



# GENERAL MEETING EXMAR

May 17, 2022





# Speakers

**Nicolas Saverys**

Executive Chairman

**Francis Mottrie**

Chief Executive Officer

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Chief Financial Officer

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# Agenda

- 01 EXMAR highlights
- 02 Infrastructure
- 03 Shipping
- 04 Financials
- 05 Corporate & strategic focus





# EXMAR highlights

Ready for the challenges of tomorrow's world

## BUSINESS

- Contract signed with GASUNIE for 5-year charter FSRU S188 (2022)
- Firm ongoing discussions regarding employment TANGO FLNG
- Recognition of USD 56.8 million termination fee for the FSRU S188 charter agreement
- Sale of LPG vessels TEMSE, TOURAINE & BRUSSELS
- Delivery of 3<sup>rd</sup> and award of 4<sup>th</sup> OPTI® hull design

## LIQUIDITY

- New 3-year credit facility of USD 50 million
- Extension existing EUR 18 million credit facility and increase up to EUR 30 million upon employment of one of the barges
- Repurchase NOK 137 million (USD 15 million) of the NOK bond maturing in May 2022

## INDUSTRY LEADER

- Delivery of the first LPG dual fuel VLGCs (FLANDERS INNOVATION and FLANDERS PIONEER)
- Pioneered floating regas, world's first FLNG barge and LPG as fuel

## IMPROVED CASH POSITION

- Receipt monthly contractual payment termination fees YPF
- Receipt early termination fee Gunvor for the FSRU S188
- Charter income 2 new VLGC's

## ENVIRONMENTAL, SOCIAL & GOVERNANCE

- EXMAR pursuing various CO<sub>2</sub> transport projects required to support
- CCS projects to optimize logistics
- MoU signed with NUTRIEN to build and operate ammonia fuelled vessels
- Embedding ESG in EXMAR's DNA
- Contract GASUNIE complies with their high environmental standards

## EXMAR in short

- Listed on Euronext Brussels (EXM.BB)
- Evolution from shipbuilder (1829) to shipowner and infrastructure provider
- Fully integrated provider of gas transportation and transformation solutions
- Fleet of 37 floating assets
- 1,615 seafarers and 234 shore-based staff
- 18 offices / branches, 43 nationalities

*Exmar is ideally placed to  
capitalize on increased global  
"energy transition" opportunities*



# EXMAR assets and services

Integrated provider of gas transportation and transformation solutions



## INFRASTRUCTURE

### Assets



**1 FLNG**  
(barge-based)



**1 FSRU**  
(barge-based)



**2 accommodation  
barges**

### Achievements

- Pioneer in FSRU (2005) and STS Transfer (2006)
- Developed OPTI and FAST technology
- Pioneer in FLNG (2016)
- Over 100 engineers with expertise in gas / floating activities, located in Antwerp, Paris & Houston



# Infrastructure - Oil & Gas market update

New era of energy autonomy – security of supply

## Oil Prices

- Highest oil prices ever since 2014
- Brent > 110 USD /bbl

## Gas/ LNG Prices

- Highest LNG prices ever
- TTF around ~ 30 US\$/mmbtu
- JKM 25 US\$/mmbtu

## Drivers

- Underinvestment over past decade
- Security of supply is back on the table
- Expected shortage of LNG supply in the world for the foreseeable future but might ease second half this decade
- Geopolitics: ambition to have no more Russian gas to Europe

## Brent crude oil prices

The price of oil soared to **nearly \$140 a barrel, its highest price since 2008**, after reports that Western countries were discussing a possible embargo on crude supplies from Russia, the world's second largest exporter.



## Natural gas prices in the United States and Europe

U.S. dollars per million British thermal units (MMBtu)



Source: Bloomberg. Prompt month contract prices to May 5, 2022. Henry Hub for the United States. Title Transfer Facility (TTF) for Europe.

# Infrastructure highlights

Re-employment efforts on the right track!

## Highlights

- New 5-year charter for the employment of FSRU S188 with GASUNIE as floating LNG import terminal at Eemshaven in the Netherlands
- Award of engineering and design of fourth semisubmersible floating production system using the OPTI® patented hull design
- All settlement fees fully received

## Healthy market fundamentals

- Oil & gas prices have returned to a high level, going forward
- Increasing European and Asian gas demand, decarbonisation efforts and security of supply are driving growing importance of the LNG value chain worldwide

## Outlook

- Firm discussions with various parties, including energy infrastructure providers and exploration and production companies, for **re-employment** of **Tango FLNG**, being readily available as a proven quick-to-market and cost-efficient LNG liquefaction solution
- Confidence on employment prospects for accommodation barges
- Increased engineering capacity and revenue
- Working on various new gas infrastructure developments



| Key financials - proportionate consolidation |                   |                   |                        |
|--|-------------------|-------------------|------------------------|
| INFRASTRUCTURE<br>(in million USD)           | 2020<br>(audited) | 2021<br>(audited) | Q1-2022<br>(unaudited) |
| Revenue                                      | 213.3             | 92.8              | 7.5                    |
| EBITDA                                       | 161.0             | 54.4              | -0.6                   |
| Adjusted EBITDA                              | 11.8              | -2.4              | -1.8                   |
| Operating result (EBIT)                      | 135.8             | 17.1              | -4.6                   |
| Vessels                                      | 443.1             | 409.1             | 405.3                  |
| Financial debts                              | 224.9             | 204.8             | 183.5                  |



# Infrastructure LNG barges

Strong value proposition by offering cost efficient quick to market solutions



## Tango FLNG

- Successful performance in Argentina in 2019/2020
- Safely and securely laid up in Nueva Palmira, Uruguay
- Continuous efforts both on board and ashore improving its operations and maintenance management systems
- Firm discussions are ongoing for next employment



## FSRU S188 (to be renamed Eemshaven LNG)

- Available since June 2021
- Charter with GASUNIE starting mid August 2022, contributing to the EU security of supply efforts
- Water heat recovery and power from shore minimize the environmental impact within the port
- Mobilisation from Singapore to the Netherlands ongoing

## Outlook

- LNG and Natural Gas are considered as the transition fuel for the decarbonisation of the energy supply
- Stability of energy supply in terms of volumes and prices requires a multimodal supply chain approach
- An all-in project implementation approach from engineering to construction and operations & maintenance is essential for all stakeholders involved and will allow value creation
- EXMAR Infrastructure is there to provide the innovative floating infrastructure solutions needed to support the oil & gas industry



# Infrastructure - Eemshaven LNG

## High Level Project Overview

### Customer Overview

- GASUNIE is a Dutch natural gas infrastructure and transportation company operating in the Netherlands and Germany
- GASUNIE owns the Netherlands gas transmission network with a total length of over 12,000 kilometres and 3,100 kilometres long network in Germany. (AA-)

### Project Scope

- Using existing jetty in Eemshaven port
- FSRU is connected to shore power and heating medium is provided from shore (heat from power plant)

### Project Timing

- Final contract ready
- Mobilisation from Singapore to the Netherlands ongoing
- Barge arriving mid August 2022 and terminal up and running by end Q3-2022
- 5 years term





# Infrastructure - Eemshaven LNG

Eemshaven LNG on her way to the Netherlands





# EXMAR assets and services

Integrated provider of gas transportation and transformation solutions



## SHIPPING

### Assets



- 10** Fully pressurized LPG carriers
- 19** Midsize LPG carriers
- 3** Very Large Gas carriers
- 1** LNG carrier

### Achievements

- Largest Owner in the Midsize LPG/Ammonia segment
- Leading innovator in gas shipping, pursuing fleet expansion
- Ships from 3,500 up to 88,000 m<sup>3</sup>
- World's first LPG-fuelled VLGCs delivered in June and Sept 2021
- Pivotal position in ammonia seaborne transport



# Shipping

Strong contract portfolio - leader in future proof ammonia transportation

- Strong JV partner in Seapeak (former Teekay) on Midsize LPG
- Solid overall contract portfolio
- LNG carrier EXCALIBUR open for sale, chartering or FS(R)U conversion
- Revenue increase thanks to the 2 new VLGC's, partly offset by the sale of several older midsize vessels
- Strong EBIT rebound as 2020 was impacted by impairment charges

| Key financials - proportionate consolidation |                   |                   |                        |
|--|-------------------|-------------------|------------------------|
| SHIPPING<br>(in million USD)                 | 2020<br>(audited) | 2021<br>(audited) | Q1-2022<br>(unaudited) |
| Revenue                                      | 134.8             | 137.7             | 35.2                   |
| EBITDA                                       | 68.1              | 65.1              | 17.6                   |
| Adjusted EBITDA                              | 68.1              | 65.1              | 17.6                   |
| Operating result (EBIT)                      | -7.8              | 26.9              | 7.6                    |
| Vessels                                      | 475.6             | 570.7             | 549.2                  |
| Financial debts                              | 389.3             | 469.8             | 454.8                  |



## LPG segment overview - outlook



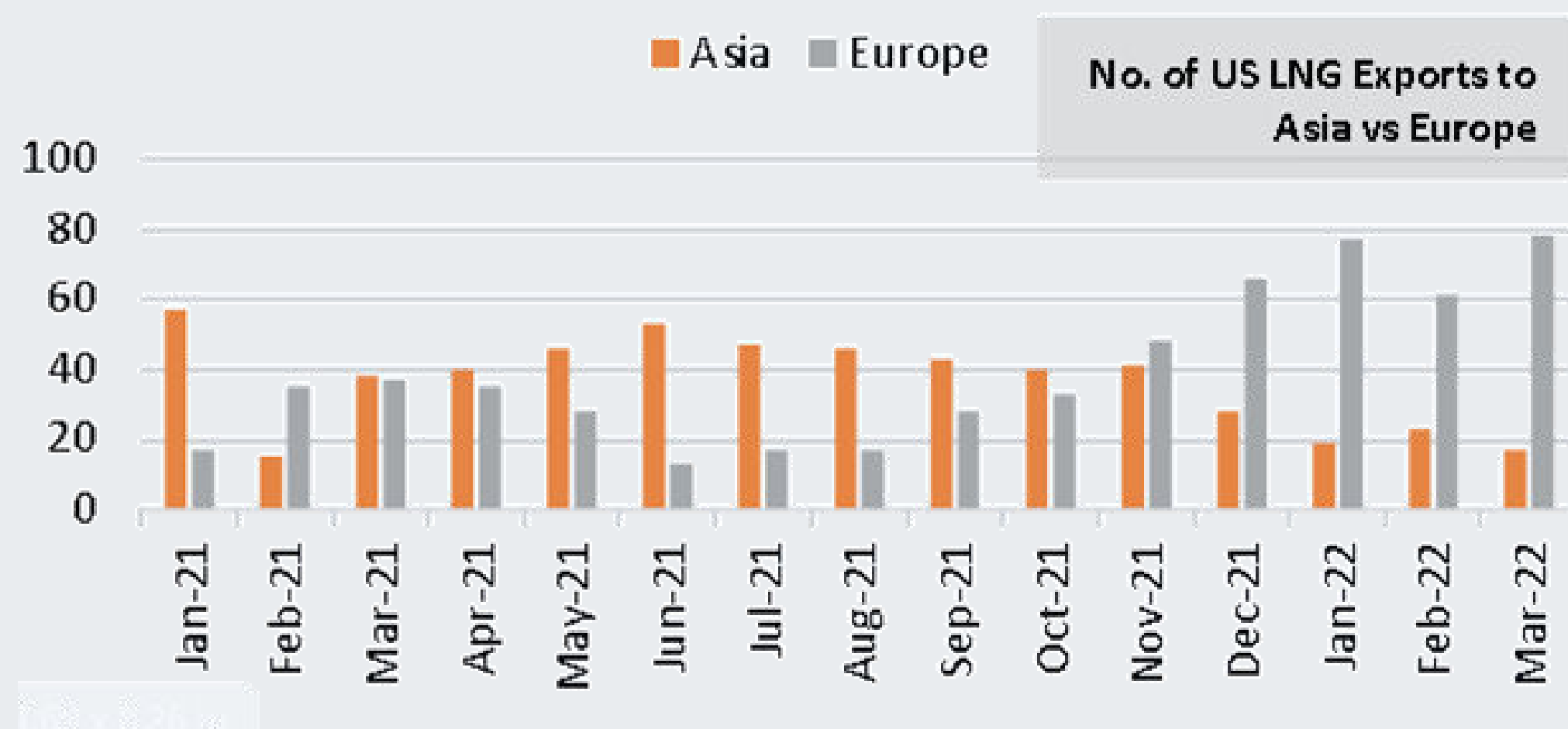


# Shipping

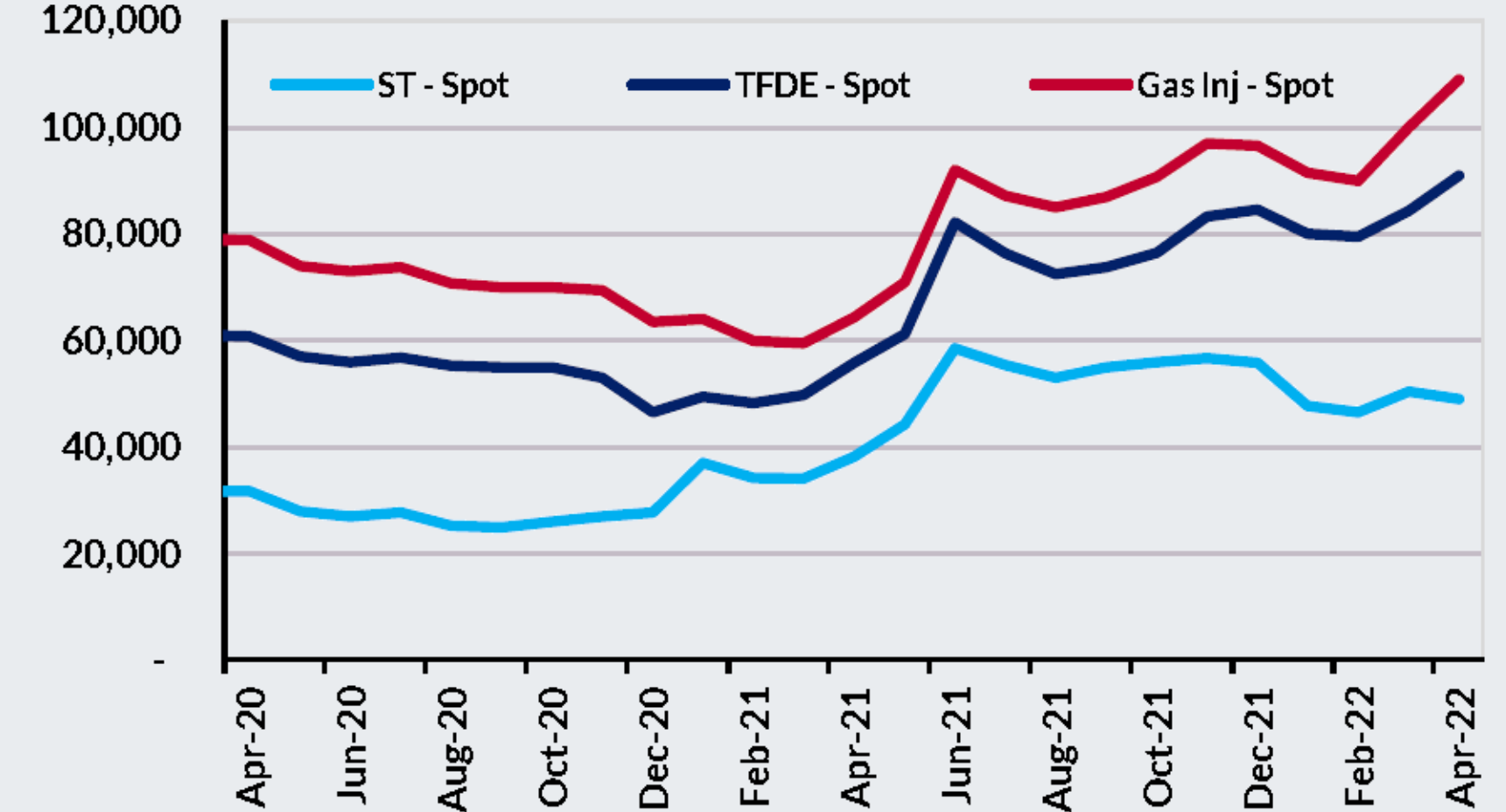
Despite the high LNG prices bearish LNG shipping market

- Higher demand for LNG from Europe to replace Russian natural gas
- Reduced demand from China due to COVID impact
- Higher LNG costs refrain some developing countries to import LNG
- Sailing distance from main US LNG producers to Europe is only half the time compared to Asia
- Until today 78 cargoes went to Europe compared to 17 to Asia. Last year the trend was the opposite.
- Bottleneck is ~ 460 million tones of LNG production capacity versus 900+ million tones of regasification capacity, meaning shortage of gas.

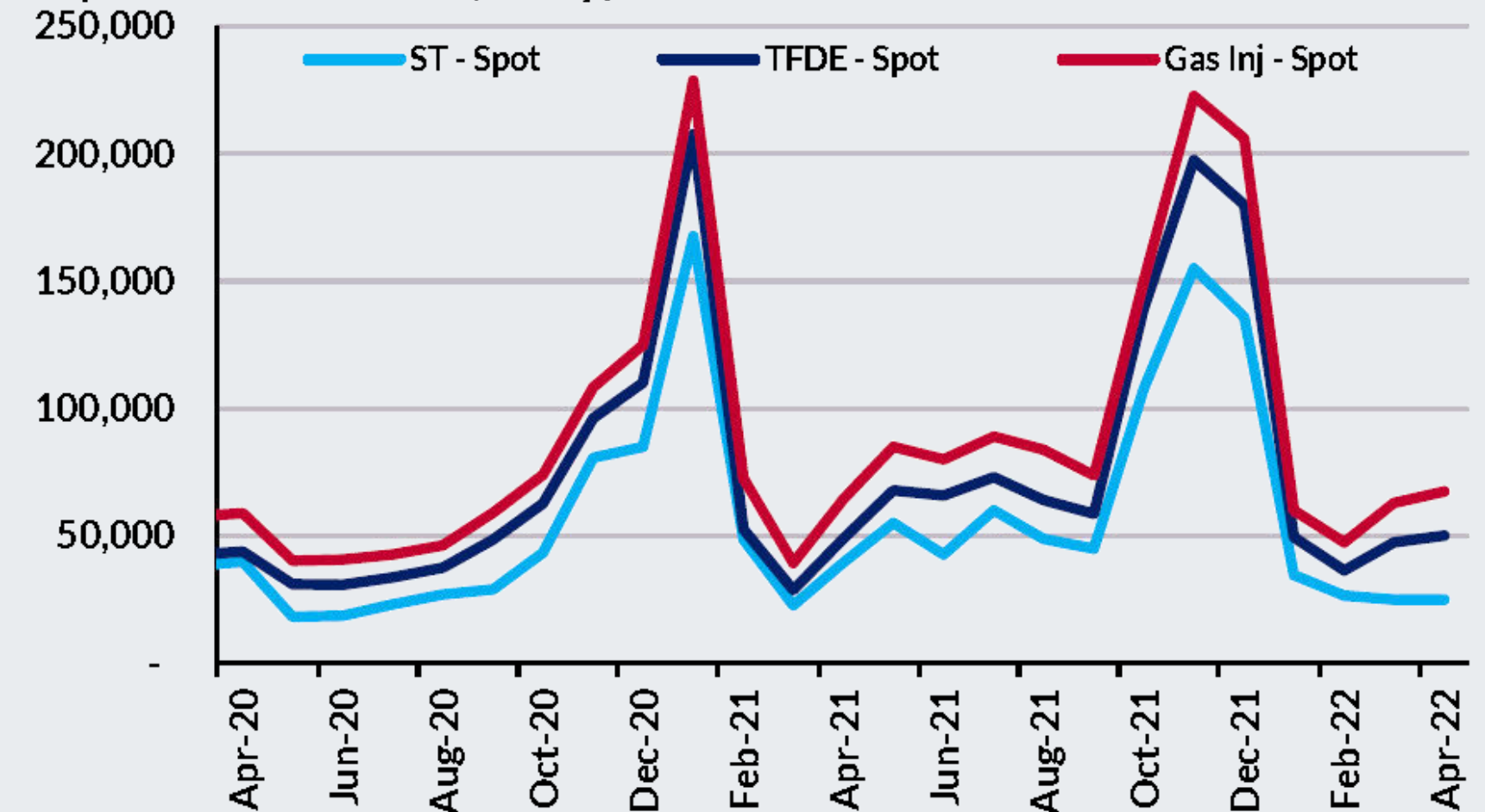
Reduced ton/mile which has a negative impact on the LNG shipping market



3 Year Charter Rates (\$/day)



Spot Charter Rates (\$/day)



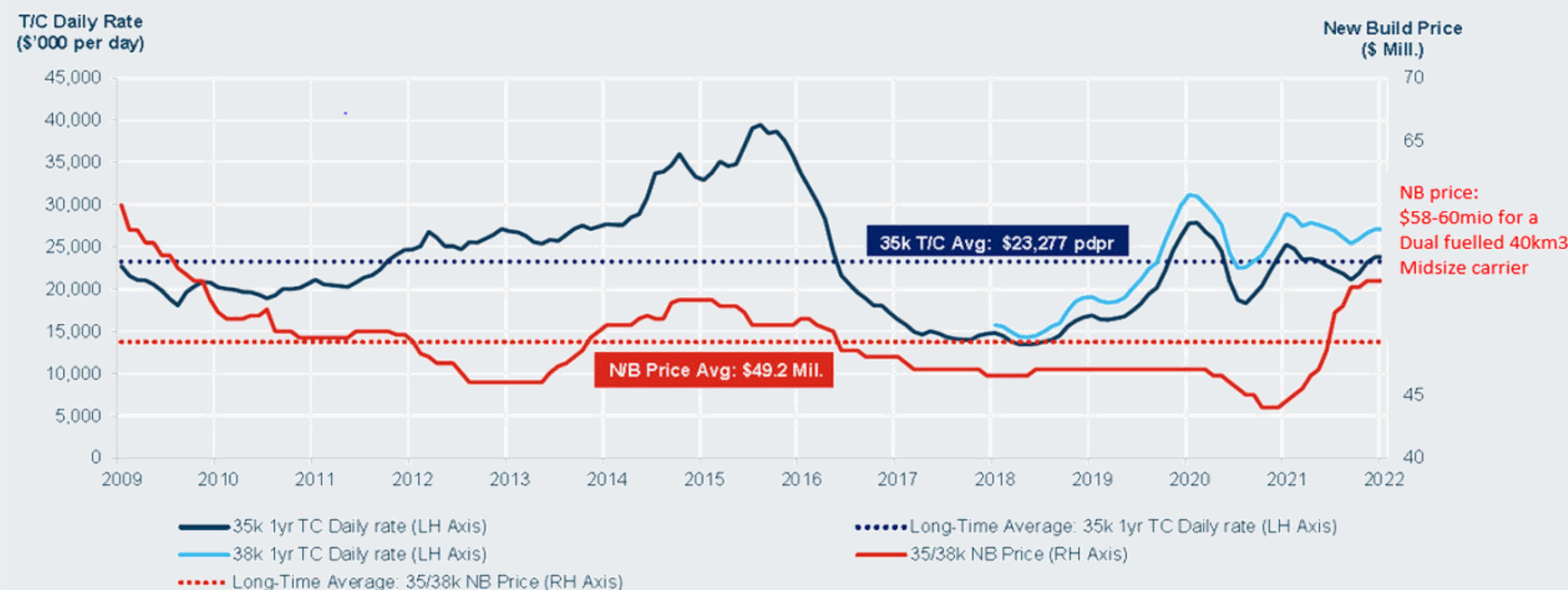


# Shipping

Strong LPG fundamentals despite growing orderbook

## VLGC and MGC TC rates (1000 \$/month)

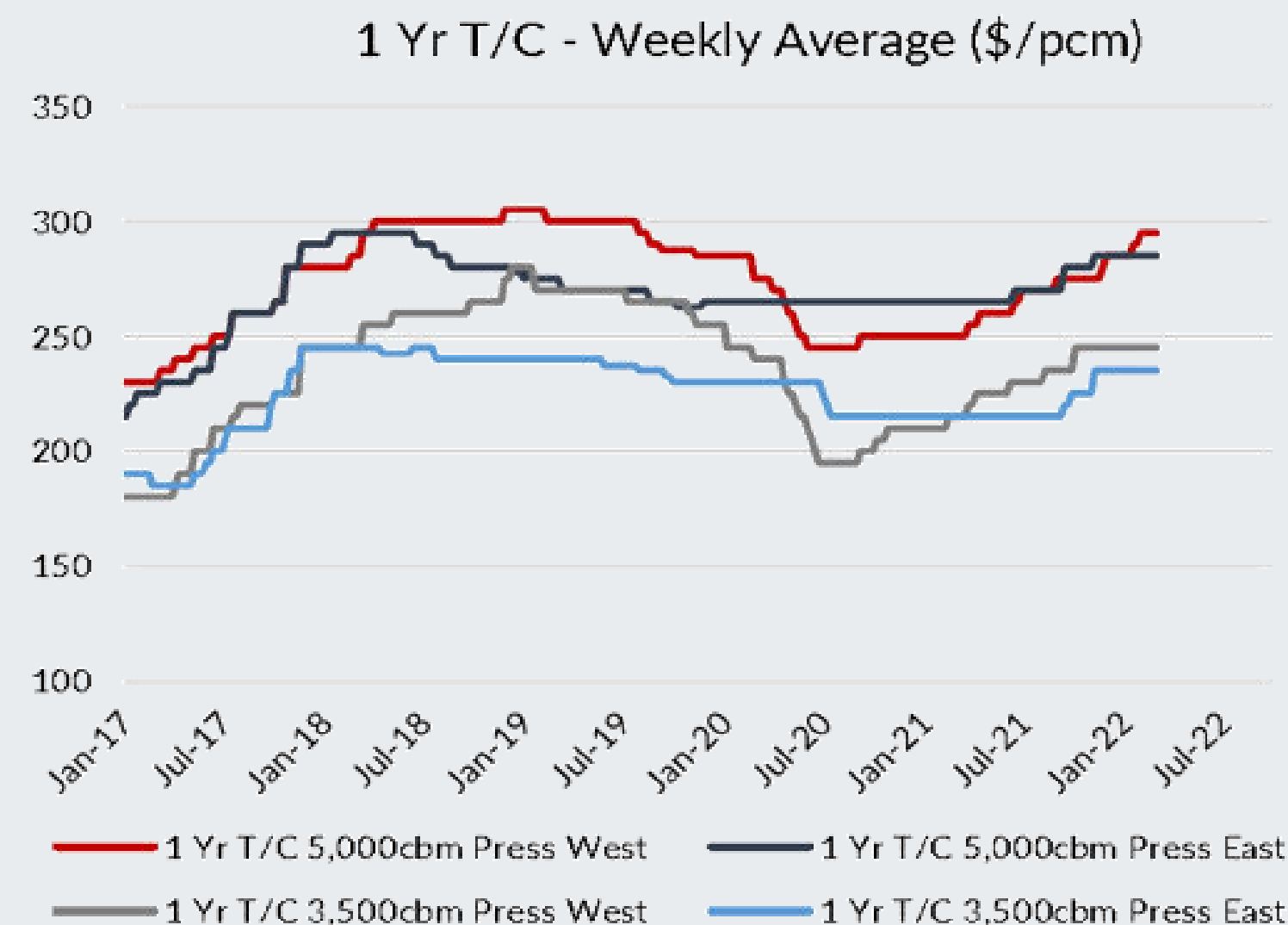
Daily 12 Month T/C Rates (35/38k cbm) vs. New Building Price Levels\*



### Continued strong performance for VLGC and MGC expected for 2022

- Over 20 NB VLGCs expected in 2022, mainly dual-fuelled LPG, with positive employment outlook in line with more production and export
- Over 30 NB MGC in orderbook by 2023 (30% of total MGC fleet) with 10 to be delivered in 2022, mainly dual-fuelled LPG. Main export country remains USA
- Ukraine war causing shift in ammonia trade with longer ton mile
- Long-term upside in green and blue ammonia as well as ammonia as a fuel

## Pressurised TC rates (1000 \$/month)



### Pressurized shifted to TC market post COVID-19

- Aging fleet and limited orderbook in the segment of 3500-5000 cbm ships



# EXMAR assets and services

Integrated provider of gas transportation and transformation solutions



## SUPPORTING SERVICES

- EXMAR Shipmanagement
- BEXCO
- EXMAR Offshore
- DV Offshore
- MARPOS
- I.M.A.
- Travel PLUS
- EXMAR Yachting



# EXMAR 2021 financial highlights

Transitional year

|                         |   |
|-------------------------|---|
| <b>REVENUE / PROFIT</b> | Decrease in 2021 as a result of one-time settlement fee YPF recognized in 2020 (USD 149 million) and unemployment of the TANGO FLNG, partially offset by early termination fee USD 56.8 million FSRU S188 charter agreement |
| <b>CASH POSITION</b>    | Improved thanks to the early termination payments YPF and Gunvor, as well as the new charter income for the 2 VLGC's  |
| <b>NET DEBT</b>         | Net increase of USD 4 million after USD 144 million new financing VLGC's  |
| <b>DIVIDEND</b>         | Proposal to pay out EUR 0.08/share dividend   |
| <b>MARKET CAP</b>       | EUR 256 million (USD 289 million) compared to EQUITY VALUE of USD 537 million on December 31, 2021  |

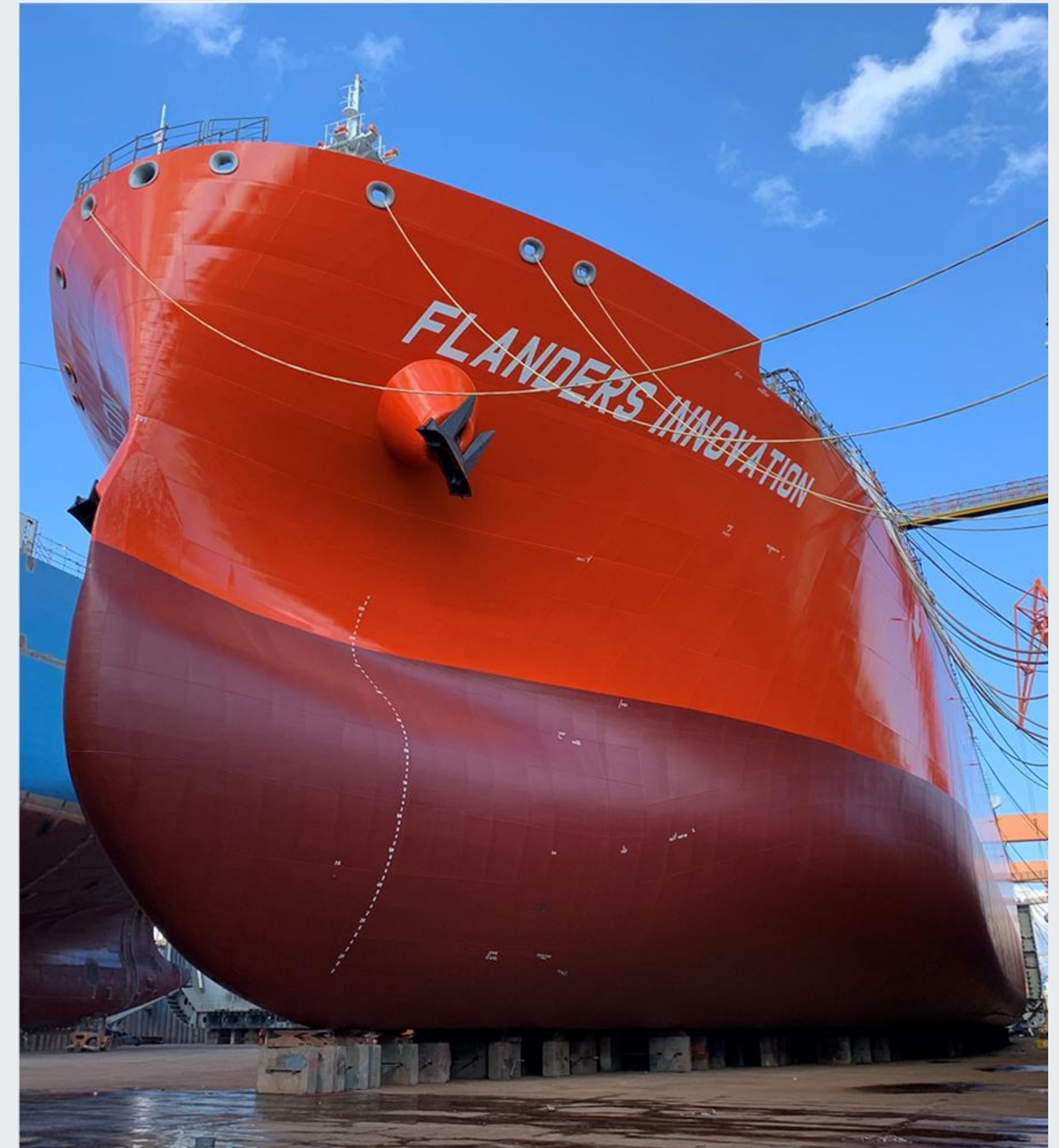




# EXMAR financial highlights

Transitional year 2021

| Key financials - proportionate consolidation |                   |                   |                        |
|--|-------------------|-------------------|------------------------|
| GROUP<br>(in million USD)                    | 2020<br>(audited) | 2021<br>(audited) | Q1-2022<br>(unaudited) |
| Revenue                                      | 384.2             | 247.0             | 45.7                   |
| EBITDA                                       | 239.9             | 113.6             | 14.7                   |
| Adjusted EBITDA                              | 77.7              | 56.2              | 13.5                   |
| Operating result (EBIT)                      | 137.6             | 37.0              | 0.7                    |
| Net income                                   | 92.0              | 11.6              | -7.7                   |
| EPS (USD/share)                              | 1.61              | 0.20              | -0.14                  |
| Vessels                                      | 896.2             | 964.5             | 954.5                  |
| Cash   | 131.1             | 185.0             | 179.7                  |
| Financial debt                               | 618.9             | 676.9             | 640.6                  |
| Net financial debt                           | 487.9             | 492.0             | 460.9                  |
| Equity                                       | 545.9             | 536.5             | 529.5                  |
| Total assets                                 | 1,229.3           | 1,278.1           | 1,234.7                |



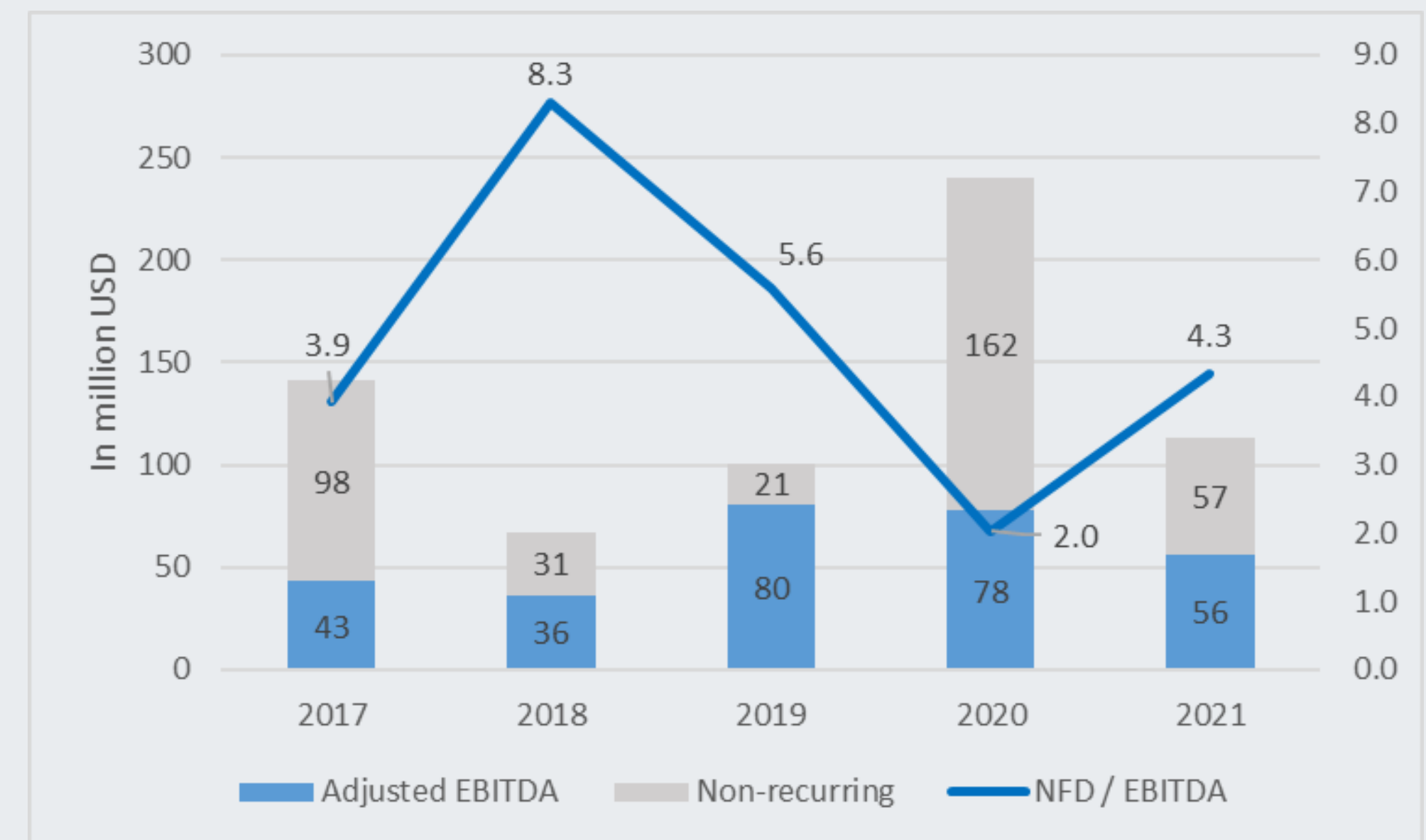


# Financial highlights

## Liquidity position & financing

- New 3-year credit facility of USD 50 million
- Extension existing EUR 18 million credit facility and increase up to EUR 30 million upon employment of one of the barges
- Repurchase NOK 137 million of the NOK bond maturing in May 2022
- Net debt increase by USD 4 million in 2021 after USD 144 million new financing VLGC's
- Decrease net debt in Q1-2022 by USD 31 million

| (in million USD)      | 2017  | 2018  | 2019  | 2020  | 2021  |
|-----------------------|-------|-------|-------|-------|-------|
| Financial debt        | 699.3 | 704.0 | 709.8 | 618.9 | 676.9 |
| Cash                  | 145.8 | 145.3 | 146.2 | 131.1 | 185.0 |
| Net financial debt    | 553.4 | 558.7 | 563.6 | 487.9 | 492.0 |
| NFD / EBITDA          | 3.9   | 8.3   | 5.6   | 2.0   | 4.3   |
| NFD / Adjusted EBITDA | 12.8  | 15.4  | 7.0   | 6.3   | 8.8   |





# EXMAR stock (Euronext: EXM)

Past year – positive outlook recognized by the market



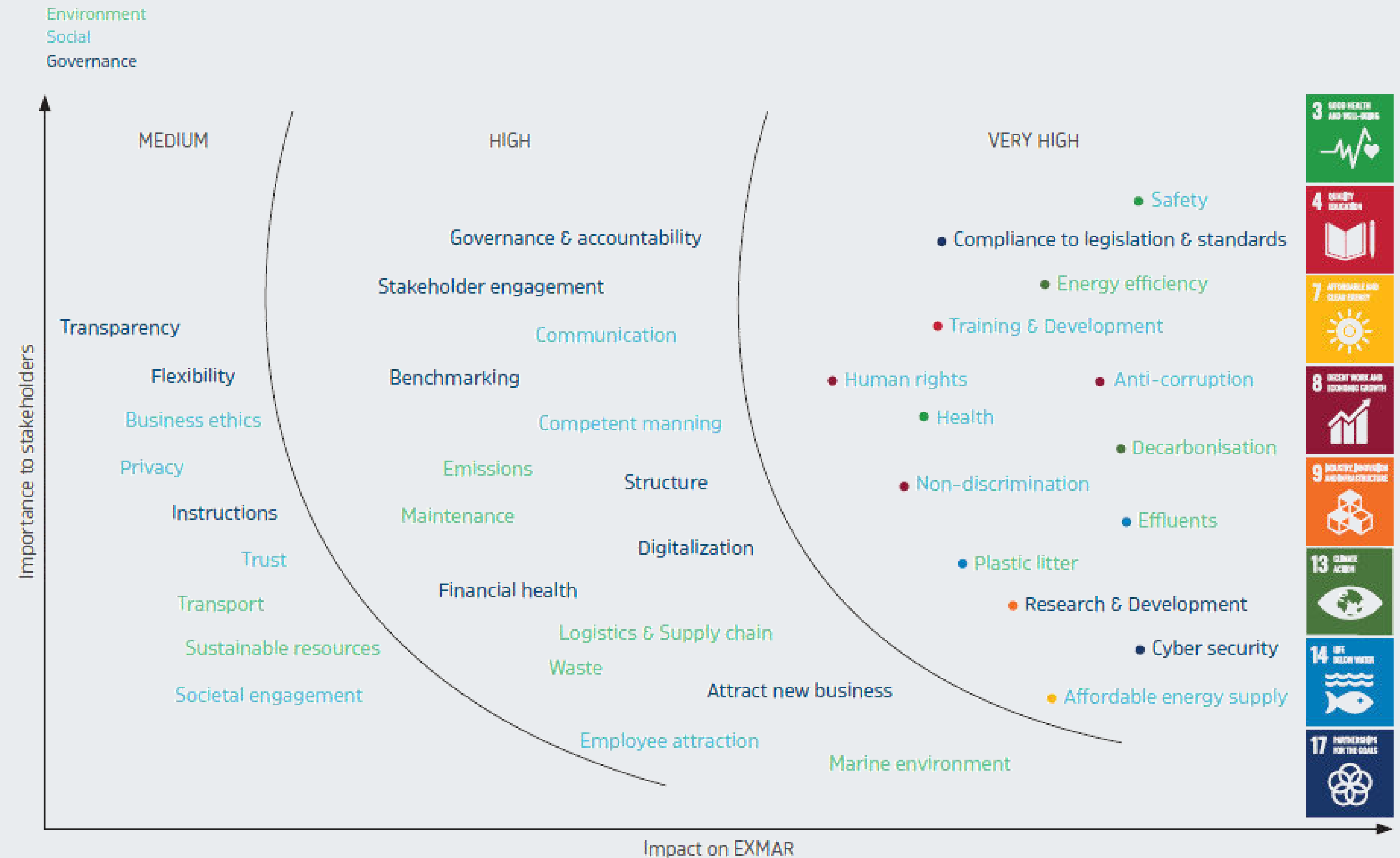


# Environmental Social Governance

Care for today, respect for tomorrow

## Main changes compared to 2020

- Updated ESG business principles
- Set up of an ESG taskforce
  - Multidisciplinary and supported by Board of Directors
- EXMAR Materiality analyses based on stakeholder analysis
- Exmar Risk Assessment
  - Due Diligence
  - Short / Mid and Long term ambitions identified





# EXMAR ESG Projects

## Decarbonisation

- As a minimum comply with IMO targets to (versus reference year 2008):
  - ✓ Reduce average CO2 emissions per transport work by 40% by 2030
  - ✓ Reduce average CO2 emissions per transport work by 70% by 2050
  - ✓ Reduce total annual GHG emissions of the company by at least 50% by 2050
- Aim to surpass the IMO targets towards reaching future regulations for shipping under EU Green Deal

## Energy Transition

- Invest in research on CO2 transport for subsequent storage (CCS) or reuse (CCU)
- Invest in research and develop solutions for large scale renewable energy transport under the form of hydrogen, e-ammonia, e-methanol, e-LNG or LOHCs
- Invest in future-proof sustainably fuelled vessels

## Digitalisation

- Increased digitalization and performance monitoring
- Streamline digital platform integration throughout the company

## Sustainability

- Monitor and implement innovations in the shipping industry (potable water fountains, cleaning products, waste reduction)
- Contribute to affordable energy supply in the world by taking part in market competition
- Evaluate business opportunities in developing nations to aid energy transition and local development
- Increase cooperation with local industries and through world supply chain to drive transition to circular economy

## Health, Wellbeing & Safety

- Develop pandemic response plan based on experience of COVID-19
- Further enhance strong safety mind-set under Taking the Safety Lead
- Minimize accidents and incidents as much as reasonably practicable





# Thank you for your attention

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