



**AVENIR LNG LIMITED REPORTS UNAUDITED FINANCIAL AND OPERATING RESULTS
FOR THE QUARTER ENDED JUNE 30, 2022**

October 18, 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 second quarter ended June 30, 2022.

Peter Mackey, Chief Executive Officer of Avenir commented:

“Avenir is pleased to report operating revenues of \$10.4 million and EBITDA of \$0.6 million for Q2 2022. The global gas and LNG markets have shown extraordinary volatility throughout 2022 as security of supply concerns continue to dominate the landscape. We continue to position the company to capitalize on opportunities which have been created by a turbulent market.

We are delighted to have welcomed Avenir Achievement to our fleet and she was immediately deployed to the Caribbean to work for New Fortress Energy. The arrival of Avenir Achievement marks the conclusion of our initial ship building program which was launched in late 2018. We have built a strong fleet for Avenir which we look forward to expanding in due course.”

Financial Summary

(Expressed in thousands of U.S. Dollars except for share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Total Operating revenues	\$ 10,384	\$ 3,727	\$ 17,048	\$ 6,222
Operating (loss)/profit	(1,967)	574	(3,574)	268
Net (loss)/income	(4,121)	11	(7,237)	(533)
EBITDA	556	1,666	1,328	1,946

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

Q2 2022 Highlights and Recent Events:

Financials and Corporate:

- Revenues increased by \$6.6 million from Q2 2021 to Q2 2022 following the commencement of operations of the Company’s terminal in Sardinia and LNG

bunkering in the Baltics in August 2021 and June 2022, respectively, further contributing to the Group's overall revenues.

- EBITDA of \$0.6 million, a decrease of \$1.1 million from Q2 2021, is largely attributable to the challenging gas markets primarily driven by the Ukraine crisis thereby impacting our LNG supply business.
- Commenced operations in the Baltics in April 2022 by completing the first LNG ship delivery to the small-scale LNG terminal in the port of Klaipeda, Lithuania.
- Successfully completed the \$23.5 million financing for *Avenir Ascension* in May 2022.
- Took delivery of our 20,000cbm vessel, *Avenir Achievement*, in May 2022. She was delivered to New Fortress Energy in July 2022 to commence her six-month charter.
- Signed a 3-year LNG Bunkering Supply Agreement with Destination Gotland AB in May 2022 for the supply of up to 40,000 tonnes of LNG per annum as marine fuel for M/S Gotland and M/S Visby. In June 2022, we commenced LNG bunkering operations to both vessels using our last 7,500cbm vessel, *Avenir Ascension*, which we took delivery earlier this year.

Post balance sheet events:

- Signed a Memorandum of Understanding ("MOU") with Oxelosunds Hamn AB to build an LNG and BioLNG terminal of up to 30,000 cbm in the Port of Oxelosund, Sweden.
- Signed a Joint Collaboration Agreement ("JCA") with Prvo Plinarsko Društvo d.o.o. ("PPD") which will initially focus on the sale and distribution of LNG by truck and small-scale LNG vessels from the Krk LNG terminal to off-grid industries, power generation, marine bunkering and truck refuelling stations in Northern Italy and eastern European countries.

Market Review:

Uncertainty is currently the dominant force in global gas and LNG markets. Despite unprecedented intervention from the EU and national European governments into the European gas market, the outlook for the energy landscape remains highly uncertain. An aggressive program to fill European gas storage in advance of the heating season has gone some way to allay supply fears in the short-term, although it remains to be seen how Europe will cope through the winter of 2022 and into early 2023. Competition for LNG supplies between Europe and Pacific-basin market has been somewhat muted so far. As the whole of the northern hemisphere moves into winter we would expect to see this picture shift significantly with competition for flexible LNG cargoes increasing.

Supply uncertainty has translated into significant price uncertainty. Not only are gas prices at record highs, but price volatility has become a key feature of the European market, a phenomenon which has not historically been seen. The significant and sustained elevation in prices has prompted many consumers to either reduce gas consumption or transition their energy supply to alternative fuels. We expect the market

to revert to historical norms only when a sustained improvement to the supply-demand balance emerges. At present we expect that sustained improvement to come about through an increase in LNG available to the market as new liquefaction projects come on-stream from 2025 onwards. A material increase in Russian gas flows to Europe has the same potential to rebalance the market, although this scenario will only be possible with broad political agreement. At present, it does not seem that such agreement will be reached any time soon.

Uncertainty is likely to remain the dominant feature of global gas markets for some time to come.

Fleet/Asset Summary:

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

Vessel name	Year built	Yard	Capacity	Charterer
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	Avenir
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
except for share and per share data)*

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Operating revenues	\$ 10,384	\$ 3,727	\$ 17,048	\$ 6,222
Operating expenses	(7,686)	(711)	(11,621)	(1,306)
Depreciation and amortisation	(2,522)	(1,092)	(4,902)	(1,678)
Administrative and general expenses	(2,143)	(1,350)	(4,099)	(2,970)
Operating (loss)/profit	(1,967)	574	(3,574)	268
Non-operating (expenses)/income:				
Finance cost, net	(1,677)	(587)	(2,771)	(952)
Other non-operating expense	-	-	(68)	-
Foreign currency exchange (loss)/gain	(313)	66	(518)	217
(Loss)/profit before Income Tax	(3,957)	53	(6,930)	(467)
Income taxes	(164)	(42)	(307)	(66)
Net (loss)/income	\$ (4,121)	\$ 11	\$ (7,237)	\$ (533)

Avenir LNG Limited
Unaudited Condensed Consolidated Balance Sheet

(Expressed in Thousands of U.S. Dollars)

	June 30, 2022	December 31, 2021
<u>ASSETS</u>		
Cash and cash equivalents	\$ 22,742	\$ 46,934
Other current assets	15,683	12,807
Property, plant and equipment and newbuild deposits, net	268,546	207,143
Other non-current assets	2,269	1,806
Total assets	309,239	268,690
 <u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Total debt, net of deferred financing costs	129,737	72,367
Total other liabilities	28,843	32,369
Total shareholders' equity	150,659	163,954
Total liabilities and stockholders' equity	\$ 309,239	\$ 268,690

SHARE COUNT DATA

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

(Expressed in thousands of U.S. Dollars)

	Three Months Ended		Six Month Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Net cash used in operating activities	\$ (4,548)	\$ (727)	\$ (3,973)	\$ (3,839)
Net cash used in investing activities	(37,261)	(2,463)	(75,824)	(49,756)
Net cash provided by financing activities	58,761	8,043	56,859	58,761

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