PRELIMINARY FINANCIAL STATEMENTS FOR THE INTERIM PERIOD TO 30 SEPTEMBER 2019

Strengthened Balance Sheet and Operational Performance

OSLO / SINGAPORE, 14 Nov 2019 - Epic Gas Ltd. (ticker "EPIC-ME", "Epic Gas" or the "Company"), the leading LPG shipping solutions company, today announced its unaudited financial and operating results for the interim period ended September 30, 2019. All amounts reported in US Dollars unless otherwise stated. The base of comparison is third quarter 2019 versus the same three-month period in 2018, unless otherwise stated.

Q3 2019 Highlights

	Q3 2018	**Q3 2019**	Q319 vs Q318 %	Q2 2019	Q319 vs Q219 %
• Revenue	$40. 6m	**$47.1m**	**+16%**	$40.6m	+16%
Calendar Days	3,567	**3,971**	**+11%**	3,482	+14%
TCE/Calendar Day	$10,081	**$9,965**	**-1%**	$9,454	+5%
Fleet operational utilisation	94.9%	**95.1%**	**+0.2%**	90.6%	+5%
Tonnes loaded	813,870	**796,433**	**-2%**	746,366	+7%
Total capacity	259,900 cbm	**320,900 cbm**	**+23%**	276,900 cbm	+16%
Average vessel size	6,839 cbm	**7,293 cbm**	**+7%**	6,923 cbm	+5%
Average vessel age	7.9 years	**8.4 years**		8.9 years	
Cargo operations	703	**678**	**-4%**	673	+1%
Different ports visited	134	**135**	**+1%**	115	+17%
• Total Opex per cal/day	$4,010	**$4,221**	**+5%**	$4,293	-2%
• Total G&A per cal/day	$1,092	**$1,043**	**-4%**	$1,155	-10%
• Adjusted EBITDA	$13.8m	**$13.5m**	**-2%**	$9.8m	+38%

- Underlying Net Profit of $0.3 million excluding one off charges related to the fleet refinancing.
- Net loss of $2.9 million after extraordinary costs of $3.2 million related to the fleet refinancing.
- Refinancing of 2 vessels at $30.5 million with annualized savings in debt service of $1.3 million.
- Acquired 4 modern 11,000 cbm LPG vessels for $106.5m to increase fleet capacity by 15.9% to 320,900cbm (44 vessels).

Post Period End

- Completed $201 million refinancing of 20 vessels with further annualized savings in debt service of $2.8 million and no further refinancing needs until 2023.

Charles Maltby, Chief Executive Officer of Epic Gas, commented:

"We have enjoyed a positive quarter, with further improvements to operational utilisation and revenue per calendar day. Despite growing the fleet, we have also managed to reduce General and Administrative costs. Most notably, we have continued to optimise our debt structure, with cost savings and no loan expiry until mid-2023.

"As we come to the end of the year, we are finalising our preparations to be fully IMO 2020 compliant and turn our attention to IMO 2030 and IMO 2050. Alongside the positive supply demand fundamentals for global LPG trade, we expect that these new regulations and compliance may drive higher scrappage rates of older vessels. We are well positioned with an efficient and sustainable younger fleet."

Conference call details
A conference call to discuss these results is scheduled for 14 November 2019 at 06:00 AM (New York) / 11:00AM (London) / 07:00PM (Singapore) and can be accessed via the following dial-in information.

Participants should dial into the call 10 minutes before the scheduled time using the following numbers:

United States:	1 (877) 553 9962
United Kingdom:	0 (808) 238 0669
Standard International Dial In:	+44 (0) 2071 928 592
Norway:	+47 21033201
Singapore:	+65 31585482
Hong Kong:	+852 5808 5586

Please quote "Epic Gas."

A telephonic replay of the conference call will be available until Thursday, November 21st, 2019. The United States replay number is 1 (866) 331-1332; from the UK 0(808) 238-0667; the standard international replay number is (+44) (0) 3333 009 785 and the access code required for the replay is: 7969237#.

Audio Webcast - Slide Presentation

There will be a live and then archived audio webcast of the conference call, via the internet through the Epic Gas website www.epic-gas.com. Participants to the live webcast should register on the website approximately 10 minutes prior to the start of the webcast through the following link:

https://epic-gas.irwebpage.com/webcast-Q3-2019.html

The slide presentation on the third quarter 2019 financial results have been circulated together with the earnings release and are available in PDF format 10 minutes prior to the conference call and webcast, accessible on the company's website www.epic-gas.com on the investor relations page.

Participants to the webcast are urged to download the PDF presentation as the conference call will follow the presentation slides.

About Epic Gas Ltd.

Epic Gas owns and operates a fleet of fully pressurised gas carriers providing seaborne services for the transportation of liquefied petroleum gas and petrochemicals. The company controls a fleet of 44 vessels which serve the international supply chains of leading oil majors and commodity traders throughout Asia, Europe, Africa and the Americas. The Company’s shares are traded over the Oslo Stock Exchange under the ticker “EPIC-ME”.

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For regular updates on Epic Gas please follow:

Forward Looking Statements

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor 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 harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words “believe,” “anticipate,” “intends,” “estimate,” “forecast,” “feel,” “project,” “plan,” “potential,” “may,” “should,” “expect,” “pending” and similar expressions identify forward-looking statements.

Global LPG Market Overview

The global LPG market has continued to gather pace through the quarter. Whilst oil price uncertainty, trade tensions and sanctions have affected trade flows on some longer haul routes, the underlying availability of and demand for LPG - especially US supply - and demand growth in Asia, remain key drivers of seaborne trade.

The outlook for global seaborne LPG volumes is positive, with Drewry's latest research forecasting an increase to 103.5 million tonnes in 2019, 4.3% higher than the 99.3 million tonnes achieved in 2018, and a further 4.7% year-on-year increase to 108.4 million tonnes in 2020. Facts Global Energy (FGE) forecasts global LPG seaborne volumes will reach 124 million tonnes by 2025 and estimates that 64% of this volume will come from the West and be absorbed in the East.

Data from IHS Markit show USA's total seaborne LPG exports reached approximately 11.3 million tonnes in the third quarter, a 17% year on year gain, as fractionation and export capacity continue to increase. Further expansion is expected over Q4 2019 and through 2020. FGE estimates that up to 2025, China's LPG imports will rise by about 2.5% per annum, whilst India's and South Korea's LPG imports are also expected to rise by approximately 8% and 5% CAGR.

Global Pressurised Vessel Market

The shipping market remained balanced for most of the quarter with freight levels for the larger-sized pressurised gas carriers making modest gains. Downtime in refineries in Europe towards the end of the quarter, which saw higher offline capacity than a year ago, resulted in lower activity levels and lower freight levels as shipping length built-up in the smaller sizes. FGE has explained that the nature of maintenance on secondary units within the refineries suggests that the spike in offline capacity during the quarter was probably linked to IMO 2020-compliant fuel preparations. It is expected that as refineries' maintenance programmes are completed in the fourth quarter shipping length will gradually shorten.

Q3 2019 Market Rates by CBM Ship Size				
	3,500	5,000	7,500	11,000
Average Day Rate	$8,295	$9,185	$11,014	$13,364
Change vs Q3 2018	↓ 3-4%	↓ 5-6%	↑ 5-6%	⟷

The last quarter is seasonally a busier period as winter demand increases market activity. Ship owners continue with their preparations for compliance with the new IMO Fuel Emissions which come into effect on 1st January 2020.

The outlook for fleet growth remains positive, with a low orderbook leading to expectations for a stronger market. There is a total of 331 pressure vessels over 3,000cbm (non-Chinese flagged) on the water, with one 5,000cbm newbuild that delivered and a 30-year old 3,300cbm vessel that was scrapped during the quarter. Subsequently, a 5,000cbm newbuild pressure vessel delivered in the month of October. The international pressure vessel fleet order book has two more newbuilds scheduled to be delivered over the balance of 2019, eight in 2020, and seven in 2021, a total of 88,500cbm. This represents a 5% increase in the existing 1.73 million cbm fleet capacity within the next three years compared to a 11% increase in fleet capacity of the larger sized gas ships. If we consider the existing older tonnage, there are 20 ships totalling 71,860cbm that are aged 28 years and older, 4.2% of existing fleet capacity, which are potential scrapping candidates.

The smaller-sized semi-ref fleet that can compete with the pressure vessels has a total order book of five vessels to be delivered in 2019 and 2020. Two of them are more expensive ethylene vessels purpose built for that trade. This total newbuild capacity of 40,300cbm equates to a 2.8% increase in existing semi-ref fleet capacity. There are 11 non-ethylene vessels and four ethylene vessels that are 28 years and older, equivalent to 14% and 2% of respective existing fleet capacity. We expect that higher operating costs for the older units and probable capital investments required by new legislation, such as Ballast Water Treatment Systems and IMO 2020, will compel owners to strongly consider scrapping these older ships.

Revenue

In the third quarter, Epic Gas loaded 796,433 tonnes and was involved in 678 cargo operations in 135 different ports. LPG cargoes made up 80% of the cargoes lifted with the balance being petrochemicals.

We ended the quarter with a fleet size of 44 vessels with a total capacity of 320,900cbm and an average size and age of 7,293cbm and 8.4 years respectively, a 6.6% increase in average size from a year ago.

We had 6 vessels operating in the Americas, 26 in the Europe/Middle East/Africa (EMEA) belt and 12 in Asia. During the quarter, our vessels performed a total of 77 ship-to-ship (STS) operations with increasing activity in the Indian Ocean.

During the quarter, the fleet experienced 63 technical off-hire days, which includes the impact of two routine dry-docks. This resulted in fleet availability of 98.4% and an operational utilisation of 95.1%.

Time Charter Equivalent earnings per calendar day of $9,965 was 5% higher than Q2 2019, but 1% lower than the $10,081 in Q3 2018.

The fleet traded under time charter for 62.2% of total voyage days during the third quarter compared to 75.5% a year ago.

As of 30 September 2019, the Company was 58% covered for the balance of 2019 with 2,358 voyage days covered at an average daily Time Charter Equivalent rate of $10,377 leaving 1,690 calendar days open on the current fleet for the rest of the year.

Operating Expenses

Vessel operating expenses increased from $14.3 million in Q3 2018 to $16.0 million in Q3 2019 reflecting the Company's increase in fleet calendar days of 11%. Vessel operating expenses per calendar day increased by 5% from $4,010 in Q3 2018 to $4,221 in the third quarter of 2019, primarily impacted by an increase in fleet average size by 6.6% to 7,293cbm, and some associated take-over costs on the new vessels. Our focus remains on improving the quality and performance of our vessels to further increase utilisation.

Voyage expenses were $7.3 million, up from $4.4 million in Q3 2018. The increase is a result of the Company's increased voyage charter activity by 71% year over year to 1,479 spot market days as well as increased bunker expenses.

Charter-in costs increased from $3.7 million in Q3 2018 to $5.3 million in Q3 2019 due to two additional ships (7,500 and 9,500 cbm, both 2011 built) chartered in on a time charter basis earlier this year. As of 30 September 2019, the Company had eight ships on inward charter arrangements, six on a bareboat basis and two on time charter basis.

General and Administrative (G&A) expenses per calendar day decreased 4% from $1,092 in Q3 2018 to $1,043 in Q3 2019 as our fleet expansion has been managed without incremental headcount. General and Administrative expenses, in our integrated model, include the cost of commercial and technical management of our fleet as well as all ownership and corporate-level general and administrative expenses.

Finance and other expenses

Finance expenses year over year increased from $4.1 million to $6.2 million, related in part due to higher bank borrowings related to the Company's fleet expansion, but primarily due to a one-off write off of $1.6 million of deferred finance charges related to one of our previous secured term loan facilities that was refinanced in October.

Other Non-Operating Expenses

In relation to the fleet refinancing (please refer to 'Subsequent events' below), we terminated within the period existing interest rate swaps of $119 million at a loss of $1.7 million, representing the fair market value of the swap on the termination date. Upon completion of the refinancing, we entered into new interest rate swaps for $80 million at a swap rate that is 50bps below the previously hedged level.

New lease accounting standards

Under new lease accounting standards which became effective from 1 January 2019, all operating lease contracts have been measured and recognized on balance sheet as assets and liabilities separately from finance leases. Prior to adoption of new standards, operating leases were considered as off-balance sheet assets and liabilities.

Under US GAAP, the new standards don't prescribe any changes to the income statement presentation for operating lease expenses. As a result, operating lease expenses continue to be classified as charter-in costs.

Dry dockings

We are required to dry-dock each vessel once every five years until it reaches 15 years of age, after which we choose to drydock the applicable vessel every two and a half to three years. In the interim, there are shorter-duration, less-costly intermediate surveys. We capitalize dry-docking costs and amortize these costs on a straight-line basis over the period between dockings.

Due to the age profile of our fleet, 2019 is a heavier than average year for dockings. During Q3 2019, we performed two dry-dockings (one of which extended into Q4) and one intermediate survey with a total off-hire time of 36 calendar days. For the remainder of 2019 we are planning dry-dockings and intermediate surveys on four vessels with a total expected off-hire time of 58 calendar days.

Vessel acquisition

In July 2019, the Company completed the previously announced acquisition of four modern Japanese-built 11,000cbm LPG Vessels (all 2015 built) for $106.5 million. Two of the four vessels immediately entered a two-year time charter with a leading LPG commodity trading and shipping company. The four vessels sit alongside six sister vessels already in the Company fleet, allowing the company to leverage on costs and scale to deliver safe high quality long-term low-cost freight to customers on a global basis. Following this acquisition, our fleet has expanded to 44 vessels with an average age of 8.4 years.

The acquisition was financed with a combination of equity and debt, including a 7-year senior secured credit facility of $63.9 million with BNP Paribas and Danish Ship Finance.

Refinancing of two ships

In September 2019, the Company has completed the previously announced refinancing of two ships – the Epic Bali and Epic Borneo (each 2010 built, 7,200 cbm).

The ships were both in a finance lease structure and Epic Gas exercised a purchase option to refinance the vessels through a sale and lease back transaction with a Japanese ship owner. The bareboat charter back term is 10 years, with a purchase option from year five.

This transaction has reduced Epic Gas's interest and amortization by $1.3 million p.a. (total for both ships).

Subsequent events

In October 2019, Epic Gas has completed the refinancing of a further twenty ships in our fleet.

The $201 million facility has a five-year term with an extended repayment profile and a reduced interest margin, resulting in savings of $ 2.8 million per annum of the Company's debt service. The facility includes a $10 million tranche that is available for future acquisitions.

This financing allows us to align with the Poseidon Principles, a new initiative by the banking community aimed at reducing the green-house gas emissions of the shipping industry, and to promote responsible and sustainable shipping.

Completion of this refinancing leaves Epic Gas with four unencumbered vessels and means that we have no loan expiry until mid-2023.

ABN AMRO and Crédit Agricole CIB were Underwriters and Bookrunning Mandated Lead Arrangers, and were joined by two other Mandated Lead Arrangers Skandinaviska Enskilda Banken AB (SEB) and Standard Chartered Bank.

EPIC GAS
DELIVERY UNDER PRESSURE

EPIC GAS LTD.

BALANCE SHEET (UNAUDITED)		
All amounts in $ millions	**As of 31 Dec 2018**	**As of 30 Sep 2019**
ASSETS		
Cash and cash equivalents	16.7	14.8
Trade and other receivables	20.2	26.2
Inventories	3.3	4.6
Derivative financial instruments	0.0	0.0
Current assets	40.3	45.6
Trade and other receivables – Non current	0.1	0.4
Restricted cash deposits	11.5	13.5
Property, plant and equipment	497.2	587.0
Leased Assets	0.0	29.6
Derivative financial instruments	1.8	0.0
Deferred tax assets	0.0	0.1
Non-current assets	510.7	630.5
TOTAL ASSETS	**550.9**	**676.1**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade and Other Payables	22.7	26.5
Deferred income	9.8	10.3
Current income tax liabilities	0.3	0.2
Derivative liabilities	0.0	0.0
Capital lease liabilities	34.7	2.5
Borrowings	26.5	30.2
Lease liabilities	0.0	13.4
Current liabilities	94.0	83.0
Derivative financial instruments	0.2	0.6
Deferred income tax liabilities	0.1	0.1
Capital lease liabilities	12.8	10.9
Borrowings	201.2	269.7
Lease liabilities	0.0	16.2
Non-current liabilities	214.3	297.5
Total Liabilities	308.3	380.5
Share capital	340.1	399.9
Share option reserves	4.4	4.6
Accumulated losses	(103.3)	(108.1)
Accumulated other comprehensive income/(loss)	1.4	(0.8)
Total Equity	242.6	295.7
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**550.9**	**676.1**

EPIC GAS
DELIVERY UNDER PRESSURE

INCOME STATEMENT (UNAUDITED)

All amounts in $ millions	Three Month Period Ended September 30, 2018	2019	Nine Month Period Ended September 30, 2018	2019
Revenue	**40.6**	**47.1**	**115.6**	**127.3**
Address and brokerage commissions	0.7	0.9	1.9	2.3
Voyage expenses	4.4	7.3	14.6	19.2
Vessel operating expenses	14.3	16.0	44.4	45.9
Charter-in costs	3.7	5.3	11.4	14.4
Depreciation and amortization	7.3	8.3	22.2	22.8
(Gain)/loss on vessels, Prov. bad debt	0.5	0.0	(0.3)	(0.1)
General and administrative expenses	3.9	4.1	11.8	12.5
Total expenses	34.8	41.9	106.0	117.0
Operating income	**5.7**	**5.1**	**9.6**	**10.3**
Other (income) / losses, net	0.0	1.7	0.1	0.8
Finance expenses	4.1	6.2	12.5	14.1
Profit/(loss) before tax	1.6	(2.8)	(3.0)	(4.6)
Income tax expense	0.3	0.2	0.5	0.3
Profit/(loss) after tax	**1.3**	**(2.9)**	**(3.6)**	**(4.8)**
Other Comprehensive income:				
Cash flow hedges gain/(loss)	0.3	0.7	2.3	(2.2)
Total Comprehensive Income/(Loss)	1.7	(2.2)	(1.2)	(7.0)

STATEMENT OF CASH FLOWS (UNAUDITED)

All amounts in $ millions	Nine Month Period Ended September 30, 2018	2019
Cash from operating activities	21.5	16.4
Cash from investing activities	2.5	(114.2)
Cash from financing activities	(19.5)	95.9
Net Increase in cash and cash equivalents	4.5	(1.9)
Cash and cash equivalents at the beginning of the year	7.0	16.7
Cash and cash equivalents at the end of the period	**11.5**	**14.8**

SUPPLEMENTAL INFORMATION				
All amounts in $ millions except per day amounts	Three Month Period Ended September 30,		Nine Month Period Ended September 30,	
	2018	2019	2018	2019
REVENUE AND TIME CHARTER EQUIVALENT EARNINGS				
Charter hire	40.4	46.9	115.0	126.9
Relet revenue	0.0	0.0	0.0	0.0
Technical management revenue	0.2	0.2	0.6	0.5
Revenue	40.6	47.1	115.6	127.3
Charter hire	40.4	46.9	115.0	126.9
Less: Voyage expenses	(4.4)	(7.3)	(14.6)	(19.2)
Less: Derivative losses (bunker hedges)	0.0	0.0	0.0	0.0
Time charter equivalent earnings	36.0	39.6	100.4	107.7
RECONCILIATION OF NET INCOME TO EBITDA AND ADJUSTED EBITDA				
Profit/(loss) after tax	1.3	(2.9)	(3.6)	(4.8)
Add:				
Depreciation and amortization	7.3	8.3	22.2	22.8
(Gain)/loss on vessels, Prov. bad debt	0.5	0.0	(0.3)	(0.1)
Net Interest expense	4.1	6.2	12.4	14.1
Income taxes	0.3	0.2	0.5	0.3
Derivatives loss / (Gain)	0.0	1.7	0.0	1.7
Foreign exchange loss / (gain)	0.0	0.0	0.2	0.1
EBITDA	13.6	13.4	31.6	34.0
Stock-based compensation expense	0.2	0.1	0.4	0.3
Adjusted EBITDA	13.8	13.5	31.9	34.3

TOTAL INDEBTEDNESS	**As of 31/12/18**	**As of 30/09/19**
Finance leases	47.5	13.4
CTL – 2023	18.1	17.3
Japanese owners- 2027/2028/2029	46.4	74.3
ABN/CA/NIBC – 2023/2024	64.2	60.4
ABN/DVB/Nord LB – 2024	59.5	49.2
Credit Agricole – 2023	31.5	29.0
NIBC – 2022	6.6	5.7
BNP - 2026	0.0	63.0
Others – 2021	1.3	1.0
Total	**275.2**	**313.3**

SUMMARY FINANCIALS (UNAUDITED) AND OPERATING METRICS

	Three Month Period Ended September 30,		Nine Month Period Ended September 30,	
	2018	2019	2018	2019
INCOME STATEMENT ($Millions)				
Revenue	40.6	47.1	115.6	127.3
Net Income	1.3	(2.9)	(3.6)	(4.8)
Adjusted EBITDA	13.8	13.5	31.9	34.3
BALANCE SHEET ($Millions)			As of 31/12/18	As of 30/09/19
Cash, cash equivalents and restricted cash			28.2	28.3
PP&E, advances for vessels under construction			497.2	616.6
Other assets, net			(7.6)	(6.3)
Less: indebtedness			(275.2)	(342.9)
Book value of equity			242.6	295.7
CASH FLOWS ($Millions)				
Cash from Operations			21.5	16.4
Cash from Investing			2.5	(114.2)
Cash from Financing			(19.5)	95.9
Change of cash in period			4.5	(1.9)
OPERATING METRICS				
Average number of vessels in period (1)	38.8	43.2	39.3	40.6
Number of vessels as of period end	38	44	38	44
Fleet capacity at period end (cbm)	259,900	320,900	259,900	320,900
Gas fleet average size as of period end	6,839	7,293	6,839	7,293
Fleet calendar days	3,567	3,971	10,733	11,074
Time charter days	2,652	2,430	7,647	7,264
Spot market days	863	1,479	2,873	3,555
COA days (relets excluded)	-	-	-	-
Voyage days (2)	3,515	3,909	10,520	10,819
Fleet utilisation (3)	98.5%	98.4%	98.0%	97.7%
Fleet operational utilisation (4)	94.9%	95.1%	93.2%	93.3%
Time charter equivalent earnings (5)				
Per Calendar Day	$10,081	$9,965	$9,353	$9,721
Per Voyage Day	$10,232	$10,124	$9,541	$9,950
Operating expenses per Calendar Day (6)	$4,010	$4,221	$4,138	$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.
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 above.
6) TC-in vessel excluded