



Fourth Quarter 2022 Earnings Presentation

March 2023



Forward Looking Statements



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Highlights – Q4, 2022: After Seasonally Soft 3Q, Market Recovery Led To Earnings Rebound; Q1, 2023 Likely To Be Even Better

Financial

- Operating revenues of \$123.3 million for Q4, 2022, up 15.4% sequentially compared to \$106.8 million for Q3, 2022.
- Net income of \$10.0 million, or \$0.13 per share for Q4, 2022, compared to a net income of \$2.4 million, or \$0.03 per share for Q3, 2022.
- Adjusted EBITDA was \$59.4 million for Q4, 2022, compared to \$41.5 million for Q3, 2022.
- Cash increased to \$153.2 million as of December 31, 2022, compared to \$124.2 million as of December 31, 2021.
- Debt reduced by \$19.4 million during Q4, 2022 to \$862.0 million, with net debt of \$708.8 million.
- Through March 17th, we have repurchased 2.02 million shares at an average price of \$12.57 (\$25.4 MM in total).

Commercial

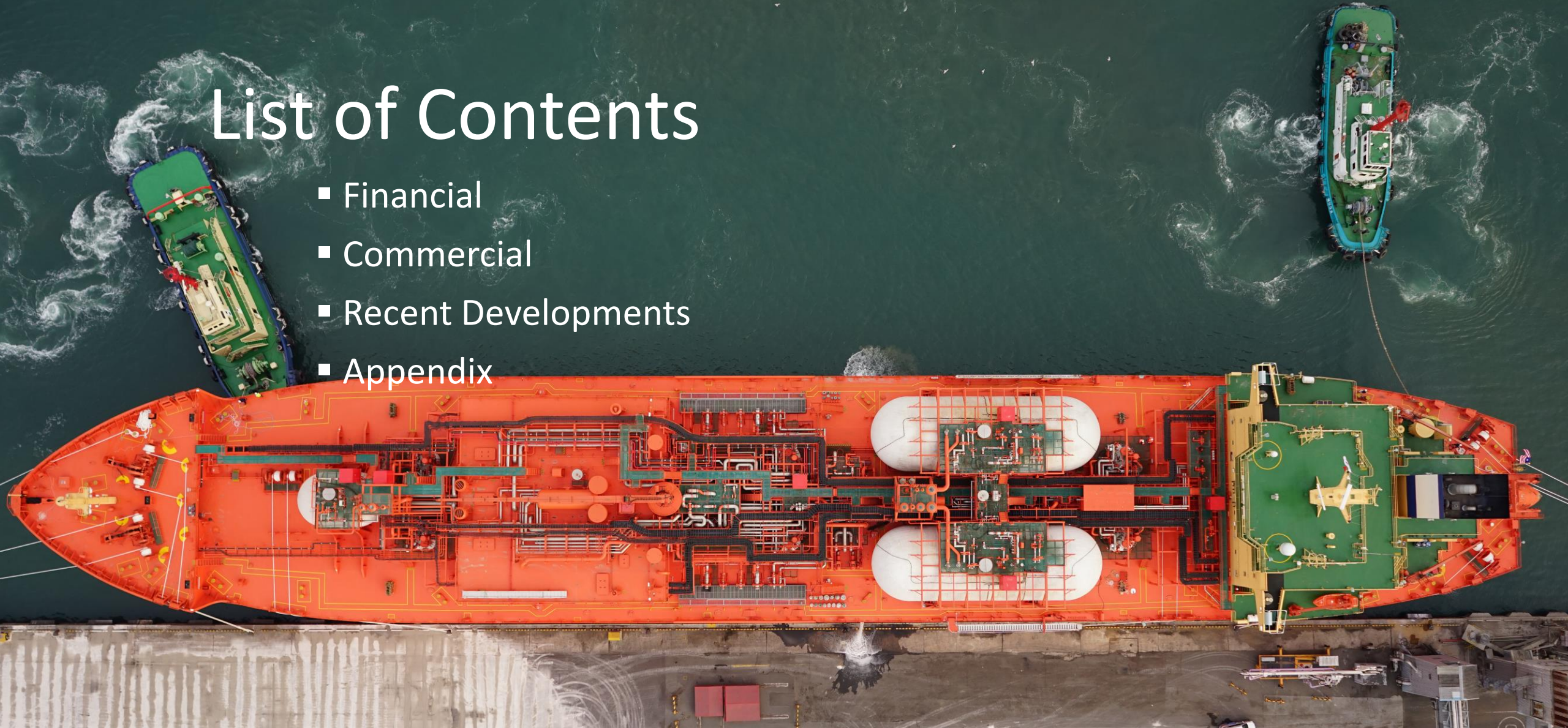
- Fleet utilization was 94.1% for Q4, 2022 compared to 91.4% for Q4, 2021.
- Ethylene export volumes through the Ethylene Export Terminal were 262,835 tons for Q4, 2022 compared to 234,024 tons for Q4, 2021.
- 10 vessels contracted on timecharters transporting ammonia to Europe during Q4, 2022 compared to only 4 during Q4, 2021.
- Accretive vessel acquisitions through new Joint Venture with Greater Bay Gas Company; first vessel delivered in Q4, 2022, another in Q1, 2023, remaining three vessels expected in March-April 2023.
- Announced the expansion of our ethylene export terminal at Morgan's Point by 550,000-2,000,000 additional tons per year. Expected capex of \$120-130 million with completion scheduled by 4Q24.

Outlook

- Utilization in Q1, 2023 expected to increase sequentially to above 95%, with January and February utilization above 98%.
- Rates remain firm as demand continues to strengthen; Q1, 2023 EBITDA likely to reach new record high.
- Supply picture remains attractive with a small Handysize orderbook and large percentage of the fleet already >20 years of age.
- Q1, 2023 ethylene export volumes through the Ethylene Export Terminal expected to be approximately 260,000 tons.
- U.S. produced ethylene is currently being exported fairly evenly to both Asia-Pacific and Europe as petchem demand continues to show strength in both regions.

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Financial



Income Statement: Strong Quarterly Result Despite One-Time Expenses



(US\$'M)	Q4, 2021	Q4, 2022
Operating revenues	105,176	105,115
Operating revenues – Unigas Pool	18,849	11,837
Operating revenues – Luna Pool	8,265	6,333
Total Operating Revenues	132,290	123,285
Operating expenses:		
Brokerage commissions	1,472	1,494
Voyage expenses	21,873	16,865
Voyage expenses – Luna Pool	6,346	5,533
Vessel operating expenses	40,417	43,924
Depreciation and amortization	25,686	30,559
Impairment losses on vessels	63,581	-
General and administrative costs	9,055	8,389
Profit from sale of vessel	-	(4,363)
Other Income	(109)	(105)
Total operating expenses	168,321	102,296
Operating income	(36,031)	20,989
Foreign currency gain on senior secured bonds	436	(5,969)
Unrealized loss on derivative instruments	740	6,417
Net interest expense	(10,563)	(13,270)
Loss on repayment of senior bonds	-	(1,102)
Write off of deferred financing costs	-	(212)
Income taxes	(1,188)	(4,459)
Share of result of joint venture	6,449	7,861
Net income attrib to non-controlling interest	(576)	(287)
Net income	(40,733)	9,968

- Solid operational performance for Q4 2022, with net income of \$10.0 million, EPS of \$0.13, and adjusted EBITDA of \$59.4 million
- Terminal throughput volumes increased in Q4, 2022 to nameplate capacity; terminal throughput volumes expected to be at similar levels in Q1, 2023
- Elevated vessel opex due to timing of spare parts and other one-time expenses
- Depreciation increased YoY by \$4.9 million as a result of reducing useful economic lives for all vessels from 30 years to 25 years, effective January 1, 2022

	Q4 2021	Q4 2022
Weighted average number of vessels	45.0	43.7
Ownership days	4,140	4,021
Available days	4,052	3,968
Operating days	3,703	3,736
Fleet utilization	91.4%	94.1%
Average Daily Results:		
Time charter equivalent rate	\$ 22,497	\$ 23,621
Daily vessel operating expenses	\$ 7,999	\$ 9,058

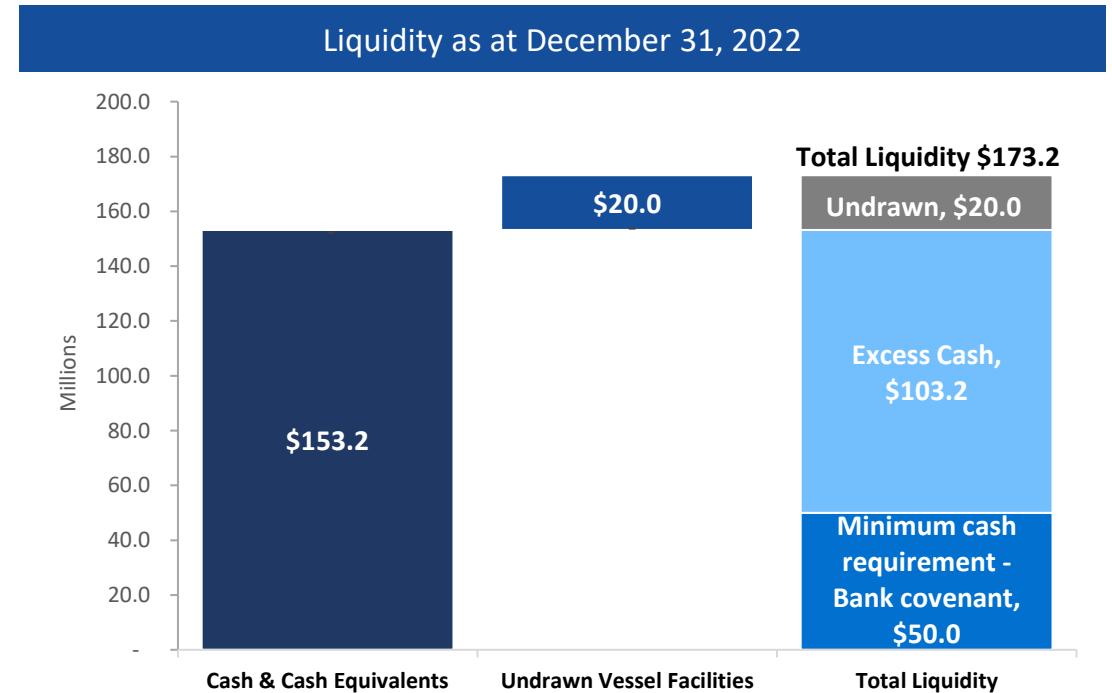
**Excludes the 9 owned smaller vessels commercially managed by the independent Unigas Pool.*

Balance Sheet & Liquidity: Cash Position Provides Financial Flexibility



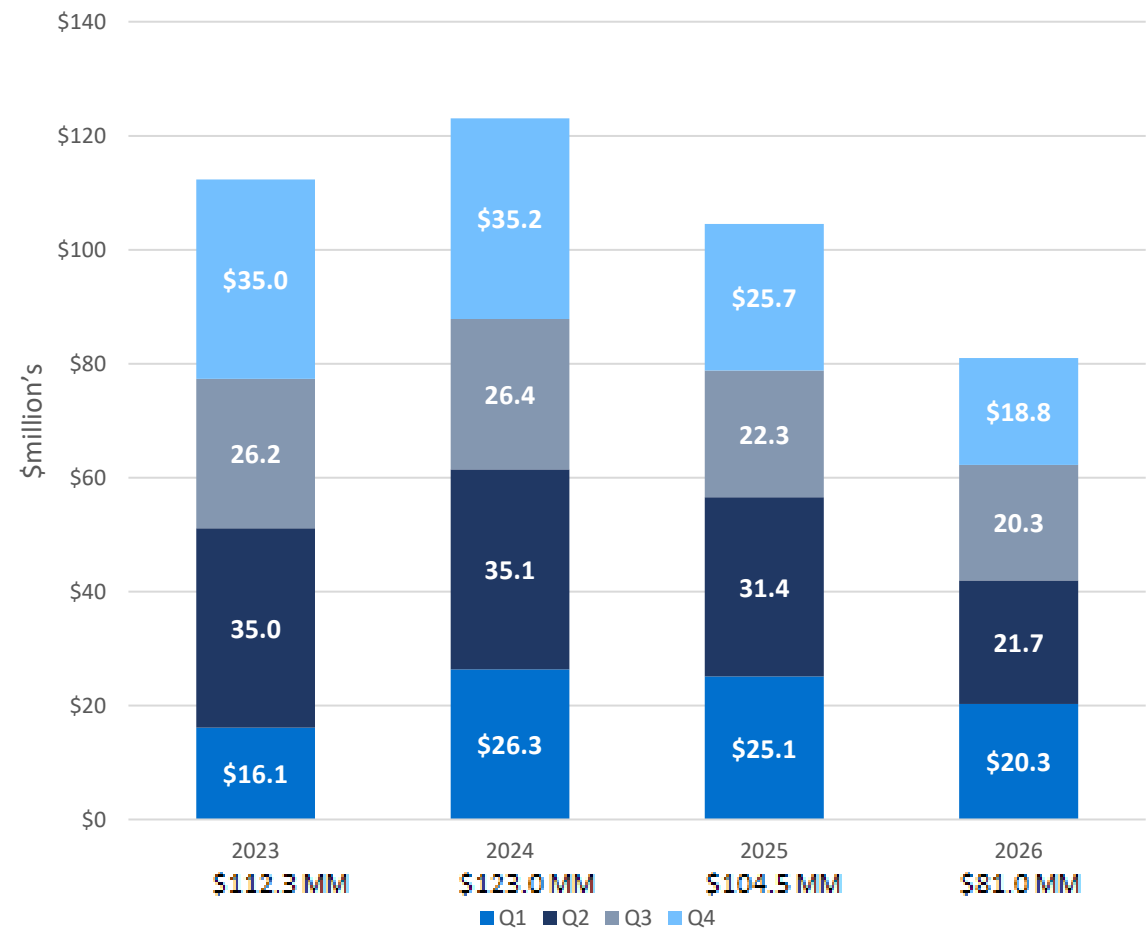
(US\$'M)	December 31, 2021	December 31, 2022
Assets		
Cash and cash equivalents	124,223	153,194
Other current assets	91,113	74,915
Total current assets	215,336	228,109
Vessels, net	1,789,926	1,692,494
Investment in Terminal JV	150,209	148,534
Other assets	1,954	27,389
Total assets	2,157,425	2,096,526
Liabilities & Equity		
Net current portion of debt	148,570	209,833
Other current liabilities	56,173	60,823
Total Current Liabilities	204,743	270,656
Net long term debt	825,906	644,597
Other non-current Liabilities	9,322	8,124
Total liabilities	1,039,971	923,377
Equity	1,113,851	1,162,231
Non-controlling interest	3,603	10,918
Total liabilities and Equity	2,157,425	2,096,526

- Robust Balance Sheet with increased liquidity following debt refinancings
- Reduction of debt by \$19.4 million during Q4, 2022
- Total liquidity increased by \$26.2 million during the twelve months of 2022 to \$173.2 million as of December 31, 2022
- Net Debt to Capitalization of 35.0% as of December 31, 2022
- Net debt to adjusted EBITDA of 3.3x for LTM as of December 31, 2022

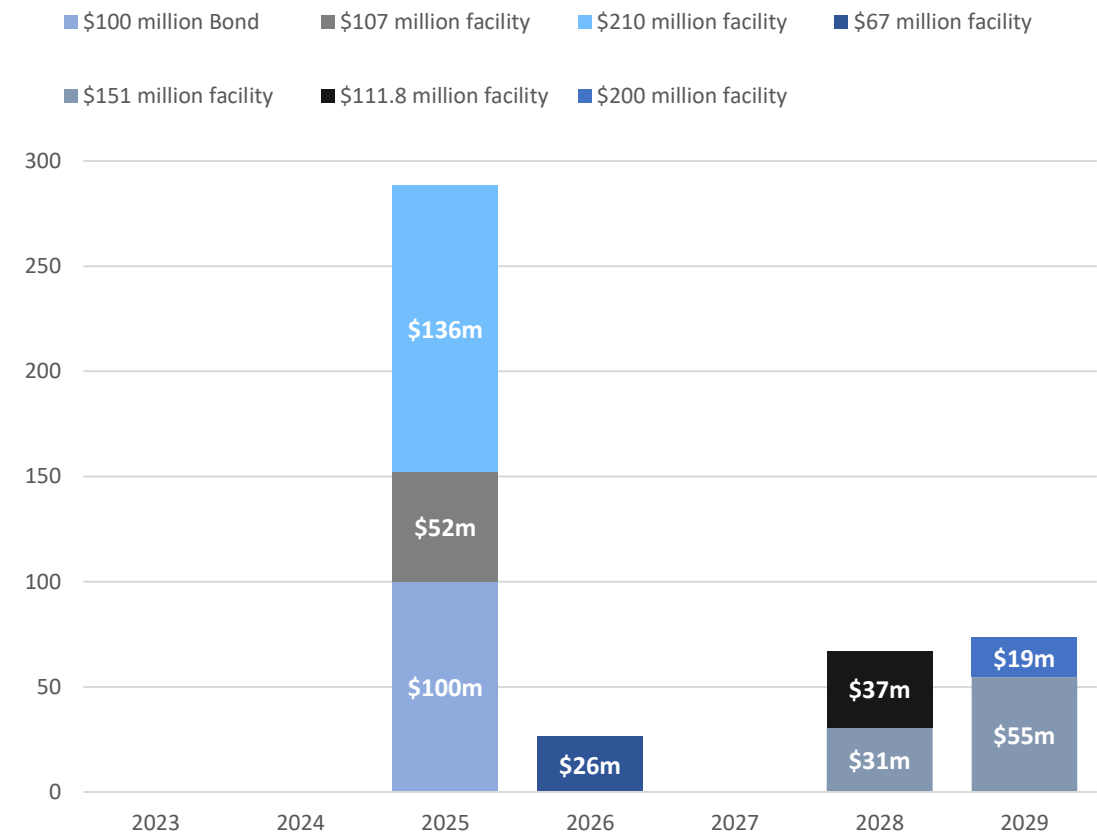




Indicative Loan Repayment Profile: Aggressively Reducing Debt



Indicative Debt Maturity Profile

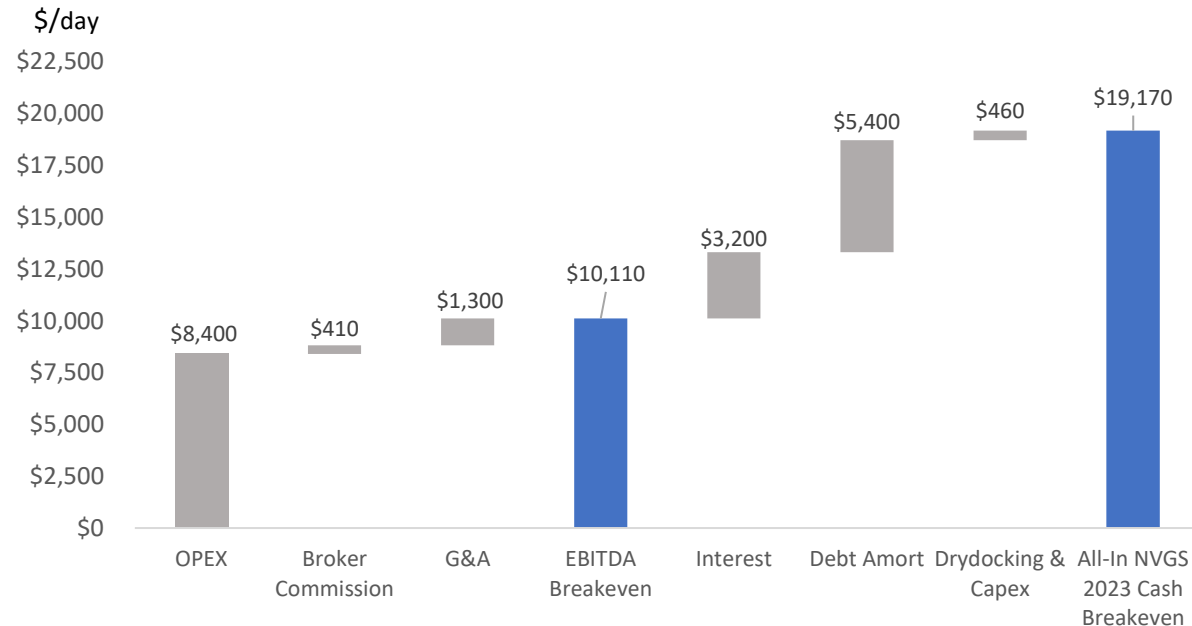




Lean Operations Provide Low Cash Breakevens

- Low TCE breakeven levels allow NVGS to report positive EBITDA in even the toughest market conditions and remain cash flow positive throughout the shipping cycle
- All-in cash breakeven for 2023 includes \$110 MM in debt amortization

Estimated Cash Breakeven for 2023 = \$19,170/day



Expense Guidance for 2023

Daily OPEX

Mid-sized	\$10,100/day
Semi-ref ethylene	\$8,400/day
Semi-ref LPG	\$8,300/day
Fully ref LPG	\$8,800/day
Small LPG	\$7,500/day

Full Year Estimates

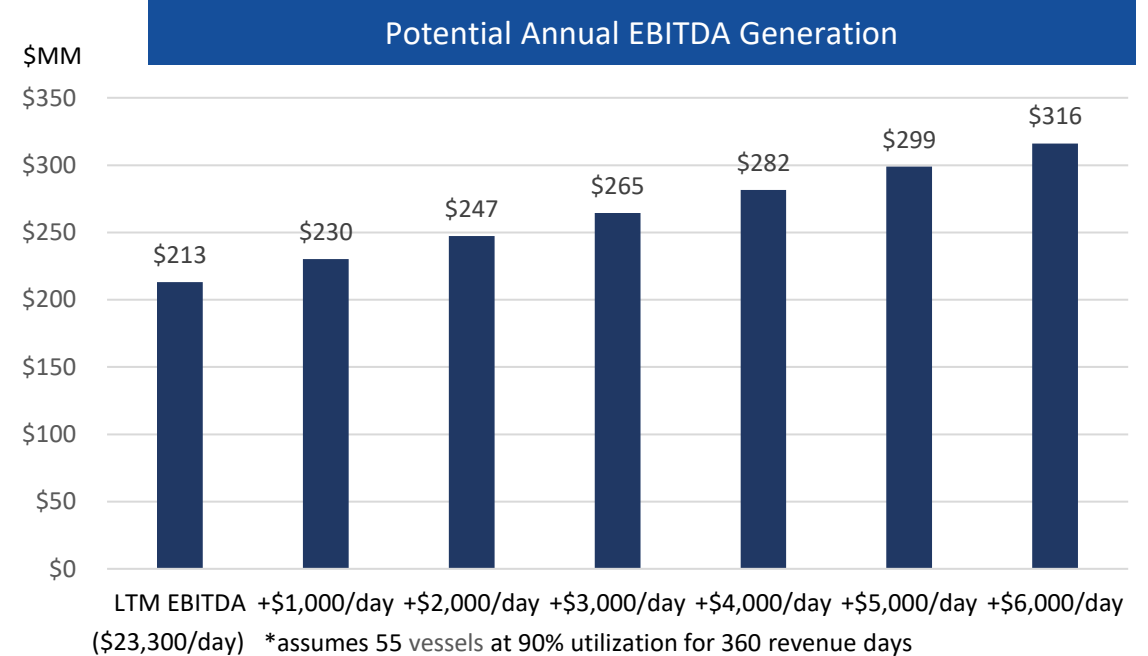
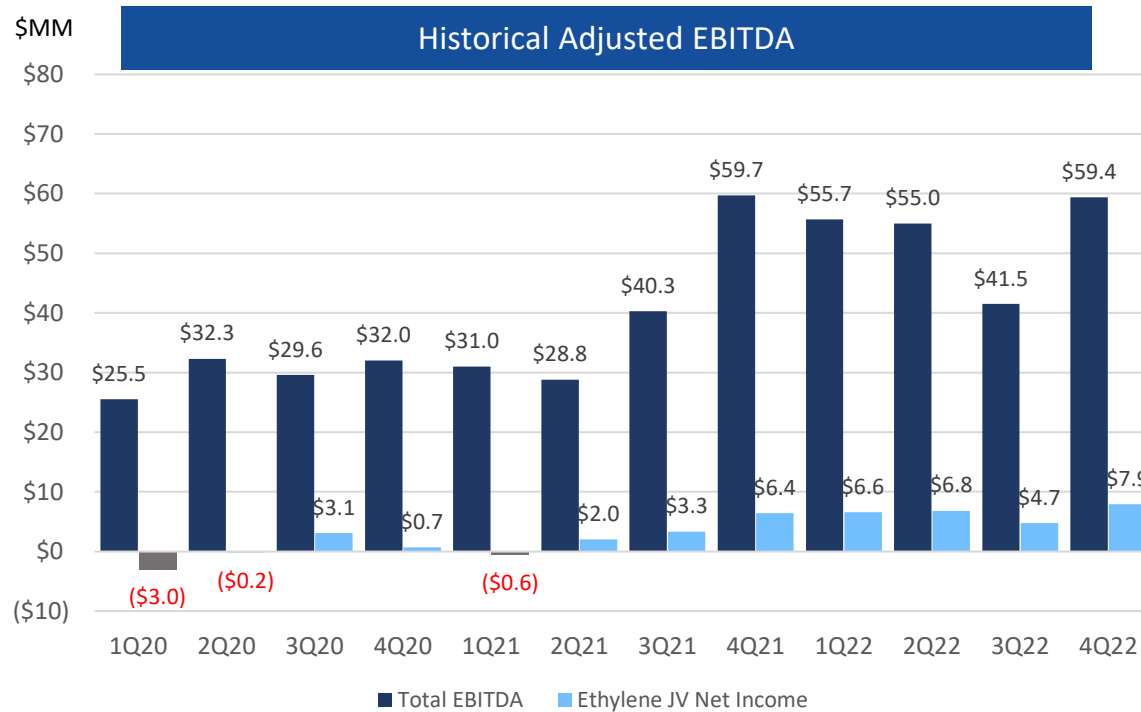
Vessel opex	\$165-170 MM
Cash G&A	\$26-29 MM
Depreciation	\$130-134 MM
Cash Interest Expense	\$64-67 MM

*assumes 55.4 vessels owned in the year



Operational Leverage Provides Substantial EBITDA Upside

- Four out of the last five quarters have resulted in at least \$55 million of quarterly EBITDA
- Includes record high contribution from the ethylene export terminal joint venture of \$7.9 MM (our 50% share)
- Annual EBITDA generation primarily driven by shipping operations, with every +\$1,000/day in TCE adding >\$17 MM in annual EBITDA



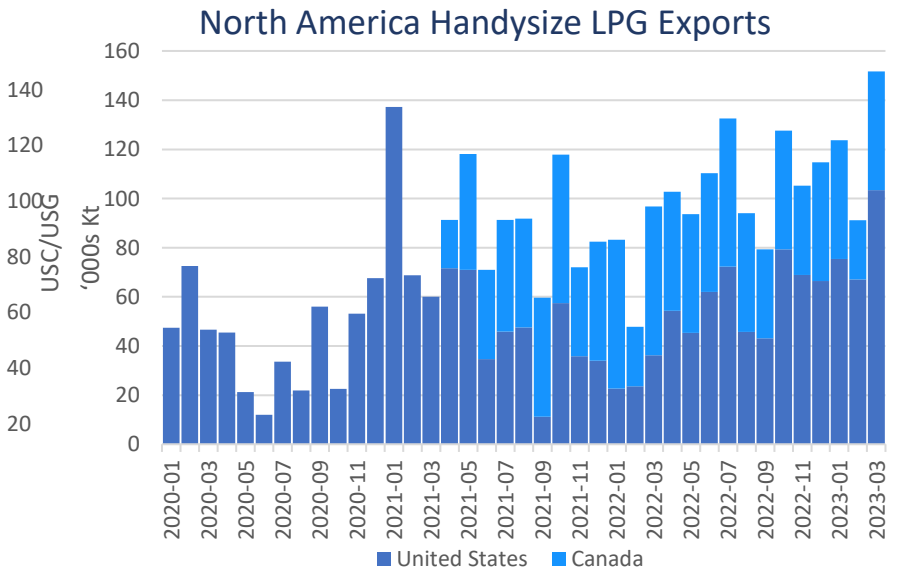
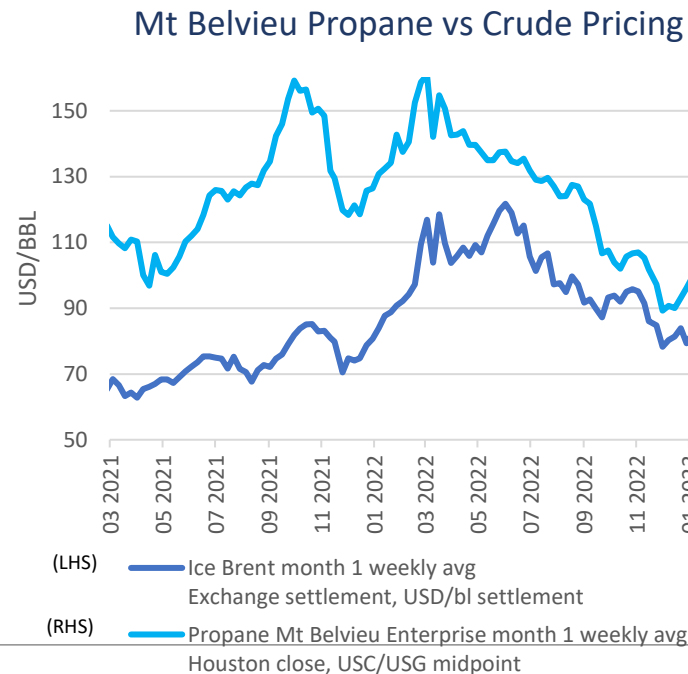
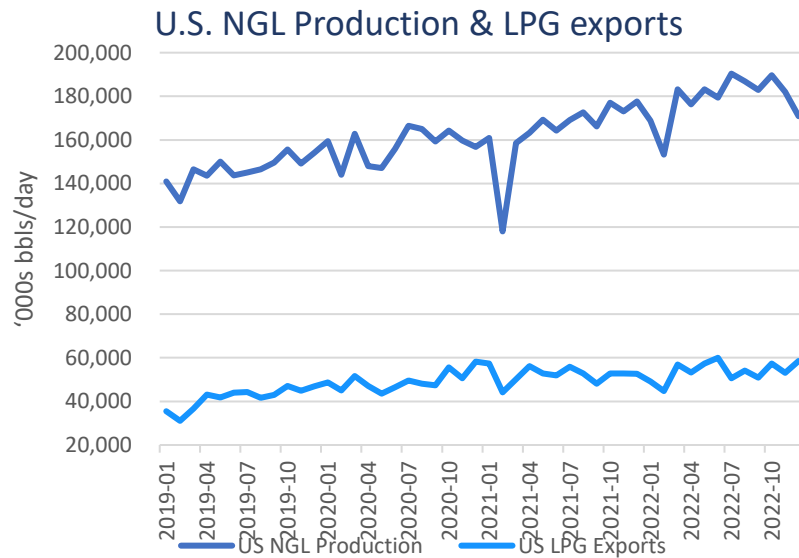
Commercial



North American NGL Production & Exports Continue To Climb Higher



- North American LPG exports continued to grow during 4Q, 2022 underpinning U.S. competitiveness against international markets. December production was impacted by winter-storm Elliot, however have since normalized.
- Handysize LPG exports from both Canada and U.S. trending upwards
- Propane attractive against oil, both for energy use and as a feedstock to the petrochemical industry

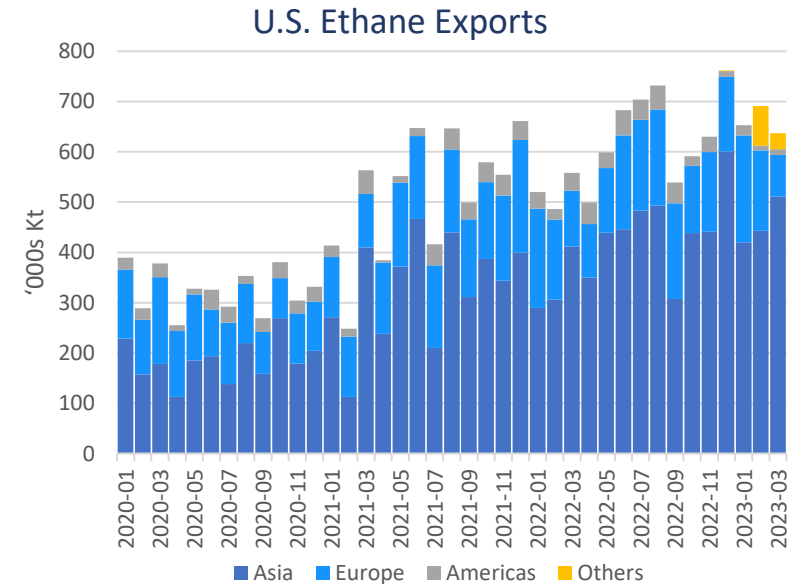
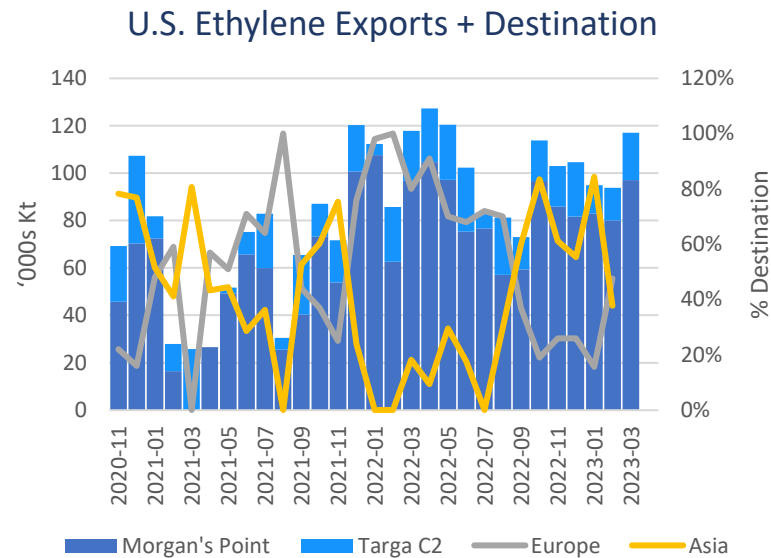
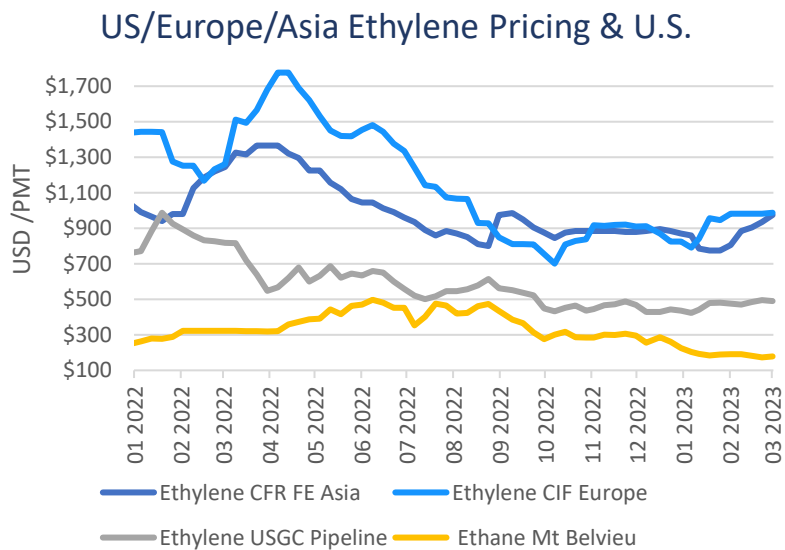


Source: EIA, Kpler, Argus, 2023

U.S. Ethylene Exports Remains Strong; Ton-Mile Demand On The Rise



- Ethylene arbitrage remains open; U.S. ethylene exports being shipped to both Europe and Asia
- After softer volumes during Q3, 2022, U.S. ethylene exports at or above nameplate capacity throughout Q4, 2022 and Q1, 2023
- Ethylene Export Terminal to be expanded by 550,000-2,000,000 tons per year starting in late 2024 (more details on slide 21)
- U.S. ethane exports reached a new record high in December 2022; Q1, 2023 exports are 27% higher than Q1, 2022 exports

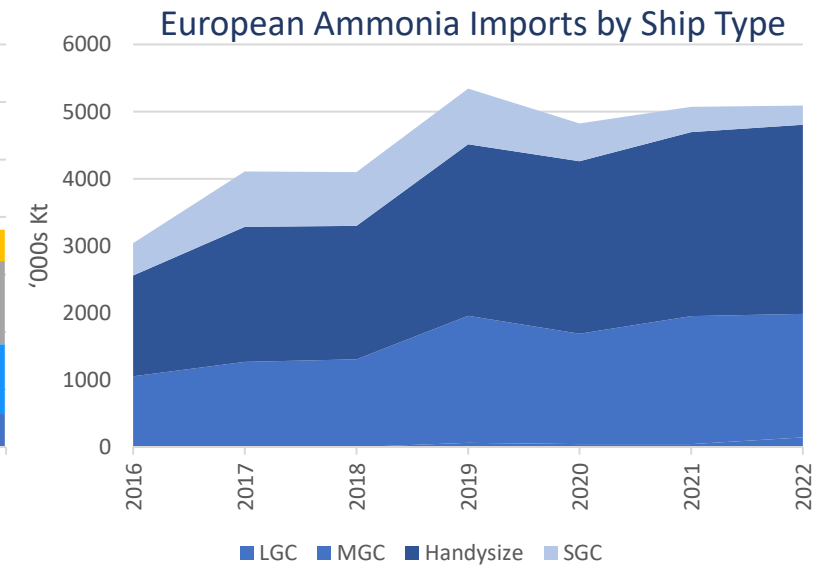
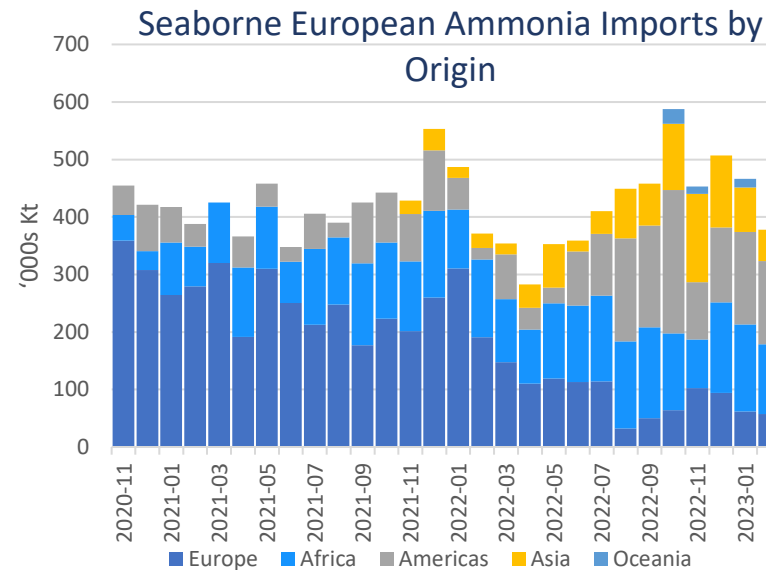
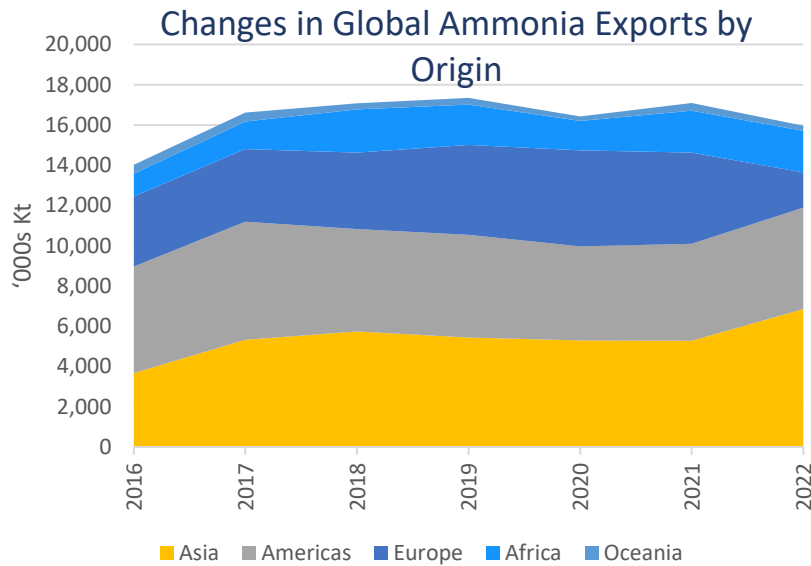


Source: Argus, Kpler, 2023

European Ammonia Imports Boosting Handysize Ship Demand



- Americas and Asia replacing ammonia supply-gap created by the war in Ukraine
- The replacement sources of supply are coming from locations further away, such as China, Australia, and Middle East leading to increase in ton-mile demand for our vessels
- European ammonia seaborne imports is largely serviced by Handysize gas carriers

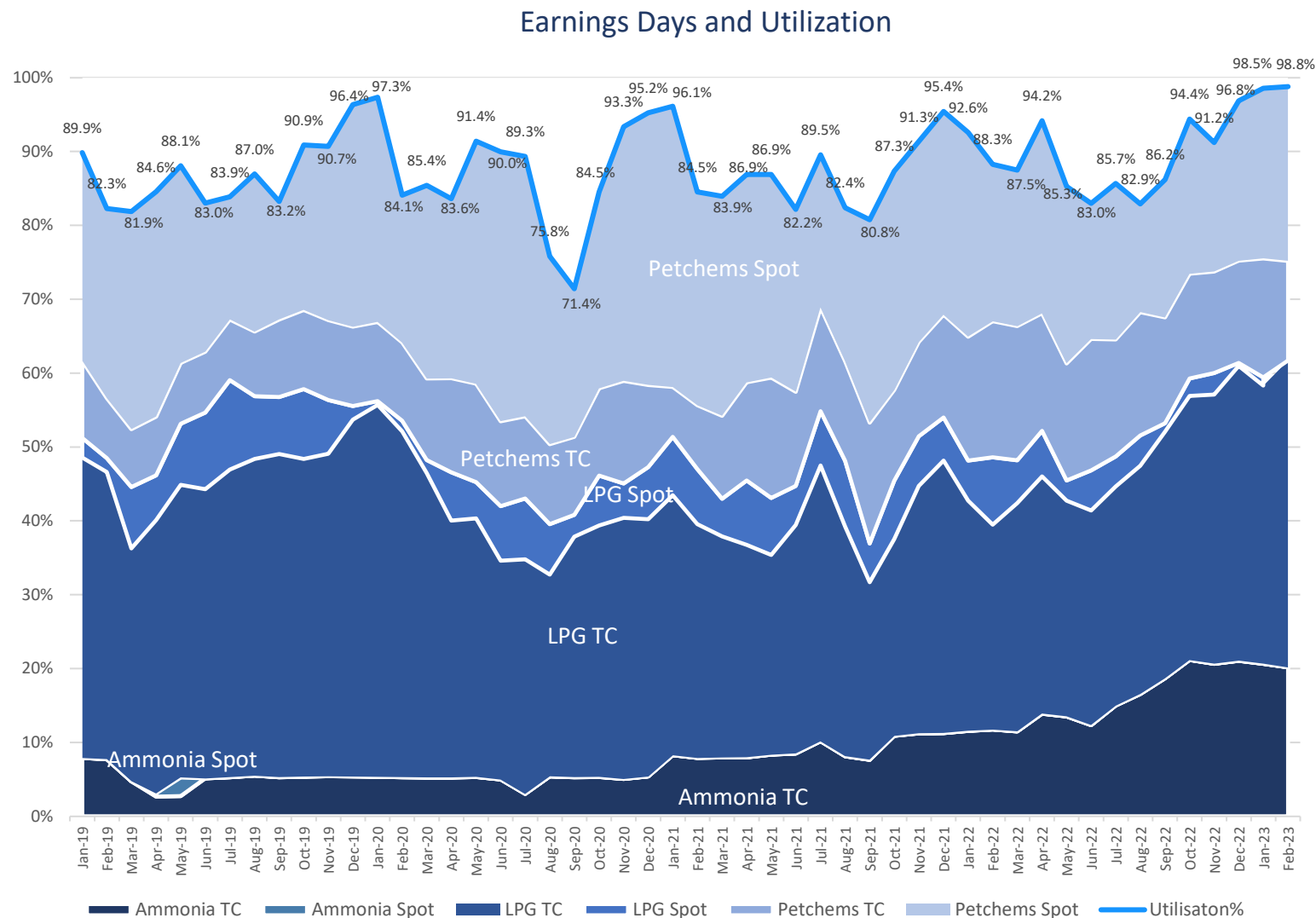


Source: Kpler, 2023

Earnings Days Spread Across Several Commodities & Utilization Near Record High



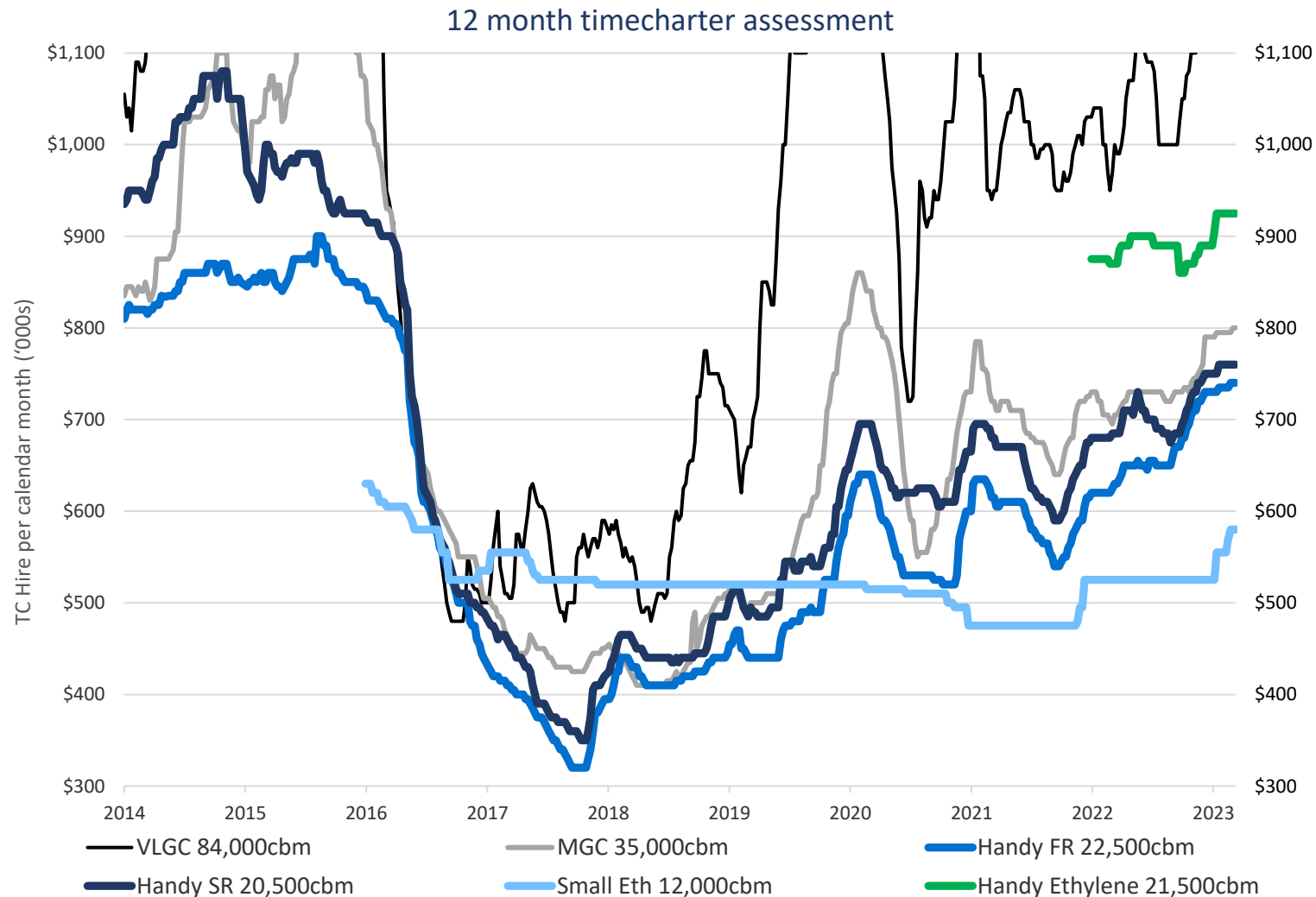
- Average utilization for Q4, 2022 94.1%
- Q4, 2022 Ammonia earnings days have doubled compared to Q4, 2021 reaching 20% of our total, inline with Q3, 2022 levels
- Current utilization above 98%, highest since 2015; hence our guidance for Q1, 2023 to be above 95%



TimeCharter Rate Environment Continuing To Strengthen









- Small ethylene: \$580kpcm (\$19,000/day)
- Handy FR: \$740kpcm (\$24,500/day)
- Handy SR: \$760kpcm (\$25,000/day)
- Handy Eth: \$925kpcm (\$30,500/day)
- MGC 35: \$800kcpm (\$26,500/day)
- VLGC 84: \$1,165kpcm (\$38,500/day)



Source: Clarksons, 2023

Fleet Supply Growth Limited With Low Handysize Orderbook



Vessel Type			Existing Number of Vessels	Order Book		# of Vessels >20 years	Navigator Fleet
				Vessels on Order	% of Fleet (# vessels)		
Very Large Gas Carrier >60,000 cbm	Fully-Refrigerated		344	70	20%	50	
Large Gas Carrier 40,000 - 59,999 cbm	Fully-Refrigerated		21	-	-	-	
Medium Gas Carrier 25,000 - 39,999 cbm	Fully-Refrigerated Ethylene & Ethane		113 15	24 2	20%	14 -	1 4
Handysize Gas Carrier 15,000 - 24,999 cbm	Fully-Refrigerated Semi-Refrigerated Ethylene		25 59 38	1 1 -	2%	4 16 5	6 23 14*
Small Gas Carrier 5,000 - 14,999 cbm	Ethylene Semi-Refrigerated Pressure		365	25	7%	84	9
Small Gas Carrier <4,999 cbm	Semi-Refrigerated Pressure		254	3	1%	100	

Recent Developments





Fleet Renewal Ongoing: Out With The Old, In With The Modern

- On November 23, 2022, we sold our oldest vessel, Navigator Magellan, a 1998-built 22,000 cbm LPG carrier to a third party for \$12.7 million
- We continue to engage buyers who are showing interest to acquire our four vessels above 20 years of age
- On September 30, 2022, Navigator Holdings announced that we entered into a joint venture agreement with Greater Bay Gas Co.
- Following this announcement, our new joint venture (owned 60% by Navigator and 40% by Greater Bay Gas) has already taken delivery of two of five vessels thus far; remaining three vessels to be delivered in the coming weeks (table below)
- Total cost of \$233 million, 65% will be financed by the \$151.3 million bank loan, with 60% of the remaining cost (~\$49 million) payable from available cash

Current Name	New Name	Size (cbm)	Month Built	Age (years)	Transaction Date
Pacific Venus	Navigator Luna	17,000	March 2018	5.0	December 20, 2022
Pacific Jupiter	Navigator Solar	17,000	September 2018	4.5	January 16, 2023
Pacific Mars	Navigator Castor	22,000	July 2019	3.7	March 2023
Pacific Mercury	Navigator Vega	22,000	January 2019	4.2	March 2023
Pacific Saturn	Navigator Equator	22,000	November 2019	3.4	April 2023



Actively Using Our \$50 MM Share Buyback Program

- On October 18th, Navigator Holdings announced the Board's authorization for a share repurchase program of up to \$50 million of NVGS common stock, to be implemented via open market purchases, privately negotiated transactions, or in accordance with an approved trading plan (under Rule 10b5-1)
- Commenced share buyback program upon calling the NOK bonds on December 12, 2022
- Through March 17th, we have repurchased 2.02 million shares at an average price of \$12.57 (~\$25.4 MM in total)
- YTD average daily trading volume has increased to ~180,000 shares (or \$2.3 MM/day)

- **Clarksons** - Buy rating - \$18 price target
- **Evercore** - Buy rating - \$15 price target
- **Fearnleys** - Buy rating - \$19 price target
- **Jefferies** - Buy rating - \$15 price target
- **Stifel** - Buy rating - \$19 price target

Market Summary > Navigator Holdings Ltd

12.96 USD

+1.99 (18.14%) ↑ past year

Closed: Mar 20, 4:01 PM EDT • Disclaimer

After hours 12.96 0.00 (0.00%)

1D | 5D | 1M | 6M | YTD | 1Y | 5Y | Max

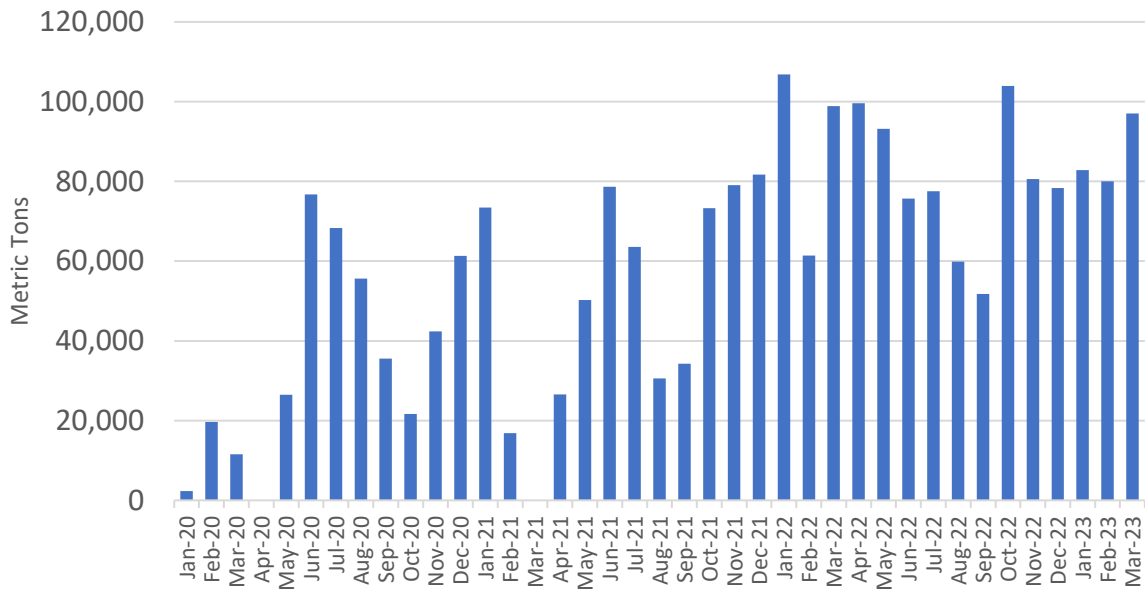




Ethylene Export Terminal Expansion At Morgan's Point Now Underway

- The Company announced a project under its existing 50/50 joint venture with Enterprise Products Partners to expand its ethylene export terminal at Morgan's Point by at least 550,000 tons per year and up to 2 million tons per year
- Navigator expects to make an aggregate of approximately \$120-130 million in cash contributions for the expansion; long-lead items have been ordered, and construction is expected to be completed and fully operational by 4Q24
- Current limited spot cargo availability is leading new customers to discuss multi-year offtake contracts, with the majority of the additional capacity expected to be contracted during construction
- Additional project details regarding engineering design and operations to be announced next week

Ethylene Export Terminal Throughput (metric tons)



Conclusion: Navigator Well-Positioned To Outperform In The Coming Quarters

Financial

- Four out of last five quarters with EBITDA generation above \$55.0 MM.
- Cash increased to \$153.2 million as of December 31, 2022, compared to \$124.2 million as of December 31, 2021.
- Debt reduced by \$19.4 million during Q4, 2022 to \$862.0 million, with net debt of \$708.8 million.
- Fully repaid all outstanding bonds under the NOK 600 million senior secured bonds in December 2022.
- Continuing to reduce leverage through aggressive debt amortization with no debt maturities until 2025.
- Share buyback program ongoing with ~\$25 million already repurchased and another ~\$25 million still authorized.

Commercial

- Fleet utilization remains above 95% with TCE rates on the rise across all vessel sizes.
- Ethylene export volumes through the Marine Export Terminal were 262,835 tons in Q4, 2022, with another ~260,000 tons expected in Q1, 2023.
- 10 vessels contracted on timecharters transporting ammonia to Europe compared to only 5-6 at this time last year.
- Fleet renewal ongoing as our oldest vessels are being replaced with modern, secondhand tonnage.

Outlook

- Shipping markets remain tight with nearly full utilization and rising rates; Q1, 2023 EBITDA likely to reach new record high.
- Supply picture remains attractive with a small Handysize orderbook and large percentage of the fleet already >20 years of age.
- Expansion of our ethylene export terminal at Morgan's Point now underway as long-lead items have been ordered. Expected capex of \$120-130 million with completion scheduled by 4Q24, with expanded terminal capacity to grow to between 1.55-3 million tons per year.
- U.S. produced ethylene is currently being exported fairly evenly to both Asia-Pacific and Europe as petchem demand continues to show strength in both regions.
- Navigator is actively working towards improving its ESG ratings and sustainability reporting.

Analyst Q&A



Appendix



NVGS Fleet List as of March 2023

Operating Vessel	Year Built	Vessel Size (cbm)	Employment Status	Current Cargo	Time Charter Expiration Date
Ethylene/ethane capable semi-refrigerated midsize					
Navigator Aurora	2016	37,300	Time Charter	Ethane	December 2026
Navigator Eclipse	2016	37,300	Time Charter	Ethane	March 2026
Navigator Nova	2017	37,300	Time Charter	Ethane	September 2026
Navigator Prominence	2017	37,300	Time Charter	Ethane	March 2025
Ethylene/ethane capable semi-refrigerated handysize					
Navigator Orion*	2000	22,085	Spot Market	—	—
Navigator Pluto*	2000	22,085	Spot Market	Ethylene	—
Navigator Saturn*	2000	22,085	Time Charter	LPG	March 2023
Navigator Venus*	2000	22,085	Spot Market	Ethylene	—
Navigator Atlas*	2014	21,000	Spot Market	Ethylene	—
Navigator Europa*	2014	21,000	Spot Market	Ethylene	—
Navigator Oberon*	2014	21,000	Spot Market	Ethylene	—
Navigator Triton*	2015	21,000	Spot Market	Ethylene	—
Navigator Umbrio*	2015	21,000	Spot Market	Ethylene	—
Navigator Luna*	2018	17,000	—	—	—
Navigator Solar*	2018	17,000	Spot Market	Ethylene	—
Ethylene/ethane capable semi-refrigerated smaller size					
Happy Condor**	2008	9,000	Unigas Pool	—	—
Happy Pelican**	2012	6,800	Unigas Pool	—	—
Happy Penguin**	2013	6,800	Unigas Pool	—	—
Happy Kestrel**	2013	12,000	Unigas Pool	—	—
Happy Osprey**	2013	12,000	Unigas Pool	—	—
Happy Peregrine**	2014	12,000	Unigas Pool	—	—
Happy Albatross**	2015	12,000	Unigas Pool	—	—
Happy Avocet**	2017	12,000	Unigas Pool	—	—
Semi-refrigerated handysize					
Navigator Aries	2008	20,750	Time Charter	LPG	January 2024
Navigator Capricorn	2008	20,750	Time Charter	LPG	April 2023
Navigator Gemini	2009	20,750	Time Charter	LPG	March 2023

Operating Vessel	Year Built	Vessel Size (cbm)	Employment Status	Current Cargo	Time Charter Expiration Date
Navigator Pegasus	2009	22,200	Time Charter	Propylene	June 2023
Navigator Phoenix	2009	22,200	Time Charter	Ammonia	August 2023
Navigator Scorpio	2009	20,750	Time Charter	LPG	January 2024
Navigator Taurus	2009	20,750	Time Charter	Ammonia	July 2023
Navigator Virgo	2009	20,750	Time Charter	LPG	April 2023
Navigator Leo	2011	20,600	Time Charter	LPG	December 2023
Navigator Libra	2012	20,600	Time Charter	LPG	December 2023
Atlantic Gas	2014	22,000	Spot Market	—	—
Adriatic Gas	2015	22,000	Time Charter	LPG	November 2023
Balearic Gas	2015	22,000	Spot Market	—	—
Celtic Gas	2015	22,000	Time Charter	LPG	April 2023
Navigator Centauri	2015	21,000	Time Charter	LPG	May 2023
Navigator Ceres	2015	21,000	Time Charter	LPG	June 2023
Navigator Ceto	2016	21,000	Time Charter	LPG	May 2023
Navigator Copernico	2016	21,000	Time Charter	LPG	June 2023
Bering Gas	2016	22,000	Spot Market	Butadiene	—
Navigator Luga	2017	22,000	Time Charter	LPG	July 2023
Navigator Yauza	2017	22,000	Time Charter	LPG	July 2023
Arctic Gas	2017	22,000	Time Charter	LPG	April 2023
Pacific Gas	2017	22,000	Time Charter	LPG	November 2023
Semi-refrigerated smaller size					
Happy Falcon**	2002	3,770	Unigas Pool	—	—
Fully-refrigerated					
Navigator Glory	2010	22,500	Time Charter	Ammonia	June 2025
Navigator Grace	2010	22,500	Time Charter	Ammonia	January 2024
Navigator Galaxy	2011	22,500	Time Charter	Ammonia	December 2023
Navigator Genesis	2011	22,500	Time Charter	Ammonia	January 2024
Navigator Global	2011	22,500	Time Charter	LPG	April 2023
Navigator Gusto	2011	22,500	Time Charter	Ammonia	April 2023
Navigator Jorf	2017	38,000	Time Charter	Ammonia	August 2027

*denotes our owned vessels that operate within the Luna Pool

**denotes our owned vessels that operate within the independently managed Unigas Pool



Investor Relations

investorrelations@navigatorgas.com



 NAVIGATOR GAS

