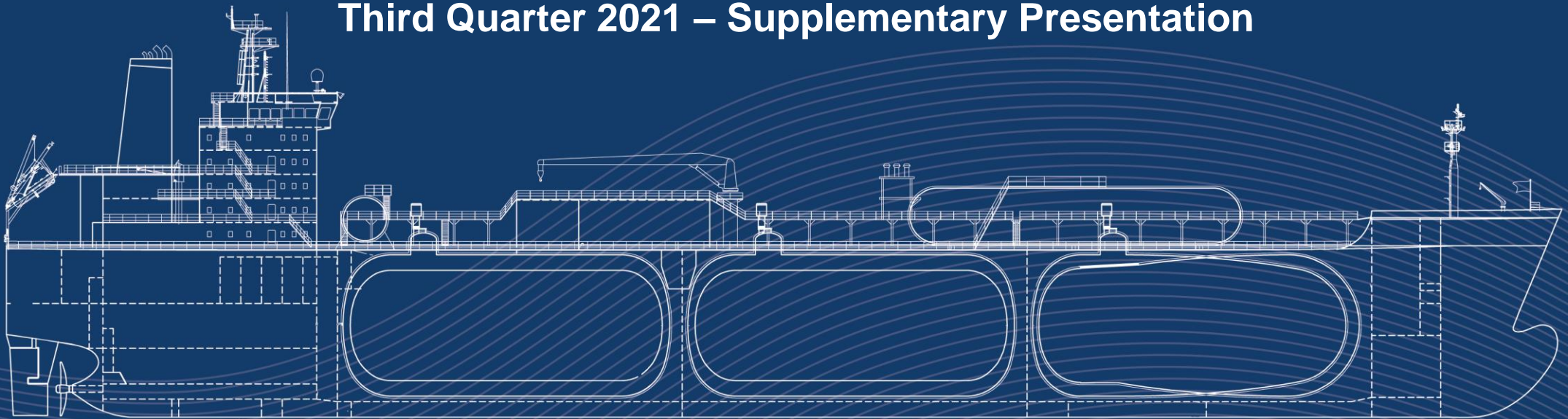


# NAVIGATOR GAS



## Third Quarter 2021 – Supplementary Presentation



“Navigator Holdings Ltd. (NYSE:NVGS)”



This presentation contains certain statements that may be deemed to be “forward-looking statements” within the meaning of applicable federal securities laws. Most forward-looking statements contain words that identify them as forward-looking, such as “may”, “plan”, “seek”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “project”, “opportunity”, “target”, “goal”, “growing” and “continue” or other words that relate to future events, as opposed to past or current events. All statements, other than statements of historical facts, that address activities, events or developments that Navigator Holdings Ltd. (“Navigator” or the “Company”) expects, projects, believes or anticipates will or may occur in the future, including, without limitation, acquisitions of vessels, the outlook for fleet utilization and shipping rates, general industry conditions, future operating results of the Company’s vessels, capital expenditures, expansion and growth opportunities, business strategy, ability to pay dividends and other such matters, are forward-looking statements. Although the Company believes that its expectations stated in this presentation are based on reasonable assumptions, actual results may differ any expectations or goals expressed in, or implied by, the forward-looking statements included in this presentation, possibly to a material degree.

Navigator cannot assure you that the assumptions made in preparing any of the forward-looking statements will prove accurate or that any long-term financial goals will be realized. All forward-looking statements included in this presentation speak only as of the date made, and Navigator undertakes no obligation to update or revise publicly any such forward-looking statements, whether as a result of new information, future events, or otherwise. In particular, Navigator cautions you not to place undue weight on certain forward-looking statements pertaining to potential growth opportunities or long-term financial goals set forth herein.



- Operating revenue of \$102.7 million for the three months ended September 30, 2021, up 26% relative to Q3, 2020 of \$81.4 million.
- Net income was \$6.7 million (earnings per share of \$0.10) for the three months ended September 30, 2021. Highest quarterly net income since Q4, 2016 and best quarterly EPS since 2016.
- Achieved adjusted EBITDA \$40.3 million for Q3, 2021.
- Highest quarterly net income on the Marine Export Terminal of \$3.4 million (NVGS share) since start-up.
- Sale on October 12, 2021 of Happy Bride, a 1999 built 6,400 CBM for \$4.75 million.
- Our cash and undrawn amounts available from our loan facilities was approximately \$143.4 million at September 30, 2021.
- Committed revenue of approx. \$310 million October 2021 to December 2024.

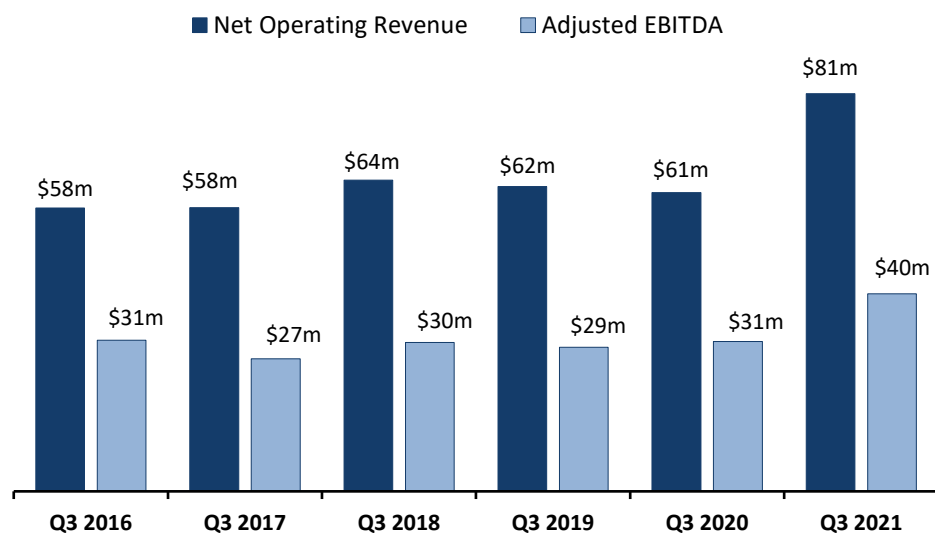
- Completed the cashless deal to combine the businesses and fleet of Ultragas with Navigator's on August 4, 2021. Of the 18 vessels, 11 are managed in the Unigas Pool, and the 7 handysize semi-refrigerated vessels seamlessly joined the Navigator managed fleet.
- Issued approx. 21.2m new shares to Ultrana in consideration.
- Utilisation trending from 84% in Q3, 2021 to approximately 90% to date for Q4, 2021 supported by incremental demand from ammonia as well as ethane & ethylene.
- All five of the contracted handysize semi-refrigerated gas carriers have been delivered to Mitsui for the West Coast Pembina LPG export project.
- Ethylene exported through our Marine Export Terminal was 128,466 tons for Q3, 2021. Q4 expected to increase significantly from Q3, 2021 with a record month for November.
- Four vessels, over 7% of the fleet, drydocked during Q3, 2021.
- Secured multi-year time charters for three midsize ethane carriers, with expiries in 2026.
- Awarded approval-in-principle from DNV-GL for ammonia fueled vessels and from ABS for the design of handysize CO2 gas carriers. Both are major steps on our ambitious journey to reduce emissions with the ultimate goal of net carbon zero.

We believe the short and medium term fundamentals will be positive to our utilisation and earnings. This is underpinned by:

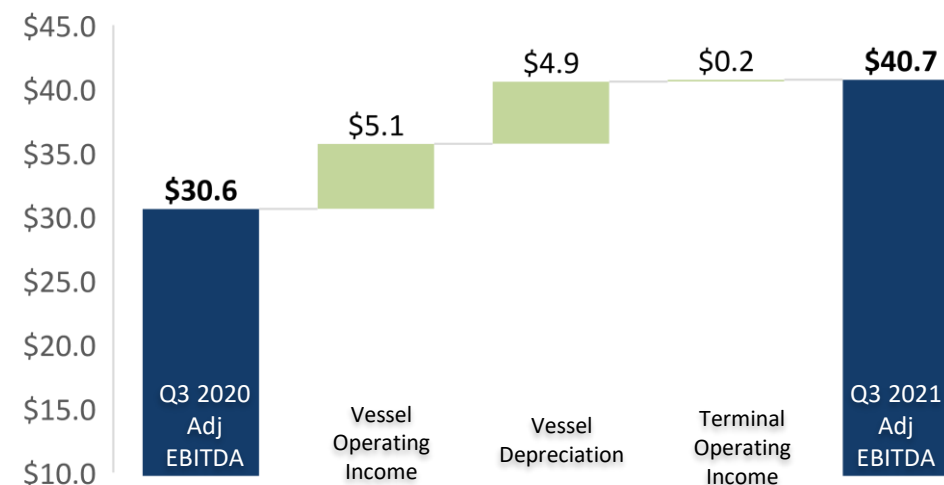
- US Gulf ethylene exports set to record levels during November on the back of normalisation post hurricane season and continued price competitiveness of North American ethane.
- First time all 14 Luna Pool ethane/ethylene capable vessels are concurrently employed in the transportation of C2 product.
- Incremental demand in handysize ammonia trades. We have doubled our fully refrigerated handysize ammonia coverage to four vessels during the quarter.
- Continued inefficiencies and delays transiting the new Panama locks for Very Large Gas Carriers resulting in longer voyages.
- North America posted record LPG and ethane exports during August for 4.7Mmts/0.6Mmts respectively and is set to deliver a record ethylene export volume of 115kmts in November. Navigator is well positioned to capitalise on this trend.
- All our four ethane capable Medium-sized Gas Carriers are contracted on long term charters providing approximately an annual \$40 million EBITDA.

We expect these factors will lead to a significant increase in forward utilisation and freight rates.

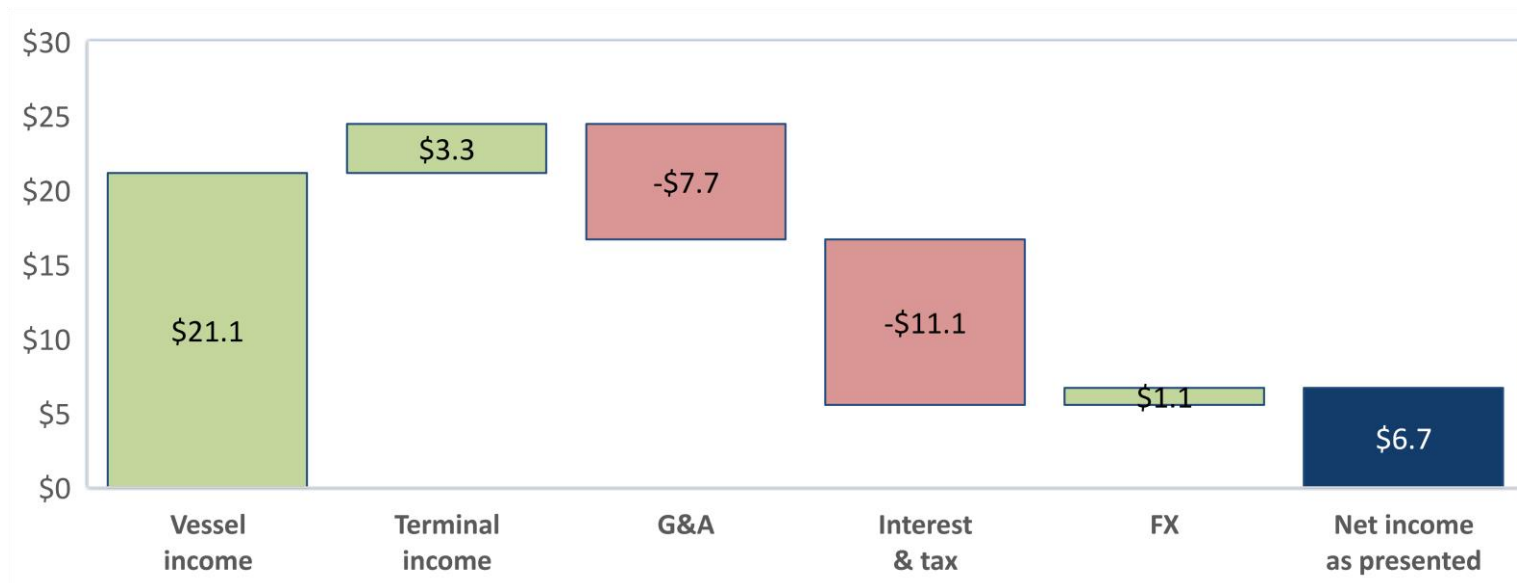
## Q3 Net Revenue & EBITDA \$mm



## Q3, 2021 Movement in Adjusted EBITDA \$mm



## Q3, 2021 Net Income Analysis \$mm



## Navigator Holdings Income Statement \$000's

	Three months ended September 30,	
	2020	2021
<b>Operating Revenue</b>	81,351	102,744
<b>Operating expenses:</b>		
Brokerage commissions	1,220	1,163
Voyage expenses	18,974	21,547
Vessel operating expenses	27,221	34,948
Depreciation and amortization	19,180	24,054
General and administrative costs	6,525	7,749
Other Income	(77)	(98)
Total operating expenses	73,043	89,363
<b>Operating income</b>	8,308	13,381
Foreign currency gain on senior secured bonds	(1,612)	1,372
Unrealized loss on derivative instruments	1,991	(227)
Net interest expense	(9,289)	(10,303)
Loss on repayment of 7.75% senior unsecured bonds	(479)	-
Write off of deferred financing costs	(155)	-
Income/(loss) before income taxes	(1,236)	4,223
Income taxes	(120)	(446)
Share of result of joint venture	3,147	3,302
<b>Net income/(loss)</b>	1,791	7,079
Net income attributable NCI	(446)	(389)
<b>Net income/(loss) attributable to NVGS</b>	1,345	6,690
<b>EPS attributable to NVGS</b>		
Basic & Diluted	<b>\$0.02</b>	<b>\$0.10</b>
<b>EBITDA</b>	<b>29,934</b>	<b>41,493</b>
<b>Adjusted EBITDA</b>	<b>29,555</b>	<b>40,348</b>

Given the increase in the number of vessels operating in our fleet during Q3, 2021, our historical financial statements reflect, and in the future will reflect, significantly different levels of ownership and operating days as well as different levels of voyage expenses, vessel operating expenses, interest expense and other related costs.

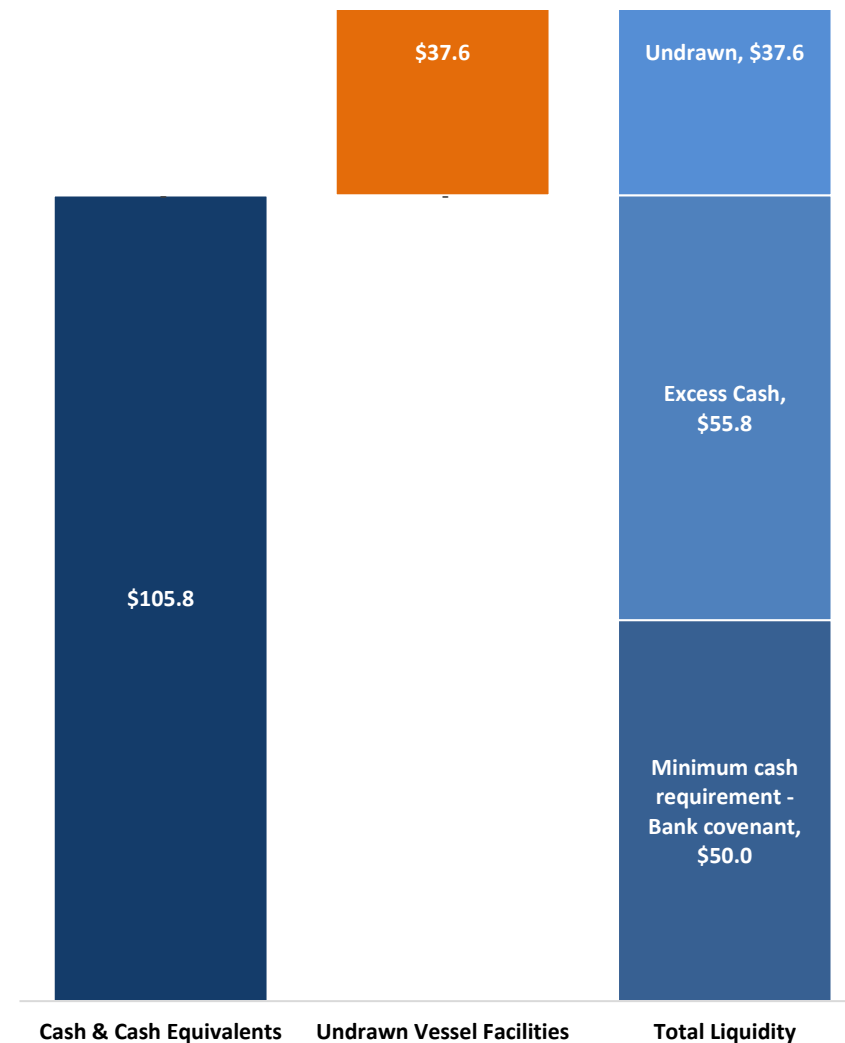
	Q3 2020	Q3 2021
Weighted average number of vessels	38	42.6*
Ownership days	3,496	3,923
Available days	3,384	3,822
Operating days	2,666	3,212
<b>Fleet utilization</b>	<b>78.8%</b>	<b>84.0%</b>
<b>Average Daily Results:</b>		
<b>Time charter equivalent rate</b>	<b>\$ 22,892</b>	<b>\$ 21,891</b>
Daily vessel operating expenses	\$ 7,786	\$ 7,607

\* Does not include the 11 owned vessels in the Unigas Pool.

## Navigator Holdings Balance Sheet \$000's

	December 31, 2020	September 30, 2021
<b>Assets</b>	<b>\$ USD</b>	<b>\$ USD</b>
Cash and cash equivalents	59,271	105,827
Other current assets	77,267	101,233
<b>Total current assets</b>	<b>136,538</b>	<b>207,060</b>
Vessels, net	1,545,688	1,868,493
Investment in Terminal JV	148,665	143,665
Other assets	8,517	9,365
<b>Total assets</b>	<b>1,839,408</b>	<b>2,228,583</b>
<b>Liabilities &amp; Equity</b>		
Net current portion of debt	65,662	127,091
Other current liabilities	41,560	61,772
<b>Total Current Liabilities</b>	<b>107,222</b>	<b>188,863</b>
Net long term debt	781,551	872,644
Other non-current Liabilities	8,239	8,715
Equity	942,395	1,158,361
<b>Total liabilities and Equity</b>	<b>1,839,408</b>	<b>2,228,583</b>

## September 30, 2021 - Cash & Liquidity \$million

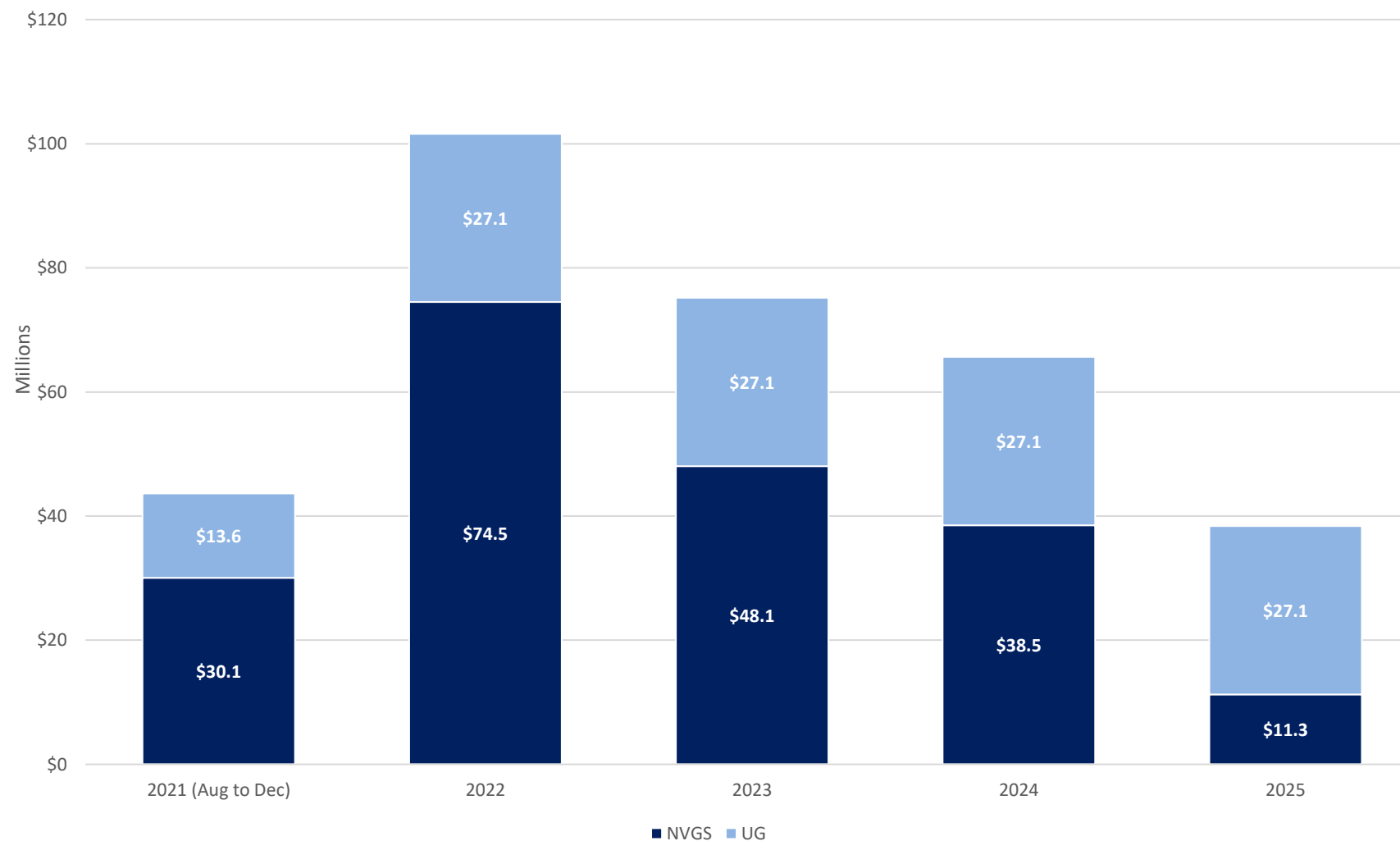




## Secured term loan and revolving credit facilities as of September 30, 2021

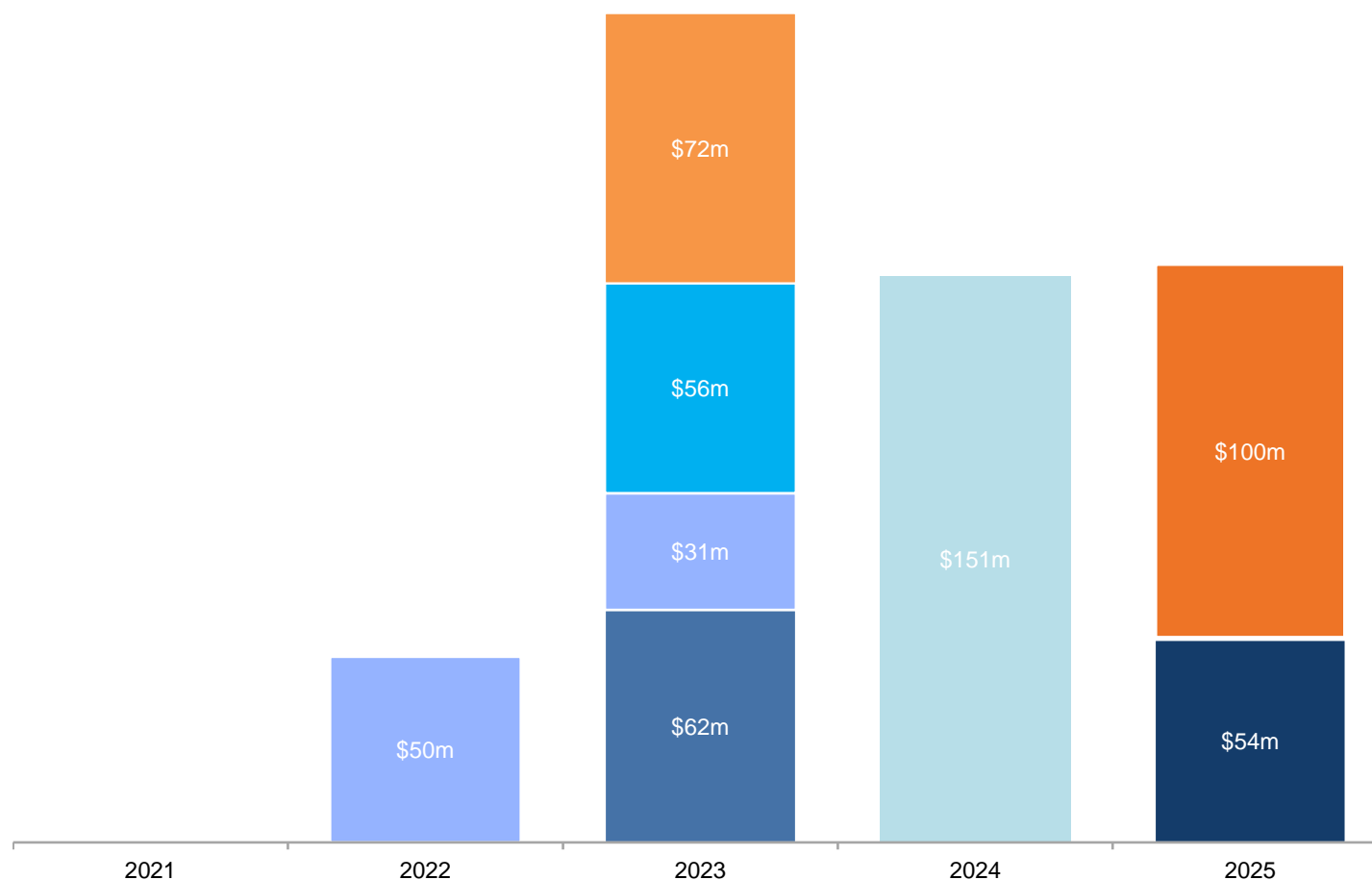
<u>Facility agreement date</u>	<u>Original Facility amount</u>	<u>Principal Amount outstanding</u>	<u>Interest rate</u>	<u>Loan Maturity date</u>
	(in millions)			
January 2015	\$278.1	\$91.3	U.S. LIBOR + 270 BPS	March 2022-April 2023
October 2016	\$220.0	\$82.5	U.S. LIBOR + 260 BPS	November 2023
June 2017	\$160.8	\$90.7	U.S. LIBOR + 230 BPS	June 2023
March 2019	\$107.0	\$84.1	U.S. LIBOR + 240 BPS	March 2025
September 2020	\$210.0	\$185.0	U.S. LIBOR + 250 BPS	September 2024
October 2019	\$69.1	\$57.8	U.S. LIBOR + 185 BPS	October 2026
October 2014	\$57.7	\$27.6	LIBOR 204 + 205 BPS	September 2026 - April 2027
January 2015	\$81.0	\$39.3	LIBOR 212 + 205 BPS	December 2026 - May 2027
August 2016	\$60.9	\$36.8	LIBOR 211 + 205 BPS	July - December 2028
January 2017	\$55.8	\$34.9	LIBOR 214 + 205 BPS	December 2028 - January 2029
May 2019	\$67.0	\$55.3	LIBOR 188 + 190 BPS	May 2026
Total	\$1,367.4	\$785.2		

## Scheduled Quarterly or Half-Yearly Loan Repayment Profile per year \$mm



## Balloon Payments on Debt Maturities per year \$mm

- \$107 million facility
- \$100 million Bond
- \$160.8 million facility
- \$278 million facility
- \$210 million facility
- \$220 million facility
- NOK 600 million Bond



We have assumed five bank loan facilities with the acquisition of Ultragas and Othello Shipping Company S.A.

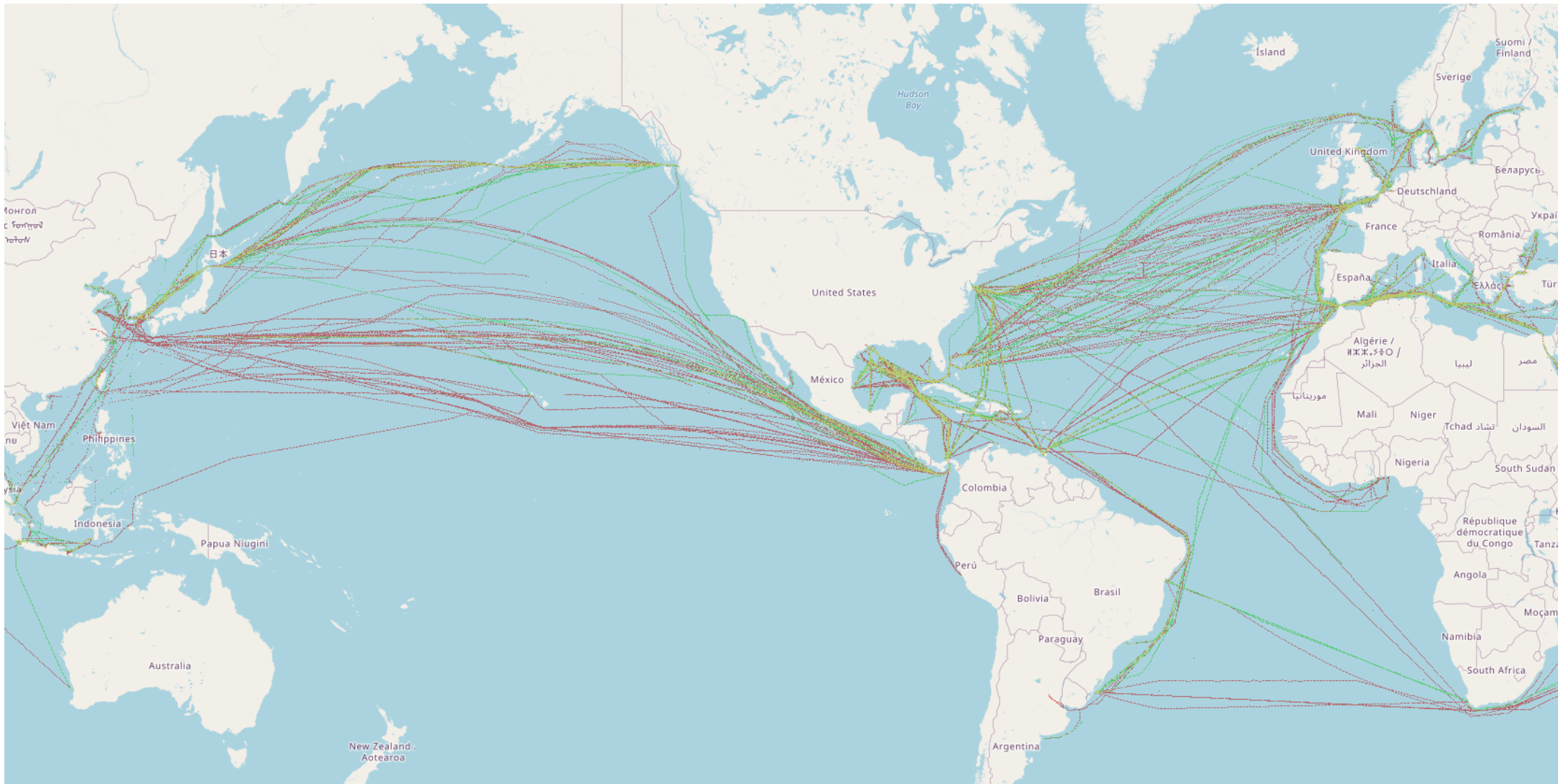
The bank loans, which in aggregate have half yearly repayments of approximately \$13.6 million, mature from June 2026.

## Debt capitalization & LTV levels \$mm

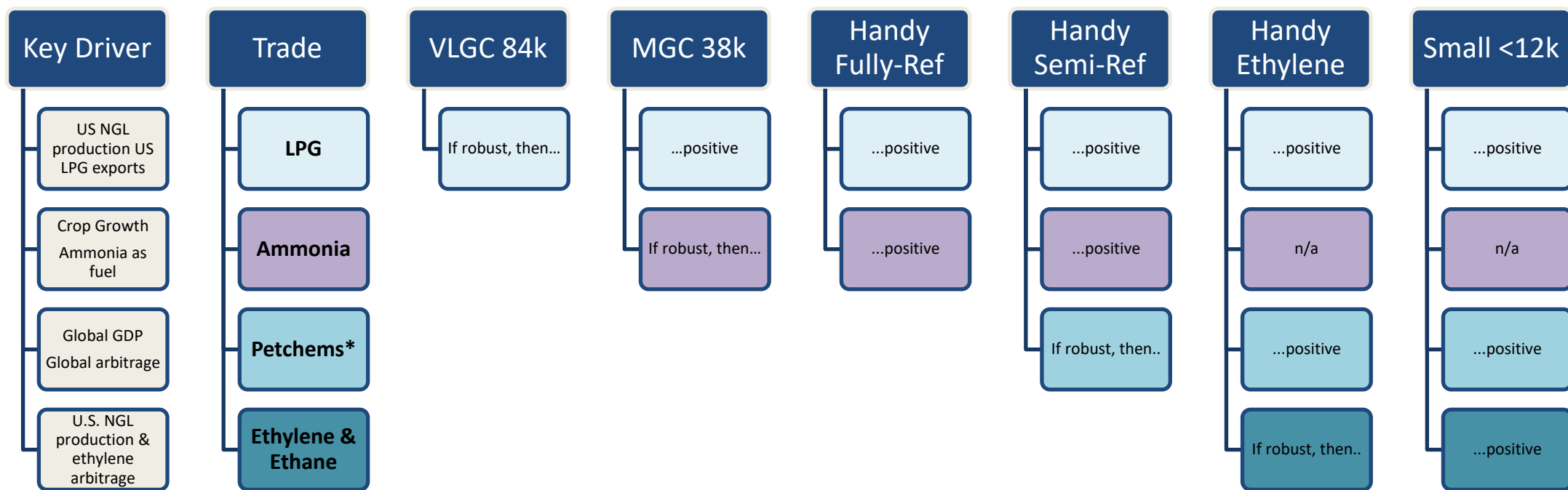
As of September 30, 2021	Actual	Debt	Loan to Value %
Vessel Net Book Value	1,873.0	873.9	46.7%
Terminal net book value	143.7	125.8	87.6%
<b>Total Assets</b>	<b>2,016.7</b>	<b>999.7</b>	<b>49.6%</b>
Total Shareholders' equity	1,158.4		
Total capitalization	2,158.1		
<b>Debt / Capitalization</b>	<b>46.3%</b>		



- New LPG trade-route from west coast Canada to Asia
- U.S. Ethane to Europe on handysize vessels and to Asia on medium size vessels
- U.S. Ethylene shifted from European to Asia consumers during 3Q, increasing ton-mile demand



- The gas carrier segments are interdependent of each other. Whenever there is sufficient demand for tonnage in the largest ship-size segment for a particular cargo type, the smaller ship-size segments experience less competition from above.
- Demand for a particular ship-capability within the handysize segment influences the tonnage availability for the segment as a whole.

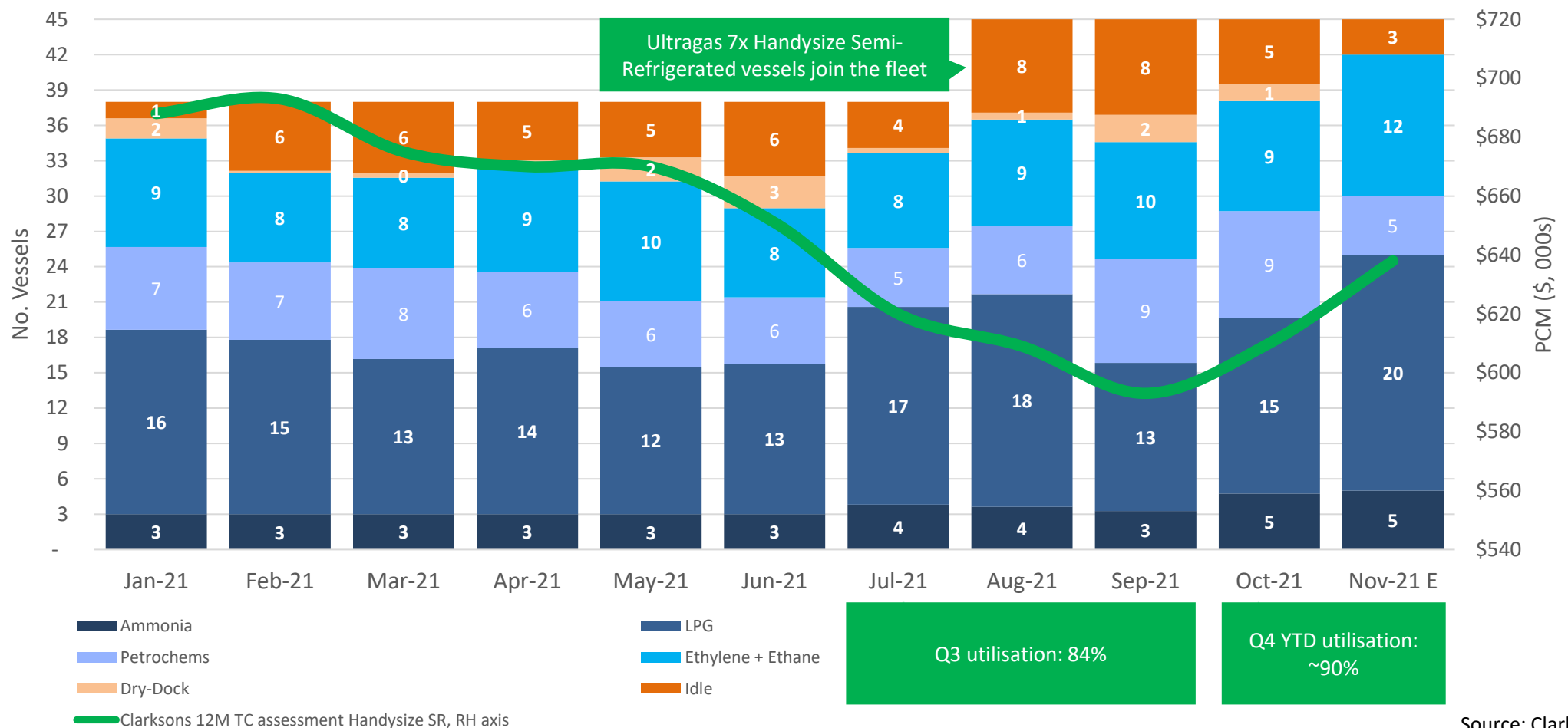


- We see a clear segmentation in the current market whereby the ship-size and ship-capability are trading in its designated 'box'. For example, the more ethylene & ethane the 'Handy Ethylene' carriers carry, the less they are competing for 'Handy Semi-Ref' LPG & petchems cargoes and 'Small <12k' ethylene & ethane cargoes, indirectly assisting the supply & demand balances in those subsegments.

\* Butadiene, CC4 & Propylene

- Q4 showing increasing demand for Ethane, Ethylene and Ammonia....
- ....reducing vessel supply in the 'middle-tier' semi-refrigerated LPG and petrochemical routes....
- ....which in turn influence utilisation and rate assessment.

NVGS handy & medium size vessel employment, #no of vessels (approx.)

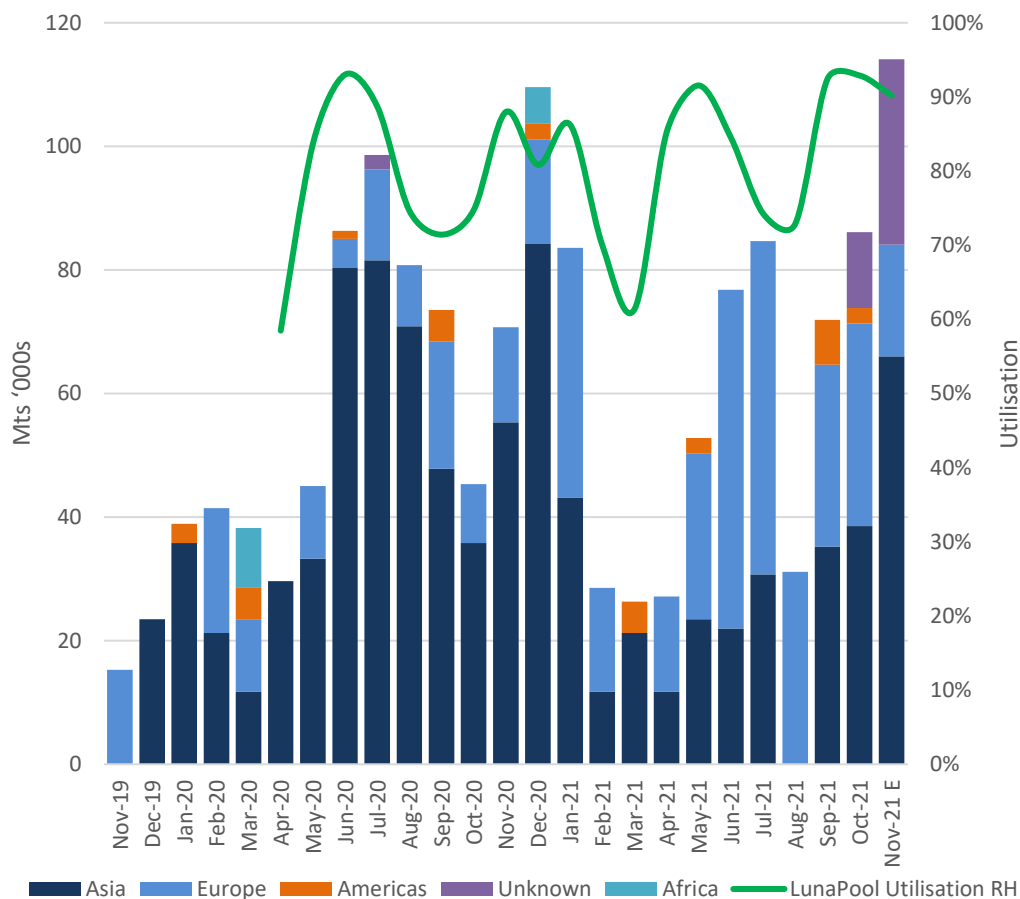


Source: Clarksons



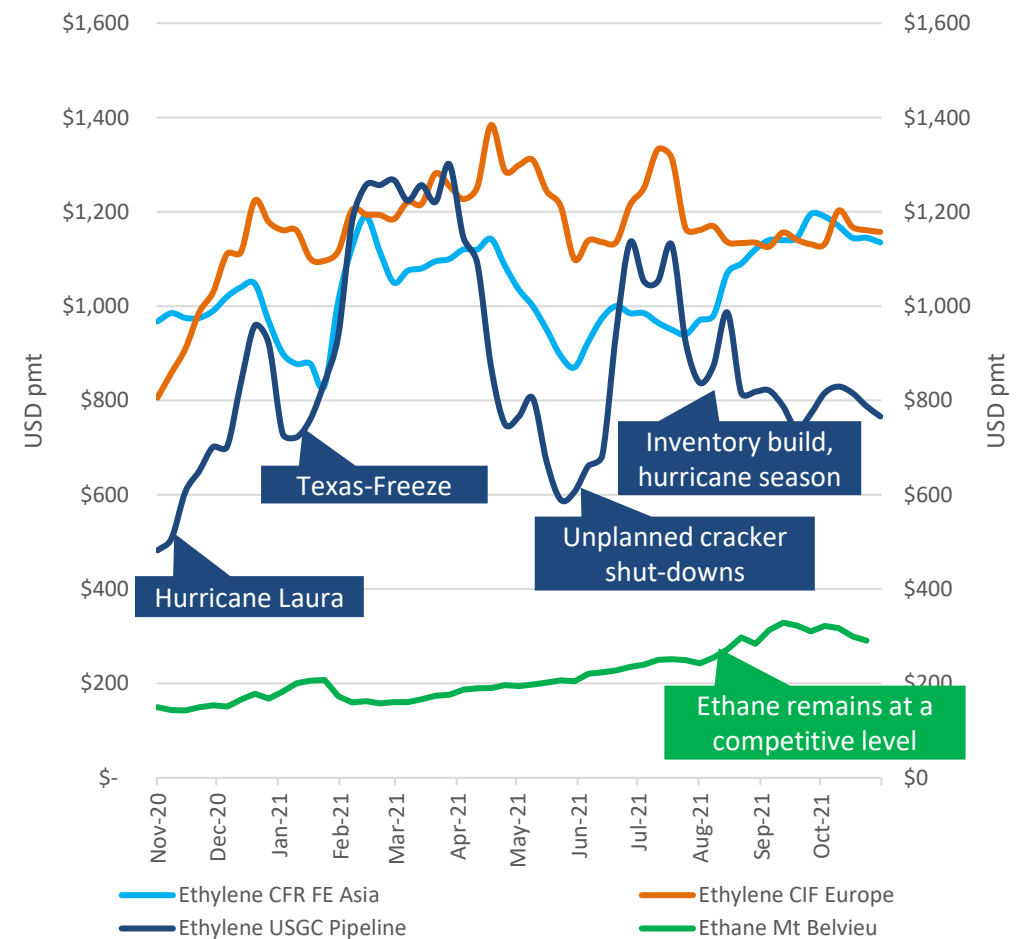
- U.S. Ethylene exports returning to nameplate capacity >100,000mts per month
- Asian consumers pulling demand resulting in increased ton-mile and utilisation for the LunaPool
- U.S. domestic ethylene price trending down after a volatile year
- Arbitrage open to international markets positively affecting physical exports and ethylene transportation demand

U.S. ethylene exports, destination & LunaPool utilisation



Source: Kpler

U.S. / Europe / Asia ethylene & ethane pricing

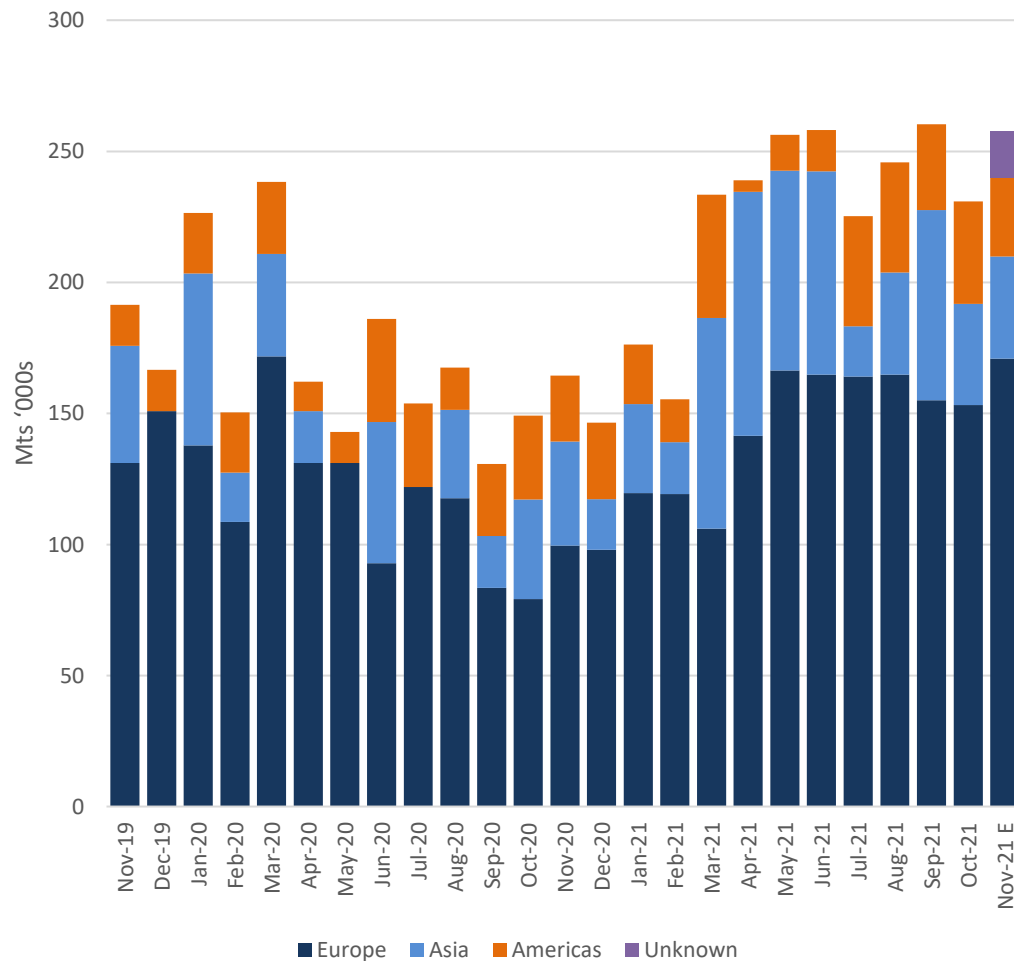


Source: Argus

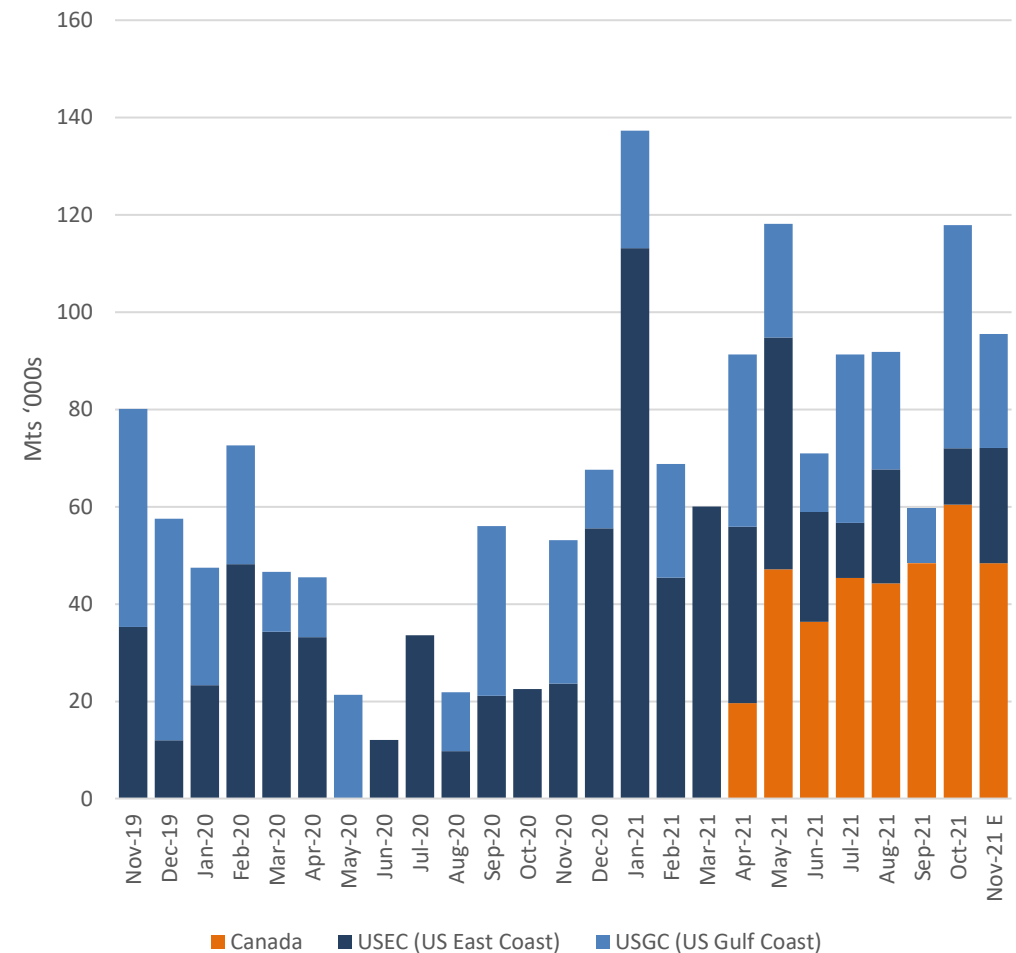
- U.S. Handysize & Medium Size ethane exports reaching 250,000mts per month.

- North American Handysize LPG exports predominately originating from Canada

North America handysize & medium size ethane exports & destination

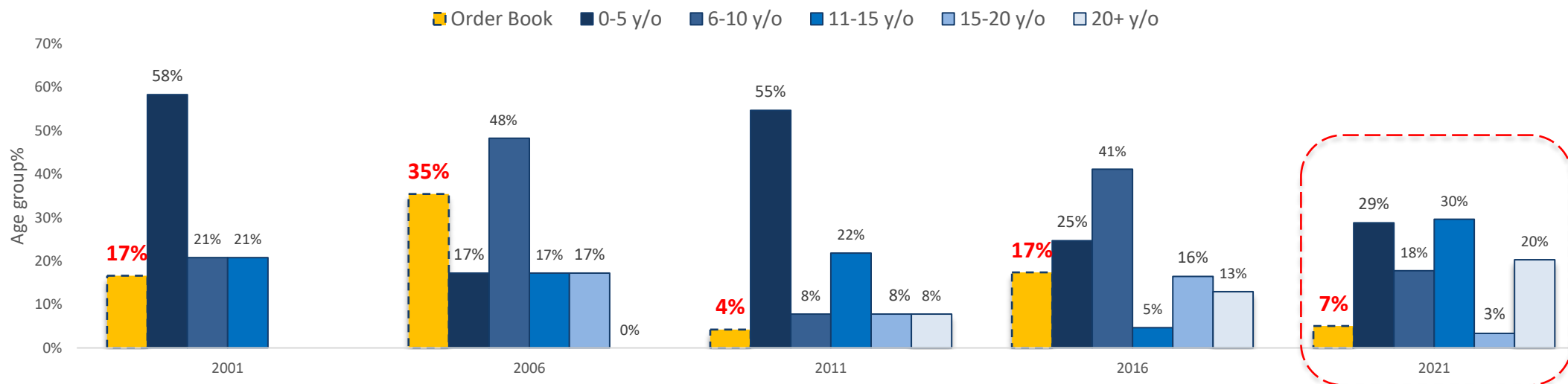


North America Handysize LPG exports, origin



Source: Kpler

## Vessel Age Profile & Order Book



## LPG Handysize Global Fleet

Owner	Semi Ref.	Fully Ref.	Total
<b>Navigator Gas (inc UltraGas)</b>	<b>24</b>	<b>6</b>	<b>30</b>
Naftomar	3	4	7
Beneleux	5	-	5
Petredec	2	2	4
Schulte	4	-	4
Stealth Gas	4	-	4
Yara	3	-	3
Pacific Carriers	3	-	3
Harpain	1	-	1
Other	14	13	27
<b>Total</b>	<b>63</b>	<b>25</b>	<b>88</b>

\* Handysize FR/SR/ETH vessels on the water

## Ethane/Ethylene Global Fleet >15,000 cbm

Owner	Existing & Newbuild Handysize	Midsize	VLEC	Total
<b>Navigator Gas</b>	<b>10</b>	<b>4</b>	<b>-</b>	<b>14</b>
Evergas	-	8	2	10
Solvang	8	-	-	8
Reliance	-	-	6	6
Petredec	8	-	-	8
Pacific Gas	5	-	-	5
Harpain	4	-	-	4
Hartmann	-	3	-	3
Other	3	-	-	3
<b>Total</b>	<b>38</b>	<b>15</b>	<b>8</b>	<b>60</b>

Source: Fearnleys, Clarksons, Gibsons 2020



# Fleet List



# COMBINED ASSETS: 55 VESSELS & ONE EXPORT TERMINAL



## Ethylene Capable Vessels



Prominence



Nova



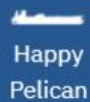
Aurora



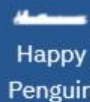
Eclipse



Happy  
Condor



Happy  
Pelican



Happy  
Penguin



Happy  
Osprey



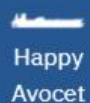
Happy  
Kestrell



Happy  
Peregrine



Happy  
Albatross



Happy  
Avocet



Umbrio



Mars



Triton



Oberon



Europa



Atlas



Venus



Saturn



Pluto



Neptune

## Semi Refrigerated Vessels



Happy Bird



Atlantic Gas



Adriatic Gas



Arctic Gas



Centauri



Ceres



Libra



Copernico



Virgo



Celtic Gas



Bering Gas



Luga



Pegasus



Taurus



Scorpio



Ceto



Capricorn



Happy  
Falcon



Balearic Gas



Pacific Gas



Yauza



Gemini



Phoenix



Magellan



Leo



Aries

## Fully Refrigerated Vessels



Jorf



Galaxy



Genesis



Gusto



Grace



Global



Glory

## Terminal



Houston Ethylene  
Export Terminal

## Combined Cubic Metre Capacity

