

X-LNG CASE STUDY · DEC 2025

LNG contract mix and price risk

Compare three contract mixes that earn similar forward profit but react differently when gas prices change.



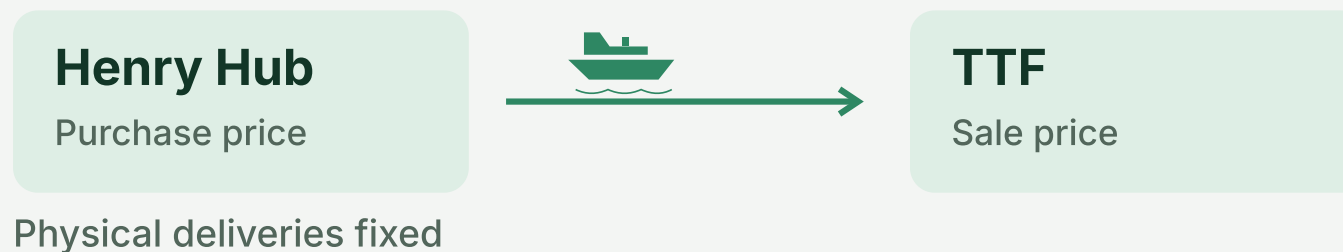
About \$63M

FORWARD PROFIT IN EACH OF THREE CONTRACT MIXES

Similar LNG trades can carry different price risks

Three contract structures for the same monthly programme

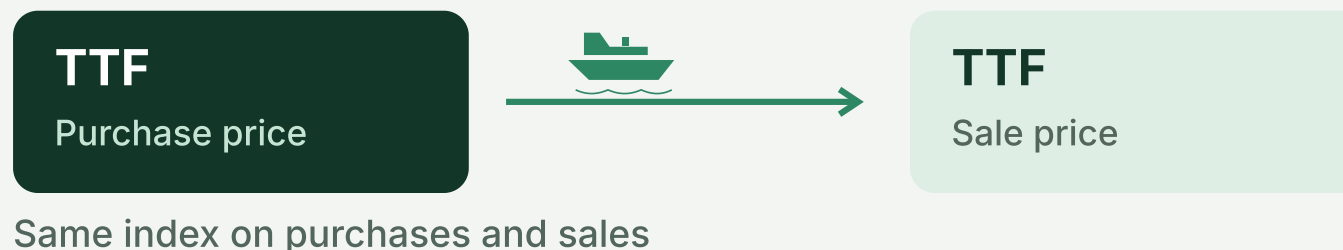
S1 • Two indices



S2 • Spot access



S3 • One index



Compare the purchase index, sales index and ability to replace physical deliveries.

Cancellation is not allowed. Pricing formulas are calibrated to similar forward profit.

The three portfolios start near \$63M forward profit

Pricing formulas are calibrated to a comparable starting point

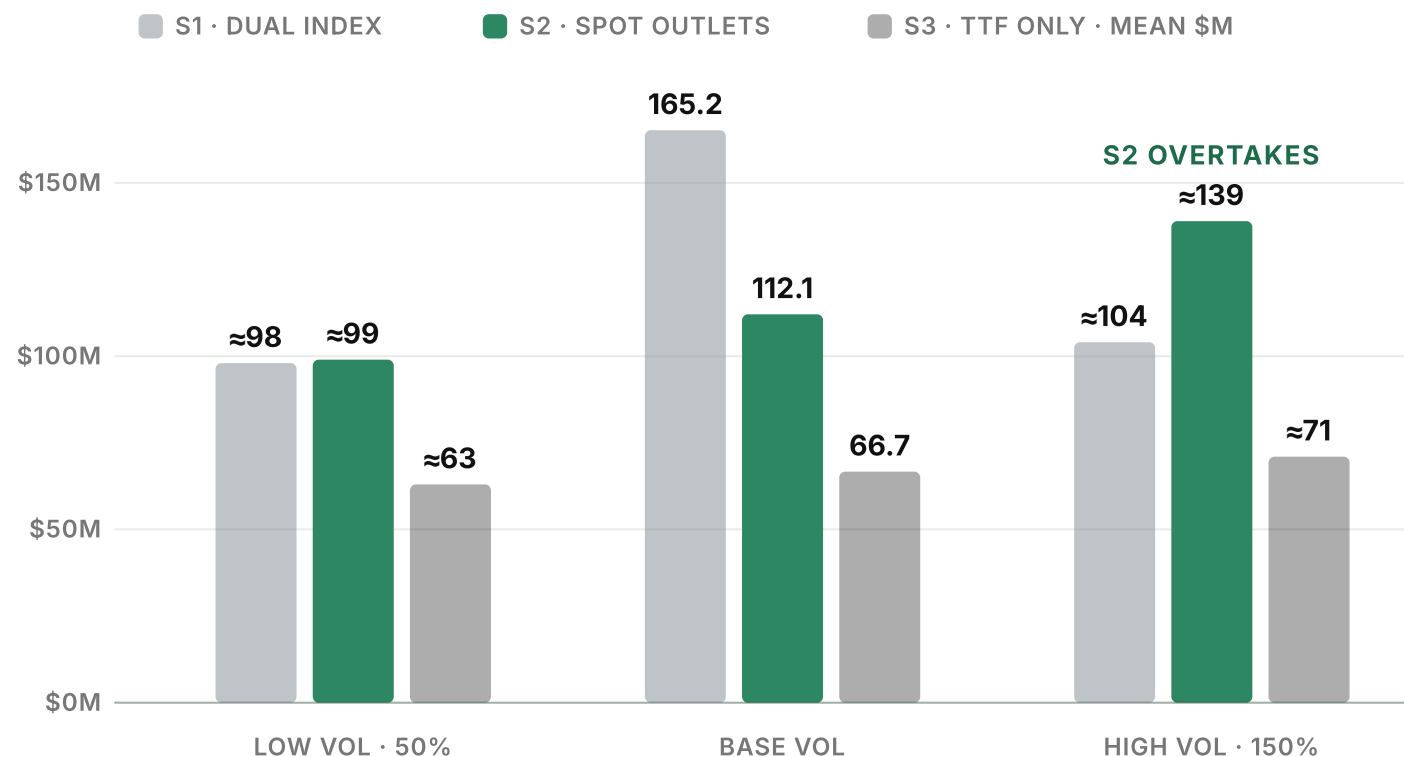
Portfolio profit at forward prices, \$M



Next, change HH and TTF prices to see how each contract mix responds.

Forward profit is about \$0.76/MMBtu for S1 and S2, and \$0.75/MMBtu for S3. These are not simulated mean profits.

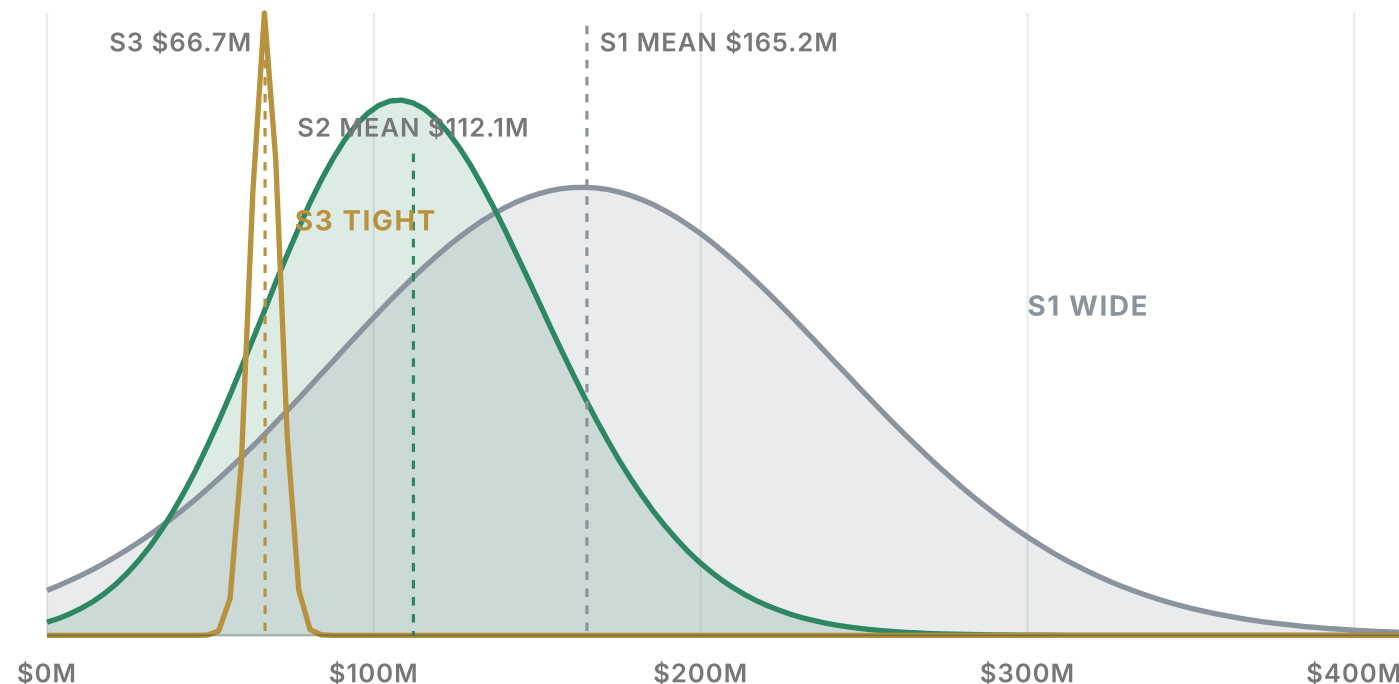
Spot access leads at high volatility



EXACT BASE-VOL MEANS: \$165.2M / \$112.1M / \$66.7M · LOW AND HIGH VOL READ FROM THE ENGINE CHARTS

At base volatility, average profit is \$165.2M for the dual-index portfolio, \$112.1M with spot access and \$66.7M for TTF-only. Under high volatility, the portfolio with spot access has the highest average.

Equal forward profit hides different profit distributions



PORTFOLIO PROFIT · \$M · BASE VOLATILITY · 3 X 1,000 PATHS

CURVE SHAPES ILLUSTRATIVE, MEANS EXACT · HISTOGRAM RANGES FROM THE ENGINE RUNS

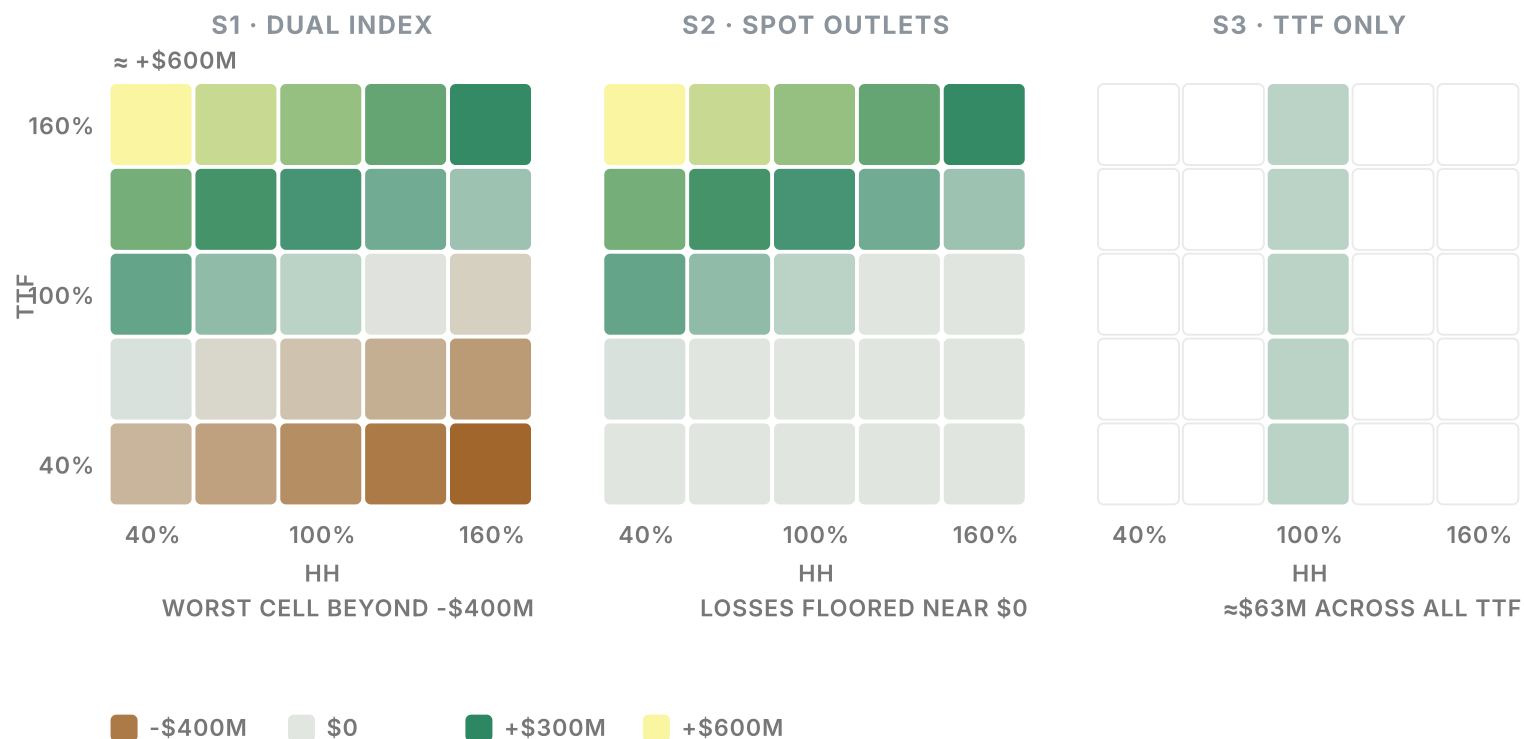
The distributions show how often each profit outcome occurs in the tested price paths. Similar forward profit does not imply similar average simulated profit or downside exposure.

RESULT AND SCOPE

**About \$63M forward profit in each portfolio,
with markedly different stress losses.**

These are calibrated examples, not general return forecasts. Matching pricing indices reduces the modelled spread exposure but does not remove every operational or timing risk.

The dual-index portfolio has the largest stress losses



Across the study's 40% to 160% price grid, the dual-index portfolio falls below a \$400M loss in one corner. Spot access limits losses near zero in the tested scenarios. The TTF-only structure varies much less.

Compare contract mixes on profit and downside risk

Calypso Ventures GmbH

www.calypso-commodities.com · ms@calypso-commodities.com

+49 157 769 40574

Bismarckstraße 10-12, 10625 Berlin · HRB 239736 B, Amtsgericht Charlottenburg

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