



Exmar Pareto Oil and Gas Conference 2018

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY



ROUGH SEAS MAKE GOOD SAILORS

LPG

- LPG fleet performing despite challenging market conditions thanks to solid contract portfolio with 1st class customers and smooth operations.
- Long-term charter agreement secured for two LPG fuelled 80,200 m³ newbuild gas carriers with Equinor to be delivered in August and September 2020.

LNG & LNG INFRASTRUCTURE

- LNG/C **EXCALIBUR** (138,000 m³ - 2002 built) remains under charter until early 2022 at rewarding rates.
- **CFLNG** ready at the yard is being prospected for several export opportunities; commercial discussions have intensified with various parties
- **FSRU barge** has been contracted to GUNVOR in Bangladesh. Long-term contract will start generating cash flows as from October 2018
- Sale of 50% in FSRU's **EXCELERATE**, **EXPLORER**, **EXPRESS** in November 2017 and **EXCELSIOR** in January 2018 to its original charterer Excelerate Energy

OFFSHORE

- The accommodation barge **NUNCE** (350 persons – 2010 built) remains on a long-term charter until 2022. The Time-Charter on the **WARIBOKO** (300 persons – 2009 built) has been extended until December 2018.

SUPPORTING SERVICES

- Extension of the unsecured NOK 1,000 million bond for two years (7/2019)

Exmar at a glance

Key metrics (proportional consolidation)

- Market capitalization: EUR ~380m
- Revenue (2017): USD 228m
- EBITDA (2017): USD 141.4m (*)
- Total assets (2017): USD 1,244.8m
- Equity ratio (2017): 38.4%
- Net Debt / EBITDA (2017): 3.9x
- Employees (2017): 1,981 (of which 1,691 seafarers)

(*) including USD 98.3 mm capital gains on the sale of Belgibo, Explorer, Express, Excelerate and Kissama

Worldwide Offices



HEADQUARTER



OFFICES



BRANCHES

Fleet list (owned vessels) at May 2018

LNG



LPG



OFFSHORE



VLGC: Very Large Gas Carrier
Semi-ref: Semi-refrigerated LPG carrier

** 2 VLGCs under construction



EXMAR LPG: Innovation and Partnership

Exmar LPG shipping



Business approach

- Niche position in LPG, ammonia and chemical gases transportation
- Focus on midsize carriers (MGC), VLGCs and Pressurized
- Investment in VLGC segment with 2 state-of-the art newbuildings on charter to Statoil
- Long-term relationships with blue-chip customers
- Strong JV partners in Teekay LNG Partners



Key Financials¹⁾

LPG (USDm)	2015	2016	2017
Turnover	124.5	109.4	97.0
EBITDA	51.3	56	31.8
*REBITDA	51.4	41.7	31.7
EBIT	17.8	34.2	4.6
Vessels (incl. Vessels under construction)	309.0	403.4	427.6
Financial debts	210.4	275.4	291.6

Comments:

- Midsize fleet continues to benefit from a solid contract portfolio despite more challenging market conditions
- The Baltic Freight Index went further down in 2018 affecting the contribution of BW Tokyo, the sole VLGC in the fleet – but doubling since June 2018
- Pressurized: Rates are surging

Clients



1) Proportionate Consolidation (in USDm)
*) Recurring EBITDA

Highlights and Outlook

Midsized fleet

- One of the most fuel-efficient midsized fleet in the sector following a modernization program commenced in 2014 and fully delivered in July 2018
- Steady forward employment program being secured
- The fleet cover is 83% for 2018.



VLGC fleet

- Spot market almost doubled since June... but coming from lowest levels since 2015
- Stable rates expected going forward
- Long-term charter agreement secured for two LPG fueled 80,200 m³ newbuild gas carriers with Equinor. The vessels will be fitted with state-of-the-art LPG propulsion



Pressurized fleet

- Rates in the pressurized segment continued their upwards trend.
- EXMAR is well positioned with its ten pressurized vessels to benefit further of these solid rates. 100% of EXMAR's pressurized fleet is covered for 2018.





Creating value through the LNG value Chain

Exmar LNG Shipping & LNG Infrastructure



Business approach

- Customized service with significant added value
- Investments with a long-term time-charter contract on the FSRU barge and **EXCALIBUR** until early 2022
- In-house management and crewing services
- Conventional and niche markets – barge provides flexibility to also cover small scale infrastructure projects



Key Financials¹⁾

LNG (USDm)	2015	2016	2017
Turnover	88.7	91.5	68.0
EBITDA	39.4	59.4	87.6
*REBITDA	53.1	50.4	17.6
EBIT	20.9	41	47.6
Vessels (incl. vessels under construction)	585.4	578.9	494.6
Financial debts	391.4	373.4	267.9

Comments:

- Despite sale of FSRUs to EELP in 2017 / 2018 still the biggest operator of FSRUs in the world
- The long-term contract with Gunvor in Bangladesh will start generating positive cash flows in H2 2018



Clients



¹⁾ Proportionate Consolidation (in USDm)

^{*)} Recurring EBITDA ; EBIT includes an impairment on the EXCEL of USD 22.5mm, as well as 70mm capital gain on the sale of Explorer, Express and Excelerate

Highlights and Outlook 2018



Monetisation of LNG portfolio

- Sale 50% of **EXCEL** in October 2017
- FRSU's **EXCELERATE** (138,000 m³- 2006 built), **EXPLORER** (150,900 m³- 2008 built), **EXPRESS** (150,900 m³ - 2009 built) and **EXCELSIOR** (138,000 m³- 2005 built) operated under long-term charter were acquired by Excelerate Energy end of 2017/early 2018.
- EXMAR Shipmanagement maintains the operation and maintenance of the four FSRUs as well as the conversion supervision for **EXCEL**
- LNG/C **EXCALIBUR** (138,000 m³ - 2002 built) remains under charter until early 2022 at rewarding rates.



Regasification

- **FSRU barge**, delivered in December 2017, has been contracted on long-term employment to GUNVOR in Bangladesh.
- The unit is undergoing site specific modifications in Singapore before the start of its operations in October 2018



CFLNG

- The floating liquefaction barge **CFLNG** is ready at the yard awaiting final deployment with several candidate projects under consideration.



EXMAR Offshore: Unlocking Untapped Values

Business approach

- Provides engineering and design services, asset leasing and operating and management services
- Cost effective approach with standardized design & engineering
- Owned assets: 2 accommodation barges on medium-term contract
- Development of FPSO's, FSO's and semi-submersible platforms (OPTI series)



Key Financials¹⁾

Offshore (USDm)	2015	2016	2017
Turnover	74.5	52.4	33.2
EBITDA	8.6	-0.8	(5.6)
REBITDA*	10.3	-1.7	(7.2)
EBIT	4.4	-3.6	(7.7)
Vessels (incl. Vessels under construction)	31.3	12.5	10.9
Financial debts	7.0	5.0	3.0

Comments:

- The 2 accommodation barges are employed on medium and long term contracts
- Engineering services continue to feel the pressure from the lack of investments in the oil and gas sector, however, recent encouraging signs of recovery have been felt throughout the industry

Clients



1) Proportionate Consolidation (in USDm)
*) Recurring EBITDA

Highlights and Outlook

Accommodation Barges

- The accommodation barge **NUNCE** (350 persons – 2009 built) remains on charter until 2022.
- The Time-Charter on the **WARIBOKO** (300 persons – 2010 built) has been extended until December 2018.
- Outlook for 2019 is positive with new fields entering production



Engineering Services

- **EXMAR OFFSHORE COMPANY** (Houston) is bidding for a FPSO (Floating Storage Production and Offloading) project in Brazil and continues to make progress on several OPTI®-designed semisubmersible prospects.





Support Services: the Power of Innovation

Exmar's Support Services



Key Financials¹⁾

Supporting Services	2015	2016	2017
Turnover	49.2	46.3	46.2
EBITDA	0.1	1.9	27.7
REBITDA*	0.1	1.1	1.0
EBIT	-3	-1.2	25.5
Vessels (incl. Vessels under construction)	0	0	0
Financial debts	119.6	126.3	136.7



EXMAR Shipmanagement

- Specialized in quality ship management & related services to asset owners
- Managing a diversified fleet of VLGC's, midsize, and pressurized LPG carriers, LNG carriers, LNG regasification vessels, FPSO's and FSRU's and offshore accommodation barges
- Solid financial performance

Travel Plus

- Service-oriented travel agency based in Antwerp specialized in both in business and leisure travel and incentives
- The positive trend in growth and profitability continues



1) Proportionate Consolidation (in USDm)
*) Recurring EBITDA

Highlights and Outlook

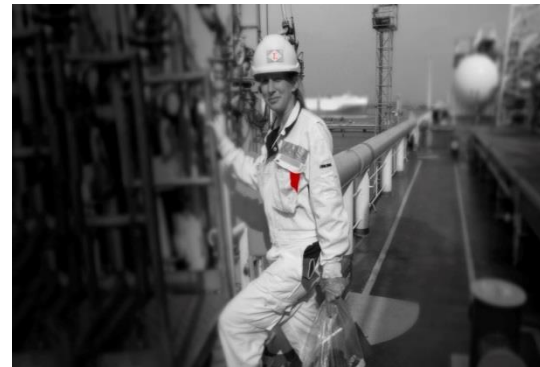
Support Services

- **EXMAR Shipmanagement** has currently 88 vessels under management (compared to 46 in 2016) focusing on niche markets
- **TRAVEL PLUS:** An upturn in bookings from both existing and new clients made for an encouraging 2017 result which saw a year-on-year turnover growth of just over 8.5 percent, with a 70/30 split between business and leisure segments.



Holding

- EXMAR has a NOK 1,000 million senior unsecured bond until July 2019.





Financial Overview

Financial Highlights & Outlook 2018

(In USD millions unless otherwise stated)	2016	2017	H1/2018
Operating Income	305.9	328,6	88.6
EBITDA	116.5	141.4	43.3
Net income	40.4	28.0	3.4
EPS (USD/share)	0.71	0.49	0.06
Cash	221.0	145,9	153.8
Gross interest bearing debt	780.1	700.0	692.8
Net debt	559.1	554,1	539.0
Total assets	1,335.2	1,244.8	1,284.6
Equity	441,9	477.4	450.8
Weighted average number of shares during the period	56,751,292	56,832,558	56,808,152

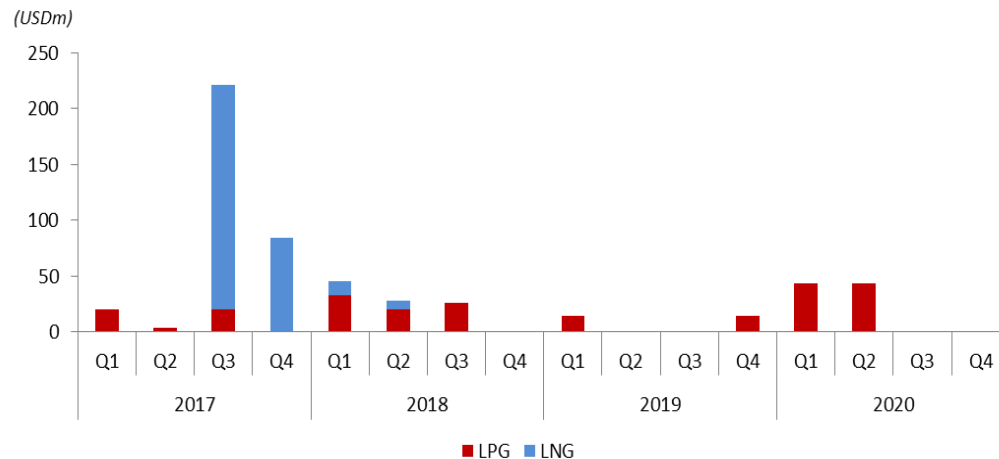
Source: Company (proportionate consolidation)

Comments

- **LPG:**
 - EXMAR continues to secure employment on its MGC fleet but at lower rates than 2017. The fleet cover is 83% for 2018.
 - VLGC market fundamentals are recovering sharply
 - EXMAR is well positioned with its ten pressurized vessels to benefit further from increasing rates. 100% of the fleet is covered for 2018.
- **LNG:**
 - Sale of FSRU vessel **EXCELSIOR** in 1/2018, has generated a capital gain of approximately USD 31mm and cash of USD 39mm
 - Income from **FSRU barge** is expected in October of 2018
- **OFFSHORE:**
 - The 2 accommodation barges remain operated as per their respective Time-Charter.
 - Some positive signals that oil companies start to engage contractors and suppliers to commence early work on new developments
- **SERVICES**
 - Bond outstanding of NOK 1,000mm

Committed Capex

CAPEX schedule



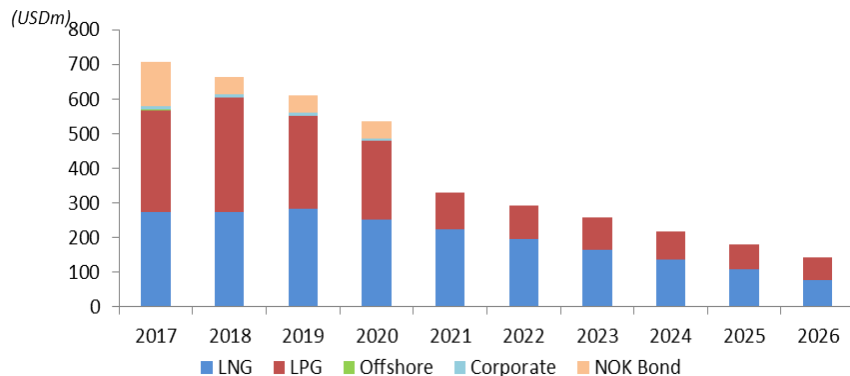
- 2 VLGCs to be delivered in 2020
 - Financing not yet in place but discussions ongoing including (partial) pre-delivery financing.

Debt Overview

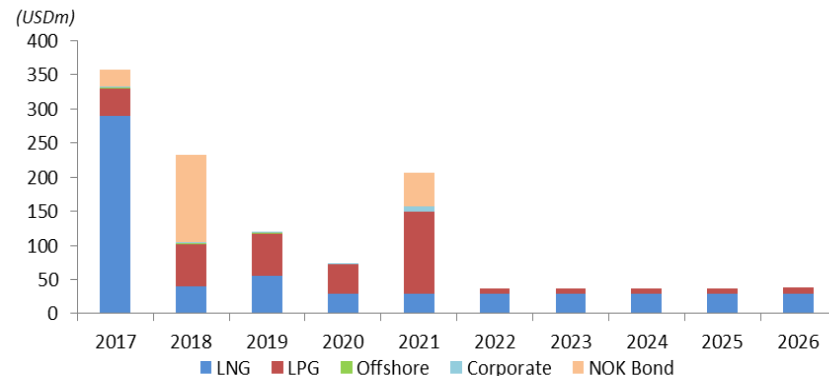
- Strong track record with and backing from core shipping banks and Export Credit Agencies
- The Group's debt facilities amounted to USD ~692m June 2018, including the bond of NOK 1,000m expiring in July 2019
- Balloon due for the Excalibur in November 2019 will be refinanced on the back of her charter



Outstanding debt



Debt maturity profile (including balloon repayments)



Key Lending Considerations

- **MARKET POSITION:** Exmar is a leading independent owner and operator of specialised gas carriers and barge based maritime infrastructure.
- **ASSET BASE:** Exmar owns a diversified fleet of assets, including fully refrigerated and pressurised gas carriers, the floating liquefaction barge as well as the first ever floating storage and regasification barge.
- **STRONG AND STRATEGIC RELATIONSHIPS:** with decades of experience in the shipping and handling of cryogenic gases, Exmar takes the lead in collaborating with industry's largest players to continuously innovate throughout the entire supply chain
- **DEDICATED AND EXPERIENCED MANAGEMENT TEAM:** Exmar is led by a management team that has been able to adapt its strategy to the changing market environment. Exmar has a very stable senior management team that is highly experienced in its line of business.



Thank you for your attention