EPIC GAS
DELIVERY UNDER PRESSURE

The LPG Pressure Ship Market

IHS Asia LPG Seminar

Singapore, 28 June 2018

Forward Looking Statements

Matters discussed in this presentation may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbour protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The Company desires to take advantage of the safe harbour provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbour legislation. The words “believe,” “anticipate,” “intends,” “estimate,” “forecast,” “feel,” “project,” “plan,” “potential,” “may,” “should,” “expect,” “pending” and similar expressions identify forward-looking statements.

Overview

- Introduction
- Pressure Fleet Profile
- Freight Rates
- Trading Patterns
- Market Dynamics
- Epic Gas – a global business with a regional focus

Introduction

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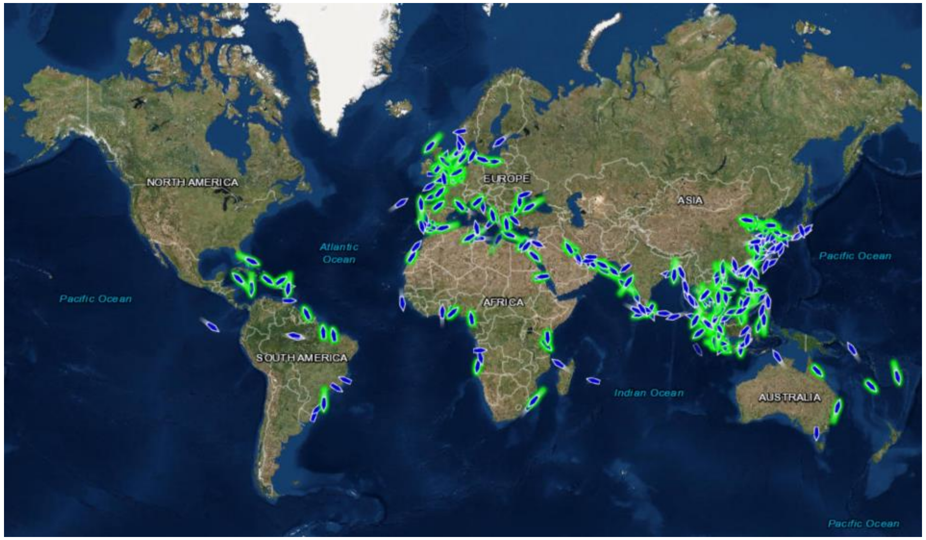
VLGC



Pressure Ship

The Pressurised market:
A Global business - last mile regional trades

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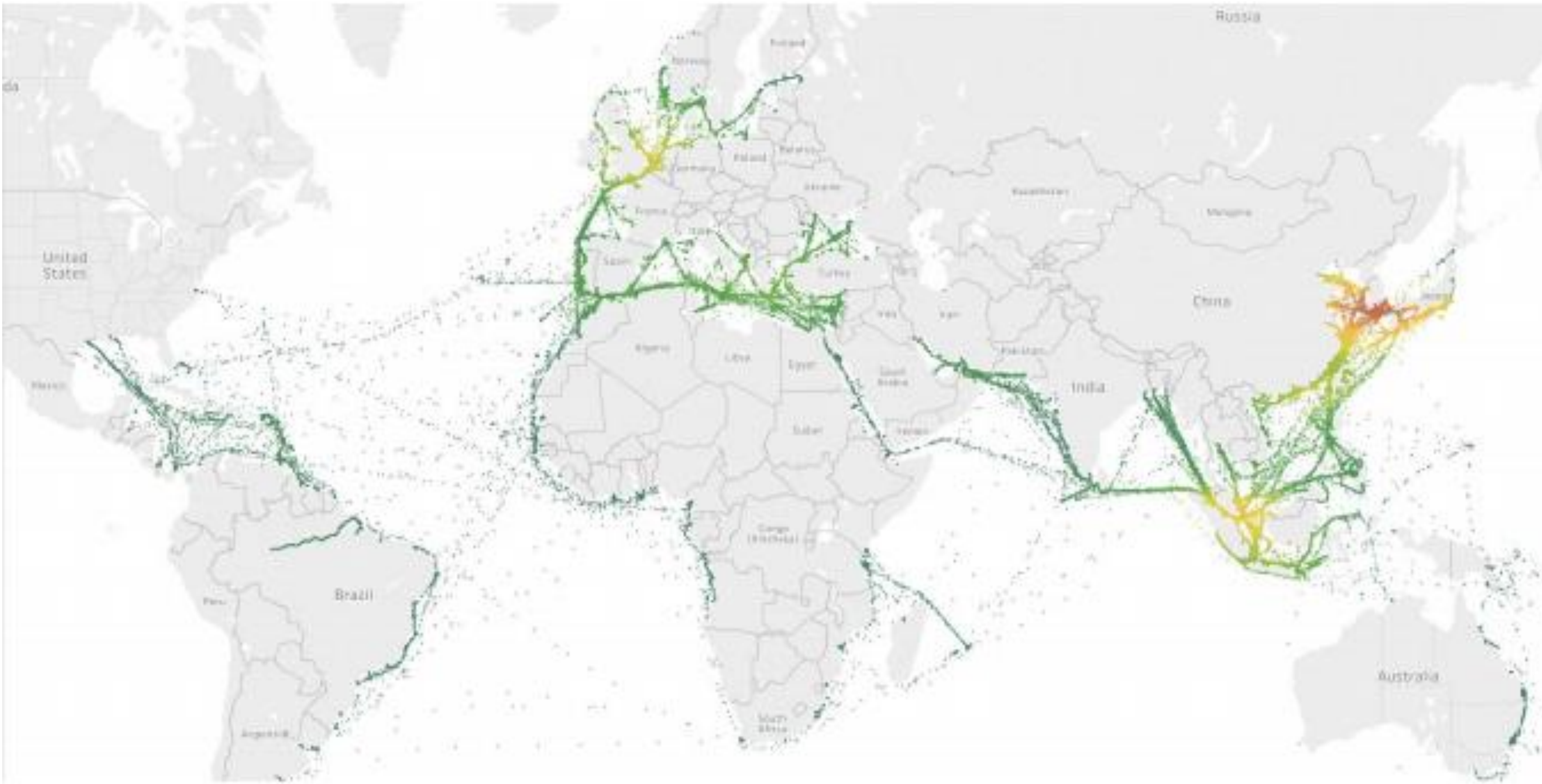

Source: Steem1960

"A number of niche markets with opportunities for growth offered by changing dynamics"

International Trade
3,000+cbm Fleet Profile

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Current Fleet: approx. 320 vessels (1.7mill cbm)

Size (cbm)	Average Age (years)	Afloat No. / cbm	Order Book (as of May'18)
3,000 & 4,000	15.6	162 / 575,932 cbm	1
5,000 & 6,000	11.9	85 / 445,943 cbm	7
7,000 & 8,000	8.8	47 / 346,759 cbm	1
9,000 & 10,000	10.6	7 / 66,224 cbm	0
11,000 & 13,000	4.8	22 / 246,682 cbm	0

Newbuilds: 2x7,500cbm delivered so far this year, 3 more to go; 3(2019); 3(2020)

Limited near-term supply of small size LPG carriers

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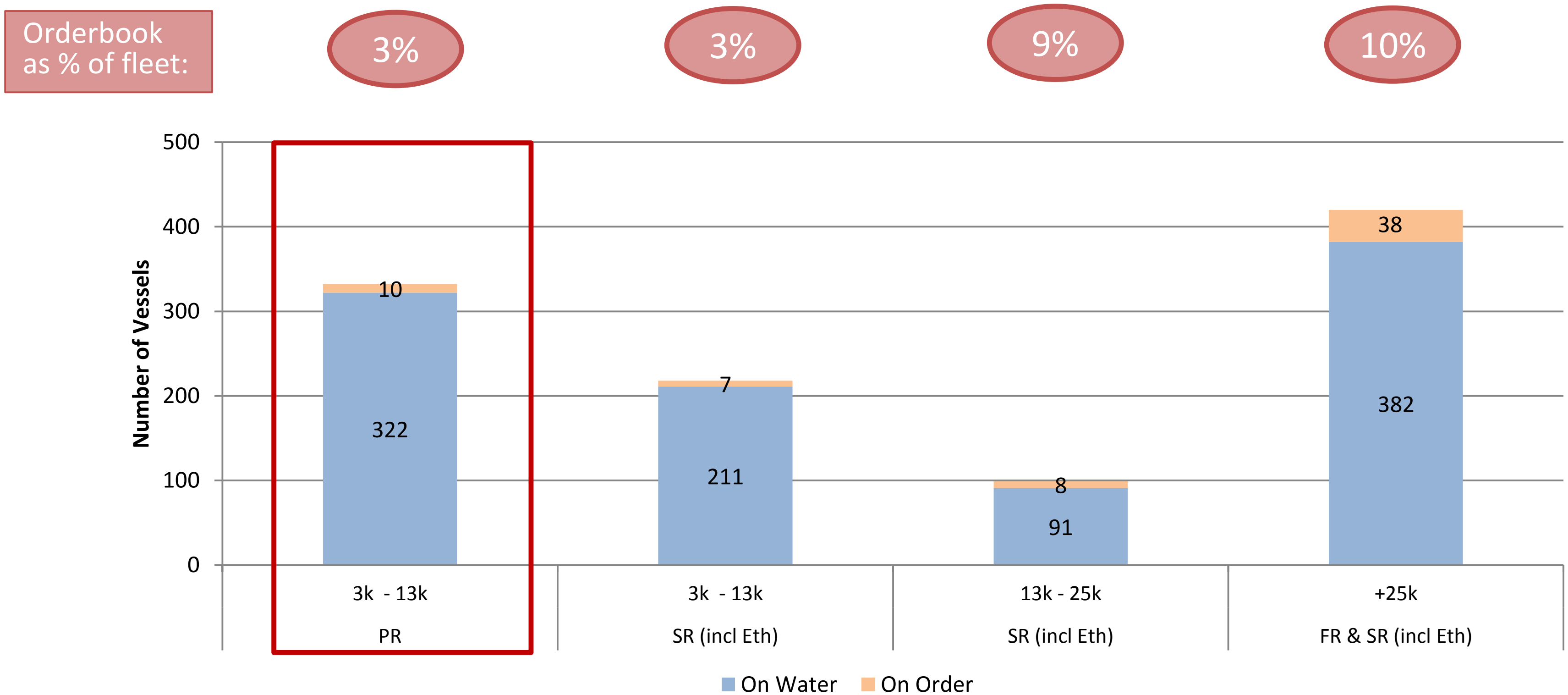


3-13k cbm pressurised segment has had limited new orders since end of 2015, and has the lowest order book as a % of existing world fleet in the global shipping universe

Sources: Clarksons, Company

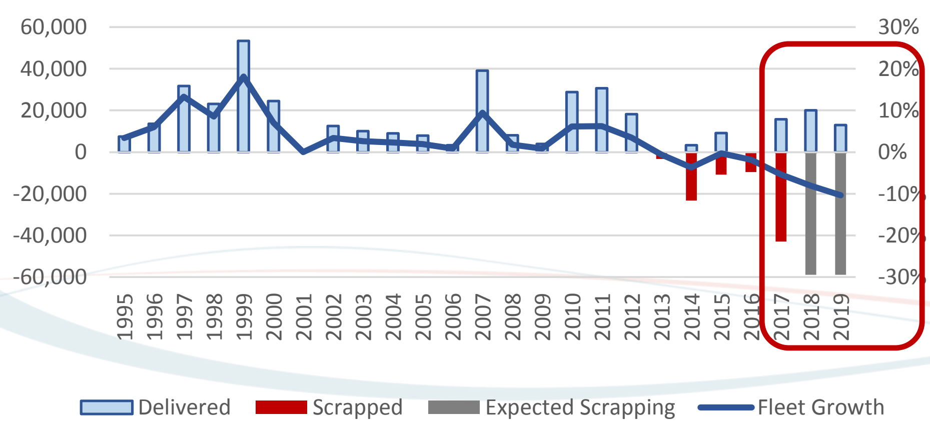
Vessel Supply

International Fleet Development - Pressure & Semi-Ref (non-ethylene) Information

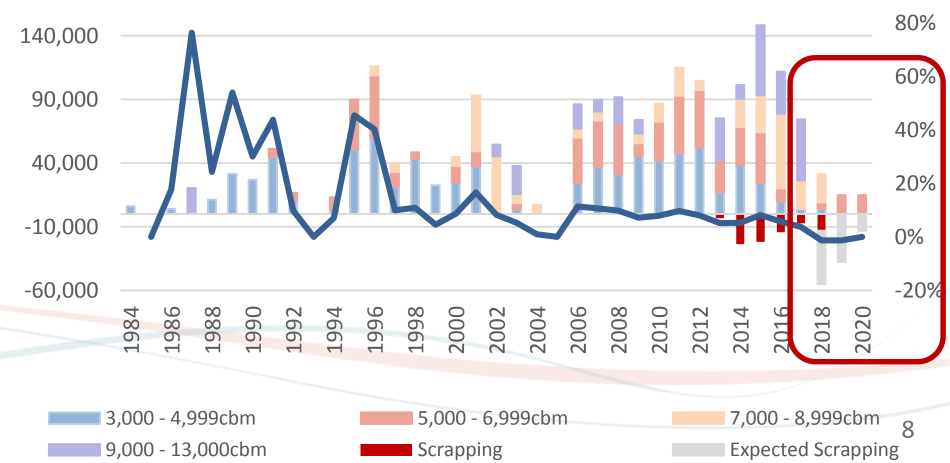
Pressure 3-13,000 cbm			New Builds					Scrapping					Net Fleet Growth			
Year	Opening Fleet				Average	% of Existing Fleet					% of Existing Fleet				% of Existing Fleet	
	No. Vsls	CBM	No. Vsls	CBM	CBM	No. Vsls	CBM	No. Vsls	CBM	Age	No. Vsls	CBM	No. Vsls	CBM	No. Vsls	CBM
2015	287	1,388,159	24	148,300	6,179	8.4%	10.7%	6	21,727	27	2.1%	1.6%	18	126,573	6.3%	9.1%
2016	305	1,514,732	16	111,825	6,989	5.2%	7.4%	2	14,180	27	0.7%	0.9%	14	97,645	4.6%	6.4%
2017	319	1,612,377	8	74,500	9,313	2.5%	4.6%	2	7,134	28.5	0.6%	0.4%	6	67,366	1.9%	4.2%
2018	325	1,679,743	5	31,500	6,300	1.5%	1.9%	4	13,103	28	1.2%	0.8%	1	18,397	0.3%	1.1%
2019	326	1,698,140	3	15,000	5,000	0.9%	0.9%						3	15,000	0.9%	0.9%
2020	329	1,713,140	3	15,000	5,000	0.9%	0.9%						3	15,000	0.9%	0.9%

S/R (non-Ethy) 3-13,000 cbm			New Builds					Scrapping					Net Fleet Growth			
	Opening Fleet				Average	% of Existing Fleet					% of Existing Fleet				% of Existing Fleet	
	No. Vsls	CBM	No. Vsls	CBM	CBM	No. Vsls	CBM	No. Vsls	CBM	Age	No. Vsls	CBM	No. Vsls	CBM	No. Vsls	CBM
2015	102	583,710	1	9,108	9,108	1.0%	1.6%	3	10,859	27	2.9%	1.9%	-2	-1,751	-2.0%	-0.3%
2016	100	581,959	0	0	-	0.0%	0.0%	2	9,636	30	2.0%	1.7%	-2	-9,636	-2.0%	-1.7%
2017	98	572,323	2	15,700	7,850	2.0%	2.7%	8	42,894	29	8.2%	7.5%	-6	-27,194	-6.1%	-4.8%
2018	92	545,129	2	20,109	10,055	2.2%	3.7%						2	20,109	2.2%	3.7%
2019	94	565,238	1	13,000	13,000	1.1%	2.3%						1	13,000	1.1%	2.3%
2020	95	578,238	-	-	-	-	-									

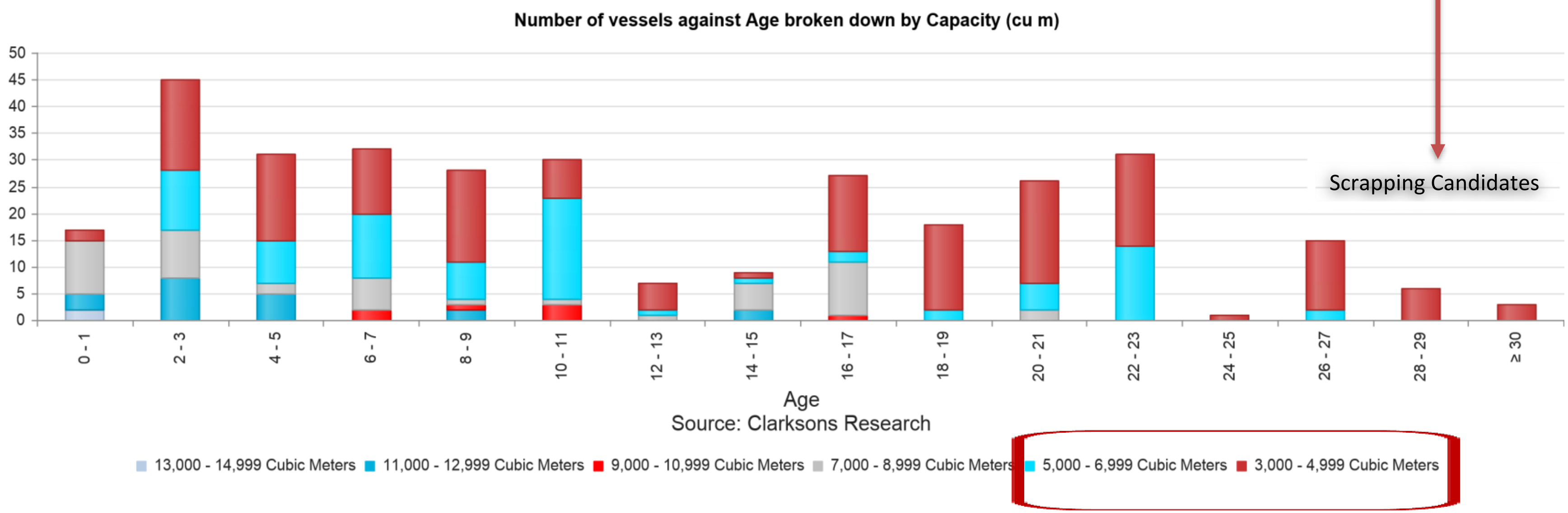
Scrapping Underway in the Semi-Ref Space (Clarkson Research)



Scrapping Developing in the Pressurised Market (Clarkson Research)



International Trade
3,000+cbm Fleet Age Profile



<u>Vessels sold for scrap YTD 2018</u>

4 x Pressure / 3,250cbm / Avg. Age 27.5 years

3 x small Semi-ref and 7 x small Ethylene

<u>Expected scrapping</u>

Almost 12% of existing pressurised and semi-ref fleet under 13k cbm is older than 25 years

12 vessels are over 28 years old and scrapping candidates / 17 small SR vessels similar age – likely pressure vessels replace them

Working through supply driven weakness for small-ship LPG

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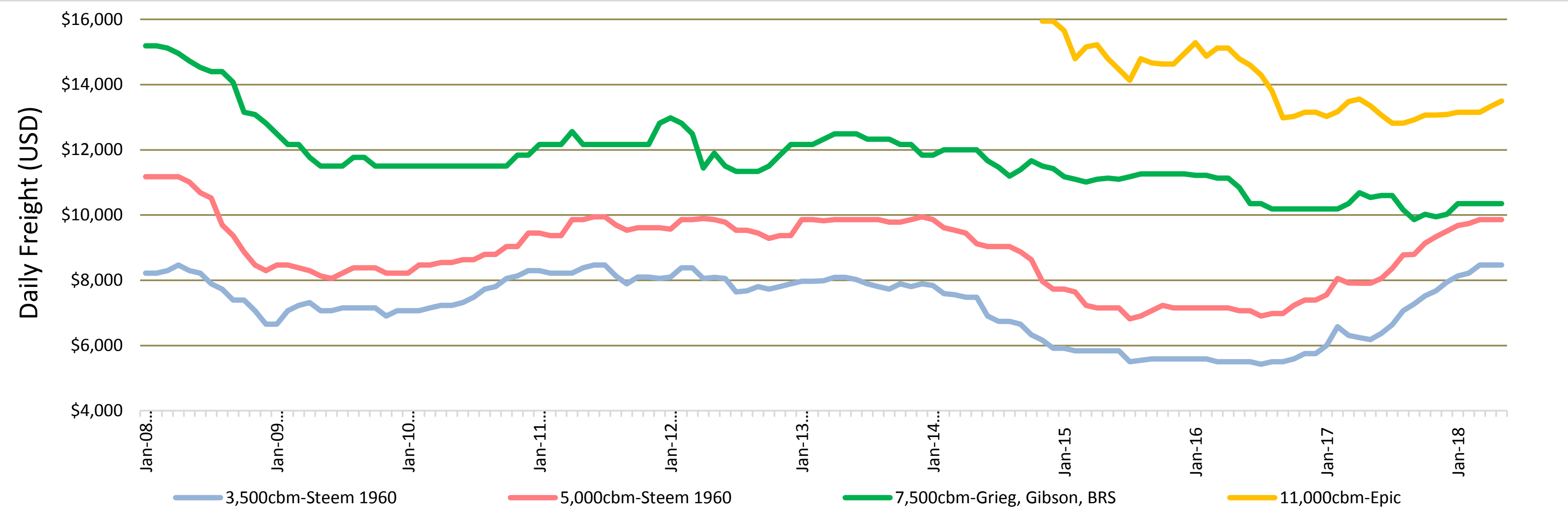
Low Volatility Market with Freight Rates Moving Upwards



<u>Average rates</u>

YOY increase around 30% for 3,500cbm, 24% for 5,000cbm, and flat for the 7,500cbm and 11,000cbm vessels.

US$/Day	May-18	Historical Avg*
3,500cbm	$8,466	$7,208
5,000cbm	$9,863	$8,846
7,500cbm	$10,356	$11,720
11,000cbm	$13,496	$14,041

*3,500cbm, 5,000cbm & 7,500cbm since Jan'08

*11,000cbm since Nov'14

Working through supply driven weakness for small-ship LPG

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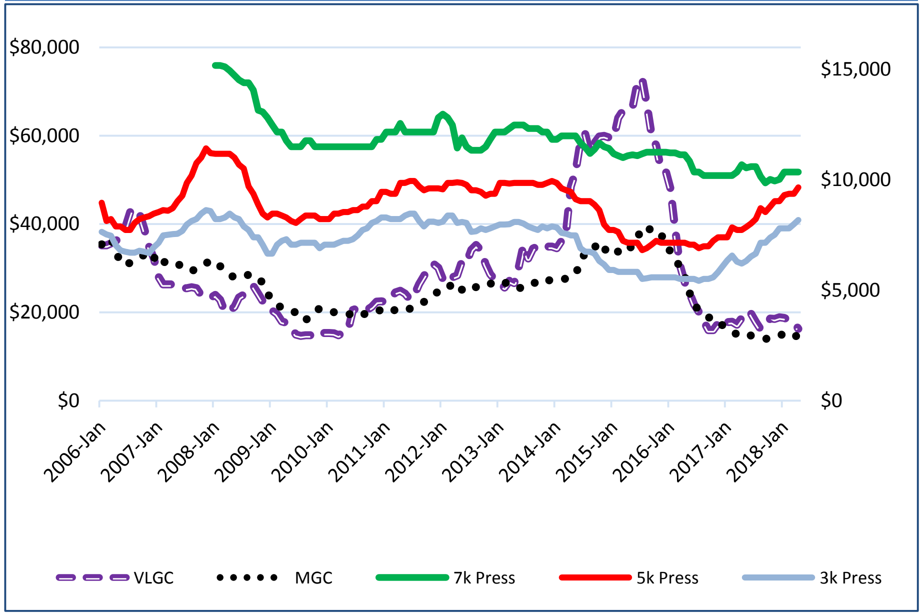
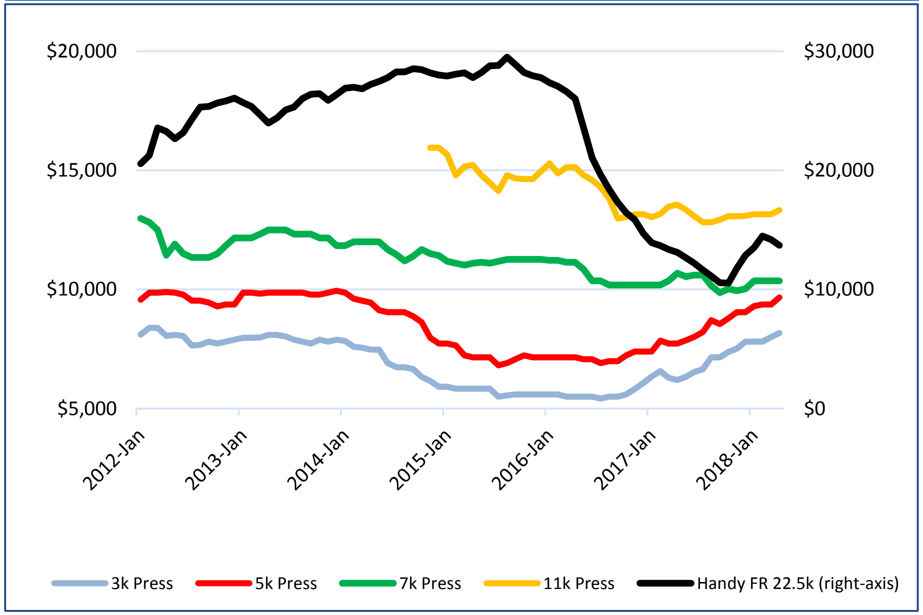
No long term correlation to VLGC & midsize earnings

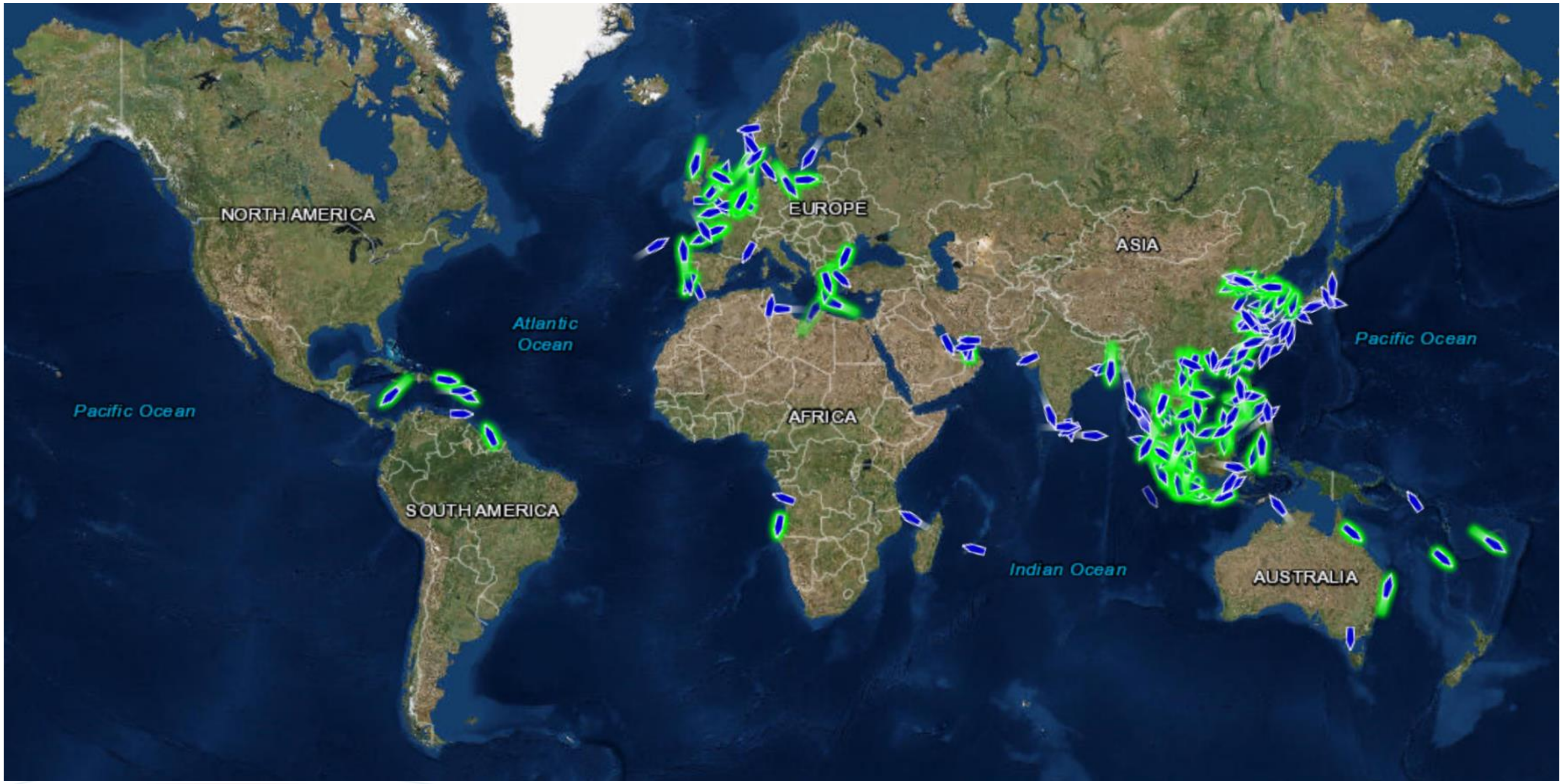


Daily Earnings (12M TC) – 'Handy size' choosing to compete with PR on some routes, but freight rising



International Trading Patterns

3,000/4,000/5,000/6,000cbm: the largest sector, with the majority in the East.



Source: IHS Market Intelligence Network

International Trading Patterns

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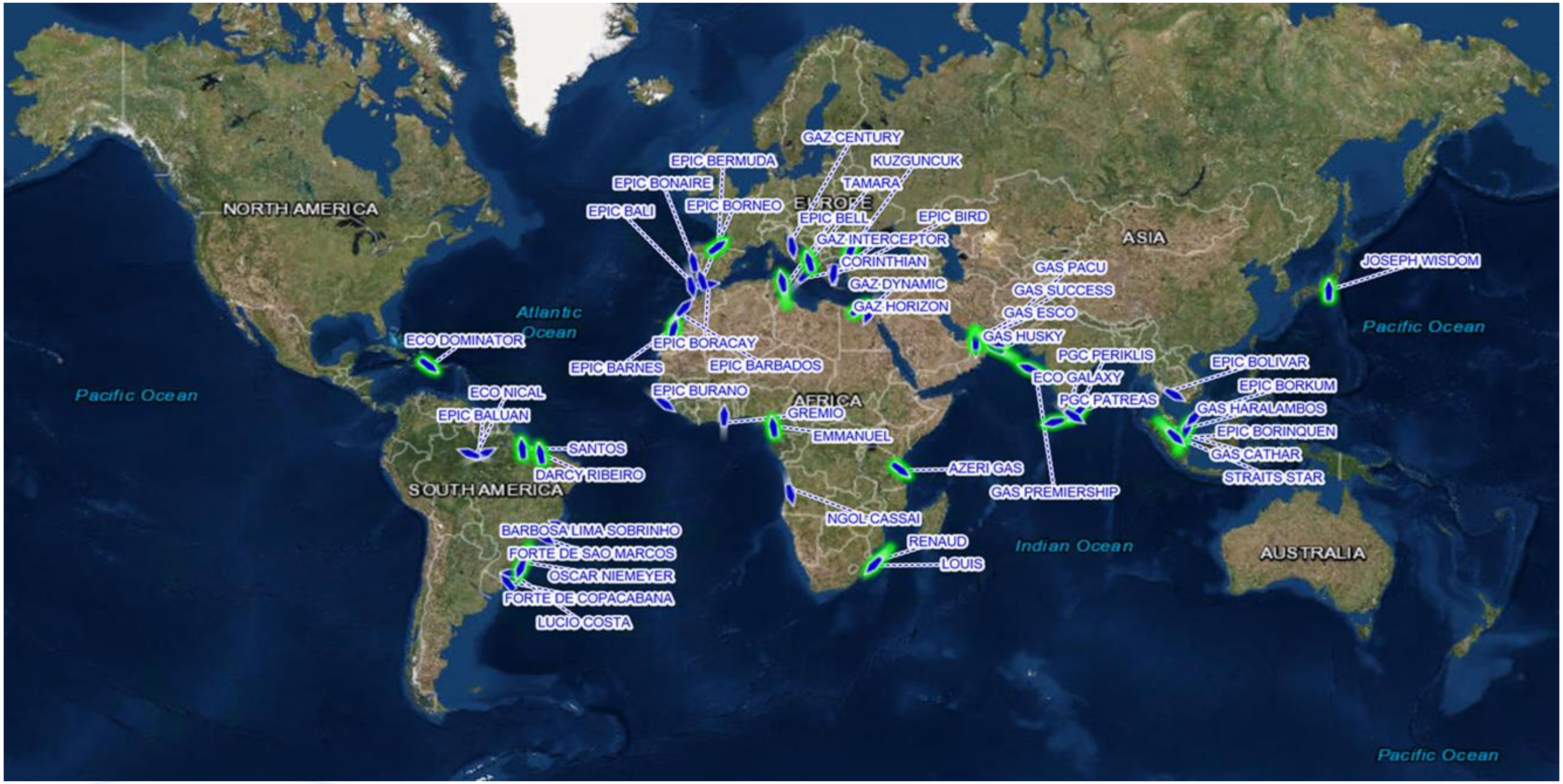
7,000cbm: 30 vessels West of Suez, 18 (and growing) in the East



Source: IHS Market Intelligence Network

International Trading Patterns

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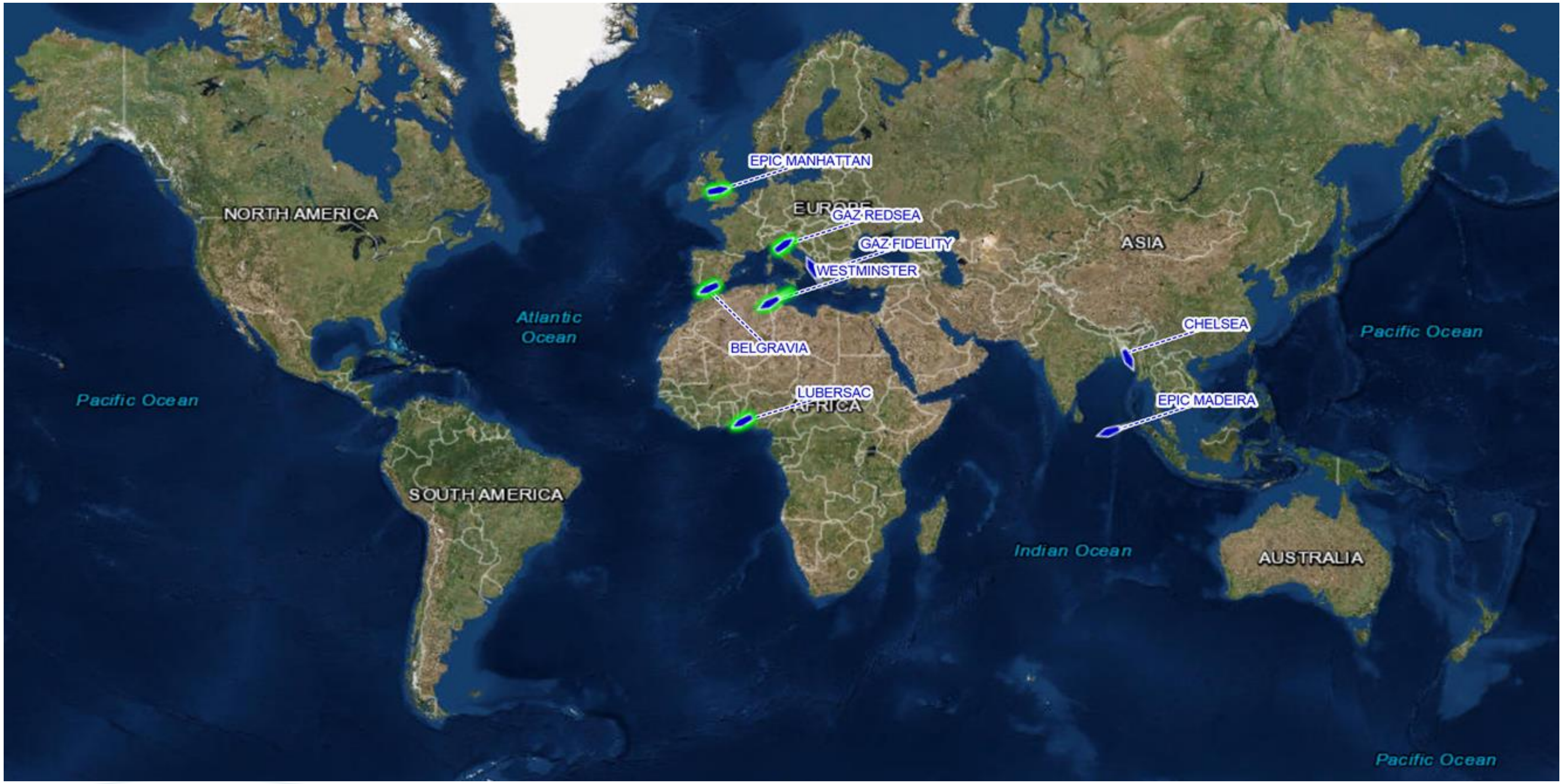
8,000/9,000cbm: 8 vessels predominantly in the West, but opportunities in the East



Source: IHS Market Intelligence Network

International Trading Patterns

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11,000/13,000cbm: 22 vessels with a growing presence in East of Suez

11-13,000cbm Trade Evolution
Global Demand in Place

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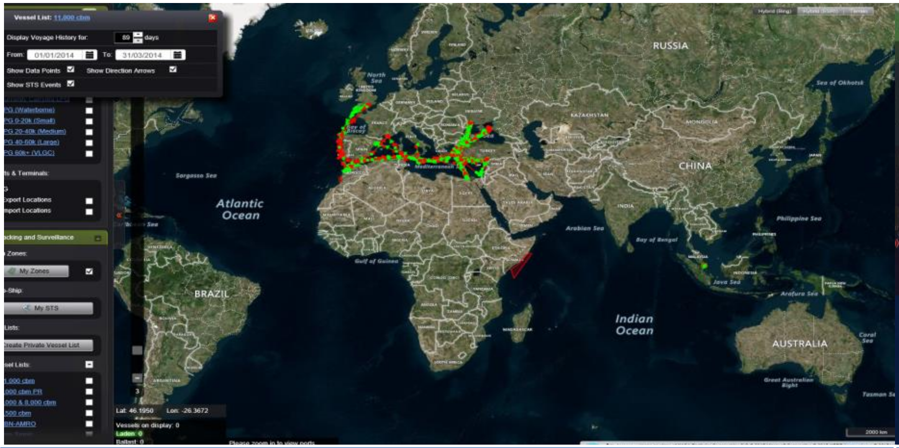
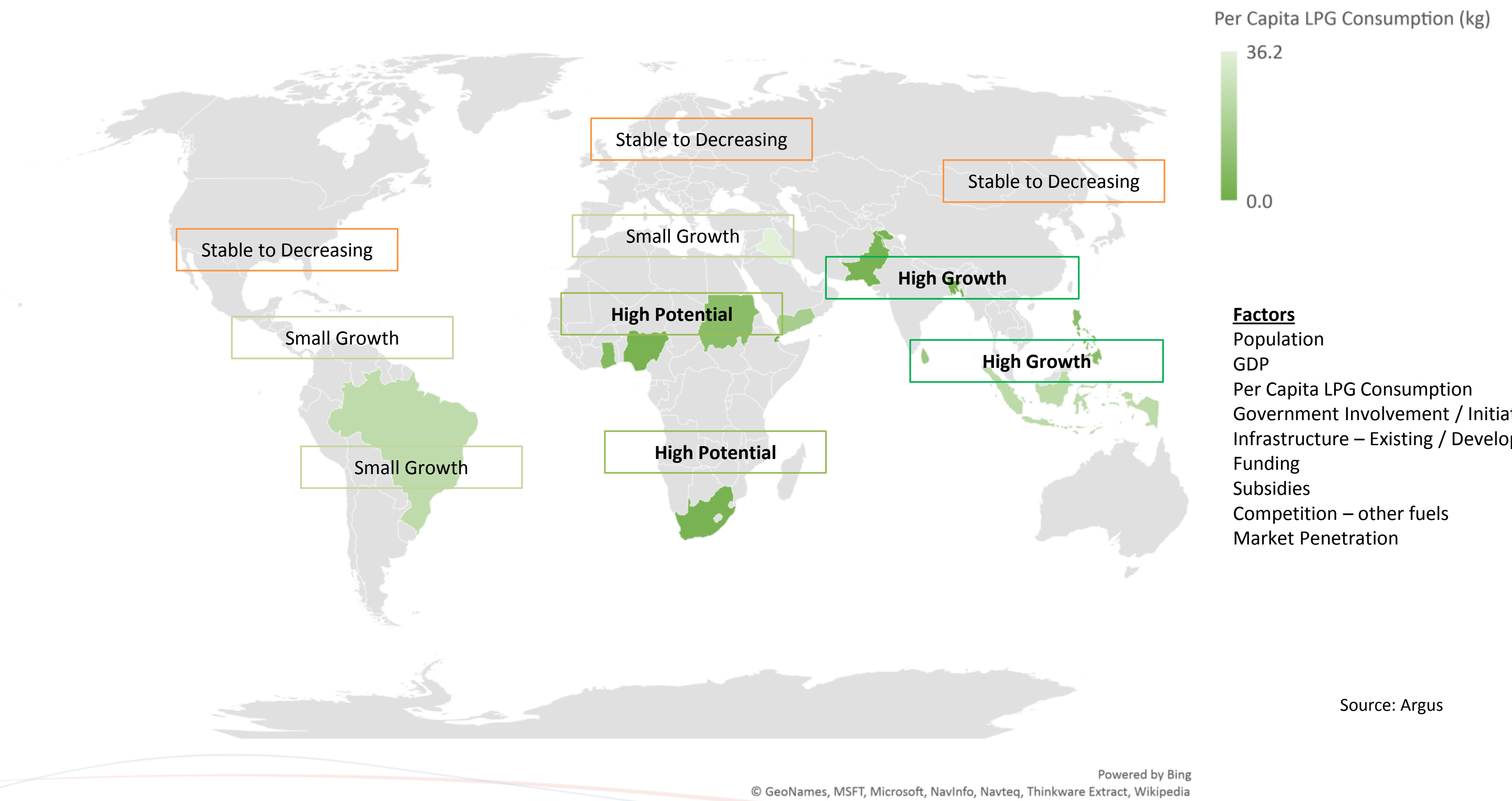


Q1 2014	Q1 2018
Fleet = 9 vessels. All of them sized 11,000cbm.	Fleet = 22 vessels. 2 x 13,000cbm and 20 x 11,000cbm.
Fleet Average Age = 4.4 years.	Fleet Average Age = 4.8 years.
Trading: Continent, Med, Black Sea.	Trading: Caribs, W. Africa, Continent, Med, Black Sea, Red Sea, Middle East, Asia. Note: Trans-Atlantic – driven by C4 into USA and not LPG out of the USA.

Retail and Residential Growth Factors Centred around developing economies



Factors

Population
GDP
Per Capita LPG Consumption
Government Involvement / Initiatives
Infrastructure – Existing / Developments
Funding
Subsidies
Competition – other fuels
Market Penetration

Source: Argus

Positioned to Benefit from Growing Product Volumes

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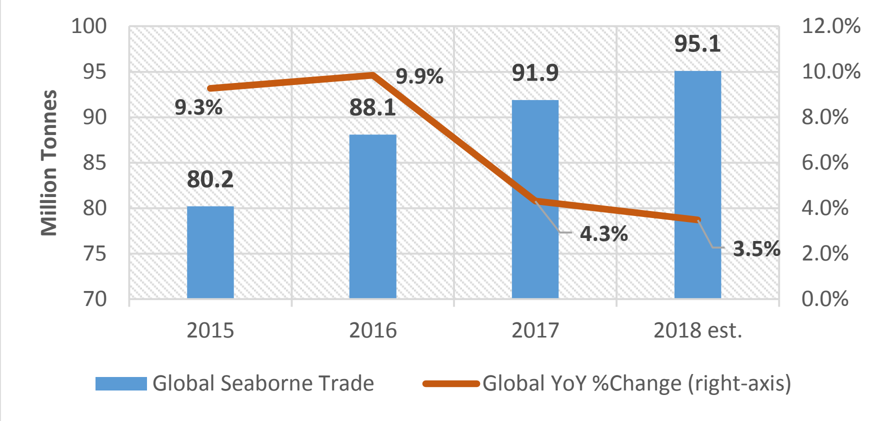
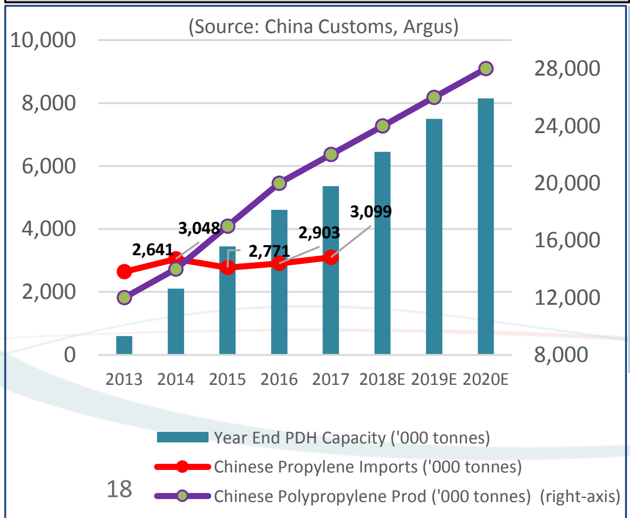
- ✓ Increased availability of LPG supply to drive long term growth in demand for LPG transportation
- ✓ Pressurised carriers gaining market share from Semi-Ref for regional moves of LPG and petrochemicals
- ✓ Regional transportation of LPG and petrochemicals in developing economies driven primarily by end use demand for commodities, not arbitrages between markets

Global Seaborne LPG Trade



Regional Supply / Demand Dynamics Within Global Growth in LPG and Petchem Volumes

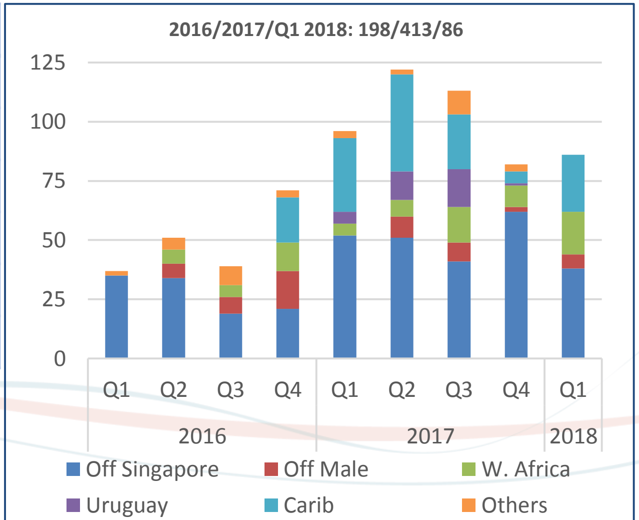
China Propylene Imports Hold Up Despite Increased PDH Capacity As Polypropylene Production Grows



Growing Demand Drives Import Growth
(Source: FGE)

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

Epic Gas Fleet Ship to Ship Operations A Growing Trade



Growing Ship to Ship Operations

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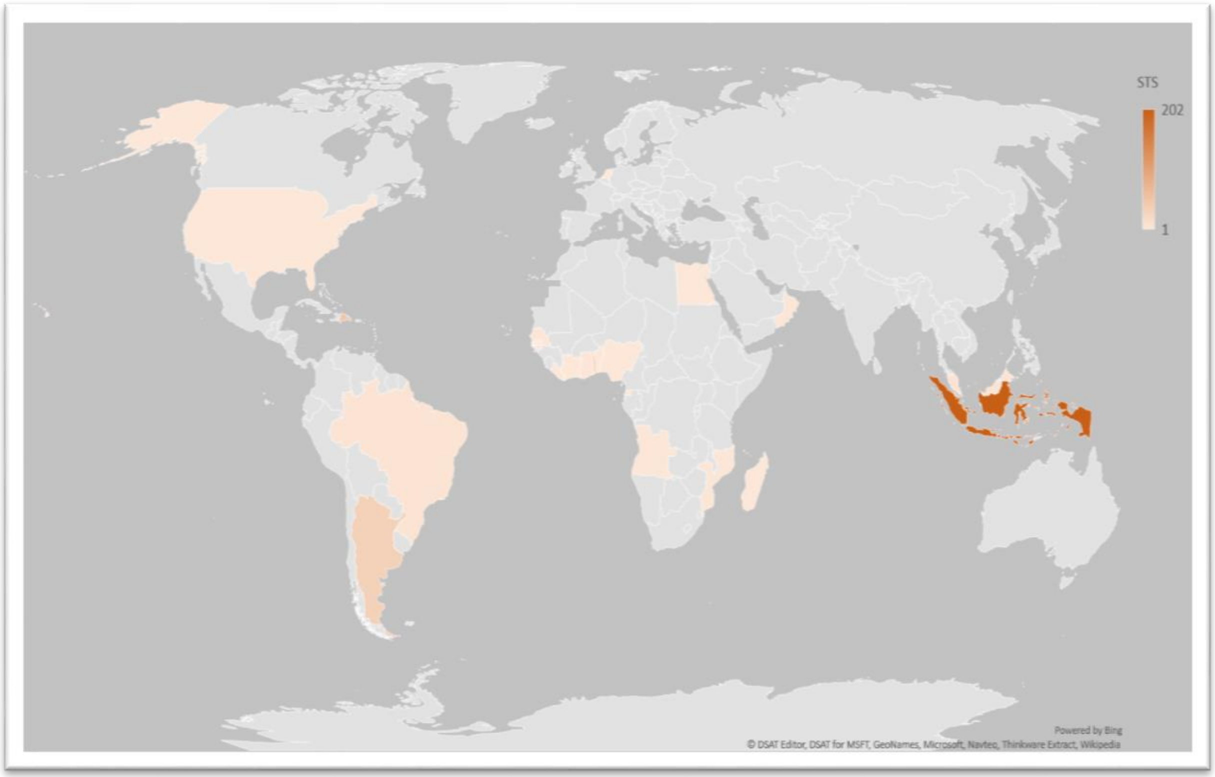
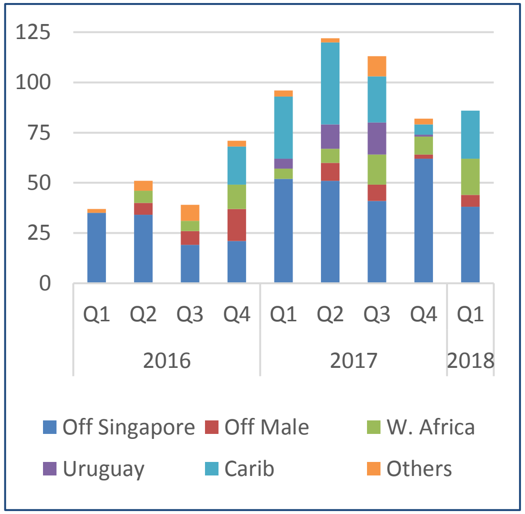
Epic Gas Ship-to-Ship (STS) Operations Heat Map



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

Operations by Region



- 86 STS operations in Q1 2018
- A global demand
- Increased operations off West Africa and in the Caribs

LPG Feed Power Plants

- US Virgin Islands and Honduras: Epic Gas vessels are used as shuttle tankers to deliver propane to propane feed power plants on St. Thomas & St. Croix. There will be 250,000 tonnes per year of propane supplied to the power plants
- Similar projects proposed elsewhere – Caribbean, Ghana (Bridge Power Plant/400MW – the largest LPG fuelled Power Plant)
- LPG as a power plant feed is preferable over LNG in places where overall demand is small or due to logistical and infrastructure reasons – ideal for emerging economies, islands, remote areas
- Small Scale LNG: Jamaica, Indonesia

A little bit about us…….

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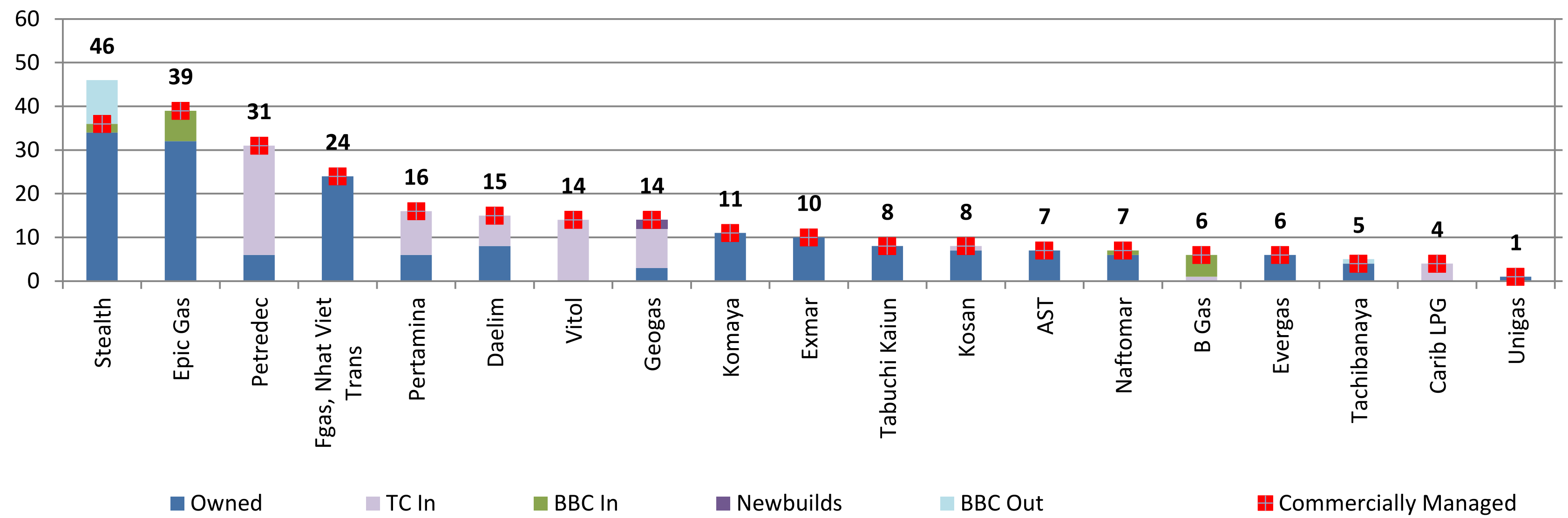
- Epic Gas – the largest commercial operator, and second largest owner, of pressurised LPG carriers
- Fleet of 39 fully-pressurised gas carriers, consisting of 32 owned vessels and 7 chartered-in vessels
- Only owner and operator of pressurised gas carriers across the size spectrum of 3,500cbm to 11,000cbm
- Market Share up from 7% in 2012 to over 15% today
- Listed on the Merkur Market in Oslo ("EPIC ME")
- All commercial and technical management in-house
- Vetted with leading oil majors, national oil companies and commodity trading houses
- Headquartered in Singapore with offices in London, Manila, Tokyo and Hamburg

A little bit about us…….

"Our Vision is to be our customers' partner of choice for transportation of Liquefied Petroleum Gas (LPG) & Petrochemicals, recognized for our leading service & operational standards."

Epic Gas – the largest Operator of Pressurised LPG Vessels
We trade 15% of the Global Pressure Fleet



Epic Gas
A global business with a regional focus

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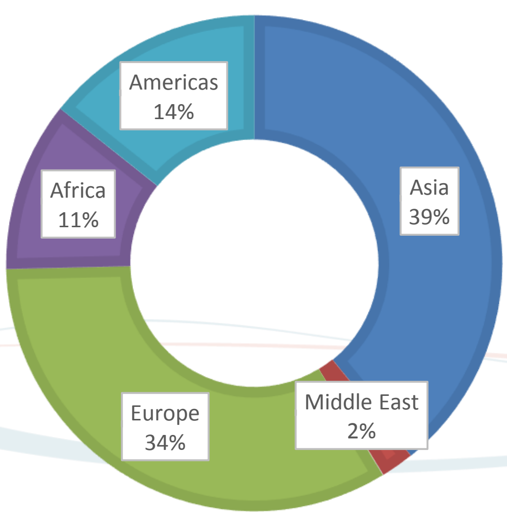
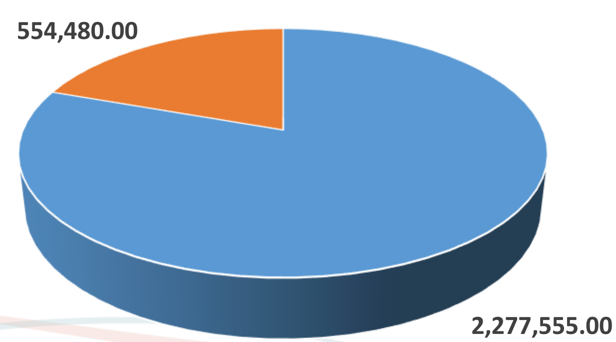
Americas : 4 ships	EMEA : 19 ships	Asia : 16 ships
2 x 3,500 : 1 x 5,000 : 1 x 7,500	1 x 3,500 : 3 x 5,000 : 10 x 7,500 : 1 x 9,500 : 4 x 11,000	4 x 3,500 : 6 x 5,000 : 3 x 7,500 : 1 x 9,500 : 2 x 11,000

2.8 Million Tonnes of LPG & Petrochemicals transported in 2017 / 2,486 Cargo Ops / 266 Different Ports



Tonnes Transported in 2017



LPG Petchems

The Epic Gas Fleet

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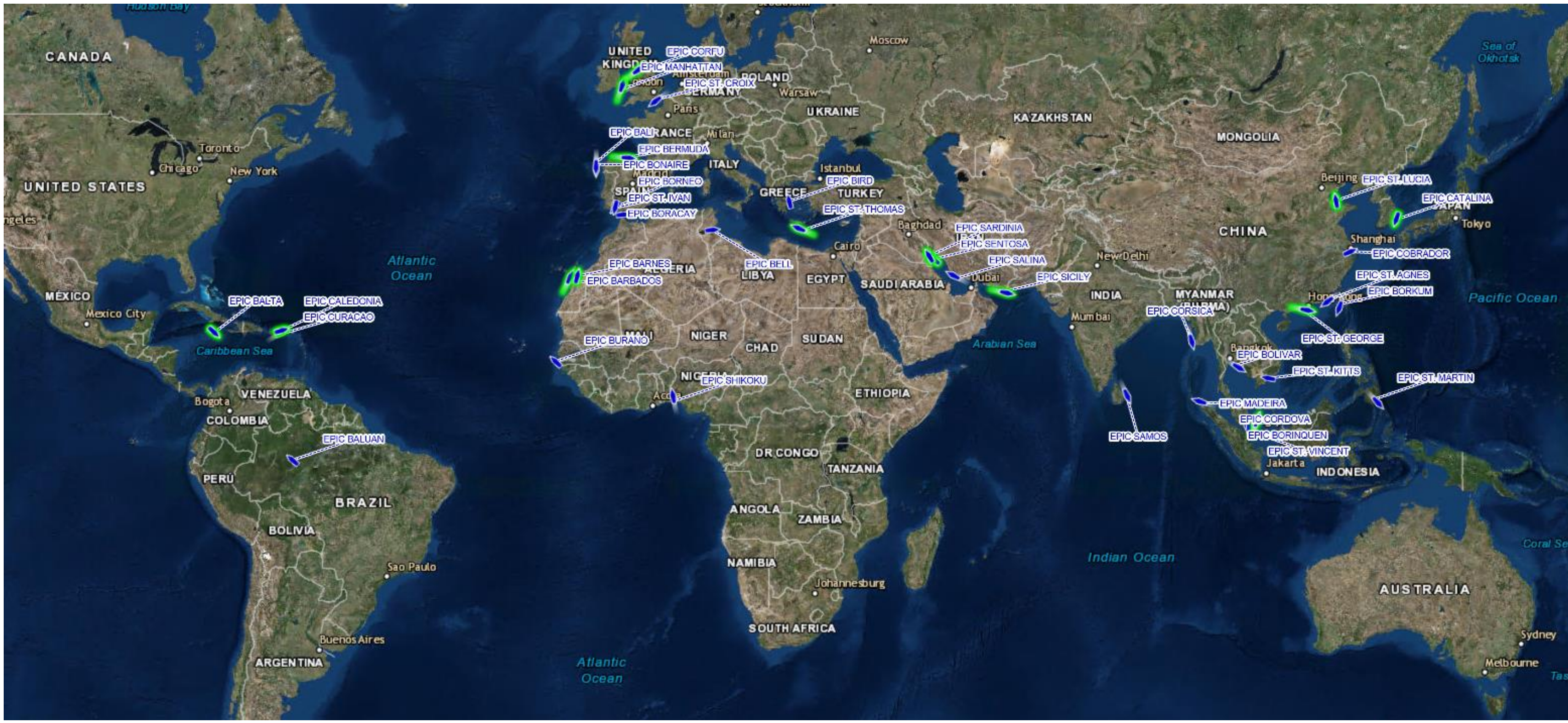

The Epic Gas Fleet

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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	

**Bareboat*

Overall Total of 39 Vessels, and 264,000 cbm

One Team, delivering global expertise

Local. Pro-Active. Real-time. Professional.
Customer focused.

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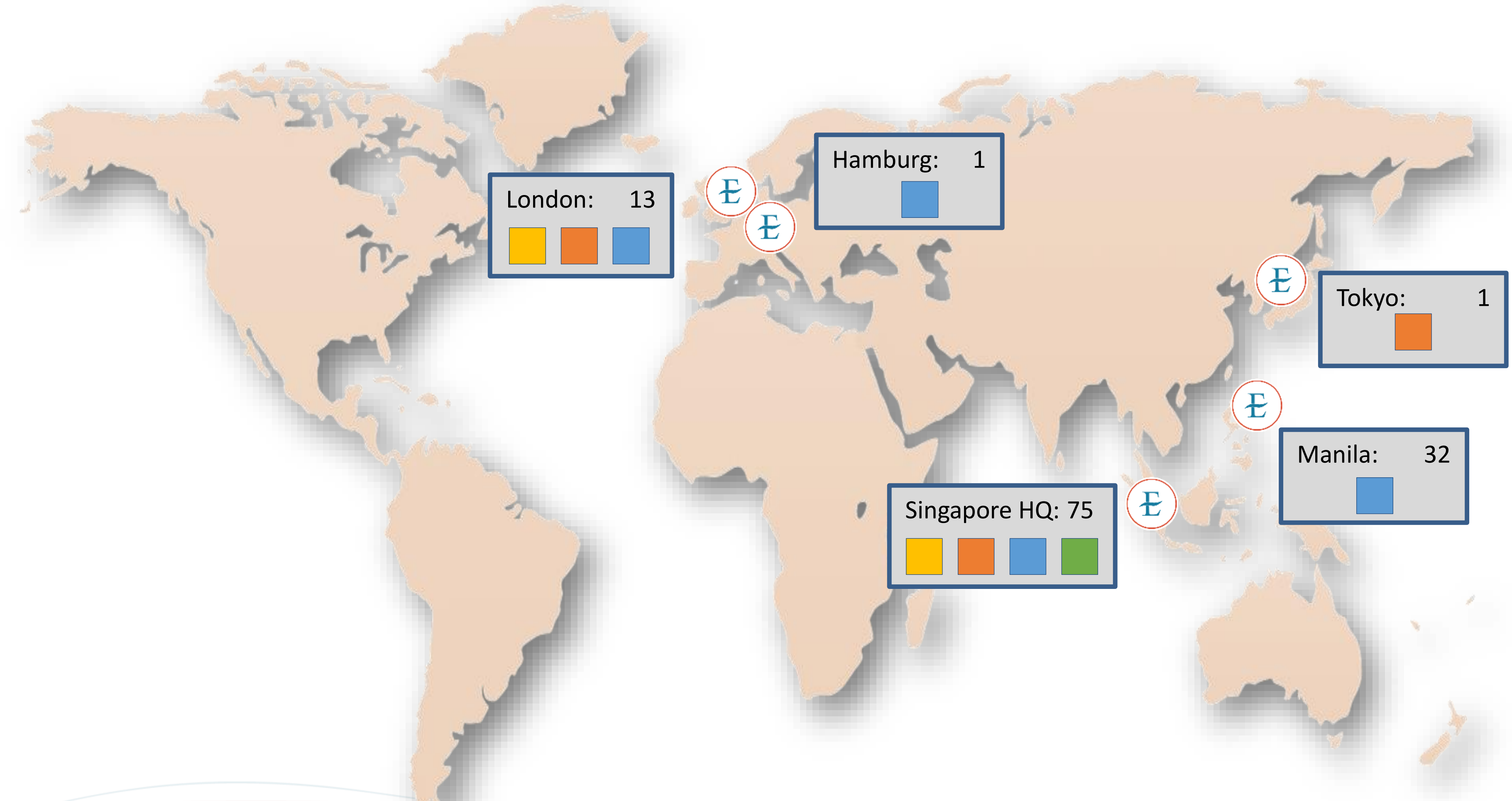

One Global Team. Focused on Our Customers.

Management: 2 | Chartering and Operations: 15 | Technical and Crewing: 72 | Finance, IT, HR and Admin : 33

Thank you for your attention