



**AVENIR LNG LIMITED REPORTS UNAUDITED FINANCIAL AND OPERATING RESULTS  
FOR THE FOURTH QUARTER AND FULL YEAR 2021**

**March 10, 2022** – Avenir LNG Limited and its subsidiaries (NOTC: AVENIR) (“Avenir” or the “Company or Group”), 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 fourth quarter and financial year ended December 31, 2021.

**Peter Mackey, Chief Executive Officer of Avenir commented:**

*“Avenir is pleased to report operating revenues of \$16.5 million and EBITDA of \$4.8 million, to the end of Q4 2021. 2021 was a critically important year in the growth and development of Avenir as we took delivery of the bulk of our new-build vessels and successfully brought our onshore LNG terminal in Sardinia into operation. We have one further vessel to be delivered in H1 2022 which will conclude the first wave of new-build asset development program.*

*We will look back on 2021 as the most important year in the development of the Company as we successfully transitioned from an asset development organization into an operating company supplying LNG to multiple end-customers. I believe Avenir has become the blueprint for growth in the rapidly developing small-scale LNG segment.*

*In January we announced we had entered into a Joint Collaboration Agreement with Shanghai SIPG Energy Services Co., Ltd or “SSES” (a joint venture between Shanghai International Port Group & Shenergy) to provide LNG bunkering services in the Port of Shanghai. This is the first time LNG bunkering will be offered in China and will be launched with CMA CGM as the foundation customer. Our entry into the Chinese LNG bunkering market, the first foreign company to do so, is testament to the strength of our capability and assets which we have built within Avenir LNG.*

*Despite the current challenges of the external operating environment, we continue to see very strong growth prospects for Avenir LNG.”*

**Financial Summary**

	Twelve months ended December 31, 2021	Twelve months ended December 31, 2020
<i>(Expressed in thousands of U.S. Dollars)</i>		
Total operating revenues	\$ 16,538	\$ 2,321
Operating loss	(20)	(6,849)
Net profit / (loss)	7,222	(4,516)
EBITDA	4,778	(6,217)

\*EBITDA is defined as earnings before interest, tax, depreciation and amortization, and impairment.

## **2021 Highlights and Recent Events:**

### *Financials and Corporate:*

- Revenues increased by \$14.2 million from 2020 to \$16.5 million in 2021 following the delivery of our first two vessels *Avenir Advantage* and *Avenir Accolade* in October 2020 and March 2021, respectively. In addition, the Company's terminal in Sardinia has commenced operations in August 2021 further contributing to the Group's overall revenues.
- EBITDA of \$4.8 million, an increase of \$11.0 million from 2020 and has turned positive.
- Took delivery of our third 7,500cbm vessel, *Avenir Aspiration*, in October 2021. She is now positioned in the Mediterranean and has commenced servicing our terminal in Sardinia.
- In support of establishing Shanghai as a leading bunkering hub, we completed the sale of our first 20,000cbm vessel, *Avenir Allegiance*, to SSES. The sale has resulted to a net gain of approximately \$10.0 million and released significant cash back to us that would enhance our working capital position and fund future growth opportunities.
- Signed a time charter with Shell for our last 20,000cbm vessel, *Avenir Achievement*, which will be delivered in May 2022. The charter is expected to begin in early 2023 for a period of 3 years with an option to extend up to 5 years.
- Entered into a \$94.0 million 12-year financing with ABN Amro Bank and The Export-Import Bank of China in December 2021 providing ship finance facilities.

### *Post balance sheet events:*

- Delivery of our fourth newbuild dual purpose LNG vessel, *Avenir Ascension*, in January 2022. She will be providing bunkering services to LNG fueled vessels in the South Baltic Sea.
- Signed a long-term Joint Collaboration Agreement (JCA) with SSES which is responsible in delivering LNG bunker to CMA CGM containerships. Under the JCA, Avenir will be responsible for the global marketing of LNG bunkering services in Shanghai Port as well as support SSES with operational and technical services.
- Signed a 6-month time charter with New Fortress Energy for *Avenir Achievement*. The charter is expected to begin in July 2022.

## **Business Review:**

The global LNG market once again experienced strong growth in 2021 to reach an all time high of 380 MMt, although the growth has been turbulent at times. As the global economy has recovered from the COVID-19 outbreak, LNG prices have risen significantly from the lows in mid-2020, a period of relative over-supply. Recent events in Europe have introduced a new wave of extreme volatility in European gas prices which will likely have lasting effects on gas pricing globally.

Avenir typically supplies LNG to customers as a substitute for their existing consumption of Diesel, LPG, HFO and/or MGO. The ability of LNG to out-perform these alternative fuels on an economic basis has been severely challenged in the second-half of 2021 and into the early part of 2022. Fundamental tightness in the global LNG supply-demand balance prompted strengthening of pricing in the 1<sup>st</sup> half of 2021 on a global basis. The sharp spike in European gas prices in late 2021 / early 2022 appears to have been driven by market participants pricing in the possibility of pipeline gas curtailments into the European market. While the risk of curtailments remains, and we remain in a generally tight gas supply-demand environment, we would expect gas prices to remain elevated in the short to medium term. We would also expect the current pricing differential between gas and petroleum products to narrow as rises in crude oil price feed through into refined products market.

Looking further ahead we believe LNG continues to be fundamentally a strong growth business. As more and more markets adopt net-zero emissions targets the focus on rapidly decarbonizing energy systems will continue to grow. Gas/LNG has an important role to play in supporting renewables growth in the power sector by way of grid stability and in hard-to-electrify sectors such as industry and shipping LNG offers an immediate option to significantly lower emissions. We continue to see strong demand to deliver our small-scale LNG solutions to new markets around the world.

The growth in demand for LNG as a marine fuel has rapidly accelerated through 2021 and we expect this trend to continue throughout 2022. The number of vessels capable of consuming LNG has continued to grow across all shipping segments. In total >450 LNG fueled ships are currently on order. By far the largest segment is the container industry with 125 vessels on order. The majority of new orders are for the larger industrial shipping segments reversing a historic trend for smaller more regional shipping segments such as passenger ferries. LNG demand growth from the deep-sea trade will have an outsized impact in growing LNG volumes into the shipping sector. As yet, we do not see orders for new LNG bunkering vessels keeping pace with the demand side of the shipping market. We expect this mismatch in available bunkering tonnage to drive significant additional demand for the Avenir fleet in the short to medium term and support the growth of our asset base.

**Fleet/Asset Summary:**

<b>Assets</b>	<b>Year built</b>	<b>Terminal location</b>	<b>Capacity</b>
HIGAS LNG Terminal	2021	Sardinia	10,800 m3

<b>Vessel name</b>	<b>Year built</b>	<b>Yard</b>	<b>Capacity</b>	<b>Charterer</b>
Avenir Advantage	2020	Keppel Singmarine	7,500	Petronas*
Avenir Accolade	2021	Keppel Singmarine	7,500	LNG Power Limited
Avenir Aspiration	2021	CIMC SOE	7,500	Higas S.r.l.
Avenir Ascension	2022	CIMC SOE	7,500	Avenir
Avenir Achievement	2022	CIMC SOE	20,000	Shell and New Fortress Energy

\*Ship is time-chartered from Future Horizon, a 50:50 MISC-Avenir joint venture.

**Avenir LNG Limited**  
**Unaudited Consolidated Statements of Operations**

*(Expressed in thousands of U.S. Dollars)*

	Three Months Ended December 31		Twelve Months Ended December 31	
	2021	2020	2021	2020
<b>Operating revenues</b>	5,984	1,594	16,538	2,321
Operating expenses	(3,544)	(1,042)	(6,297)	(1,796)
Depreciation and amortization	(1,851)	(410)	(4,798)	(632)
Administrative and general expenses	(866)	(2,046)	(5,463)	(6,590)
Other operating expenses	-	(152)	-	(152)
<b>Operating loss</b>	<b>(277)</b>	<b>(2,056)</b>	<b>(20)</b>	<b>(6,849)</b>
<b>Non-operating (expenses)/income:</b>				
Finance cost, net	(1,342)	(197)	(2,886)	(234)
Foreign currency exchange gain	57	413	169	965
Other Non - Operating Income	-	48	-	-
Gain on disposal, net of tax	10,046	-	10,046	-
Loss before Income Tax	8,484	(1,792)	7,309	(6,118)
Income taxes	33	1,602	(87)	1,602
<b>Net profit / (loss)</b>	<b>8,517</b>	<b>(190)</b>	<b>7,222</b>	<b>(4,516)</b>

**Avenir LNG Limited**  
**Unaudited Condensed Consolidated Balance Sheet**

*(Expressed in thousands of U.S. Dollars  
except share count data)*

	December 31, 2021	December 31, 2020
<b><u>ASSETS</u></b>		
Cash and cash equivalents	46,934	8,025
Other current assets	12,340	9,327
Property, plant and equipment and newbuild deposits, net	206,495	153,107
Other non-current assets	2,973	1,819
<b>Total assets</b>	<b>268,742</b>	<b>172,278</b>
 <b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
Total debt, net of deferred financing costs	72,367	26,279
Total other liabilities	32,281	19,987
Total shareholders' equity	164,094	126,012
<b>Total liabilities and stockholders' equity</b>	<b>268,742</b>	<b>172,278</b>
 <b><u>SHARE COUNT DATA</u></b>		
Common stock issued	182,000,000	147,500,000

**Other Financial Data**

*(Expressed in thousands of U.S. Dollars)*

	Three Months Ended December 31		Twelve Months Ended December 31	
	2021	2020	2021	2020
Net cash (used in) / provided by operating activities	(4,234)	3,468	(3,462)	(5,588)
Net cash provided by / (used in) investing activities	11,977	(36,696)	(47,678)	(72,868)
Net cash provided by financing activities	33,341	33,886	90,693	63,539

## **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.

### **Contact:**

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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](http://www.avenirlng.com)