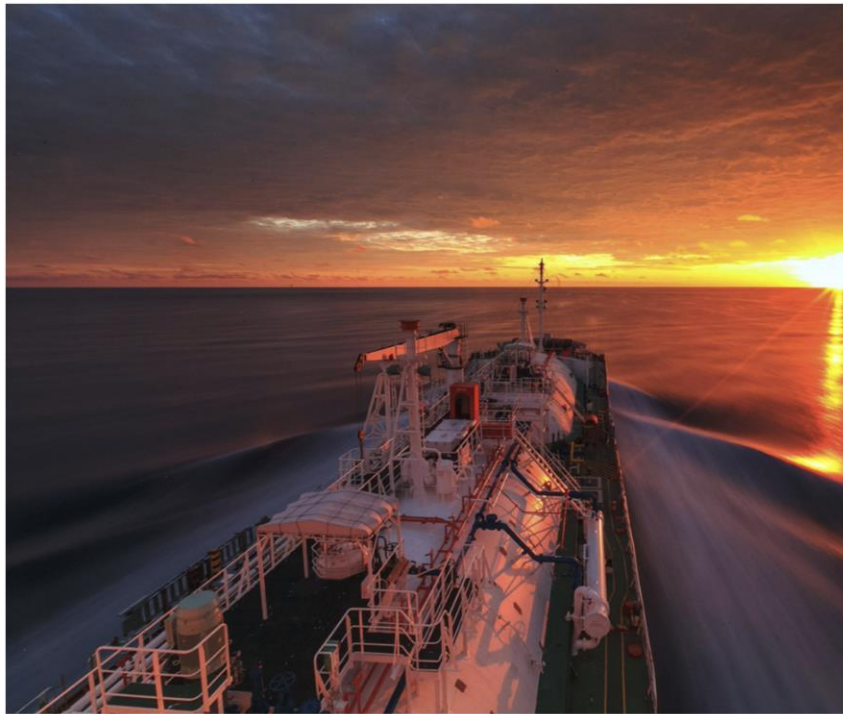




EPIC GAS
DELIVERY UNDER PRESSURE



Epic Gas

Q2 2018

Earnings Presentation

15 August 2018



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Second Quarter 2018 Highlights



Revenue of \$36.7 million, up 8% year over year

Adjusted EBITDA of \$9.7 million, up 52% year over year

Net Loss of \$2.3 million, improved by \$3.1 or 58% million year over year

Time Charter Equivalent revenues of \$9,124 per vessel calendar day, up 14% year over year

Operating Expenses of \$4,127 per vessel calendar day, down 1% year over year

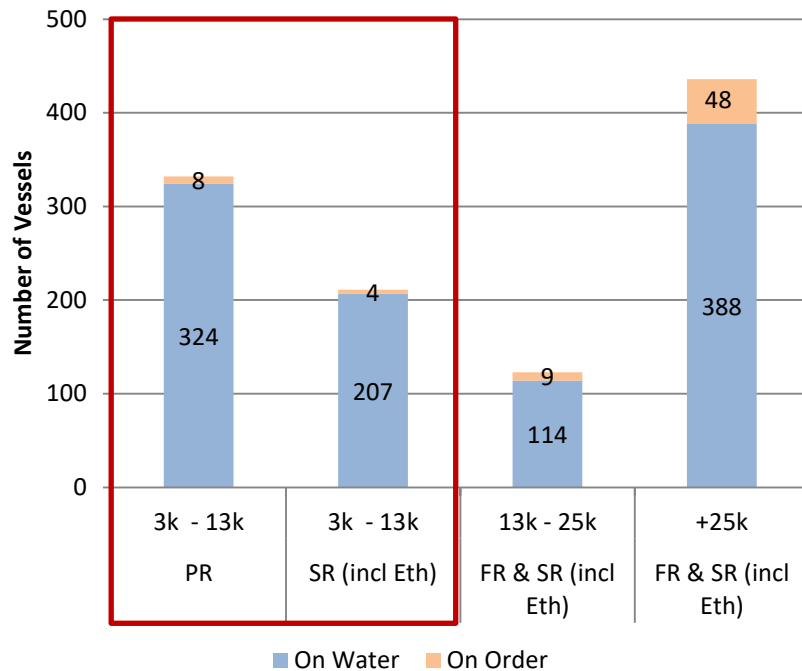
Fleet: as of 30 June 2018, 39 vessels on the water



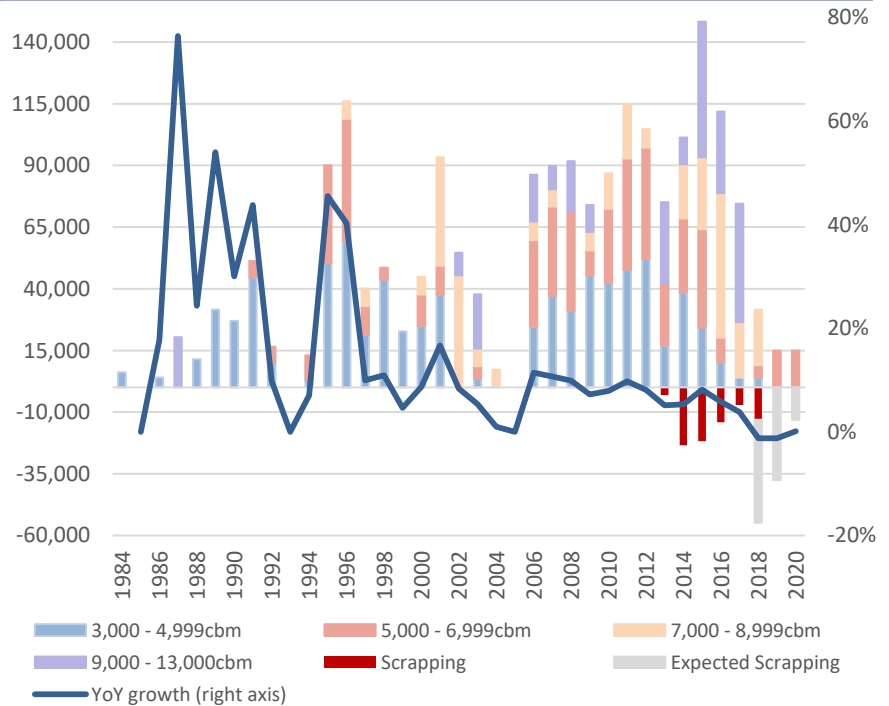
Vessel Supply



Smaller LPG Vessels have Smallest Order Book
(Chinese Fleet Excluded)



Pressure Vessel Global Fleet Development



- 2/3/3 newbuild **pressure** vessels to be delivered in 2018/2019/2020 representing a 1.1%/0.9%/0.9% increase in existing fleet capacity.
- 4 newbuild small-sized **semi-ref** vessels to be delivered representing a 0.9%/0.9%/1% increase in 2018/2019/2020 in existing fleet capacity.
- 4 pressure and 10 small-sized semi-ref and Ethylene capable vessels average age 30.7 years scrapped so far in 2018
- A scrapping pool of 12 pressure and 21 semi-ref vessels aged 28 years and over.

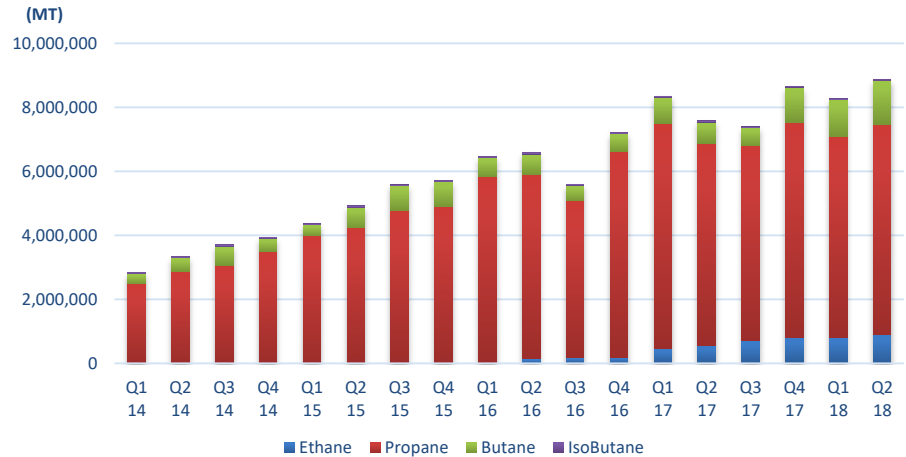
Demand - Global Trade and Drivers



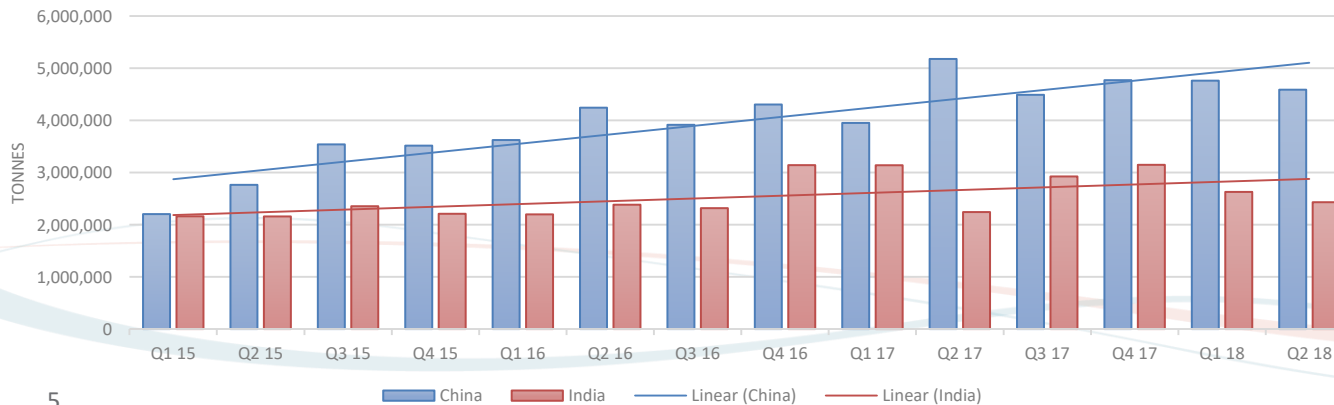
Global LPG seaborne
2018: estimate +3.5% year on year growth



USA LPG exports Q2 2018 +17% year on year
Propane, Butane, Ethane +4%, +108%, +63%



India and China LPG Imports Key Demand Drivers



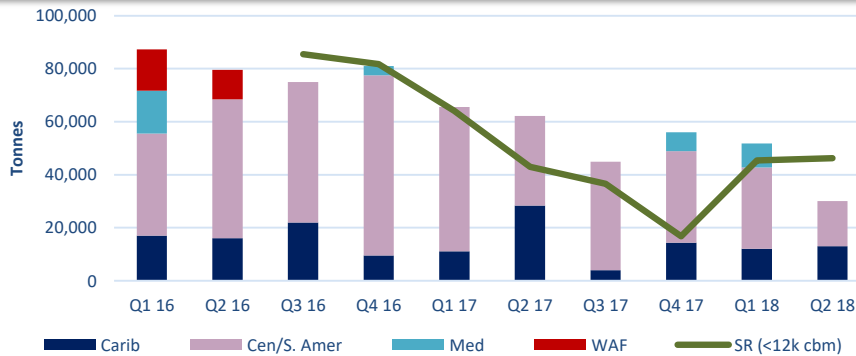
LPG Imports (Tonnes)	China	India
2015	12,031,000	8,889,502
2016	16,095,735	10,047,622
2017	18,400,550	11,463,000

Demand - Regional Trade



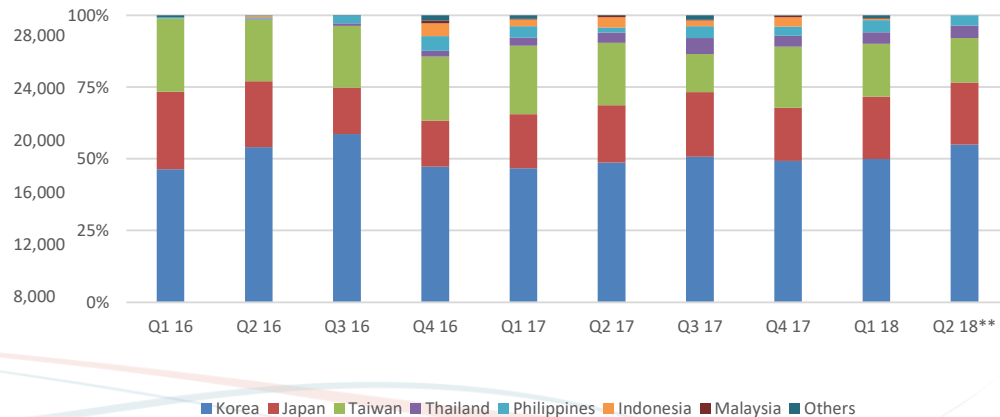
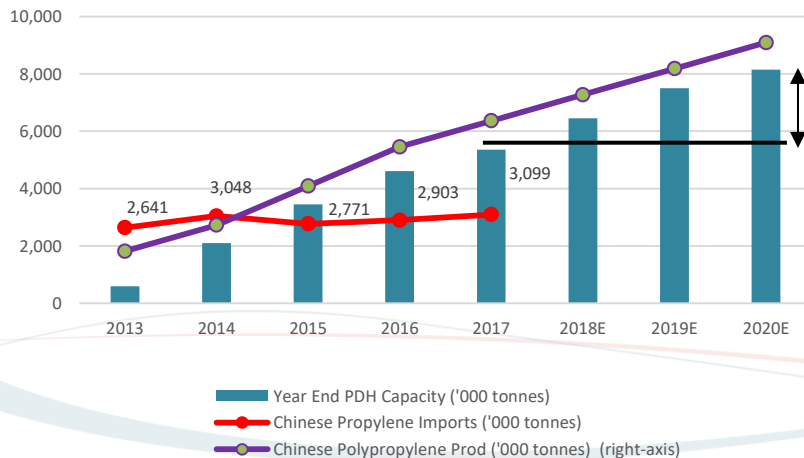
USA pressurised and small sized semi-ref. vessels LPG exports down 27% year on year

Growing demand drives import Growth



Million Tonnes	2016	2017	2020	2025
Indonesia	4.4	4.9	6.0	7.4
Philippines	1.0	1.1	1.2	1.3
Vietnam	1.2	1.3	1.7	2.1
West Africa	0.7	0.8	1.0	1.3
South Africa	0.3	0.3	0.5	0.7
East Med (excl Turkey, Egypt)	0.4	0.5	0.7	0.9

China Propylene Imports hold up as Polypropylene production drives Propylene demand and balances increased PDH capacity, with developing Imports from other Asian countries



Note: **Q2 18 – China Customs ceased publishing export data in Q2'18. Hence Q2'18 data is based on export stats published by relevant countries.

12 Month Time Charter Market (US\$/day)

Distinct Sector Rate Recovery



Q2 2018 – ongoing distinct sector rate recovery

- 3,500cbm, 5,000cbm, 7,500cbm & 11,000cbm market daily rates averaged \$8,493, \$9,884, \$10,356 and \$13,464 respectively.
- Average rates up by 36% for 3,500cbm, 24% for 5,000cbm, down 2% for 7,500cbm and remained flat for 11,000cbm compared to Q2 2017.

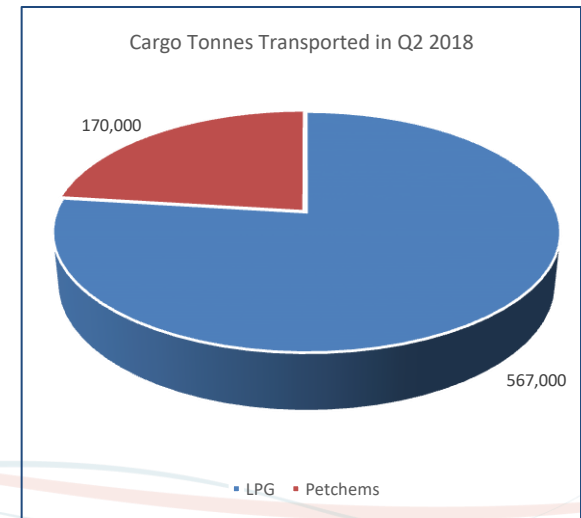
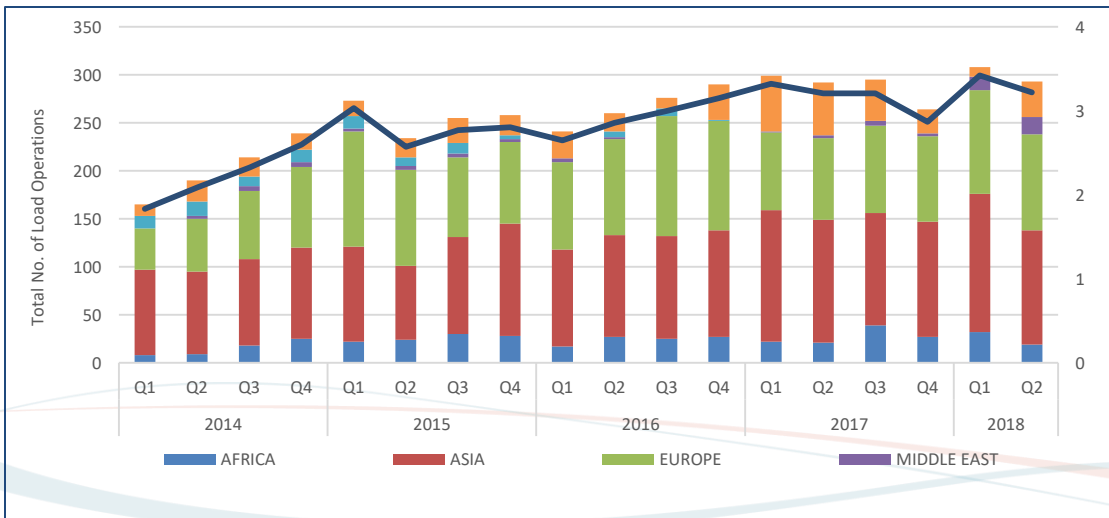
Epic Gas Operations - Global



Vessels by Segment	Americas	EMEA	Asia	Total Fleet
3,300 – 4,100cbm	2	1	4	7
5,000 – 6,300cbm	1	3	6	10
7,000 – 7,500cbm	1	10	3	14
9,500cbm	-	1	1	2
11,000cbm	-	4	2	6
Total	4	19	16	39
Fleet Capacity (cbm)				264,000
Average Size (cbm)				6,769

Q2 2018:

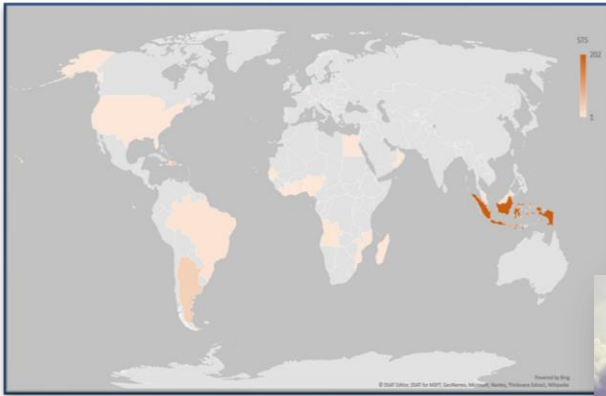
- ✓ Loaded 737,000 tonnes
- ✓ 653 cargo operations
- ✓ 133 different ports
- ✓ 567,000 tonnes LPG (77%)
- ✓ 170,000 tonnes petchems (23%)
- ✓ 4 vessels operating in the Americas, 19 in the Europe/Middle East/Africa, 16 in Asia.



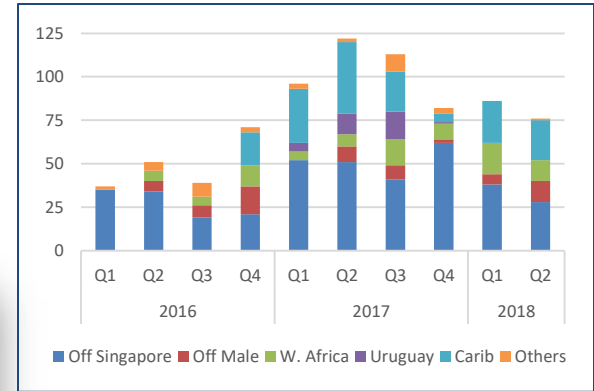
Epic Gas Operations – Ship to Ship (STS)



Epic Gas Ship-to-Ship (STS) Operations Heat Map



Operations by Region



- 76 STS operations in Q2 2018
- A global demand
- Increased operations off Male

	2014	2015	2016	2017
No. STS Ops	24	108	198	413

Operating Metrics



	Three Month Period Ended June 30,	
	2017	2018
Average number of vessels in period (1)	41.00	39.00
Number of vessels as of period end	41	39
Fleet capacity at period end (cbm)	268,900	264,000
Gas fleet average size as of period end	6,559	6,769
Fleet calendar days	3,731	3,549
Time charter days	2,583	2,594
Spot market days	912	863
COA days (relets excluded)	-	-
Voyage days (2)	3,495	3,457
Fleet utilisation (3)	93.7%	97.4%
Fleet operational utilisation (4)	89.6%	92.9%
Time charter equivalent earnings (5)		
Per Calendar Day	\$8,022	\$9,124
Per Voyage Day	\$8,564	\$9,365
Operating expenses per Calendar Day	\$4,170	\$4,127

- 1) The number of days each vessel was a part of our fleet during the period divided by the number of calendar days.
- 2) Calendar days net of off-hire days associated with major repairs, dry dockings or special or intermediate surveys.
- 3) Calculated by dividing voyage days by fleet calendar days.
- 4) Calculated by dividing voyage days, excluding commercially idle days, by fleet calendar days.
- 5) Calculation of time charter equivalent earnings provided in Supplemental Information

Income Statement and Cash Flow FY2018

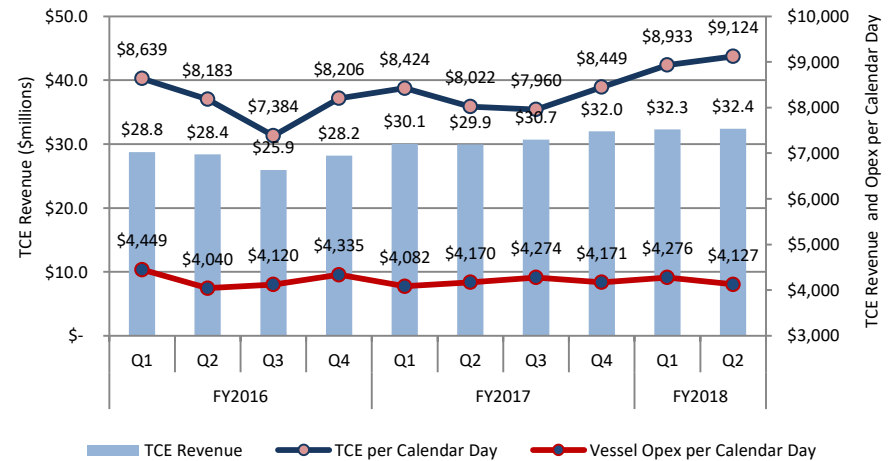


	Three Month Period Ended June 30,	
<i>All amounts in \$ millions</i>	2017	2018
Revenue	33.9	36.7
Address and brokerage commissions	0.9	0.7
Voyage expenses	3.5	4.1
Vessel operating expenses	15.6	14.6
Charter-in costs	4.1	3.8
Depreciation and amortization	7.2	7.4
Impairment/ (gain)/loss on vessels	0.0	0.0
General and administrative expenses	3.9	3.9
Total expenses	35.1	34.6
Operating income	(1.3)	2.1
Other (income) / losses, net	(0.2)	0.0
Finance expenses	4.2	4.3
Profit/(loss) before tax	(5.3)	(2.1)
Income tax expense	0.1	0.1
Profit/(loss) after tax	(5.4)	(2.3)
Other Comprehensive income:		
Income directly recognized in equity	0.0	0.0
Cash flow hedges gain/(loss)	(0.7)	0.4
Total Comprehensive Income/(Loss)	(6.1)	(1.8)

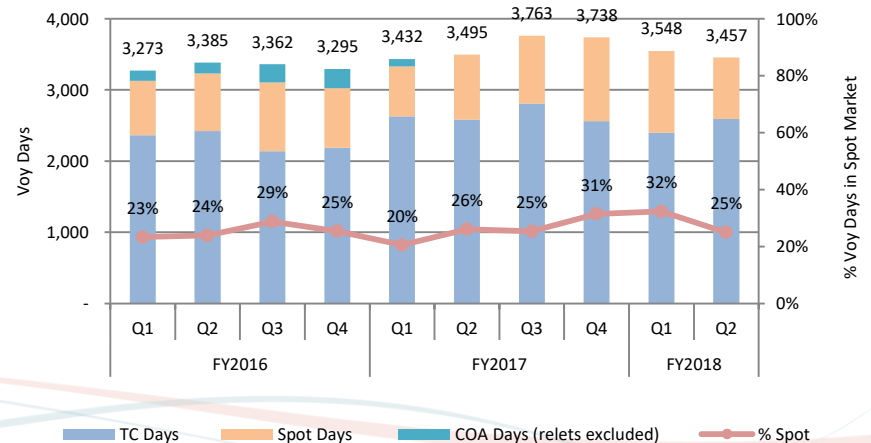
STATEMENT OF CASH FLOWS (UNAUDITED)

	Six Month Period Ended June 30,	
<i>All amounts in \$ millions</i>	2017	2018
Cash from operating activities	8.9	8.5
Cash from investing activities	(37.1)	3.0
Cash from financing activities	31.7	(15.9)
Net Increase in cash and cash equivalents	3.5	(4.4)
Cash and cash equivalents at the beginning of the year	9.8	7.0
Cash and cash equivalents at the end of the period	13.3	2.6

Time Charter Equivalent ("TCE") Revenue and Opex



Voyage Days



Balance Sheet 30 June 2018



BALANCE SHEET (UNAUDITED)		
All amounts in \$ millions	As of 31 Dec 2017	As of 30 Jun 2018
ASSETS		
Cash and cash equivalents	7.0	2.6
Trade and other receivables	25.8	26.7
Inventories	4.3	3.7
Derivative financial instruments	0.0	0.0
Current assets	37.1	33.0
Non-current assets	0.4	0.1
Restricted cash deposits	13.5	12.0
Property, plant and equipment	524.5	509.4
Advances for vessels under construction	0.0	0.0
Derivative financial instruments	0.8	2.9
Non-current assets	539.2	524.4
TOTAL ASSETS	576.3	557.4
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade and Other Payables	26.2	24.0
Deferred income	9.0	10.7
Current income tax liabilities	0.5	0.5
Derivative liabilities	0.0	0.0
Finance lease liabilities	9.5	5.6
Bank Loan	31.7	26.4
Current liabilities	77.0	67.3
Trade and other Payables	0.1	0.0
Deferred taxation	0.1	0.0
Finance lease liabilities	44.3	44.7
Bank Loan	210.9	204.1
Non-current liabilities	255.4	248.8
Total Liabilities	332.4	316.1
Share capital	340.1	340.1
Share option reserves	3.8	4.1
Accumulated losses	(100.6)	(105.6)
Accumulated other comprehensive income	0.7	2.7
Total Equity	244.0	241.3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	576.3	557.4

• Asset values

Book value of \$509m below latest broker FMV estimates

• Liquidity

Cash of \$14.6m. Subsequent refinancing of 5 vessels on 2 July added \$5.5m unrestricted cash.

• Low gearing

Net borrowings/total assets of 47.8%.

• Refinancing

In April 2018, Epic Gas exercised purchase options and subsequently entered into a sale and 5-year bareboat charter back transaction for the Epic Balta, Epic Burano and Epic Bolivar (6,300-7,500cbm, 2000-2002 built) with a Japanese ship owning company.

In July 2018, we completed the refinancing of 5 LPG carriers in partnership with Crédit Agricole Corporate and Investment Bank. The new US\$ 34 million facility has a term of five years and has allowed the Company to reduce its margin by 85 bps.

• Loan Profile

	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24
ABN/NIBC/CA	64.2	59.1	54.0	48.9	43.8	7.3	0
ABN/DVB/Nord LB	61.1	48.8	38.8	30.5	22.1	14.7	0
Credit Agricole	32.0	27.9	23.9	20.5	18.0	0.0	0
NIBC	6.6	5.4	4.2	3.0	0.0	0.0	0
CIT	7.7	0.0	0.0	0.0	0.0	0.0	0
Japanese Owners	66.1	60.6	54.8	48.7	42.3	21.8	19.2
Finance Leases	33.7	29.8	25.6	21.3	0.0	0.0	0
Balloon		6.5			27.2	88.5	0
	271.4	238.2	201.3	172.8	153.4	132.2	19.2

Summary and Outlook



Summary Q2 2018

- 39 vessels on the water, total capacity 264,000cbm, average size 6,769cbm, average age 8.2 years.
- Fleet Operational Utilisation 92.9%, TCE \$9,124 per calendar day and \$9,365 per voyage day.
- Operating Expenses \$4,127 and General & Administrative expenses \$1,109 per calendar day.
- As of 30th June, 2018, 64% covered for the balance year 2018 at an average daily TCE rate of \$9,999.

Outlook

- Freight levels for 3,500/5,000cbm continue to improve due to lack of incremental capacity and ongoing demand growth, forecast to be 3.5% in 2018.
- Market is absorbing 7,500/11,000cbm, utilisation improving, with 1.1% net fleet growth expected for 2018.
- Ongoing and potential scrapping in the pressurised and semi-ref LPG ship sector.
- Limited order book for the sector – 8 pressure and 4 semi-ref (including ethylene carriers).
- Positive macro environment and infrastructure development in demand centres.

The Epic Gas Fleet



Epic Gas Fleet List							
Vessel: 3,300-4,100				cbm	Built	Yard	
Epic Catalina	3,500	2007	Kanrei				
Epic Cobrador*	3,500	2009	Kanrei				
Epic Cordova*	3,500	2009	Kanrei				
Epic Corsica	3,500	2009	Kanrei				
Epic Caledonia	3,500	2014	Kitanihon				
Epic Curacao	3,500	2014	Kitanihon				
Epic Corfu*	4,100	2000	Watanabe				
Sub Total 7 Vessels	25,100	cbm					
Vessel: 5,000-6,300 cbm				cbm	Built	Yard	
Epic St. George	5,000	2007	Shitanoe				
Epic St. Kitts	5,000	2008	Kanrei				
Epic St. Martin	5,000	2008	Kanrei				
Epic St. Lucia	5,000	2008	Sasaki				
Epic St. Vincent	5,000	2008	Sasaki				
Epic St. Croix	5,000	2014	Sasaki				
Epic St. Thomas	5,000	2014	Sasaki				
Epic St. Agnes	5,000	2015	Kitanihon				
Epic St. Ivan	5,000	2015	Kitanihon				
Epic Balta	6,300	2000	Higaki				
Sub Total 10 Vessels	51,300	cbm					
Vessel: 7,200-7,500				cbm	Built	Yard	
Epic Borkum	7,200	2000	Murakame Hide				
Epic Barbados	7,200	2001	Murakame Hide				
Epic Bermuda	7,200	2001	Murakame Hide				
Epic Barnes	7,200	2002	Murakame Hide				
Epic Bali	7,200	2010	Kyokuyo				
Epic Borneo	7,200	2010	Kyokuyo				
Epic Bell*	7,200	2014	Kyokuyo				
Epic Bird*	7,200	2014	Kyokuyo				
Epic Bolivar	7,500	2002	Shin Kurushima				
Epic Burano	7,500	2002	Watanabe				
Epic Boracay	7,500	2009	Murakame Hide				
Epic Borinquen	7,500	2016	Sasaki				
Epic Bonaire	7,500	2016	Sasaki				
Epic Baluan	7,500	2017	Sasaki				
Sub Total 14 Vessels	102,600	cbm					
Vessel: 9,500 cbm				cbm	Built	Yard	
Epic Madeira	9,500	2006	Miura				
Epic Manhattan	9,500	2007	Miura				
Sub Total 2 Vessels	19,000	cbm					
Vessel: 11,000 cbm				cbm	Delivery	Yard	
Epic Sicily*	11,000	2015	Sasaki				
Epic Samos	11,000	2016	Kyokuyo				
Epic Sentosa	11,000	2016	Kyokuyo				
Epic Shikoku	11,000	2016	Kyokuyo				
Epic Sardinia*	11,000	2017	Kyokuyo				
Epic Salina	11,000	2017	Kyokuyo				
Sub Total 6 Vessels	66,000	cbm					

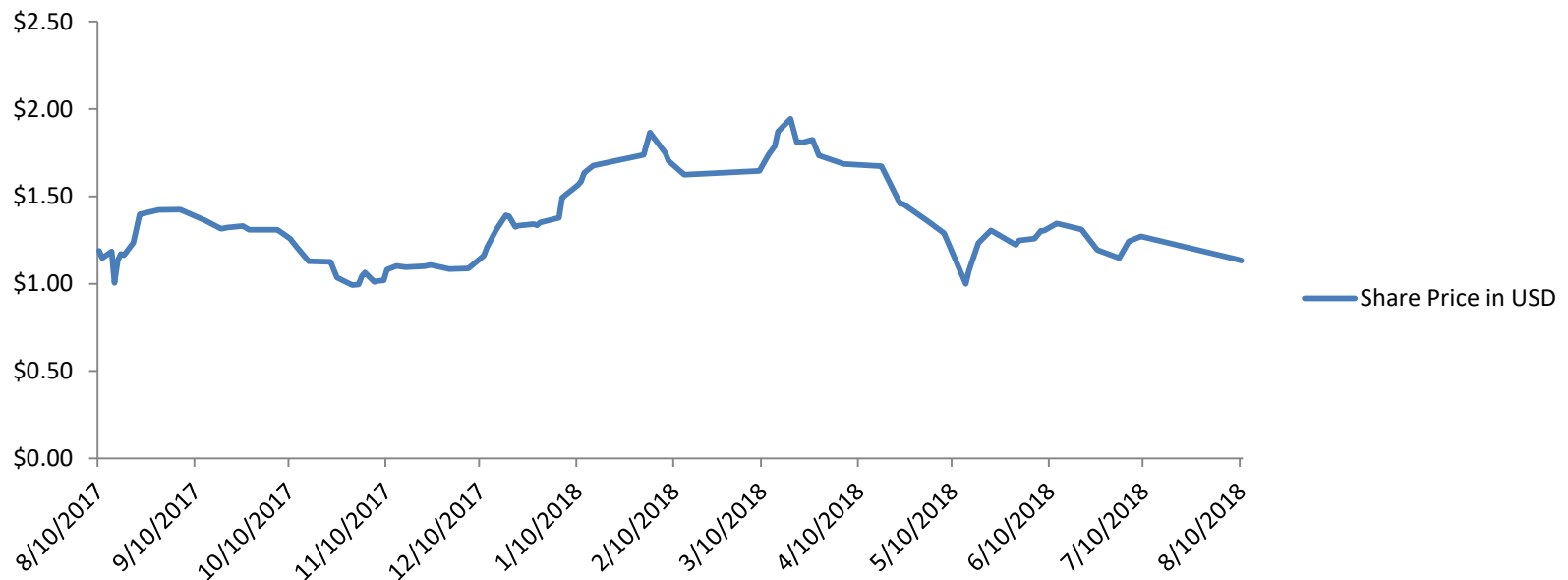
Overall Total of 39 Vessels, and 264,000 cbm

*Bareboat

Key Information on Epic Gas' Shares



Epic Gas Share Price YTD



Listing Market
Market Cap
Shares Outstanding /Float

Merkur Market
(NOK) 665.1 M
70.4M /70.4M

