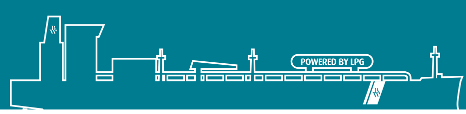
Ship Smarter with LPG

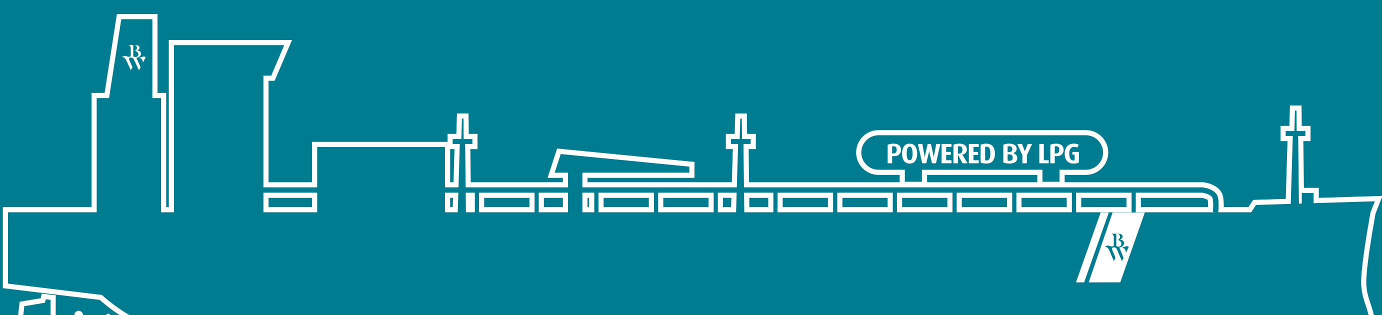


Annual Report

2021

BW LPG

We are delivering
an important transition
fuel to the world,
with the world's
largest fleet of
lower emissions,
LPG-powered vessels.


POWERED BY LPG

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POWERED BY LPG
BW GEMINI

LPG serves as a feedstock for the modern economy in a cleaner way than many competing fuels.

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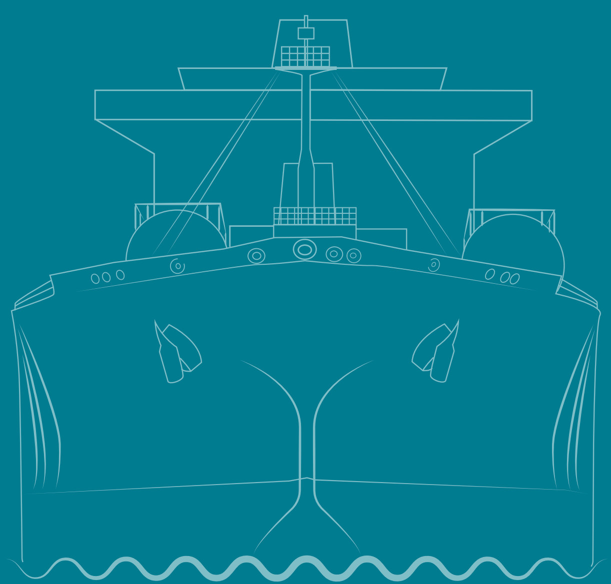

1.1

Message from the Chairman and the CEO

2021 was another year living under a pandemic. The LPG sector was highly volatile as price swings affected the arbitrage and movement of cargoes from the US to the Far East. The pandemic has impacted energy demand and it has driven up operating costs. Above all, it has been hard on our seafaring colleagues, where rotations on and off ships have been affected. The good news is that over 90% of our crew are vaccinated and only a small number have been onboard significantly beyond their designated sign-off date.

2021 was also a year where the focus on climate change continued to grow. At BW LPG, we are tackling this on multiple fronts - pioneering LPG propulsion technology, digitalising our ships with SMARTShip technology, not to mention numerous smaller operational initiatives to reduce our environmental footprint.

Financial Performance

2021 started strong, with LPG freight rates peaking at over US$100,000 per day in early January, but rates quickly collapsed to operating cost levels in March. From Q2, rates started to improve, and by the end of the year, shipping inefficiencies and strong winter heating demand brought rates to above US$40,000 per day in Q4.

For the full year, our TCE income was US$466 million, and we delivered a net profit of US$186 million compared to US$244 million in 2020. We have paid dividends for the last ten quarters and returned a total of US$0.56 per share (US$77 million) in FY 2021 to our shareholders. We now enjoy the lowest leverage ratio and highest liquidity since listing in 2013.

Corporate Transactions

We announced the sale of BW Empress in April, BW Confidence in July, BW Boss and BW Energy in August, and BW Sakura and BW Niigata in December; all for further trading with new owners. Over the course of 2021, we added BW Elm, BW Pine, BW Oak, BW Tyr and BW Lord to the fleet of BW LPG India. The company owns and operates the largest fleet of India-flagged vessels in the country which are on time charter contracts with major Indian oil companies. In June, we increased our equity share in BW LPG India from 50% to 88%; and in January 2022 we welcomed Maas Capital, a world-leading institutional shipping equity investor as a minority stakeholder in our Indian subsidiary. We look forward to continued growth alongside them.

Environmental, Social and Governance (ESG)

In 2020, we produced our inaugural standalone Sustainability Report. In 2021, we continue to work towards higher standards of reporting and disclosure. To this end, we have aligned our reporting with recommendations from the Task Force for Climate Related Financial Disclosures (TCFD) and conducted a climate risk assessment to improve how we disclose risks and strategies.

We are pleased with our progress to retrofit 15 of our Very Large Gas Carriers with LPG dual-fuel propulsion technology. In spite of difficulties in moving people and equipment due to Covid-19, including having our site team spend in aggregate over 360 days in quarantine due to safe management measures, we now have 12 LPG-powered vessels on the water, delivered on time and within budget, and serving customers with the sector's lowest emissions profile. This is the world's largest fleet of lower-emissions VLGCs, and we remain convinced that LPG is part of the solution as we move towards a zero-carbon future.

Looking Ahead

LPG provides access to energy and serves as a feedstock for the modern economy in a cleaner way than many competing fuels. At BW LPG, we are pleased to be playing a role delivering this important transition fuel to the world.

The year ahead looks positive with a healthy supply-demand balance. Further out, there are risks to the market on account of a large newbuilding orderbook. Continued balance will depend on significant growth in tonne-miles as a result of long-haul LPG movements.

LPG is part of the solution as we progress towards a zero-carbon future.

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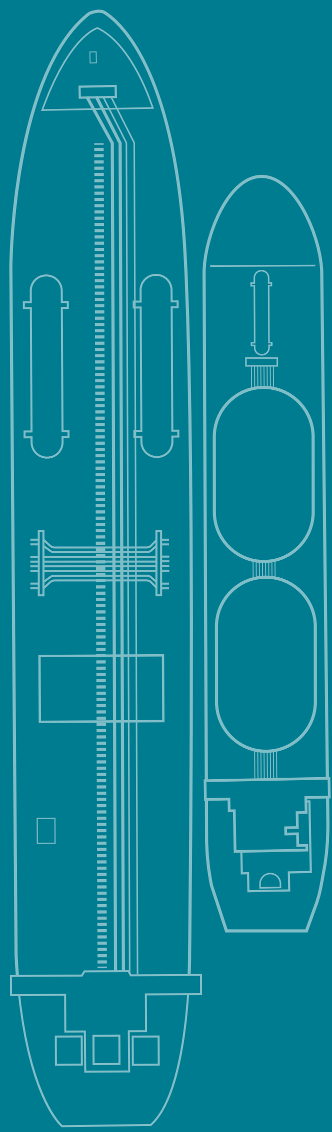


2.1 About Us

>2000	41	50+
Employees and Crew	Very Large Gas Carriers	Years of Operating Experience

Purpose

Towards a Better World

What we do

We transport LPG safely and sustainably to world markets. We use our scale and maritime expertise to help propel the world's transition towards a cleaner energy future

Values

In order to achieve our purpose as a company, we aim to be **Collaborative, Ambitious, Reliable** and **Enduring** in all that we do

Aspiring towards a Better World

- Driving the world's energy transition by delivering a cleaner source of energy
- Conducting sustainable business practices and reducing environmental impact
- Working for customers, investors and society

A global leader in LPG shipping

- Flexible and reliable service
- LPG-propelled VLGCs with industry's lowest emissions levels
- Strong brand and customer relations

2.2 Our History

In 1955, Sir Yue-Kong Pao bought his first vessel, a 27-year-old freighter renamed the Golden Alpha, and founded World-Wide Shipping. In 2003, World-Wide Shipping acquired Bergesen, Norway's largest shipping company founded in 1935; and in 2005, the business was re-branded as BW. The LPG segment of the BW business was listed on the Oslo Stock Exchange in 2013. Today, BW LPG owns and operates the world's largest fleet of Very Large Gas Carriers (VLGCs) and continues to deliver sustainable growth and value for our stakeholders.

1935
Bergersen founded by Sigval Bergesen

1955
World-Wide Shipping founded by Sir Y.K. Pao

1967
Entry into the dry bulk market

1969
Launch of first VLCC World Chief

1970s
Entry into gas market

1979
Became the largest independent ship owner with >200 vessels

1986
Listed on the Oslo Stock Exchange

1999
Acquired N&T Argonaut

2003
Acquired and delisted Bergesen

2005
A common identity with BW

2006
Listed BW Offshore

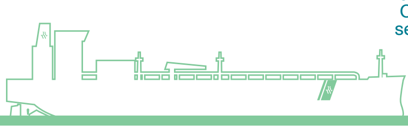
Listed BW Gas

Acquired Yara's gas fleet

2007
Acquired APL

2008
Leading owner in LPG, LNG, VLCC, Product Tanker and Offshore segments

2009
Privatised BW Gas



2012
Sold APL and acquired Prosafe Production

2013
BW LPG

Listed BW LPG

Acquired Maersk Tankers' VLGC fleet

2014
Took delivery of one newbuilding from HHI

2015
Took delivery of five newbuildings from HHI

2016
Acquired Aurora LPG

Took delivery of four newbuildings from HHI and DSME

2017
Established India Joint Venture

Took delivery of one newbuilding from DSME

2018
POWERED BY LPG

Announced plan to retrofit VLGCs with pioneering LPG propulsion technology

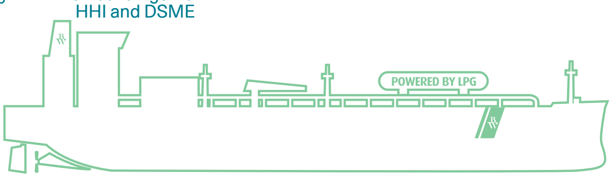
2019
Launched Product Services Division

Took delivery of one newbuilding from HHI

Divested two LGCs

2020
BW Gemini was world's first VLGC to be powered by LPG

India JV became India's largest VLGC owner and operator



2021

- **12 LPG-powered VLGCs on water**
- **Signed first transition loan revolving credit facility and first sustainability-linked loan facility**
- **Maas Capital entered into Agreement to acquire minority stake in BW LPG India**
- **Divested three VLGCs**

2.3 Ship Smarter with LPG

Seizing opportunities from the global clean energy transition

Efforts to decarbonise shipping are well under way. Ambitious plans such as ships designed to run on alternative fuels, and carbon capture onboard, create momentum and push the industry closer towards our shared goal of a zero-carbon future.

As we witness the exciting shifts in ambitions, technology and regulations, we aim to remain focused on our Vision, Purpose and Values as a Company. We want to be Best on Water – being customers' preferred energy shipping company, supporting the global clean energy transition, and doing all these in accordance with our corporate values.

During this period of tremendous change, we have strengthened and positioned our company to ship smarter. What does this mean?

To ship smarter is to

Decarbonise operations

Our investment in retrofitting our VLGCs with pioneering LPG dual-fuel propulsion technology has borne fruit. We serve customers with the largest fleet of LPG-powered VLGCs with the sector's lowest greenhouse gas (GHG) emissions profile.

Focus on **technology**

SMARTShip technology onboard enables real-time data transfers between ship and shore. Together with other initiatives such as LPG-propulsion and smart weather routing, we reduced fuel consumption which means lesser emissions and greater savings.

Secure value for our shareholders and stakeholders

In 2021, we reacted nimbly to market opportunities and supported initiatives that uplifted communities. We announced asset transactions and corporate actions that strengthened our financial position and de-leveraged our balance sheet. And as we did well, we continued to support local grassroots initiatives that improved quality of life and protected the environment.

2.4 2021 in numbers

Environmental

Carbon Intensity

7.23 AER

17.57 EEOI

Grams of CO_2 per tonne-nautical mile

0 Spills to Sea

Safety

0 Fatalities

0.28 Lost Time Injury Frequency (LTIF)

1.42 Total Recordable Case Frequency (TRCF)

Financial

$466M TCE Income (US$)

$312M EBITDA (US$)

$0.56 Dividend/Share (US$)

Commercial

97% Commercial Utilisation

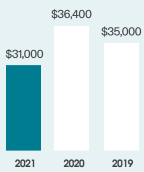
63% Spot Exposure

$32,900 Spot TCE/day (US$)

BW LPG

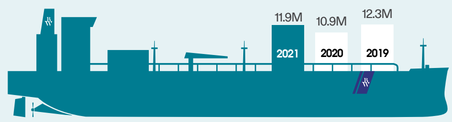
TCE/Day

$31,000 US$/Day



Cargo carried in 2021

11,886,232 Metric Tonnes

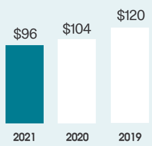


The Market in 2021

The VLGC freight market was supported by strong market demand in addition to shipping inefficiencies such as port and bunkering delays and crew changes.

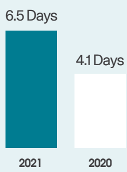
LPG Price Arbitrage US-Far East

$96 US$/Metric tonne



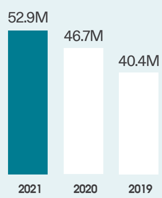
Panama Canal Waiting Days

6.5 Days



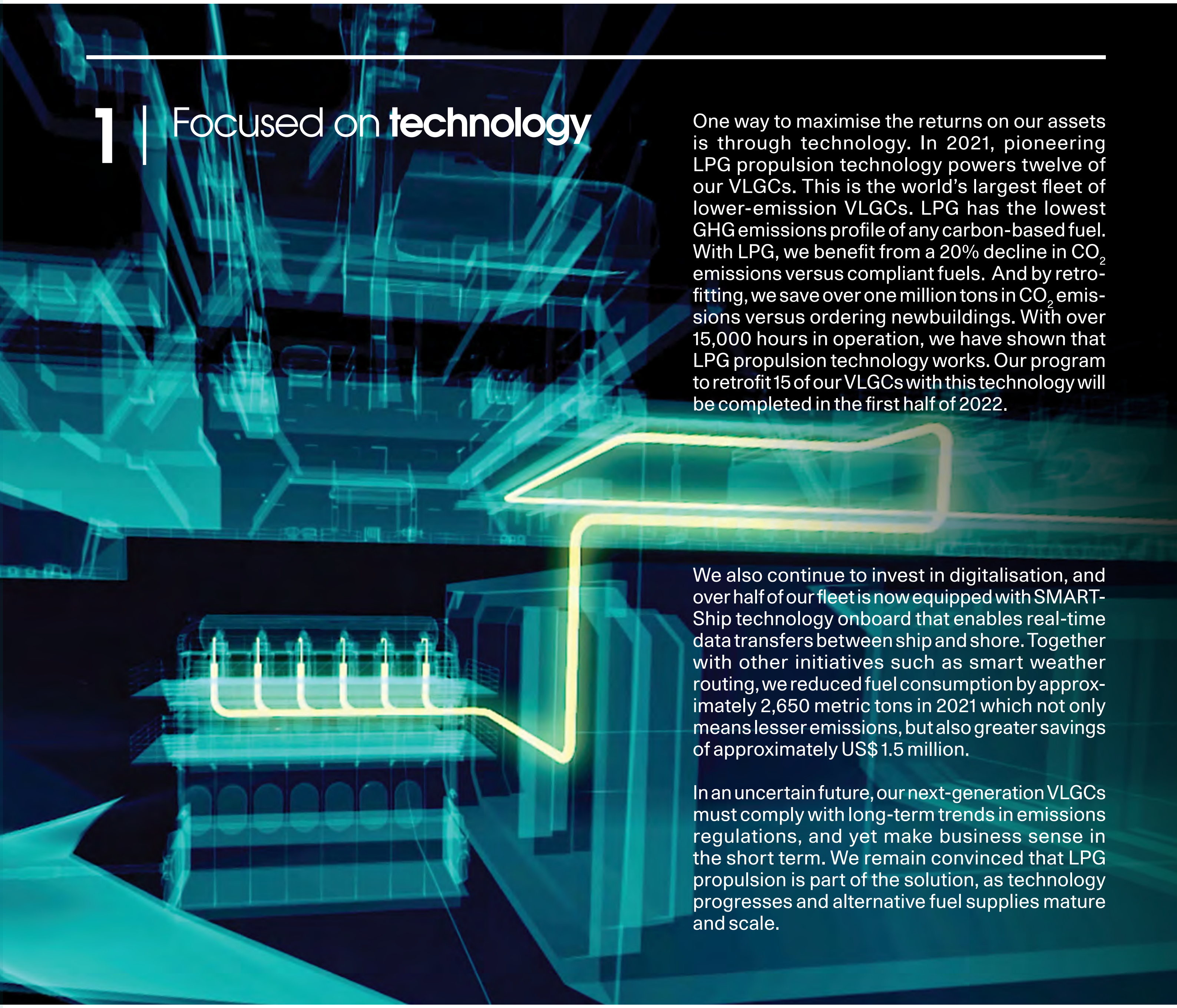
LPG Exports

52.9M Metric tonnes (North American)



2.5 Business highlights

2021 exemplified the volatility of the shipping market. We responded by positioning the company for strength, both operationally and financially - with focus on technology, asset play and increasing our presence in India, an important LPG market.



1 | Focused on **technology**

One way to maximise the returns on our assets is through technology. In 2021, pioneering LPG propulsion technology powers twelve of our VLGCs. This is the world's largest fleet of lower-emission VLGCs. LPG has the lowest GHG emissions profile of any carbon-based fuel. With LPG, we benefit from a 20% decline in CO_2 emissions versus compliant fuels. And by retrofitting, we save over one million tons in CO_2 emissions versus ordering newbuildings. With over 15,000 hours in operation, we have shown that LPG propulsion technology works. Our program to retrofit 15 of our VLGCs with this technology will be completed in the first half of 2022.

We also continue to invest in digitalisation, and over half of our fleet is now equipped with SMART-Ship technology onboard that enables real-time data transfers between ship and shore. Together with other initiatives such as smart weather routing, we reduced fuel consumption by approximately 2,650 metric tons in 2021 which not only means lesser emissions, but also greater savings of approximately US$ 1.5 million.

In an uncertain future, our next-generation VLGCs must comply with long-term trends in emissions regulations, and yet make business sense in the short term. We remain convinced that LPG propulsion is part of the solution, as technology progresses and alternative fuel supplies mature and scale.

2 | Nimble asset play **to secure the best long-term returns**

Asset transactions in 2021

5 Vessels sold

↑ US$ **165M** in liquidity

↑ US$ **23M** in net gain

Part of our strategy to secure long-term value for our stakeholder involves asset transactions. In a strong second-hand market, we sold five vessels at above new-build equivalent prices. We sold BW Empress in April, BW Confidence in July, BW Boss and BW Energy in August, and BW Sakura in December to their new owners for further trading. In total, this generated over US$ 165 million in liquidity and a net gain of US$ 23 million.

In December, we also announced the sale of BW Niigata, and the transaction was completed in February 2022.

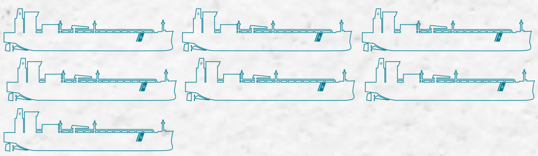
Share buy-back programme

10M Common Shares for maximum of US$ **50M**

In December 2021, we initiated a share buy-back programme to purchase up to 10 million common shares for a maximum amount of US$ 50 million, to be held as treasury shares. This program reflects our ability to react to market opportunities – we sell assets at a profit to our book values and invest in the Company by buying shares which are trading at a significant discount to our shareholders' equity value. As of 28 February, we purchased 2,870,827 shares at an average price of NOK 48.10 per share, amounting to NOK 138 million.

Largest owner and operator of India-flagged VLGCs

BW LPG INDIA



Over the course of the year, we moved an additional five VLGCs into our Indian subsidiary. **BW LPG India** [§] is the largest owner and operator of India-flagged VLGCs. The fleet currently comprises seven modern VLGCs which are maintained to world-class standards. These VLGCs are on time-charter contracts with accretive rates and returns in India.

3 | **Increasing** our **investment** in India

Retail demand for LPG in India continues to grow and LPG imports increased by 20% in 2021. Significant infrastructure investments into new pipelines, port expansions and storage facilities have encouraged high LPG imports. The country's investments in propane dehydrogenation plants also bodes well for potential LPG import demand for the petrochemical sector.

In 2021, Maas Capital Shipping B.V. (Maas Capital) entered into an agreement to acquire a minority stake in BW LPG India. Following the transaction in January 2022, BW LPG owns approximately 67% in BW LPG India. This partnership allows us to look beyond traditional LPG shipping, and into LPG infrastructure opportunities where we see significant upsides as a first mover.

Maas Capital is one of the world's leading institutional shipping equity investors. Its portfolio includes controlling and non-controlling stakes in shipping, intermodal and offshore services related assets.

Our strong commercial performance and cash flow allow us to participate in attractive investments in the LPG value chain.

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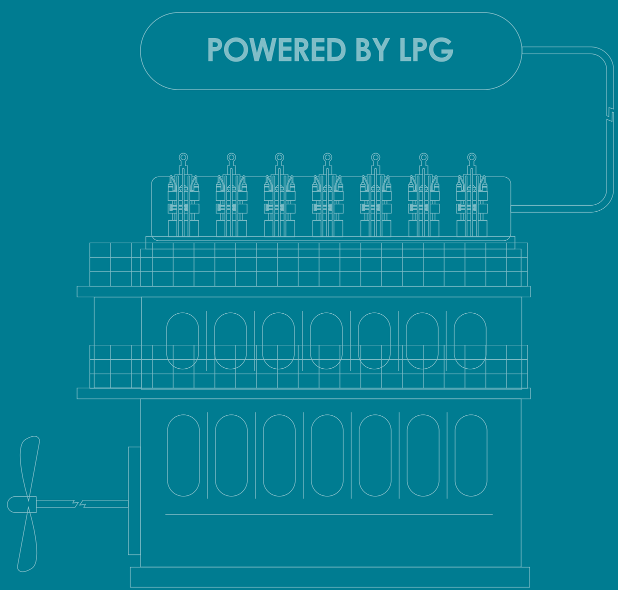


3.1 Commercial

An extremely volatile but overall healthy market in 2021

We began 2021 strongly with TCE freight rates peaking at over US$100,000 per day in early January. However, freight rates quickly collapsed to OPEX levels in March, led by falling exports from both the US and Middle East.

VLGC freight rates improved strongly in Q2, as exports recovered from both the US and Middle East. Rates increased from OPEX levels in early March to over US$40,000 per day in mid-May and stabilised at around cash breakeven levels in Q3.

Towards the end of the year, shipping inefficiencies especially delays in Panama Canal and strong winter heating demand led to freight rates stabilising at over US$40,000 per day.

In 2021, we achieved a fleet wide VLGC TCE rate of US$33,500 per day on available days.

Navigating through the cycles with a balanced Spot and Time Charter portfolio

We started the year with 24% Time Charter coverage at an average TCE of US$31,200 per day. Our balanced portfolio allowed us to capture upsides in the spot market, and at the same time, protected our earnings when rates bottomed.

We renewed our contracts for 2022 and 2023 at healthy levels during market highs, while remaining focused on commercial utilisation. We are 22% covered for 2022 at an average TCE of $32,900 per day.

Our Product Services division continues to complement our core shipping business, and in 2021 the division has helped to maintain an industry-leading commercial utilisation rate of 97% for our fleet.

Maximising returns on current assets and growing in the LPG value chain

We focused on optimising our existing fleet, making significant upfront investments to upgrade vessels with LPG dual-fuel propulsion and SMARTShip technology, to maximise returns on our current assets.

We increased our ownership in the Indian joint venture from 50% to 88 % in June, before welcoming Maas Capital as a minority shareholder in January 2022 and bringing down our ownership to 67%. We are now the number one operator of India-flagged LPG vessels and are exploring areas for further growth in India, both within LPG vessels and LPG infrastructures.

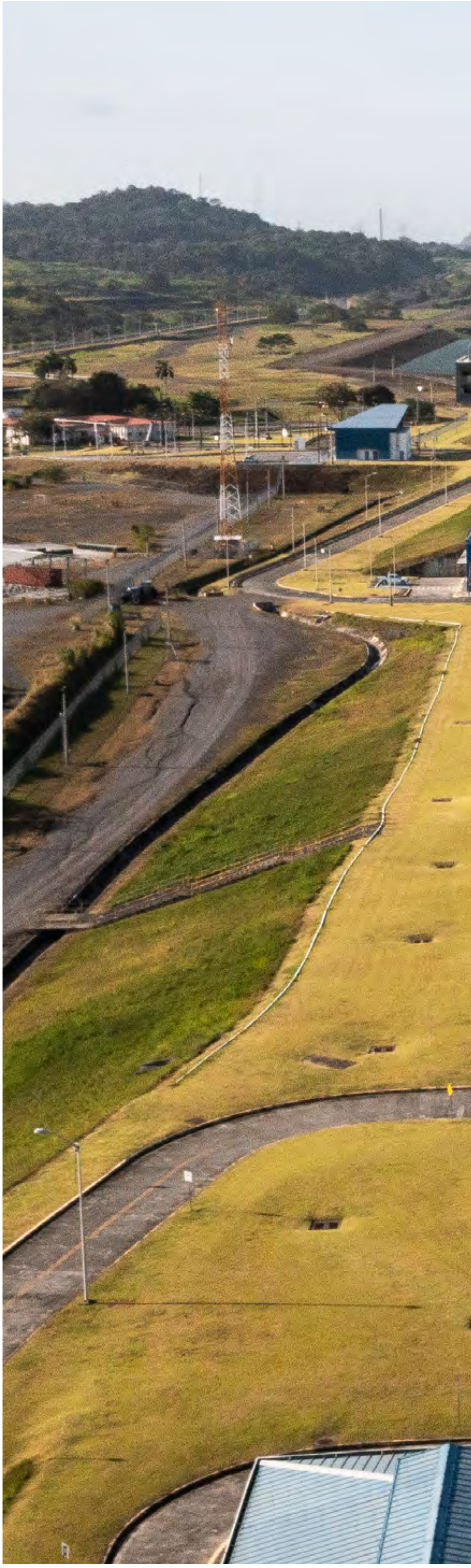
Our strong commercial performance prepares us for all kinds of market conditions, and with strong cash flow from operations we can participate in sizable and attractive investments in the LPG value chain.

Oil price review

Oil prices started to recover in early 2021. This trend continued through the first half of the year, with increased Covid-19 vaccinations, travel restrictions being lifted and demand for energy rising. In May, oil prices recovered all losses from 2020.

As demand continued to grow in the second half of 2021, OPEC+ stuck to its plan to increase production to 400,000 barrels per day. This pushed Brent oil prices above US$86 per barrel, as fears grew over an energy shortage during the coming winter. Oil prices corrected somewhat after news of US and other countries releasing oil reserves into the market to cool the market.

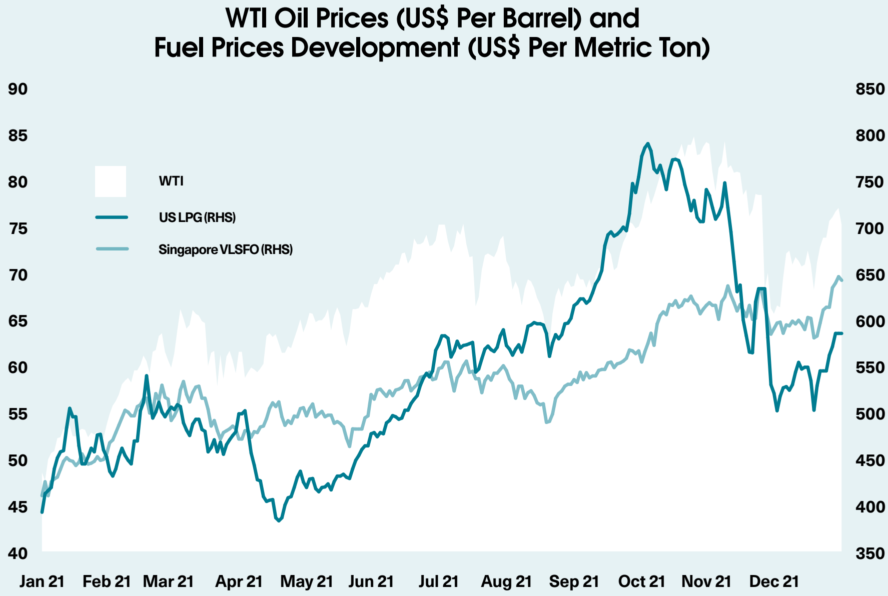
In late November, the Omicron variant of the Covid-19 virus emerged. As the variant spread outside of Africa, oil prices fell sharply, reflecting increased uncertainty related to social restrictions and energy consumption.




NO SMOKING
NO SMOKING

2021 in Four Charts

Oil prices recovered strongly in 2021, LPG and VLSFO fuel prices mirrored increasing trend

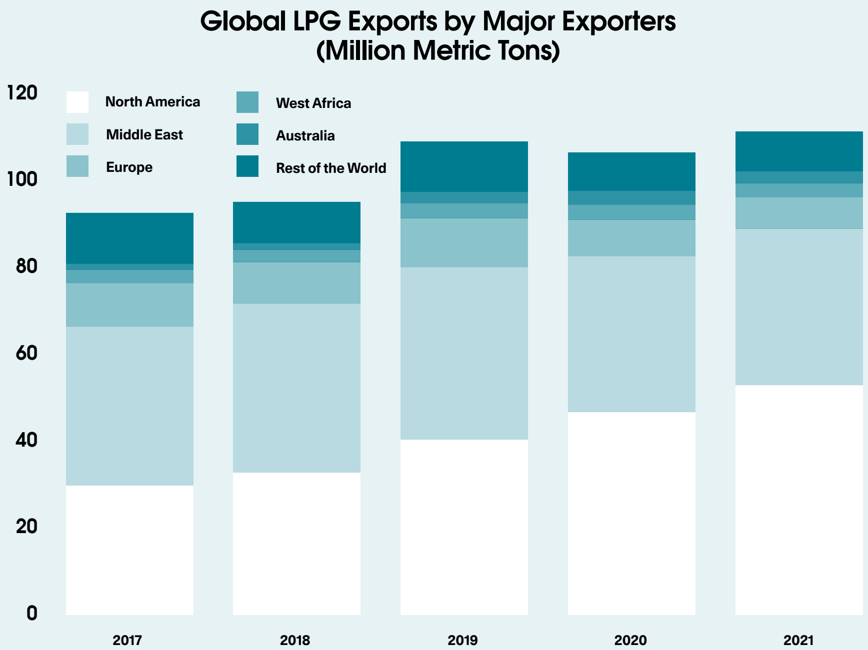


Despite short term fluctuations, both WTI and Brent crude oil prices continued their upward trend, driven by recovering demand for oil products and a cautious approach by OPEC+ in reviving its oil production outputs. WTI averaged at $68 per barrel in 2021, compared to $40 per barrel in 2020.

Due to rising oil prices and low US LPG inventories, US LPG prices remained high compared to VLSFO. In April, BW LPG locked in the spread between LPG and VLSFO before the spread widened further. The transactions reduced LPG fuel price exposures for our LPG-fuelled vessels.

Source Bloomberg

US LPG exports continue to grow and Middle East exports recovered as OPEC+ gradually eased oil production cuts



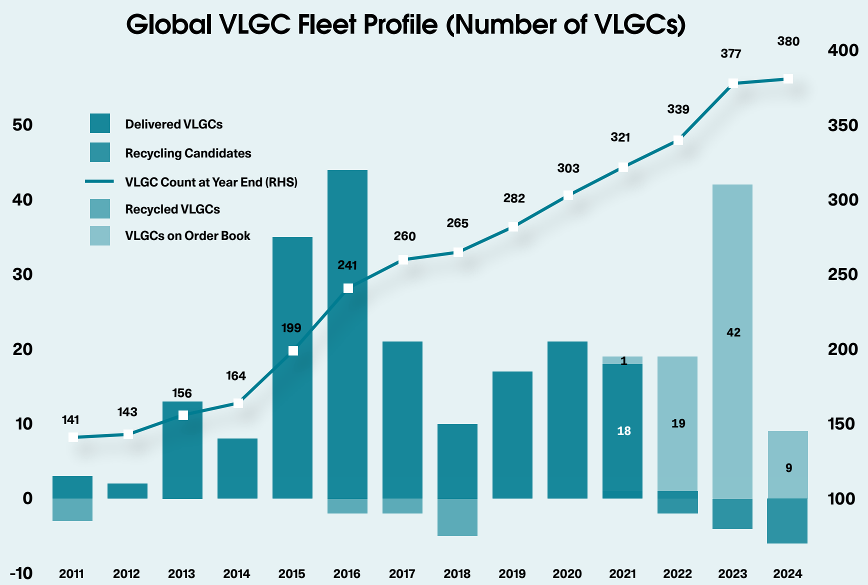
At the end of January 2021, US LPG production was disrupted due to the extreme cold freeze, but production quickly recovered and remained steady since. OPEC+ progressively increased their production, driven by stronger oil prices.

In 2021, total North American LPG exports increased by 13% to 53 million tons. 2021 total Middle East exports were largely in line with 2020 at 36 million tons.

BW LPG continued to focus on US liftings, and has lifted 6.8 million tons from the US, accounting for 13% of total North American LPG exports.

Source IHS Waterborne, BW LPG Analysis

52 VLGC newbuild orders were placed in 2021, total order book stands at 70 ships or 22%



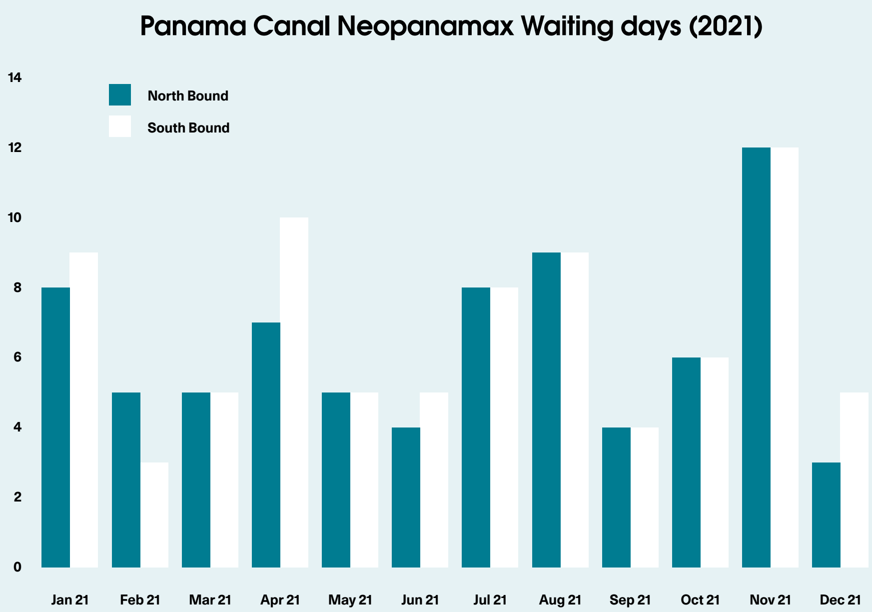
In 2021, 18 VLGCs were delivered and no VLGCs were recycled. Healthy VLGC freight rates, positive long-term LPG market outlook and tightening environmental regulations incentivised a flurry of newbuilding orders in 2021.

All newbuilding orders are LPG-dual fuel vessels, showcasing the industry's belief in LPG as a transition fuel towards a zero carbon solution.

BW LPG continued its strategy of maximising the value of current assets, committing 15 VLGCs to be retrofitted with LPG dual-fuel propulsion technology, investing in digitalisation of its fleet, and not adding more capacity to the global fleet.

Source BW LPG Analysis

Increasing transit delays in Panama Canal compared to 2020



Average waiting days for transit at the Panama Canal have increased year over year. In seasonally strong quarters such as Q4, waiting days increased to more than one month for both legs.

These delays are expected to be the "new normal" in 2022, as new booking rules kick in. Traffic around Cape of Good Hope for US exports into Asia is therefore expected to increase.

Shipping inefficiencies will continue to support ton-mile demand, offset vessel supplies and increase market volatility.

Source Wilhelmsen, BW LPG Analysis

3.2 Financial

	2021 US$ Million	2020 US$ Million
Results		
Time charter equivalent income	466	551
EBITDA	312	414
Net Profit	186	244
Balance Sheet		
Vessel net book value	1,792	1,754
Total assets	2,364	2,417
Total cash and cash equivalents	133	90
Total borrowings and lease liabilities	875	1,046
Shareholders' equity	1,386	1,252
Cash Flows		
Operating	307	398
Investing	76	(2)
Financing	(310)	(433)
Free cash flow	330	331
Available liquidity (including undrawn facility)	453	286
Per Share Data	US$	US$
Earnings per share	1.33	1.76
Net asset value per share	10.15	9.06
Dividends per share	0.56	0.84
Per Day Costs		
Vessel calendar days[1]	15,658	16,259
OPEX per day[2]	8,000	7,668
NPAT breakeven per day[3]	21,701	21,062
Ratios		
Earnings Yield	23.4%	25.6%
Returns on Equity	14.1%	20.1%
Returns on Capital Employed	9.8%	11.8%
EBITDA Margin	66.9%	75.2%
Net Leverage Ratio	35.0%	44.2%

Highest available liquidity to-date at

US$453M

Net leverage ratio at lowest level in seven years at

35%

US$77M

Total Dividends declared

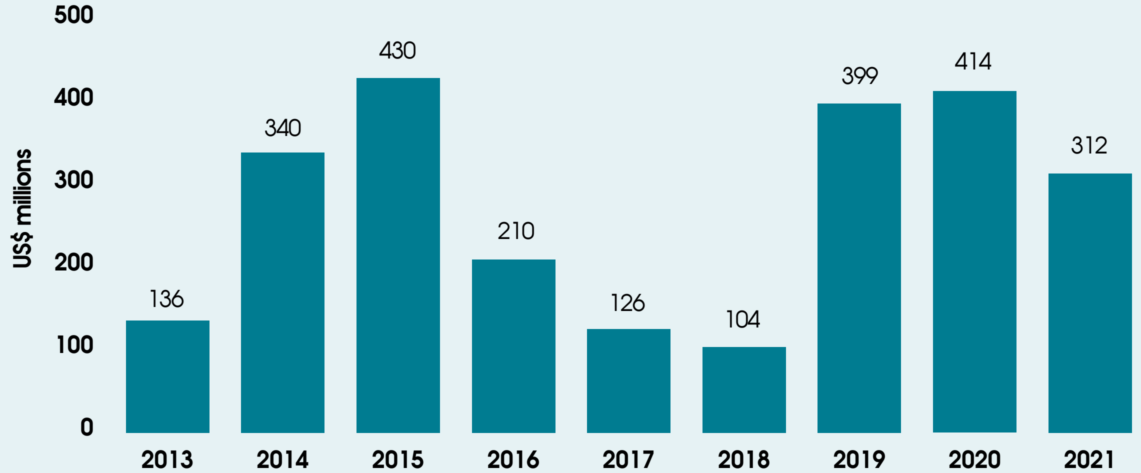
US$22K

Net Profit Breakeven Per Day

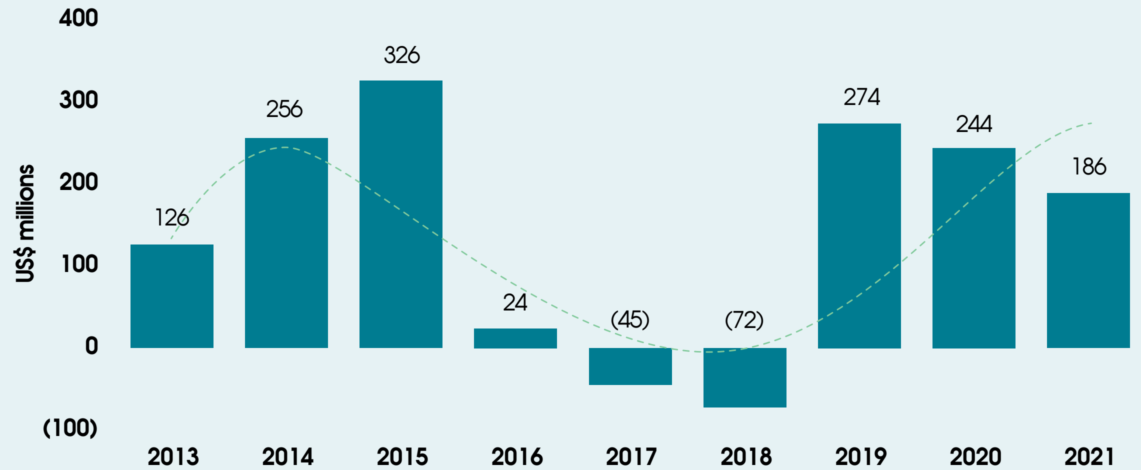
US$639 Per Day YoY

1 Includes Finance leased vessel
2 Only for owned and bareboat-in vessels
3 Adjusted for impairment charge/write-back of impairment charge on vessels, negative goodwill, and gain on derecognition of right-of-use assets

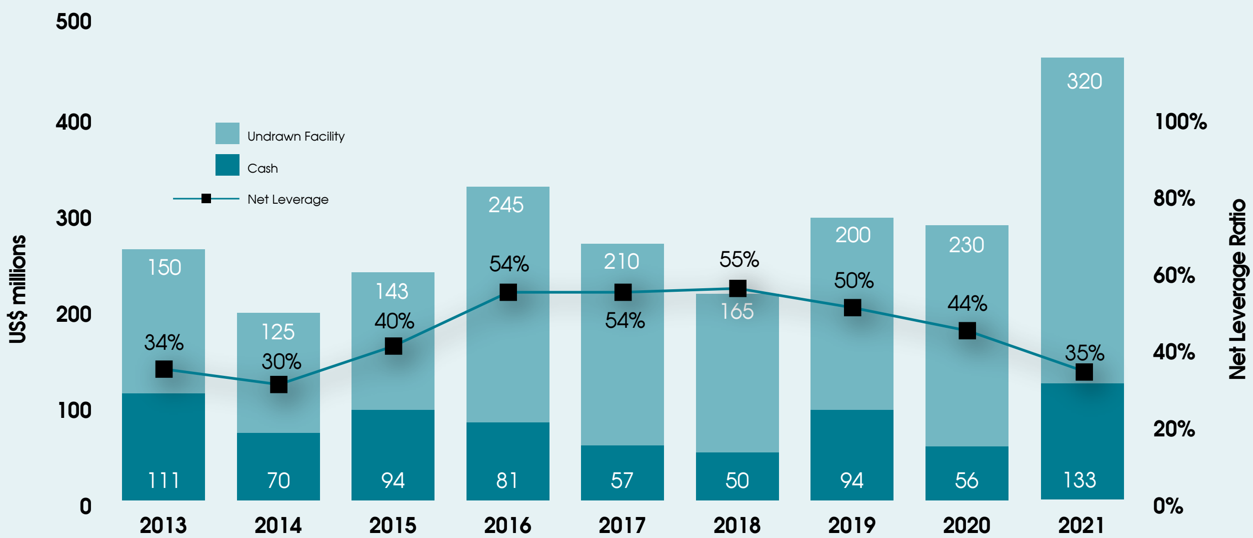
Positive EBITDA through the cycles



Strong net profit



Available liquidity and net leverage ratio



3.3 Shares

Market capitalisation and turnover

BW LPG is listed on the Oslo stock exchange under the ticker code BW LPG. As of 31 December 2021, there were 141.9 million shares issued and 136.9 million shares outstanding with 5.0 million shares held in treasury. At the end of 2021, BW LPG's market capitalisation stood at US$805 million; down from US$975 million at the end of 2020. During 2021, an average of 509,000 BW LPG shares were traded daily, equivalent to 0.4% of outstanding shares.

Dividend policy

BW LPG aims for a payout ratio of 50% of Net Profits After Tax (NPAT), on an annual basis, adjusted for extraordinary items, after taking into consideration appropriate levels on leverage, capital expenditure plans and financing requirements, financial flexibility, anticipated cashflows and other administration costs associated with small dividend payments.

Dividend payment history

Since BW LPG's listing in 2013, we have returned US$800 million to shareholders in total dividends. This equates to US$5.86 per share, and an accumulated payout ratio of 61% of the total earnings per share since our IPO of US$9.65 per share. Accumulated EPS excludes all vessel impairment / write backs to-date.

Buy-back program

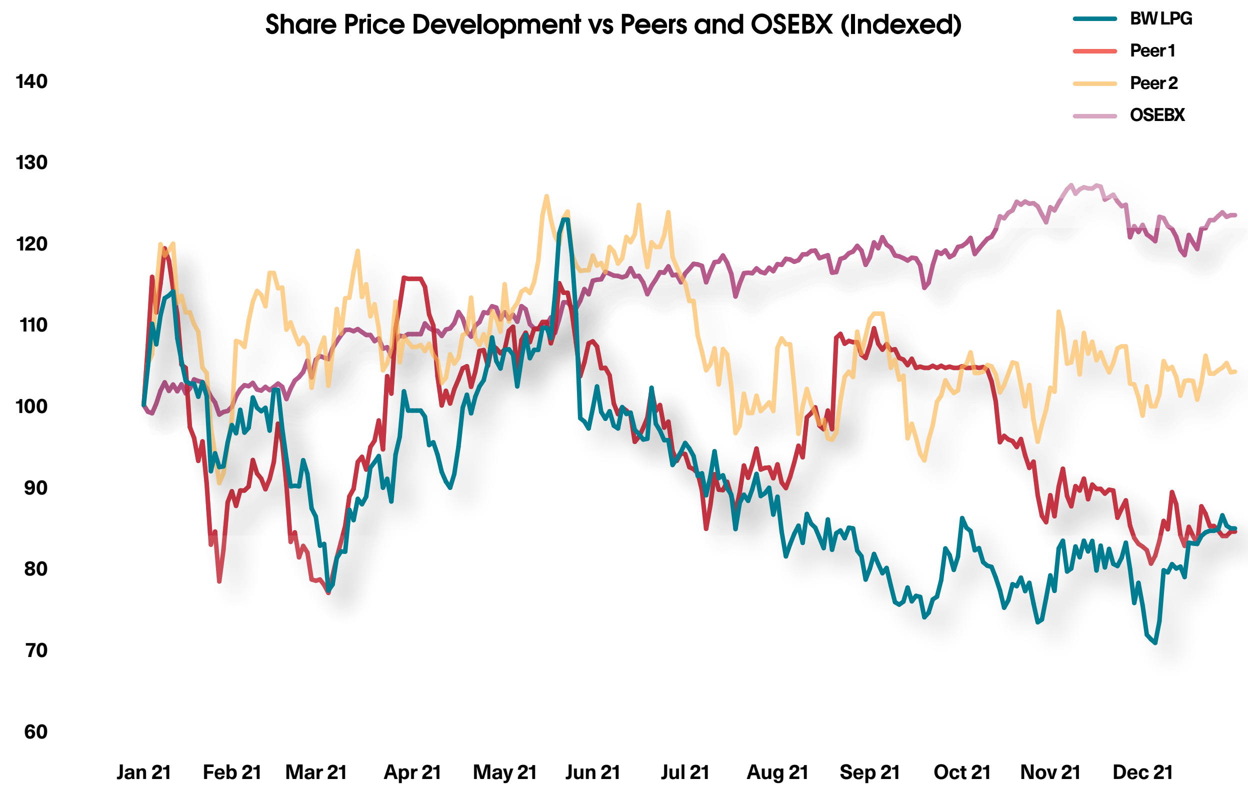
On December 8, 2021, BW LPG initiated a share buy-back program, under which BW LPG will purchase up to 10 million common shares for a maximum of US$50 million. The program is expected to continue until the end of Q2 2022. As of 28 February, we purchased 2,870,827 shares at an average price of NOK 48.10 per share, amounting to NOK 138 million.

Share price performance

The general equities market continued its recovery from 2020 and set new records in 2021. The Oslo Børs Benchmark Index rose by 23% over the year, fueled in part by expectations of receding earnings impact from the pandemic and low interest rates.

BW LPG share price lagged behind the performance of the Index for much of 2021. A contributing factor to this was the muted spot rate environment experienced for much of the year. Towards the end of the period, BW LPG's share price strengthened, reflecting stronger spot earnings and the launch of the share buy-back program.

Compared to listed peers, BW LPG's share matched Peer 1 but lagged the price development of Peer 2 and the Oslo Benchmark Index.



Shares - At a Glance

As of 31 December 2021

141.9 Million
Shares Issued

136.9 Million
Shares Outstanding

5.0 Million
Shares (in Treasury)

7.1B NOK
Market Capitalisation
at the end of 2021

509K
Shares traded daily

Average value of traded stocks per day
27M NOK

Since listing in 2013

US$ **800M** = **61%** of total earnings per share since IPO of US$ **9.65** /Share

Analyst coverage

The BW LPG share is covered by 10 brokerage houses, both Norway-based and international.

	Company	Analyst	Email
1	ABG Sundal Collier	Petter Hagen	petter.haugen@abgsc.no
2		Torjus Loftheim	torjus.loftheim@abgsc.no
3	Arctic Securities	Lars Ostereng	lars.ostereng@arctic.com
4	Clarksons Platou Securities	Frode Morkedal	frode.morkedal@clarksons.com
5	Cleaves Securities	Peter Michael E. Christensen	pmc@cleaves.no
6	DNB Markets	Jørgen Lian	jorgen.lian@dnb.no
7	Fearnleys Securities	Peder Nicolai Jarlsby	pnj@fearnleys.no
8		Erik Hovi	e.hovi@fearnleys.com
9	Kepler Cheuvreux	Andreas Nibe Nygard	anygard@keplercheuvreux.com
10		Anders Redigh Karlsen	arkarlsen@keplercheuvreux.com
11	Pareto Securities	August Klemp	august.klemp@paretosec.com
12		Eirik Haavaldsen	eirik.haavaldsen@paretosec.com
13	SEB	David Bhatti	david.bhatti@seb.no
14		Frederik Ness	frederik.ness@seb.no
15	UBS	Brian Reynolds	brian.reynolds@ubs.com

Top 20* shareholders

BW LPG's largest shareholder is BW Group who holds 40% of shares in issue. The overall shareholder base is diverse with both Norwegian and international shareholders.

	No. of Shares	% of Shares Issued	Name
1	56,807,126	40.02	BW Group Limited
2	10,868,579	7.66	FOLKETRYGDFONDET
3	7,312,053	5.15	JPMorgan Chase Bank, N.A., London
4	6,490,135	4.57	BW LPG Holding Ltd
5	2,748,608	1.94	State Street Bank and Trust Comp A/C CLIENT OMNIBUS F
6	1,890,979	1.33	Goldman Sachs International
7	1,580,292	1.11	Nordnet Bank AB
8	1,535,689	1.08	Citibank
9	1,507,507	1.06	JP Morgan Chase Bank London
10	1,321,132	0.93	Clearstream Banking SA
11	1,296,997	0.91	The Bank of New York Mellon BNYM AS AGT/CLTS NON TREATY
12	1,241,229	0.87	The Bank of New York Mellon C/O BNYM RE 261920
13	1,230,197	0.87	State Street Bank and Trust Comp A/C West Non-Treaty Account
14	1,169,414	0.82	JP Morgan Bank Luxembourg S.A.
15	990,190	0.70	STAVERN HELSE OG FORVALTNING AS
16	963,529	0.68	VPF DNB AM NORSKE AKSJER
17	937,373	0.66	Danske Bank A/S
18	934,397	0.66	Verdipapirfondet DNB SMB
19	898,128	0.63	The Northern Trust Comp
20	889,524	0.63	Skandinaviska Enskilda Banken AB

* As of 31 January 2022

BW LPG dividend information

Dividend per share in USD is converted from NOK using the exchange rate on the payment date.

Period	(Impairment)/ Write back (US$ '000)	Earnings (US$ '000)	No of shares ('000)	EPS (US$)	EPS (adjusted) (US$)	Dividend per share (US$)	Payout ratio (%)	Share price at end of period (US$)	Annualised dividend yield (%)
2021	31,901	184,821	138,951	1.33	1.10	0.56	51%	5.74	10%
2020	8,200	243,854	138,682	1.76	1.70	0.84	49%	6.86	12%
2019	37,995	273,840	138,983	1.97	1.70	0.85	50%	8.41	10%
2018	(33,500)	(71,400)	139,697	(0.51)	(0.27)	-	0%	2.98	0%
2017	(4,552)	(42,688)	141,777	(0.30)	(0.27)	-	0%	4.71	0%
2016	(144,147)	24,279	136,577	0.18	1.23	0.09	7%	4.20	2%
2015	-	323,967	133,071	2.43	2.43	1.46	60%	8.30	18%
2014	-	254,570	136,064	1.87	1.87	1.91	102%	7.05	27%
2013	56,347	124,739	136,276	0.92	0.50	0.15	30%	9.51	3%

Investor Relations policy

We always:

Respect the principle of equal treatment of all market players to ensure fair pricing of BW LPG's shares

Maintain an open and continuous dialogue with existing and potential shareholders, stakeholders and the public

Aim for a high degree of openness and communicate information in compliance with the disclosure requirements of the Oslo Stock Exchange

Communicate about our business performance and developments with all our investors and analysts via:

1. Annual and quarterly reports and press releases
2. Annual General Meetings, Investor & Analyst presentations and information sessions
3. Industry seminars and events where industry participants and investors are represented

Maintain a Primary Insider Register with any changes to the primary insiders' shareholdings published on the Oslo Stock Exchange's internet news platform and on our website [§]

Our teams work hard to keep propellers turning and livelihoods secure in spite of the pandemic, rising above personal and professional challenges to give their best to the Company.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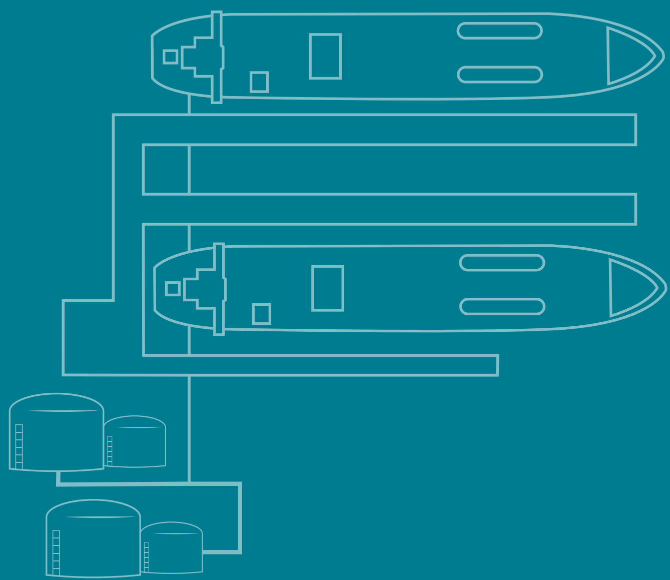
Foreword
At a Glance
Performance

4 | Governance

Financial Statements
Other Information



4.1 Board of Directors

The Board shares the same vision with the Executive Leadership Team – that BW LPG continues to be Best on Water, delivering cleaner energy for a sustainable world.

The Board is independent of the Leadership Team and material business connections of BW LPG, with four of five members independent of our largest shareholder.

Andreas Sohmen-Pao
Chairman

Andreas Sohmen-Pao has been Chairman of the Board of BW LPG Limited since September 2013.

Mr Sohmen-Pao is Chairman of BW Group and its other listed affliates, including BW Offshore, Hafnia, BW Epic Kosan, BW Energy and Cadeler. He is Chairman of the Global Centre for Maritime Decarbonisation and a trustee of the Lloyd's Register Foundation.

Mr Sohmen-Pao was previously Chairman of the Singapore Maritime Foundation and has served as a non-executive director of The Hongkong and Shanghai Banking Corporation Ltd, The London P&I Club, Singapore Symphonia Co Ltd, National Parks Board Singapore, Sport Singapore and the Maritime and Port Authority of Singapore amongst others.

Mr Sohmen-Pao graduated from Oxford University in England with an honours degree in Oriental Studies and holds a MBA from Harvard Business School.

Mr Sohmen-Pao has attended 4 of 4 board meetings in 2021.

Anne Grethe Dalane

Anne Grethe Dalane has served on the BW LPG Board since November 2013 as an independent director.

She has been with Yara since 2003. Prior to this, Ms Dalane has held various senior management positions at Norsk Hydro in the areas of Human Resources, Corporate Strategy and Finance.

Her board experience includes Hafslund, EDB Business Partners, Prosafe and Petroleum Geo Services. Ms Dalane is a certified financial analyst and holds a MBA from the Norwegian School of Economics.

Ms Dalane has attended 4 of 4 board meetings in 2021.

Martha Kold Bakkevig

Martha Kold Bakkevig has served on the BW LPG Board since August 2017 as an independent director.

Ms Bakkevig currently serves as the managing partner of MKOLD. Prior to that, she spent 10 years as Chief Executive Officer of DeepWell, an oil service company operating in the North Sea, and two years as Chief Executive Officer of Steinsvik Group. Her term ended in 2019.

Ms Bakkevig has extensive experience in management, strategy and business development, and a broad academic background with a doctor's degree in both technical and business strategical subjects. She holds a Master's degree and PhD from the Norwegian University of Science and Technology (NTNU) and a Doctorate in Economics from BI Norwegian Business School.

She is also non-executive director of public listed companies Reach Subsea, Hexagon Purus and Edda Wind.

Ms Bakkevig has attended 4 of 4 board meetings in 2021.

Andrew E.Wolff

Mr Andrew E. Wolff has served on the BW LPG Board since 20 May 2020 as an independent director.

He was most recently Global Co-Head of the Merchant Banking Division ("MBD"), Head of MBD International and Global Co-Head of Private Equity for Goldman Sachs. He was the Co-Chief Investment Officer of the flagship Merchant Banking private equity funds. Mr Wolff was a member of the European Management Committee, Corporate Investment Committee, Infrastructure Investment Committee, and Co-Chairman of the Growth Equity Investment Committee. Mr Wolff joined Goldman Sachs in 1998 in the Principal Investment Area and was named Managing Director in 2005 and Partner in 2006.

He has experience investing across global markets and has served on the boards of companies in the United States, Canada, Argentina, Brazil, Japan, China, Korea, the United Kingdom, France, Norway and Denmark.

Mr Wolff earned a BA in Philosophy from Yale University in 1991 and a JD and MBA from Harvard Law School and Harvard Business School, respectively, in 1998.

Mr Wolff has attended 4 of 4 board meetings in 2021.

Sonali Chandmal

Sonali Chandmal has served on the BW LPG Board since 20 May 2020 as an independent director.

She is currently a partner at A Lamot Incobel & Co, an advisory firm sourcing, structuring and funding private equity opportunities and funds in Europe, India and America. Ms Chandmal currently serves on the Board of Directors and Renumeration Committee of Ageas SA/ NV, the Board of Directors and Renumeration Committee Chair of Ageas Portugal Grupo and the Board of Directors, Audit and Sustainability Committees of Medicover AB. She is also on the Board of Directors of the Harvard Club of Belgium and Chapter Zero Brussels.

From 1997 to 2017, she worked at Bain & Company, a leading global strategy and management consulting firm, at its offices in San Francisco, London and Brussels. Prior to that, Ms Chandmal worked at Robertson Stephens & Company, an investment bank specialising in high technology IPOs and mergers & acquisitions. Ms Chandmal holds a BA in Economics from the University of California at Berkeley, and a MBA at the Harvard University Graduate School of Business Administration.

Ms Chandmal has attended 4 of 4 board meetings in 2021.

4.2 Leadership Team

Anders Onarheim
Chief Executive Officer

Anders Onarheim's extensive knowledge in management, business development and capital markets was acquired when he was the Managing Director in companies within Carnegie Group for over 16 years, and subsequently as an active investor primarily in the energy space.

Prior to Carnegie, Mr Onarheim served as the Head of Equities of Enskilda Securities Norway from 1994 to 1996. From 1990 to 1994, he served as an Executive Director in the Investment Banking division of Goldman Sachs in the UK. From 1986 to 1990, he was Vice President for institutional sales in Merrill Lynch in the US and the UK. Mr Onarheim has held numerous board memberships within different industries and is currently Chairman of the board of North Energy ASA and Ocean GeoLoop AS, and board member of Reach Subsea ASA. He joined BW LPG as CEO in early 2020 after serving on the Board from November 2013 until May 2020.

He holds a MBA from the Washington University in St. Louis, where he graduated in 1986.

Elaine Ong
Chief Financial Officer

Elaine Ong has close to 30 years of experience in all aspects of Finance. She joined BW Group as Vice President, Finance in 2011 and her last held position with the Group was Senior Vice President, Finance. Before joining BW Group, Ms Ong was the Internal Audit Lead for Kraft Foods Asia Pacific from 2009 to 2011.

Prior to that, Ms Ong was with Teekay Corporation from 1999 to 2009 and held various finance roles both in Vancouver, Canada and in Singapore. Her last position at Teekay was Vice President, Global Financial Projects & Systems and Regional Controller for Asia Pacific. Ms Ong started her post-graduate career with Ernst & Young in Vancouver, Canada from 1993 to 1999 and is a Chartered Accountant with the Institute of Chartered Accountants of British Columbia, Vancouver, Canada. She holds a Bachelor of Commerce degree from the University of British Columbia, Vancouver, Canada.

Niels Rigault
Executive Vice President, Commercial

Niels Rigault has 15 years of experience in competitive shipbroking and in all areas of maritime LPG. He is currently Chairman of the Board of BW LPG India, BW LPG's India subsidiary. Prior to joining BW LPG in 2016, Mr Rigault was Senior Partner and Member of the Project department at Inge Steensland where he was responsible for long-term time charters, newbuildings and second-hand vessel transactions. He joined Inge Steensland as a broker in 2006. Mr Rigault started his career as a broker at Lorentzen and Stemoco A/S in 2002.

He holds a Bachelor's degree in Business Economics from Vrije Universiteit Brussel / Vesalius College and a degree in Marketing from BI Norwegian Business School.

Pontus Berg
Executive Vice President, Technical and Operations

Pontus Berg has over 25 years of shipping experience with Ship Owners and Technical Management companies. Mr Berg is currently a Non-Executive Director of the Board of BW LPG India, BW LPG's India subsidiary. Mr Berg has sailed up to the rank of Chief Engineer. Prior to joining BW LPG in 2015, Mr Berg was General Manager and Director General of Greenship Gas France. There he headed a fleet of Ethylene carriers and a series of Multigas dual-fuelled newbuildings. Prior to that, he worked as Technical Manager in Evergas A/S and Eitzen Gas. Mr Berg is a member of the DNV and Lloyd's Register Southeast Asia Technical Committee.

He holds a Bachelor of Science in Marine Engineering from Kalmar Merchant Marine University.

Prodyut Banerjee
Vice President, Operations

Captain Prodyut Banerjee has more than 18 years of experience in Global Operations in the maritime industry. He has held various leadership positions with BW Group since 2005. Prior to joining BW, he worked with ExxonMobil for over 15 years, serving on vessels at sea and in shore positions in the United Kingdom.

He holds a MBA from the National University of Singapore.

Knut-Helge Knutsen
Vice President, Technical

Knut-Helge Knutsen has held global leadership positions in the maritime industry for the past 20 years. Before joining BW in 2013, he was Regional Manager at VPS (Veritas Petroleum Services) for six years, and was with DNV for 11 years where he led various technical departments in Norway and South Korea.

He holds a Masters degree in Marine Engineering from Norwegian University of Science and Technology and Global Business Leadership qualifications from IMD Business School in Switzerland.

Jo Moffat
Vice President, Product Services

Jo Moffat has over 25 years of experience in LPG markets with her main focus on LPG trading. Her career started in Mobil Oil as an engineer before joining Ferrell Intl as an LPG trader where she stayed for 18 years.

Before joining BW LPG she held commercial leadership positions at Shell International Eastern Trading Company and SK Gas International Pte Ltd in Singapore.

4.3 Risk Management

Risk management is not just a matter of compliance and good governance. It is fundamental to our decision-making process at every level of the organisation. Our risk strategy and policy determine how we plan for and react to risks related to our corporate strategy, preventable incidents from operations, and unexpected events.

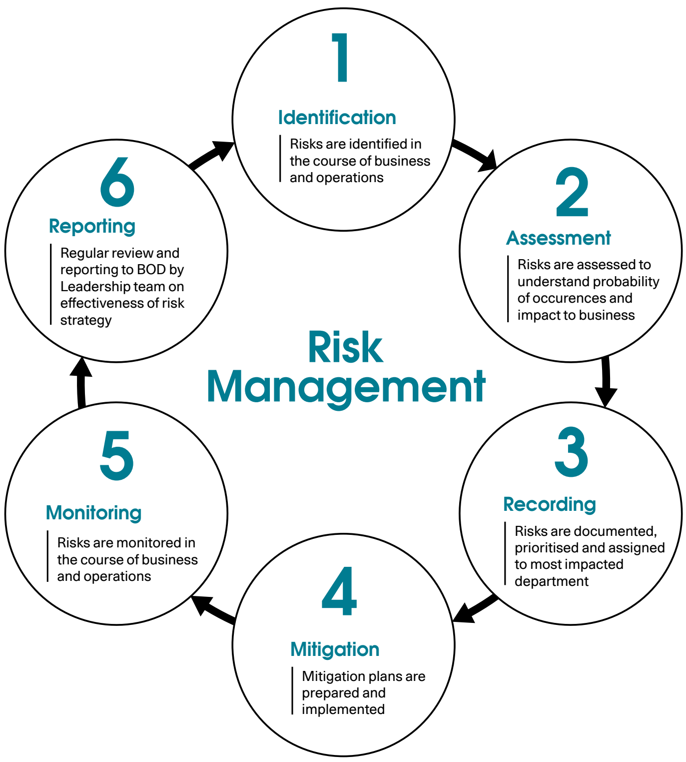
Leading by example

At the corporate level, we insist on high standards of integrity from our employees on shore and at sea. Transparent reporting by the Executive Leadership Team and regular, detailed reviews by an international Board of Directors are part of an established risk management framework that ensures good governance at the highest levels of leadership.

A framework to guide corporate decisions

BW LPG strives to provide competitive risk-adjusted returns to shareholders. Our Enterprise Risk Management (ERM) is based on the principles of the ISO 31000 and the Committee of Sponsoring Organisations' (COSO) ERM Framework. Our risk management process begins with a risk register, where all possible risks are considered and ranked according to probability of occurance and impact to our business if realised. Identified risks are then analysed to explore possible mitigation and improvement opportunities before key business decisions are made.

We regularly review our risk framework, policy and register to ensure relevant processes and effective mitigation.



Our Risk Management focuses on:

- **Aligning strategy and performance with Vision, Mission and Values**
- **Increasing the likelihood of achieving business objectives**
- **Improving the identification of opportunities and threats**
- **Ensuring continued compliance with relevant legal and regulatory requirements and international norms**
- **Enhancing governance**
- **Protecting and advancing stakeholder confidence and trust**

BW LPG is exposed to a variety of risks in the course of doing business and operations. These risks are managed by an established Enterprise Risk Management (ERM) process that identifies, assesses, reports and responds to potential threats. Our ERM process weaves through many other work processes across the Company.

Heads of Departments come together each year to identify, deliberate and work on mitigation actions for risks faced at the Enterprise level. The Leadership Team reviews and approves all decisions related to this annual exercise. The ERM process for 2022 was held in 2H 2021 where five key risks were identified to have possible significant impact to our business and operations, including earnings, financial positions, and our ability to create and deliver value to our shareholders.

Types of Risk

	Risk Area	Mitigating Strategy
Decarbonisation	Shipping faces increasingly stringent regulatory controls on emissions which impact the type of fuel we can use to power our vessels. Vessels may have to reduce speed to meet emission regulations. The industry will need rapid developments in technology to meet ambitious emission targets.	We will retrofit 15 vessels with LPG dual-fuel propulsion technology and consider ways to further renew our fleet. We also implement initiatives to optimise voyages and explore energy saving fittings. We continue to monitor and assess developments in new technology that will further our decarbonisation ambition.
Human Capital	Shipping is evolving rapidly, and we need qualified staff that are equipped with the relevant competency. Failure to do so can impact our ability to implement our strategic objectives and move ahead of competition.	We offer competitive salaries and benefits to attract and retain talent. We also offer training opportunities to build on competencies, and ensure we have a sustainable talent pipeline.
Macro-economic and Market	Growing VLGC newbuilding orders coupled with reducing LPG import/export volumes may exert downward pressure on freight rates. Challenging market conditions may be made worse if we use inferior data in our demand-supply model and make poor commercial decisions. Geopolitical risks may impact energy flows.	We closely monitor freight rates and market outlook, and subscribe to reputable research agencies to access quality market research reports. We leverage on in-house commercial expertise to maintain market agility, and choose not to add to the global orderbook. We also leverage on our Product Services division to capture market opportunities and maximise fleet utilisation.
Financial	As the business grows, we must ensure adequate risk management to combat unpredictable market fluctuations. Volatile market conditions can also increase the possibility of losses from hedging and cargo trading exposures.	We use financial instruments such as interest rate swaps, bunker swaps and freight forward agreements to hedge material exposures. Cross-departmental teams work closely with our risk management team to continuously check and monitor risk limits.
Technology	The ability to collect and make sense of data is critical to optimise assets and performance. To prevent obsolescence, we must continue to digitalise our vessels, increase automation, embrace promising new technology, and upgrade our IT infrastructure. The growing trend of automation and digitalisation, coupled with alternative working arrangements increase cybersecurity risks and risk of data breaches.	We invest in promising new technology (eg. SMARTShip) and regularly maintain and upgrade our hardware and systems on our vessels board and in our offices. We mitigate cybersecurity risks by implementing appropriate measures and conducting audits that identify potential vulnerabilities. We also conduct training to raise awareness of and alertness to cyber security threats.

4.4 Corporate Governance

Corporate Governance Comply or Explain Overview

	Section of the Code	Deviations
1	**Implementation and reporting on corporate governance**	None
2	**Business**	The Company's objectives are wider and more extensive.
3	**Equity and dividends**	The Company's issuance and purchase of its own shares are neither limited to a specific purpose nor to a specified period.
4	**Equal treatment of shareholders**	None
5	**Shares and Negotiability**	The Company may decline to register the transfer of any share if the transfer results in the Company being deemed a "Controlled Foreign Company" in Norway.
6	**General meetings**	The Chairman of the Board also acts as the Chair of the General meetings.
7	**Nomination committee**	A member of the Nomination committee is a member of the Board. (to be changed in 2022)
8	**Board of Directors: composition and independence**	None
9	**The work of the Board of Directors**	One of the two members of the Remuneration Committee is not independent of the Company's largest shareholder.
10	**Risk management and internal control**	None
11	**Remuneration of the Board of Directors**	None
12	**Remuneration of the executive personnel**	Performance-related remuneration to Executive Personnel are not subject to an absolute limit.
13	**Information and communications**	None
14	**Take-overs**	None
15	**Auditor**	None

1 I Implementation and Reporting on Corporate Governance

BW LPG Limited ("BW LPG" or the "Company") is a Bermuda limited liability company listed on the Oslo Børs (the Oslo Stock Exchange).

BW LPG is primarily governed by the Bermuda Companies Act, its Memorandum of Association and its Bye-laws. In addition, the Company is required to comply with certain aspects of the Norwegian Securities Trading Act, the Norwegian Accounting Act and the continuing obligations for companies listed on the Oslo Stock Exchange.

This Report provides an overall overview of the Company's Corporate Governance practices with specific reference to the Norwegian Code of Practice for Corporate Governance (the "Code") dated 14 October 2021 issued by the Norwegian Corporate Governance Board. Each individual point of the Code is reviewed and if the Company deviates from the Code, explanations have been provided. The Code is available at www.nues.no.

The Board of Directors (the "Board") believes that the best interests of the Company and its shareholders are best served by the adoption of business policies and practices which are legal, compliant, ethical, and open in relation to all dealings with customers, potential customers and other third parties. These policies are designed to be fair and in accordance with leading market practices on stakeholder relationships and are also sensitive to reasonable expectations of public interest.

The Company's Corporate Governance policy takes into account the Code and as such, includes self-regulatory corporate governance practices. The Company has developed its internal policies and practices, where appropriate, to meet requirements and recommendations of the Code.

The Corporate Governance of the Company is subject to review by the Board at least annually, and the Company's governance documents are reviewed annually to ensure continued relevance and accuracy.

The Company does not deviate from Section 1 of the Code.

2 I The Business

The business the Company is operating, and the objectives of the Company are described in the Company's Memorandum of Association. In accordance with common practice for Bermuda companies, the description of the Company's objectives is wider and more extensive than recommended in the Code. This represents a deviation from Section 2 of the Code.

The Board leads the Company's strategic planning and makes decisions and defines clear objectives, strategies and risk profile that forms the basis for the Company's Executive Personnel to prepare and carry out investments and structural measures to create value for the shareholders in a sustainable way. During this work, the Board takes into account economic, social and economic conditions. The Company's objectives, strategies and risk profiles are evaluated at least once yearly.

The Company's objectives and main strategies are described in the Annual Report.

The Company has implemented corporate values, ethical guidelines and guidelines for corporate social responsibility which reflect how the Company integrates considerations related to its stakeholders into its value creation. These values and guidelines are described in the Company's Code of Ethics and Business Conduct and internal policies.

3 I Equity and Dividends

The Board regularly evaluates the Company's capital requirements to ensure that the Company has a capital structure which is appropriate for its objectives, strategy and risk profile.

The Board has decided on a dividend policy for the Company to provide a degree of predictability and transparency on the determination of dividend payouts to shareholders. The policy highlights that when determining the quarterly dividend level, the Board will target a payout ratio of 50% of net profits after tax, and will take into consideration appropriate limits on leverage, capital expenditure plans, financing requirements, appropriate financial flexibility and anticipated cash flows. The dividend policy details can be found on the Company's website. In addition to cash dividends, the Company may buy back shares as part of its total distribution of capital to shareholders. Under the Bye-laws of the Company, the Board of Directors may declare dividends and distributions without the approval of the shareholders in general meetings. Dividend payouts which are approved at the Board Meetings of the Company are made in accordance with the dividend policy.

Pursuant to Bermuda law and in accordance with common practice for Bermuda incorporated companies, the Board has authority to issue any authorized unissued shares in the Company on such terms and conditions as it may decide and may exercise all powers of the Company to purchase the Company's own shares. The powers of the Board to issue and purchase shares are neither limited to specific purposes nor to a specified period as recommended in the Code. This represents a deviation from Section 3 of the Code.

4 I Equal Treatment of Shareholders

The Company has one class of shares. Each share in the Company carries one vote, and all shares carry equal rights, including the right to participate in general meetings. All shareholders will be treated on an equal basis, unless there is just cause for treating them differently.

Pursuant to Bermuda law and common practice for Bermuda incorporated companies, the shareholders of the Company do not have pre-emption rights in share issues unless otherwise resolved by the Company. Any decision to issue shares without pre-emption rights for existing shareholders will be justified in the common interest of the company and the shareholders. In the event that the Company carries out a share issue without pre-emption rights for existing shareholders, then the justification will be publicly disclosed in a stock exchange announcement issued in connection with the share issue.

Any transactions the Company carries out in its own shares will be carried out either through the Oslo Stock Exchange or with reference to prevailing stock exchange prices if carried out in another way. If there is limited liquidity in the Company's shares, the Company will consider other ways to ensure equal treatment of shareholders.

The Company does not deviate from Section 4 of the Code.

5 I Shares and Negotiability

In general, the shares in the Company are freely transferable. However, the Board may decline to register the transfer of any share, where such transfer would, in the opinion of the Board, likely result in 50% or more of the aggregate issued and outstanding share capital of the Company being held or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway, or alternatively, such shares being effectively connected to a Norwegian business activity, or the Company otherwise being deemed a "Controlled Foreign Company" as such term is defined pursuant to Norwegian tax legislation. The purpose of this provision is to avoid the Company being deemed a Controlled Foreign Company pursuant to Norwegian tax rules. This represents a deviation from Section 5 of the Code.

6 I General Meetings

The Annual General Meeting of the Company will normally take place on or before 31 May each year.

The Company encourages all shareholders to participate in and to vote at General Meetings. In order to facilitate shareholder participation, the Board ensures that:

- the resolutions and supporting documentation, if any, will be sufficiently detailed, comprehensive and specific to allow shareholders to understand and form a view on matters that are to be considered at the General Meeting;

- the registration deadline, if any, for shareholders to participate at the General Meeting will be set as closely to the date of the General Meeting as practically possible and permissible under the provision in the Bye-laws;
- the shareholders will have the opportunity to vote on each individual matter, including on each candidate nominated for election to the Company's Board and Committees (if applicable); and
- the members of the Board, the chairman of the nomination committee and the auditor (where attendance is regarded as essential) will have the opportunity to participate at the General Meeting.

Shareholders who cannot be present at the General Meeting will be given the opportunity to vote by proxy or to participate by using electronic means. The Company will in this respect:

- provide information on the procedure for attending by proxy in the notice;
- nominate a person who will be available to vote on behalf of shareholders as their proxy; and
- prepare a proxy form which will, insofar as this is possible, be formulated in such a manner that the shareholder can vote on each item that is to be addressed and vote for each of the candidates that are nominated for election.

Pursuant to common practice for Bermuda incorporated companies, the Company's Bye-laws stipulate that the Chairman of the Board will chair the General Meeting unless otherwise agreed by a majority of those shares represented at the meeting. In this respect, the Company deviates from Section 6 of the Code. However, there will be routines to ensure that an independent person is available to chair the General Meeting or a particular agenda with regards to any matters related to the Chairman.

The minutes of the Annual General Meeting will be published on the Company's website no later than 15 days after the date of the meeting, and a printed version can be made available upon request.

7 | Nomination Committee

The Company has a Nomination Committee appointed by the General Meeting with a Chairman elected by the General Meeting. The Nomination Committee is laid down in the Company's Bye-laws with guidelines approved at the Annual General Meeting.

The Nomination Committee has the responsibility of proposing candidates for election to the Board and the Nomination Committee, and proposing remuneration to be paid to members of these bodies. The Nomination Committee is available for contact with shareholders and maintains regular contact with the Board and the Company's Executive Personnel. As part of its work in proposing candidates for election to the Board and the Nomination Committee, the Nomination Committee will justify its recommendations for each candidate separately and strive to consult with relevant shareholders concerning proposals for appointment of candidates.

The members of the Nomination Committee have been selected to take into account a broad range of shareholder interests. In accordance with the recommendations of the Code, the Nomination Committee does not include the Company's Chief Executive Officer or any other Executive Personnel of the Company. One of the three members of the Company's Nomination Committee is a member of the Board. This represents a deviation from Section 7 of the Code, which will be changed in 2022.

An up-to-date composition of the Nomination Committee is available on the Company's website and the Company will provide shareholders with any deadlines for submitting proposals for candidates to the Nomination Committee.

8 I Board of Directors: Composition and Independence

The composition of the Board represents a broad cross-section of the Company's shareholders, which ensures that they can meet the Company's need for expertise, capacity, diversity and independence. The Board consists of five members, who continue to work together as a team to exercise proper supervision on the management of the Company. The majority (four of the five members) are independent of the Company's largest shareholder, the Executive Personnel, and material business connections of the Company. The Board does not include any Executive Personnel. The general meeting elects the chairman of the Board.

Members of the Board will serve for a term of two years, after which they would be re-evaluated before being considered for re-election. The value of continuity will be balanced against the need for renewal and independence. Where a member of the Board has served for a prolonged continuous period, consideration will be given as to whether the individual Board member in question is still considered independent of the Company's Executive Personnel.

Up-to-date information of the Board, the expertise of the Board members and the members which are considered independent is available on the Company's website and in the Annual Report.

Members of the Board are welcome to own shares in the Company.

The Company does not deviate from Section 8 of the Code.

9 I The Work of the Board of Directors

The Board is ultimately responsible for the management of the Company and for supervising its day-to-day management. The duties and tasks of the Board are detailed in the Company's Bye-laws. The Board has issued instructions for its own work as well as for the Executive Personnel with particular emphasis on clear internal allocation of responsibilities and duties. This Report and the instructions issued by the Board is based on the view that all decisions of unusual character or major importance rests with the Board, and the authority given to the CEO and other Executive Personnel is not considered to be of unusual character or major importance by the Company.

The Company and Board have put in place guidelines on the handling of agreements with related parties which require the Directors and Officers of the Company and Executive Personnel to notify the Board if they directly or indirectly have a material interest in any transaction carried out by the Company. Members of the Board of Directors and Executive Personnel cannot consider items in which they have a special and prominent interest so that such items can be considered in an unbiased and satisfactory way. In cases of transactions between the Company and a shareholder, a shareholder's parent company, Director, Officer or Executive Personnel of the Company or persons closely related to any such parties, or with another company in the same group, which are not immaterial for either the Company or the close associate involved, the Board will normally obtain a valuation from an independent third party, unless the Board is confident based on other relevant information such as benchmarking studies that it is unnecessary to obtain such valuation to ensure that values are not being transferred from the Company to related parties. Agreements with related parties are given account for in the Annual Report.

In order to conduct its work, the Board each year fixes in advance a number of regular scheduled meetings for the following calendar year, although additional meetings may be called by the Chairman. The directors will normally meet in person but if so allowed by the Chairman, may participate in the meeting by means of electronic communications. Minutes in respect of the meetings of the Board are kept by the Company in Bermuda.

The Board has established an Audit Committee as a preparatory and advisory committee for the Board, consisting of two members, both of which are also members of the Board. Both members of the Audit Committee are independent.

The Board has also established a Remuneration Committee in order to ensure thorough and independent preparation of matters relating to compensation paid to the Executive Personnel. The Remuneration Committee consists of two members, both of whom are also members of the Board, and one of the two members are not independent of the Company's largest shareholder. This represents a deviation from Section 9 of the Code.

Additionally, a Nomination Committee has been established, consisting of one Board member and two non-Board members. Details on the various board committees are available on the Company's website.

The Board carries out an annual evaluation of its performance and expertise. The various Board Committees are also reviewed for their effectiveness in executing their responsibilities.

10 I Risk Management and Internal Control

The Board ensures that the Company has sound internal control procedures and systems to manage its exposure to risks related to the conduct of the Company's business, to support the quality of its financial reporting, and to ensure compliance with laws and regulations. Such procedures and systems will contribute to securing shareholders' investment and the Company's assets and creating value for stakeholders.

Management and internal control is based on Company-wide policies and internal guidelines in addition to implementation and follow–up of a risk assessment process. The Company's risk management system is central to the Company's internal controls and ensures that the guidelines for integrating considerations related to stakeholders into its creation of value are known and adhered to.

The Board carries out an annual review of the Company's most important areas of exposure to risk and its internal control arrangements, and an annual supervisory plan for internal audit work is approved by the Audit Committee. The internal auditor is independent from the Executive Personnel and reports directly to the Audit Committee. The Audit Committee follows up on internal controls in connection with quarterly reviews of the Group's financial reporting.

The Company does not deviate from Section 10 of the Code.

11 I Remuneration of the Board of Directors

The Annual General Meeting of the Company decides the remuneration of the Board. The remuneration of the directors reflects its competence, level of activity, responsibility, use of resources and the complexity of the business activities.

The remuneration of the directors is not linked to the Company's performance and the directors do not receive profit-related remuneration, share options or retirement benefits from the Company.

Directors and/or companies with whom Directors are associated shall not normally undertake special tasks for the Company in addition to the directorship. However, if they do so, the entire Board shall be informed, and the fee will be approved by the Board.

The Company does not deviate from Section 11 of the Code.

12 I Remuneration of Executive Personnel

The Board has established guidelines that set out the main principles applied in determining the salary and other remuneration of the Executive Personnel. The Guidelines for Executive Remuneration are clear and understandable, and contribute to the Company's business strategy, long term interests and financial sustainability. They are communicated at the Annual General Meeting and are also made available on the Company's website. Any change in these guidelines will be formally communicated at the Annual General Meeting and updated on the website. Since the Guidelines for Executive Remuneration is not a requirement under Bermuda law, the Annual General Meeting has not voted over the guidelines.

Remuneration of the Executive Personnel is reviewed annually and approved by the Board based on recommendations by the Remuneration Committee. The Remuneration Committee considers the performance of the Executive Personnel and gathers information from comparable companies before making its recommendation to the Board. Such recommendation aims to ensure convergence of the financial interests of the Executive Personnel and the shareholders, and is made easily understandable. Performance-related remuneration to Executive Personnel are not subject to an absolute limit. This represents a deviation from Section 12 of the Code.

Details of Executive Personnel's remuneration and any share option programs can be found in the Company's Consolidated Financial Statements.

13 I Information and Communications

The Company is committed to provide information in a manner that contributes to establishing and maintaining confidence with important interest groups and stakeholders. The information shall be based upon openness and equal treatment of all shareholders. A precondition for the share value to reflect the underlying values in the Company is that all relevant information is disclosed to the market. Based on this and subject to applicable laws and regulations, the Company will keep the shareholders informed about profit developments, prospects and other relevant factors for their analysis of the Company's position and value.

The Company publishes an updated financial calendar with dates for important events such as the Annual General Meeting, publishing of interim reports, public presentations and payment of dividends (if applicable) on the Company's website.

Public investor presentations are arranged in connection with submission of annual and quarterly results for the Company. The presentations are also available on the Company's website. Furthermore, continuous dialogue is held with, and presentations are given to analysts and investors, ensuring that at all times, existing and prospective investors have symmetrical access to share-price sensitive information.

Shareholders may contact the Company's investor relations contact at **investor.relations@bwlpg.com** [§].

The Company does not deviate from Section 13 of the Code.

14 I Take-overs

In the event of a take-over process, which shall be decided by the General Meeting, the Board will act in accordance with the following principles:

- the Board will ensure that the offer is made to all shareholders, and on the same terms;
- the Board will ensure that the shareholders have sufficient information and time to assess the offer;

- the Board will not undertake any actions intended to give any shareholder or others an unreasonable advantage at the expense of other shareholders or the Company;
- the Board will strive to be completely open about the take-over situation;
- the Board will not attempt to prevent or impede the take-over bid unless this has been decided by the shareholders in a General Meeting in accordance with applicable law;
- the Board will not institute measures which have the intention of protecting the personal interests of its members at the expense of the interests of the shareholders;
- the Board will ensure that the values and interests of all shareholders are safeguarded and that the Company's activities are not unnecessarily interrupted.

If an offer is made for the Company's shares, the Board will issue a statement evaluating the offer and making a recommendation as to whether shareholders should or should not accept the offer. If the Board finds itself unable to give a recommendation to the shareholders on whether to accept the offer, it will explain the reasons for this. The Board's statement on a bid will make it clear whether the views expressed are unanimous, and if this is not the case, it will explain the reasons why specific members of the Board have excluded themselves from the statement.

The Board will consider whether to arrange a valuation from an independent expert. If any director, or close associates of such director, or anyone who has recently held a position but has ceased to hold such a position as a director, is either the bidder or has a particular personal interest in the bid, the Board will arrange an independent valuation. This will also apply if the bidder is a major shareholder. Any such valuation will either be enclosed with the Board's statement, reproduced or referred to in the statement.

The Company does not deviate from Section 14 of the Code.

15 | Auditor

The Company's auditor is appointed by the Annual General Meeting of the Company and is responsible for the audit of the Consolidated Financial Statements of the Company.

The Auditor participates in the Audit Committee's review and discussion of the annual accounts and quarterly interim accounts. In these meetings, the Audit Committee is informed of the annual and quarterly accounts and issues of special interest. Further, the Auditor reviews for key aspects of the audit, any material changes in the Company's accounting principles, comments on any material estimated accounting figures and reports on all material matters on which there has been disagreement between the Auditor and the Executive Personnel of the Company.

The Board and the Audit Committee will at least once a year review the Company's internal control procedures relating to its financial reporting process, including weaknesses identified by the Auditor and proposals for improvement, together with the Auditor.

The Board holds a meeting with the Auditor at least once a year at which no representative of the Executive Personnel is present. The Board also determines the right of the Executive Personnel to use the Auditor for purposes other than auditing.

The Auditor confirms his independence in writing to the Audit Committee annually.

The Company does not deviate from Section 15 of the Code.

4.5 Board of Director's Report

Andreas Sohmen-Pao
Chairman

Anne Grethe Dalane

Martha Kold Bakkevig

Andrew E.Wolff

Sonali Chandmal

Financial Performance

Our Time-Charter Equivalent (TCE) income decreased to US$466 million in 2021 from US$551 million in 2020, due to lower freight rates and fleet utilisation. The latter was largely caused by an increase in technical off-hire days for nine LPG propulsion upgrades. The market was helped by shipping inefficiencies from delays at the Panama Canal, and strong winter heating demand in Q4 2021. In a year characterized by extreme market volatility, we are pleased to report VLGC TCE earnings of US$31,400 per calendar day in 2021 vs US$36,400 per calendar day in 2020. Our achieved day rate based on available days was US$33,500 in 2021 from US$37,900 in 2020 and we achieved a commercial utilisation rate of 97% in 2021 from 98% in 2020.

BW LPG reported a net profit after tax (NPAT) of US$186 million in 2021 versus US$244 million in 2020, with a decline in ROCE and ROE to 10% and 14% respectively in 2021, from 12% and 20% respectively in 2020. The decrease in NPAT and returns from 2021 were mainly driven by our lower TCE income. Some of this was offset by a write-back of impairment of US$32 million to our vessel value, and one-off transactions amounting to US$34 million which include the sale of six vessels and increasing our equity share in our Indian joint venture to 88.4%. On the latter, our equity investment in BW LPG India was accounted for as a subsidiary from Q1, and the remeasurement of our existing equity interest was a gain of US$ 9.8 million. This gain was derived from an uplift in asset values relating to the vessels in the joint venture prior to the transaction. In December, we announced that Maas Capital entered into an Agreement to acquire a minority stake in BW LPG India. Following this transaction, BW LPG will own approximately 67% in BW LPG India.

Parent Company Accounts

Vessels and related assets, as well as external debt financing, are held in subsidiary companies within BW LPG. The investment holding company's balance sheet includes primarily receivables from subsidiaries as well as shareholders' equity, trade payables and accrued expenses. Total assets are US$1,121 million, shareholders' equity is US$1,121 million, and total liabilities are US$0.3 million. Income is solely from dividends from our subsidiary of US$150 million. Expenses of US$4 million consists of overhead and other costs related to the operations of the investment holding company as a listed entity.

Safety

Safety is a fundamental priority at BW LPG, and the Board is conscious that safety performance is a continuous process. BW LPG has programmes to cultivate and emphasize a "Zero Harm" safety culture on shore and at sea. In 2021, our LTIF (Lost Time Injury Frequency per million working hours) was 0.28 and our TRCF (Total Recordable Case Frequency) was 1.42. There were zero fatalities and zero port state detentions.

Sustainability

This year's Sustainability Report has been streamlined to provide key highlights and updates. This Report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core option. The report also includes reference to the United Nations Sustainable Development Goals (UN SDGs), Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD). The Report includes progress and performance in the context of activities relating to environmental, social and governance considerations for the financial year ended 31 December 2021. Over the course of the year, we added nine LPG-powered VLGCs to our fleet, for a total of 12 VLGCs on water – the largest fleet serving customers with the sector's lowest emissions profile. We continue to play our part to decarbonise our operations, maximise the value of our assets, and not add unneeded tonnage with related carbon footprint.

Corporate Governance

Global borders continued to be largely closed in 2021. The Board held three meetings virtually, and one face-to-face meeting in November. The November Board meeting was held in Bermuda and was conducted in a manner that was compliant with local safe-distancing requirements.

Risk

BW LPG is exposed to various market, operational, and financial risks. The most significant risks are set out in the IPO (Initial Public Offering) prospectus issued in November 2013. That document and other information on risks are available on the Company's website at www.bwlpg.com. BW LPG employs an enterprise-wide risk assessment process to analyse and evaluate risk exposures and to allocate appropriate resources to risk mitigation activities. BW LPG's risk mitigation activities consider the unpredictability of shipping and financial markets. BW LPG's main risks relate to the inherently cyclical nature of the shipping industry and the consequent inherent volatility of financial performance; the potential for oversupply of shipping capacity to negatively impact freight rates and asset values; and the dependence on continued export volumes of relevant hydrocarbons to maintain demand for shipping. BW LPG has also purchased and maintain a Directors and Officers Liability Insurance issued by a reputable, specialised insurer with appropriate rating.

Going Concern

In light of BW LPG's liquidity position, balance sheet strength, assets, employment, and continuing cash flow from operations, the Board confirms that the going concern assumption, upon which BW LPG's accounts are prepared, continues to apply.

4.6 Responsibility Statement

We confirm that, to the best of our knowledge, the financial statements for the year 1 January to 31 December 2021 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the Company taken as a whole. We also confirm that the Board of Directors' Report includes a true and fair view of the development and performance of the business and the position of the Group and the Company, together with a description of the principal risks and uncertainties facing the Group and the Company.

Andreas Sohmen-Pao
Chairman

Anne Grethe Dalane
Director

Andrew E. Wolff
Director

Martha Kold Bakkevig

Martha Kold Bakkevig
Director

Sonali Chandmal
Director

Foreword
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Governance

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Other Information

BW LPG LIMITED
(Incorporated in Bermuda)
AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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Hong Leong Building
Singapore 048581

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Internet www.kpmg.com.sg

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF BW LPG LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BW LPG Limited ("the Company") and its subsidiaries ("the Group"). The financial statements comprise:

- The balance sheet of the Company as at 31 December 2021, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

- The consolidated balance sheet of the Group as at 31 December 2021, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company and the Group as at 31 December 2021, and their financial performance, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) and the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ('ACRA Code') together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements, the IESBA Code and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (continued)

The key audit matter	How the matter was addressed in our audit
Impairment assessment of vessels Refer to note 2(a)(2) and note 8 of the Group's financial statements. As at 31 December 2021, the carrying value of the Group's vessels including dry docking, amounted to US$1,792 million (2020: US$1,754 million). The Group's vessels are measured at cost less accumulated depreciation and impairment loss. Management considers each vessel to be a separate cash generating unit ("CGU" or "vessel"). In FY 2021, the Group primarily wrote-back impairment charges to their recoverable amounts, following the sustained recovery of freight rates and asset prices, from the time when the impairment losses were recognised. The assessment of the recoverable amounts of the vessels were based on the higher of fair value less cost to sell and value-in-use calculation. The recoverable amount of each vessel is estimated based on independent third party valuation reports, which made reference to comparable transaction prices of similar vessels. The Group has assessed that the brokers has the required competency and capability to perform the valuations. The Group had also considered the appropriateness of the valuation methodologies and assumptions used by the brokers. The determination of the recoverable amount of these vessels involves a high degree of judgement owing to the cyclical nature of freight rates, which results in estimation uncertainties.	We have performed the following audit procedures: • We assessed the Group's process for identifying and reviewing the CGUs subject to impairment/ reversal of impairment testing. • We evaluated the independence, competency and objectivity of the independent brokers. • We assessed the valuation methodologies and key assumptions used by the independent brokers in determining vessel valuations. No significant matters were noted from our procedures performed.

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF BW LPG LIMITED (continued)

Other Information

Management is responsible for the other information. The other information comprises all information included in the annual report, but does not include the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable *assurance* is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company or the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Assurance Conclusion

We were engaged by the Board of Directors of BW LPG Limited to report on the "5493006WBEME88YFDW23-2021-12-31-en" (the "ESEF file") in the form of an independent reasonable assurance conclusion about whether the ESEF file has been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Based on the procedures performed described in this report and evidence obtained, in our opinion, the ESEF file have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities

Management is responsible for preparing, tagging and publishing the Group's consolidated financial statements in the single electronic reporting format required in ESEF, that is free from material misstatement.

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the ESEF file that is free from material misstatement whether due to fraud or error and those internal controls relevant to the processes over the preparation, tagging and publication of the ESEF file. It also includes ensuring that the Group complies with the requirements of ESEF, selecting and applying appropriate policies and procedures in relation to the financial information; making judgements and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the ESEF file.

Our Responsibilities

Our responsibility is examine the ESEF file prepared by Management and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 – "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the Group's consolidated financial statements have been prepared in accordance with the ESEF, in all material respects.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the IESBA Code and the ACRA Code, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF BW LPG LIMITED (continued)

Our Responsibilities (continued)

The procedures selected depend on our judgment. As part of our work, we performed procedures to obtain an understanding of the Group's processes for preparing its consolidated financial statements in the ESEF. We evaluated the completeness and accuracy of the iXBRL tagging and assessed Management's use of judgement. Our work comprised reconciliation of the consolidated financial statements tagged under the ESEF with the audited consolidated financial statements in human-readable format.

The engagement partner on the audit resulting in this independent auditors' report is Ling Su Min.

KPMG LLP
KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
1 March 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2021

	Note	2021 US$'000	2020 US$'000
Revenue from spot voyages		508,947	679,337
Voyage expenses	4	(222,220)	(260,961)
Net income from spot voyages		286,727	418,376
Revenue from time charter voyages		178,856	132,397
TCE income^		465,583	550,773
Net (loss)/gain from commodity contracts	3	(3,631)	897
Fair value gain from equity financial asset	15	1,995	8,301
Vessel operating expenses	4	(100,147)	(99,757)
Time charter contracts (non-lease components)	4	(14,427)	(13,573)
General and administrative expenses	4	(32,582)	(22,758)
Charter hire expenses	4	(9,409)	(12,260)
Finance lease income		1,025	1,898
Other operating income – net	4	3,296	480
Operating profit before depreciation, amortisation and impairment (EBITDA)		311,703	414,001
Depreciation charge	8	(153,653)	(152,206)
Amortisation of intangible assets		(546)	(241)
		157,504	261,554
Gain on derecognition of right-of-use assets		2,536	-
Gain on disposal of vessels		4,290	2,886
Gain on disposal of assets held-for-sale		18,642	9,079
Write-back of impairment charge on vessels	8	31,901	8,200
Remeasurement of equity interest in joint venture	27	9,835	-
Other expense		(1,146)	-
Operating profit (EBIT)		223,562	281,719
Foreign currency exchange loss - net		(792)	(205)
Interest income		3,435	4,142
Interest expense		(38,552)	(43,559)
Derivative loss		-	(18)
Other finance expense		(2,743)	(2,822)
Finance expense - net		(38,652)	(42,462)
Share of profit of a joint venture	11	2,031	5,095
Profit before tax for the financial year		186,941	244,352
Income tax expense	7(a)	(521)	(499)
Profit after tax for the financial year (NPAT)		186,420	243,853

^ "TCE income" denotes "time charter equivalent income" which represents revenue from time charters and voyage charters less voyage expenses comprising primarily fuel oil, port charges and commission.

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)
For the financial year ended 31 December 2021

	Note	2021 US$'000	2020 US$'000
Other comprehensive income/(loss):			
Items that may be subsequently reclassified to profit or loss:			
Cash flow hedges			
- fair value gain/(loss)		34,782	(69,818)
- reclassification to profit or loss		8,863	29,106
Currency translation reserve		(2,870)	(34)
Other comprehensive income/(loss), net of tax		40,775	(40,746)
Total comprehensive income for the financial year		227,195	203,107
Profit attributable to:			
Equity holders of the Company		184,821	243,853
Non-controlling interests		1,599	-
		186,420	243,853
Total comprehensive income attributable to:			
Equity holders of the Company		225,933	203,107
Non-controlling interests		1,262	-
		227,195	203,107
Earnings per share attributable to the equity holders of the Company:			
(expressed in US$ per share)			
Basic and diluted earnings per share	6	1.33	1.76

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET
As at 31 December 2021

	Note	2021 US$'000	2020 US$'000
Intangible assets		1,878	1,949
Loan receivables from a joint venture	9	-	115,150
Finance lease receivables	10	10,526	18,061
Investment in a joint venture	11	-	5,027
Total other non-current assets		10,526	138,238
Vessels and dry docking	8	1,791,685	1,754,338
Right-of-use assets (vessels)	8	107,736	147,266
Other property, plant and equipment	8	77	136
Property, plant and equipment	8	1,899,498	1,901,740
Total non-current assets		1,911,902	2,041,927
Inventories	12	54,584	15,057
Trade and other receivables	13	191,630	197,824
Equity financial assets, at fair value	15	3,250	28,259
Derivative financial instruments	16	23,682	7,969
Loan receivables from a joint venture	9	-	18,073
Finance lease receivables	10	7,535	17,266
Assets held-for-sale	14	39,027	-
Cash and cash equivalents	17	132,673	90,256
Total current assets		452,381	374,704
Total assets		2,364,283	2,416,631
Share capital	18	1,419	1,419
Share premium	18	289,812	289,812
Treasury shares	18	(23,294)	(16,895)
Contributed surplus		685,913	685,913
Other reserves		(42,436)	(86,207)
Retained earnings		460,648	377,528
		1,372,062	1,251,570
Non-controlling interests		13,837	-
Total shareholders' equity		1,385,899	1,251,570
Borrowings	19	659,781	730,732
Lease liabilities	20	86,140	143,428
Derivative financial instruments	16	12,962	32,958
Other provisions		-	1,165
Total non-current liabilities		758,883	908,283
Borrowings	19	82,508	126,791
Lease liabilities	20	46,400	45,018
Derivative financial instruments	16	11,983	42,805
Current income tax liabilities	7(b)	1,231	995
Trade and other payables	21	77,379	41,169
Total current liabilities		219,501	256,778
Total liabilities		978,384	1,165,061
Total equity and liabilities		2,364,283	2,416,631

The accompanying notes form an integral part of these consolidated financial statements.

BW LPG LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2021

		Attributable to equity holders of the Company												
	Note	Share capital US$'000	Share premium US$'000	Treasury shares US$'000	Contributed surplus US$'000	Capital reserve US$'000	Hedging reserve US$'000	Share-based payment reserve US$'000	Currency translation reserve US$'000	Other reserves US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 1 January 2021		1,419	289,812	(16,895)	685,913	(36,259)	(50,314)	457	(91)	-	377,528	1,251,570	-	1,251,570
Profit for the financial year		-	-	-	-	-	-	-	-	-	184,821	184,821	1,599	186,420
Other comprehensive income/(loss) for the financial year		-	-	-	-	-	43,645	-	(2,533)	-	-	41,112	(337)	40,775
Total comprehensive income/(loss) for the financial year		-	-	-	-	-	43,645	-	(2,533)	-	184,821	225,933	1,262	227,195
Share-based payment reserve - Value of employee services		-	-	-	-	-	-	465	-	-	-	465	-	465
Purchases of treasury shares	18	-	-	(7,336)	-	-	-	-	-	-	-	(7,336)	-	(7,336)
Transfer of treasury shares	18	-	-	937	-	-	-	-	-	-	-	937	-	937
Dividends paid	26	-	-	-	-	-	-	-	-	-	(99,507)	(99,507)	-	(99,507)
Acquisition of subsidiary	27	-	-	-	-	-	-	-	-	-	-	-	12,575	12,575
Others	18	-	-	-	-	-	-	-	-	2,194	(2,194)	-	-	-
Total transactions with owners, recognised directly in equity		-	-	(6,399)	-	-	-	465	-	2,194	(101,701)	(105,441)	12,575	(92,866)
Balance at 31 December 2021		1,419	289,812	(23,294)	685,913	(36,259)	(6,669)	922	(2,624)	2,194	460,648	1,372,062	13,837	1,385,899

The accompanying notes form an integral part of these consolidated financial statements.

BW LPG LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
For the financial year ended 31 December 2021

		Attributable to equity holders of the Company									
	Note	Share capital US$'000	Share premium US$'000	Treasury shares US$'000	Contributed surplus US$'000	Capital reserve US$'000	Hedging reserve US$'000	Share-based payment reserve US$'000	Currency translation reserve US$'000	Retained earnings US$'000	Total US$'000
Balance at 1 January 2020		1,419	289,812	(14,432)	685,913	(36,259)	(9,602)	230	(57)	260,289	1,177,313
Profit for the financial year		-	-	-	-	-	-	-	-	243,853	243,853
Other comprehensive loss for the financial year		-	-	-	-	-	(40,712)	-	(34)	-	(40,746)
Total comprehensive (loss)/income for the financial year		-	-	-	-	-	(40,712)	-	(34)	243,853	203,107
Share-based payment reserve - Value of employee services		-	-	-	-	-	-	227	-	-	227
Purchases of treasury shares	18	-	-	(2,463)	-	-	-	-	-	-	(2,463)
Dividends paid	26	-	-	-	-	-	-	-	-	(126,614)	(126,614)
Total transactions with owners, recognised directly in equity		-	-	(2,463)	-	-	-	227	-	(126,614)	(128,850)
Balance at 31 December 2020		1,419	289,812	(16,895)	685,913	(36,259)	(50,314)	457	(91)	377,528	1,251,570

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2021

	Note	2021 US$'000	2020 US$'000
Cash flows from operating activities			
Profit before tax for the financial year		186,941	244,352
Adjustments for:			
- amortisation of intangible assets		546	241
- depreciation charge	8	153,653	152,206
- write-back of impairment charge on vessels	8	(31,901)	(8,200)
- gain on disposal of assets held-for-sale		(18,642)	(9,079)
- gain on disposal of vessels		(4,290)	(2,886)
- gain on derecognition of right-of-use assets (vessels)		(2,536)	-
- remeasurement of equity interest in joint venture	27	(9,835)	-
- interest income		(3,435)	(4,142)
- interest expense		38,552	43,559
- other finance expense		2,249	1,981
- share-based payments		465	227
- share of profit of a joint venture	11	(2,031)	(5,095)
- finance lease income		(1,025)	(1,898)
- fair value gain from equity financial asset	15	(1,995)	(8,301)
		306,716	402,965
Changes in working capital:			
- inventories		(39,096)	25,625
- trade and other receivables		(1,316)	(10,157)
- trade and other payables		33,158	(17,637)
- derivative financial instruments		(22,885)	13,238
- margin account held with broker		30,874	(15,215)
Total changes in working capital:		735	(4,146)
Tax paid	7(b)	(148)	(1,064)
Net cash provided by operating activities		307,303	397,755
Cash flows from/(used in) investing activities			
Additions in property, plant and equipment		(187,336)	(44,512)
Progress payments for vessel upgrades and dry docks[1]		15,967	(20,738)
Additions in intangible assets		(475)	(1,186)
Net proceeds from sale/(purchase) of equity financial asset, at FVPL	15	27,004	(19,958)
Proceeds from sale of assets held-for-sale		143,605	40,999
Proceeds from sale of vessels		50,884	-
Repayment of loan receivables from a joint venture		1,900	15,400
Repayment of finance lease receivables	10	17,266	22,265
Interest received		2,270	5,612
Acquisition of subsidiary, net of cash acquired	27(b)	4,633	-
Net cash from/(used in) investing activities		75,718	(2,118)
Cash flows (used in)/from financing activities			
Proceeds from bank borrowings		218,670	220,000
Payment of financing fees		(2,099)	-
Repayments of bank borrowings		(301,323)	(427,804)
Payment of lease liabilities	20	(48,621)	(51,742)
Interest paid		(34,577)	(43,426)
Other finance expense paid		(2,275)	(1,911)
(Purchases)/transfer of treasury shares		(5,540)	(2,463)
Drawdown of trust receipts		23,994	200,574
Repayment of trust receipts		(58,452)	(199,420)
Dividend payment	26	(99,507)	(126,614)
Net cash used in financing activities		(309,730)	(432,806)

[1] This will be reclassified from "prepayments" to "property, plant and equipment" upon completion.

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
For the financial year ended 31 December 2021

	Note	2021 US$'000	2020 US$'000
Net increase/(decrease) in cash and cash equivalents		**73,291**	(37,169)
Cash and cash equivalents at beginning of the financial year	17	**56,356**	93,525
Cash and cash equivalents at end of the financial year	17	**129,647**	56,356

Reconciliation of liabilities arising from financing activities

	Borrowings US$'000	Lease liabilities US$'000	Interest rate swaps* US$'000
At 1 January 2021	**857,523**	**188,446**	**34,235**
Cash changes:			
Proceeds from bank borrowings and trust receipts	240,566	-	-
Principal and interest payments	(376,287)	(55,110)	(11,576)
	(135,721)	(55,110)	(11,576)
Non-cash changes:			
Interest expense	20,487	6,489	11,576
Changes in fair value of interest rate swaps	-	-	(20,095)
Additions to lease liabilities	-	20,866	-
Derecognition of lease liabilities	-	(28,151)	-
	20,487	(796)	(8,519)
At 31 December 2021	**742,289**	**132,540**	**14,140**
At 1 January 2020	1,064,040	217,895	9,905
Cash changes:			
Proceeds from bank borrowings and trust receipts	420,574	-	-
Principal and interest payments	(654,311)	(60,292)	(8,238)
	(233,737)	(60,292)	(8,238)
Non-cash changes:			
Interest expense	27,220	8,550	7,789
Changes in fair value of interest rate swaps	-	-	24,779
Additions to lease liabilities	-	22,293	-
	27,220	30,843	32,568
At 31 December 2020	857,523	188,446	34,235

* Interest rate swaps are hedged against certain portions of bank borrowings.

The accompanying notes form an integral part of these consolidated financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1. General information

BW LPG Limited (the "Company") is listed on the Oslo Stock Exchange and incorporated and domiciled in Bermuda. The address of its registered office is c/o Inchona Services Limited, Washington Mall Phase 2, 4th Floor, Suite 400, 22 Church Street, HM 1189, Hamilton HM EX, Bermuda.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are shipowning and chartering (note 29).

These consolidated financial statements were authorised for issue by the Board of Directors of the Company on 1 March 2022.

2. Significant accounting policies

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

New standards, amendments to published standards and interpretations, adopted by the Group

The Group has adopted all the relevant new standards, amendments and interpretations to published standards as of 1 January 2021.

Other than the amendment relating to the interest rate benchmark reform – Phase 2 Amendments, the adoption of these new standards, amendments, and interpretations to published standards does not have a material impact on the consolidated financial statements.

The Group applied the Phase 2 amendments retrospectively. In accordance with the approach permitted in the Phase 2 amendments, the Group has elected not to restate comparatives for the prior periods. There is no impact to opening equity balances on adoption of the amendments as the Group has not replaced any benchmark rate with an alternative benchmark rate as at 31 December 2020.

Specific policies applicable from 1 January 2021 for interest rate benchmark reforms

The Phase 2 amendments provide practical relief from certain requirements in IFRS. These reliefs relate to modifications of financial instruments and lease contracts or hedging relationships triggered by a replacement of a benchmark interest rate in a contract with a new alternative benchmark rate.

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, then the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

2. Significant accounting policies (continued)

(a) Basis of preparation (continued)

New standards, amendments to published standards and interpretations, adopted by the Group (continued)

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

If other changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, then the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. Subsequently, the Group applies the policies on accounting for modifications to the additional changes.

The amendments also provide an exception to use a revised discount rate that reflects the change in interest rate when remeasuring a lease liability because of a lease modification that is required by interest rate benchmark reform.

Finally, the Phase 2 amendments provide a series of temporary exceptions from certain hedge accounting requirements when a change required by interest rate benchmark reform occurs to a hedged item and/or hedging instrument that permit the hedge relationship to be continued without interruption. The Group applies the following reliefs as and when uncertainty arising from interest rate benchmark reform with respect to the timing and the amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument is no longer present:

- the Group amends the designation of a hedging relationship to reflect changes that are required by the reform without discontinuing the hedging relationship; and
- when a hedged item in a cash flow hedge is amended to reflect the changes that are required by the reform, the amount accumulated in the cash flow hedge reserve is deemed to be based on the alternative benchmark rate on which the hedged future cash flows are determined.

Where uncertainty persists in the timing or amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument, the Group continues to apply the existing accounting policies disclosed in note 2(g). See also note 24 for related disclosures about risks, financial assets and financial liabilities indexed to IBOR and hedge accounting.

Critical accounting estimates, assumptions and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires Management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. Significant accounting policies (continued)

(a) Basis of preparation (continued)

Critical accounting estimates, assumptions and judgements (continued)

The following is a summary of estimates and assumptions which have a material effect.

(1) Useful life and residual value of assets

The Group reviews the useful life and residual value of its vessels at the balance sheet date and any adjustments are made on a prospective basis. Residual value is estimated as the lightweight tonnage (LWT) of each vessel multiplied by the scrap steel price per LWT. If estimates of the residual values are revised, the amount of depreciation charge in the future years will be changed.

The useful lives of the vessels are assessed periodically based on the condition of the vessels, market conditions and other regulatory requirements. If the estimates of useful lives for the vessels are revised or there is a change in useful lives, the amount of depreciation charge recorded in future years will be changed.

See note 8(d) for further disclosures.

(2) Impairment

The Group assesses at the balance sheet dates whether there is any objective evidence or indication that the values of the intangible assets, and property, plant and equipment may be impaired. If any such indication exists, the Group will estimate the recoverable amount of the asset, and write down the asset to the recoverable amount. The assessment of the recoverable amounts of the vessels is based on the higher of fair value less cost to sell and value-in-use calculations, with each vessel being regarded as one cash generating unit. The recoverable amount of vessels is estimated predominantly based on independent third party broker valuations.

Changes to these brokers' estimates may significantly impact the impairment charges recognised and future changes may lead to reversals of currently recognised impairment charges.

See note 8(c) for further disclosures.

2. Significant accounting policies (continued)

(a) Basis of preparation (continued)

Critical accounting estimates, assumptions and judgements (continued)

(3) Revenue recognition

All voyage revenues, demurrage and voyage expenses are recognised on a percentage of completion basis. Load-to-discharge basis is used in determining the percentage of completion for all spot voyages and voyages servicing contracts of affreightment. Under this method, voyage revenue is recognised rateably over the period from the point of loading of the current voyage to the point of discharge of the current voyage.

Management uses its judgement in estimating the total number of days of a voyage based on historical trends, the operating capability of the vessel (speed and fuel consumption) and the distance of the trade route. Actual results may differ from estimates.

Revenue from time charters (net of any incentives given to lessees accounted for as operating leases) is recognised on a straight-line basis over the lease term.

Demurrage income is assessed at a percentage of the total estimated claims issued to customers. The estimation of this rate is based on the historical actual demurrage recovered over the total estimated claims issued to customers.

(b) Revenue and income recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the Group's activities, net of rebates, discounts, off-hire charges and after eliminating sales within the Group.

(1) Rendering of services

Revenue from time charters accounted for as operating leases is recognised in profit or loss on a straight-line basis over the lease term.

Revenue from voyage charters is recognised rateably over the estimated length of the voyage within the respective reporting period, in the event the voyage commences in one reporting period and ends in the subsequent reporting period. No additional disclosures in relation to the incremental cost of obtaining the contract and the remaining performance obligation with an original duration of one year or less are made as the Group has applied the practical expedients available in the standard. Additionally, as the Group typically receives payments within one year from the start of the voyage, there are no additional disclosures made.

The Group determines the percentage of completion of voyage revenue using the load-to-discharge method. Under this method, voyage revenue is recognised evenly over the period from the point of loading of the current voyage to the point of discharge of the current voyage.

2. Significant accounting policies (continued)

(b) Revenue and income recognition (continued)

(1) Rendering of services (continued)

Demurrage revenue is recognised as revenue from voyage charter based on percentage of completion, consistent with the basis of recognising voyage freight revenue and is assessed at a percentage of the total estimated claims issued to customers. The estimation of this rate is based on the historical actual demurrage recovered over the total estimated claims issued to customers.

(2) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(c) Group accounting

(1) Subsidiaries

(i) Consolidation

Subsidiaries are entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

2. Significant accounting policies (continued)

(c) Group accounting (continued)

(1) Subsidiaries (continued)

(ii) Acquisitions

The Group uses the acquisition method of accounting to account for business combinations.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group.

The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date, and any gains or losses arising from such re-measurement are recognised in profit or loss.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (i) the consideration transferred, the amount of any non-controlling interest in the acquiree, and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair values of the identifiable net assets acquired, is recorded as goodwill.

The excess of: (i) fair value of the net identifiable assets acquired over the (ii) consideration transferred; the amount of any non-controlling interest in the acquiree; and the acquisition-date fair value of any previous equity interest in the acquiree; is recorded in the profit or loss during the period when it occurs.

The Group has an option to apply a "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

2. Significant accounting policies (continued)

(c) Group accounting (continued)

(1) Subsidiaries (continued)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

(2) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in a separate reserve within equity attributable to the equity holders of the Company.

(3) Joint venture

A joint venture is an entity over which the Group has joint control as a result of contractual arrangements and rights to the net assets of the entity.

Investment in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investment in a joint venture is initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on joint venture represents the excess of the cost of acquisition of the joint venture over the Group's share of the fair value of the identifiable net assets of the joint venture and is included in the carrying amount of the investment.

2. Significant accounting policies (continued)

(c) Group accounting (continued)

(3) Joint venture (continued)

(ii) Equity method of accounting

Under the equity method of accounting, the investment is initially recognised at cost and adjusted thereafter to recognise the Group's share of its joint venture's post-acquisition profits or losses in the Group's profit or loss and its share of the joint venture's other comprehensive income in the Group's other comprehensive income. Dividend received or receivable from the joint venture is recognised as a reduction of the carrying amount of the investment. When the Group's share of losses in a joint venture equals to or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations to make, or has made, payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of a joint venture are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investment in joint venture is derecognised when the Group loses joint control. If the retained equity interest in the former joint venture is a financial asset, the retained equity interest is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

(d) Intangible assets

Computer software

Acquired computer software are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable costs of preparing the assets for its intended use. They are subsequently carried at cost less accumulated amortisation and impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated remaining useful lives of 5 years.

The useful lives are reviewed, and adjusted as appropriate, at least annually. The effects of any revision in estimate are recognised in profit or loss when the changes arise.

2. Significant accounting policies (continued)

(e) Property, plant and equipment

(1) Measurement

(i) Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses (note 2(f)).

(ii) The cost of an item of property, plant and equipment initially recognised includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

(iii) If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components of property, plant and equipment.

(2) Depreciation

(i) Depreciation on property, plant and equipment is calculated using a straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Vessels	25 years
Dry docking/Scrubbers	2.5 - 5 years
Furniture and fixtures	3 - 5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at least annually. The effects of any revision in estimate are recognised in profit or loss when the changes arise.

The Group revised the useful life of its vessels from 30 years to 25 years on 1 January 2020 and has applied this revision on a prospective basis.

(ii) Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. The remaining carrying amount of the old component as a result of a replacement will be written off to profit or loss.

2. Significant accounting policies (continued)

(e) Property, plant and equipment (continued)

(3) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment, including replacing a significant component, that has already been recognised, is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(4) Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

(f) Impairment of non-financial assets

Intangible assets with finite lives, property, plant and equipment and investment in a joint venture are tested for impairment whenever there is any objective evidence or an indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset (or CGU) is reversed if, and only if, there has been a change in the estimates used to determine the asset's (or CGU's) recoverable amount since the last impairment loss was recognised. The carrying amount of this asset (or CGU) is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of impairment loss for an asset (or CGU) is recognised in profit or loss.

2. Significant accounting policies (continued)

(g) Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedge instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either: (a) fair value hedge or (b) cash flow hedge.

For derivative financial instruments that are not designated or do not qualify for hedge accounting, any fair value gains or losses are recognised in profit or loss as derivative gain/(loss) when the change arises.

At the inception of the transaction, the Group documents the relationship between the hedging instruments and hedged items as well as, the risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

Hedge effectiveness is determined at the inception of the hedging relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is classified as a current asset or liability.

The fair value of derivative financial instruments represents the amount estimated by banks or brokers that the Group will receive or pay to terminate the derivatives at the balance sheet date.

2. Significant accounting policies (continued)

(g) Derivative financial instruments and hedging activities (continued)

Hedges directly affected by interest rate benchmark reform

Phase 1 amendments: Prior to interest rate benchmark reform – when there is uncertainty arising from interest rate benchmark reform

For the purpose of evaluating whether there is an economic relationship between the hedged item(s) and the hedging instrument(s), the Group assumes that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

For a cash flow hedge of a forecast transaction, the Group assumes that the benchmark interest rate will not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss.

The Group will cease to apply the specific policy for assessing the economic relationship between the hedged item and the hedging instrument (i) to a hedged item or hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the respective item or instrument or (ii) when the hedging relationship is discontinued. For its highly probable assessment of the hedged item, the Group will no longer apply the specific policy when the uncertainty arising from interest rate benchmark reform about the timing and the amount of the interest rate benchmark-based future cash flows of the hedged item is no longer present, or when the hedging relationship is discontinued.

Phase 2 amendments: Replacement of benchmark interest rates – when there is no longer uncertainty arising from interest rate benchmark reform

The basis for determining the contractual cash flows of the hedged item or the hedging instrument may be modified as required by the IBOR reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:
- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e the basis immediately before the change.

For these modifications, the Group amends the hedge documentation of that hedging relationship to reflect the change(s) required by interest rate benchmark reform when there is no longer uncertainty about the cash flows of the hedged item or the hedging instrument.

For this purpose, the hedge designation is amended only to make one or more of the following changes:
- designating an alternative benchmark rate as the hedged risk;
- updating the description of hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
- updating the description of the hedging instrument.

2. Significant accounting policies (continued)

(g) Derivative financial instruments and hedging activities (continued)

Hedges directly affected by interest rate benchmark reform

Phase 2 amendments: Replacement of benchmark interest rates – when there is no longer uncertainty arising from interest rate benchmark reform (continued)

The Group amends the description of the hedging instrument only if the following conditions are met:

- it makes a change required by interest rate benchmark reform by changing the basis for determining the contractual cash flows of the hedging instrument or using another approach that is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- the original hedging instrument is not derecognised.

These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If other changes are made in addition to those changes required by interest rate benchmark reform described above, then the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by interest rate benchmark reform as mentioned above.

(1) Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates. The Group hedges up to 75% of its floating rate borrowings and the hedged item is identified as a proportion of the outstanding amount of the borrowings. As all critical terms matched during the year, the economic relationship was assessed to be 100% effective.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the fair value reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest swaps are recognised immediately in profit or loss.

2. Significant accounting policies (continued)

(g) Derivative financial instruments and hedging activities (continued)

(2) Forward bunker swaps

The Group has entered into forward bunker swaps that are cash flow hedges for the Group's exposure to cash flow variability for its forecasted bunker purchases. These contracts entitle the Group to receive bunker at floating rates and oblige the Group to pay for bunker at fixed prices, or in some contracts to pay a fixed incremental spread (between high and low sulphur fuel oil) for low sulphur fuel oil. It was assessed that the economic relationship between the forward bunker swaps and the hedged item was effective as the critical terms match.

The fair value changes on the effective portion of the forward bunker swaps designated as cash flow hedges are recognised in other comprehensive income. Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss.

(3) Forward freight agreements (FFAs)

The Group has entered into FFAs that are cash flow hedges for the Group's exposure to cash flow variability for its forecasted freight earnings. These contracts entitle the Group to receive fixed freight rates and oblige the Group to pay floating freight rates for the volumes transacted. This effectively hedges the forecasted freight revenue contracted at future market freight rates. It was assessed that the economic relationship between the FFAs and the hedged item was effective as the critical terms match.

The fair value changes on the effective portion of the FFAs designated as cash flow hedges are recognised in other comprehensive income. Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss.

(h) Financial assets

(1) Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as a FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets at amortised costs, are presented as "loan receivables from a joint venture" (note 9), "finance lease receivables" (note 10) "trade and other receivables" (note 13) and "cash and cash equivalents" (note 17) in the consolidated balance sheet.

2. Significant accounting policies (continued)

(h) Financial assets (continued)

(1) Financial assets at amortised cost (continued)

These financial assets are initially recognised at their fair values plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

The Group managed these groups of financial assets by collecting the contractual cash flow and these cash flows represent solely payment of principal and interest. Accordingly, these groups of financial assets are measured at amortised cost subsequent to initial recognition.

The Group assesses on a forward looking basis the expected credit losses (ECLs) associated with these groups of financial assets.

For trade receivables, finance lease receivables and other receivables – related party, the Group applied the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For loan receivables from a joint venture and cash and cash equivalents, the general 3 stage approach is applied. Credit loss allowance is based on 12-month ECL if there is no significant increase in credit risk since the initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime ECL will be calculated and recognised.

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is more than 90 days past due.

When the asset becomes uncollectible, it is written off against the allowance amount. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period by the amount of ECL reversal that is required to adjust the loss allowance to the amount that is required to be recognised at the reporting date.

2. Significant accounting policies (continued)

(h) Financial assets (continued)

(1) Financial assets at amortised cost (continued)

These assets are presented as current assets except for those that are expected to be realised later than 12 months after the balance sheet date, which are presented as non-current assets.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(2) Equity Investments

Equity investments are initially recognised at its fair value. Transaction costs are expensed in profit or loss.

(i) The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as fair value through profit or loss ("FVPL") with movements in their fair values recognised in profit or loss in the period in which the changes arise. Dividends from equity investments are recognised in profit or loss as "dividend income".

(ii) On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any differences between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

(i) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to profit or loss over the period of the borrowings using the effective interest method.

Borrowings are presented as current liabilities in the consolidated balance sheet unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

(j) Borrowing costs

Borrowing costs are recognised in the consolidated statement of comprehensive income using the effective interest method except for those costs that are directly attributable to the construction of vessels. This includes those costs on borrowings acquired specifically for the construction of vessels, as well as those in relation to general borrowings used to finance the construction of vessels.

2. Significant accounting policies (continued)

(j) Borrowing costs (continued)

Borrowing costs on borrowings acquired specifically for the construction of vessels are capitalised in the cost of the vessel under construction during the period of construction until the Group takes delivery of the vessels. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to the construction expenditures that are financed by general borrowings.

The basis for determining the contractual cash flows of the borrowing may be modified as required by the IBOR reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

For this purpose, the Group updated the effective interest rate of the borrowing to reflect the change that is required.

If other changes are made in addition to those changes required by interest rate benchmark reform described above, then the Group first updated the effective interest rate of the borrowing to reflect the change that is required by interest rate benchmark reform. Then the Group applied the policies on accounting for modification to the additional changes.

(k) Trade and other payables

Trade and other payables represent liabilities to pay for goods or services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method, and are derecognised when the Group's obligation has been discharged or cancelled or expired.

(l) Leases

(1) As a lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group recognised a right-of-use asset and lease liability at the lease commencement date. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

2. Significant accounting policies (continued)

(l) Leases (continued)

(1) As a lessee: (continued)

The right-of-use assets are subsequently carried at cost less accumulated depreciation and accumulated impairment losses (note (2f)). Depreciation is calculated on straight-line method from the commencement date to the to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or it is reasonably certain that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

Right-of-use assets are presented within "Right-of-use assets (vessels)".

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. From 1 January 2021, where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments not dependent on an index or rate and lease payments arising from leases with lease terms less than 12 months are recognised as an expense as incurred, or on a straight-line basis over the lease term and presented within "charter hire expenses".

Payments made in relation to the non-lease components of the leases are recognised as an expense on a straight-line basis over the lease term.

2. Significant accounting policies (continued)

(l) Leases (continued)

(1) As a lessor:

The Group time charters vessels to non-related parties under operating lease agreements. The leases have varying terms.

Lessor – Finance leases

Leases where the Group has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases. The leased asset is derecognised and the present value of the lease receivable is recognised on the balance sheet. Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable. The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease (see note 2(h)).

Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognised over the lease term.

Lessor – Operating leases

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

(2) As an intermediate lessor

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "Finance lease receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in the statement of comprehensive income. Lease liability relating to the head lease is retained on the balance sheet, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognise lease income from sublease in profit or loss within "Revenue from time charter voyages". The right-of-use asset relating to the head lease is not derecognised.

2. Significant accounting policies (continued)

(m) Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices for financial assets are the current bid prices; the appropriate market prices used for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used.

(n) Inventories

Inventories comprise fuel oil remaining on board and liquefied petroleum gas held for trading purposes.

Fuel oil is measured at the lower of cost (on a first-in, first-out basis) and net realisable value.

Liquefied petroleum gas held for trading purposes are measured at fair value less costs to sell. Any change in fair value is recognised in profit or loss for the period in which it arose.

(o) Provisions for other liabilities and charges

Provisions are recognised when the Group has a present legal or constructive obligation where as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. When the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in profit or loss as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2. Significant accounting policies (continued)

(p) Foreign currency translation

(1) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements of the Group are presented in United States Dollars ("US$"), which is the functional currency of the Company.

(2) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss within "finance expense – net".

(3) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from United States Dollars are translated into United States Dollars as follows:

(i) Assets and liabilities are translated at the closing rate at the reporting date;

(ii) Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates on the transactions); and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

2. Significant accounting policies (continued)

(q) Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be classified as an asset.

(1) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(2) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(3) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share-based payment reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the shares options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based payment reserve over the remaining vesting period.

When the share options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share-based payment reserve are credited to share capital (nominal value) and share premium, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are reissued to the employees.

(r) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(s) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and short-term bank deposits less margin account held with brokers which are subject to an insignificant risk of change in value.

2. Significant accounting policies (continued)

(t) Share capital and treasury shares

Common shares are classified as equity. Incremental costs directly attributable to the issuance of new common shares are deducted against share premium, a component of the share capital account.

When any entity within the Group purchases the Company's common shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

(u) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

(v) Dividend to Company's shareholders

Dividend to Company's shareholders is recognised when the dividend is approved.

(w) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to Management whose members are responsible for allocating resources and assessing performance of the operating segments.

(x) Non–current assets (or disposal groups) held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale and carried at the lower of carrying amount and fair value less costs to sell if its carrying amount is recovered principally through a sale transaction rather than through continuing use. The asset is not depreciated or amortised while it is classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

2. Significant accounting policies (continued)

(y) Commodity contracts

Contracts to buy and sell commodities are accounted for as derivatives at fair value through profit or loss. Accordingly, the net settlement of these contracts are presented within "Net (loss)/gain from commodity contracts" on the Consolidated Statement of Comprehensive Income.

(z) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

The Group is involved in certain claims, litigations and disputes. Due to the nature of these disputes and matters, and the uncertainty of the outcome, the Group believes that possible obligations arising is remote and the amount of exposure cannot currently be determined.

3. Net (loss)/gain from commodity contracts

	2021 US$'000	2020 US$'000
Net settlement of commodity sale contracts and derivatives*	431,063	247,878
Net settlement of commodity purchase contracts and derivatives	(434,694)	(246,981)
Net (loss)/gain from commodity contracts	(3,631)	897

* Excluded from this amount is US$57.6 million (2020: US$68.0 million) which relates to voyage revenue, recognised proportionately on a load-to-discharge basis, and recorded within "Revenue from spot voyages" on the Consolidated Statement of Comprehensive Income.

4. Expenses by nature

	2021 US$'000	2020 US$'000
Fuel oil consumed	132,399	165,310
Port charges	70,854	75,226
Other voyage expenses	18,967	20,425
Voyage expenses	222,220	260,961

4. Expenses by nature (continued)

	2021 US$'000	2020 US$'000
Manning costs	48,213	52,007
Maintenance and repair expenses	32,736	31,165
Insurance expenses	4,716	3,740
Other vessel operating expenses	14,482	12,845
Vessel operating expenses	100,147	99,757
Employee compensation (note 5)	18,017	11,631
Directors' fees	377	397
Audit and other attestation fees	241	207
Other general and administrative expenses	13,947	10,523
General and administrative expenses	32,582	22,758
Time charter-in expenses (short-term)	6,572	8,496
Time charter-in expenses (variable payments)	2,837	3,764
Charter hire expenses	9,409	12,260
Time charter contracts (non-lease components)	14,427	13,573
Sundry income	(1,153)	(1,656)
Other operating (income)/expenses	(2,143)	1,176
Other operating (income)/expenses – net	(3,296)	(480)

5. Employee compensation

	2021 US$'000	2020 US$'000
Wages and salaries	16,970	11,035
Share-based payments - equity settled	631	227
Post-employment benefits - contributions to defined contribution plans	416	369
	18,017	11,631

6. Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of common shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of common shares outstanding during the financial year, after adjusting for all dilutive potential ordinary shares. The potential common shares arising from the Company's equity-settled, share-based compensation plan does not have a material impact on the computation of basic earnings per share.

6. Basic and diluted earnings per share (continued)

	2021	2020
Net profit attributable to equity holders of the Company (US$'000)	184,821	243,853
Weighted average number of common shares outstanding ('000)	138,951	138,234
Basic and diluted earnings per share (US$ per share)	1.33	1.76

7. Income tax expense

(a) Income tax expense

	2021 US$'000	2020 US$'000
Tax expense attributable to profit is made up of:		
- profit for the financial year:		
current income tax	563	390
- (over)/under-provision in prior financial years:		
current income tax	(42)	109
	521	499

(b) Movement in current income tax liabilities

	2021 US$'000	2020 US$'000
At beginning of the financial year	995	1,560
Income tax expense	521	499
Income tax paid	(148)	(1,064)
Currency effects	(137)	-
At end of the financial year	1,231	995

There are no income, withholding, capital gains or capital transfer taxes payable in Bermuda. Income tax expense reconciliation is as follows:

	2021 US$'000	2020 US$'000
Profit before tax	186,941	244,352
Tax calculated at a tax rate of 0% (2020: 0%)	-	-
Effects of different tax rates in other countries	521	499
Income tax expense	521	499

8. Property, plant and equipment

	Vessels US$'000	Dry docking US$'000	Furniture and fixtures US$'000	Right-of-use assets (Vessels) US$'000	Total US$'000
Cost					
At 1 January 2021	2,250,450	68,444	546	213,408	2,532,848
Additions	157,395	29,932	9	20,866	208,202
Acquisition of subsidiary	189,999	7,001	-	-	197,000
Disposals	(148,055)	(9,130)	-	(57,615)	(214,800)
Reclassified to assets held-for-sale (note 14)	(179,155)	(8,206)	-	-	(187,361)
Write off on completion of dry docking costs	-	(24,313)	-	-	(24,313)
Currency effects	(3,547)	(114)	-	-	(3,661)
At 31 December 2021	2,267,087	63,614	555	176,659	2,507,915
Accumulated depreciation and impairment charge					
At 1 January 2021	520,253	44,303	410	66,142	631,108
Depreciation charge	104,030	14,774	68	34,781	153,653
Disposals	(59,138)	(5,454)	-	(32,000)	(96,592)
Write-back of impairment charge	(31,901)	-	-	-	(31,901)
Reclassified to assets held-for-sale (note 14)	(22,567)	(804)	-	-	(23,371)
Write off on completion of dry docking costs	-	(24,313)	-	-	(24,313)
Currency effects	(124)	(43)	-	-	(167)
At 31 December 2021	510,553	28,463	478	68,923	608,417
Net book value					
At 31 December 2021	1,756,534	35,151	77	107,736	1,899,498
Cost					
At 1 January 2020	2,363,978	81,469	546	191,115	2,637,108
Additions	30,942	13,570	-	22,293	66,805
Disposals	(118,912)	(3,793)	-	-	(122,705)
Reclassified to assets held-for-sale (note 14)	(25,558)	(5,291)	-	-	(30,849)
Write off on completion of dry docking costs	-	(17,511)	-	-	(17,511)
At 31 December 2020	2,250,450	68,444	546	213,408	2,532,848

8. Property, plant and equipment (continued)

	Vessels US$'000	Dry docking US$'000	Furniture and fixtures US$'000	Right-of-use assets (Vessels) US$'000	Total US$'000
Accumulated depreciation and impairment charge					
At 1 January 2020	487,735	54,090	285	26,086	568,196
Depreciation charge	100,613	15,612	125	35,856	152,206
Disposals	(35,332)	(2,597)	-	-	(37,929)
(Write-back of)/Impairment charge	(12,400)	-	-	4,200	(8,200)
Reclassified to assets held-for-sale (note 14)	(20,363)	(5,291)	-	-	(25,654)
Write off on completion of dry docking costs	-	(17,511)	-	-	(17,511)
At 31 December 2020	520,253	44,303	410	66,142	631,108
Net book value					
At 31 December 2020	1,730,197	24,141	136	147,266	1,901,740

(a) Vessels with an aggregate carrying amount of US$1,791.7 million as at 31 December 2021 (2020: US$1,619.3 million) are secured on borrowings (note 19).

(b) As at 31 December 2021, the Group has capital commitments relating to vessel upgrade of US$11.5 million (2020: US$70.6 million).

(c) In FY 2021, the Group wrote-back an impairment charge amounting to US$31.9 million (FY 2020: US$12.4 million) of certain vessels to their recoverable amounts following the recovery of the freight market and asset prices from when the impairment losses were recognised. The assessment of the recoverable amounts of the vessels were based on the higher of fair value less cost to sell and value-in-use calculation, with each vessel being regarded as one cash generating unit. The recoverable amount of each vessel is estimated based on independent third party valuation reports, which made reference to comparable transaction prices of similar vessels. These are regarded as level 2 fair values under the fair value hierarchy of IFRS 13 Fair value measurement that is also applicable for financial assets/liabilities. The Group has assessed that the brokers had the required competency and capability to perform the valuations. The Group had also considered the appropriateness of the valuation methodologies and assumptions used by the brokers.

(d) On 1 January 2020, the Group revised the useful life of its vessels from 30 years to 25 years given the recent developments in market conditions arising from new regulatory requirements. The revision has been applied on a prospective basis from 1 January 2020. The increase in depreciation for FY 2020 was US$23 million. The expected increase in depreciation is US$21 million per year till FY 2025 and a decrease of US$128 million in aggregate thereafter, calculated based on the Group's current fleet of vessels as at 31 December 2020.

9. Loan receivables from a joint venture

In Q2 2021, the Group converted US$80.6 million of loan receivables from the joint venture into equity, increasing its equity ownership in the joint venture from 50% to 88.4% (note 27). The remaining balance was repaid in cash.

10. Finance lease receivables

In 2019, back-to-back time charter contracts were entered into and the subleases were accounted for as finance leases under IFRS 16. The adoption of IFRS 16 resulted in the recognition of net investment in subleases as finance lease receivables and the movements as follows:

	2021 US$'000	2020 US$'000
At beginning of the financial year	**35,327**	57,592
Repayments	**(17,266)**	(22,265)
At end of the financial year	**18,061**	35,327

The table below sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	Less than 1 year US$'000	Between 1 and 2 years US$'000	Between 2 and 3 years US$'000	Between 3 and 4 years US$'000	Between 4 and 5 years US$'000	Total US$'000
At 31 December 2021						
Undiscounted lease receivables	8,120	8,120	2,707	-	-	18,947
Less: Unearned finance income	(585)	(278)	(23)	-	-	(886)
	7,535	**7,842**	**2,684**	**-**	**-**	**18,061**
At 31 December 2020						
Undiscounted lease receivables	18,291	8,120	8,120	2,707	-	37,238
Less: Unearned finance income	(1,025)	(585)	(278)	(23)	-	(1,911)
	17,266	7,535	7,842	2,684	-	35,327

11. Investment in a joint venture

The movement in the investments in joint venture is as follows:

	2021 US$'000	2020 US$'000
At beginning of the financial year	**5,027**	2,861
Share of profit after tax	**2,031**	5,095
Unrealised profit on disposal of vessels between related parties	**(1,639)**	(2,895)
Deemed disposal of joint venture (note 27)	**(5,419)**	-
Currency translation adjustments	**-**	(34)
At end of the financial year	**-**	5,027

12. Inventories

	2021 US$'000	2020 US$'000
Fuel oil, at cost	26,595	15,057
Liquefied petroleum gas, held for trading	27,989	-
	54,584	15,057

13. Trade and other receivables

	2021 US$'000	2020 US$'000
Trade receivables – non-related parties	143,723	148,784
Other receivables – non-related parties	17,083	2,413
Other receivables – related parties^	1,317	1,589
	162,123	152,786
Prepayments	29,507	45,038
	191,630	197,824

^ Related parties refer to corporations controlled by a shareholder of the Company.

Contract assets – accrued revenue of US$35.1 million (2020: US$56.6 million) had been presented within "Trade receivables – non-related parties". These relate to the Group's rights to consideration for proportional performance from voyage charters-in-progress at the balance sheet date. The contract assets are transferred to trade receivables when the rights become unconditional which typically occurs in the next financial year. This usually occurs when the Group invoices the customers.

Other receivables due from related parties comprise mainly advances for vessel operating expenses. They are unsecured, interest-free and repayable on demand. The carrying amounts of trade and other receivables, principally denominated in US$, approximate their fair values due to the short-term nature of these balances.

14. Assets held-for-sale

	2021 US$'000	2020 US$'000
At beginning of the financial year	-	26,725
Reclassified from property, plant and equipment (note 8)	163,990	5,195
Disposal	(124,963)	(31,920)
At end of the financial year	39,027	-

As at 31 December 2021, assets held-for-sale comprised one VLGC that has been committed for sale to a non-related party.

15. Equity financial assets, at fair value

	2021 US$'000	2020 US$'000
At beginning of financial year	28,259	-
Additions	4,072	19,958
Disposals	(31,076)	-
Fair value gains	1,995	8,301
At end of financial year	3,250	28,259

16. Derivative financial instruments

	2021 Assets US$'000	2021 Liabilities US$'000	2020 Assets US$'000	2020 Liabilities US$'000
Interest rate swaps	-	(14,140)	-	(34,235)
Forward freight agreements and related bunker swaps	17,442	(10,789)	3,108	(18,761)
Commodity contracts and derivatives	6,079	-	4,146	(22,767)
Forward foreign exchange contracts	161	(16)	715	-
	23,682	(24,945)	7,969	(75,763)
Non-current	-	(12,962)	-	(32,958)
Current	23,682	(11,983)	7,969	(42,805)
	23,682	(24,945)	7,969	(75,763)

As at 31 December 2021, the Group has interest rate swaps with total notional principal amounting to US$519.4 million (2020: US$587.8 million). The Group's interest rate swaps mature between 2022 to 2028.

Interest rate swaps were transacted to hedge the interest rate risk on bank borrowings. After taking into account the effects of these contracts, for part of the bank borrowings, the Group would effectively pay fixed interest rates ranging from 1.3% per annum to 2.9% per annum and would receive a variable rate equal to either US$ three-month LIBOR or US$ six-month LIBOR. Hedge accounting was adopted for these contracts.

Forward freight agreements and related bunker swaps were transacted to hedge freight rates and bunker price risks. Hedge accounting was adopted for these contracts.

Commodity contract derivatives comprise physical buy and sell commodity contracts measured at fair value through profit or loss, and commodity derivative contracts. The Group did not adopt hedge accounting for these contracts.

Forward foreign exchange contracts were transacted to hedge foreign exchange risks. The Group did not adopt hedge accounting for these contracts.

17. Cash and cash equivalents

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	2021 US$'000	2020 US$'000
Cash and cash equivalents per consolidated balance sheet	132,673	90,256
Less: Margin account held with broker *	(3,026)	(33,900)
Cash and cash equivalents per consolidated statement of cash flows	129,647	56,356

* Margin account held with brokers are collateral for open derivative financial instruments.

18. Share capital and other reserves

(a) Issued and fully paid share capital

(i) As at 31 December 2021 and 2020, the Company's share capital comprised 141,938,998 fully paid common shares with a par value of US$0.01. Fully paid common shares carry one vote per share and carry a right to dividend as and when declared by the Company.

(ii) The Company operates two equity-settled, share-based compensation plans. The 2015 Long-Term Incentive Plan ("LTIP 2015") was fully vested in 2018 and common shares of 2,197 were issued to certain employees. The LTIP 2015 was replaced by a 2017 Long-Term Incentive Plan ("LTIP 2017"). For LTIP 2017, at the end of the vesting periods between February 2021 and February 2024, common shares of 2,012,424 (2020: 1,657,424) may be issued to certain employees.

(b) Share premium

The differences between the consideration for common shares issued and their par value are recognised as share premium.

(c) Capital reserve

As at 31 December 2021 and 31 December 2020, negative capital reserve amounted to US$36.3 million, which comprises negative reserve arising from the business acquisition of entities under common control using the pooling-of-interest method of accounting of US$41.5 million and a gain on disposal of treasury shares of US$5.2 million in December 2015.

(d) Other reserve

Other reserve comprise of US$2.2 million of tonnage tax reserves of the Group's subsidiary, BW Global United LPG India Private Limited. This amount is computed based on the subsidiary's profits pursuant to Section 115 JB to Tonnage tax reserve.

18. Share capital and other reserves (continued)

(e) Share-based payment reserve

Certain employees are entitled to receive common shares in the Company. This award is recognised as an expense in the consolidated profit or loss with a corresponding increase in the share-based payment reserve over the vesting periods. For the year ended 31 December 2021, an expense of US$0.47 million (2020: US$0.23 million) was recognised in the consolidated profit or loss with a corresponding increase (2020: increase) recognised in the share-based payment reserve.

(f) Treasury shares

	Number of shares		Amount	
	2021 '000	2020 '000	2021 US$'000	2020 US$'000
Balance as at 1 January	3,842	3,321	16,895	14,432
Transfer of treasury shares	(213)	-	(937)	-
Purchases of treasury shares	1,372	521	7,336	2,463
Balance as at 31 December	5,001	3,842	23,294	16,895

Pursuant to the Company's Long-term Management Share Option Plan ("LTIP 2017") announced on 21 April 2017, the fourth tranche of 521,424 shares were purchased during the period from 4 March 2020 to 3 June 2020 at an average price of US$4.72 (NOK44.10) per share for an aggregate consideration of US$2.5 million (NOK23.0 million).

On 30 March 2021, 213,000 shares were transferred to certain members of the management in settlement of their exercising of certain vested options granted under LTIP 2017.

On 8 December 2021, the Company announced a share buy-back programme, under which the Company will purchase up to 10 million common shares for a maximum amount of US$50 million, to be held as treasury shares. As at 31 December 2021, the Company has purchased a total of 1,371,192 of its own common shares at an average price of US$5.33 (NOK47.96) per share for an aggregate consideration of US$7.3 million (NOK65.8 million).

19. Borrowings

	2021 US$'000	2020 US$'000
Borrowings		
Bank borrowings	740,243	821,169
Trust receipts	-	34,457
Interest payable	2,046	1,897
	742,289	857,523
Non-current	659,781	730,732
Current	82,508	126,791
	742,289	857,523

19. Borrowings (continued)

As at 31 December 2021, bank borrowings amounting to US$742.3 million (2020: US$823.1 million) are secured by mortgages over certain vessels of the Group (note 8). These bank borrowings are interest bearing at three-month or six-month US Dollar LIBOR plus a margin. The carrying amounts of non-current and current borrowings approximate their fair values because interest rates are repriced on a regular basis.

20. Lease liabilities

	2021 US$'000	2020 US$'000
At beginning of financial year	188,446	217,895
Additions	20,866	22,293
Lease modifications	(28,151)	-
Repayments	(48,621)	(51,742)
At end of financial year	132,540	188,446
Non-current	86,140	143,428
Current	46,400	45,018
	132,540	188,446

21. Trade and other payables

	2021 US$'000	2020 US$'000
Trade payables – non-related parties	38,570	6,418
Other payables – non-related parties	151	178
Other payables – related parties^	7	16
Charter hire received in advance	4,591	6,633
Other accrued operating expenses	34,060	27,924
	77,379	41,169

^ Related parties refer to corporations controlled by a shareholder of the Company.

The carrying amounts of trade and other payables, principally denominated in US$, approximate their fair values due to the short-term nature of these balances.

Other payables due to related parties are unsecured, interest-free and are payable on demand.

22. Related party transactions

In addition to the information disclosed elsewhere in the consolidated financial statements, the following transactions took place between the Group and related parties during the financial year at terms agreed between the parties:

(a) Services

	2021 US$'000	2020 US$'000
Corporate service fees charged by related parties^	6,731	6,724
Ship management fees charged by related parties^	1,501	2,073
Corporate service fees charged to related parties^	181	468

^ Related parties refer to corporations controlled by a shareholder of the Company.

(b) Key management's remuneration

	2021 US$'000	2020 US$'000
Salaries and other short-term employee benefits	3,252	2,114
Post-employment benefits - contributions to defined contribution plans and share-based payment	533	193
Directors' fees	377	397
	4,162	2,704

(c) Others

	2021 US$'000	2020 US$'000
Interest income from a joint venture	1,849*	3,617
Sale of vessels to a joint venture	45,000*	90,000

* Transactions with a joint venture prior to acquisition (note 27)

23. Commitments

(a) Commitments – as a lessor

The Group time charters vessels to non-related parties under operating lease agreements. The leases have varying terms.

The future minimum lease payments receivable under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	2021 US$'000	2020 US$'000
Less than one year	40,257	78,340
One to two years	14,485	16,837
	54,742	95,177

(b) Sub-leasing – as a lessor

Included within "Revenue from time charter voyages" was income from sub-leasing of right-of-use assets of US$15.6 million (2020: US$3.4 million).

24. Financial risk management

The Group's activities expose it to a variety of financial risks. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on financial performance of the Group. Where applicable, the Group uses financial instruments such as interest rate swaps, forward freight agreements, bunker swaps, and commodity contracts to hedge certain financial risk exposures.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group.

(a) Market risk

(i) Fuel price risk

The Group is exposed to the risk of variations in fuel oil costs, which are affected by the global political and economic environment. In 2021, fuel oil costs comprised 36% (2020: 42%) of the Group's total operating expenses (excluding amortisation, depreciation and charter hire expenses).

(ii) Currency risk

The Group's business operations are not exposed to significant foreign exchange risk as it has no significant regular transactions denominated in foreign currencies.

(iii) Equity price risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified as equity financial assets, at FVPL. These securities are unquoted. If prices for these equity securities increase/decrease by 20% with other variables including tax rate being held constant, the profit after tax will be higher/lower by approximately US$0.7 million (2020: US$2.8 million).

(iv) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's bank borrowings are at variable rates. The Group has entered into interest rate swaps to swap floating interest rates to fixed interest rates for certain portions of the bank borrowings (note 19). If the US$ interest rates increase/decrease by 10 basis points (2020: 15 basis points) with all other variables including tax rate being held constant, the profit after tax will be lower/higher by approximately US$0.3 million (2020 profit after tax will be lower/higher by approximately US$0.4 million) as a result of higher/lower interest expense on these borrowings; the other comprehensive loss will be lower/higher by approximately US$1.4 million (2020: other comprehensive loss will be lower/higher by approximately US$2.9 million).

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. The Group's main IBOR exposure at 31 December 2021 was indexed to US dollar LIBOR. The alternative reference rate for the US dollar LIBOR is the Secured Overnight Financing Rate (SOFR). US dollar LIBOR is expected to be discontinued after June 2023. The Group is in the process of implementing appropriate fallback provisions for all US dollar LIBOR indexed exposures by the end of 2022.

24. Financial risk management (continued)

(a) Market risk (continued)

(iv) Interest rate risk (continued)

The Group holds derivatives for risk management purposes, some of which are designated in hedging relationships. These derivatives have floating legs that are mainly indexed to US dollar LIBOR. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA)'s master agreements. While ISDA has provided fallback provisions for the cessation of IBOR, the Group plans to negotiate the modifications of the derivatives in conjunction with the hedged instruments to minimise hedge ineffectiveness.

The Group monitors the progress of transition from IBORs to new benchmark rates by reviewing the total amounts of contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause. The Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to IBOR reform, even if it includes a fallback clause that deals with the cessation of the existing IBOR (referred to as an 'unreformed contract'). As at 1 January 2021 and at 31 December 2021, the Group does not yet have any contracts with appropriate fallback clauses.

The Group holds interest rate swaps for risk management purposes which are designated in cash flow hedging relationships. The interest rate swaps have floating legs that are indexed to various IBORs. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA) master agreements. ISDA is currently reviewing its standardised contracts in the light of IBOR reform. When ISDA has completed its review, the Group expects to negotiate the inclusion of new fall-back clauses with its derivative counterparties. No derivative instruments have been modified as at 31 December 2021.

The Group has evaluated the extent to which its cash flow hedging relationships are subject to uncertainty driven by IBOR reform as at 31 December 2021. The Group's hedged items and hedging instruments continue to be indexed to various IBORs. These benchmark rates are quoted each day and the IBOR cash flows are exchanged with its counterparties as usual.

The Group's cash flow hedging relationships extend beyond the anticipated cessation date for IBOR. However, there is uncertainty about when and how replacement may occur with respect to the relevant hedged items and hedging instruments. Such uncertainty may impact the hedging relationship. The Group applies the amendments to IFRS 9 issued in December 2019 to those hedging relationships directly affected by IBOR reform.

Hedging relationships impacted by IBOR reform may experience ineffectiveness attributable to market participants' expectations of when the shift from the existing IBOR benchmark rate to an alternative benchmark interest rate will occur. This transition may occur at different times for the hedged item and hedging instrument, which may lead to hedge ineffectiveness.

24. Financial risk management (continued)

(b) Credit risk

Credit risk is diversified over a range of counterparties including several key charterers. The Group performs ongoing credit evaluation of its charterers and has policies in place to ensure that credit is extended only to charterers with appropriate credit histories or financial resources. In this regard, the Group is of the opinion that the credit risk of counterparty default is appropriately mitigated. In addition, although the trade and other receivables consist of a small number of customers, the Group has policies in place for the control and monitoring of the concentration of credit risk. The Group has implemented policies to ensure cash is only deposited with internationally recognised financial institutions with good credit ratings.

The Group's credit risk is primarily attributable to trade and other receivables, finance lease receivables, amounts due from related parties and cash and cash equivalents. The Group has assessed the ECL as at 31 December 2021 and 31 December 2020 based on past events, current conditions and forecasts of future economic conditions:

(i) General approach

- trade receivables are neither past due nor impaired and are substantially from companies with a good collection track record with the Group; and
- finance lease receivables are due from customers with good credit standing, and in the event of default, the Group would be entitled to repossess the vessels chartered.

(ii) Simplified approach

- bank deposits are not impaired and are mainly deposits with banks with credit-ratings assigned by international credit-rating agencies; and
- other receivables from related parties are not past due.

Based on the assessment of the qualitative factors that are indicative of the risk of default, there have been no significant increases in the credit risk since the initial recognition of these financial assets, as such, the expected credit losses based on the 12-month ECLs has been assessed to be insignificant.

There is no significant balance as at the balance sheet date that is past due as substantial portions of the trade and other receivables represent accrued revenue for voyage charters-in-progress, unbilled receivables from time charters and unbilled demurrage receivables at the balance sheet date. The maximum exposure is represented by the carrying value of each financial asset on the consolidated balance sheet before taking into account any collateral held.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group maintains sufficient cash for its daily operations via short-term cash deposit at banks and has access to unutilised portion of revolving facilities offered by financial institutions.

24. Financial risk management (continued)

(c) Liquidity risk (continued)

The table below analyses non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date on an undiscounted basis.

	Less than 1 year US$'000	Between 1 and 2 years US$'000	Between 2 and 5 years US$'000	Over 5 years US$'000
At 31 December 2021				
Trade and other payables	72,788	-	-	-
Bank borrowings	92,529	91,622	321,824	290,788
Lease liabilities	50,809	35,793	56,208	-
	216,126	127,415	378,032	290,788
At 31 December 2020				
Trade and other payables	34,536	-	-	-
Bank borrowings	106,129	106,498	199,971	488,058
Trust receipts	34,457	-	-	-
Lease liabilities	51,676	43,655	99,385	12,097
	226,798	150,153	299,356	500,155

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend paid, return capital to shareholders, obtain new borrowings or sell assets to reduce borrowings.

The Group monitors capital based on a book leverage ratio (defined as total debt to total equity and debt). The Group pursues a policy aiming to achieve a target book leverage ratio of below 60%. If the book leverage ratio is higher than 60%, the Group will seek to return to a conservative financial level by disposing assets, deleveraging the balance sheet; and/or increasing fixed income coverage within a reasonable period of time.

The Group's leverage ratio net of cash at 31 December 2021 is 35% (2020: 44%).

The Group is in compliance with all other externally imposed capital requirements for the financial year ended 31 December 2021 and 2020.

24. Financial risk management (continued)

(e) Financial instruments by category

The aggregate carrying amounts of the Group's financial instruments are as follows:

	2021 US$'000	2020 US$'000
Equity financial assets, at FVPL	3,250	28,259
Net derivative liabilities measured at fair value	(1,263)	(67,794)
Financial assets at amortised cost	259,647	319,617
Financial liabilities at amortised cost	808,267	885,342

(f) Estimation of fair value

IFRS 13 established a fair value hierarchy that prioritises inputs used to measure fair value. The three levels of the fair value input hierarchy defined by IFRS 13 are as follows:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
2021				
Assets				
Equity financial assets, at FVPL	-	-	3,250	3,250
Derivative financial instruments	-	23,682	-	23,682
Total assets	-	23,682	3,250	26,932
Liabilities				
Derivative financial instruments	-	24,945	-	24,945
Total liabilities	-	24,945	-	24,945
2020				
Assets				
Equity financial assets, at FVPL	28,259	-	-	28,259
Derivative financial instruments	-	7,969	-	7,969
Total assets	28,259	7,969	-	36,228
Liabilities				
Derivative financial instruments	-	75,763	-	75,763
Total liabilities	-	75,763	-	75,763

24. Financial risk management (continued)

(f) Estimation of fair value (continued)

Derivative financial assets and liabilities

The Group's financial derivative instruments primarily relate to interest rate swaps, forward freight agreements, bunker swaps and commodity contracts (note 16) measured at fair value and are within Level 2 of the fair value hierarchy. The fair values of financial derivative instruments that are not traded in an active market are determined by using valuation techniques. The fair values of interest rate swaps are calculated at the present value of estimated future cash flows based on observable yield curves. The fair values of forward freight agreements, bunker swaps and commodity contracts measured at fair value are determined using forward commodity indices at the balance sheet date.

Non-derivative non-current financial assets and liabilities

The carrying amount of non-derivative non-current financial assets and liabilities which bear floating interest rates are assumed to approximate their fair value because of the short repricing period. There are no non-current financial assets and liabilities which do not bear floating interest rates.

Non-derivative current financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair value because of the short period to maturity.

(g) Offsetting financial assets and financial liabilities

The Group has the following financial instruments subject to enforceable master netting arrangements or other similar agreements as follows:

2021	Gross amounts of recognised financial instruments US$'000	Gross amounts of recognised financial instruments offset in the balance sheet US$'000	Net amounts of financial instruments included in the balance sheet US$'000	Related financial instruments that are not offset US$'000	Net amount US$'000
Derivative financial assets					
Commodity contracts (Note 16)	32,889	(26,810)	6,079	-	6,079
Derivative financial liabilities					
Commodity contracts (Note 16)	-	-	-	-	-

24. Financial risk management (continued)

(g) Offsetting financial assets and financial liabilities (continued)

2020	Gross amounts of recognised financial instruments US$'000	Gross amounts of recognised financial instruments offset in the balance sheet US$'000	Net amounts of financial instruments included in the balance sheet US$'000	Related financial instruments that are not offset US$'000	Net amount US$'000
Derivative financial assets					
Commodity contracts (Note 16)	66,521	(62,375)	4,146	-	4,146
Derivative financial liabilities					
Commodity contracts (Note 16)	85,142	(62,375)	22,767	-	22,767

25. Segment information

The Group has two main operating segments:

(i) Very Large Gas Carriers (VLGCs); and
(ii) Product Services

The Product Services Division was established on 25 February 2019 to support the Group's core shipping business and commenced its product trading and delivery services in Q2 2019.

The Product Services segment represent less than 10 percent of the Group's total assets, revenue and profit or loss. The Group has determined that this segment is not material to the Group for the years ended 31 December 2021 and 31 December 2020 and has reported information as one combined segment.

Geographical information

Non-current assets comprise mainly vessels, operating on an international platform with individual vessels calling at various ports across the globe. The Group does not consider the domicile of its customers as a relevant decision making guideline and hence does not consider it meaningful to allocate vessels and revenue to specific geographical locations.

26. Dividends paid

	2021 US$'000	2020 US$'000
Final dividend paid in respect of FY 2020 of US$0.34 (2020: in respect of FY 2020 of US$0.42) per share	47,260	57,201
Interim dividend paid in respect of Q1 2021 of US$0.18 (2020: in respect of Q1 2020 of US$0.20) per share	24,679	28,120
Interim dividend paid in respect of Q2 2021 of US$0.10 (2020: in respect of Q2 2020 of US$0.15) per share	13,963	20,621
Interim dividend paid in respect of Q3 2021 of US$0.10 (2020: in respect of Q3 2020 of US$0.15) per share	13,605	20,672
	99,507	126,614

The Board has declared a final cash dividend of US$0.18 per share for 2021, amounting to US$24.6 million. Together with the interim dividend paid for Q1 2021 of US$0.18 per share, Q2 2021 of US$0.10 per share and Q3 2021 of US$0.10 per share, the total dividend payout for FY 2021 will amount to US$0.56 per share or US$77.1 million. The shares will be traded ex-dividend on and after 4 March 2022. The dividend will be payable on or about 18 March 2022 to shareholders of record as at 7 March 2022.

27. Business combinations

In Q2 2021, the Group acquired 38.4% equity interest in BW Global United LPG India Private Limited ("BW LPG India") through conversion of loans receivable to equity. As a result, the Group's equity interest in BW LPG India increased from 50% to 88.4% resulting in the Group obtaining control of BW LPG India, and consolidating BW LPG India as a subsidiary, when it was previously accounted for as a joint venture.

The principal activity of BW LPG India is that of vessel owning and chartering. As a result of the acquisition, the Group is expected to increase its market presence in the Indian charter market.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, were as follows.

(a) Details of the acquisition

	US$'000
Purchase consideration – Conversion of loans receivable to equity	80,565
Non-controlling interest [1]	12,575
Fair value of existing interest in joint venture	15,254
Less: Fair value of identifiable net assets acquired	(108,394)
Goodwill	-

[1] Non-controlling interest was measured based on their proportionate share of interest in the fair value of identifiable net assets acquired

27. Business combinations (continued)

(a) Details of the acquisition (continued)

	US$'000
Fair value of existing interest in joint venture	15,254
Carrying amount of interest in joint venture	(5,419)
Remeasurement of equity interest in joint venture [1]	9,835
Acquisition related costs [2]	(1,146)
Net gain on acquisition	8,689

[1] Comprise deferred gains of US$4.9 million from the sale of five vessels to the joint venture
[2] Presented as 'Other expense' on the statement of comprehensive income

(b) Effect on cash flows of the Group

	US$'000
Cash paid	-
Less: cash and cash equivalents in subsidiary acquired	(4,633)
Cash inflow on acquisition	(4,633)

(c) Identifiable assets acquired and liabilities assumed

	US$'000
Cash and cash equivalents	4,633
Vessels and dry docking (Note 8)	197,000
Inventories	431
Trade and other receivables	8,455
Total assets	210,519
Trade and other payables	1,213
Borrowings	100,912
Total liabilities	102,125
Total identifiable net assets	108,394
Less: Non-controlling interest at fair value	(12,575)
	95,819

The fair value of vessels was estimated based on independent third party valuation reports, which made reference to comparable transaction prices of similar vessels.

The carrying amounts of borrowings approximate their fair values because interest rates are repriced on a regular basis.

The carrying amounts of trade and other receivables approximate their fair value due to the short-term nature of these balances and are expected to be collectible in full at the date of acquisition.

For the nine months ended 31 December 2021, BW LPG India contributed revenue of US$43.6 million and profit of US$13.8 million to the Group's results. If the acquisition had occurred on 1 January 2021, management estimates that the consolidated revenue would have been higher by approximately US$14.0 million and consolidated profit for the period would have been higher by approximately US$2.0 million.

28. Investment in subsidiary

Set out below are the summarised financial information for BW Global United LPG India Private Limited ("BW LPG India") for the period from the date of acquisition. These are presented before inter-company eliminations.

Summarised balance sheet:

	US$'000
Assets	
Current assets	25,673
Includes	
- Cash and cash equivalents	1,350
Non-current assets	323,173
Liabilities	
Current liabilities	81,275
Includes	
- Borrowings	78,903
Non-current liabilities (Borrowings)	148,286
Net assets	119,285

Summarised statement of comprehensive income:

	US$'000
Revenue	43,612
Gain on disposal of assets held-for-sale	2,637
Vessel operating expense	(11,132)
Depreciation and amortisation	(16,175)
Finance expense	(3,914)
Other expenses	(1,245)
Net profit after tax	13,783
Other comprehensive income (currency translation effects)	(2,892)
Total comprehensive income	10,891
Total comprehensive income allocated to non-controlling interests	1,262

29. Listing of companies in the Group

Name of companies		Principal activities	Country of incorporation	Equity holding 2021	Equity holding 2020
(i) Subsidiaries held by the Company					
BW LPG Holding Limited		Investment holding	Bermuda	100%	100%
BW LPG Product Services Limited		Investment holding	Bermuda	100%	100%
(ii) Subsidiaries held by BW LPG Holding Limited					
BW Gas LPG Chartering Pte. Ltd		Chartering	Singapore	100%	100%
BW VLGC Pte. Ltd		Shipowning	Singapore	100%	100%
BW Lord Limited	(a)	Dormant	Bermuda	-	100%
LPG Transport Service Ltd.		Dormant	Bermuda	100%	100%
BW Loyalty Limited	(a)	Dormant	Bermuda	-	100%
BW Green Transport AS	(a)	Chartering	Norway	-	100%
BW Green Carriers AS	(a)	Chartering	Norway	-	100%
BW LPG Pool Pte. Ltd.		Chartering	Singapore	100%	100%
BW LPG Partners Pte Ltd		Shipowning	Singapore	100%	100%
BW LPG AS		Management	Norway	100%	100%
BW LPG Pte Ltd		Management	Singapore	100%	100%
BW LPG Technologies Pte. Ltd.		Investment holding	Singapore	100%	-
BW Cyan Limited		Shipowning	Bermuda	100%	100%
BW Constellation I Pte. Ltd.		Shipowning	Singapore	100%	100%
BW Constellation II Pte. Ltd.		Shipowning	Singapore	100%	100%
BW LPG Investments Limited		Investment holding	Bermuda	100%	100%
BW Okpo Pte. Ltd.		Shipowning	Singapore	100%	100%
BW Seoul Pte. Ltd.		Shipowning	Singapore	100%	100%
BW LPG LLC		Management	United States	100%	100%
Aurora LPG Holding AS		Management	Norway	100%	100%
Aurora Shipping II AS	(b)	Shipowning	Norway	-	100%
(iii) Subsidiary held by BW LPG Product Services Limited					
BW LPG Product Services Pte. Ltd.		Product delivery services	Singapore	100%	100%
(iv) Subsidiary held by BW LPG Pte. Ltd.					
BW LPG India Pte. Ltd.		Management	Singapore	88.4%	-
BW Global United LPG India Private Limited		Shipowning	India	88.4%	-

(a) Companies liquidated during the financial year
(b) Company merged into Aurora LPG Holding AS during the financial year

30. Subsequent events

In January 2022, an external investor subscribed for US$50 million of new shares in BW LPG India Pte. Ltd., a subsidiary of the Group. Following this transaction, the Group will own approximately 67% in BW LPG India Pte. Ltd.

Concluded the sale of one VLGC in January 2022, which was delivered for further trading in February 2022. The sale generated liquidity of US$50 million and a net gain of US$11 million.

31. New or revised accounting standards and interpretations

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted. However, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

PARENT COMPANY FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2021

	Note	2021 US$'000	2020 US$'000
Dividend from a subsidiary		150,000	150,000
Other operating expenses	3	(3,826)	(3,582)
		146,174	146,418
Foreign currency exchange gain - net		2,573	43
Profit before tax for the financial year		148,747	146,461
Income tax expense	4	-	-
Profit after tax and total comprehensive income for the financial year		148,747	146,461

The accompanying notes form an integral part of these financial statements.

BALANCE SHEET
As at 31 December 2021

	Note	2021 US$'000	2020 US$'000
Subsidiaries	5	1,121,231	1,071,537
Total non-current assets		1,121,231	1,071,537
Other receivables	6	180	278
Cash and cash equivalents		-*	-*
Total current assets		180	278
Total assets		1,121,411	1,071,815
Share capital	7	1,419	1,419
Share premium	7	289,812	289,812
Contributed surplus		685,913	685,913
Share-based payment reserve	7	922	457
Retained earnings		143,038	93,798
Total shareholder's equity		1,121,104	1,071,399
Trade and other payables	8	307	416
Total liabilities		307	416
Total equity and liabilities		1,121,411	1,071,815

* Amount less than US$1,000

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2021

	Note	Share capital US$'000	Share premium US$'000	Contributed surplus US$'000	Share-based payment reserve US$'000	Retained earnings US$'000	Total US$'000
Balance at 1 January 2021		**1,419**	**289,812**	**685,913**	**457**	**93,798**	**1,071,399**
Profit for the financial year		-	-	-	-	148,747	148,747
Total comprehensive income for the financial year		-	-	-	-	148,747	148,747
Share-based payment reserve - Value of employee services	7	-	-	-	465	-	465
Dividends paid	11	-	-	-	-	(99,507)	(99,507)
Total transactions with owners, recognised directly in equity		-	-	-	465	(99,507)	(99,042)
Balance at 31 December 2021		**1,419**	**289,812**	**685,913**	**922**	**143,038**	**1,121,104**

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY (continued)
For the financial year ended 31 December 2021

	Note	Share capital US$'000	Share premium US$'000	Contributed surplus US$'000	Share-based payment reserve US$'000	Retained earnings US$'000	Total US$'000
Balance at 1 January 2020		1,419	289,812	685,913	230	73,951	1,051,325
Profit for the financial year		-	-	-	-	146,461	146,461
Total comprehensive income for the financial year		-	-	-	-	146,461	146,461
Share-based payment reserve - Value of employee services	7	-	-	-	227	-	227
Dividends paid	11	-	-	-	-	(126,614)	(126,614)
Total transactions with owners, recognised directly in equity		-	-	-	227	(126,614)	(126,387)
Balance at 31 December 2020		**1,419**	**289,812**	**685,913**	**457**	**93,798**	**1,071,399**

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2021

	Note	2021 US$'000	2020 US$'000
Cash flows from operating activities			
Profit before tax for the financial year		148,747	146,461
Adjustments for:			
- share-based payment		465	227
- dividend income		(150,000)	(150,000)
Operating cash flow before working capital changes		(788)	(3,312)
Changes in working capital:			
- other receivables		98	(108)
- trade and other payables		(109)	12
Net cash used in operating activities		(799)	(3,408)
Cash flow from investing activities			
Dividends received on behalf by a subsidiary[1]		150,000	150,000
Receivables from subsidiaries[2]		(49,694)	(19,978)
Net cash provided by investing activities		100,306	130,022
Cash flow from financing activity			
Dividends paid on behalf by a subsidiary[1]		(99,507)	(126,614)
Net cash used in financing activity		(99,507)	(126,614)
Net decrease in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the financial year		-	-
Cash and cash equivalents at end of the financial year		-*	-*

1 Non-cash transactions with a subsidiary
2 Non-cash advances to subsidiaries
* Amount less than US$1,000

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

BW LPG Limited (the "Company") is listed on the Oslo Stock Exchange and incorporated and domiciled in Bermuda. The address of its registered office is c/o Inchona Services Limited, Washington Mall Phase 2, 4th Floor, Suite 400, 22 Church Street, HM 1189, Hamilton HM EX, Bermuda.

The principal activity of the Company is that of investment holding.

These financial statements were authorised for issue by the Board of Directors of BW LPG Limited on 1 March 2022.

2. Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

New standards, amendments to published standards and interpretations

The Company has adopted the new standards and amendments to published standards as at 1 January 2022. Changes in the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective standards and amendments.

The adoption of these new or amended standards and amendments did not result in substantial changes in the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Critical accounting estimates, assumptions and judgements

The preparation of the financial statements in conformity with IFRS requires Management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no estimates and assumptions which have a material effect on the financial statements.

(b) Revenue and income recognition

Dividend income

Dividend income is recognised when the right to receive payment is established.

2. Significant accounting policies (continued)

(c) Interest in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Receivables from subsidiaries where settlement is neither planned nor likely in the foreseeable future, are classified as non-current. These receivables are measured at amortised cost subsequent to initial measurement. In assessing an impairment allowance, the Company uses the accounting policy described in note 2(d).

(d) Impairment of non-financial assets

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset (or CGU) is reversed if, and only if, there has been a change in the estimates used to determine the asset's (or CGU's) recoverable amount since the last impairment loss was recognised. The carrying amount of this asset (or CGU) is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of impairment loss for an asset (or CGU) is recognised in profit or loss.

(e) Financial assets

The Company managed these groups of financial assets by collecting the contractual cash flow and these cash flows represent solely payment of principal and interest. Accordingly, these groups of financial assets are measured at amortised cost subsequent to initial recognition.

The Company assesses on a forward looking basis the ECLs associated with these groups of financial assets.

For other receivables and cash and cash equivalents, the general 3 stage approach is applied. Credit loss allowance is based on 12-month ECL if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime ECL will be calculated and recognised.

When the asset becomes uncollectible, it is written off against the allowance amount. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

2. Significant accounting policies (continued)

(e) Financial assets (continued)

The impairment allowance is reduced through profit or loss in a subsequent period by the amount of ECL reversal that is required to adjust the loss allowance to the amount that is required to be recognised at the reporting date.

These assets are presented as current assets except for those that are expected to be realised later than 12 months after the balance sheet date, which are presented as non-current assets.

(f) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

(g) Fair value estimation of financial assets and liabilities

The carrying amounts of current financial assets and liabilities carried at amortised costs approximate their fair values due to the short-term nature of the balances.

(h) Provisions for other liabilities and charges

Provisions are recognised when the Company has a present legal or constructive obligation where as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. When the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

(i) Foreign currency translation

(1) Functional currency

The financial statements of the Company are presented in United States Dollar ("US$"), which is the functional currency.

(2) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

2. Significant accounting policies (continued)

(j) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of new common shares are deducted against share premium, a component of the share capital account.

(k) Dividend to Company's shareholders

Dividend to Company's shareholders are recognised when the dividend are approved for payment.

3. Expenses by nature

	2021 US$'000	2020 US$'000
Directors' fees	377	397
Share-based payments – equity settled	631	227
Support service fees charged by subsidiaries	2,485	2,382
Other expenses	333	576
Total other operating expenses	3,826	3,582

4. Income tax

No provision for tax has been made for the year ended 31 December 2021 and 2020 as the Company does not have any income that is subject to income tax based on the tax legislation applicable to the Company.

There is no income, withholding, capital gains or capital transfer taxes payable in Bermuda.

5. Subsidiaries

	2021 US$'000	2020 US$'000
Equity investments at cost	685,920	685,920
Receivables from subsidiaries	435,311	385,617
	1,121,231	1,071,537

The receivables from subsidiaries are classified as financial assets at amortised cost. Allowance for impairment on these receivables is insignificant. The receivables are unsecured, interest-free and have no fixed terms of repayment. The settlement of these receivables is neither planned nor likely in the foreseeable future. Accordingly, the receivables are classified as non-current.

5. Subsidiaries (continued)

Details of the subsidiaries held directly by the Company are as follows:

Name of company	Principal activity	Country of incorporation	Equity holding 2021	Equity holding 2020
BW LPG Holding Limited	Investment holding	Bermuda	**100%**	100%
BW LPG Product Services Limited	Investment holding	Bermuda	**100%**	100%

6. Other receivables

	2021 US$'000	2020 US$'000
Other receivables – related parties^	**6**	106
Other receivables – non-related parties	**174**	172
	180	278

^ Related parties refer to corporations controlled by a shareholder of the Company.

The carrying amounts of other receivables, principally denominated in US$, approximate their fair values due to the short-term nature of these balances.

Other receivables due from related parties are unsecured, interest-free and are repayable on demand.

7. Share capital and other reserves

(a) Issued and fully paid share capital

(i) As at 31 December 2021 and 2020, the Company's share capital comprised of 141,938,998 fully paid common shares with a par value of US$0.01. Fully paid common shares carry one vote per share and carry a right to dividend as and when declared by the Company.

(ii) The Company operates two equity-settled, share-based compensation plans. The 2015 Long-Term Incentive Plan ("LTIP 2015") was fully vested in 2018 and common shares of 2,197 were issued to certain employees. The LTIP 2015 was replaced by a 2017 Long-Term Incentive Plan ("LTIP 2017"). For LTIP 2017, at the end of the vesting periods between February 2021 and February 2024, common shares of 2,012,424 (2020: 1,657,424) may be issued to certain employees.

(b) Share premium

The difference between the consideration for common shares issued and their par value are recognised as share premium.

7. Share capital and other reserves (continued)

(c) Share-based payment reserve

Certain employees are entitled to receive common shares in the Company. This award is recognised as an expense in the consolidated profit or loss with a corresponding increase in the share-based payment reserve over the vesting periods. For the year ended 31 December 2021, an expense of US$0.47 million (2020: US$0.23 million) was recognised in the consolidated profit or loss with a corresponding increase (2020: increase) recognised in the share-based payment reserve.

8. Trade and other payables

	2021 US$'000	2020 US$'000
Trade payables – non-related parties	86	5
Other accrued operating expenses	221	411
	307	416

The carrying amounts of trade and other payables, principally denominated in US$, approximate their fair values due to the short-term nature of these balances.

9. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties during the financial year at terms agreed between the parties:

(a) Services

	2021 US$'000	2020 US$'000
Corporate service fees charged by subsidiaries	2,485	2,382

(b) Key management's remuneration

	2021 US$'000	2020 US$'000
Directors' fees	377	397

10. Financial risk management

The Company's activities expose it to a variety of financial risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on financial performance of the Company.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company.

(a) Market risk – Currency risk

The Company's business operations are not exposed to significant foreign exchange risk as it has no significant regular transactions denominated in foreign currencies.

(b) Credit risk

The Company's credit risk is primarily attributable to other receivables and cash and cash equivalents. Bank deposits are not impaired and are mainly deposits with banks with credit-ratings assigned by international credit-rating agencies. Other receivables are neither past due nor impaired. The maximum exposure is represented by the carrying value of each financial asset on the balance sheet.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company maintains sufficient cash for its daily operations via short-term cash deposit at banks and funding from a subsidiary.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date on an undiscounted basis.

	Less than 1 year US$'000
At 31 December 2021	
Trade and other payables	307
At 31 December 2020	
Trade and other payables	416

10. Financial risk management (continued)

(d) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend paid, return capital to shareholders, or collect dividend from the subsidiary.

The Company is not subject to any externally imposed capital requirements for the financial years ended 31 December 2021 and 2020.

(e) Financial instruments by category

The aggregate carrying amounts of the Company's financial instruments are as follows:

	2021 US$'000	2020 US$'000
Financial assets at amortised cost	**435,491**	385,895
Financial liabilities at amortised cost	**307**	416

11. Dividends paid

	2021 US$'000	2020 US$'000
Final dividend paid in respect of FY 2020 of US$0.34 (2020: in respect of FY 2019 of US$0.42) per share	**47,260**	57,201
Interim dividend paid in respect of Q1 2021 of US$0.18 (2020: in respect of Q1 2020 of US$0.20) per share	**24,679**	28,120
Interim dividend paid in respect of Q2 2021 of US$0.10 (2020: in respect of Q2 2020 of US$0.15) per share	**13,963**	20,621
Interim dividend paid in respect of Q3 2021 of US$0.10 (2020: in respect of Q3 2020 of US$0.15) per share	**13,605**	20,672
	99,507	126,614

The Board has declared a final cash dividend of US$0.18 per share for 2021, amounting to US$24.6 million. Together with the interim dividend paid for Q1 2021 of US$0.18 per share, Q2 2021 of US$0.10 per share and Q3 2021 of US$0.10 per share, the total dividend payout for FY 2021 will amount to US$0.56 per share or US$77.1 million. The shares will be traded ex-dividend on and after 4 March 2022. The dividend will be payable on or about 18 March 2022 to shareholders of record as at 7 March 2022.

12. New or revised accounting standards and interpretations

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted. However the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

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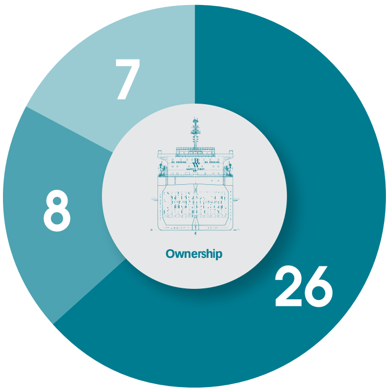
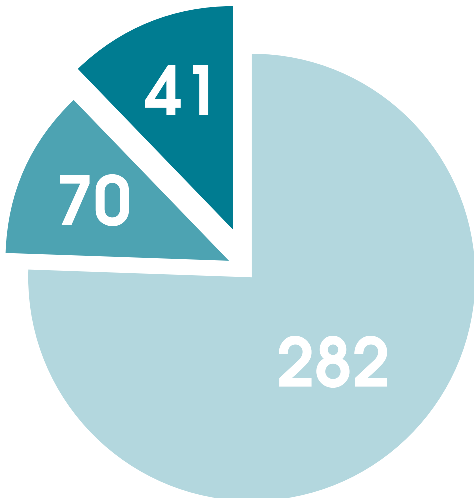
6.1 Fleet List

At end 2021, our fleet comprised 41 vessels, including owned, chartered-in and joint-venture vessels. We committed US$130 million to retrofit 15 of our vessels with pioneering dual-fuel propulsion technology, so that LPG can power our fleet.

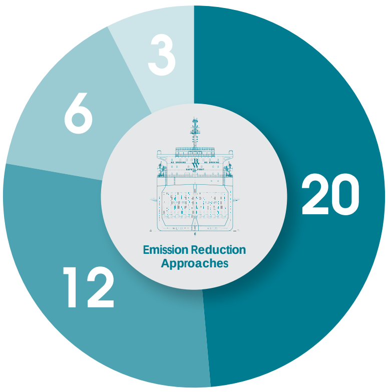


Ownership

- Owned
- Chartered-in
- India Subsidiary



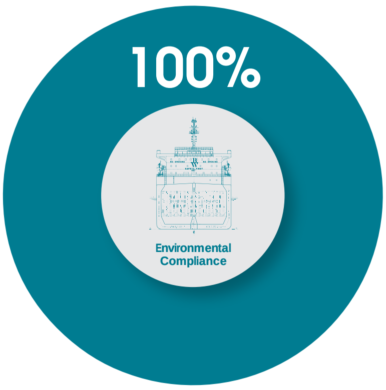
- BW LPG VLGC Fleet
- Other VLGC NB
- Third Party VLGC Fleet on water



GHG Emission Reduction Approach

- Compliant Fuels
- LPG-propelled (2021)
- Scrubbers
- Committed to Retrofitting in 2022

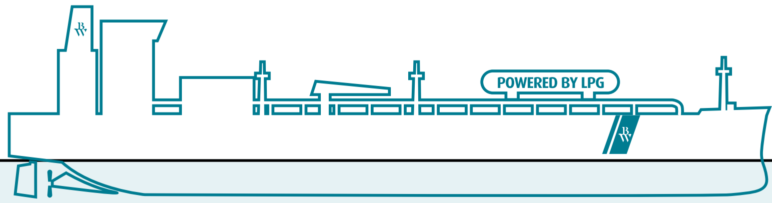
#1 We are the world's largest owner and operator of Very Large Gas Carriers



Environmental Compliance

- Compliance

41 Our fleet of 41 vessel make up 13% of the global VLGC total



Modern fleet[1] of **41** vessels built at leading shipyards

Owned VLGCs (100% Ownership)

Name	Year	Shipyard
BW Mindoro[2]	2017	DSME
BW Malacca[2]	2016	DSME
BW Magellan[2]	2016	DSME
BW Frigg[2]	2016	Hyundai H.I.
BW Freyja[2]	2016	Hyundai H.I.
BW Volans[2]	2016	Hyundai H.I.
BW Brage[2]	2016	Hyundai H.I.
BW Tucana[2]	2016	Hyundai H.I.
BW Var[2]	2016	Hyundai H.I.
BW Njord[2]	2016	Hyundai H.I.
BW Balder[2]	2016	Hyundai H.I.
BW Orion[2]	2015	Hyundai H.I
BW Libra[2]	2015	Hyundai H.I
BW Leo[2]	2015	Hyundai H.I
BW Gemini[2]	2015	Hyundai H.I.
BW Carina	2015	Hyundai H.I.
BW Aries	2014	Hyundai H.I.
BW Niigata	2010	Mitsubishi H.I.
BW Odin	2009	Hyundai H.I.
BW Austria	2009	DSME
BW Thor	2008	Hyundai H.I.
BW Princess	2008	Hyundai H.I.
BW Loyalty	2008	DSME
BW Liberty	2007	DSME
BW Prince	2007	Hyundai H.I.
BW Trader	2006	DSME
Total 26 vessels (2.2 million CBM)		

Chartered / Bareboat VLGCs

Name	Year	Shipyard	Charter Type
BW Yushi	2020	Mitsubishi H.I.	Time charter
BW Kizoku	2019	Mitsubishi H.I.	Time charter
Oriental King	2017	Hyundai H.I.	Time charter
BW Messina	2017	DSME	Time charter
BW Kyoto	2010	Mitsubishi H.I.	Time charter
BW Tokyo	2009	Mitsubishi H.I.	Time charter
Berge Nantong	2006	Hyundai H.I.	Time charter
Berge Ningbo	2006	Hyundai H.I.	Time charter
Total 8 vessels (0.7 million CBM)			

VLGCs in BW Global United LPG India Private Limited

Name	Year	Shipyard	Ownership
BW Pine	2011	Kawasaki S.C.	88%
BW Lord	2008	DSME	88%
BW Tyr	2008	Hyundai H.I.	88%
BW Oak	2008	Hyundai H.I.	88%
BW Elm	2007	Hyundai H.I.	88%
BW Birch	2007	Hyundai H.I.	88%
BW Cedar	2007	Hyundai H.I.	88%
Total 7 vessels (0.6 million CBM)			

[1] As at 21 January 2021
[2] 15 ships to be retrofitted

6.2 Glossary

Term	Definition
'BW LPG Group' or the 'Group'	BW LPG and its subsidaries
'BW LPG' or the 'Company'	BW LPG Limited
Ballast Water Management Convention	The International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM Convention) requires vessels to comply with standards and procedures for the management and control of ships' ballast water and sediments
Baltic LPG Index	Baltic Exchange Liquid Petroleum Gas Index - An assessment of the daily spot charter rates of a vessel moving LPG between the Middle East and Japan
Bermuda Companies Act	The Companies Act 1981 (as amended) of Bermuda
BIMCO	Baltic and International Maritime Council - The largest international association representing shipowners
Board of Directors or the 'Board'	Board of Directors of BW LPG
Bunker fuel	Any fuel used to power a ship's engines
CBM	Cubic meter - A unit of volume of a gas vessel's capacity for carrying gas cargoes
Charter	Hiring of a vessel, or use of its carrying capacity for either (i) a specified period of time (time-charter) or (ii) a specific voyage or set of voyages (voyage charter)
CIF	Cost, Insurance, Freight - Rules covering the carriage of international goods by sea
CoA	Contract of Affreightment - Under a CoA, the shipowner provides capacity to transport a certain amount of cargo within a specified period from one place to a destination designated by the customer. All of the ship's operating, voyage and capital costs are borne by the shipowner. The freight rate is normally agreed on a per cargo tonne basis. The freight rate can be fixed or floating, or a combination of both
Commercial management	Marketing of vessels for business, negotiating and firming carriage of cargo contracts with customers and operating of vessels in accordance with the terms of the charter parties
Dry docking	Placing a vessel out of water alongside a dock for major repairs and surveys usually coinciding with periodical regulatory survey requirements of the vessel
Dual-fuel engine	An engine that is able to run on both gas oil and LNG or LPG
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
ECA	Emission Control Area - Sea areas in which stricter controls were established to minimise airborne emissions from ships. Until 31 December 2019, the limit for sulphur content of ships' fuel oil was 3.5% for vessels trading outside ECAs. Today, a global cap of 0.5% applies.
EEDI	Energy Efficiency Design Index - An IMO measure designed to ensure the use of more energy efficient equipment and engines
ESG	Environmental, social and governance
Flag state	Administration offering vessel registration services and responsible for ensuring implementation of international conventions
G&A	General and administrative expenses
GHG	Greenhouse gases
GRI	Global Reporting Initiative - An international standard for sustainability reporting
HSSEQ	Health, Safety, Security, Environment and Quality
IFRS	International Financial Reporting Standards - An international standard for accounting and financial reporting
IMO	International Maritime Organisation - A United Nations global standard-setting authority for the safety, security and environmental performance of international shipping
IMO 2020	A global regulation effective from 1 January 2020 requiring all ships to burn fuels with less than 0.5% sulphur or use emission abatement technologies
ISM	nternational Safety Management Code - An international standard for the safe management and operation of ships and for pollution prevention
LGC	Large Gas Carrier - Gas carrier of 50,000 - 70,000 CBM
LNG	Liquified Natural Gas
LPG	Liquefied Petroleum Gas

Term	Definition
LTIF	Lost Time Injury Frequency Rate - A ratio of the number of lost time injuries occurring in a workplace per 1 million hours worked. An LTIFR of 7, for example, shows that 7 lost time injuries occur on a jobsite every 1 million hours worked. The formula gives a picture of how safe a workplace is for its workers
MACN	Maritime Anti-Corruption Network - A global business network working towards the vision of a maritime industry free of corruption
MARPOL	International Convention for the Prevention of Pollution from Ships designed to prevent pollution from shipping
MGO	Marine gas oil
MLC	Maritime Labour Convention - An international agreement that sets out minimum requirements for the working conditions for seafarers
Newbuilding	A new vessel under construction
NM	Nautical mile
NOX	Nitrogen oxide
OPEX	Vessel operating expenses, such as manning, insurance, maintenance and repairs
P&I Club	Protection & Indemnity Club - A mutual insurance association providing risk pooling, information and representation for its shipowner members
PM	Particulate matter
Pools	Arrangement under which vessels owned by different owners are contributed into a pool. The manager of the pool markets the vessels as a single, cohesive fleet, operating them under spot contracts, CoAs and time-charters. The income from the vessels included in the pool is distributed to individual owners according to an agreed upon pool point system whereby each vessel receives its share of the pool's earnings according to the vessel's earning potential
Port State Control	Inspection of ships to ensure that the ship and its equipment complies with international conventions
Poseidon Principles	Framework developed by leading ship financiers for integrating climate considerations into lending decisions to promote international shipping's decarbonisation
QI	Qualified Individual - Under the US Oil Pollution Act, all vessels calling in US waters must ensure that a Qualified Individual is available to implement a response plan
Scrubber	Emission abatement technology installed on a ship allowing it to burn high sulphur fuels
SIRE	Ship Inspection Report Programme - A programme for evaluating and rating tanker vessels' technical and safety standards, for use as a reference by oil and gas companies when utilising vessels
SOx	Sulphur dioxide
TCE income	Gross freight less voyage related costs
Technical Management	Daily operation of a vessel, including maintenance, supplies and manning
Time-charter	Under time-charters, vessels are chartered to customers for fixed periods of time at rates that are generally fixed. The charterer pays all voyage costs. The owner of the vessel receives monthly charter payments on a per day basis and is responsible for the payment of all vessel operating expenses (including manning, maintenance, repair and docking) and capital costs of the vessel
Tonne-mile	Unit cargo x distance; i.e. 10 metric tonnes carried 25 miles = 250 tonne miles
TRCF	Total Recordable Case Frequency - The sum of all work-related fatalities and injuries per one million hours worked over the quantity of hours worked
UNSDGs	United Nations' Sustainable Development Goals
Vessel recycling	The sale of a vessel for dismantling and reprocessing the building materials
VLGC	Very Large Gas Carrier - A gas carrier above 70,000 CBM
Voyage charter	Typically a single round trip that is priced on a current or spot market value. The owner of the vessel receives payment derived by multiplying the metric tonnes of cargo loaded on board by the agreed upon freight rate expressed on a per cargo metric tonne basis. The owner is responsible for the payment of all expenses including voyage expenses (including bunker fuel, agency and port costs), operating expenses and capital costs of the vessel
WLPGA	World LPG Association - An international association representing over 250 companies involved in the LPG value chain
YoY	Year on Year

BW LPG

Annual Report
2021

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