MUSD 341.1 as at 30 September 2020 (MUSD 344.2 Q2 2020).

Total current assets were MUSD 13.2 as at 30 September 2020 (MUSD 18.5 Q2 2020), including insurance claims of MUSD 1.0 relating to vessel repairs expected to be settled in Q4 2020/Q1 2021 presented as other short term assets (MUSD 1.0 Q2 2020) and cash and cash equivalents MUSD 8.0 (MUSD 14.8 Q2 2020).

Total equity as at 30 September 2020 was MUSD 98.3 (MUSD 104.7 Q2 2020).

Both WilForce and WilPride are financed with sale/leaseback arrangements with CCB Financial Leasing Co. Ltd. (CCBFL). The vessels are chartered back on bareboat basis to wholly owned subsidiaries of the Company for a period of up to 10 years. The facility bears a 14-year straight line amortisation profile and carries a floating interest rate structure based on 3-month USD libor. Due to the remaining duration of the covenant waiver/reduction dated 22 June 2020 being less than 12 months from the balance sheet date, and the cash position of the Awilco LNG Group as at 30 September 2020 falling below USD 10.0 million, the total lease liability, amounting to USD 248.1 million net of USD 5.1 million transaction costs, was presented as short-term interest bearing debt as at 30 September 2020.

The bareboat rate for the remainder of 2020 is fixed at USD 39,000 per day per vessel of which amortisation USD 25,700 per day per vessel. Bareboat hire is payable quarterly in arrears.

The Group has rolling repurchase options starting after three years, repurchase obligations upon termination of the arrangements and same at maturity of the facilities at MUSD 37.5 per vessel.

The facility contains a minimum value clause in addition to financial covenants that require the Awilco LNG Group to maintain consolidated minimum cash and cash equivalents of MUSD 10.0 and positive consolidated working capital. The positive working capital financial covenant excludes the short-term portion of long-term debt including lease liabilities. On 22 June 2020 the Company and CCBFL agreed to make certain temporary amendments to financial covenants in the sale/leaseback facilities for both vessels. The required minimum consolidated cash and cash equivalents financial covenant of MUSD 10.0 has been reduced to MUSD 2.0 and the required consolidated positive working capital financial covenant has been waived, both effective for a six-month period from 1 July 2020 to 31 December 2020. As at 30 September 2020 the Group was in compliance with financial covenants in the facilities.

Liquidity

Liquidity at 30 September 2020 stood at MUSD 8.0. Gas prices and LNG shipping spot rates have shown an increasing trend since August 2020 as the Northern Hemisphere moved towards winter heating season, and currently spot shipping rates are according to broker assessments in excess of USD 100,000 per day. Gas price forward curves together with LNG forward freight agreement levels are both indicating a firm LNG shipping market the next few months. Still, the ongoing Covid-19 pandemic and a second round of lockdowns in parts of the world continues to create uncertainty in global gas demand, and on this basis there is a risk of Awilco LNG not being in compliance with the original terms of the CCBFL financial covenants after coming back into effect on 1 January 2021. The Company is in dialogue with CCBFL and is continuously assessing alternatives to resolve the situation.

MARKET UPDATE

The global LNG demand destruction recorded in Q2 2020 due to Covid-19 continued into Q3 2020. Global gas prices stayed depressed in the first part of Q3 before steadily increasing from mid-August following early signs of economic recovery in parts of Asia and normal seasonal effects heading into Northern Hemisphere winter. Far East gas prices (JKM) started the quarter at USD 2.1/MMBTU and ended at USD 4.93/MMBTU, whereas European TTF started Q3 at USD 1.9/MMBTU and closed at USD 4.16/MMBTU. US Henry Hub opened at USD 1.7/MMBTU and closed at USD 2.1/MMBTU.

According to Fearnleys LNG total LNG imports amounted to 86 MT in Q3 2020, down 3.5 % from 89 MT in Q2 2020. Total LNG imports year to date 30 September 2020 amounted to 276.3 MT, up 1.7 % year-on-year. LNG imports in Q3 2020 to India and China were up 8 % and 6 % y-o-y respectively, whereas demand from South Korea, Europe and Japan were down by 21 %, 15 % and 4 % y-o-y respectively. Reduced demand was primarily met by lower US volumes. According to S&P Platts a total of about 180 US cargoes were cancelled in the period April to November 2020.

Total shipping demand as expressed by tonne-miles was up 1 % quarter-on-quarter according to Fearnleys LNG, but following reduced floating storage compared to Q2 tonne-time fell by 1 % quarter-on-quarter. Fleet growth was 2 % quarter-on-quarter. According to Fearnleys LNG the headline TFDE spot day rate started the quarter at USD 31,500 pd, which gradually increased to USD 58,750 pd end Q3. The average rate for Q3 2020 was USD 43,100 pd, down from USD 60,600 pd in Q3 2019.

A total of 18 MTPA of new LNG liquefaction capacity has started production so far in 2020 and a further 107 MTPA of new LNG production capacity is under construction and expected to commence production in 2020 to 2026, although some delays may be expected from the ongoing Covid-19 situation.

27 newbuilding orders have been placed so far in 2020, of which 16 special purpose Arc7 icebreaker carriers for the Arctic 2 liquefaction project. All 27 newbuildings were ordered against time-charter coverage. A total of 40 vessel orders were placed same period last year, of which 15 speculative. According to shipbrokers the current orderbook for LNG vessels above 150,000 cbm (excl. FSRU and FLNG) is 124 vessels, of which about 32 are assumed available for contract. 25 vessels have been delivered in 2020 and a further 11 vessels are scheduled for delivery in 2020, 49 in 2021, 32 in 2022, 22 in 2023 and 10 in 2024-2025. Following likely delays to new liquefaction capacity under construction some slippage may be expected to the newbuilding delivery schedule, as shown by the scheduled deliveries in 2020 falling from 43 to 36 since the start of the year.

ORGANISATION

The principal activity of Awilco LNG ASA and its subsidiaries is to invest in and operate LNG transportation vessels. Technical and commercial management of the fleet is performed from the Group's office in Oslo, Norway. The Group has 8 employees and Awilco LNG purchases certain administrative and sub-management technical services from companies in the Awilhelmsen Group, see note 5 for further details.

VESSEL CONTRACT STATUS

WilForce will be delivered on a 90-day TC contract in late November 2020.

WilPride was delivered on a 110-day TC contract in late September 2020.

OUTLOOK

Although the Company's results in Q2 and Q3 2020 were weak and not satisfactory to the Board of Directors, the early signs of LNG demand recovery noted in the Q2 report has now materialised into firmer gas prices in the Far East and reported spot shipping rates in excess of USD 100,000 per day. The anticipated colder winter, caused by La Nina weather effects, is expected to support a strong LNG shipping market the next few months. The Company's results are expected to improve.

In the longer term, tonnage demand and supply appear balanced following new liquefaction capacity under construction and an orderbook which is currently not sufficient to meet the transport requirements from these new volumes. Low forward gas prices and the growing supply of molecules is expected to support growth in demand for natural gas as a flexible and clean fuel compared to other fossil alternatives and importantly also as a complement to renewables.

However, near-term uncertainty persists and with both vessels employed in the spot and short-term market the impact of the current situation on the Company's earnings and financial position is challenging to assess. The Company is in dialogue with its main creditor CCBFL and is continuously assessing alternatives to resolve the situation.

Oslo, 19 November 2020

Synne Syrrist *Chairman of the Board*	Jon-Aksel Torgersen *Board member*	Ole Christian Hvidsten *Board member*
Annette Malm Justad *Board member*	Jens-Julius R. Nygaard *Board member*	Jon Skule Storheill *CEO*

Interim Condensed Consolidated Income Statement

In USD thousands, except per share figures	Note	Q3 2020 (unaudited)	Q2 2020 (unaudited)	Q3 2019 (unaudited)	1.1 - 30.9 2020 (unaudited)	1.1 - 30.9 2019 (unaudited)
Freight income	2	3 731	5 057	6 710	22 815	19 913
Voyage related expenses	5	1 306	911	379	3 326	2 502
Net freight income		**2 425**	**4 146**	**6 331**	**19 489**	**17 411**
Other income		-	-	4 750	-	11 750
Operating expenses		2 187	2 103	2 347	6 457	7 190
Vessel repair expenses		-	-	551	-	7 290
Administration expenses	5	723	629	810	2 170	2 474
Earnings before interest, taxes, depr. and amort. (EBITDA)		**(485)**	**1 414**	**7 372**	**10 862**	**12 208**
Depreciation and amortisation		3 121	3 132	3 276	9 386	9 798
Earnings before interest and taxes (EBIT)		**(3 606)**	**(1 718)**	**4 096**	**1 476**	**2 410**
Finance income		7	8	126	116	367
Finance expenses		2 853	3 599	5 289	10 661	15 766
Net finance income/(expense)		**(2 847)**	**(3 591)**	**(5 163)**	**(10 545)**	**(15 399)**
Profit/(loss) before taxes		**(6 453)**	**(5 309)**	**(1 067)**	**(9 069)**	**(12 989)**
Income tax expense		-	-	-	-	-
Profit/(loss) for the period		**(6 453)**	**(5 309)**	**(1 067)**	**(9 069)**	**(12 989)**
Earnings per share in USD attributable to ordinary equity holders of Awilco LNG ASA:						
Basic, profit/(loss) for the period		(0.05)	(0.04)	(0.01)	(0.07)	(0.10)
Diluted, profit/(loss) for the period		(0.05)	(0.04)	(0.01)	(0.07)	(0.10)

Interim Consolidated Statement of Comprehensive Income

Profit/(loss) for the period	(6 453)	(5 309)	(1 067)	(9 069)	(12 989)
Other comprehensive income:					
Other comprehensive income items	-	-	-	-	-
Total comprehensive income/(loss) for the period	**(6 453)**	**(5 309)**	**(1 067)**	**(9 069)**	**(12 989)**

Interim Condensed Consolidated Statement of Financial Position

In USD thousands	Note	30.9.2020 (unaudited)	30.6.2020 (unaudited)	31.12.2019 (audited)	30.9.2019 (unaudited)
ASSETS					
Non-current assets					
Vessels (right-of-use assets)		341 098	344 187	350 000	353 315
Other fixed assets incl right-of-use assets		327	360	17	12
Total non-current assets		341 426	344 547	350 017	353 328
Current assets					
Trade receivables		2 097	440	120	88
Inventory		1 822	1 812	1 000	1 614
Other short term assets		1 344	1 429	2 674	8 046
Cash and cash equivalents		7 953	14 823	23 547	14 004
Total current assets		13 216	18 504	27 340	23 752
TOTAL ASSETS		**354 642**	**363 051**	**377 357**	**377 080**
EQUITY AND LIABILITIES					
Equity					
Share capital	3	49 407	49 407	49 407	49 407
Share premium	3	133 384	133 384	133 384	133 384
Other paid-in capital		18 157	18 157	18 157	18 157
Retained earnings		(102 694)	(96 241)	(93 624)	(98 345)
Total equity		98 255	104 708	107 324	102 603
Non-current liabilities					
Pension liabilities		427	396	397	364
Long-term interest bearing debt	4	197	234 011	-	-
Total non-current liabilities		624	234 407	397	364
Current liabilities					
Short-term interest bearing debt	4	248 186	18 870	260 187	262 179
Trade payables		833	709	2 344	3 769
Income tax payable		-	-	-	-
Provisions and accruals	6	6 744	4 357	7 106	8 164
Total current liabilities		255 763	23 936	269 636	274 113
TOTAL EQUITY AND LIABILITIES		**354 642**	**363 051**	**377 357**	**377 080**

Interim Consolidated Statement of Changes in Equity

For the period ended 30 September 2020

In USD thousands	**Share capital**	**Share premium**	**Other paid-in capital**	**Retained earnings**	**Total equity**
Equity at 1 January 2020	49 407	133 384	18 157	(93 624)	107 324
Profit/(loss) for the period	-	-	-	(9 069)	(9 069)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income	-	-	-	*(9 069)*	*(9 069)*
Balance as at 30 September 2020 (unaudited)	49 407	133 384	18 157	(102 694)	98 255

For the period ended 30 September 2019

In USD thousands	**Share capital**	**Share premium**	**Other paid-in capital**	**Retained earnings**	**Total equity**
Equity at 1 January 2019	49 407	133 384	18 157	(85 356)	115 592
Profit/(loss) for the period	-	-	-	(12 989)	(12 989)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income	-	-	-	*(12 989)*	*(12 989)*
Balance as at 30 September 2019 (unaudited)	49 407	133 384	18 157	(98 345)	102 603

Interim Condensed Consolidated Cash Flow Statement

In USD thousands	**Q3 2020 (unaudited)**	**Q2 2020 (unaudited)**	**1.1 - 30.9 2020 (audited)**	**1.1 - 30.9 2019 (unaudited)**
Cash Flows from Operating Activities:				
Profit/(loss) before taxes	(6 453)	(5 309)	(9 069)	(12 989)
Income taxes paid	-	-	-	-
Interest and borrowing costs expensed	2 830	3 570	10 465	15 617
Items included in profit/(loss) not affecting cash flows:				
Depreciation and amortisation	3 121	3 132	9 386	9 798
Changes in operating assets and liabilities:				
Trade receivables, inventory and other short term assets	(1 582)	2 867	(1 470)	1 537
Trade payables, provisions and accruals	3 296	(2 959)	(4 363)	(1 375)
i) Net cash provided by / (used in) operating activities	**1 213**	**1 300**	**4 949**	**12 589**
Cash Flows from Investing Activities:				
Investment in vessels / sale of vessels	-	-	(409)	(1 004)
ii) Net cash provided by / (used in) investing activities	**-**	**-**	**(409)**	**(1 004)**
Cash Flows from Financing Activities:				
Proceeds from borrowings	-	-	262 500	-
Repayment of borrowings	(4 751)	(4 688)	(265 711)	(5 354)
Interest and borrowing costs paid	(3 331)	(3 710)	(16 923)	(14 767)
iii) Net cash provided by / (used in) financing activities	**(8 083)**	**(8 398)**	**(20 133)**	**(20 121)**
Net change in cash and cash equivalents (i+ii+iii)	(6 870)	(7 097)	(15 594)	(8 536)
Cash and cash equivalents at start of period	14 823	21 919	23 547	22 540
Cash and cash equivalents at end of period	**7 953**	**14 823**	**7 953**	**14 004**

Notes to the Interim Condensed Consolidated Financial Statements

Note 1 - Corporate information, basis for preparation and accounting policies

Corporate information
Awilco LNG ASA (the Parent Company) is a public limited liability company incorporated and domiciled in Norway. The Parent Company's registered office is Beddingen 8, 0250 Oslo, Norway.

The interim consolidated financial statements (the Statements) of the Parent Company comprise the Parent Company and its subsidiaries, together referred to as the Group. The principal activity of the Group is the investment in and operation of LNG transportation vessels. The Group owns and operates two modern TFDE LNG carriers.

Basis for preparation
The Statements for the three months ended 30 September 2020 are prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The Statements have not been subject to audit or review. The Statements do not include all of the information and disclosures required by International Financial Reporting Standards (IFRS) for a complete set of financial statements, and the Statements should be read in conjunction with the Group's annual consolidated financial statements for the period ended 31 December 2019, which includes a detailed description of the applied accounting policies.

Significant accounting policies
The accounting policies adopted in the preparation of the Statements are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2019, with the exception of the following clarification regarding accounting for lease obligations arising from sale/leasback arrangements with repurchase obligations:

Sale/leaseback arrangements whereby the seller-lessee has repurchase obligations at maturity of the lease period are not considered as a sale of asset, and the seller-lessee recognises a financial liability equal to the transfer proceeds and the resulting lease obligation net of pre-paid charter hire is accounted for as a financial liability according to IFRS 9. The financial liability is subsequently measured according to amortised cost using the effective interest method. Associated costs incurred in arranging the lease agreement is amortised over the lease period and presented net of the lease liability in the statement of financial position.

Note 2 - Segment information

Operating segments
The Group owns and operates two LNG vessels. For internal reporting and management purposes the Group's business is organised into one reporting segment, LNG transportation. Performance is not evaluated by geographical region as the vessels trade globally and revenue is not dependent on any specific country. Revenue from the Group's country of domicile, Norway, was NIL in Q3 2020, same as in Q2 2020.

Information about major customers
The Group had two customers contributing with more than 10 per cent of the Group's freight income in Q3 2020, at 35 and 58 % of total revenue, compared to three in Q2 2020 at 16, 17 and 49 % of total revenue.

Note 3 - Share capital

The number of issued shares was 132,548,611 as at 30 September 2020. There were no changes in shares issued in Q3 2020. The share capital is denominated in NOK, and the nominal value per share was reduced from NOK 2.5 per share to NOK 0.1 per share on 6 November 2020, please see note 7. All issued shares are of equal rights.

Note 4 - Financing and liquidity

On 22 June 2020 Awilco LNG ASA and CCB Financial Leasing Co. Ltd. (CCBFL), the lessor of the WilForce and the WilPride, agreed to make certain temporary amendments to financial covenants in the sale/leaseback facilities for both vessels.

The minimum consolidated cash and cash equivalents financial covenant of USD 10.0 million has been reduced to USD 2.0 million and the consolidated positive working capital financial covenant has been waived, both effective for a six-month period from 1 July 2020 to 31 December 2020. The original positive working capital financial covenant excludes the short-term portion of long-term debt including lease liabilities.

The amendments to covenants was a precautionary measure as a result of the weak market conditions in LNG transportation in Q2 and Q3 2020 as a consequence of Covid-19. Although the LNG shipping market has been firm from mid-October following increased seasonal demand for LNG, the pandemic continues to create uncertainty in global gas demand, and on this basis there is a risk of Awilco LNG not being in compliance with the original terms of the CCBFL financial covenants after coming into effect on 1 January 2021. The Company is in dialogue with CCBFL and is continuously assessing alternatives to resolve the situation.

As at 30 September 2020 the Group was in compliance with financial covenants in the facilities. Due to the remaining duration of the covenant waiver/reduction dated 22 June 2020 being less than 12 months from the balance sheet date, and the cash position of the Awilco LNG Group as at 30 September 2020 falling below USD 10.0 million, the total lease liability, amounting to USD 248.1 million net of USD 5.1 million transaction costs, was presented as short-term interest bearing debt as at 30 September 2020.

Note 5 - Related party transactions

Agreements

Related party	Description of service	Note
Awilco Technical Services AS (ATS)	Technical Sub-management Services	1
Awilhelmsen Management AS (AWM)	Administrative Services	2
Fearnleys AS	Ship Brokering Services	3

(1) The Group's in-house technical manager, ALNG TM, has entered into a sub-management agreement with ATS, whereby ATS assists ALNG TM in management of the Group's fleet. The sub-management services also include management for hire of the managing director in ALNG TM. ALNG TM pays ATS a management fee based on ATS' costs plus a margin of 7 %, cost being time accrued for the sub-manager's employees involved. The fee is subject to quarterly evaluation, and is regulated according to the consumer price index in Norway. The agreement can be terminated by both parties with three months notice. ATS is 100 % owned by Awilco AS.

(2) AWM provides the Group with administrative and general services including accounting and payroll, legal, secretary function and IT. The Group pays AWM MNOK 2.1 in yearly management fee (approx. MUSD 0.2) based on AWM's costs plus a margin of 5 %. The fee is subject to semi-annual evaluation, and is regulated according to the consumer price index in Norway. The agreement can be terminated by both parties with three months notice. AWM is 100 % owned by Awilhelmsen AS, which owns 100 % of Awilco AS.

(3) One of the Parent Company's Board Members is employed by Astrup Fearnley AS. Fearnleys AS, a subsidiary of Astrup Fearnley AS, delivers ship brokering services on a competitive basis to the Group.

Purchases from related parties

In USD thousands	**Q3**	**Q2**	**1.1 - 30.9**	**1.1 - 30.9**
Related party	**2020**	**2020**	**2020**	**2019**
Awilco Technical Services AS	124	120	351	438
Awilhelmsen Management AS	59	55	171	174
Fearnleys AS	-	-	76	13

Purchases from related parties are included as part of Administration expenses in the income statement, except commissions paid to Fearnleys AS, which are included in Voyage related expenses.

Note 6 - Provisions and accruals

Provisions and accruals as at 30 September 2020 were MUSD 6.7 (MUSD 4.4 as at 30 June 2020), of which deferred income MUSD 3.4 (MUSD 0.2 as at 30 June 2020) and accrued interest towards the CCBFL lease obligations MUSD 2.5 (MUSD 3.2 as at 30 June 2020).

Note 7 - Events after the balance sheet date

Following the resolve by the Extraordinary General Meeting of the Company held on 17 September 2020, a share capital reduction of NOK 318,116,666.90 was registered in the Companies Register on 6 November 2020. The share capital reduction was carried out through a reduction of the nominal amount of the shares in the Company from NOK 2.50 to NOK 0.1.

Appendix 1

ALTERNATIVE PERFORMANCE MEASURES
Alternative performance measures (APMs), ie financial performance measures not within the applicable financial reporting framework, are used by Awilco LNG to provide supplemental information. Financial APMs are intended to enhance comparability of the results and cash flows from period to period, and it is Awilco LNG's experience that these are frequently used by analysts and investors.

These measures are adjusted IFRS measures defined, calculated and used consistently. Operational measures such as, but not limited to, volumes, utilisation and prices per MMBTU are not defined as financial APMs. Financial APMs should not be considered as a substitute for measures of performance in accordance with IFRS. Disclosures of APMs are subject to established internal control procedures.

Awilco LNG's financial APMs:

- Net freight income*: freight income – voyage related expenses
- EBIT: Net freight income - operating expenses - administration expenses - vessel repair expenses - depreciation and amortisation - impairments
- EBITDA: EBIT + depreciation and amortisation + impairments
- Interest bearing debt: long-term interest bearing debt + short-term interest bearing debt + pension liabilities + other non-current liabilities
- Book equity ratio: Total equity divided by total assets
- TCE (time charter equivalent): net freight income including loss of hire insurance divided by the number of calendar days less off-hire days not covered by loss of hire insurance

*When vessels operate in the spot market, freight income includes bunkers compensation and the fuel element of ballast bonuses, whereas voyage related expenses include the corresponding bunkers costs and other repositioning costs. The APM net freight income adjusts for this grossing up, and provides for improved comparability of the Group's performance between periods.