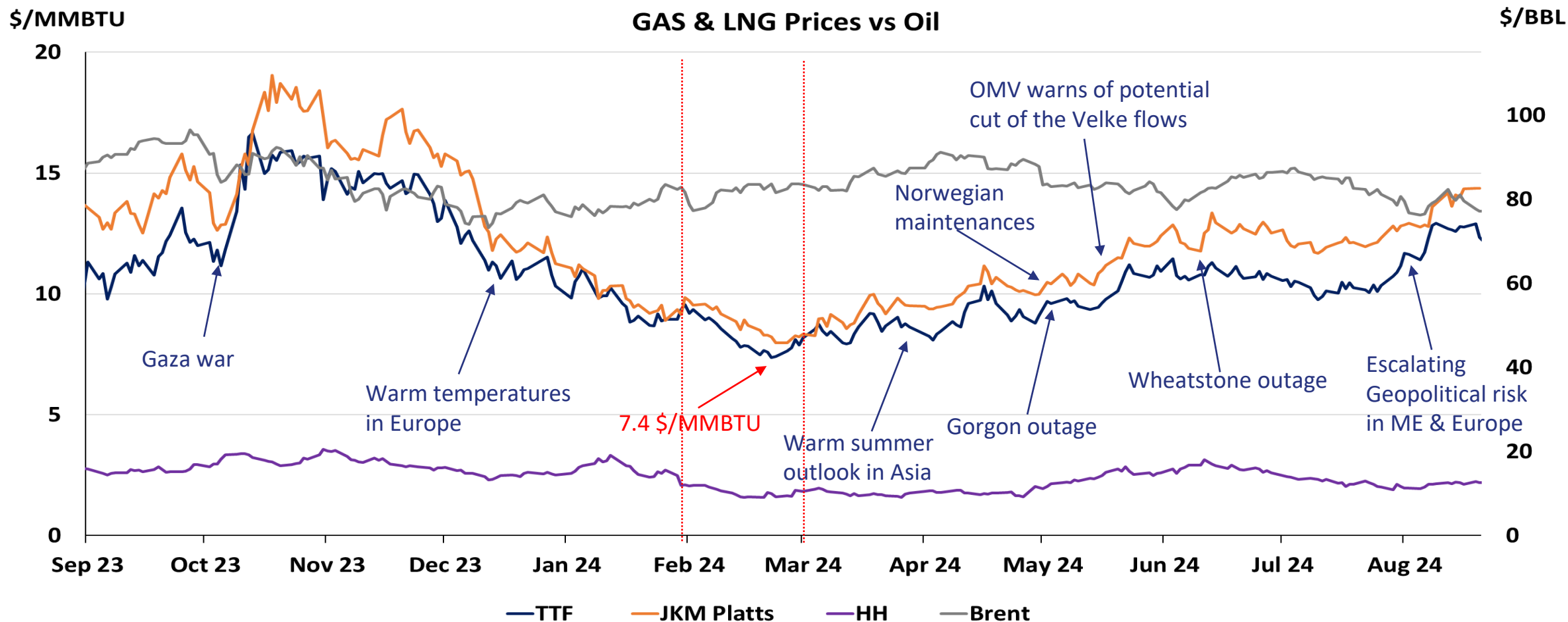


WILL GAS PRICES BE SIGNIFICANTLY IMPACTED BY THE LNG SUPPLY OUTLOOK?

PATRICK DUGAS
VICE PRESIDENT LNG TRADING
TOTALENERGIES

Gas prices reached multiyear lows in February-2024 before climbing to YTD highs in June-2024



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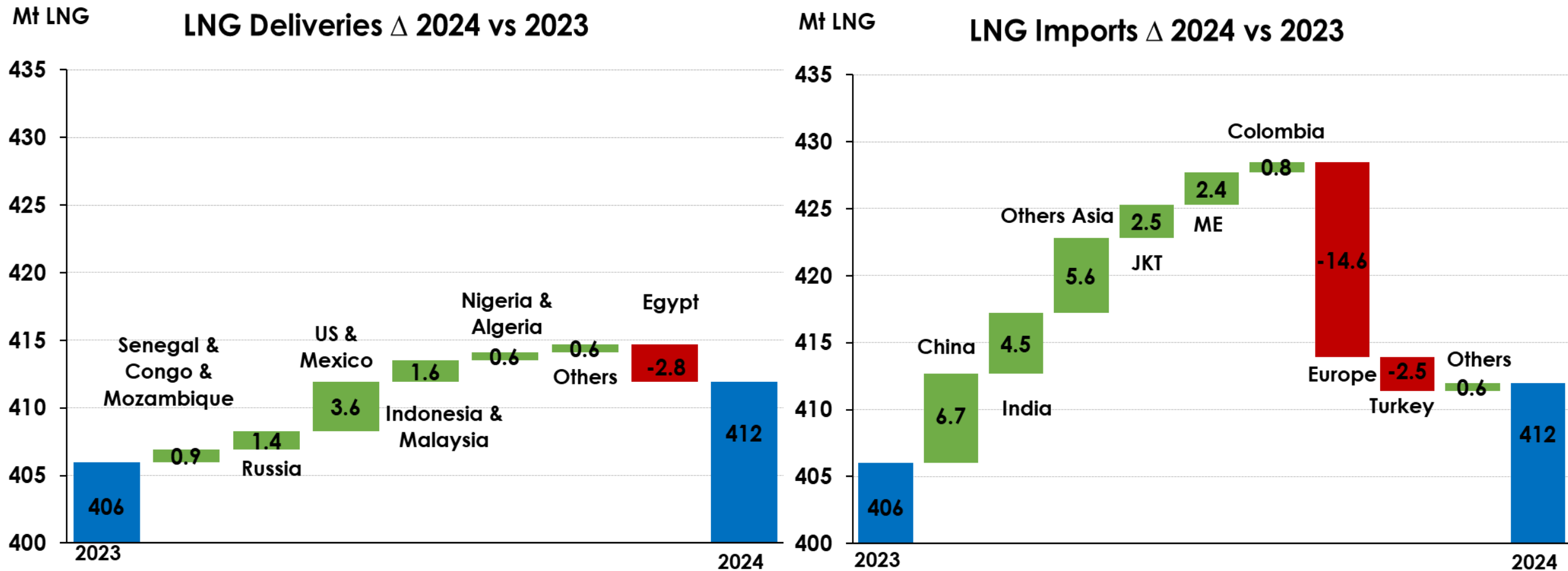
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Hydrogen

Limited supply growth in 2024, +6 MT YoY

Asian demand picked up drastically to absorb volumes from an oversupplied Europe...
A reverse situation compared to 2022



Others Asia: Bangladesh, Pakistan, Indonesia, Malaysia, Singapore, Thailand, Hong Kong, Philippines, Vietnam
ME: Egypt, Kuwait, Jordan, UAE



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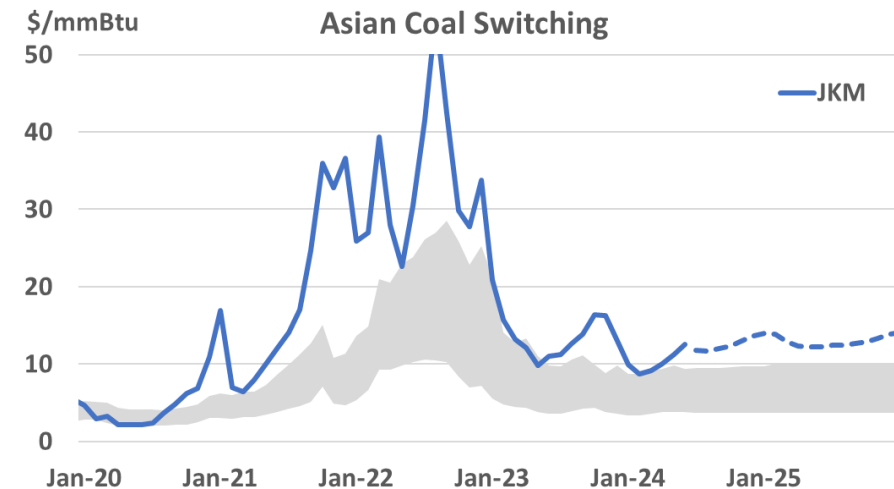
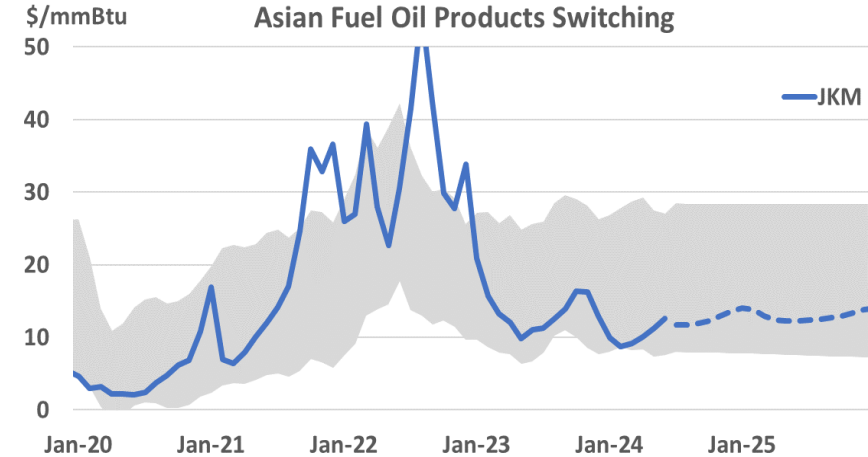
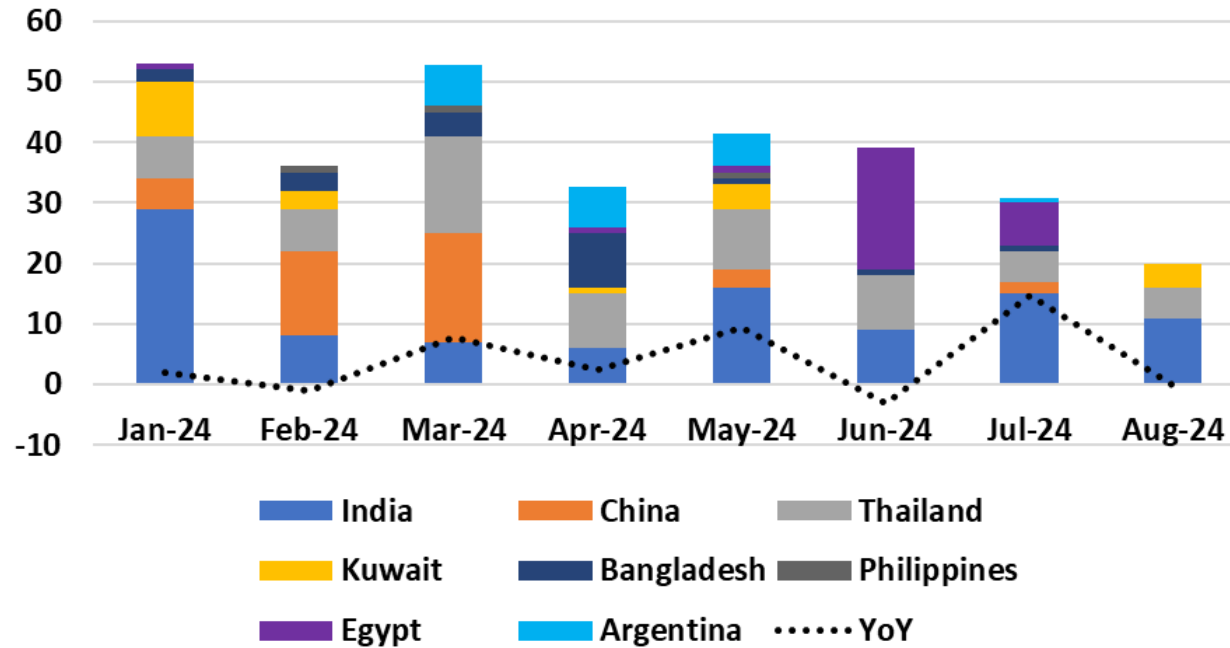


Hydrogen

Tender activity has been supported throughout the year especially from Asian buyers

Competition with oil products has generated more LNG demand in 2024 in Asia

LNG Buying Tenders Activity (#Cargoes)



*Tenders aggregated by release date and include both awarded and unawarded cargoes



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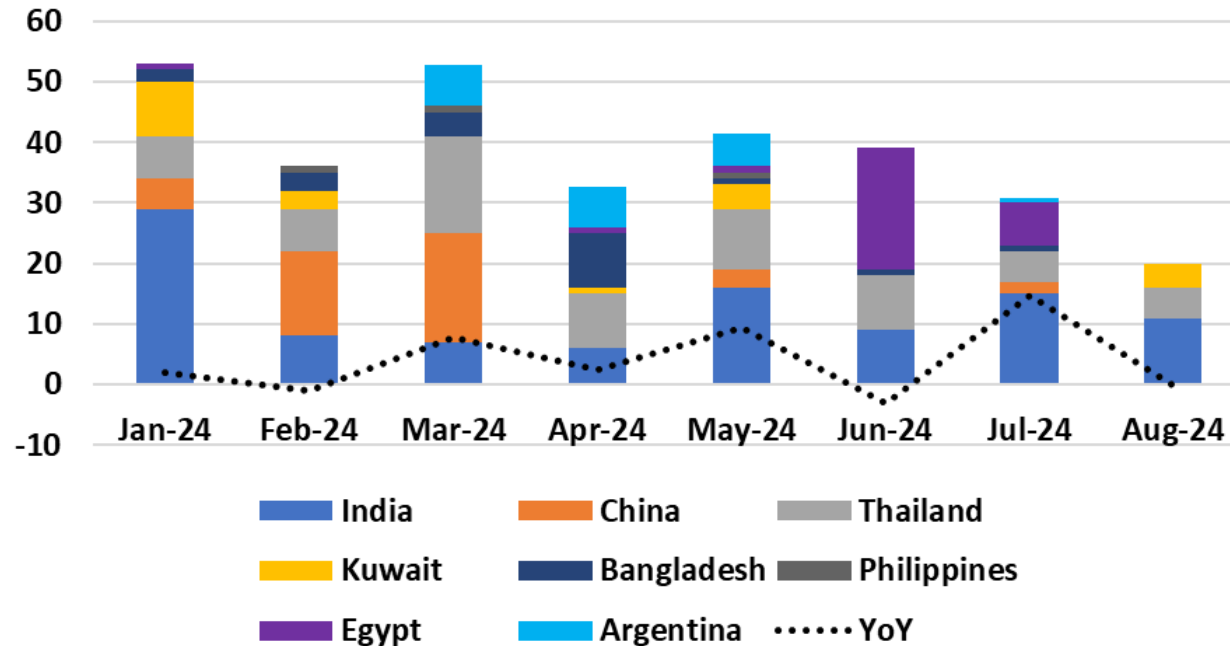


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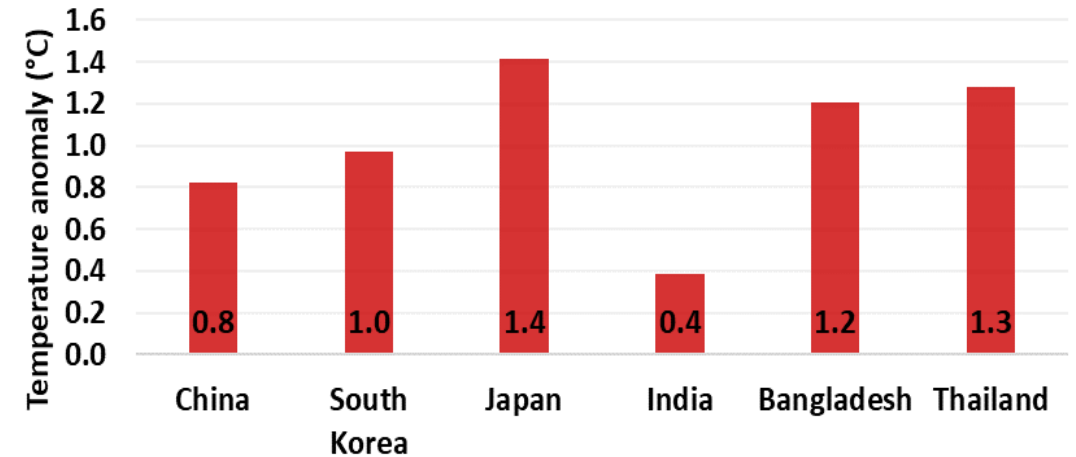
Tender activity has been supported throughout the year especially from Asian buyers

Warm summer outlook boosted LNG demand in Asia

LNG Buying Tenders Activity (#Cargoes)



Average temperature anomaly per country between Apr 1st and Jul 8th
(Reference period 2010-2020)



*Tenders aggregated by release date and include both awarded and unawarded cargoes



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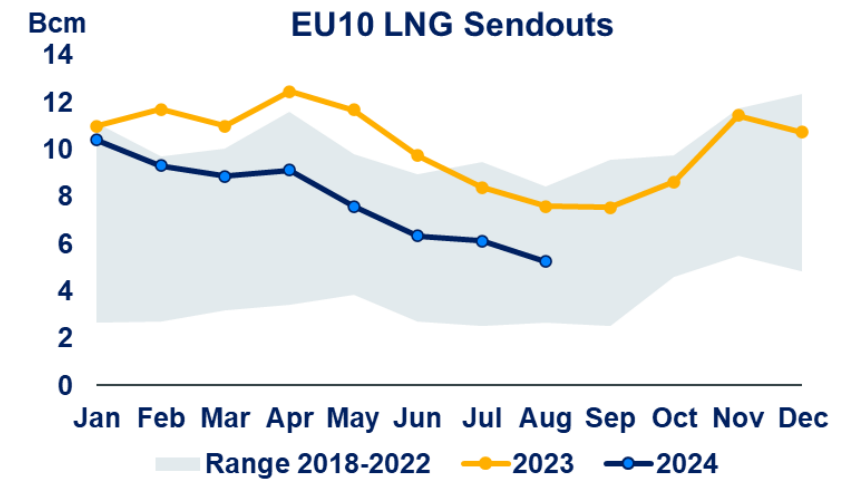
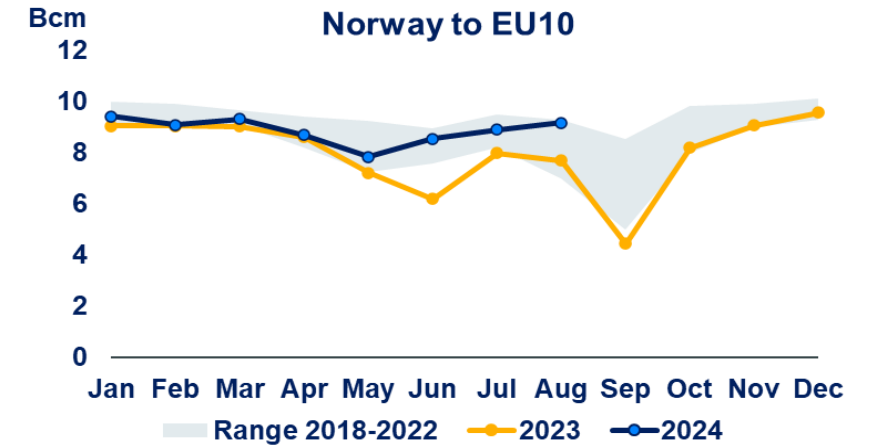
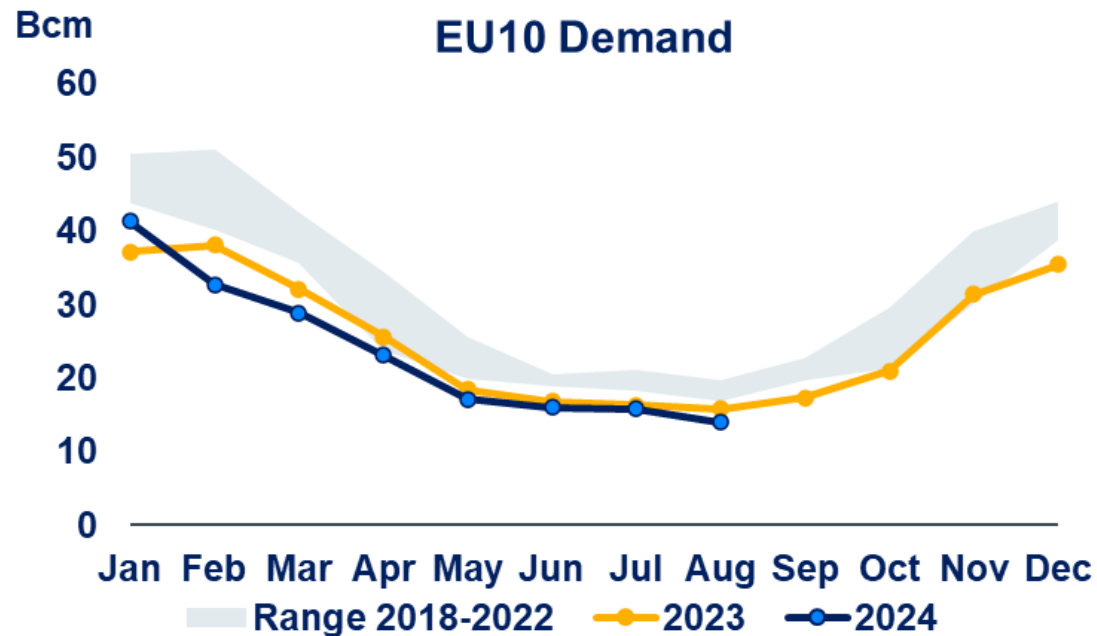
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EU10 demand is not showing any signs of recovery

The very low LNG deliveries are being offset by stronger Norwegian flows and gas demand destruction



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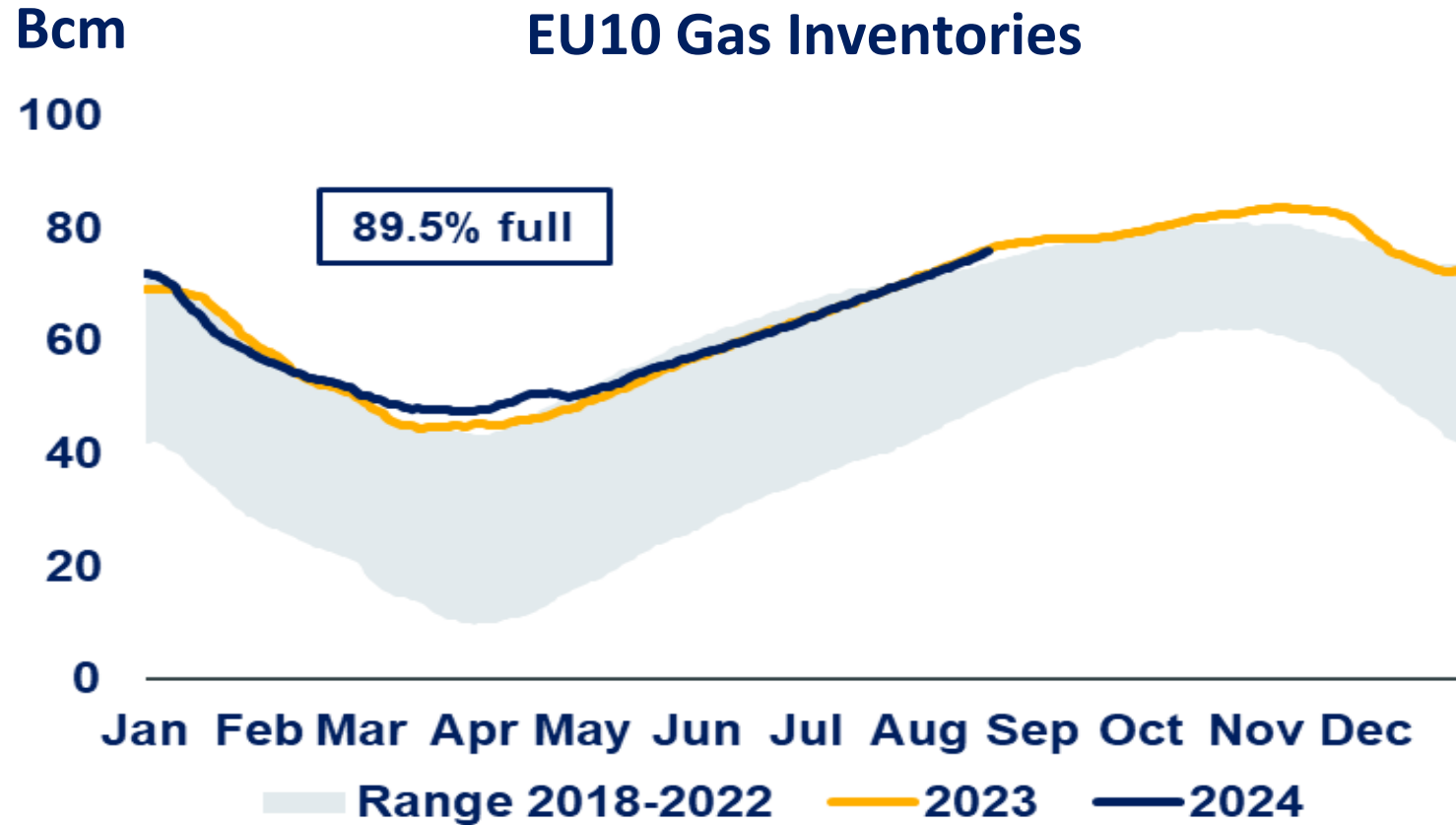
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EU10 Inventories are near seasonal highs

The EU target for 90% fullness was easily achieved during summer-24



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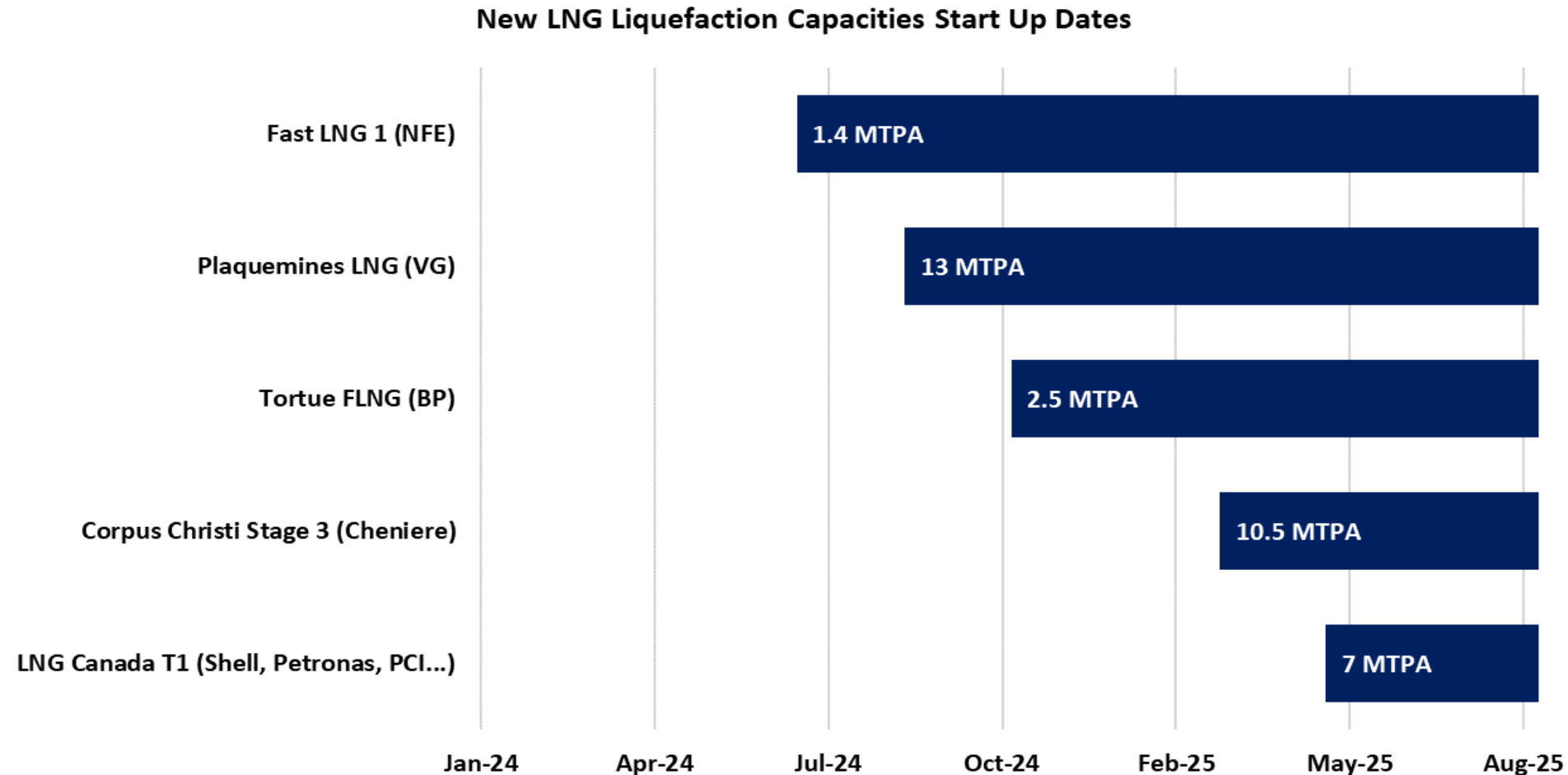


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More than 30 MTPA of new liquefaction capacity to come online in the next 12 months



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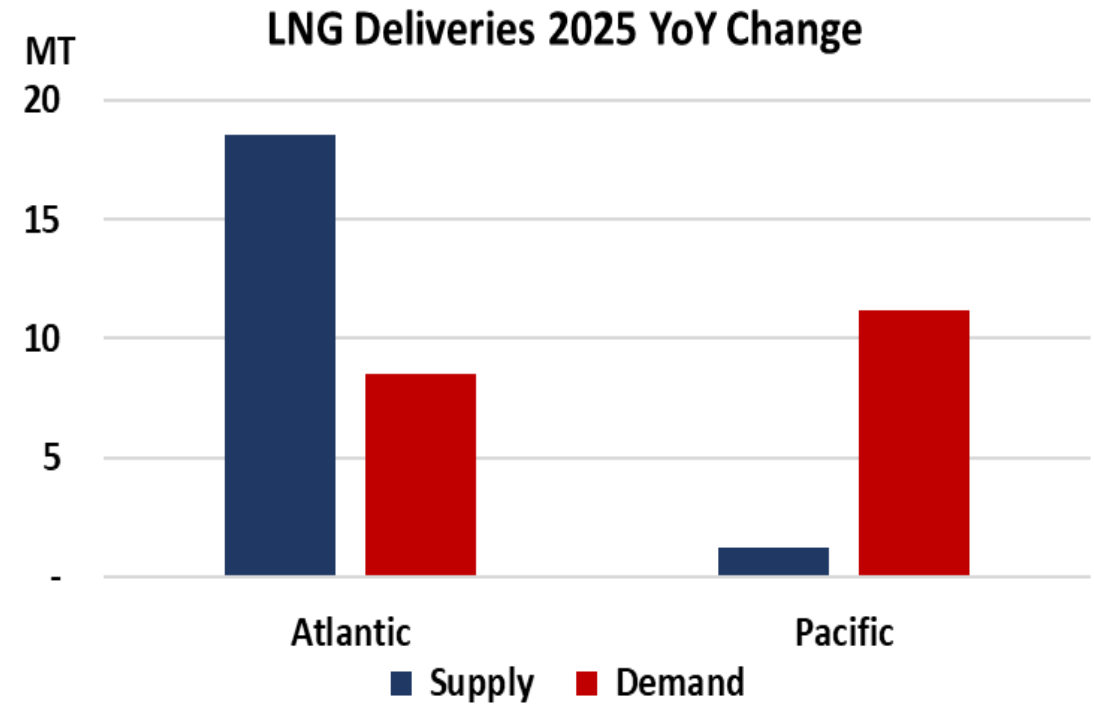
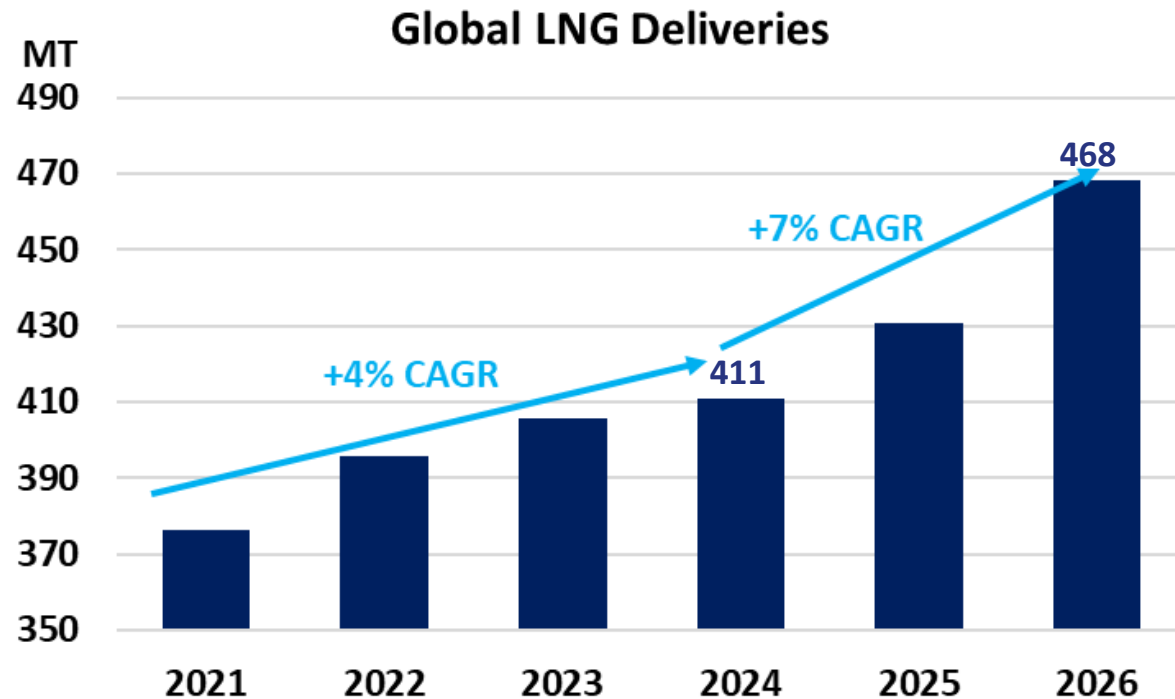
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LNG deliveries growth rate to almost double in the coming years

Most of the new supply is coming from the Atlantic while most of the demand is expected to emerge from the Pacific, we expect strong cross basin flows in 2025



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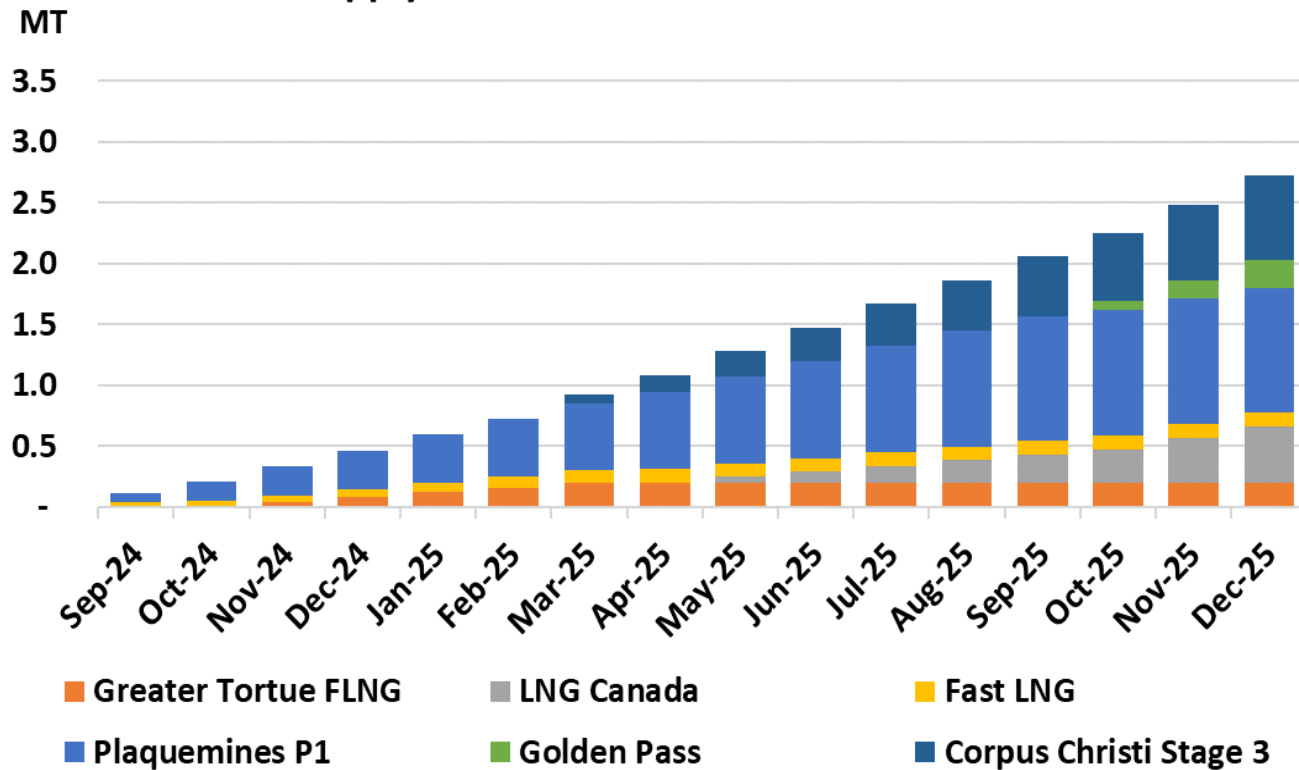


Hydrogen

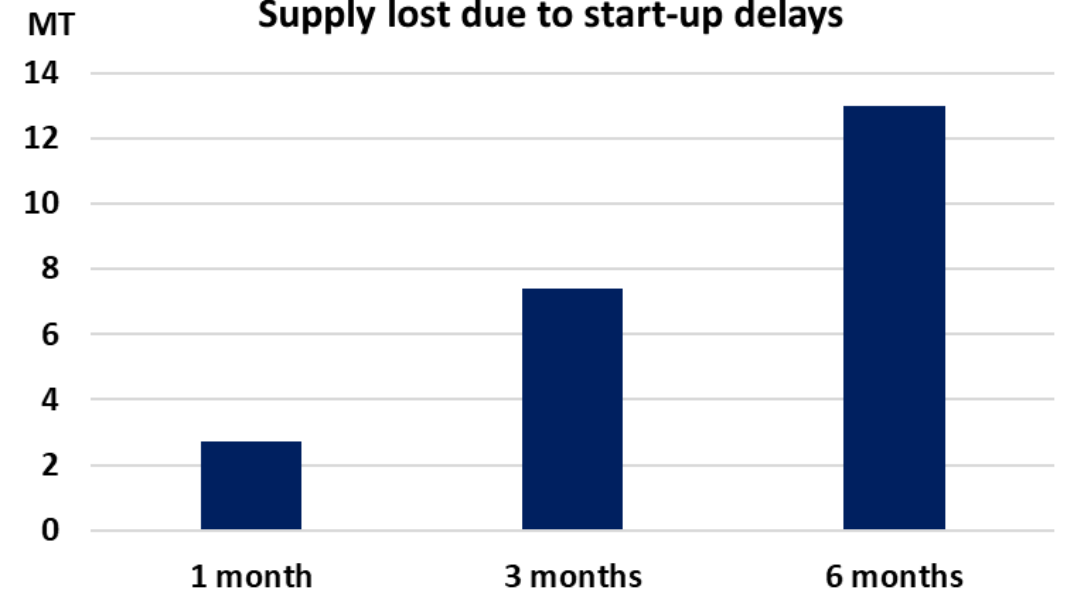
LNG liquefaction projects delays could significantly impact the supply outlook

Gas markets' volatility to be dictated by the LNG supply

Supply Additions from new LNG facilities



Supply lost due to start-up delays



*All projects assumed to be delayed by the same period and lost volumes are computed until the end of 2025



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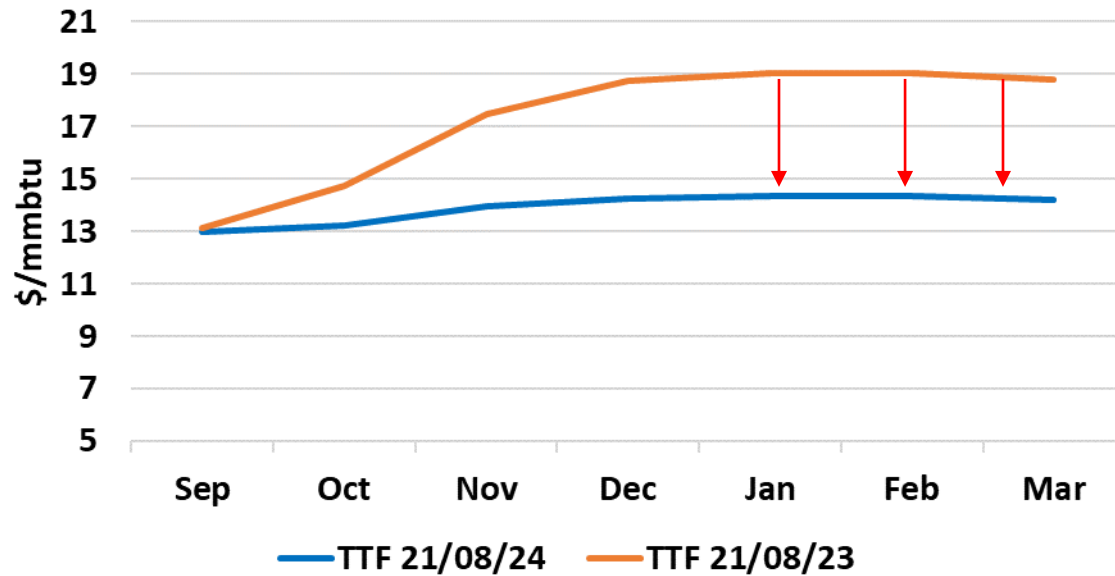


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Win-24 prices valued lower compared to Win-23 as there is less risk ahead

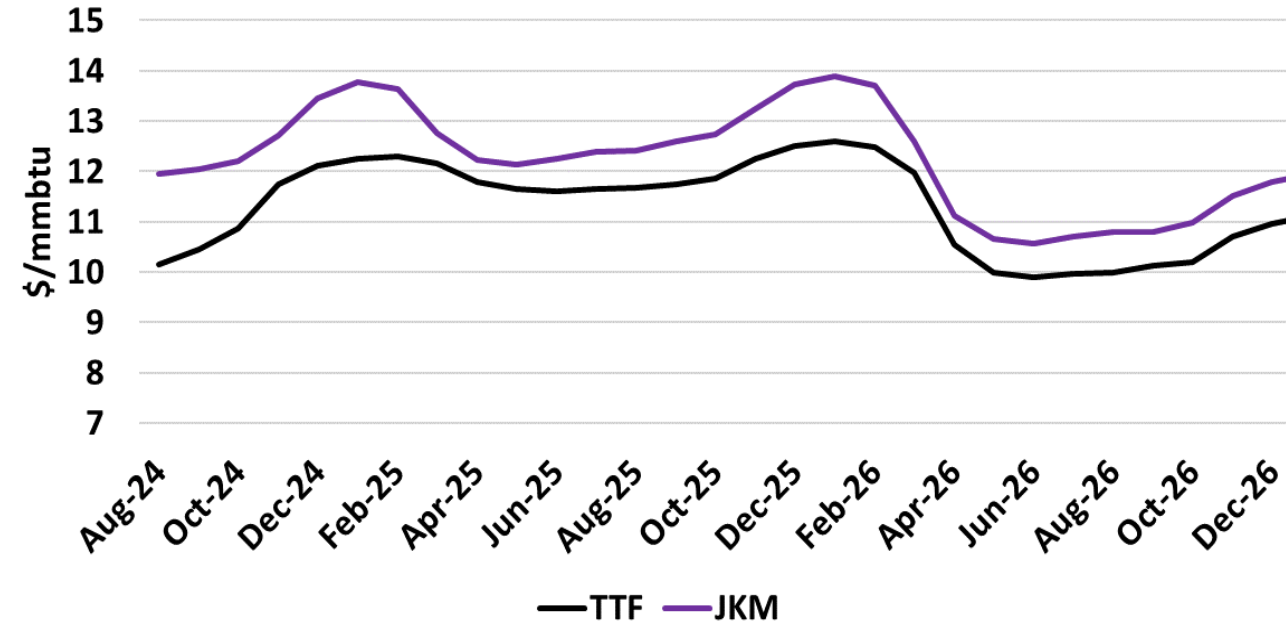
Forward curves on backwardation reflecting the upcoming supply wave

TTF FWD Curve Win24 Vs Win23



Less risk premium on the following winter as supply normalizes

Gas Forward Curves



Gas prices on backwardation as the new LNG supply wave is expected

Conclusion

Short-term: focus needed on the supply disruptions/outages that could create price spikes

Mid-term: project timeline and potential delays may have a significant influence on market prices



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THANK YOU FOR YOUR ATTENTION

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