

First Quarter 2023 Earnings Presentation

May 2023





Forward Looking Statements

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.



Highlights – Record Setting Quarter In 1Q23; Announcing New Return of Capital Policy

Financial

- Operating revenues of \$136.0 million for Q1, 2023, up 10.3% sequentially compared to \$123.3 million for Q4, 2022.
- Adjusted EBITDA was a record \$69.0 million for Q1, 2023, compared to \$55.7 million for Q1, 2022 and \$59.4 million for Q4, 2022.
- Net income of \$18.8 million, or \$0.25 per share for Q1, 2023; adjusted net income of \$23.0 million, or \$0.30 per share.
- Cash increased to \$190.9 million as of March 31, 2023, compared to \$153.2 million as of December 31, 2022.
- Completed \$50.0 million share repurchase program; authorized a new \$25.0 million program.
- Announced new return of capital policy including a fixed dividend as well as a floating additional dividend and/or share repurchases.

Commercial

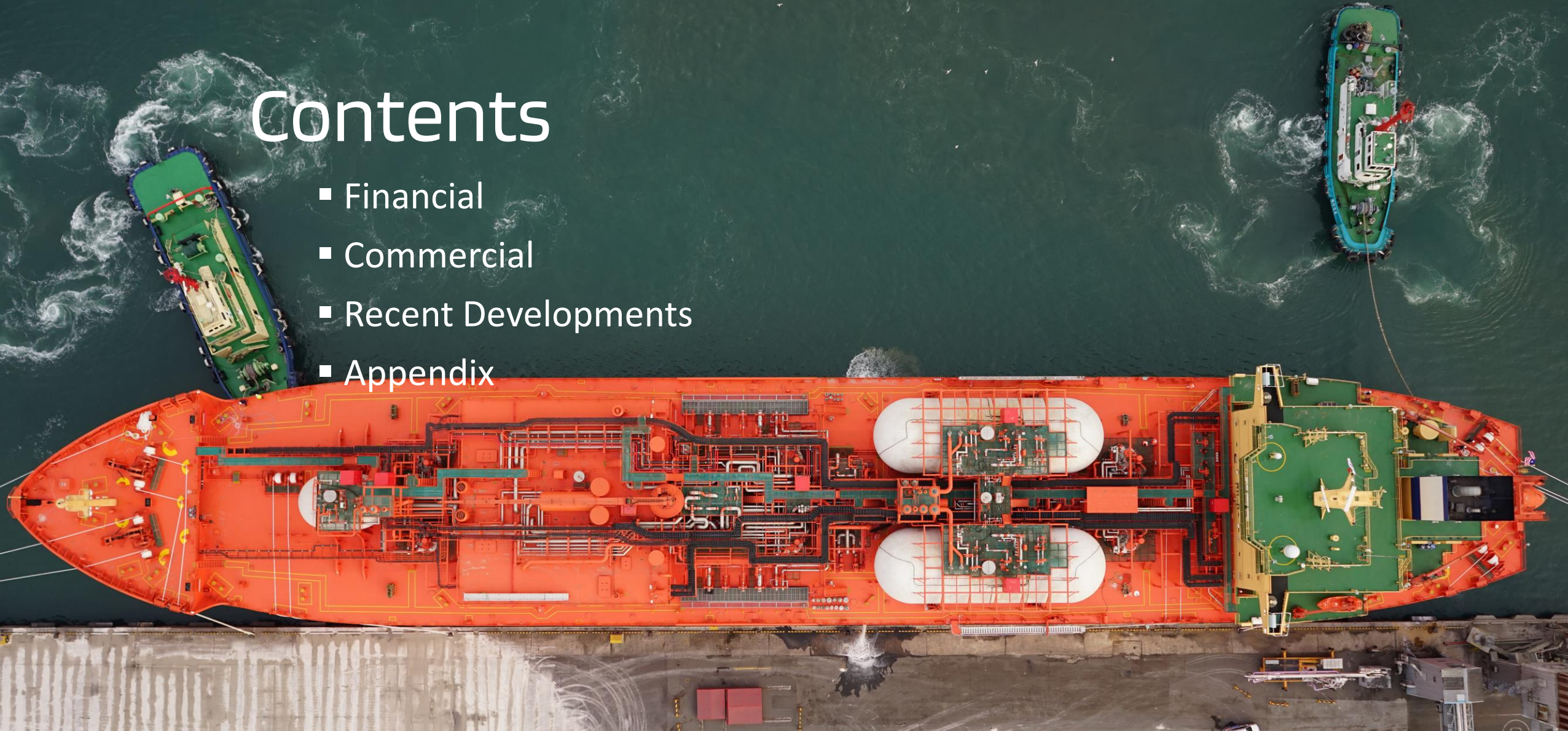
- Fleet utilization was 96.2% for Q1, 2023 compared to 89.5% for Q1, 2022.
- Ethylene export volumes through the Ethylene Export Terminal were 250,731 tons for Q1, 2023 compared to 267,110 tons for Q1, 2022.
- Completed accretive vessel acquisitions through new joint venture with Greater Bay Gas Company; the last of the five vessels was delivered on April 13, 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 approx. \$125 million with completion scheduled by 4Q 2024.
- Sold the *Navigator Orion*, a 2000 built 22,085 cbm ethylene carrier for \$20.9 million on May 2, 2023.

Outlook

- Utilization in Q2, 2023 expected to be around 90%, which will be lower than Q1, 2023 due to vessel repositioning, but higher than Q2, 2022.
- TCE rates on the rise as demand continues to strengthen; Q2, 2023 EBITDA likely to continue upward trajectory.
- Q2, 2023 ethylene export volumes through the Ethylene Export Terminal expected to remain strong at approximately 265,000 tons.
- Supply picture remains attractive with a limited Handysize orderbook and large percentage of the fleet already >20 years of age.
- Approximately 65% of U.S. ethylene exports is currently shipped to Asia-Pacific with the remainder proportion to European consumers, as petrochemical demand continues to show strength in both regions.

Contents

- Financial
- Commercial
- Recent Developments
- Appendix



Financial



Income Statement: Strong Quarterly Results as Utilization Set New Highs



(US\$'M)	Q1, 2022	Q1, 2023
Operating revenues	100,396	116,610
Operating revenues – Unigas Pool	13,504	12,192
Operating revenues – Luna Pool	5,877	7,200
Total Operating Revenues	119,777	136,002
Operating expenses:		
Brokerage commissions	1,407	1,694
Voyage expenses	20,796	17,229
Voyage expenses – Luna Pool	4,590	5,028
Vessel operating expenses	38,051	41,672
Depreciation and amortization	31,342	31,831
General and administrative costs	6,343	6,755
Profit from sale of vessel	(358)	-
Other Income	(89)	(96)
Total operating expenses	102,082	104,113
Operating income	17,695	31,889
Foreign currency gain on senior secured bonds	(777)	-
Unrealized gain / loss on derivative instruments	15,242	(4,251)
Net interest expense	(10,876)	(12,755)
Write off of deferred financing costs	-	(171)
Income taxes	(393)	(1,164)
Share of result of equity method investments	6,503	5,302
Net income attrib to non-controlling interest	(356)	(64)
Net income	27,038	18,786

- Strong operational performance in Q1, 2023, with total operating revenues of \$136.0 million, adjusted EBITDA of \$69.0 million, net income of \$18.8 million, and EPS of \$0.25
- Adjusted Net Income (excluding the unrealized loss on derivatives instruments), of \$23.0 million, or \$0.30 per share
- Terminal throughput volumes remain above nameplate capacity at 250,731 tons in Q1, 2023 and are expected to exceed this amount in Q2, 2023

	Q1 2022	Q1 2023
Weighted average number of vessels	44.2	45.0
Ownership days	3,974	4,048
Available days	3,879	4,030
Operating days	3,471	3,879
Fleet utilization	89.5%	96.2%
Average Daily Results:		
Time charter equivalent rate	\$ 22,933	\$ 25,620
Daily vessel operating expenses	\$ 7,841	\$ 8,580

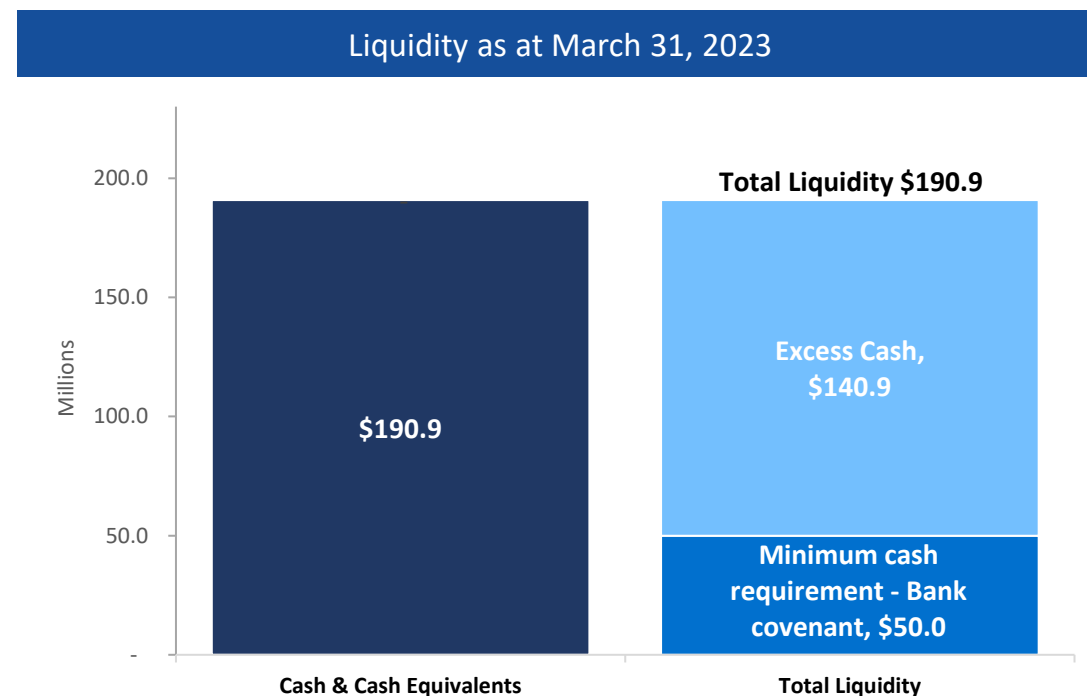
**Excludes the 9 owned smaller vessels commercially managed by the independent Unigas Pool.*

Balance Sheet & Liquidity: Large Cash Position Provides Financial Flexibility



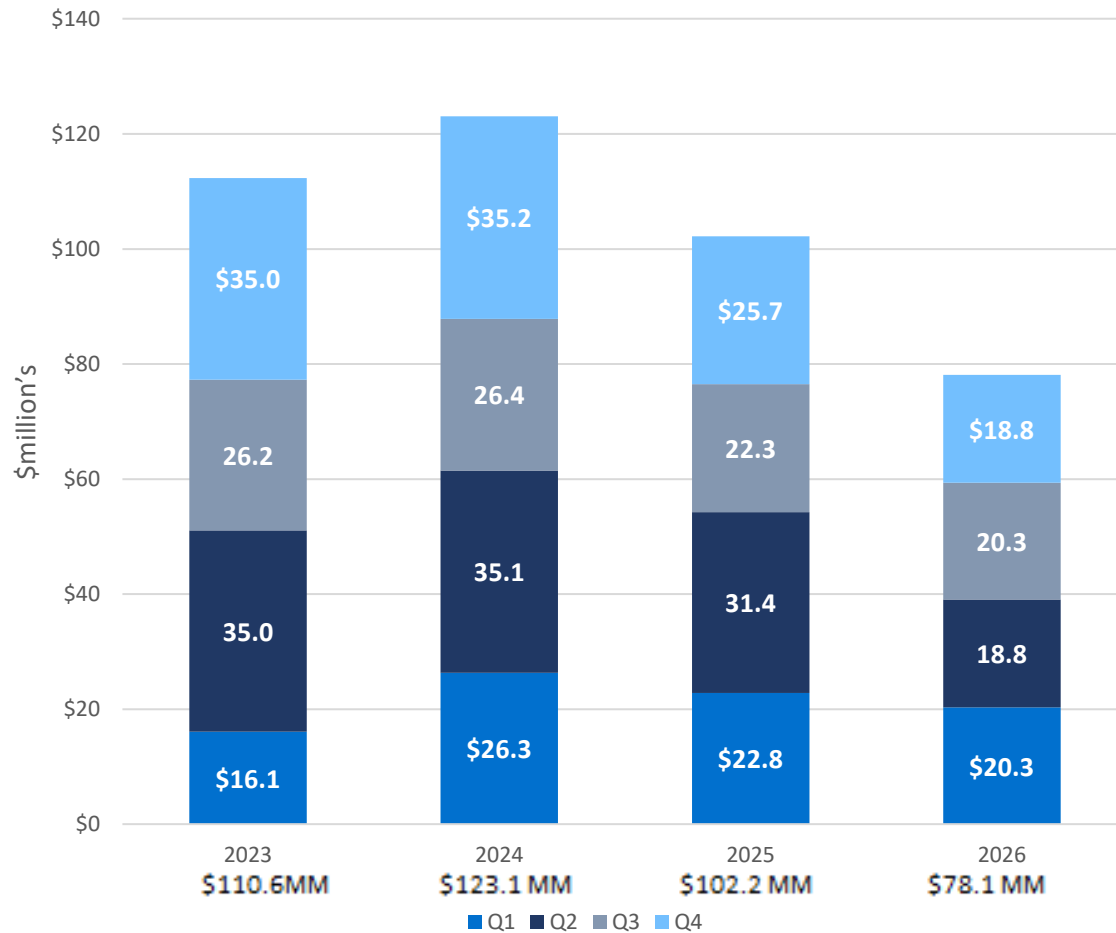
(US\$'M)	December 31, 2022	March 31, 2023
Assets		
Cash and cash equivalents	153,194	190,863
Other current assets	75,127	79,645
Total current assets	228,321	270,508
Vessels, net	1,692,494	1,806,707
Investment in Terminal JV	148,534	145,390
Other assets	27,389	21,965
Total assets	2,096,738	2,244,570
Liabilities & Equity		
Net current portion of debt	99,009	117,197
Other current liabilities	60,614	56,701
Total Current Liabilities	159,623	173,898
Net long term debt	755,421	876,800
Other non-current Liabilities	8,282	9,020
Total liabilities	923,326	1,059,718
Equity	1,162,494	1,153,517
Non-controlling interest	10,918	31,335
Total liabilities and Equity	2,096,738	2,244,570

- Strong Balance Sheet with increased liquidity following debt refinancings
- Total liquidity increased by \$37.7 million during the first three months of 2023 to \$190.9 million as of March 31, 2023
- Net Debt to Capitalization of 36.9% as of March 31, 2023
- Net debt to adjusted EBITDA of 3.6x for LTM as of March 31, 2023

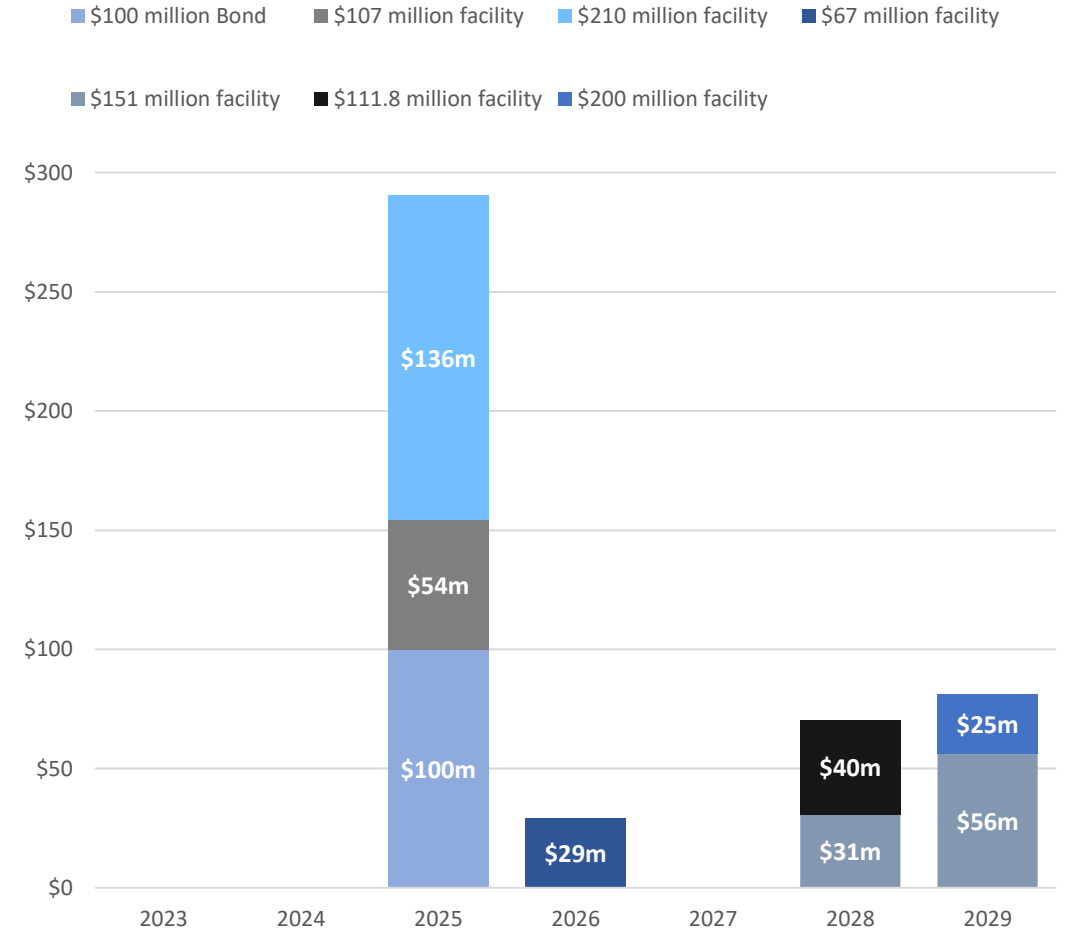




Indicative Loan Repayment Profile: Aggressively Reducing Debt



Current Debt Maturity Profile

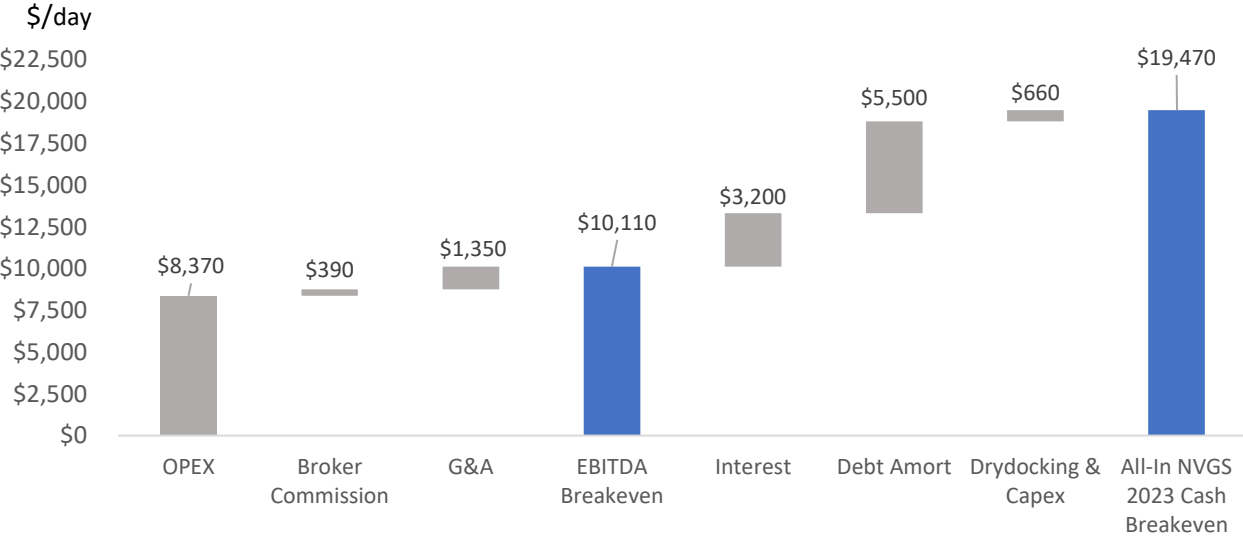


Lean Operations and Cost Efficiencies Provide Low Cash Breakevens



- 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 \$110.6 million in debt amortization

Estimated Cash Breakeven for 2023 = \$19,470/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

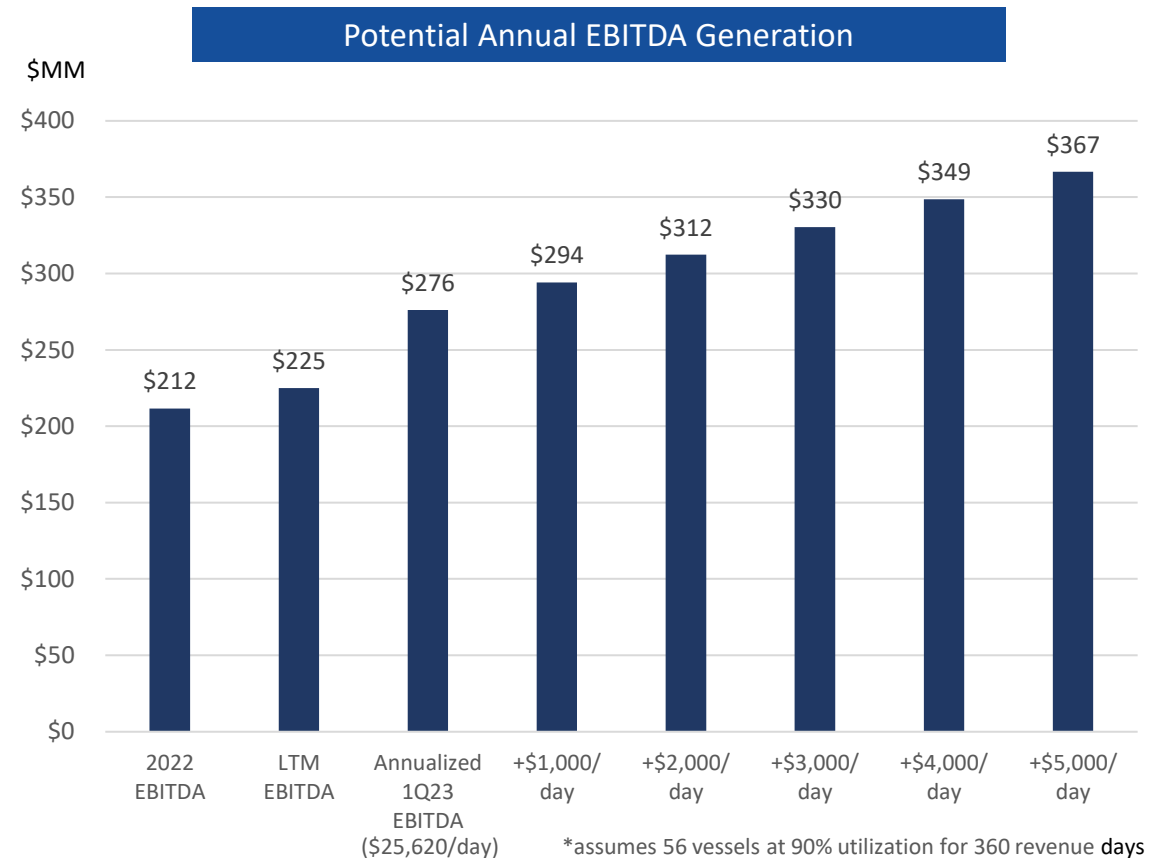
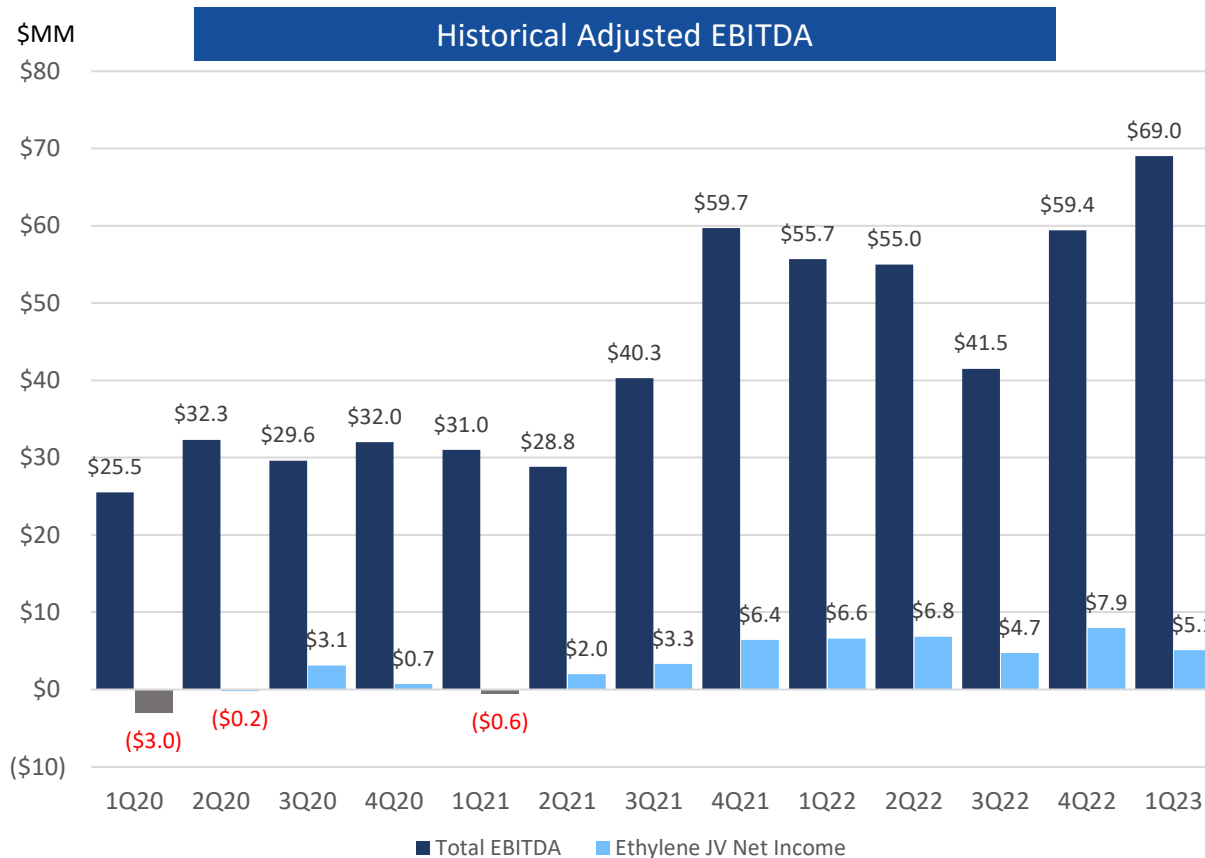
Vessel opex	\$168-172 MM
Cash G&A	\$27-29 MM
Depreciation	\$129-132 MM
Cash Interest Expense	\$61-64 MM

*assumes 56 vessels owned throughout the year

Operational Leverage Provides Substantial EBITDA Upside



- Highest quarterly EBITDA on record \$69.0 million; five out of the last six quarters have resulted in at least \$55 million of quarterly EBITDA
- Includes our share of quarterly income from the Export Terminal Joint Venture of \$5.3 million
- Annual EBITDA generation primarily driven by shipping operations, with every +\$1,000/day in TCE adding >\$18 MM in annual EBITDA



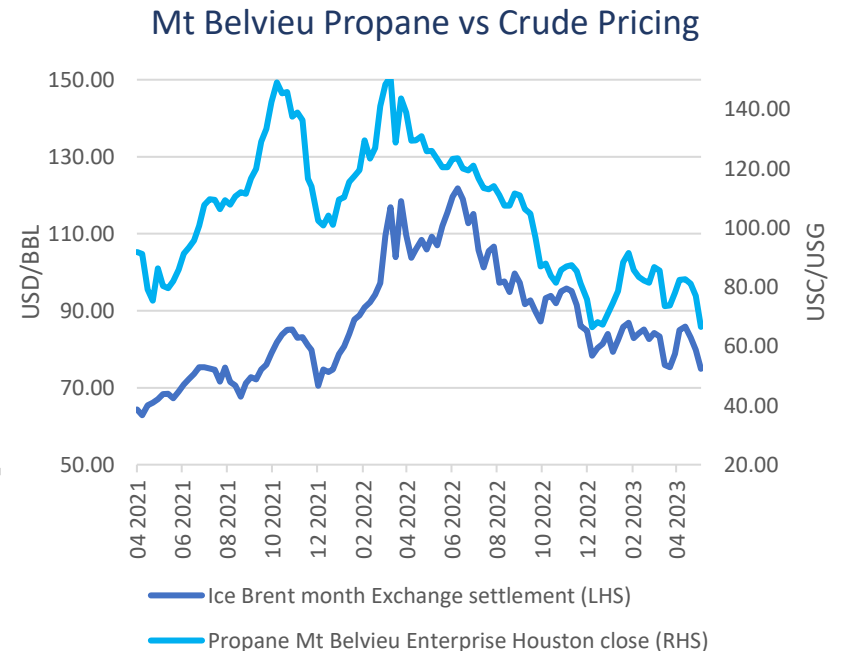
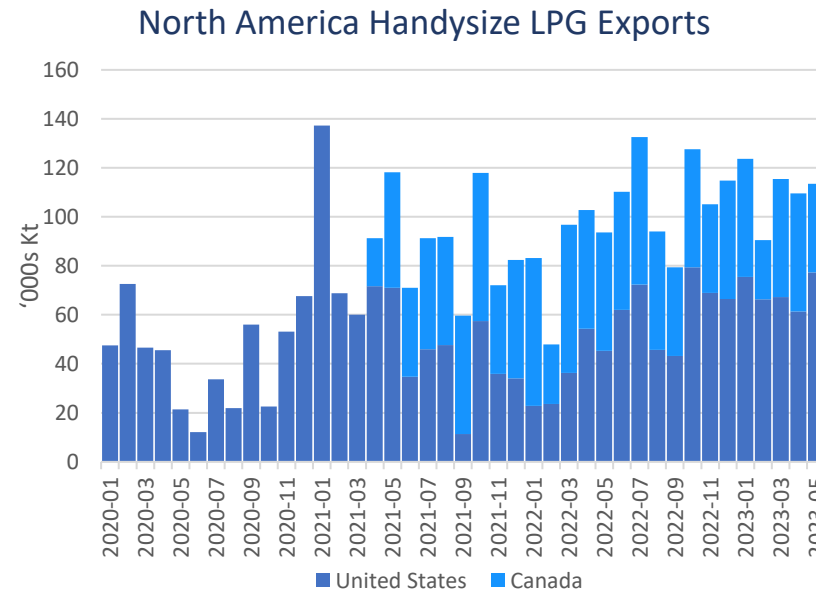
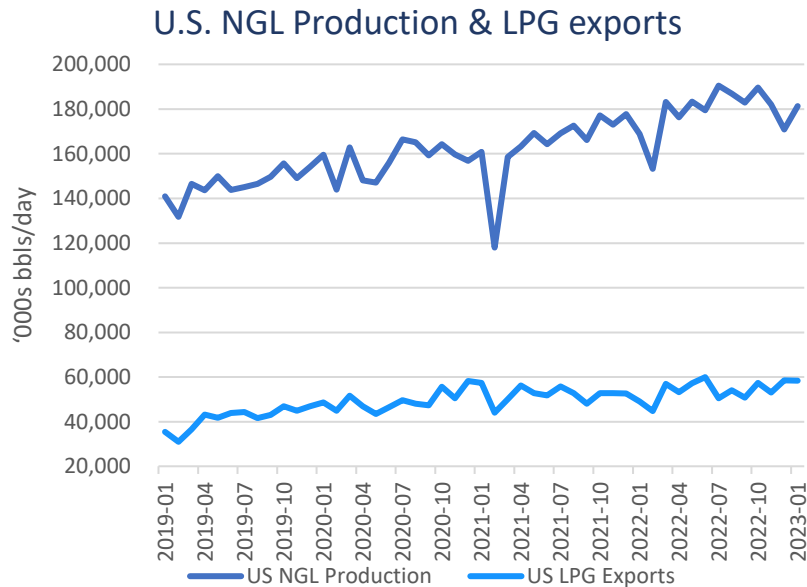
Commercial



North American NGL Production & LPG Exports Continue To Climb Higher



- North American natural gas liquids production has recovered since the December Winter Storm Elliot
- LPG production increased by 7.5% during the two first months of the year with LPG exports following similar trajectory
- Monthly Handysize LPG exports from Canada and U.S. above 100,000mts during the last three months
- Propane maintaining cost advantaged differential against oil



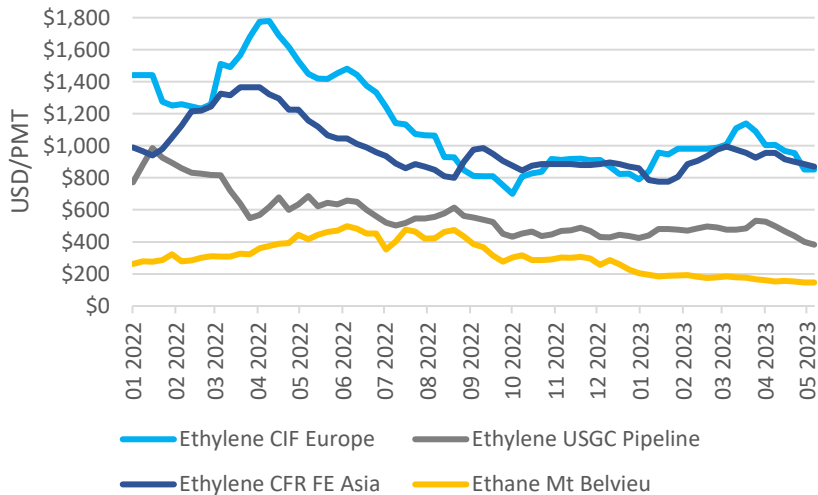
Source: EIA, Kpler, Argus, 2023



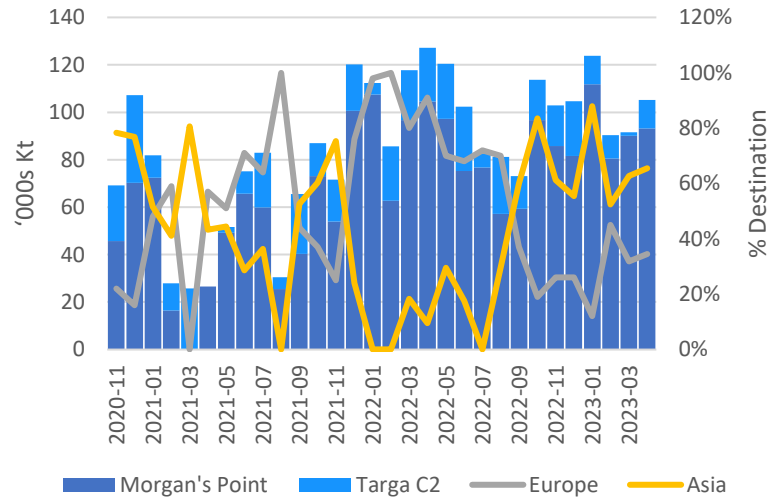
U.S. Ethylene Exports Continue Above Nameplate Capacity

- U.S. Ethane prices on a downward trend strengthening its competitiveness as Ethylene feedstock for domestic and international use
- Ethylene arbitrage remains open; U.S. ethylene exports increasingly exported to Asia-Pacific destinations
- Ethylene exports continue to be at nameplate capacity with throughput of 250,731 tons for Q1, 2023; ethylene export volumes in Q2, 2023 expected to remain strong at approximately 265,000 tons
- Morgan's Point phase #2 expansion is under way and construction has begun (see page 21 for more details)

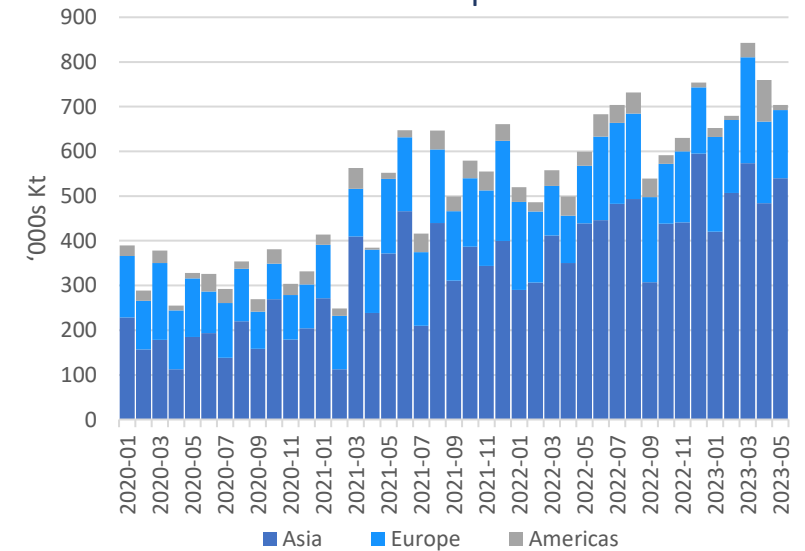
US/Europe/Asia Ethylene Pricing & U.S. Ethane



U.S. Ethylene Exports + Destination



U.S. Ethane Exports

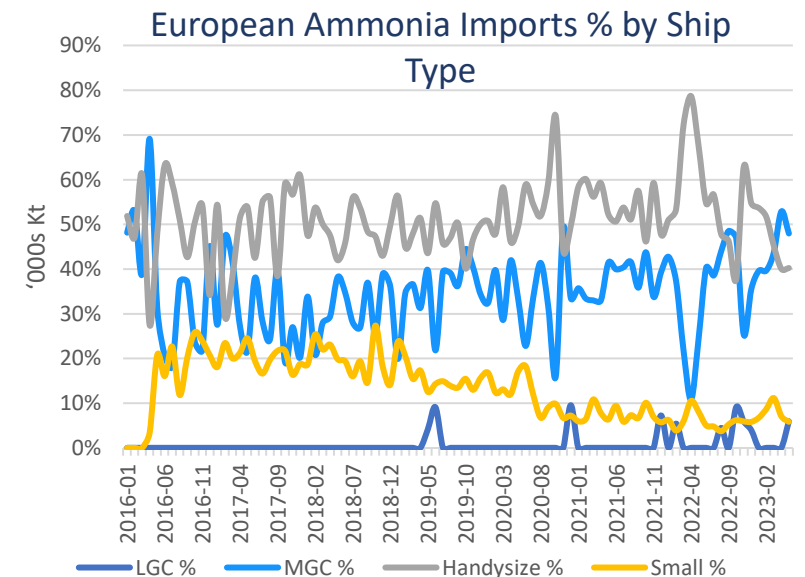
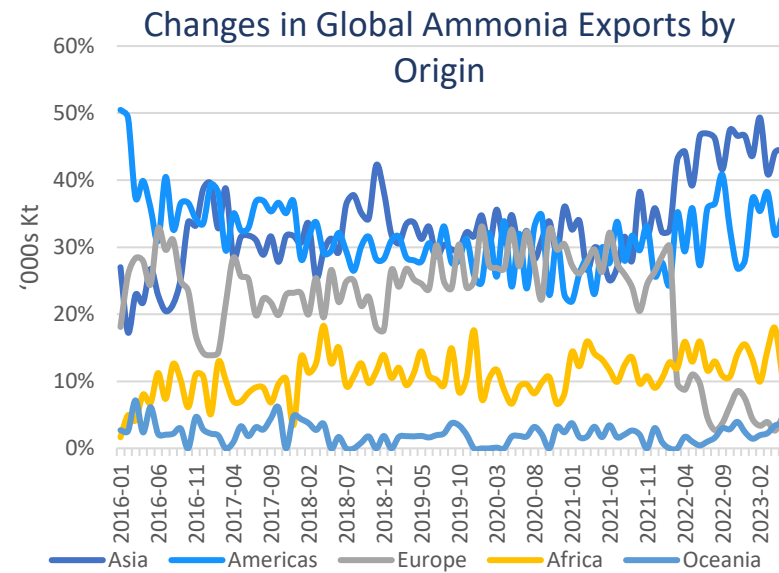
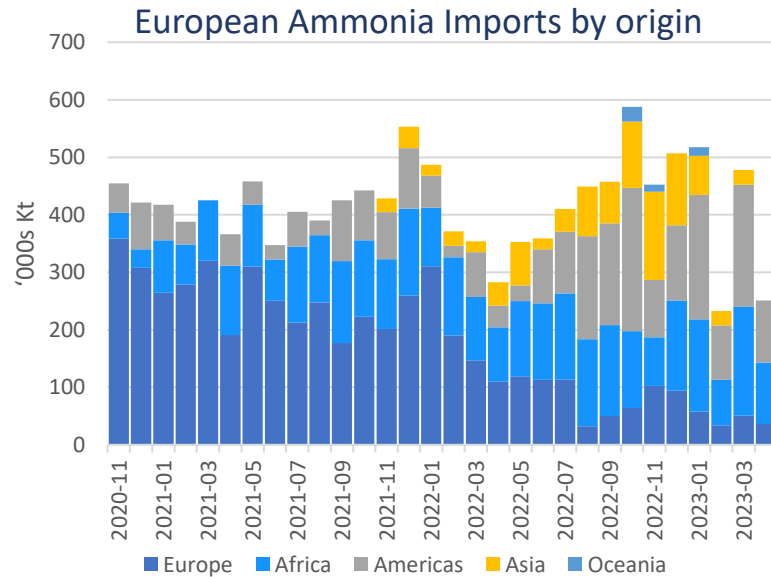


Source: Argus, Kpler, 2023



Handysize Ammonia Demand Remains Firm Despite European Imports Declining

- European ammonia imports declining due to normalisation of natural gas prices and domestic production
- Asia and American ammonia exports on the rise; we expect North America to become the largest exporter of liquid ammonia by 2030 due to its natural gas reserves, pipeline connectivity, underground carbon storage characteristics, and IRA support from the government to encourage blue and green ammonia production
- Handysize ammonia imports to Europe declining, however the commodity remains approximately 20% of our earnings days (see more details on page 15)



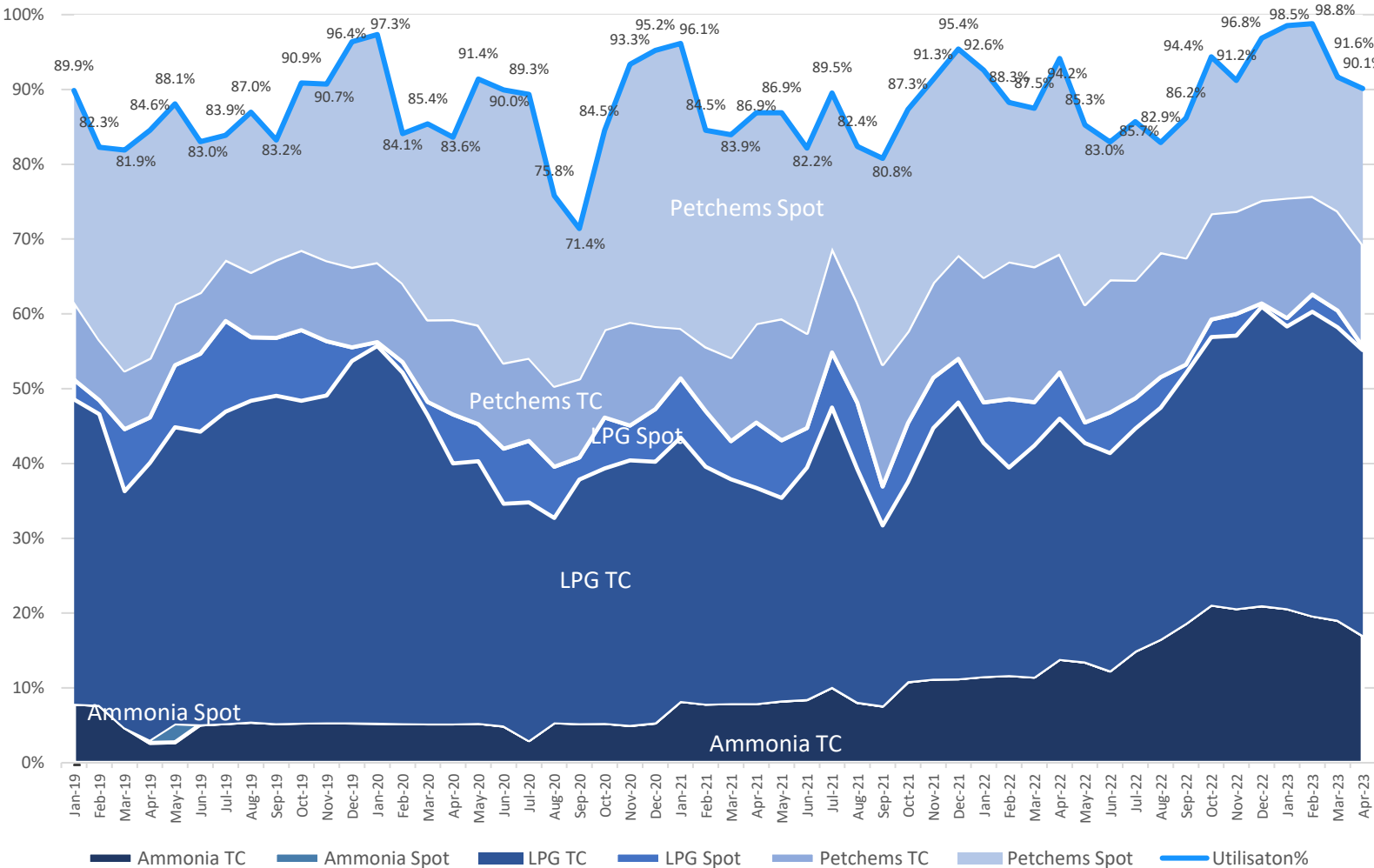
Source: Kpler, 2023

Earnings Days Spread Across Several Commodities; 1Q23 Utilization Set Record High, 2Q23 Utilization Slightly Lower Due To Vessel Repositioning And Repairs



- Average utilization for Q1, 2023 96.2%
- Q1, 2023 Ammonia earnings days almost doubled from Q1, 2022 levels reaching 21% of our total, broadly inline with our peak achieved in Q4, 2022
- Current utilization remains above 90%, a slight seasonal decline after a strong start to the year due to three idle vessels waiting for maintenance/repairs/sales

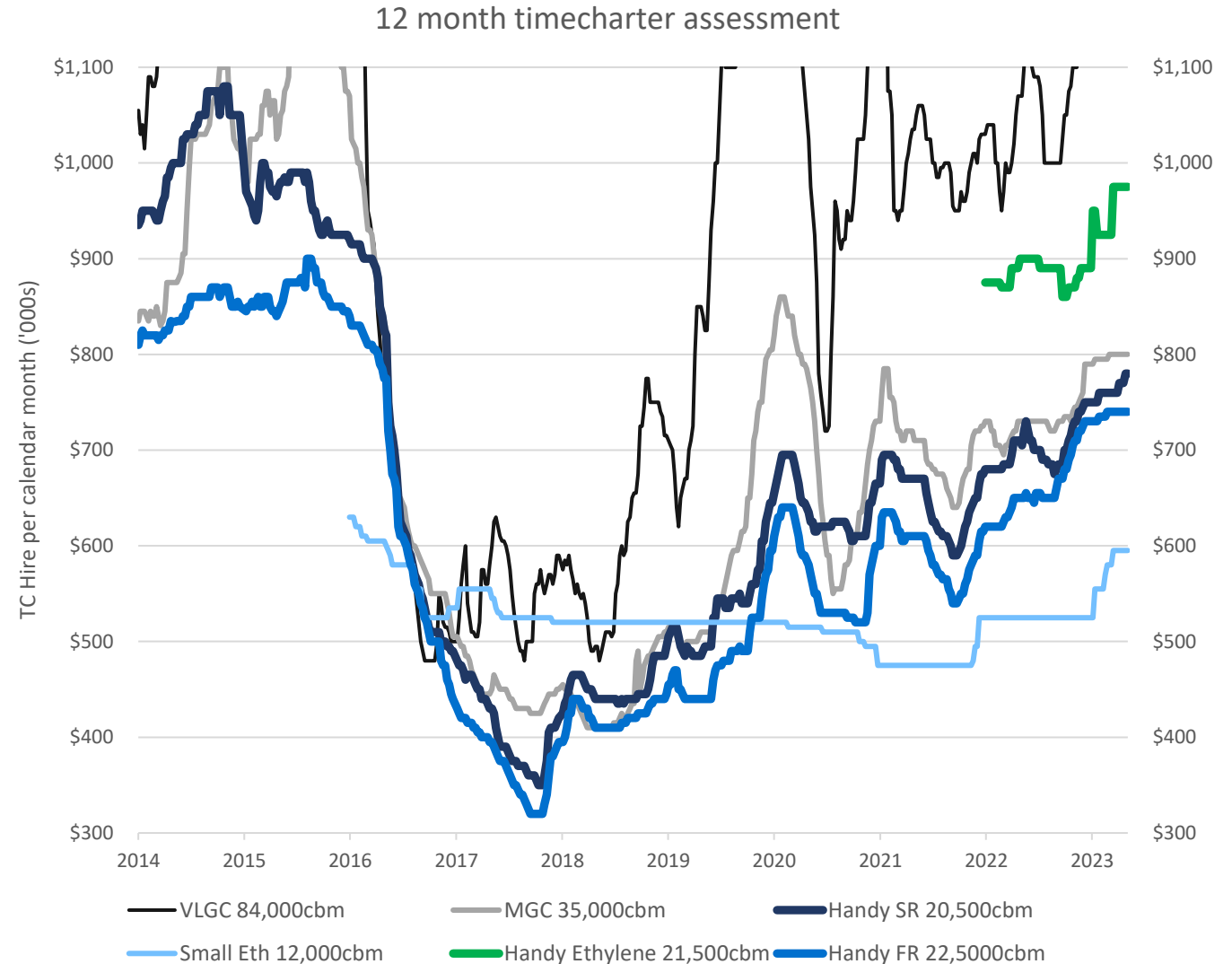
Earning days vs Utilisation (Ex Pacific)





TimeCharter Rate Environment Continuing To Climb Higher







- Small ethylene: \$595kpcm (\$19,500/day)
- Handy FR: \$740kpcm (\$24,500/day)
- Handy SR: \$780kpcm (\$25,500/day)
- Handy Eth: \$975kpcm (\$32,000/day)
- MGC 35: \$800kcpm (\$26,500/day)
- VLGC 84: \$1,210kpcm (\$39,500/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		352	74	21%	50	
Large Gas Carrier 40,000 - 59,999 cbm	Fully-Refrigerated		21	-	-	-	
Medium Gas Carrier 25,000 - 39,999 cbm	Fully-Refrigerated Ethylene & Ethane		116	24	21%	14	1
			15	3		-	4
Handysize Gas Carrier 15,000 - 24,999 cbm	Fully-Refrigerated		25	2	3%	4	6
	Semi-Refrigerated		59	1		16	23
	Ethylene		38	-		5	14
Small Gas Carrier 5,000 - 14,999 cbm	Ethylene Semi-Refrigerated Pressure		366	28	7%	84	9
Small Gas Carrier <4,999 cbm	Semi-Refrigerated Pressure		596	5	1%	100	

Recent Developments



Fleet Renewal Continues: Sold Oldest Vessel, Completed Greater Bay JV Deliveries



- On May 2, 2023, we sold our oldest vessel, Navigator Orion, a 2000-built 22,000 cbm LPG carrier to a third party for \$20.9 million, our fourth vessel sale since January 2022

Vessel Name	Size (cbm)	Year Built	Age at Sale	Sale Price \$ MM	Sale Date
Navigator Neptune	22,000	2000	21.1	\$21.0	January 14, 2022
Happy Bird	8,600	1999	22.5	\$6.1	March 7, 2022
Navigator Magellan	20,900	1998	24.1	\$12.7	November 23, 2022
Navigator Orion	22,000	2000	23.3	\$20.9	May 2, 2023

- We continue to engage buyers who are showing interest to acquire our three remaining vessels built in 2000
- In September 2022, we 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 taken delivery of all five vessels, earlier than previously expected
 - Total cost of \$233 million, 65% has been financed by the \$151.3 million bank loan, with 60% of the remaining cost (~\$49 million) paid from available cash

Previous Name	New Name	Size (cbm)	Month Built	Age (years)	Transaction Date
Pacific Venus	Navigator Luna	17,000	Mar-18	5.0	December 20, 2022
Pacific Jupiter	Navigator Solar	17,000	Sep-18	4.5	January 17, 2023
Pacific Mars	Navigator Castor	22,000	Jul-19	3.7	March 23, 2023
Pacific Saturn	Navigator Equator	22,000	Nov-19	3.4	March 27, 2023
Pacific Mercury	Navigator Vega	22,000	Jan-19	4.2	April 13, 2023

- Current fleet of 56 vessels is now 9.9 years of age with an average size of 21,032 cbm



Announcing New Return of Capital Policy

- In October 2022, we announced the Board’s authorization for a share repurchase program of up to \$50 million of NVGS share of common stock
- Between December 2022 and May 2023, we repurchased 3,809,947 shares at an average price of \$13.12 (\$50 million)
- The Board has authorized a new share repurchase program of up to \$25 million of NVGS shares of common stock as part of a new return of capital policy
- Starting in 2Q23, NVGS will pay a fixed quarterly cash dividend of \$0.05 per share (likely payable in August), with additional return of capital to equal at least 25% of net income
 - Whenever quarterly adjusted EPS > \$0.20, additional capital will be returned via a larger dividend and/or share buybacks depending on share price

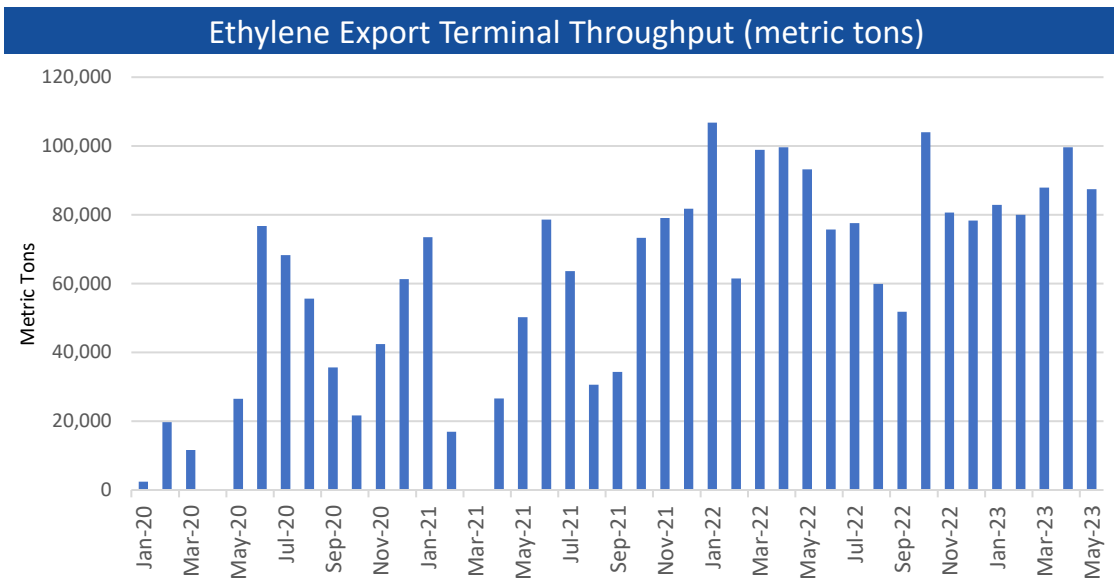
Quarterly Return of Capital Table			
Adjusted EPS	Per Share Payout - 25%	Fixed Dividend	Additional Dividend or Share Repurchases
<\$0.20	\$0.05	\$0.05	-
\$0.25	\$0.0625	\$0.05	\$0.013 or \$0.9 MM for buybacks
\$0.30	\$0.075	\$0.05	\$0.025 or \$1.8 MM for buybacks
\$0.35	\$0.0875	\$0.05	\$0.038 or \$2.8 MM for buybacks
\$0.40	\$0.10	\$0.05	\$0.05 or \$3.7 MM for buybacks
\$0.45	\$0.1125	\$0.05	\$0.063 or \$4.6 MM for buybacks
\$0.50	\$0.125	\$0.05	\$0.075 or \$5.5 MM for buybacks

**based on 73.5 million shares outstanding*

Expanding Ethylene Export Terminal At Morgan's Point Via "Flex Train" Conversion



- 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 to at least 1,550,000 tons per year and up to 3.2 million tons per year by converting an existing ethane refrigeration train to also refrigerate ethylene
 - Ethylene refrigeration capacity to increase from 125 tons/hour to 375 tons/per hour, providing substantial optionality and flexibility in terms of loading the storage tank and timing of exports
- Navigator expects to make an aggregate of ~\$125 million in cash contributions (mostly in 2024) 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 the construction phase



Conclusion: Navigator Hitting Its Stride And Well-Positioned For The Future

Financial

- Record quarterly revenue and EBITDA in Q1, 2023; five out of last six quarters with EBITDA generation above \$55.0 MM.
- Net income of \$18.8 million, or \$0.25 per share for Q1, 2023; adjusted net income of \$23.0 million, or \$0.30 per share.
- Cash increased to \$190.9 million as of March 31, 2023, compared to \$153.2 million as of December 31, 2022.
- Entered into a of \$200.0 million senior secured term loan to refinance \$132.2 million of existing loans; no debt maturities until 2025.
- Completed \$50.0 million share repurchase program; authorized a new \$25.0 million program.
- Announced new return of capital policy including a fixed dividend as well as a floating additional dividend and/or share repurchases.

Commercial

- Record fleet utilization of 96.2% in Q1, 2023; fleet utilization remains around 90% with TCE rates on the rise across all vessel sizes.
- Ethylene export volumes through the Ethylene Export Terminal were 250,731 tons in Q1, 2023, with ~265,000 tons expected in Q2, 2023.
- Expansion of our ethylene export terminal at Morgan's Point now underway as long-lead items have been ordered. Expected capex of ~\$125 million with completion scheduled by 4Q24, with expanded terminal capacity to grow to between 1.55-3 million tons per year.
- Sold oldest vessel and completed vessel acquisitions through Greater Bay JV; fleet renewal ongoing as our oldest vessels are being replaced with modern, secondhand tonnage.

Outlook

- Shipping markets remain tight with high utilization and rising charter rates.
- Supply picture remains attractive with a minimal Handysize orderbook and large percentage of the fleet already >20 years of age.
- U.S. produced ethylene is currently being exported to both Asia-Pacific (65%) and Europe (35%) as petrochemical 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 19th May 2023 (page 1 of 2)

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 Pluto*	2000	22,085	Spot Market	Ethylene	—
Navigator Saturn*	2000	22,085	Spot Market	LPG	—
Navigator Venus*	2000	22,085	Spot Market	Ethylene	—
Navigator Atlas*	2014	21,000	Spot Market	Ethylene	—
Navigator Europa*	2014	21,000	Time Charter	Ethylene	December 2023
Navigator Oberon*	2014	21,000	Spot Market	Ethylene	—
Navigator Triton*	2015	21,000	Spot Market	Ethylene	—
Navigator Umbrio*	2015	21,000	Time Charter	Ethylene	December 2023
Navigator Luna*	2018	17,000	—	—	—
Navigator Solar*	2018	17,000	Spot Market	Ethylene	—
Navigator Castor*	2019	22,000	Spot Market	Ethylene	—
Navigator Equator*	2019	22,000	Spot Market	Ethylene	—
Navigator Vega*	2019	22,000	Time Charter	Ethylene	October 2023
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 smaller size					
Happy Falcon**	2002	3,770	Unigas Pool	—	—

*denotes our owned vessels that operate within the Luna Pool

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

Operating Vessel	Year Built	Vessel Size (cbm)	Employment Status	Current Cargo	Time Charter Expiration Date
Semi-refrigerated handysize					
Navigator Aries	2008	20,750	Time Charter	LPG	January 2024
Navigator Capricorn	2008	20,750	Time Charter	LPG	July 2023
Navigator Gemini	2009	20,750	Spot Market	LPG	—
Navigator Pegasus	2009	22,200	Time Charter	Propylene	September 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	July 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	Time Charter	LPG	August 2023
Adriatic Gas	2015	22,000	Time Charter	LPG	November 2023
Balearic Gas	2015	22,000	Spot Market	LPG	—
Celtic Gas	2015	22,000	Time Charter	LPG	June 2023
Navigator Centauri	2015	21,000	Time Charter	LPG	May 2024
Navigator Ceres	2015	21,000	Time Charter	LPG	June 2024
Navigator Ceto	2016	21,000	Time Charter	LPG	May 2024
Navigator Copernico	2016	21,000	Time Charter	LPG	May 2024
Bering Gas	2016	22,000	Spot Market	Butadiene	—
Navigator Luga	2017	22,000	Time Charter	LPG	July 2024
Navigator Yauza	2017	22,000	Time Charter	LPG	July 2024
Arctic Gas	2017	22,000	Time Charter	LPG	June 2023
Pacific Gas	2017	22,000	Time Charter	LPG	November 2023
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	June 2023
Navigator Gusto	2011	22,500	Time Charter	Ammonia	March 2024
Navigator Jorf	2017	38,000	Time Charter	Ammonia	August 2027



Investor Relations

investorrelations@navigatorgas.com



 NAVIGATOR GAS

