



# GENERAL ASSEMBLY EXMAR

18th of May 2021





# Speakers

**Nicolas Saverys**

Executive Chairman

**Francis Mottrie**

Chief Executive Officer

**Patrick De Brabandere**

Chief Financial Officer



# Agenda

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



# EXMAR highlights

Ideally positioned to benefit from ESG developments

## HIGHLIGHTS

- Settlement agreement reached with YPF on Tango FLNG October 2020
- Termination fee received equal to two years hire as a result of early termination of FSRU S188
- LPG vessels continued to be covered by firm employment and mixed clientele

## HEALTHY MARKET FUNDAMENTALS

- Growing LNG markets - positive long-term outlook
- Robust 2021 LPG fundamentals but growing MGC orderbook

## INDUSTRY LEADER & SOLID CUSTOMER BASE

- First owner to deliver two LPG dual fuelled VLGCs “FLANDERS INNOVATION” and “FLANDERS PIONEER” June/Aug 2021 with 5-year charters for Equinor
- Pioneered floating regas, world’s first FLNG barge and LPG as fuel

## IMPROVED CASH-FLOW

- EBITDA increased thanks to settlement agreement, net debt reduced & limited CAPEX commitments
- Continued efforts to further de-risk company operations

## ENVIRONMENTAL, SOCIAL & GOVERNANCE

- Leveraging unique LNG expertise as member of the Hydrogen import coalition
- Largest Ammonia seaborne transporter and well placed as pioneer in the industry
- Involved via engineering subsidiary DVO is coming out of floating wind projects and services

## 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
- Operator of 53 floating assets
- 247 shore-based staff
- 18 offices / branches, 51 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 acco barges**

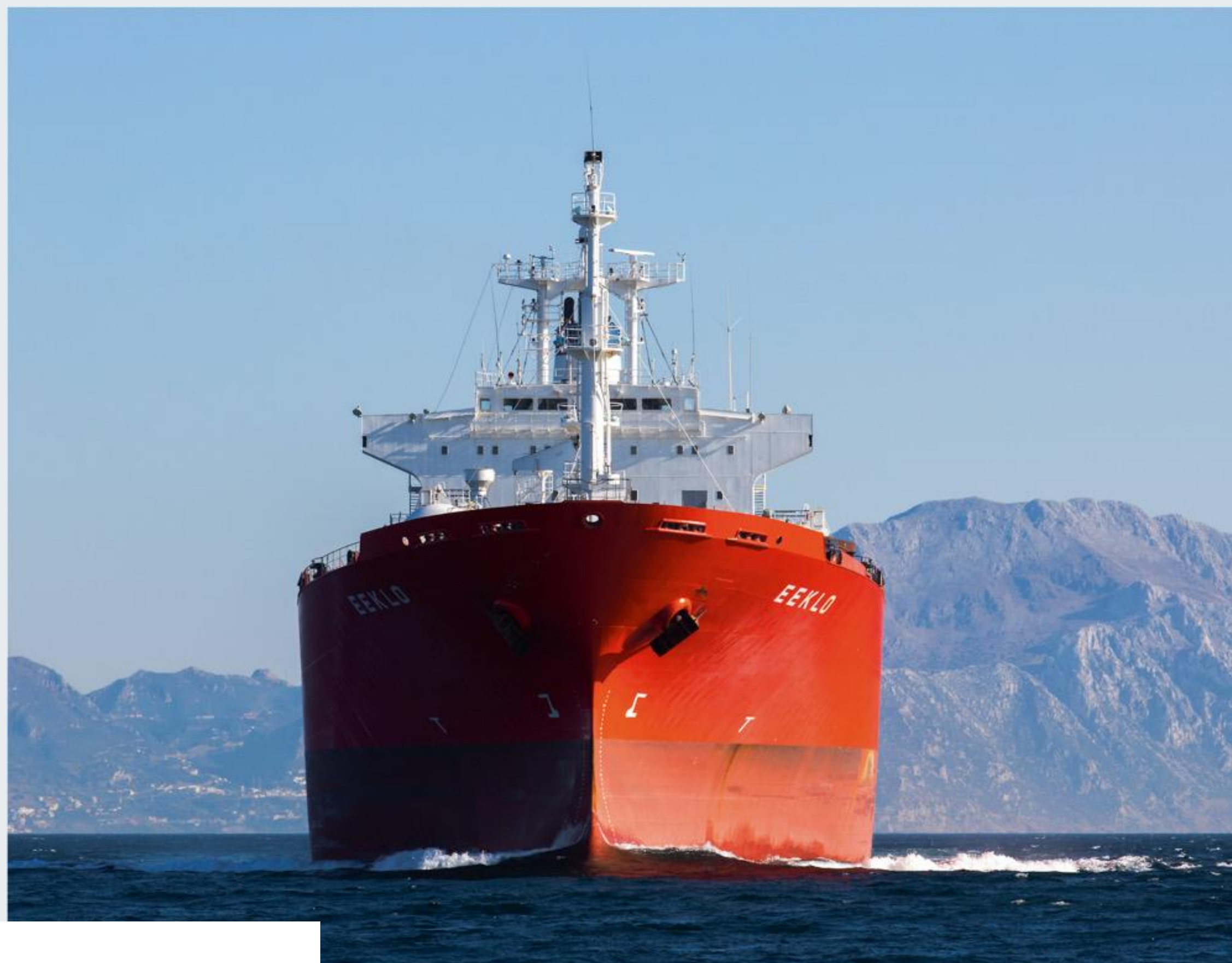
### Achievements

- Pioneer in FSRU (2005) and STS Transfer (2006)
- Developed OPTI and FAST technology
- Pioneer in FLNG (2016)
- Engineering activities in Antwerp, Paris & Houston
- 60 engineers knowledge in gas / floating solutions



# EXMAR assets and services

Integrated provider of gas transportation and transformation solutions



## SHIPPING

### Assets



- 10** Fully pressurized LPG carriers
- 21** Midsize LPG carriers
- 3** Very Large Gas carriers
- 1** Semi-refrigerated LPG carrier
- 1** LNG carrier

### Achievements

- Strong position in Midsize LPGC with abt 20% market share
- Modern & innovative midsize LPGC fleet (6th generation)
- Ships from 3,500 up to 88,000 m<sup>3</sup>
- World's first LPG-fuelled VLGCs under construction
- Pivotal position in Ammonia seaborne transport



# 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



# Infrastructure highlights

A fresh start

## Highlights

- Settlement agreement reached with YPF on Tango FLNG (USD 150 million) in October 2020
- **Termination** of charter party for **FSRU** barge by Customer Gunvor April 2021. Termination fee of two years hire received
- Fully proven operations above expectations for Tango FLNG

## Healthy market fundamentals

- **Growing LNG markets** - positive long-term outlook
- High oil & gas prices expected going forward

## Employment Outlook

- Healthy interest and several discussions ongoing with **customers** for **re-employment** for **FLNG**
- Re-marketing for **FSRU immediately** by offering the unit as fast track solution
- Exploring opportunities to leverage LNG Excalibur for Infrastructure projects



## Key Financials

USDm	2019	2020	Q1/2021
Turnover	71.8	213.3	13.9
EBITDA	20.6	161.0	3.1
REBITDA *	19.1	11.8	3.1
EBIT	2.0	135.8	-1.5
Vessels <sup>1</sup>	466.1	443.1	438,7
Financial debts	248.1	224.9	216,7

<sup>1</sup> Proportionate Consolidation (in USDm)

\* Recurring EBITDA



# Infrastructure LNG barges

Strong value proposition by offering immediately available solutions



## Tango FLNG

- Successful performance in Argentina for +1 year.
- Proven operations widely recognised in the industry.
- YPF in Q4 2020 opted for earlier termination paying 3 years hire due to change in Argentinian market dynamics.
- Marketing for new employment in full swing and promising outlook.



## S188 FSRU

- FSRU has been under contract with Gunvor for the past 2.5 years.
- Following positive interim award in April, charterer decided to terminate contract paying 2 years hire in April 2021.
- Debt free and the marketing for re-employment started immediately.

## MARKET OUTLOOK

- LNG and Natural Gas are considered the transition fuel of the future thanks to the lower emissions, resulting in higher demand and also leads to replacement of other fuels.
- Healthy LNG prices and as proven and flexible solution, Tango FLNG is the right size for mid to large LNG players in the industry.
- Commercial control of both assets give an opportunity to create a virtual pipeline and create value for customers.

***All indicators point towards a strong and sustainable LNG market, which forms a solid base for future Tango FLNG and FSRU S188 employment.***



# Infrastructure acco barges & engineering

Committed acco barges and healthy engineering orderbook

## OFFSHORE



### Nunce

- NUNCE (350 persons) is 50/50 owned with Angolan partner
- On time charter to Sonangol in Angola until mid-2022
- Debt free and well-positioned in challenging market.



### Wariboko

- WARIBOKO (300 persons) is 40/60 owned by EXMAR / Nigerian partner
- Employed by Total for 6 up to 9 months since Feb 2021 and discussing 18 month extension.
- Debt free and well-positioned in challenging market.

## ENGINEERING



### EOC / DVO

- 2020 resulted in a good engineering orderbook despite challenging market.
- First half 2021 is also positive for engineering utilization in Paris, Houston and Antwerp.
- Various new asset opportunities under development.

## MARKET OUTLOOK

- Healthy engineering orderbook across the different engineering offices
- The professional operational experience of Exmar makes us the preferred partner for Oil and Gas maintenance projects
- Local knowledge and implementation in West Africa allows for a serious advantages for future projects



# Shipping

Well-positioned to take advantage of especially Midsize opportunities

## Business approach

- Strong JV partner in Teekay LNG Partners on Midsize LPG and solid LPG contract portfolio
- LNG carrier EXCALIBUR on charter to Excelerate until End 2021 – Q1 2022
- 2020 EBITDA increase thanks to healthy LPG freight market conditions. EBIT 2020 impacted by impairment on older vessels
- Lease financing for two NB VLGCs is fully signed

## Key Financials

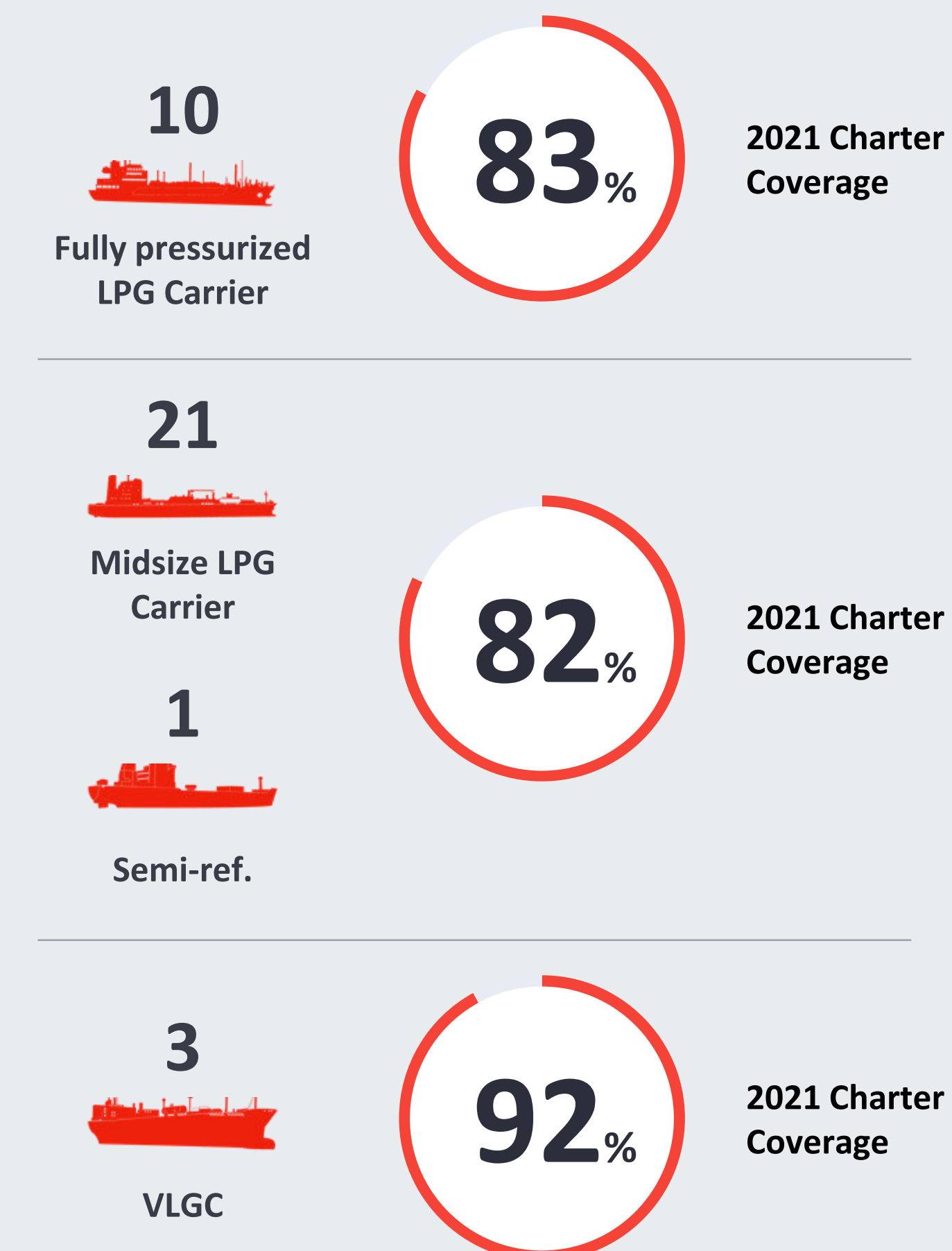
USDm	2019	2020	Q1/2021
Turnover	122.4	134.8	33.6
EBITDA	60.4	68.1	17.8
REBITDA *	60.4	68.1	17.8
EBIT	14.5	-7.8	7.7
Vessels <sup>1</sup>	520.5	475.6	467.5
Financial debts	437.0	389.3	369.7

<sup>1</sup> Proportionate Consolidation (in USDm)

\* Recurring EBITDA



## LPG segment overview

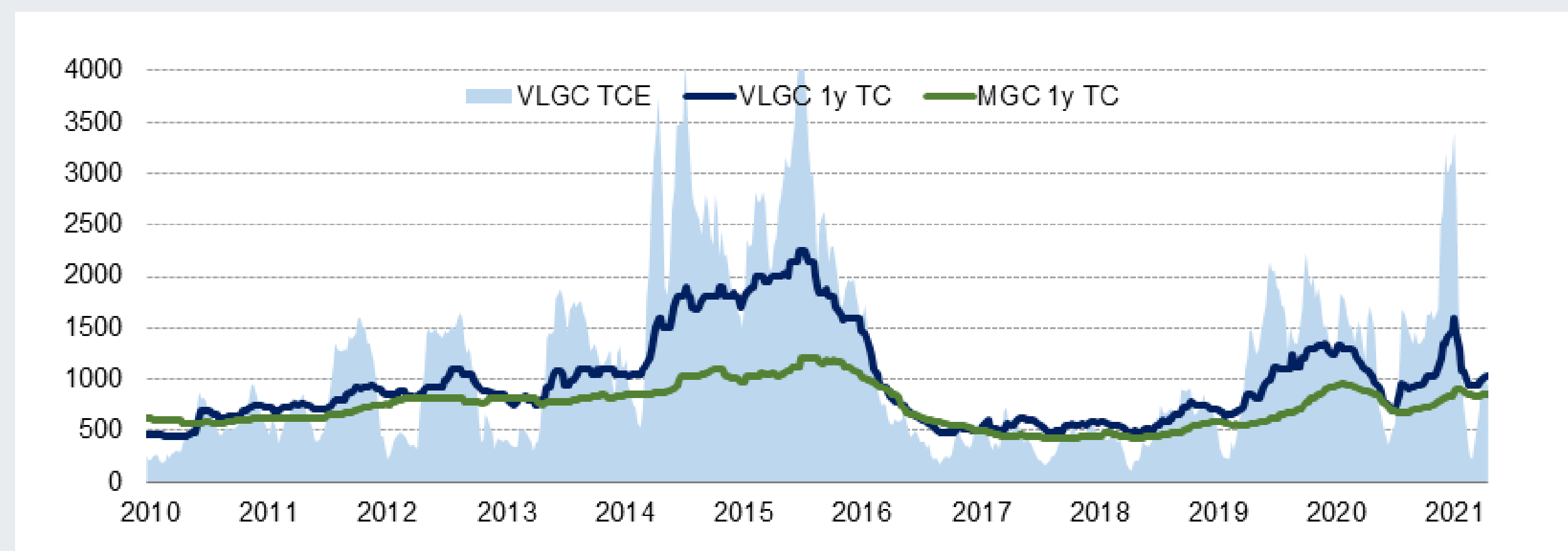




# Shipping

Strong LPG fundamentals but growing orderbook in largest segments

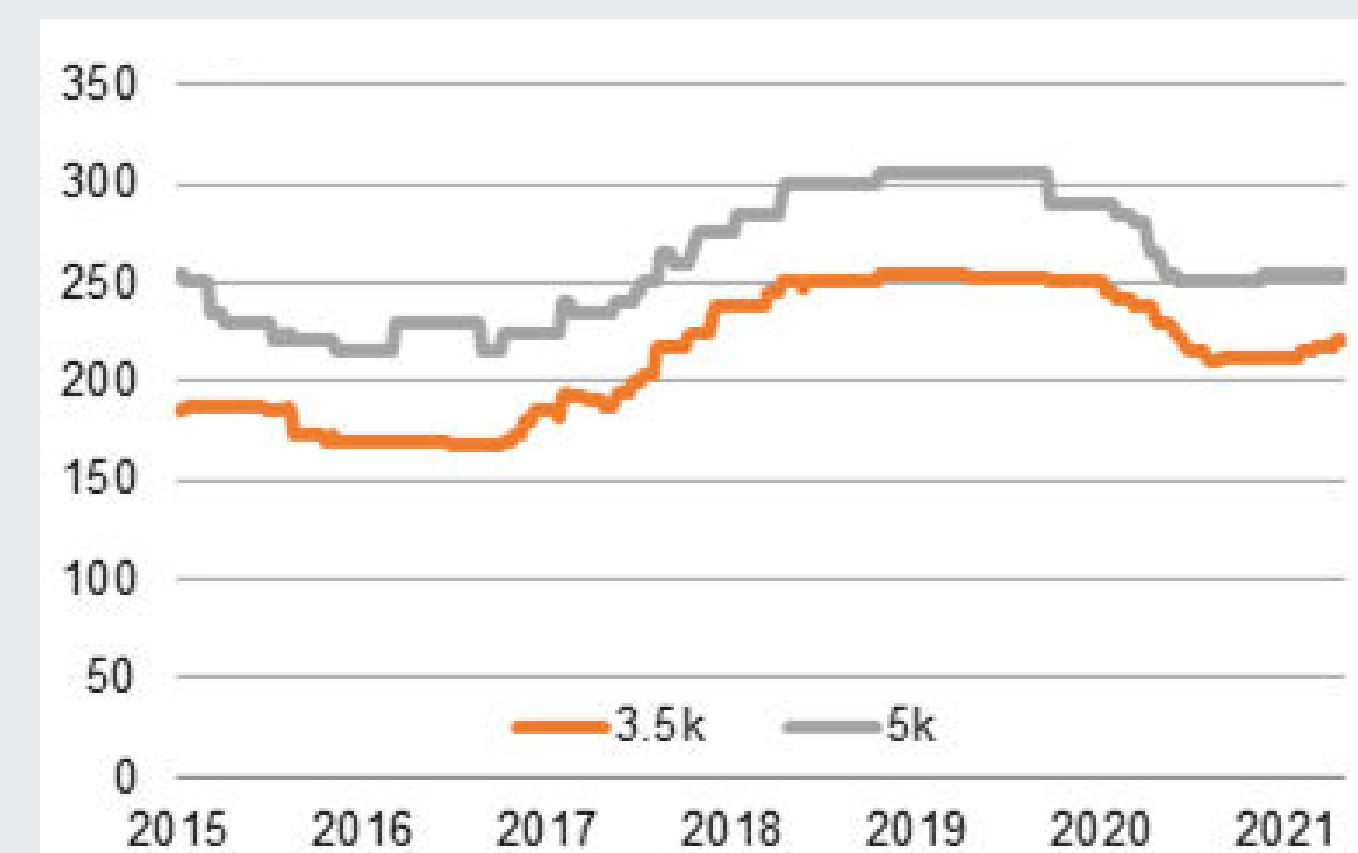
## VLGC and MGC TC rates (1000 \$/month)



**Continued strong performance for Fully Ref shipping markets foreseen in 2021 but growing orderbook will impact on freight market conditions in a couple of years**

- With 19 NB VLGCs (fleet of 306 units, total of 56 orders + 10 ethane/LPG) to deliver in 2021, it is not easy to forecast market outlook, but a crash is unlikely to happen in 2021.
- Relevant MGC fleet of 104 (35k Cbm and bigger) units. 30 ships in orderbook (29% of fleet) with 5 to be delivered in 2021. 4-12% recycling potential considering vessels above 20 years.

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



**Strong recovery expected post-Corona thanks to absence of orderbook and refineries restarting again**

- In the 1-8k cbm fleet segment of 509 seagoing vessels, there are only 13 orders, all of which Pressurized units.



# Supporting services

Versatile services for a wide range of clients



- Specialised high quality ship management & related services to LPG carriers, fruit juice carriers, FLNGs, FSRUs, FSUs and accommodation barges
- Currently 53 vessels under management (excl. 2 NB VLGCs)
- Specific services offered by BEXCO, Travel Plus and EXMAR Yachting
- 2020 EBITDA positively influenced by termination fee of management contracts of Excelerate Energy FSRU vessels
- Focus on increasing third-party vessels services

## Key Financials

USDm	2019	2020	Q1/2021
Turnover	42.3	46.8	8.8
EBITDA	19.9	10.8	-0.9
REBITDA	0.9	-2.2	-0.9
EBIT	18.0	9.7	-1.1
Vessels	0	0	0
Financial debts	24.7	4.7	4.7



# EXMAR financial highlights

Improved balance sheet

<b>PROFIT</b>	USD 92 Million Net profit following YPF termination fee fully booked in Q4/2020 and after impairments on older vessels
<b>LIQUIDITY POSITION</b>	Improved thanks to strong LPG markets and compensations for early terminations
<b>NET DEBT REDUCTION</b>	Reduced by USD 75.6 Million throughout 2020 with currently limited future CAPEX commitments
<b>EXMAR LPG REFINANCE</b>	Generated additional USD 50 Million cash at level of EXMAR LPG (JV with Teekay)
<b>DIVIDEND</b>	Proposal to pay out USD 0.30/share dividend
<b>MARKET CAP</b>	EUR 215 million (USD 260 million) compared to EQUITY VALUE of USD 546 million

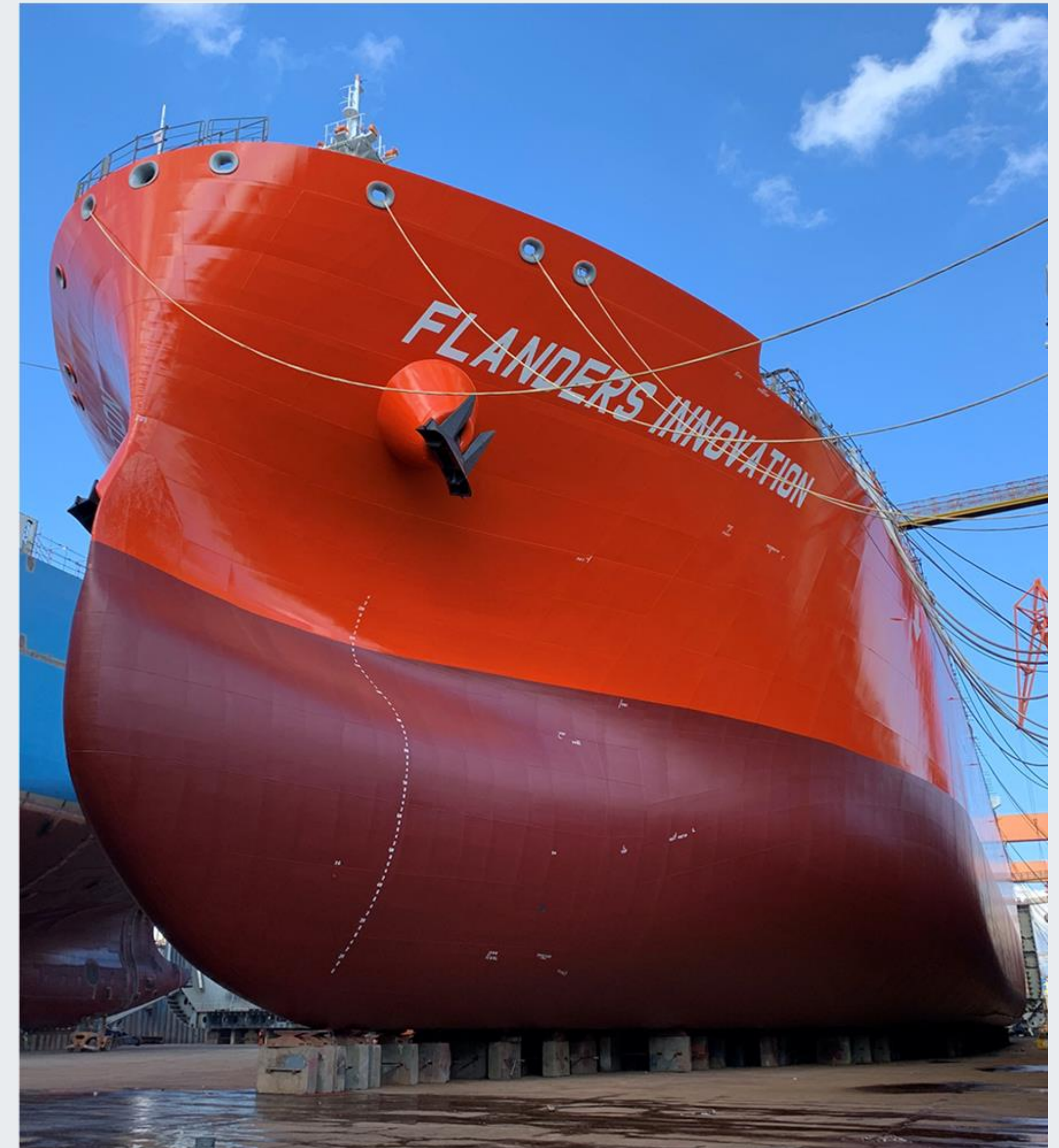




# EXMAR financial highlights

Improved balance sheet

(In USD millions)	2019	2020	Q1/2021
<b>Profit &amp; Loss</b>			
Operating Income	224.4	384.2	56.3
EBITDA	100.91	239.92	20.1
EBIT	34.4	137.6	5.1
Net income	-13.2	92.0	-2.2
EPS (USD/share)	-0.21	1.41	-0.04
Cash	146.2	131.0	135.9
Gross interest bearing debt	709.9	619.0	591.0
Net debt	563.7	488.0	455.1
Total assets	1229.6	1229.3	1192.8
Equity	448.9	545.9	543.7
Weighted average number of shares during the period	57,226,737	57,226,737	57,226,737



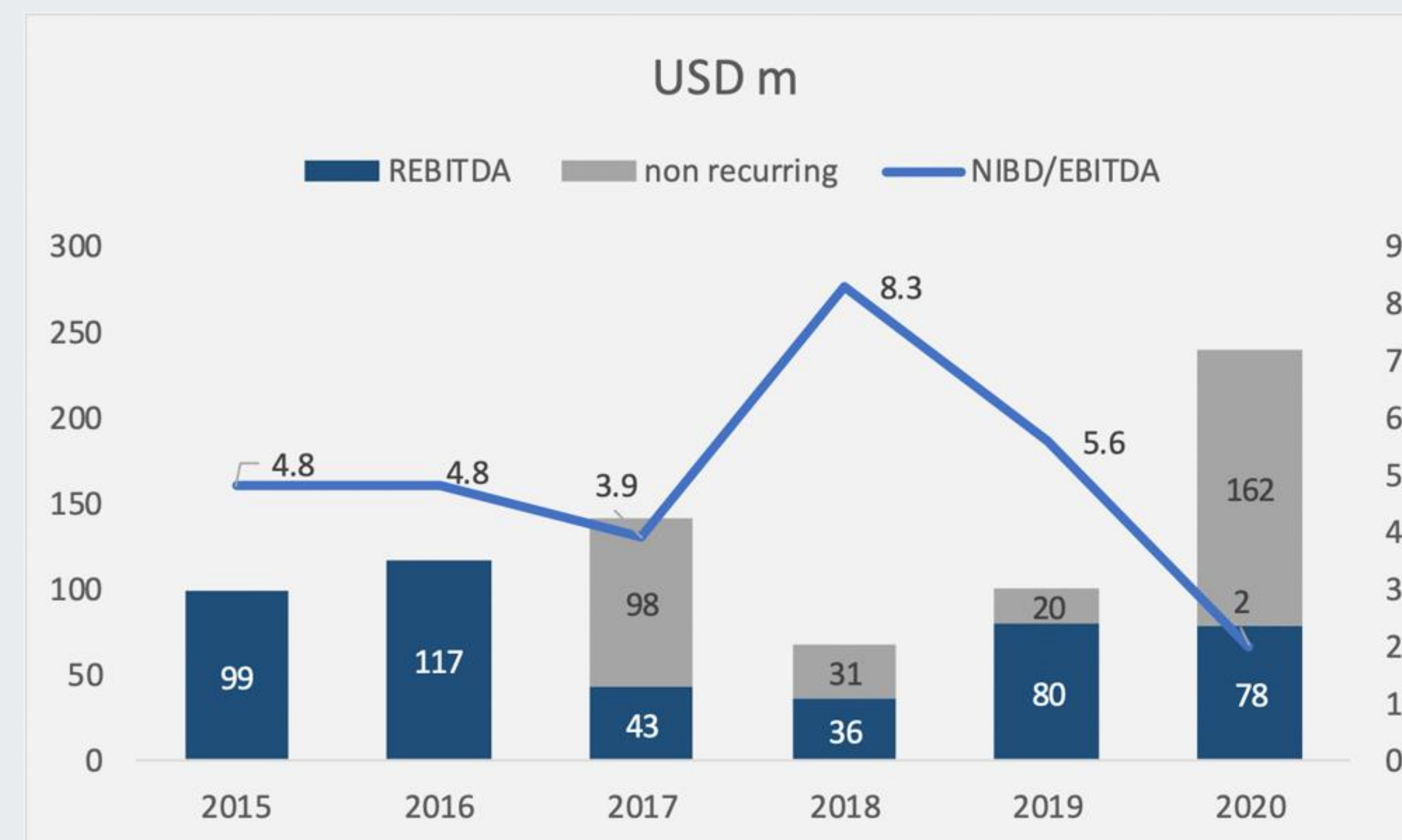


# Financial highlights 2020 and Q1/2021

## Liquidity position & financing

- Refinancing of the LPG fleet (USD 310 million) fully completed in Q4/2020, generating USD 50 million cash.
- The Unsecured Bond (EXMAR02) matures in May 2022 (NOK 650 million). Repurchase of NOK 10.5 million Bonds in Q1/2021.
- Net debt reduced by USD 75.6 million and will continue to decline in the coming years.

	2016	2017	2018	2019	2020	Est 2021
Debt	780.1	699.2	704.1	709.8	619.0	675.9
Cash	221	145.9	145.4	146.2	131.0	202.0
NIBD	559.1	553.3	558.7	563.6	488.0	475.0
NIBD / EBITDA	4.8	3.9	8.3	5.6	2.0	3.8
NIBD / REBITDA	4.8	4.8	12.9	15.5	6.3	6.8



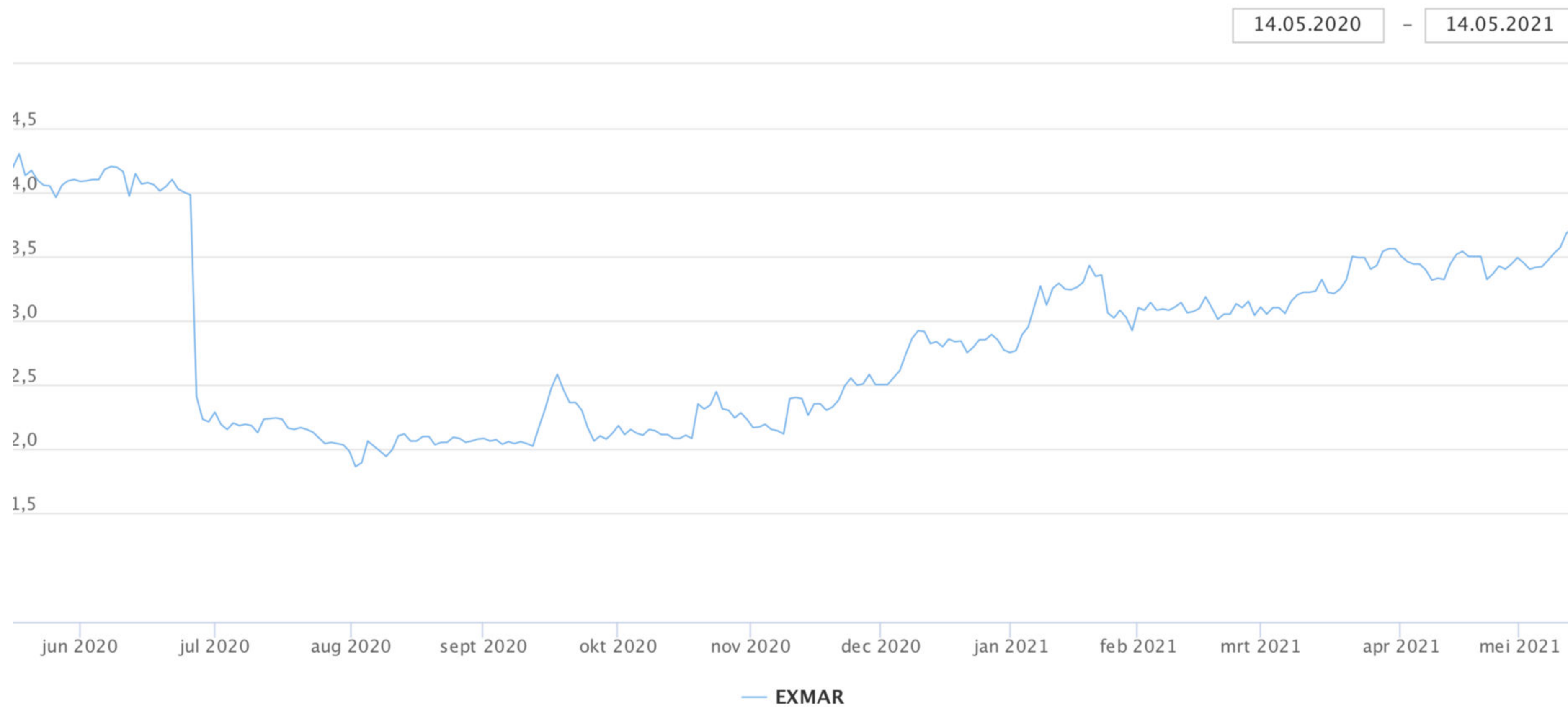


# EXMAR stock performance

Past year



Stock performance





# Corporate & strategic focus

Care for today, respect for tomorrow

## EXMAR

- EXMAR has since long been investing responsibly & reporting on sustainability
- Designated ESG chapter in EXMAR 2020 Annual Report applying UN SDGs, SASB standards and own metrics

## Environment

- Reducing GHG emissions by optimizing vessel deployment and using modern vessels
- Supporting decarbonization by applying good practice principles (BWT, water/garbage management, containing oil spills, etc)

## Social

- Welfare programs and active shipmanagement have led to strong health & safety performance. Focus on quality of education.
- Consistently employing approximately equal share of women and man onshore

## Governance

- Thorough compliance and HSEQ policies considering risk & regulatory environment
- Active board and responsible remuneration policies throughout the organisation





# Corporate & strategic focus

Care for today, respect for tomorrow

## LNG

LNG is considered the transition solution to combat global climate change

## LPG

LPG is the best fuel to replace traditional fuels in households in remote locations. Damaging household GHG are still one of the most important causes of death worldwide

## Transformation

Transformation of the LNG value chain through FLNG/FSRU solutions

## Innovation

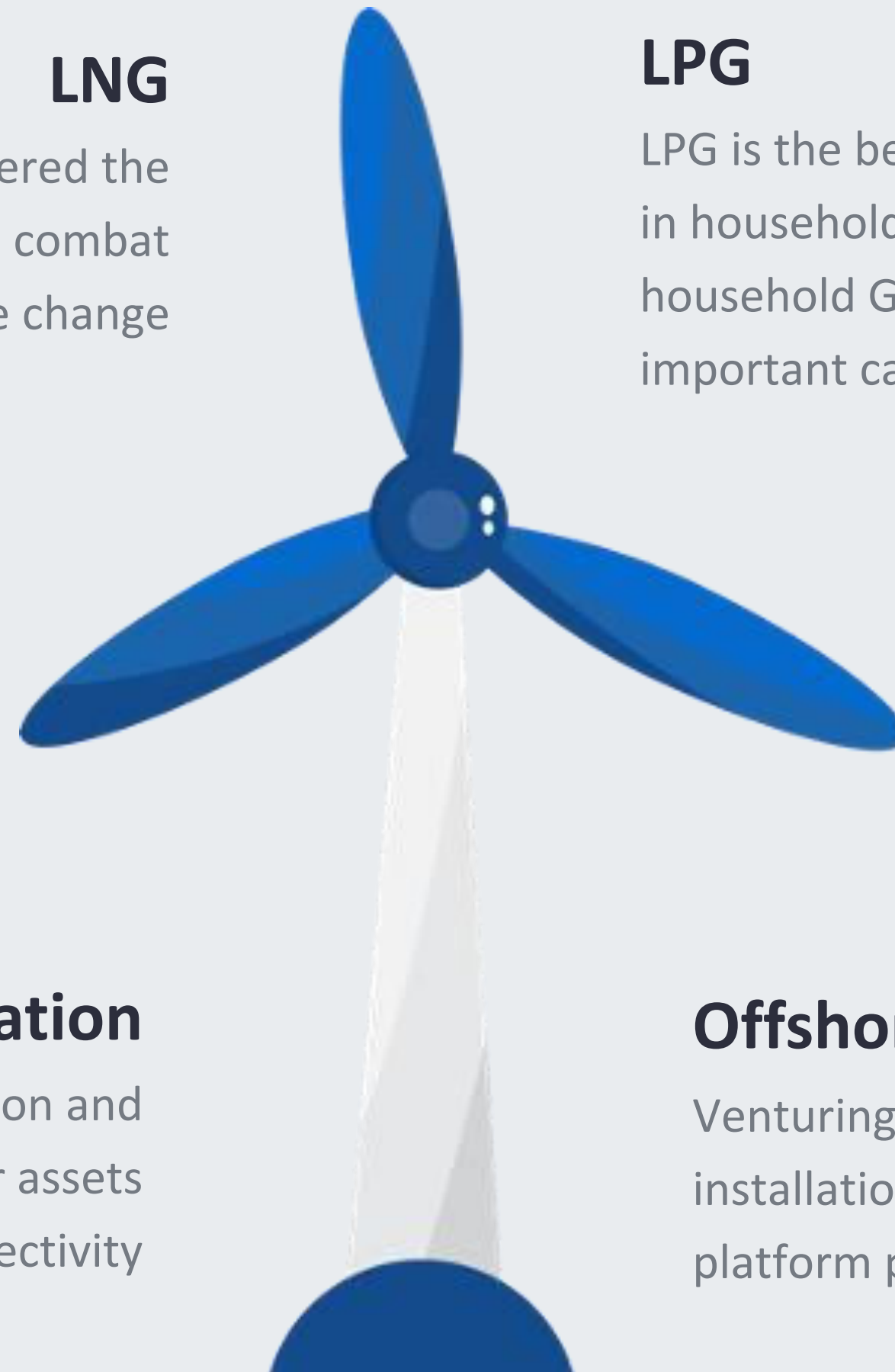
Innovation is in EXMAR's DNA: offering new ship designs and fuel application, focus on hydrogen, ammonia and CO2

## Digitalisation

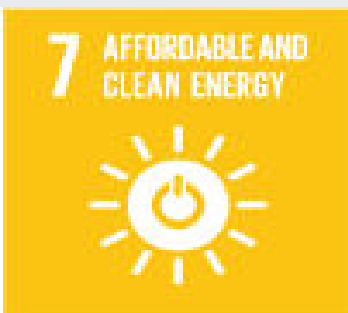
Accelerated digitalisation and increased bandwidth for our assets have improved connectivity

## Offshore

Venturing into offshore wind installation and floating wind platform projects



- 01.** Exmar is **operating in growing LPG and LNG markets** supported by increasing decarbonization efforts worldwide: gas is recognized as the intermediate fuel going to 2050.
- 02.** **Strong EBITDA growth in 2020 and 2021** thanks to prosperous shipping markets and settlement agreements; liquidity and debt position have improved while CAPEX commitments are limited.
- 03.** **Marketing in full swing** for readily available LNG Infrastructure assets, following termination of contracts.
- 04.** **Exmar is ideally placed with a first-mover advantage** in gas shipping and floating gas to offer innovative solutions that stretch out to new 'green' markets like hydrogen, ammonia fuels and CO2 shipping.







# Thank you for your attention

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