CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED 31 MARCH 2019

OSLO / SINGAPORE, 15 May 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 first quarter ended March 31, 2019. All amounts reported in US Dollars unless otherwise stated. Variance is first quarter 2019 compared with the same three month period in 2018, unless otherwise stated.

Q1 2019 Highlights

- Revenue up 3.1% at $39.6 million, reflecting growth in vessel charter hire income and 230 basis point increase in fleet operational utilisation to 94.2%
- Total operating expenses of $4,400 per vessel calendar day, up 2.9%
- Adjusted EBITDA of $11.0 million, up 29.4%
- Net loss reduced to $0.3 million, a $2.4 million improvement, or 89%
- Time chartered-in a modern 7,500cbm LPG vessel with options

Post Period End

- BW Group Limited completed voluntary tender offer, acquiring 82.9% of the Company
- $60m fully underwritten capital increase completed to fund growth
- Letter of intent signed, subject to financing and the execution of definitive documentation, to purchase four modern second-hand Japanese-built pressurised LPG carriers for a total consideration of $106.5 million
- Time chartered-in a modern 9,500cbm LPG vessel with options

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

"The year on year improvement in business performance and EBITDA reflects our continued focus on quality, cost control and fleet optimisation, as well as improving underlying market fundamentals. The increase in our time charter equivalent and improved fleet operational utilization shows the underlying and growing demand for our vessels.

We have commenced initiatives to capture further profitable growth, including the time charter-in of additional pressurised LPG vessels and the proposed purchase of four modern second-hand carriers. These measures are well aligned with our vision of being the leading provider of pressurised LPG shipping solutions.

The new initiatives position Epic Gas to benefit from the improving fundamentals of the LPG shipping market, these include global seaborne LPG volume expected to surpass 100 million tonnes in the next 18 months, with growth of 9% forecast for 2020; fleet supply in the smaller vessel segment constrained for at least the next two years; a growing pool of scrapping candidates from older vessels and increased activity in the second-hand market."

Conference call details
A conference call to discuss these results is scheduled for 15 May 2019 at 10:00 AM (New York) / 3:00PM (London) 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 May 22nd, 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-Q1-2019.html

The slide presentation on the first quarter 2019 financial results has been circulated together with the earnings release and is also 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 40 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”.

For further information visit our website www.epic-gas.com, or contact:

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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

Global LPG production, trade and consumption are forecast to grow steadily in the next decade. Argus expects global annual LPG production to reach about 360 million tonnes by 2030, from 308 million tonnes in 2017. Increased US natural gas liquids production as anticipated by the US EIA under their current reference case, export capacity, and strong Asian demand are important drivers.

Drewry, the independent maritime research company, forecasts that global seaborne LPG volumes will grow to 99.8 million tonnes in 2019, 1% higher than the 97.7 million tonnes achieved in 2018, and by 9% in 2020. Facts Global Energy (FGE) forecasts global LPG seaborne volumes approaching 130 million tonnes by 2030.

LPG exports out of Iraq were hampered by maintenance which disrupted utilisation of some of the larger sized pressure vessels in the region. The LPG market in Bangladesh continues to grow, with market analysts estimating 2018 imports at 800,000 tons, up from 550,000 tons in 2017. Other countries in the region, such as Sudan and Yemen, have also seen positive demand shifts, though inadequate infrastructure and security matters often pose challenges.

Northern Europe remained active, though winter-related weather delays, plant turnarounds and Rhine water levels affected market dynamics. FGE recently reported that Moroccan demand for LPG, mostly butane, has been growing, with about 1.3 million tonnes, which is 50% of total imports in 2018, being supplied from European refineries as pressurised cargoes. The East Mediterranean and Black Sea markets continue to be dominated by trader activity.

The pressurised and small sized semi-ref vessel exports from the USA have continued to grow over the last four successive quarters. A 19% gain from the previous quarter, and almost double the volume exported from a year ago. Cargoes were mostly destined to the Caribbean and Central and South America.

Global Pressurised Vessel Market

Q1 2019 Market rates by CBM Ship Size				
	3,500	5,000	7,500	11,000
Average Day Rate	$8,610	$9,596	$10,699	$12,963
Increase vs Q1 2018	↑ 3-4%	↓ 1-2%	↑ 3-4%	↓ 1-2%

The quarter ended with a total of 331 pressure vessels over 3,000cbm (non-Chinese flagged) on the water. A 5,000cbm newbuild pressurised vessel was delivered from a Japanese Yard, while a 28-year-old 4,200cbm semi-ref vessel and a 35-year-old 12,000cbm ethylene capable vessel were scrapped.

There are four newbuild pressure vessels scheduled to be delivered in 2019, five in 2020, and one in 2021, a total of 47,000cbm, all ex Japanese yards. This represents a 2.7% increase in the existing 1.72 million cbm fleet capacity, the lowest supply growth in any bulk commodity shipping sector. If we consider the existing older tonnage, there are 21 ships totalling 75,174cbm that are aged 28 years and older, 4.4% 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 SR fleet capacity. There are 12 non-ethylene vessels and five ethylene vessels that are 28 years and older, equivalent to 14% and 2.7% 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 first quarter, Epic Gas loaded 760,115 tonnes and was involved in 640 cargo operations in 103 different ports. LPG cargoes made up 77% of the cargoes lifted with the balance being petrochemicals.

We ended the quarter with a fleet size of 39 vessels with a total capacity of 267,400cbm and an average size and age of 6,856cbm and 8.9 years respectively, a 2.9% increase in average size from a year ago.

We had five vessels operating in the Americas, 20 in the Europe/Middle East/Africa (EMEA) belt and 14 in Asia. During the quarter, our vessels performed a total of 67 ship-to-ship (STS) operations with increasing activity in the Middle East and East Africa.

During the quarter, the fleet experienced 68 technical off-hire days. This resulted in fleet availability of 98.1%, the same as in Q1 2018, with an improved operational utilisation of 94.2% compared to a year ago when it was 91.9%.

Time Charter Equivalent earnings per calendar day of $9,718 were 9.4% higher than the $8,881 in Q1 2018.

The fleet traded under time charter for 75.1% of total voyage days during the first quarter compared to 67.7% a year ago.

As of 31 March 2019, the Company was 37% covered for the balance of 2019 with 4,003 voyage days covered at an average daily Time Charter Equivalent rate of $9,998, leaving 6,959 calendar days open on the current fleet for the rest of the year.

Operating Expenses

Vessel operating expenses per calendar day increased by 2.9% from $4,276 in in Q1 2018 to $4,400 in the first quarter of 2019. Primarily as a result of the Company’s 3.3% reduction in fleet calendar days, Vessel operating expenses on a lumpsum basis decreased from $15.5 million in Q1 2018 to $15.0 million in Q1 2019. Our focus remains on improving the quality and performance of our vessels to further increase utilisation.

Voyage expenses were $5.5 million, down from $6.1 million in Q1 2018. The decrease is a result of the Company’s reduced voyage charter activity by 25% year over year to 855 spot market days, off-set by increased bunker expenses.

General and Administrative (G&A) expenses increased 2.5% from $4.0 million in Q1 2018 to $4.1 million in Q1 2019. The increase was mainly due to one-off legal costs related to projects. 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. Subject to exchange rates, we expect G&A cost per calendar day to decline modestly during the remainder of 2019.

Consistent with the Company's focus on younger and larger pressurised vessels, it re-delivered two 4,100cbm bareboat vessels (2000 and 2001 built) in February and September 2018 and time chartered-in a 7,500cbm vessel (2011 built) for a period of one plus one years with a purchase option exercisable after the first anniversary of the vessel delivery. The combination of these events led to increased charter-in costs from $3.9 million in Q1 2018 to $4.2 million in Q1 2019. As of 31 March 2019, the Company had seven ships on inward charter arrangements, six on bareboat basis and one on time charter basis.

Finance and other expenses

Finance expenses year over year decreased from $4.1 million to $4.0 million primarily due to the reduction in outstanding debt by $20 million on last year. The Company has outstanding bank indebtedness and finance leases of $267 million. All bank facilities bear interest at a margin above a floating reference rate. The Company has agreed interest rate swaps on $141 million of principal at a weighted average reference rate of 2.04%.

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.

During Q1 2019, we performed three dry-dockings and two intermediate surveys with a total off-hire time of 68 calendar days. For the remainder of 2019 we are planning dry-dockings and intermediate surveys on 13 vessels with a total expected off-hire time of 217 calendar days.

Subsequent Events

On 19 March 2019, BW Group made an offer to acquire up to 100% of the outstanding shares in the Company at $1.66 per share. Following completion of the offer on 16 April 2019, BW Group now owns 58,402,773 shares, corresponding to 82.9% of the outstanding shares in the Company.

In April 2019, the Company launched a share issue of 36,144,578 offer shares to existing and qualified shareholders at a subscription price of USD 1.66 per share, raising total gross proceeds of approximately US$60m. The offer has been fully underwritten by BW Group and closed on the 13th May 2019. Proceeds will be used to facilitate financing of the acquisition of additional vessels, to strengthen the Company's working capital and for general corporate purposes.

In May 2019 the Company time chartered in a modern 9,500cbm vessel with options.
Consequently, as of the 15th May 2019, the company controls a fleet of 40 vessels.

EPIC GAS LTD.

BALANCE SHEET (UNAUDITED)		
All amounts in $ millions	**As of 31 Dec 2018**	**As of 31 Mar 2019**
ASSETS		
Cash and cash equivalents	16.7	11.6
Trade and other receivables	20.2	21.6
Inventories	3.3	4.1
Derivative financial instruments	0.0	0.0
Current assets	40.3	37.4
Trade and other receivables – Non current	0.1	0.4
Restricted cash deposits	11.5	11.5
Property, plant and equipment	497.2	491.4
Leased Assets	0.0	40.5
Derivative financial instruments	1.8	0.8
Non-current assets	510.7	544.6
TOTAL ASSETS	**550.9**	**582.0**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade and Other Payables	22.7	22.6
Deferred income	9.8	9.7
Current income tax liabilities	0.3	0.3
Derivative liabilities	0.0	0.0
Capital lease liabilities	34.7	33.9
Borrowings	26.5	26.1
Lease liabilities	0.0	13.0
Current liabilities	94.0	105.6
Derivative financial instruments	0.2	0.4
Deferred income tax liabilities	0.1	0.1
Capital lease liabilities	12.8	12.2
Borrowings	201.2	195.0
Lease liabilities	0.0	27.5
Non-current liabilities	214.3	235.2
Total Liabilities	308.3	340.8
Share capital	340.1	340.1
Share option reserves	4.4	4.5
Accumulated losses	(103.3)	(103.6)
Accumulated other comprehensive income	1.4	0.2
Total Equity	242.6	241.2
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**550.9**	**582.0**

INCOME STATEMENT (UNAUDITED)

	Three Month Period Ended March 31,	
All amounts in $ millions	2018	2019
Revenue	38.4	39.6
Brokerage commissions	0.6	0.7
Voyage expenses	6.1	5.5
Vessel operating expenses	15.5	15.0
Charter-in costs	3.9	4.2
Depreciation and amortization	7.5	7.2
(Gain) Loss on sale of vessels	(0.8)	0.0
Impairment of vessels	0.0	0.0
General and administrative expenses	4.0	4.1
Total expenses	36.8	36.8
Operating income	**1.7**	**2.8**
Other (income) / losses, net	0.1	(0.9)
Finance expenses	4.1	4.0
Profit/(loss) before tax	(2.5)	(0.3)
Income tax expense	0.1	0.0
Profit/(loss) after tax	**(2.7)**	**(0.3)**
Other Comprehensive income:		
Cash flow hedges gain/(loss)	1.6	(1.2)
Total Comprehensive Income/(Loss)	(1.1)	(1.5)

STATEMENT OF CASH FLOWS (UNAUDITED)

	Three Month Period Ended 31 March	Three Month Period Ended 31 March
All amounts in $ millions	2018	2019
Cash from operating activities	7.1	4.3
Cash from investing activities	4.8	(1.2)
Cash from financing activities	(9.0)	(8.2)
Net Increase in cash and cash equivalents	2.9	(5.1)
Cash and cash equivalents at the beginning of the year	7.0	16.7
Cash and cash equivalents at the end of the period	**9.9**	**11.6**

SUPPLEMENTAL INFORMATION

All amounts in $ millions	**Three Month Period Ended 31 March 2018**	**Three Month Period Ended 31 March 2019**
REVENUE AND TIME CHARTER EQUIVALENT EARNINGS		
Charter hire	38.2	39.5
Technical management revenue	0.2	0.2
Revenue	38.4	39.6
Charter hire	38.2	39.5
Less: Voyage expenses	(6.1)	(5.5)
Time charter equivalent earnings	32.1	34.0
RECONCILIATION OF NET INCOME TO EBITDA AND ADJUSTED EBITDA		
Net Income	**(2.7)**	**(0.3)**
Add:		
Depreciation and amortization	7.5	7.2
(Gain)/Loss on sale of vessels	(0.8)	0.0
Net Interest expense	4.1	4.0
Income taxes	0.1	0.0
Foreign exchange loss / (gain)	0.1	0.0
EBITDA	**8.4**	**10.9**
Stock-based compensation expense	0.1	0.1
Adjusted EBITDA	**8.5**	**11.0**

TOTAL INDEBTEDNESS	**As of 31/12/18**	**As of 31/03/19**
Finance leases	47.5	46.1
CTL – 2023	18.1	17.8
Japanese owners- 2027/2028/2029	46.4	45.7
ABN/CA/NIBC – 2023/2024	64.2	62.9
ABN/DVB/Nord LB – 2024	59.5	56.6
Credit Agricole – 2023	31.5	30.5
NIBC – 2022	6.6	6.3
Others – 2021	1.3	1.2
Total	**275.2**	**267.2**

SUMMARY FINANCIALS (UNAUDITED) AND OPERATING METRICS

	Three Month Period Ended March 31,	
	2018	**2019**
INCOME STATEMENT ($Millions)		
Revenue	38.4	39.6
Profit/(loss) after tax	(2.7)	(0.3)
Adjusted EBITDA	8.5	11.0

BALANCE SHEET ($Millions)	**As of 31/12/18**	**As of 31/03/19**
Cash, cash equivalents and restricted cash	28.2	23.1
PP&E, advances for vessels under construction, and leased assets	497.2	531.9
Other assets, net	(7.6)	(6.1)
Less: indebtedness	(275.2)	(307.7)
Book value of equity	242.6	241.2

CASH FLOWS ($Millions)	**Q1 2018**	**Q1 2019**
Cash from Operations	7.1	4.3
Cash from Investing	4.8	(1.2)
Cash from Financing	(9.0)	(8.2)
Change of cash in period	2.9	(5.1)

OPERATING METRICS	**Q1 2018**	**Q1 2019**
Average number of vessels in period (1)	40.2	38.8
Number of vessels as of period end	39	39
Fleet capacity at period end (cbm)	264,000	267,400
Gas fleet average size as of period end	6,769	6,856
Fleet calendar days	3,617	3,496
Time charter days	2,401	2,573
Spot market days	1,147	855
COA days		
Voyage days (2)	3,548	3,428
Fleet utilisation (3)	98.1%	98.1%
Fleet operational utilisation (4)	91.9%	94.2%
Time charter equivalent earnings (5)		
Per Calendar Day	$8,881	$9,718
Per Voyage Day	$9,055	$9,911
Operating expenses per Calendar Day (6)	$4,276	$4,400

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 below.
6) TC-in vessel excluded.