



Epic Gas Q3 2020 Earnings Presentation

12 Nov 2020



Disclaimer



This Presentation (hereinafter collectively referred to as the "Presentation") has been produced by Epic Gas Ltd. (the "Company", or "Epic") for information purposes only.

This Presentation contains information obtained from third parties. As far as the Company is aware and able to ascertain from the information

published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. To the best of the

knowledge of the Company, the information contained in this Presentation is in all material respects in accordance with the facts as of the date hereof. However, no independent verifications have been made and no representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and, accordingly, none of the Company or any of its parent or subsidiary undertakings or any such person's officers or employees accepts any liability whatsoever arising directly or indirectly from the use of this document. This Presentation contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. The forward-looking statements contained in this Presentation, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. None of the Company or any of its parent or subsidiary undertakings or any such person's officers or employees provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor does any of them accept any responsibility for the future accuracy of the opinions expressed in this Presentation or the actual occurrence of the forecasted developments. The Company assumes no obligation, except as required by law, to update any forward-looking statements or to conform these forward-looking statements to our actual results.

Q3 2020 Highlights

Covid-19 visibly impacting results



	Q3 2020	Q3 2019	Q320 vs Q319	YTD 2020	YTD 2019	YTD20 vs YTD19
			%			%
• Revenue	\$45.4m	\$47.1m	-3.6%	\$139.2m	\$127.4m	+9.3%
Calendar Days	4,026	3,971	+1.4%	12,033	11,074	+8.7%
TCE/Calendar Day	\$9,820	\$9,965	-1.5%	\$10,128	\$9,721	+4.2%
Fleet operational utilisation	91.9%	95.1%	-3.4%	93.5%	93.3%	+0.2%
Tonnes loaded	944,244	796,433	+18.6%	2,737,156	2,302,914	+18.9%
Total capacity	313,700	320,900 cbm	-2.3%	313,700 cbm	320,900 cbm	-2.3%
Average vessel size	7,295 cbm	7,293 cbm	0%	7,295 cbm	7,293 cbm	0%
Average vessel age	9.2 years	8.4 years	-	9.4 years	8.4 years	-
Cargo operations	658	678	-2.9%	1,965	1,991	-1.3%
Different ports visited	152	135	+12.6%	233	175	+33.1%
• Total Opex per cal/day	\$4,598	\$4,221	+8.9%	\$4,364	\$4,302	+1.4%
 Total G&A per cal/day 	\$999	\$1,043	-4.2%	\$1,032	\$1,129	-8.6%
• EBITDA	\$12.6m	\$13.4m	-6.0%	\$44.2m	\$34.0m	+30.0%
Net Profit	-\$2.6m	-\$2.9m	+10%	\$4.2m	-\$4.8m	+187.5%

- Higher Covid-19 related operating expenses and offhire as crew changes step up
- Net Loss of \$2.6 million (after loss on sale of a vessel), YTD Net Profit of \$4.2 million
- Strong Cash position of \$59.3 million
- No loan expiry until 2023
- % CO2 reduction YTD of 2.76%. Carbon Intensity YTD 22.77, down from 24.6.

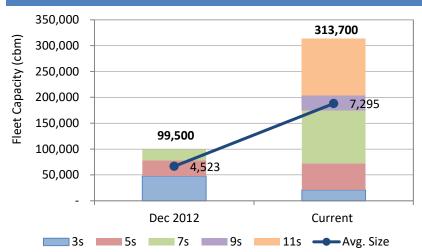
Epic Gas at a glance

Strong Operating Model

- Epic Gas Ltd., owns and operates a fleet of 43 modern, pressurised gas carriers providing seaborne services for the transportation of liquefied petroleum gas (LPG) and petrochemicals.
- Our vessels serve as a crucial link in the international gas supply chains of leading oil majors and commodity trading houses throughout Southeast Asia, Europe, West Africa and the Americas.
- We are headquartered in Singapore with additional offices in London, Manila and Tokyo.
- Epic Gas has the scale, fleet and operational resources to serve our customers on a truly global basis. We will continue to leverage our in-house commercial and technical expertise to provide the safest, most dependable solutions for our customers.



Focused on the largest pressure vessels



Steady Revenue & EBITDA Growth



Low Newbuild Vessel Supply



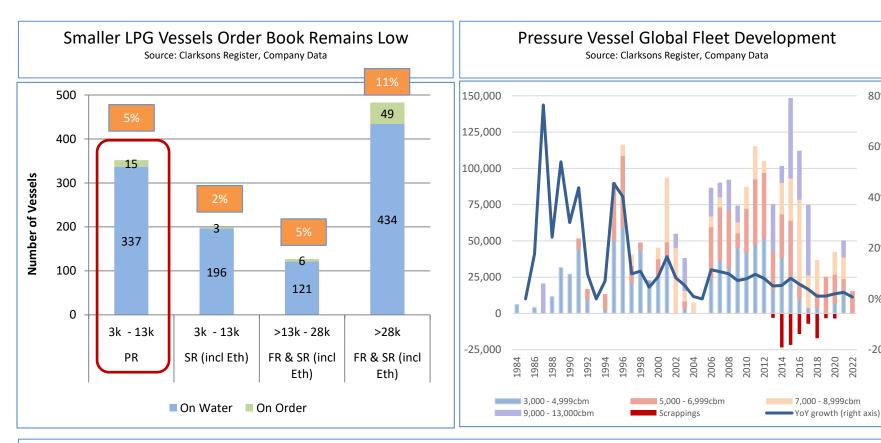
80%

60%

40%

20%

-20%

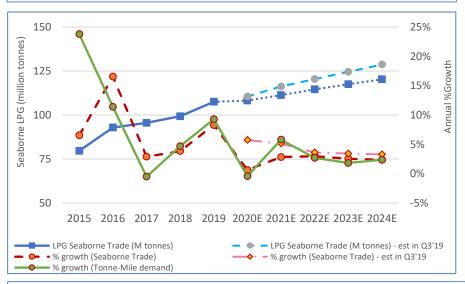


- 1 x 3,500cbm pressure vessel delivered in Q3 2020.
- There was 1 small sized semi-ref vessel reported as sold for scrap in Q3 2020.
- 4/8/3 newbuild **pressure** vessels to be delivered in 2020/21/22 representing a 2.2%/2.4%/0.8% increase in existing fleet capacity.
- 1/0/1 newbuild small-sized semi-ref (non-Eth) vessel to be delivered in 2020/21/22 representing a 3.5%/0%/1.8% increase in existing fleet capacity.
- A scrapping pool of 10 pressure and 5 semi-ref (non-Eth) vessels aged 30 years and over.

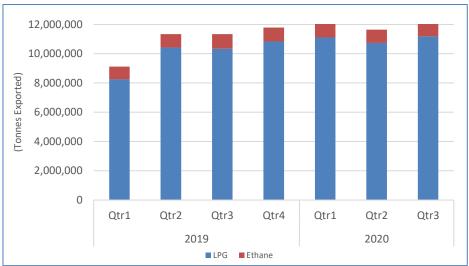
LPG Demand – lower growth this year



Global LPG Seaborne Trade in 2019 = 107.5 M Tonnes 2020 Demand Growth Forecast lowered (5.7% to 0.6%) (Source: Drewry)



Q3'20 US Total LPG Exports +4% qoq, +8% yoy Ethane +2% qoq, Total NGL +4% qoq (Source: Kpler)



Q3 2020: Asia's Big Importers Aggregate -2% qoq / India +14% qoq

(Source: Kpler)

LPG Imports (tonnes)									
	2019			2020					
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	% qoq	% уоу
China	3,400,260	5,133,622	5,331,209	5,182,252	3,849,449	5,465,677	5,011,072	-8%	-6%
India	3,116,115	3,441,567	3,989,712	4,122,926	4,125,732	3,952,510	4,518,987	14%	13%
Japan	1,865,338	2,658,951	2,527,584	2,539,399	3,006,723	2,402,388	2,170,159	-10%	-14%
S. Korea	1,059,454	1,745,402	2,438,729	2,115,157	2,126,098	2,233,386	2,142,724	-4%	-12%
	9,441,167	12,979,542	14,287,234	13,959,734	13,108,002	14,053,961	13,842,942	-2%	-3%

Larger Volume Import Demand:

- Imports to larger ports and plants including industrial and petrochemical.
- Volatile few months; China & India remain key drivers.
- China's PDH plants and other petrochemical units are restarting, but derivatives production is part dependent on global economic recovery and demand.

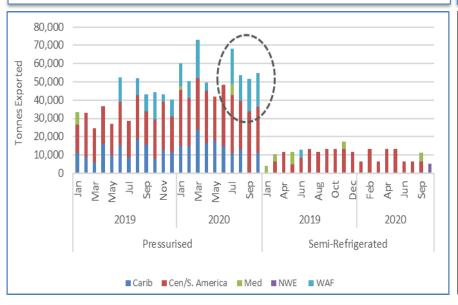
US LPG exports pick up, growing global domestic demand, recovery in PRC Petchem demand



US Pressure and small sized Semi-Ref (SR) Exports Pr exports Q3/Q2 +24%, pick-up of trans-Atlantic (Source: Kpler)

Growing domestic demand for residential LPG drives import Growth

(Source: FGE - Jul'20)



Country	Pop. 2019	GDP Per Capita	Res LPG Demand	LPG Cons. Per Capita	LPG Imports ('000t)		000t)
		•	('000t)	(kg)	2018	2019	est. 2020
Pakistan	221m	\$1,070	604	3	260	270	420
South Africa	59m	\$5,932	203	3	260	360	530
Bangladesh	165m	\$2,109	650	4	850	950	1,000
Philippines	110m	\$3,486	1,305	12	1,290	1,530	1,620
Sri Lanka	21m	\$4,386	376	18	480	500	540
Brazil	213m	\$8,873	5,280	25	2,440	2,010	2,460
Indonesia	274m	\$4,380	7,077	26	5,520	5,660	6,180
Morocco	37m	\$3,366	2,260	61	2,560	2,660	2,600

China Propylene Imports +25% qoq / +4% yoy as Covid-19 lockdowns ease up and derivatives demand increase (Source: Argus, China Customs Data)

China imports (tonnes)

	2019			2020					
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	% qoq	% yoy
Propylene	775,296	801,672	744,248	805,975	476,738	620,526	773,821	25%	4%
Ethylene	719,511	674,299	602,119	513,827	466,227	479,654	551,043	15%	-8%
VCM	178,909	267,969	251,297	287,919	185,113	267,168	296,651	11%	18%
Butadiene	91,805	66,540	34,862	97,147	103,267	143,037	159,643	12%	358%

Longer Term Market History

12 Month Time Charter Market (USD/day)





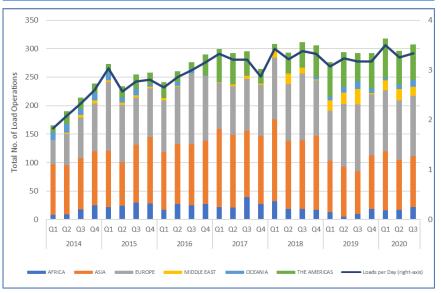
Q3 2020 – weaker rates compared to the previous quarter, approx. -5% on the 3's, - 2% on the 5's & 7's, but +2% on the 11's

- 3,500cbm, 5,000cbm, 7,500cbm & 11,000cbm market daily rates averaged \$7,058, \$8,395, \$10,603 and \$13,134, respectively.
- Average rates -15% for 3,500cbm, -9% for 5,000cbm, -4% for 7,500cbm, and -2% for 11,000cbm, compared to Q3'19.

Geographical and Commodity Diversity Provides optionality and earnings stability



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



Diversified Geographical Location of Fleet (as of 01 Nov 2020)

Vessels by Segment	Americas	EMEA	Asia	Total Fleet
3,300 – 4,100cbm	2	-	4	6
5,000 – 6,300cbm	1	4	5	10
7,000 – 7,500cbm	3	10	1	14
9,500cbm	-	3	-	3
11,000cbm	1	7	2	10
Total	7	24	12	43
Fleet Capacity (cbm)				313,700
Avg. Vessel Size (cbm)				7,295

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, Q3 2020

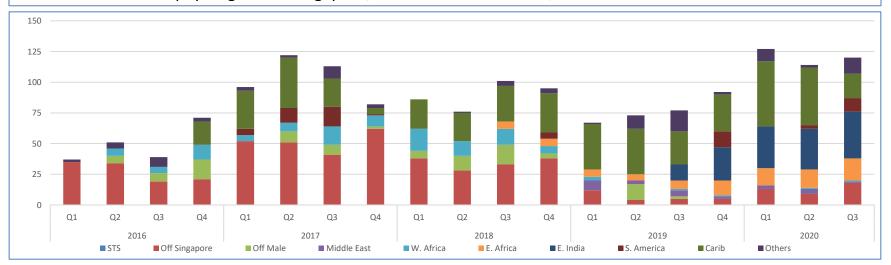
- ✓ Loaded 944,244 tonnes
- ✓ 307 load operations
- √ 3.3 loads ops every day
- √ 658 cargo operations
- √ 152 different ports
- LPG (77%) 727,358 mt, Petchems (23%) 216,886 mt

LPG break bulk trade

An Integral Part of the Global Seaborne LPG Supply Chain for all vessel sizes



Epic Gas Ship to Ship (STS) Operations by Region qoq - higher off Singapore, the East Coast of India, East Africa and Brazil.





- √ 125 STS operations in Q3 2020
- ✓ Increased operations off Singapore, the East Coast of India, East Africa and Brazil.
- ✓ 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.

Key financials:

Operating Metrics



Operating Metrics

		Three Month Period Ended September 30,		th Period ember 30,	
	2020	2019	2020	2019	
OPERATING METRICS					
Average number of vessels in period (1)	43.8	43.2	43.9	40.6	
Number of vessels as of period end	43	44	43	44	
Fleet capacity at period end (cbm)	313,700	320,900	313,700	320,900	
Gas fleet average size as of period end	7,295	7,293	7,295	7,293	
Fleet calendar days	4,026	3,971	12,033	11,074	
Time charter days	2,719	2,430	8,627	7,264	
Spot market days	918	1,479	2,673	3,555	
COA days (relets excluded)	173	-	381	-	
Voyage days (2)	3,810	3,909	11,681	10,819	
Fleet utilisation (3)	94.6%	98.4%	97.1%	97.7%	
Fleet operational utilisation (4)	91.9%	95.1%	93.5%	93.3%	
Time charter equivalent earnings					
Per Calendar Day	\$9,820	\$9,965	\$10,128	\$9,721	
Per Voyage Day	\$10,375	\$10,124	\$10,433	\$9,950	
Operating expenses per Calendar Day (5)	\$4,598	\$4,221	\$4,364	\$4,302	

1) The number of days each vessel was a part of our fleet during the period divided by the number of calendar days.

Voyage Days



Highlights

- Epic Gas 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 2020 seeing the return of some 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.

⁾ Calendar days net of off-hire days associated with major repairs, dry dockings or special or intermediate surveys.

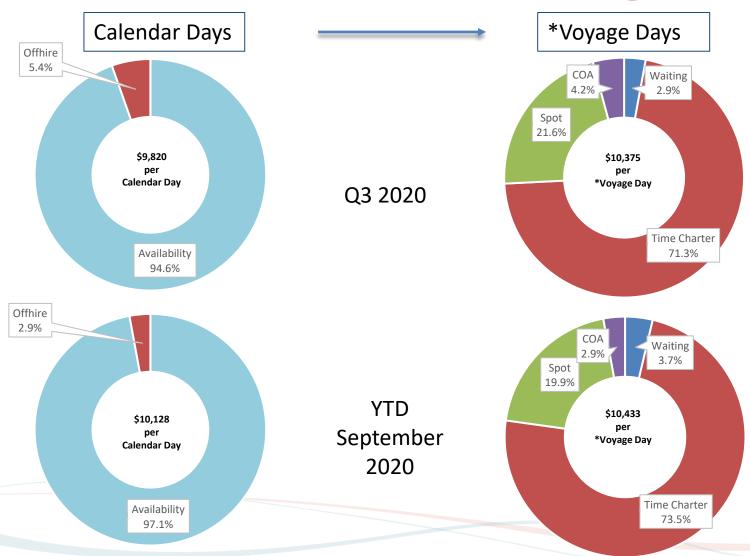
Calculated by dividing voyage days by fleet calendar days.

⁴⁾ Calculated by dividing voyage days, excluding commercially idle days, by fleet calendar days

⁵⁾ TC-in vessel excluded

Fleet Performance – Days & Earnings





Key financials:

Income Statement and Cash Flow Q3 2020

INCOME STATEMENT	(UNAUDITED)

INCOME STATEMENT (ONAODITED)				
	Three Mon	Three Month Period		h Period
	Ended September 30,		Ended Septe	mber 30,
All amounts in \$ millions	2020	2019	2020	2019
Charter Revenue	45.4	46.9	139.0	126.9
Voyage Expenses	(5.8)	(7.3)	(17.1)	(19.2)
TCE Income	39.5	39.6	121.9	107.6
Management Revenue	0.0	0.2	0.2	0.5
Other Income/(expenses)	0.1	0.0	0.9	1.0
Address commissions	(0.8)	(0.9)	(2.7)	(2.3)
Charter-in costs	(4.5)	(5.3)	(13.6)	(14.4)
Vessel operating expenses	(17.7)	(16.0)	(50.1)	(45.9)
General and administrative expenses	(4.0)	(4.2)	(12.4)	(12.5)
EBITDA	12.6	13.4	44.2	34.0
Depreciation and amortisation	(7.9)	(8.3)	(24.3)	(22.8)
Impairment loss, Gain/(loss) on sale of				
vessels	(3.5	0.0	(3.5)	0.0
Provision for bad debt & claims	(0.1)	0.1	(0.4)	0.1
Operating Profit/(loss) (EBIT)	1.0	5.1	16.0	11.3
Derivative P&L	0.0	(1.7)	0.0	(1.7)
Interest and finance costs	(3.5)	(6.2)	(11.5)	(14.1)
Foreign exchange gain/(loss)	(0.0)	(0.0)	(0.1)	(0.1)
Finance Expense – Net	(3.5)	(7.9)	(11.6)	(15.8)
Drafit (llass) hafaya insama tay	(2.5)	(2.0)	4.4	(4.6)
Profit/(loss) before income tax	(2.5)	(2.8)	4.4	(4.6)
Income tax expense	(0.1)	(0.2)	(0.2)	(0.3)
Net Profit/(Loss) after tax	(2.6)	(2.9)	4.2	(4.8)
Other Comprehensive Income //Less //1)	0.6	0.7	(7.0)	(2.2)
Other Comprehensive Income/(Loss) (1)			(7.0)	(2.2)
Total Comprehensive Income/(Loss)	(2.0)	(2.2)	(2.7)	(7.0)

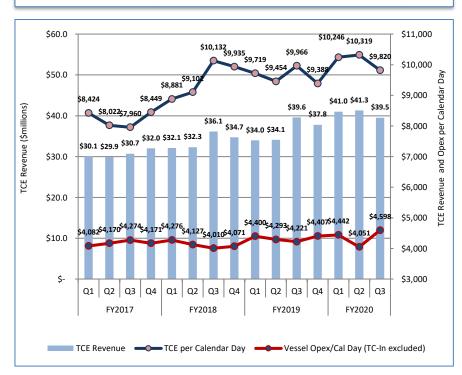
(1) From time to time, the Company enters into derivative contracts in the form of interest rate swaps in order to mitigate the risk of interest rate fluctuations. These derivatives are used to hedge the Company's borrowings. The unrealised mark to market gains or losses on these instruments are recognized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

STATEMENT OF CASH FLOWS (UNAUDITED)

	Nine Month	n Period
	Ended Jur	ne 30,
All amounts in \$ millions	2020	2019
Cash from operating activities	33.9	16.4
Cash from investing activities	1.1	(114.2)
Cash from financing activities	(25.5)	95.9
Net Increase in cash and cash equivalents	9.5	(1.9)
Cash and cash equivalents at the beginning of the year	41.4	16.7
Cash and cash equivalents at the end of the period	50.9	14.8



Time Charter Equivalent ("TCE") Revenue and Opex



Highlights

- Stable Year on Year TCE Revenues of \$39.5 million
- EBITDA down by 6% Year on Year due to higher Covid-19 related OPEX as crew changes stepped up.
- SG+A per calendar day down 4.2%
- Net Loss of \$2.6 million (including loss on sale of vessel of \$3.5 million).
- YTD Net Profit of \$4.2 million

Key financials

Balance Sheet 30 September 2020



	As of	As of
All amounts in \$ millions	30 Sep 2020	31 Dec 2019
ASSETS		
Cash and cash equivalents	50.9	41.4
Trade and other receivables	15.6	18.
Inventories	2.3	4.9
Derivative financial instruments	0.0	0.0
Current assets	68.8	64.
Current assets	08.8	64.
Trade and other receivables – Non-current	0.5	0.
Restricted cash deposits	8.4	8.
Property, plant, and equipment	577.5	606.
Leased Assets	18.7	26.
Derivative financial instruments	0.0	0.
Deferred tax assets	0.1	0.:
Non-current assets	605.2	641.
Tron content assets	003.2	0.12.
TOTAL ASSETS	674.0	706.
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade and Other Payables	18.8	23.
Deferred income	10.6	10.
Current income tax liabilities	0.3	0.
Derivative liabilities	0.0	0.
Capital lease liabilities	2.7	2.
Borrowings	31.0	30.
Lease liabilities	12.8	12.
Current liabilities	76.3	79.
Derivative financial instruments	7.1	0.
Deferred income tax liabilities	0.1	0.
Capital lease liabilities	8.2	10.
Borrowings	283.8	306.
Lease liabilities	5.9	13.
Non-current liabilities	305.0	330.
Total Liabilities	381.3	410.
Total Elabilities		410.
Share capital	399.9	399.
Share option reserves	4.9	4.
Accumulated losses	(104.8)	(109.0
Accumulated other comprehensive income/(loss)	(7.3)	(0.3
Total Equity	292.7	295.
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	674.0	706.

Conservative accounting

Book value of vessels of \$577 million, below latest broker FMV estimates

Strong cash position

\$59.3 million

Sale and Purchase

Epic Borkum (7200cbm, 2000 built, unencumbered) sold in September

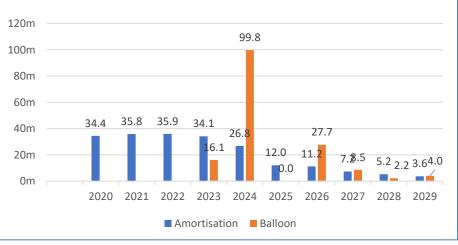
Subsequent events

Delivery of Epic Beata (7500 cbm, 2011 built) completed in November, acquisition financed with debt (60%) and equity (40%)

Loan profile:

Bank debt and Finance leases: \$325.6 million (Net leverage of 46%)

No loan expiry until 2023



Summary and Outlook



Q3 2020 Summary

- ✓ Covid-19 impacting supply / demand balance.
- ✓ Operating profit delivered, before impact of vessel sale.
- ✓ 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.
- 2020 global LPG seaborne trade growth is now minimal, but 2021 forecast is positive.
- ✓ Demand growth for residential LPG remains good, but not as good as it was, whilst global economic contraction/recovery is impacting petrochemical derivative demand but PRC is positive.
- ✓ Limited order book for the sector
- ✓ Ongoing & potential scrapping in both pressurised and semi-ref.
- Focus on IMO 2030 and IMO 2050.

The Epic Gas Fleet



Vessel: 11,000 cbm	cbm	Delivery	Yard	Vess
Epic Susak	11,000	2015	Sasaki	Epic
Epic Susui	11,000	2015	Sasaki	Epic
Epic Sicily	11,000	2015	Sasaki	Epic
Epic Sula	11,000	2015	Kyokuyo	Epic
Epic Sunter	11,000	2015	Kyokuyo	Epic
Epic Samos	11,000	2016	Kyokuyo	Epic
Epic Sentosa	11,000	2016	Kyokuyo	Epic
Epic Shikoku	11,000	2016	Kyokuyo	Epic
Epic Sardinia*	11,000	2017	Kyokuyo	Epic
Epic Salina	11,000	2017	Kyokuyo	Epic
Sub Total 10 Vessels	110,000	cbm		Epic
				Epic
Vessel: 9,500 cbm	cbm	Built	Yard	Epic
Epic Madeira	9,500	2006	Miura	Epic
Epic Manhattan	9,500	2007	Miura	
Westminster**	9,500	2011	Miura	
Sub Total 3 Vessels	28,500	cbm		Sub
Vessel: 5,000-6,300 cbm	cbm	Built	Yard	Vess
Epic St. George	5,000	2007	Shitanoe	Epic
Epic St. Kitts	5,000	2008	Kanrei	Epic
Epic St. Martin	5,000	2008	Kanrei	Epic
Epic St. Lucia	5,000	2008	Sasaki	Epic
Epic St. Vincent	5,000	2008	Sasaki	Epic
Epic St. Croix	5,000	2014	Sasaki	Epic
Epic St. Thomas	5,000	2014	Sasaki	Sub
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		

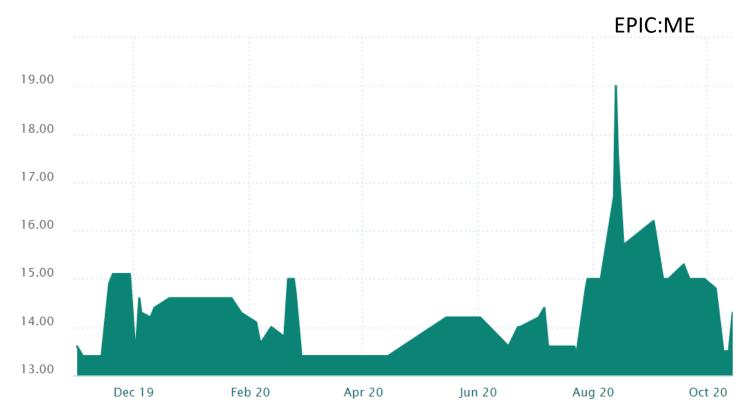
Vessel: 7,200-7,500	cbm	Built	Yard
Epic Barbados	7,200	2001	Murakami Hide
Epic Bermuda	7,200	2001	Murakami Hide
Epic Barnes	7,200	2002	Murakami Hide
Epic Bali	7,200	2010	Kyokuyo
Epic Borneo	7,200	2010	Kyokuyo
Epic Bell*	7,200	2014	Kyokuyo
Epic Bird*	7,200	2014	Kyokuyo
Epic Bolivar	7,500	2002	Shin Kurushima
Epic Burano	7,500	2002	Watanabe
Epic Boracay	7,500	2009	Murakami Hide
Epic Beata	7,500	2011	Murakami Hide
Epic Borinquen	7,500	2016	Sasaki
Epic Bonaire	7,500	2016	Sasaki
Epic Baluan	7,500	2017	Sasaki
Sub Total 14 Vessels	102,900	cbm	
Vessel: 3,500 cbm	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
Sub Total 6 Vessels	21,000	cbm	

*Bareboat **TC-in

Overall Total of 43 Vessels, and 313,700 cbm

Key Information on Epic Gas' Shares





Source: OsloBors

Listing Market
Market Cap (30/10/20)
Shares Outstanding / Float

Merkur Market (NOK) 1,524.61M 106.6M / 106.6M

