

Q1 2021 Earnings Presentation

12 May 2021



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Q1 2021 Highlights

Financial Highlights (US\$)	Q1 2021	Q1 2020	Q121 vs Q120 (%)	Q4 2020	Q121 vs Q420 (%)
Revenue	\$59.8m	\$47.9m	+25%	\$44.20m	+35%
EBITDA	\$21.1m	\$14.9m	+42%	\$14.40m	+47%
Net Profit	\$7.0m	\$2.3m	+204%	\$1.70m	+312%
EPS	\$0.06	\$0.02	+200%	\$0.02	+200%
Key Indicators					
TCE/Calendar Day	\$10,912	\$10,246	+7%	\$9,823	+11%
Total Opex/day	\$4,418	\$4,442	-1%	\$4,007	+10%
Total G&A/day	\$1,208	\$1,076	+12%	\$1,098	+10%
Calendar Days (owned/chartered-in)	4,618	4,003	+15%	3,915	+18%
Fleet operational utilisation	93.3%	92.9%	+0.4%	94.2%	-1.0%
LTIF (Lost-Time Injury Frequency Rate)	0	0.66	-	0.16	-
A.E.R. / Carbon Intensity (2018 baseline)	22.35	22.78	-1.9%	22.09	+1.2%

- Completed creation of BW Epic Kosan in March 2021 with combination of Lauritzen Kosan A/S (LK).
- Combination has economic effect from 1 January 2021, with LK profit/loss for Jan/Feb assumed by BW Epic Kosan and reflected in the purchase price allocation. Full consolidation effective 1st March 2021.
- Reported Net Profit of \$7.0 million, excluding an LK net profit of \$1.7 million for Jan/Feb that was not consolidated but is applied to the purchase price allocation. Underlying Net Profit of \$8.7 million.
- EBITDA of \$21.1 million.
- Cash of \$60.3 million.
- Increase in Fleet on the water from 42 to 76 vessels.
- Annual dividend policy approved by Board of Directors.



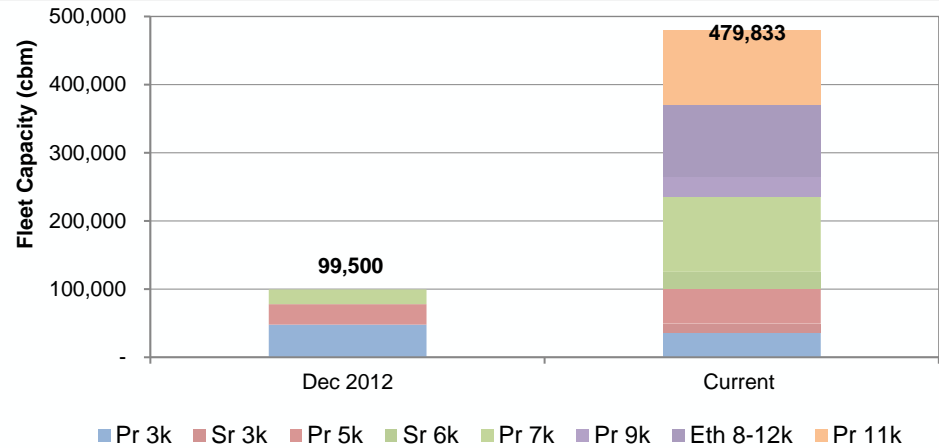
BW Epic Kosan at a Glance

Strong Operating Model

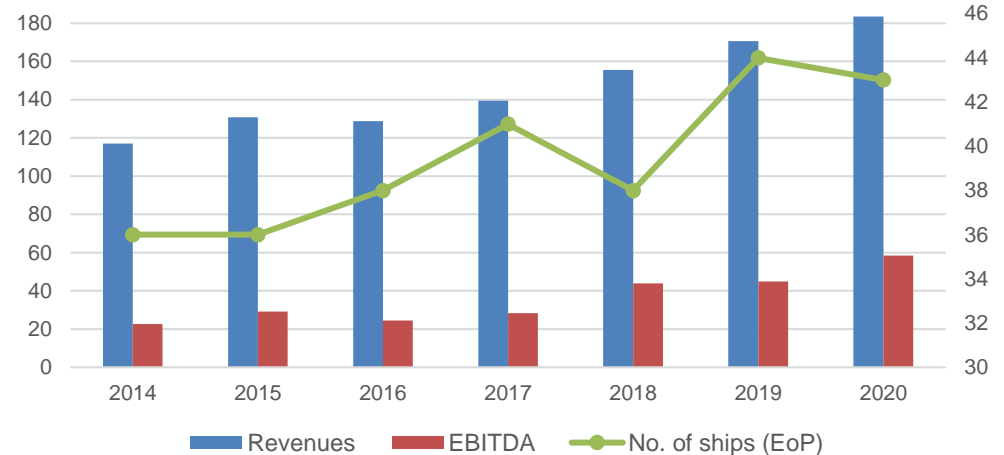
- World leader for shipping pressurised and semi-refrigerated gases with 76 vessels in the fleet - key to the global supply chain for cleaner energy.
- Flexibility and Capability - Pressurised, Semi-refrigerated and Ethylene capable vessels
- BW Epic Kosan '[BWEK](#)' is listed on the Euronext Growth market, Oslo Børs.
- Headquartered in Singapore with offices in Copenhagen, London, Manila and Tokyo.
- A combined fleet of 76 vessels, whereof 52 owned vessels. Strong balance sheet of USD 970m and low leverage
- Commercial, technical, crewing and newbuild management performed in-house to ensure safe and efficient operation.
- Experienced with high-intensity short-sea/coastal trades as well as long-haul transportation

**Aiming for “Goal Zero”
Safety in all our Operations**

Focused on the Smaller Gas Carrier sector



Steady Revenue & EBITDA Growth

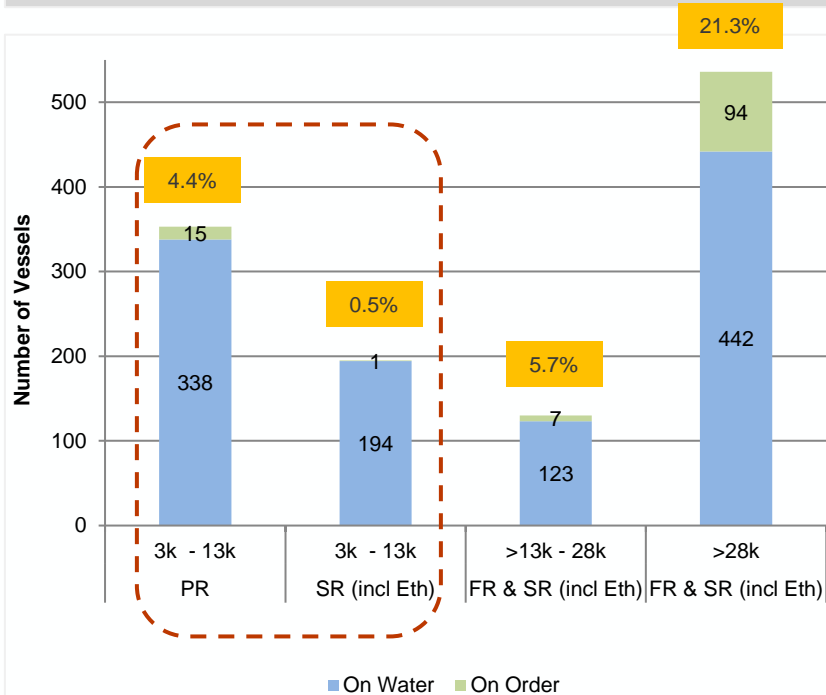




Low Newbuild Vessel Supply

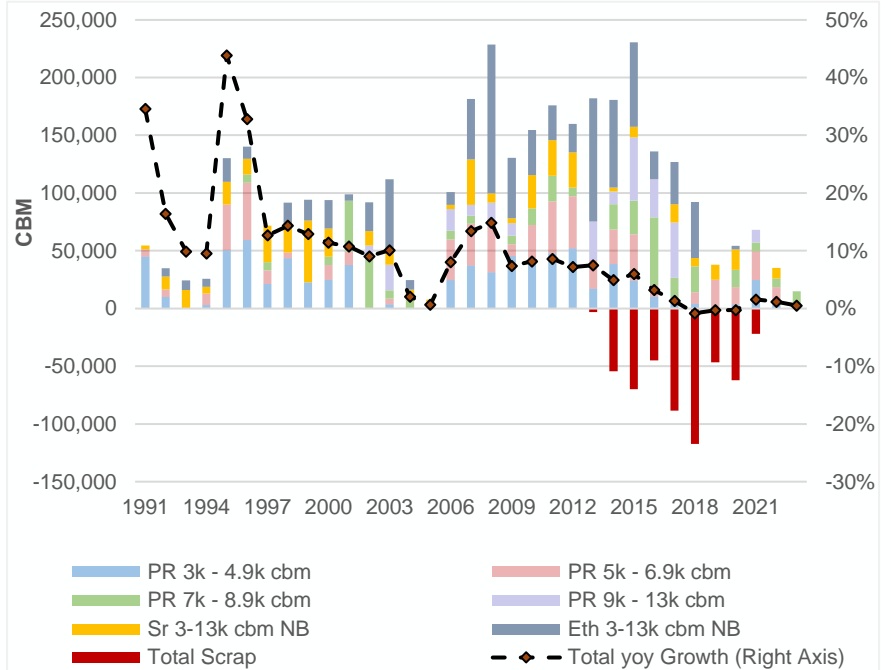
Smaller LPG Vessels Order Book Remains Low

Source: Clarksons Register, Company Data



Small Gas Carrier - Global Fleet Development

Source: Clarksons Register, Company Data



- 2 x 3,500cbm, 2 x 5,000cbm and 1 x 11,000cbm pressure vessels delivered in Q1 2021.
- 4 smaller sized pressure vessels reported as sold for scrap in Q1 2021.
- 8/5/2 newbuild **pressure** vessels to be delivered in 2021/22/23 representing a 2.9%/1.4%/0.8% increase in existing fleet capacity.
- 1 newbuild small-sized **semi-ref** (non-Eth) vessel to be delivered in 2022 representing a 1.8% increase in existing fleet capacity.
- There are no small-sized (Eth) vessels on order.
- A scrapping pool of 12 pressure, 5 semi-ref (non-Eth) and 3 Eth vessels aged 30 years and over.

Forecast 2021 smaller gas carrier fleet growth before scrapping +1.4%

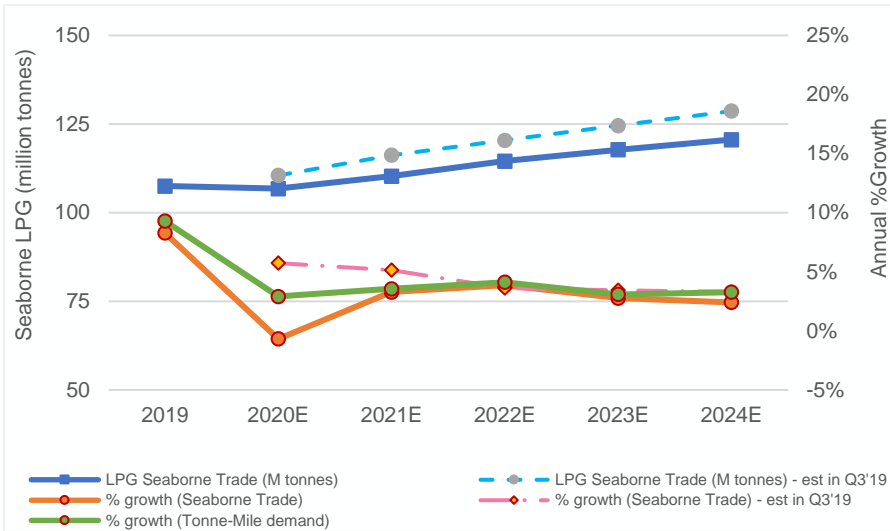


Global Gas Demand

Global LPG Seaborne Trade 2021

est. 110.3M Tonnes (+3.3% yoy) / Tonne-Miles (+3.6% yoy)

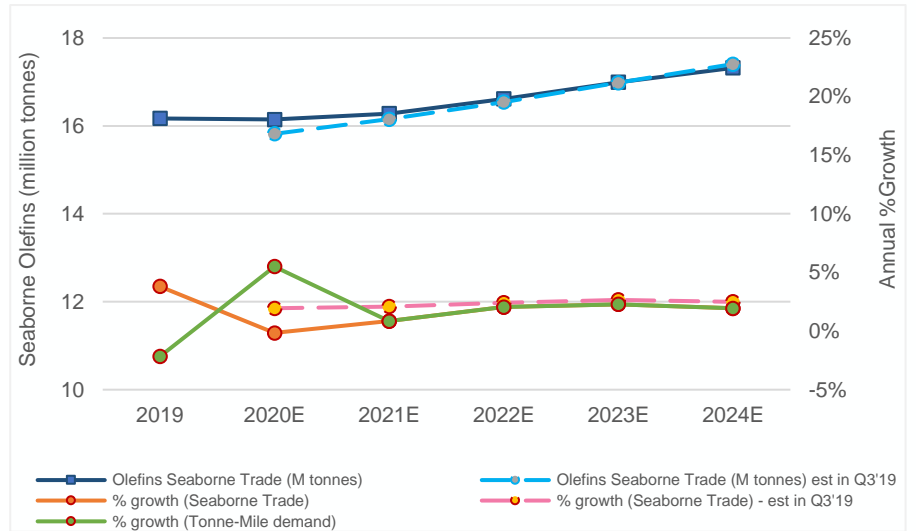
(Source: Drewry)



Global Olefins Seaborne Trade 2021

est. 16.3M Tonnes (+0.8% yoy) / Tonne-Miles (+0.8% yoy)

(Source: Drewry)



Q1 2021: Asia's Big LPG Importers Aggregate +8% qoq, +15% yoy / China (Petchem), India (ResCom) remain key drivers

(Source: Kpler)

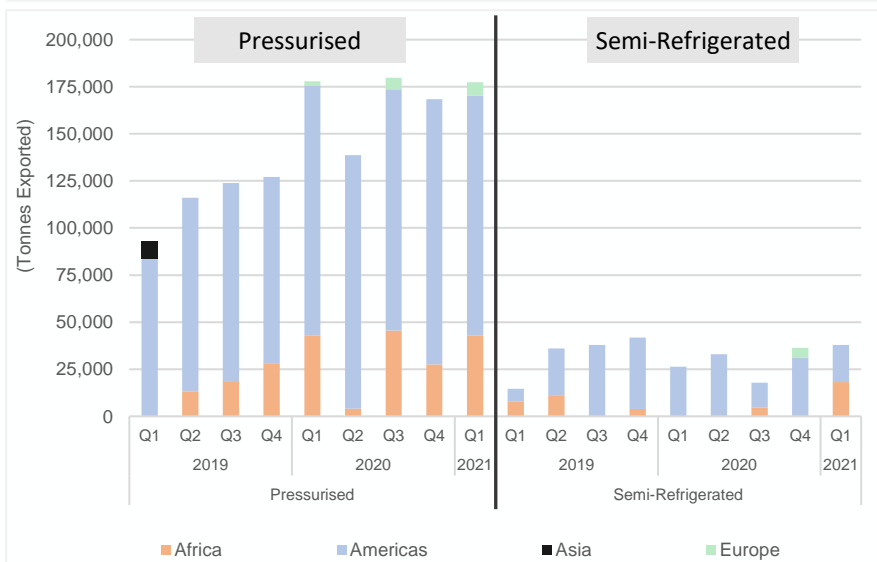
Imports	2019				2020				2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q1 %qoq	Q1 %yoy
China	3.3	5.0	5.3	5.2	3.8	5.5	5.0	5.3	5.4	+1%	+42%
India	3.1	3.5	4.0	4.1	4.2	3.9	4.5	4.6	4.6	-	+9%
Japan	1.9	2.7	2.5	2.6	3.0	2.4	2.2	2.1	3.2	+51%	+7%
South Korea	1.1	1.8	2.4	2.1	2.1	2.2	2.1	1.9	1.9	-1%	-11%
Total	9.4	12.9	14.3	13.9	13.1	14.1	13.9	14.0	15.1	+8%	+15%



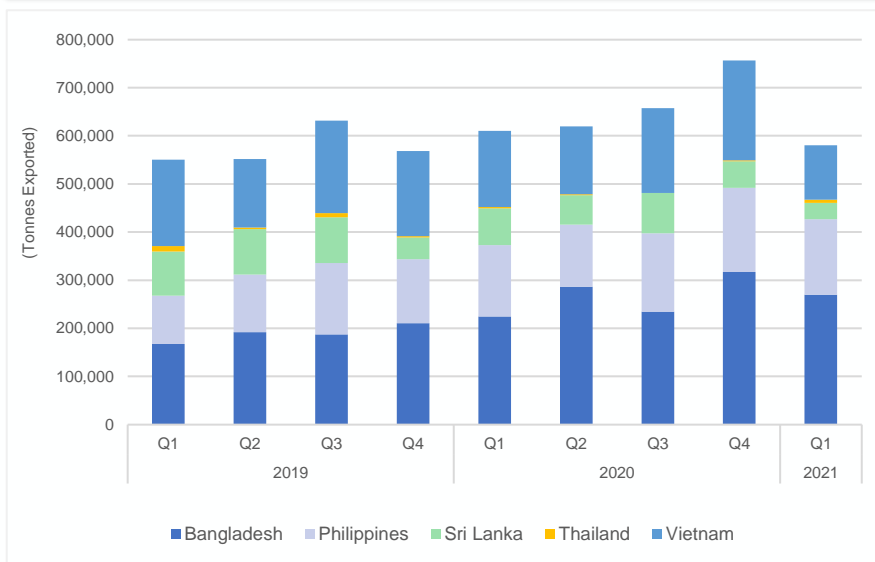
Smaller Gas Carriers

US LPG Exports & selected Asian LPG & Petchem Imports

US LPG Exports on Small Gas Carriers Hold-Up
Q1'21 exports yoy +6% / pick-up of trans-Atlantic
(Source: Kpler)



Bangladesh & Vietnam LPG Imports qoq -15% & -45%
as Covid continued to impact demand
(Source: Kpler)



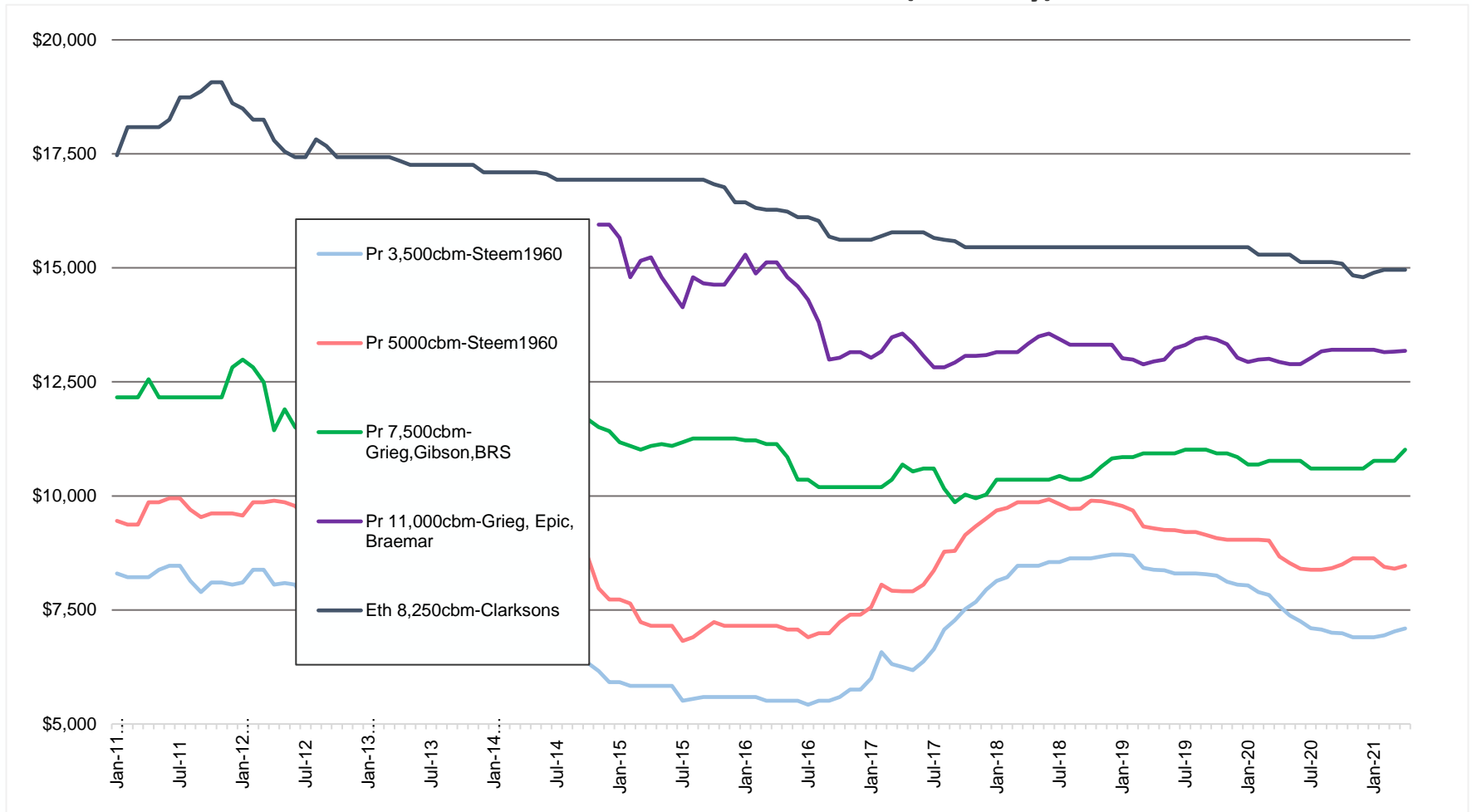
China Olefins imports pick up as economic activity picks and derivatives demand rise
(Source: China Customs Data)

Tonnes	2019				2020				2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q1 % qoq	Q1 % yoy
Propylene	775,296	801,672	744,248	805,975	476,738	620,526	773,821	635,869	630,103	-1%	32%
Ethylene	719,511	674,299	602,119	513,827	466,227	479,654	551,043	480,876	552,250	15%	18%
VCM	178,909	267,969	251,297	287,919	185,113	267,168	296,651	206,175	269,272	31%	45%
Butadiene	91,805	66,540	34,862	97,147	103,267	143,037	159,643	49,315	97,522	98%	-6%



Longer Term Market History

12 Month Time Charter Market (USD/day)



Q1'21 – average rates generally flat qoq across all sizes, except for Pr 5,000cbm declining by 1.1%, and Pr 7,500cbm gaining 1.6%.

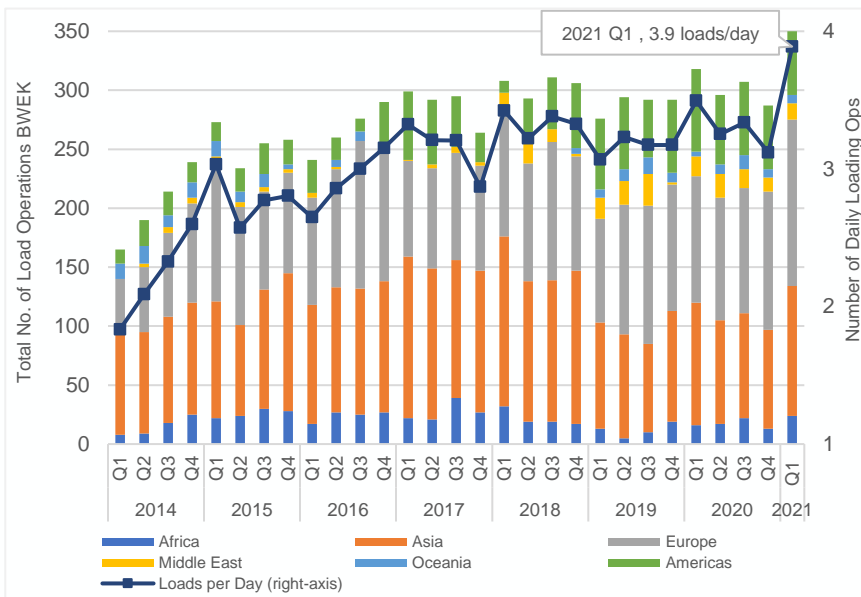
- Pr 3,500cbm, Pr 5,000cbm, Pr 7,500cbm, Pr 11,000cbm and Eth 8,250cbm market daily rates averaged \$6,959, \$8,493, \$10,767, \$13,173 and \$14,937, respectively.
- Average rates -12% for Pr 3,500cbm, -6% for Pr 5,000cbm, +1% for Pr 7,500cbm, +2% for Pr 11,000cbm and -3% for Eth 8,250cb, compared to Q1'20, with the Company exposure increasingly centered on the larger vessels in the sector supporting the Company earnings.



Geographical and Commodity Diversity

Provides optionality and earnings stability

Diversified Geographical Trade Route Options Higher in Asia, Europe and the Americas



Diversified Geographical Location of Fleet (as of 01 May 2021)

Vessels by Segment	Americas	EMEA	Asia	Total Fleet
Pr 3,500cbm	5	2	3	10
SR 3,000cbm		4		4
Pr 5,000 – 6,300cbm		4	6	10
SR 6,000cbm		5		5
Eth 6,000cbm			3	3
Pr 7,000 – 7,500cbm	3	9	3	15
Pr 9,500cbm		3		3
Pr 11,000cbm	2	6	2	10
Eth 8,000 – 12,000cbm	1	9	6	16
Total	11	42	23	76
Fleet Capacity (cbm)				545,990
Avg. Vessel Size (cbm)				7,184

Benefits of Commodity & Geography

- ✓ Optionality on choice, Diversified earnings, Risk mitigation.
- ✓ Maximising seasonal demand and weather impact.
- ✓ Ability to flex between LPG and Petchem markets.
- ✓ Developing new customers, niche markets, and routes.
- ✓ Maximising operational efficiencies.

Cargo Operations Summary, Q1 2021

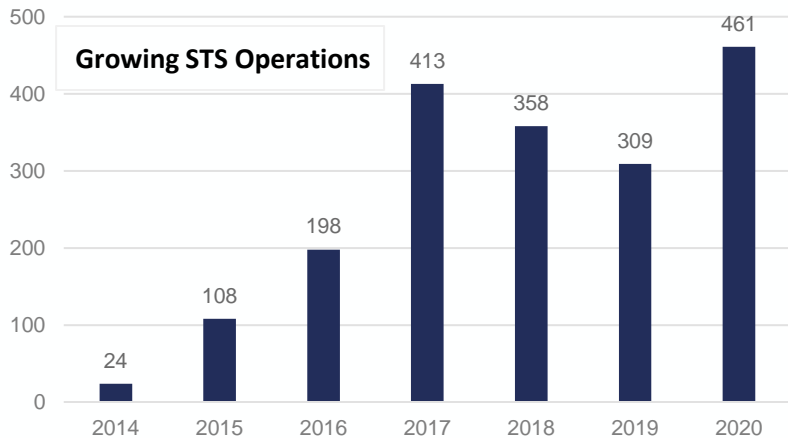
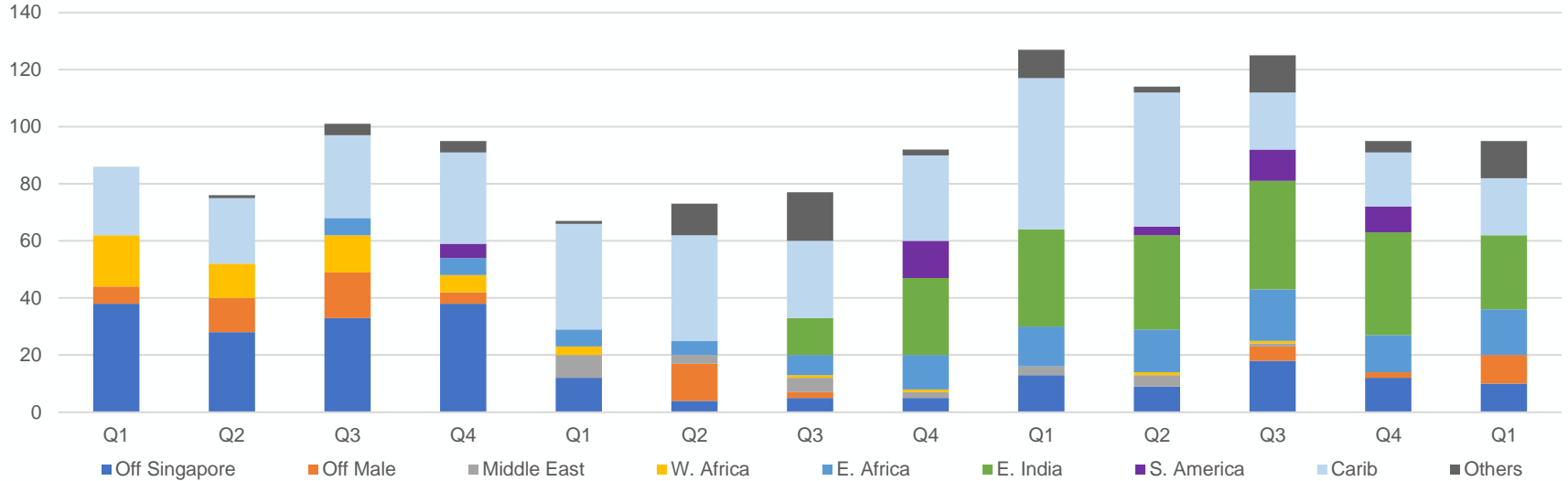
- ✓ Loaded 1,091,000 tonnes.
- ✓ 350 load operations.
- ✓ 3.9 loads ops every day.
- ✓ 748 cargo operations.
- ✓ 180 different ports.
- ✓ LPG (61%) 661,475 tonnes, Petchems (39%) 429,525 tonnes.



LPG break bulk trade

BW Epic Kosan are an Integral Part of the Global Seaborne LPG Supply Chain

BW Epic Kosan Fleet Ship to Ship (STS) Operations by Region
qoq – increased activity off Male / Indian Ocean and East Africa but lower off East India



- 95 STS operations in Q1 2021.
- No change qoq / -25% yoy due reduced operations in the Caribs.
- Typically to allow access over last tonne-mile delivery, shallow waters, restricted berths.
- Complementary to LPG supply chain and delivery by VLGCs.
- Increasing demand for VLGC leading to reduced availability and increasing tonne / mile demand for smaller vessels on some routes.

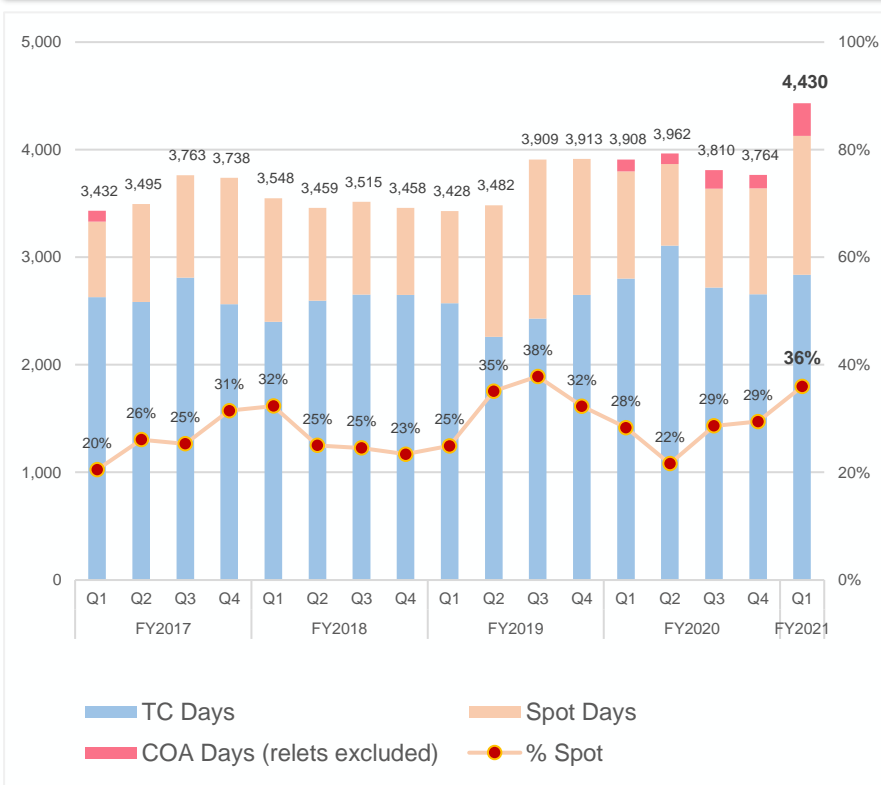


Operating Metrics

	Three Month Period Ended March 31,	
OPERATING METRICS	2021	2020
Average number of vessels in period (1)	51.3	44.0
Number of vessels as of period end	68	44
Average vessel age (years)	11.4	9.4
Fleet capacity at period end (cbm)	479,833	320,900
Gas fleet average size as of period end (cbm)	7,056	7,293
Fleet calendar days	4,618	4,003
Time charter days	2,838	2,802
Spot market days	1,291	998
COA days (relets excluded)	301	108
Voyage days (2)	4,430	3,908
Fleet utilisation (3)	95.9%	97.6%
Fleet operational utilisation (4)	93.3%	92.9%
Time charter equivalent earnings		
Per Calendar Day	\$10,912	\$10,246
Per Voyage Day	\$11,375	\$10,494
Operating expenses per Calendar Day (5)	\$4,418	\$4,442

- 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 docks 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) TC-in vessels excluded.

Voyage Days



Highlights

- BW Epic Kosan has a loyal, consistent client base and focuses on meeting customer needs, with flexibility between time charter, voyage charter, contract of affreightment ('COA') and spot contracts – with 2021 seeing increasing COA days.
- Maintenance is conducted as efficiently as possible, with minimal idle days – however the impact of Covid-19 created incremental costs and time in delivery of spares and dry docking during the period.



Key financials

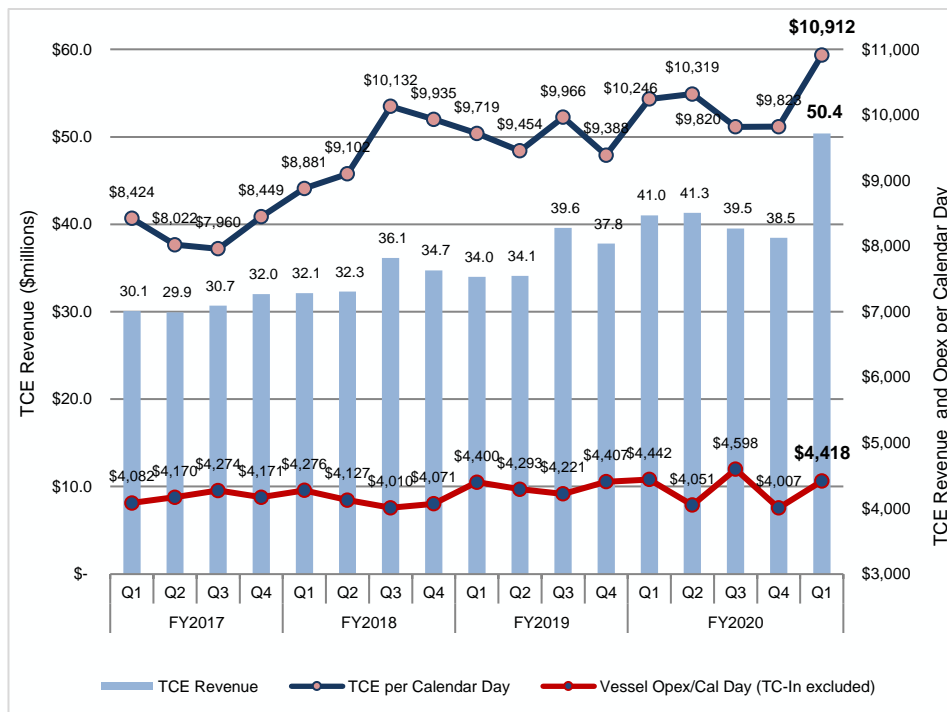
Income Statement and Cash Flow Q1 2021

All amounts in \$ millions	Three Month Period	
	Ended March 31,	
	2021	2020
Charter Revenue	59.8	47.8
Voyage Expenses	-9.4	-6.8
TCE Income	50.4	41.0
Management Revenue	0.0	0.2
Other Income/(expenses)	2.4	0.5
Broker commissions	-1.0	-1.0
Charter-in costs	-4.8	-4.5
Vessel operating expenses	-19.9	-17.0
General and administrative expenses	-5.9	-4.3
EBITDA	21.1	14.9
Depreciation and amortisation	-10.0	-8.3
Gain/(loss) on sale of vessels	-0.1	0.0
Provision for bad debt & claims	0.0	-0.1
Operating Profit/(loss) (EBIT)	11.0	6.5
Interest and finance costs	-3.9	-4.1
Foreign exchange gain/(loss)	-0.1	-0.1
Finance Expense – Net	-4.0	-4.2
Profit/(loss) before income tax	7.0	2.3
Income tax expense	0.0	0.0
Net Profit/(Loss) after tax	7.0	2.3
Other Comprehensive Income/(Loss) (1)	3.6	-6.9
Total Comprehensive Income/(Loss)	10.6	-4.6

(1) From time to time, the Company enters into derivative contracts in the form of interest rate swaps to mitigate the risk of interest rate fluctuations. These derivatives are used to hedge the Company's borrowings. The unrealised mark to market gains or losses on these instruments are recognized under "Other Comprehensive Income / (Loss)".

All amounts in \$ millions	Three Month Period	
	Ended March 31,	
	2021	2020
Cash from operating activities	15.9	11.0
Cash from investing activities	-141.7	0.0
Cash from financing activities	124.4	-8.5
Net Increase in cash and cash equivalents	-1.4	2.5
Cash and cash equivalents at the beginning of the year	46.9	41.4
Cash and cash equivalents at the end of the period	45.5	43.9

Time Charter Equivalent ("TCE") Revenue and Opex



Highlights

- Increased fleet capacity combined with effective cost management led to increased EBITDA by 42% Year on Year.
- Net Profit of \$7.0 million.



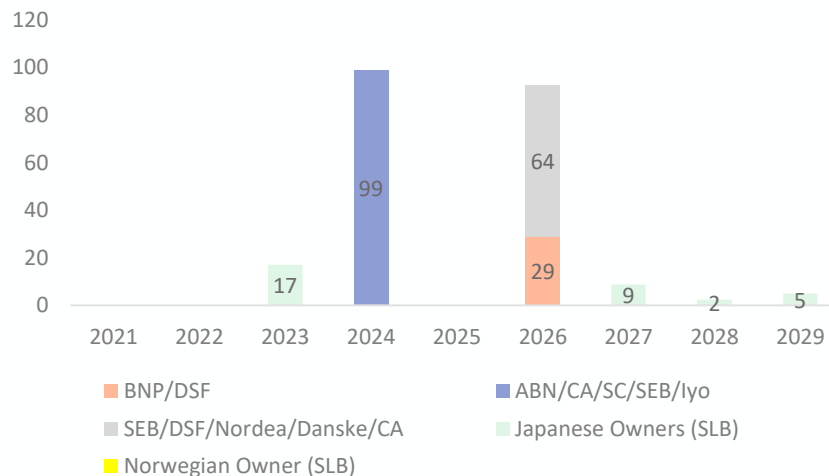
Key financials

Balance Sheet 31 March 2021

All amounts in \$ millions	31-Mar-21	31-Dec-20
ASSETS		
Cash and cash equivalents	45.5	46.9
Trade and other receivables	23.3	17.1
Inventories	4.7	2.5
Assets held for sale	0.0	8.6
Derivative financial instruments	0.0	0.3
Current assets	73.5	75.5
Trade and other receivables – Non-current	0.6	0.5
Restricted cash deposits	14.8	8.6
Property, plant, and equipment	867.1	567.0
Right-of-use Assets	25.1	25.8
Derivative financial instruments	0.0	0.0
Deferred tax assets	0.1	0.1
Non-current assets	907.7	602.0
TOTAL ASSETS	981.2	677.5
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade and Other Payables	25.3	17.2
Deferred income	8.9	9.6
Current income tax liabilities	0.2	0.2
Capital lease liabilities	8.6	2.8
Borrowings	49.1	31.3
Lease liabilities	15.3	13.6
Current liabilities	107.4	74.6
Derivative financial instruments	2.4	6.3
Trade and Other Payables	0.0	0.1
Deferred income tax liabilities	0.1	0.1
Capital lease liabilities	18.9	7.5
Borrowings	405.0	282.0
Lease liabilities	9.1	11.4
Non-current liabilities	435.5	307.3
Total Liabilities	542.8	381.9
Share capital	547.2	399.9
Share option reserves	4.9	4.9
Accumulated losses	-111.1	-103.1
Accumulated other comprehensive income/(loss)	-2.6	-6.2
Total Equity	438.4	295.5
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	981.2	677.5

- **Combination with Lauritzen Kosan A/S to create BW Epic Kosan**
Transaction closed in March 2021.
- **Book value of vessels of \$866 million, below latest broker FMV estimates**
- **Healthy Cash position**
\$60.3 million (Cash and cash equivalents and Restricted Cash Deposits)
- **Loan profile:**
Bank debt and Finance leases: \$481.6 million (Net leverage of 49%)
No loan expiry until 2023

Debt maturities (in MUS\$):





Summary and Outlook

Q1 2021 Summary

- Completed Combination to form BW Epic Kosan, increasing revenue stream within the LPG and petrochemical sectors, accessing opportunity for efficiency and synergy.
- Covid-19 impacting supply / demand balance.
- First Quarter Net Profit
- Healthy Cash position, and stable long-term financing.
- Increased costs and offhire related to Covid-19 crew changes
- Young fleet, reduced emissions.

Outlook

- Covid-19, global supply and demand for LPG are disrupting our business operationally, both to the negative and positive.
- 2021 global LPG seaborne trade growth forecast is positive.
- Covid-19 is impacting economic growth/petrochemical demand. Asian demand growth for LPG remains positive, driven by China (petchem) and India (retail and residential).
- Ongoing & potential scrapping in both pressurised and semi-refrigerated, modest sector growth as long as ordering stays balanced.
- Focus on IMO 2030 and IMO 2050, working to deliver decarbonisation, including through shipping related projects for carbon capture and storage (CCS).



Fleet List

(as of 12th May 2021)

Pressurised		
Cbm	Vessel name	Built
3-4,900 cbm	Epic Caledonia	2014
	Epic Curacao	2014
	Epic Cobrador	2009
	Epic Cordova	2009
	Inge Kosan	2011
	Tracey Kosan	2011
	Monica Kosan	2011
	Emily Kosan	2012
	Linda Kosan	2011
	Helle Kosan	2010

5-6,900 cbm	Epic St. Ivan	2015
	Epic St. Agnes	2015
	Epic St. Croix	2014
	Epic St. Thomas	2014
	Epic St. Vincent	2008
	Epic St. Kitts	2008
	Epic St. Lucia	2008
	Epic St. Martin	2008
	Epic St. George	2007
Epic Balta	2000	

Pressurised		
Cbm	Vessel name	Built
7-8,900cbm	Epic Bali	2010
	Epic Borneo	2010
	Epic Barnes	2002
	Epic Barbados	2001
	Epic Bermuda	2001
	Epic Bell	2014
	Epic Bird	2014
	Epic Baluan	2017
	Epic Bonaire	2016
	Epic Borinquen	2016
	Epic Boracay	2009
	Epic Bolivar	2002
Epic Burano	2002	
Epic Beata	2011	
Epic Breeze	2020	

Pressurised		
Cbm	Vessel name	Built
9-12,000 cbm	Epic Manhattan	2007
	Epic Madeira	2006
	Westminster	2011
	Epic Salina	2017
	Epic Samos	2016
	Epic Shikoku	2016
	Epic Sentosa	2016
	Epic Sicily	2015
	Epic Susak	2015
	Epic Susui	2015
	Epic Sula	2015
Epic Sunter	2015	
Epic Sardinia	2017	

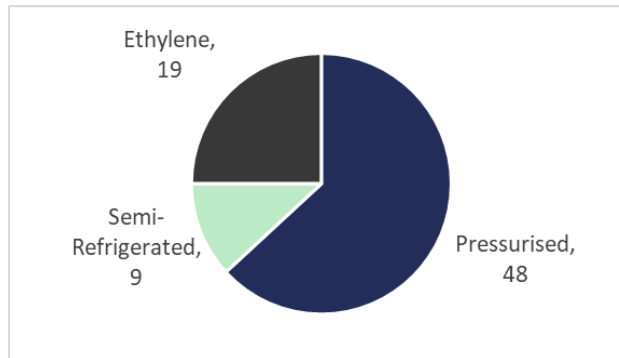
Ethylene		
Cbm	Vessel name	Built
5-6.9 cbm	Camilla Spirit	2010
	Pan Spirit	2009
	Cathinka Spirit	2009

7-8,900 cbm	Henrietta Kosan	2008
	Isabella Kosan	2007
	Alexandra Kosan	2008
	Leonora Kosan	2009
	Helena Kosan	2007
	Victoria Kosan	2009
	Sonoma Spirit	2003

9-12,000 cbm	Stina Kosan	2008
	Sophia Kosan	2008
	Stella Kosan	2008
	Kathrine Kosan	2008
	Kamilla Kosan	2008
	JBU Schelde	2008
	Napa Spirit	2003
	Unikum Spirit	2011
	Vision Spirit	2011

Semi-Refrigerated		
Cbm	Vessel name	Built
3-4.9 cbm	Scali del Teatro	2014
	Scali Sanlorenzo	2010
	Scali Reali	2010
	Scali del Pontino	2011

5-6.9 cbm	Tessa Kosan	1999
	Tenna Kosan	1998
	Tilda Kosan	1999
	Tanja Kosan	1999
	Tristar Dana	2010



Total – 76 vessels



Key Information on BW Epic Kosan Shares

Share price May 2020 – April 2021

Euronext Growth Oslo: BWEK



Source: Euroland

Market Cap (30/04/21)	-:	NOK 2,819.9 M
Shares Outstanding	-:	152.5M