



**AVENIR LNG LIMITED REPORTS UNAUDITED FINANCIAL AND OPERATING RESULTS
FOR THE SECOND QUARTER 2021**

August 18, 2021, – Avenir LNG Limited and its subsidiaries (NOTC: AVENIR) (“Avenir” or the “Company”), supplies small-scale LNG to off-grid industry, power generation and transport fuel sectors as well as providing infrastructure to support the development of LNG as a marine fuel, today announced its unaudited financial and operating results for the second quarter ended June 30, 2021.

Peter Mackey, Chief Executive Officer of Avenir commented:

“Avenir is pleased to report H1 2021 operating revenues of \$6.2 million and EBITDA of \$1.9 million, following the delivery of our first two vessels. The Company continues to take significant strides forward in our transformation journey throughout 2021. Demand remains robust for the small-scale LNG supply solutions Avenir is offering to the market. Our strategy of developing flexible assets is robust and proving successful, enabling us to serve multiple customers and segments from a single asset. The entry into operation of our 1st LNG receiving and truck-loading terminal in Sardinia (HIGAS) is a major milestone for Avenir and for the island of Sardinia. We expect utilization of the terminal to grow significantly with our vessel, Avenir Aspiration, being dedicated to supply the terminal and customers across the Mediterranean region, once we take delivery of the vessel later this year. Our results for H1 2021 are in line with our plan and we are well positioned to deliver against the full year targets we have set for the Company”.

Financial Summary

	Six months ended June 30, 2021	Six months ended June 30, 2020
<i>(Expressed in thousands of U.S. Dollars)</i>		
Total operating revenues	\$ 6,222	\$ 446
Operating profit/(loss)	268	(3,316)
Net loss	(533)	(2,726)
EBITDA	1,946	(3,168)

*EBITDA is defined as earnings before interest, tax, depreciation and amortization and impairments

H1 2021 Highlights and Recent Events:

Financial:

- Revenues increased by \$5.8 million from H1 2020 to \$6.2 million in H1 2021 following the delivery of our first two vessels, *Avenir Advantage* and *Avenir Accolade* in

October 2020 and March 2021, respectively.

- EBITDA of \$1.9 million, an increase of \$5.1 million from H1 2020 and has turned positive.
- Completed capital injection of \$34.5 million in H1 2021 from the Company's three founding shareholders: Stolt-Nielsen Limited, Hoegh LNG Holdings Limited and Golar LNG Limited, taking the total capital injection of the Company to \$182 million.
- Secured ECA and commercial lender credit approval for the financing of the Company's four vessels currently under construction.

Vessels:

- Delivery of our second newbuild dual purpose LNG vessel, *Avenir Accolade*, in March 2021 and commenced her three-year bareboat charter with LNG Power.

Post balance sheet event:

- Commissioned and completed the taking over of our LNG storage and truck-loading terminal in Sardinia (HIGAS) in August 2021.

Business Review:

COVID-19

Avenir has experienced no impact from COVID-19 in relation to assets which are currently operational. The Company has however suffered from significant impact to assets under construction both in Sardinia and at shipyards in China. Recent events, specifically the emergence of the Delta variant, poses a risk that vessels which are still under construction may suffer delay in delivery in the event of localized outbreaks of COVID-19 and/or the imposition of restrictions which affect the movement of teams engaged in the ship-building programme. The Company will continue to take all necessary steps to mitigate risks to employees and operations.

Business Development

Avenir Supply & Trading (AS&T) delivered the commissioning LNG cargo, via the *Avenir Accolade*, to the HIGAS terminal on May 25th. Following final commissioning activities the terminal entered into commercial operation on August 5th. There is a strong pipeline of opportunities for customers to switch to LNG across Sardinia. HIGAS is the only LNG import terminal on the island with no others under construction. We see the potential demand for LNG on the island materially exceeding the current capacity of the HIGAS terminal.

The Company is in advanced negotiations in relation to LNG supply agreements to be serviced via the next 3 ships in the Company's newbuilding programme - *Avenir Aspiration*, *Avenir Ascension* & *Avenir Allegiance*. The monetization of additional capacity on *Avenir Aspiration* (which will primarily serve HIGAS) to supply additional points of LNG demand is entirely consistent with the Company's strategy of deploying flexible assets to a region which can serve multiple customers - reducing overall supply chain costs. The Company expects to conclude the relevant commercial agreements for each of its three newbuild vessels within Q3 2021.

The Company serves customers across power generation, industry and marine bunkering – each of which have reacted differently as a result of the COVID-19 pandemic. Bunkering stands out as the most active of our target segments at present with a continued flow of LNG-fuelled newbuild vessels being announced. We expect the transition to LNG in the shipping sector to remain robust in the near-term, with the company well positioned to serve the market with all of our ships being bunker capable, in addition to being highly efficient LNG supply vessels.

Fleet/Asset Summary:

Assets	Year built	Terminal location	Capacity (m³)
HIGAS LNG Terminal	2021	Sardinia	10,800

Vessel name	Year built	Yard	Capacity (m³)
Avenir Advantage	2020	Keppel Singmarine	7,500
Avenir Accolade	2021	Keppel Singmarine	7,500
Avenir Ascension	2021	CIMC SOE	7,500
Avenir Aspiration	2021	CIMC SOE	7,500
Avenir Allegiance	2021	CIMC SOE	20,000
Avenir Achievement	2022	CIMC SOE	20,000

Avenir LNG Limited
Unaudited Consolidated Statements of Operations

<i>(Expressed in thousands of U.S. Dollars except for share and per share data)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Operating revenues	\$ 3,727	\$ 272	\$ 6,222	\$ 446
Operating expenses	(711)	(293)	(1,306)	(471)
Depreciation and amortisation	(1,092)	(70)	(1,678)	(148)
Administrative and general expenses	(1,350)	(1,476)	(2,970)	(3,107)
Other operating expenses	-	-	-	(36)
Operating profit/(loss)	574	(1,566)	268	(3,316)
Non-operating (expenses)/income:				
Finance cost, net	(587)	(32)	(952)	(4)
Foreign currency exchange gain	66	645	217	594
Profit/(loss) before Income Tax	53	(953)	(467)	(2,726)
Income taxes	(42)	-	(66)	-
Net income/(loss)	\$ 11	\$ (953)	\$ (533)	\$ (2,726)

Avenir LNG Limited
Unaudited Condensed Consolidated Balance Sheet

(Expressed in Thousands of U.S. Dollars)

	June 30, 2021	December 31, 2020
<u>ASSETS</u>		
Cash and cash equivalents	\$ 12,765	\$ 8,025
Other current assets	10,315	9,327
Property, plant, equipment and newbuild deposits	198,547	153,107
Other non-current assets	2,435	1,819
Total assets	224,062	172,278

LIABILITIES AND STOCKHOLDERS' EQUITY

Total debt, net of deferred financing costs	50,189	26,279
Total other liabilities	15,657	19,987
Total shareholders' equity	158,216	126,012
Total liabilities and stockholders' equity	\$ 224,062	\$ 172,278

SHARE COUNT DATA

Common stock issued	182,000,000	147,500,000
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Other Financial Data

(Expressed in thousands of U.S. Dollars)

	Three Months Ended June 30,		Six Month Ended June 30,	
	2021	2020	2021	2020
Net cash used in operating activities	\$ (727)	\$ (2,640)	\$ (3,839)	\$ (8,404)
Net cash used in investing activities	(2,463)	(13,911)	(49,756)	(21,813)
Net cash provided by financing activities	8,043	29,955	58,761	29,869

Cautionary Statement Regarding Forward-Looking Statements

This press release contains “forward-looking statements” based on information available to the Company on the date hereof, and the Company assumes no obligation to update any such forward-looking statement. These statements may be identified by the use of words like “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may”, “plan”, “project”, “will”, “should”, “seek” and similar expressions. The forward-looking statements reflect the Company’s current views and assumptions and are subject to risks and uncertainties. The Company does not represent or warrant that the Company’s actual future results, performance or achievements will be as discussed in those statements, and assumes no obligation to, and does not intend to, update any of those forward-looking statements other than as may be required by applicable law.

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About Avenir

Avenir is a fully integrated small-scale LNG supplier. Avenir supplies small-scale LNG to off-grid industry, power generation and transport fuel sectors as well as providing infrastructure to support the development of LNG as a marine fuel.

Leveraging the expertise of its shareholders, Avenir has quickly become one of the leading providers of small-scale LNG solutions; working with local partners and end users to develop the infrastructure necessary to unlock new markets for natural gas.

Avenir’s common stock is listed on the NOTC where it trades under the symbol “AVENIR”.

This information is subject of the disclosure requirements pursuant to section 5 – 12 of the Norwegian Securities Trading Act.

Visit the Company’s website at www.avenirlng.com