
Earnings Presentation

Q2 2023



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Agenda

01 Highlights

02 Market

03 Performance

04 Q&A



2023 Q2 Highlights and Market Outlook

Commercial Performance

\$52,500	99%
TCE per available day	Commercial utilisation
\$51,600	2%
TCE per calendar day	Technical offhire

Financial Performance

\$78M	\$0.59
Net profit after tax	Earnings per share
\$492M	19%
Available liquidity	Net leverage ratio

Return to Shareholders

\$0.81	\$107M
Dividend per share	Total
\$1.76	\$233M
YTD Dividend per share	YTD Total

Highlights

- Another strong quarter with 99% commercial utilisation
- Trading-profit¹-adjusted result of \$112 million, equivalent to \$0.81 per share
- Ample available liquidity of \$492 million with a low net leverage ratio of 19%, leaving plenty of room for dividends and share buy-backs
- Dividend policy updated to include the difference between Product Services trading profit and reported NPAT
- Q2 dividend of \$0.81 per share (Q2 2022: \$0.20) translates to an annualised dividend yield of 28%
- Steadily improving LGIP performance

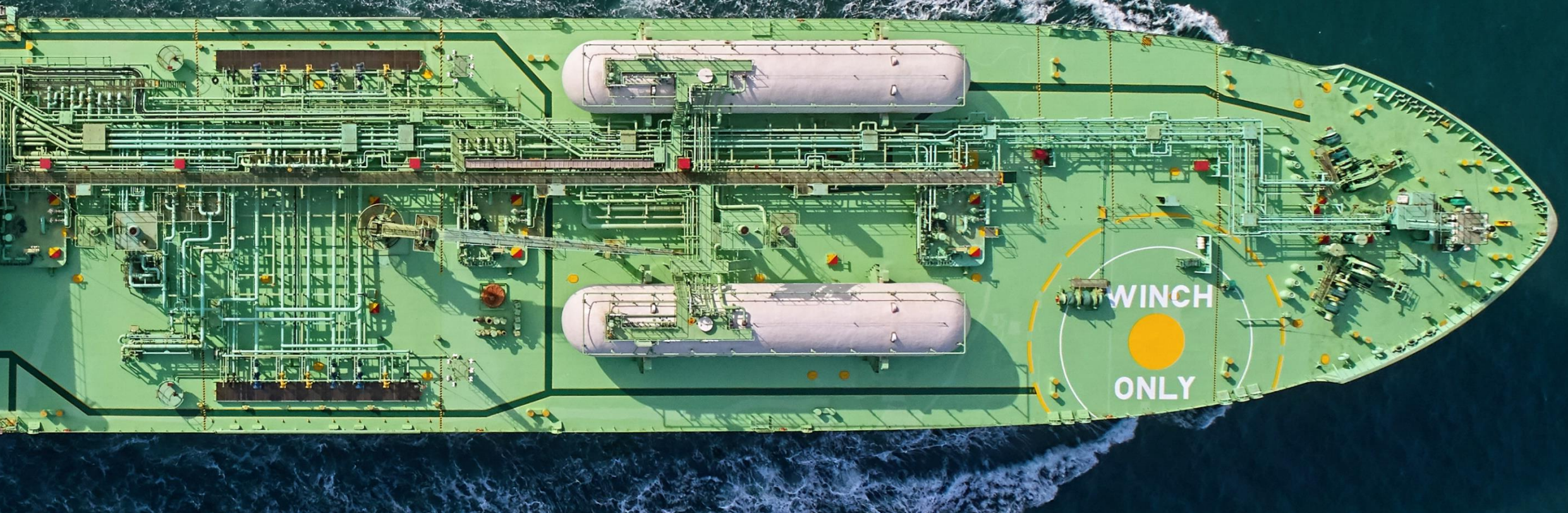
Subsequent Events

- The Board has resolved to work towards a dual US listing² of BW LPG shares
- Amended the existing \$400 million Senior Secured Facility to convert \$110 million of Term Loan into a Revolving Credit Facility with all other terms unchanged

Market Outlook

- We reiterate our positive view for 2023 and 2024, amid high volatility. Key underlying drivers include:
 - Oil price conducive to continued strong export growth from the US and steady growth from the Middle East
 - New PDH plants coming on stream in China with high operating rate
 - Newbuilding deliveries to slow down after January 2024
 - Shipyards booked until H1 2027
 - Shipping inefficiencies including Panama Canal restrictions
- At the same time, we are mindful of the current uncertain macro-economic environment – especially in China, and how this can impact both investments and demand for LPG

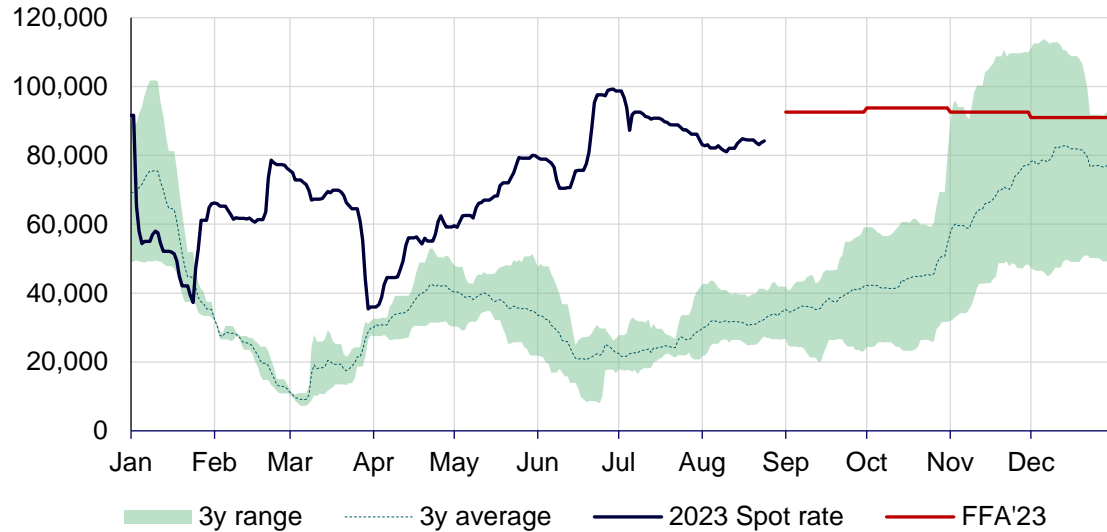
02 Market



VLGC Near Term Market Outlook

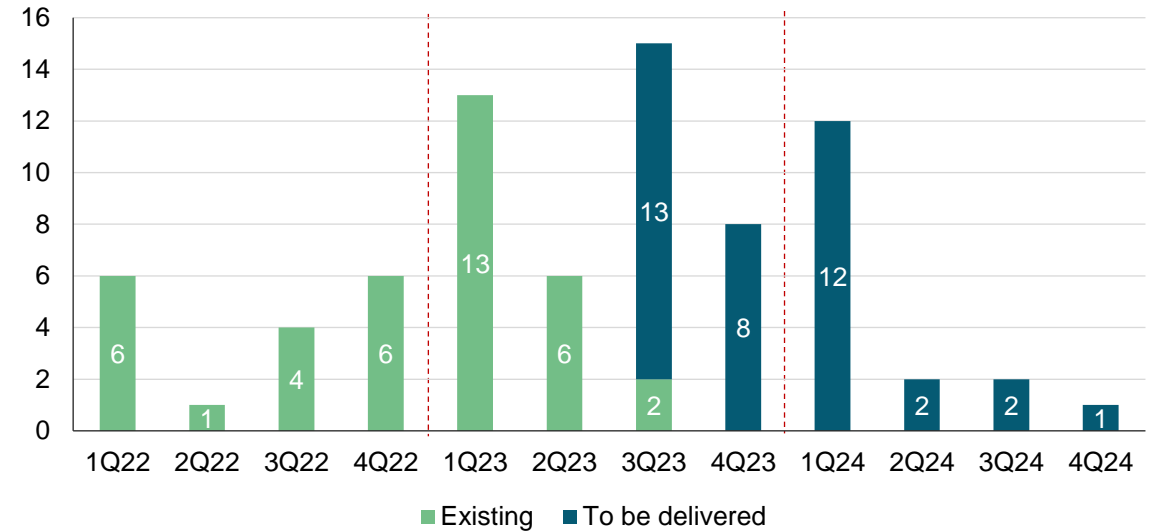
FFA market is reflecting a continued strong spot market for the rest of 2023

Near term VLGC spot rate outlook: Houston – Chiba (\$/day)



- Spot rates increased throughout Q2 2023 and developed at substantially stronger rate than recent years' seasonal levels. Rates were supported by a wide US-Far East propane arbitrage, and strong demand from Chinese PDH plants
- LPG inventories in China were higher compared to the beginning of 2023, while Chinese PDH operating rates have receded to a more normal level
- FFA for the remainder of 2023 are reflecting continued high spot rates

Quarterly delivery schedule (Number of VLGCs)

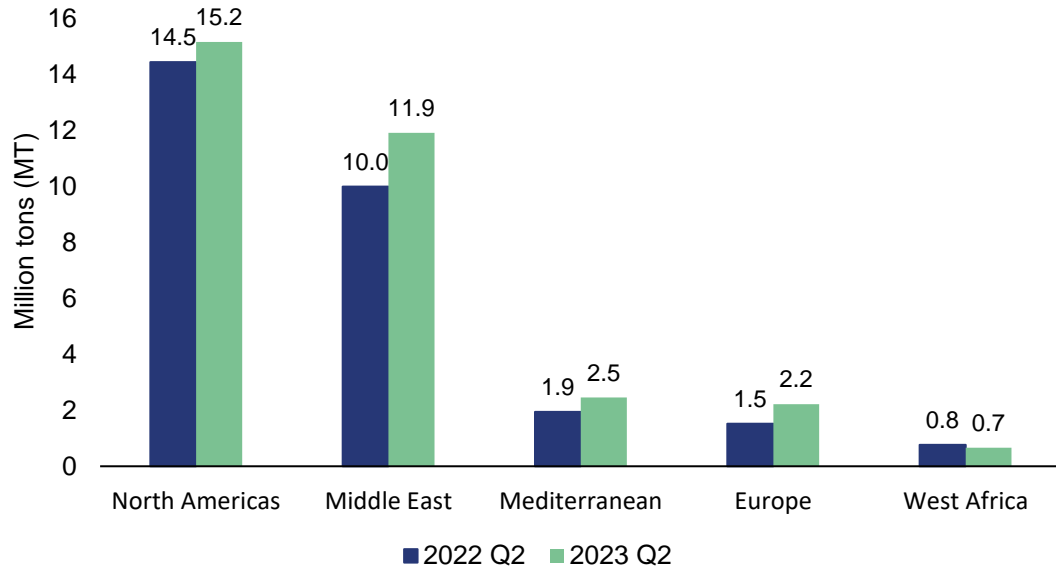


- 21 out of 42 VLGC newbuildings have been delivered for 2023
- 3 newbuilding deliveries have slipped into 2024 delivery since the last update
- A total of 17 VLGCs are scheduled for 2024 delivery
- Shipyards are booked until the first half of 2027

2023 Q2 Seaborne LPG Trade Overview

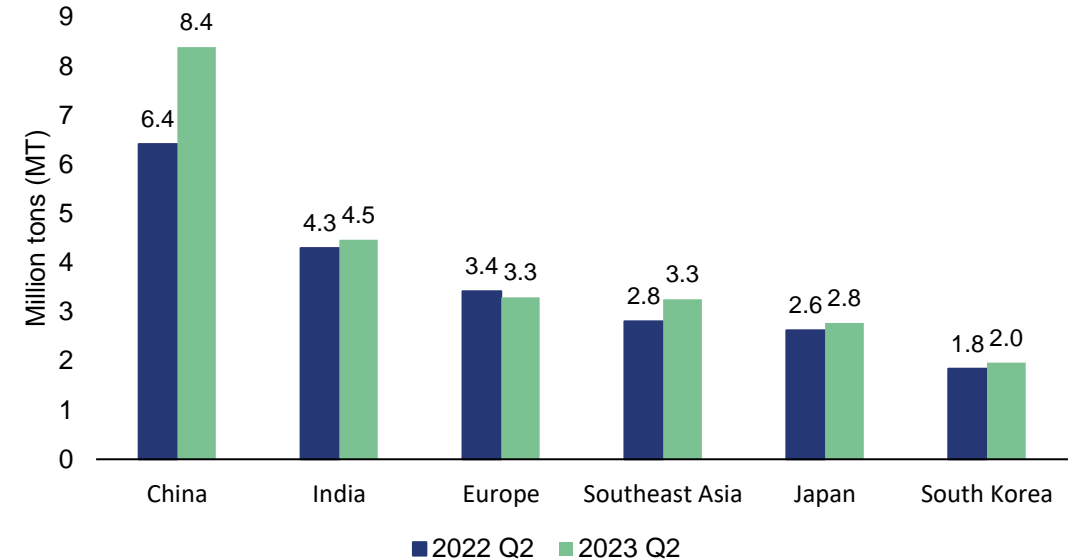
Growth in both North America and Middle East exports is met by very strong import growth in China

Seaborne LPG exports by country/region



- **North America** LPG exports in Q2 2023 increased by 5% y/y. 50% of the exports went to the Far East, versus 43% in Q2 2022. Europe received 10% of the exports, compared to 14% in the same quarter in 2022
- **Middle East** LPG exports in Q2 were up by a substantial 19% compared to the same period in 2022. The export growth was led by Saudi Arabia, but all exporters in the Middle East increased exports. The main destination for Middle East exports was the Far East, with a share of 41% (38% in Q2 2022). India lowered its share from 44% in Q2 2022, to 38% in Q2 2023

Seaborne LPG imports by country/region

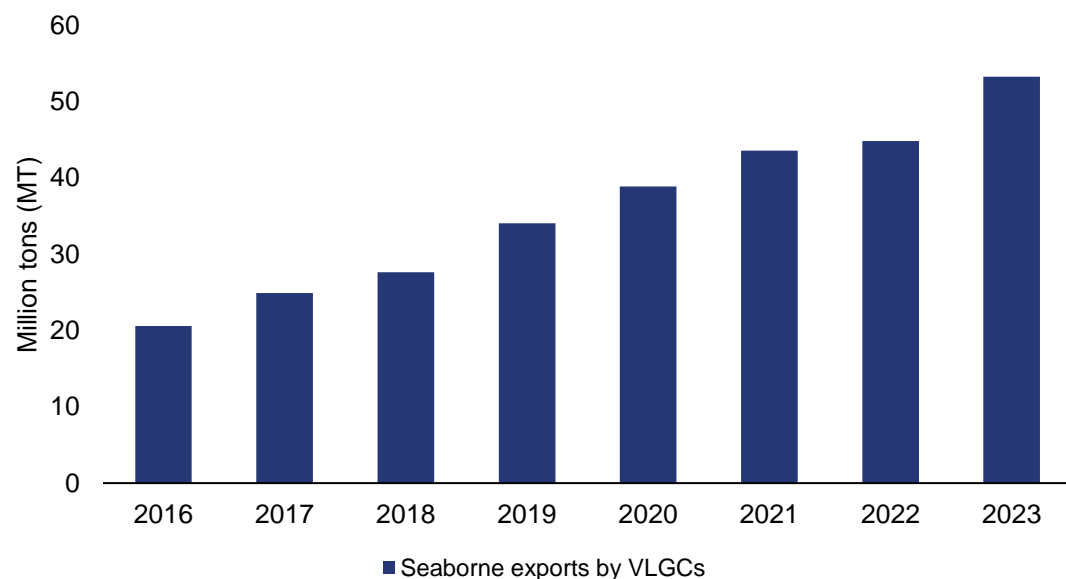


- **China** LPG imports in Q2 2023 increased by 31% to 8.4 MT as more PDH plants were commissioned and PDH margins were more supportive of LPG demand
- **India** showed an import growth of 5% during Q2 2023, while European imports fell by 4%
- **LPG imports to other main regions** such as Southeast Asia, Japan and South Korea increased by 16%, 6% and 7% respectively

Continued Growth Expected From North America in 2023

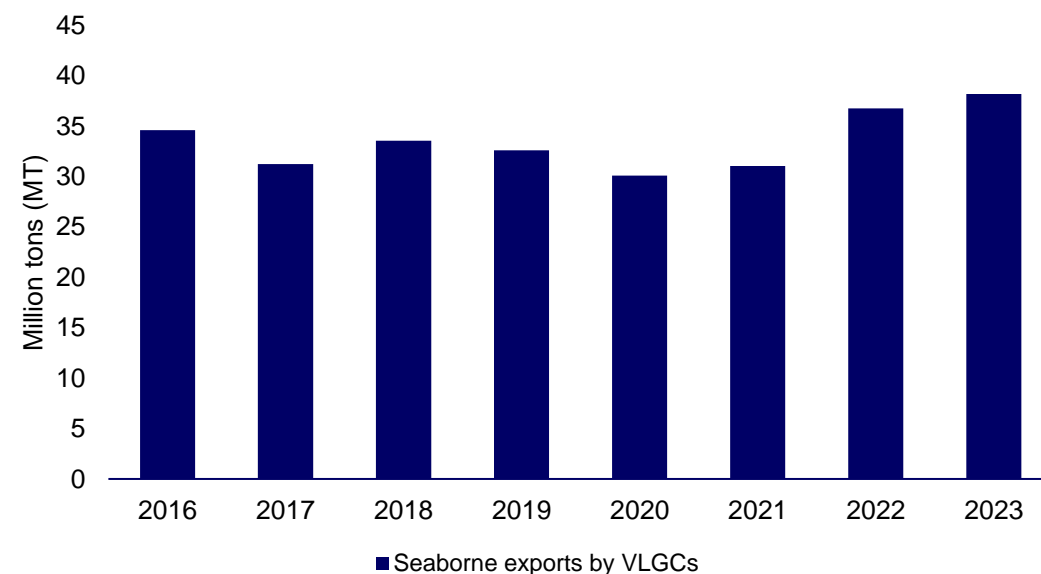
With single digit export growth expected from the Middle East

North America LPG exports by VLGCs



Item / Year	2019	2020	2021	2022	2023F
North America exports by VLGCs - MT	34	39	44	45	53
North America exports by VLGCs - growth rate (%)	23.1%	14.2%	12.0%	2.9%	18.7%

Middle East LPG exports by VLGCs



Item / Year	2019	2020	2021	2022	2023F
Middle East exports by VLGCs - MT	33	30	31	37	38
Middle East exports by VLGCs - growth rate (%)	-2.9%	-7.6%	3.1%	18.4%	3.9%

44 VLGC's Owned and Operated by BW LPG as of 10th August 2023

19 BW LPG 100% ownership

Name	Year	Shipyard
BW Messina	2017	DSME
BW Mindoro	2017	DSME
BW Malacca	2016	DSME
BW Magellan	2016	DSME
BW Frigg	2016	Hyundai H.I.
BW Freyja	2016	Hyundai H.I.
BW Volans	2016	Hyundai H.I.
BW Brage	2016	Hyundai H.I.
BW Tucana	2016	Hyundai H.I.
BW Var	2016	Hyundai H.I.
BW Njord	2016	Hyundai H.I.
BW Balder	2016	Hyundai H.I.
BW Orion	2015	Hyundai H.I.
BW Libra	2015	Hyundai H.I.
BW Leo	2015	Hyundai H.I.
BW Gemini	2015	Hyundai H.I.
BW Carina ¹	2015	Hyundai H.I.
BW Aries ¹	2014	Hyundai H.I.
BW Princess	2008	Hyundai H.I.

7 BW LPG Time charter in

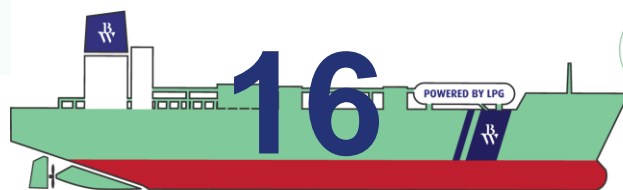
Name	Year	Shipyard
BW Yushi ¹	2020	Mitsubishi H.I.
BW Kizoku ¹	2019	Mitsubishi H.I.
Gas Zenith ¹	2017	Hyundai H.I.
Oriental King	2017	Hyundai H.I.
BW Kyoto ²	2010	Mitsubishi H.I.
Berge Nantong	2006	Hyundai H.I.
Berge Ningbo	2006	Hyundai H.I.

8 BW LPG India 52% ownership

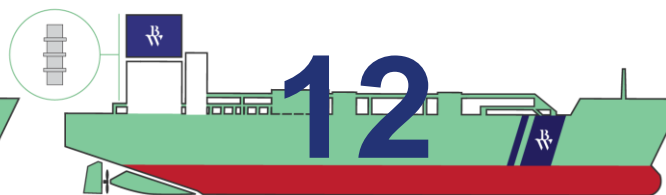
Name	Year	Shipyard
BW Pine	2011	Kawasaki S.C.
BW Lord	2008	DSME
BW Tyr	2008	Hyundai H.I.
BW Loyalty ¹	2008	DSME
BW Oak	2008	Hyundai H.I.
BW Elm	2007	Hyundai H.I.
BW Birch	2007	Hyundai H.I.
BW Cedar	2007	Hyundai H.I.

10 Operated

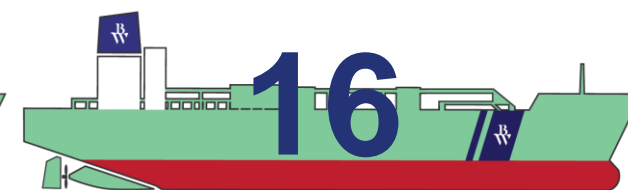
Name	Year	Shipyard	Participant
Kaede	2023	Hyundai H.I.	Product Services
Gas Gabriela ¹	2021	Hyundai H.I.	Product Services
Reference Point ¹	2020	Jiangnan	Product Services
Clipper Wilma	2019	Hyundai H.I.	Product Services
Vivit Atlais ¹	2019	Hyundai H.I.	Vitol
Vivit Thuban ¹	2019	Hyundai H.I.	Vitol
Vivit Fornax ¹	2019	Hyundai H.I.	Vitol
Vivit Dubhe ¹	2019	Hyundai H.I.	Vitol
Ayame	2010	Mitsubishi H.I.	Product Services
BW Tokyo	2009	Mitsubishi H.I.	Exmar



Vessels with dual-fuel propulsion technology



Vessels retrofitted with scrubber technology

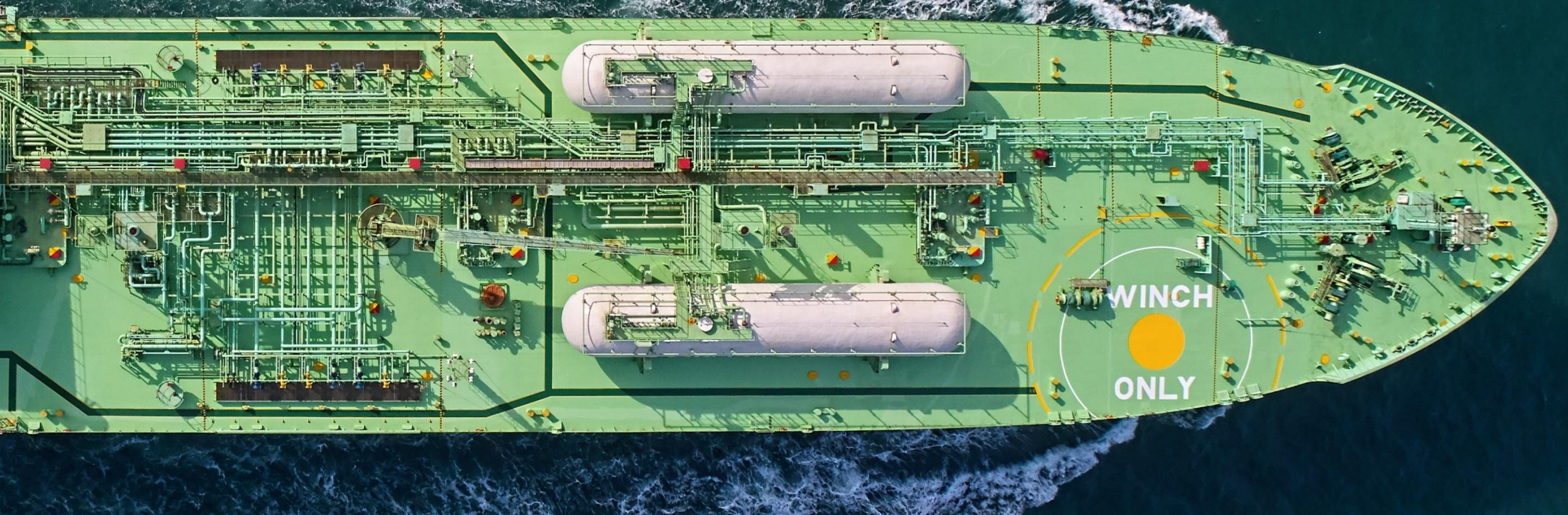


Vessels on compliant fuels

1. Vessels with scrubbers installed

2. Exercised purchase option with expected delivery in Q4 2023

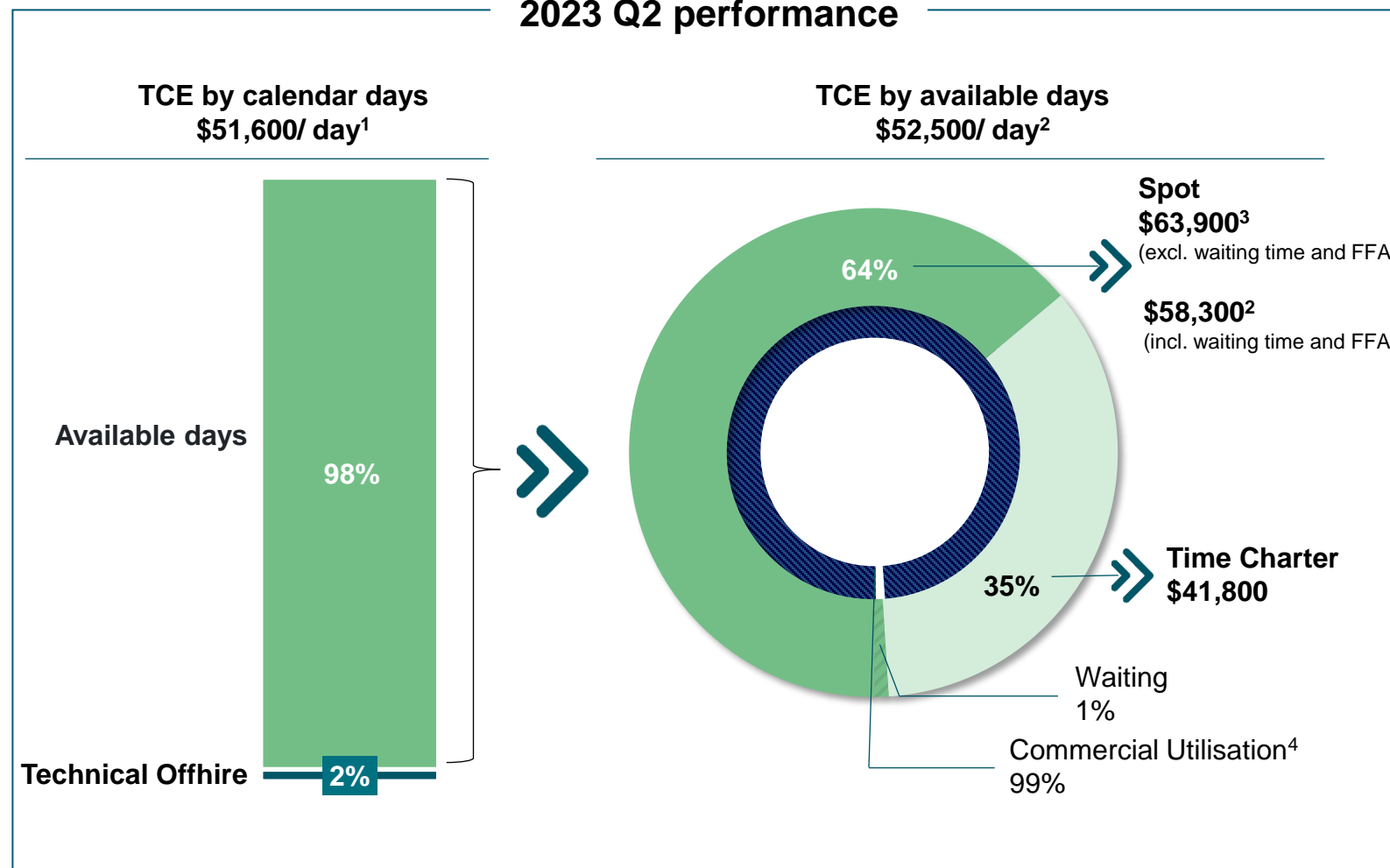
03 Performance



Shipping – Performance

Achieved 99% commercial utilisation generating TCE revenue of \$52,500 per available day

2023 Q2 performance



Guidance

Q3 2023

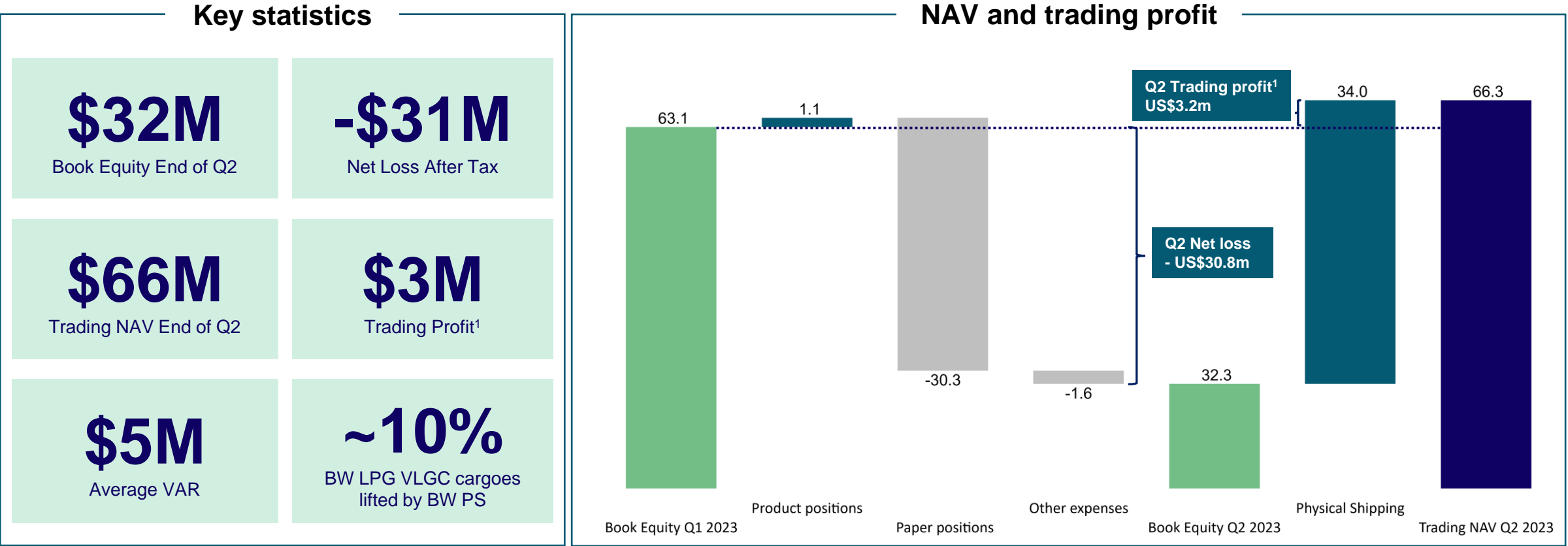
- Fixed ~84% of our available fleet days at an average rate of ~\$65,000 per day⁵, including the impact from FFA

Charter portfolio

- 2023 is 34% covered by TC out at \$38,200 per day
- TC in book covered at \$43 million profit
- 2023 is 9% covered by FFA hedges at \$36,800 per day

2023			
	% of total Fleet	Revenue/ (Cost) in \$m	Average day rate
TC out	25%	\$125	\$38,200
TC in	25%	(\$82)	\$25,100
Net	-	\$43	
Remaining TC out	9%	\$36	\$38,200

Product Services – Performance



Trading profit¹ of \$3.2 million for the quarter includes the M-t-M gains on BW Product Services physical shipping positions which were not accounted for under IFRS. The impact from the hedged freight costs will be recognised in the net profit over time

1.This is a non-IFRS/Non-GAAP number provided by Management to give additional insights into the performance of BW Product Services

LPG propulsion program delivered ~25% return in H1 2023

Significant cost savings of more than \$4.5 million in first half of 2023

H1 2023 Highlights¹

16

VLGCs with dual-fuel
propulsion technology

\$4.5m

Cost savings over
VLSFO in H1 2023

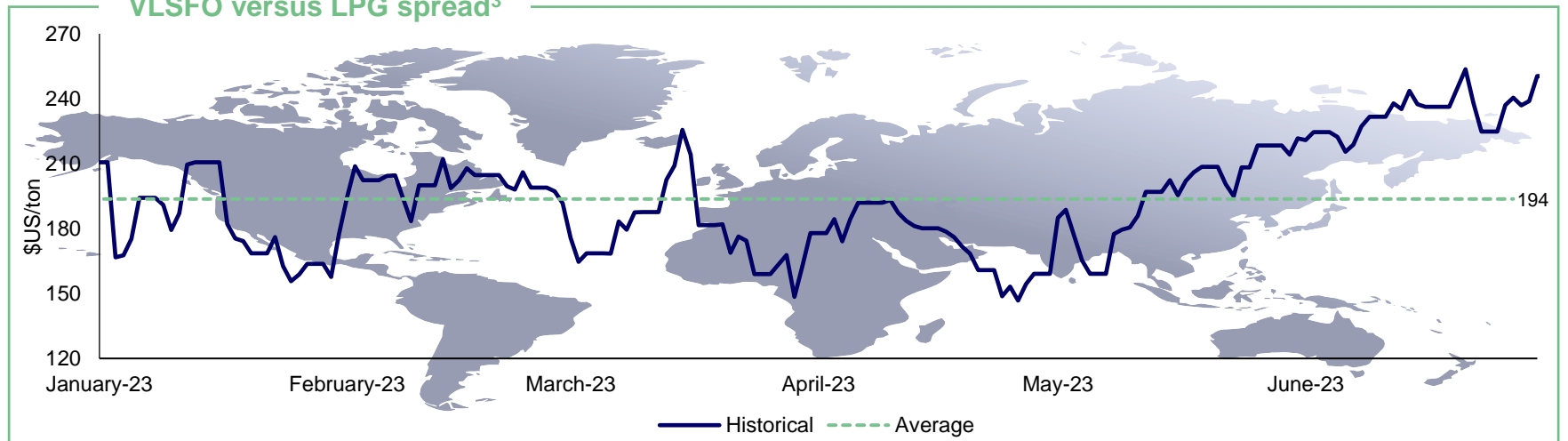
13,300Mt

Reduction in CO₂
emissions in H1 2023

Fuel Cost Benefits²

Price spread between LPG and Compliant fuel (US\$/ton)	US\$ per day savings	US\$ per year savings	Payback time (years)	IRR
0	\$1,500	\$400,000	19.8	5 %
\$50	\$3,000	\$800,000	10.0	10 %
\$100	\$4,500	\$1,200,000	6.7	15 %
\$125	\$5,300	\$1,400,000	5.7	18 %
\$150	\$6,000	\$1,600,000	5.0	20 %
\$200	\$7,500	\$2,000,000	4.0	25 %
\$250	\$9,000	\$2,500,000	3.3	30 %

VLSFO versus LPG spread³



Financial Highlights

Low leverage, strong liquidity, ready for growth opportunities

Key Financials Q2 2023 (USD million)

Income Statement

Profit after tax	\$78
Trading-profit ¹ -adjusted result	\$112
Earnings per share ²	\$0.59
Trading-profit ¹ -adjusted result per share	\$0.81
Dividends per share	\$0.81

Balance Sheet

Total assets	\$2,281
Total liabilities	\$749
Total shareholders' equity	\$1,532

Cash Flow

Operating cash flow	\$150
Capital expenditure	\$45
Free cash flow ³	\$195

Financial Ratios Q2 2023

Earnings Yield ⁴ (annualised)	24%
Dividend Yield (annualised)	28%
ROE ⁵ (annualised)	20%
ROCE ⁵ (annualised)	14%
Net leverage ratio ⁶	19%
NAV/share (USD) ⁷	\$10.83
NAV/share (NOK) ⁷	NOK 117
Adjusted NAV/share (USD) ⁸	\$13.86
Adjusted NAV/share (NOK) ⁸	NOK 150

Shipping Per Day Statistics (USD/Day)

YTD 2023 Daily TCE	\$51,600
YTD 2023 Daily OPEX	\$8,800
FY 2023 Operating cash breakeven ²	
Owned	\$19,100
Total fleet	\$23,400

1. Trading profit is a non-IFRS/Non-GAAP number. The adjustment is explained on slide 12, Product Services – Performance
2. EPS (earnings per share) is computed based on the weighted average number of shares outstanding less treasury shares during the period
3. Free cashflow is computed based on Operating cashflow less of Capital expenditure which comprise additions to property, plant and equipment including proceeds from vessel sales
4. Earnings yield: EPS divided by the share price at the end of the period in USD terms
5. ROE (return on equity) and ROCE (return on capital employed): Computed based on the average equity and capital employed at the end and beginning of the period
6. Net leverage ratio: Total debt less cash over total debt less cash plus equity
7. NAV/share: Total shareholders' equity less Non-controlling interests / number of shares outstanding less treasury shares at the end of the period
8. Adjusted NAV/Share: Vessel broker valuation values are used instead of book value. This is a non-IFRS/Non-GAAP measurement



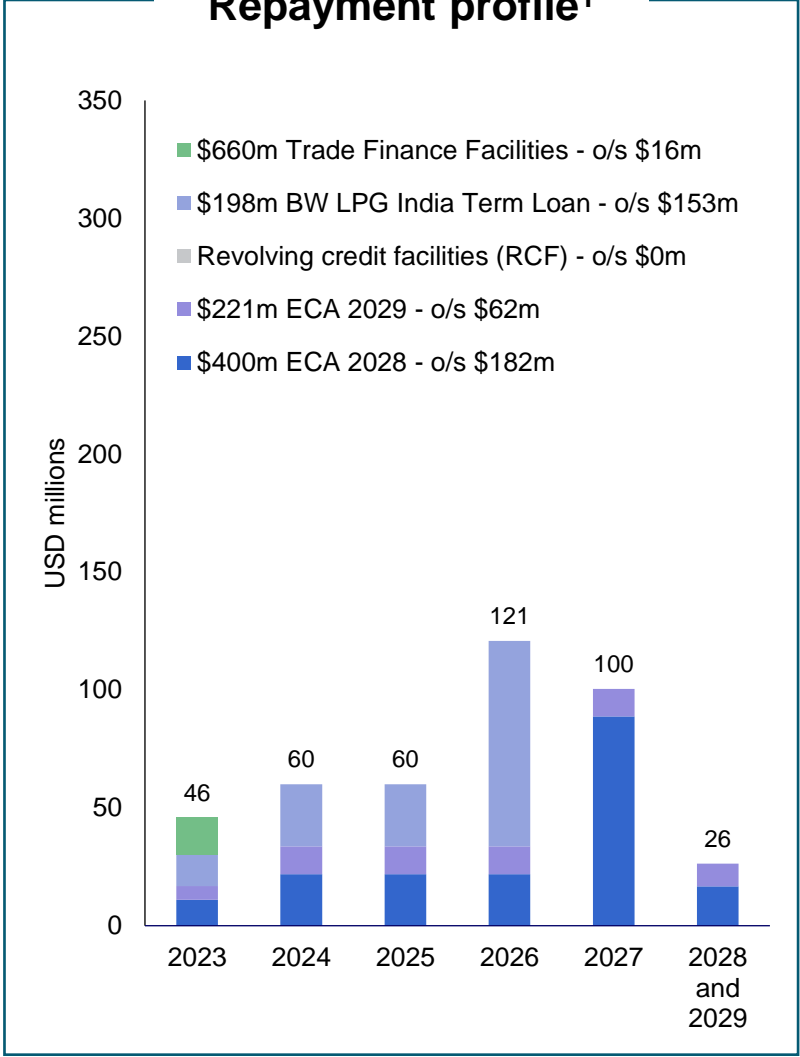
Financial – Financing Structure and Repayment Profile

Ample liquidity at \$492 million with a light debt position

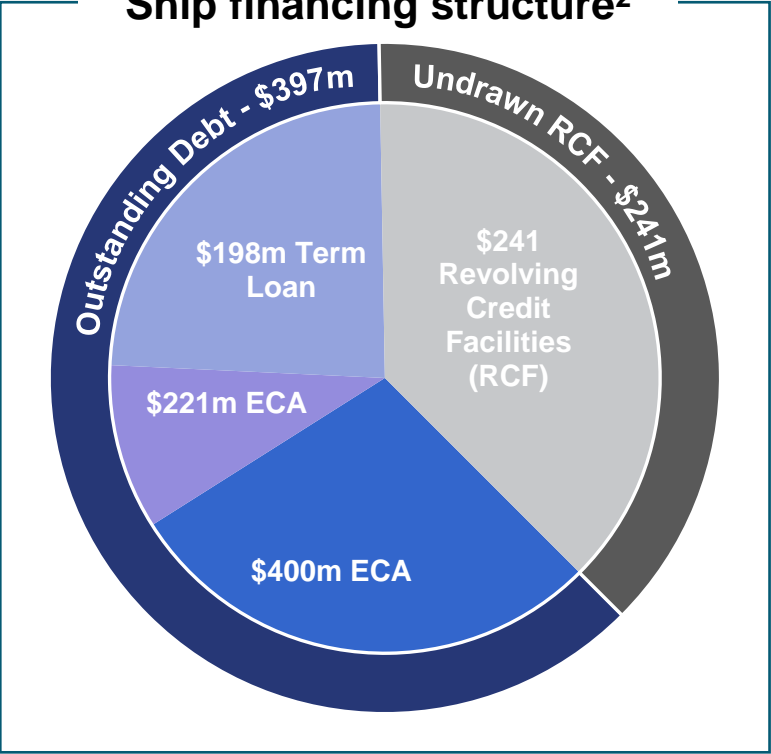
Total Available Liquidity

	USD (millions)
Undrawn amount under revolving credit facility	241
Cash ¹	251
Total available liquidity	492

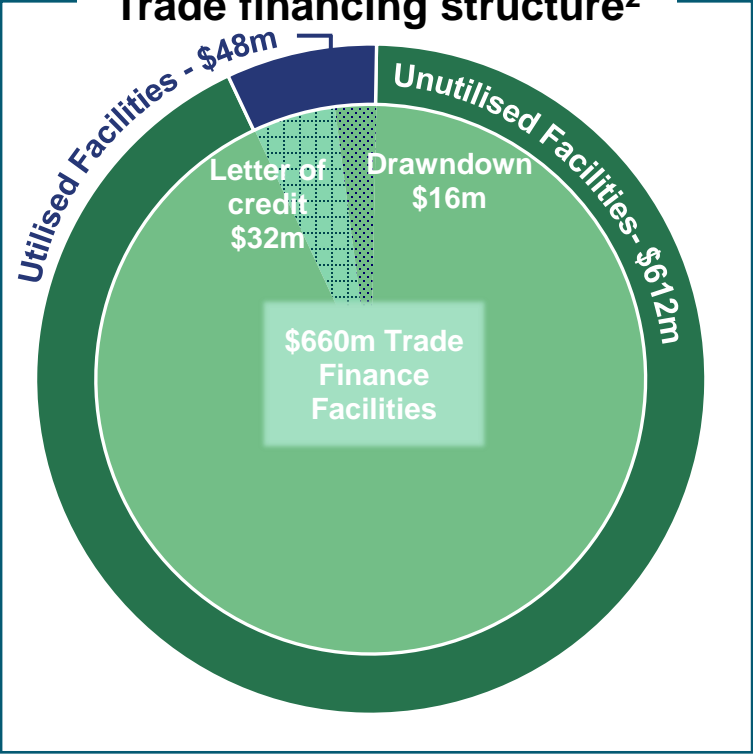
Repayment profile¹



Ship financing structure²

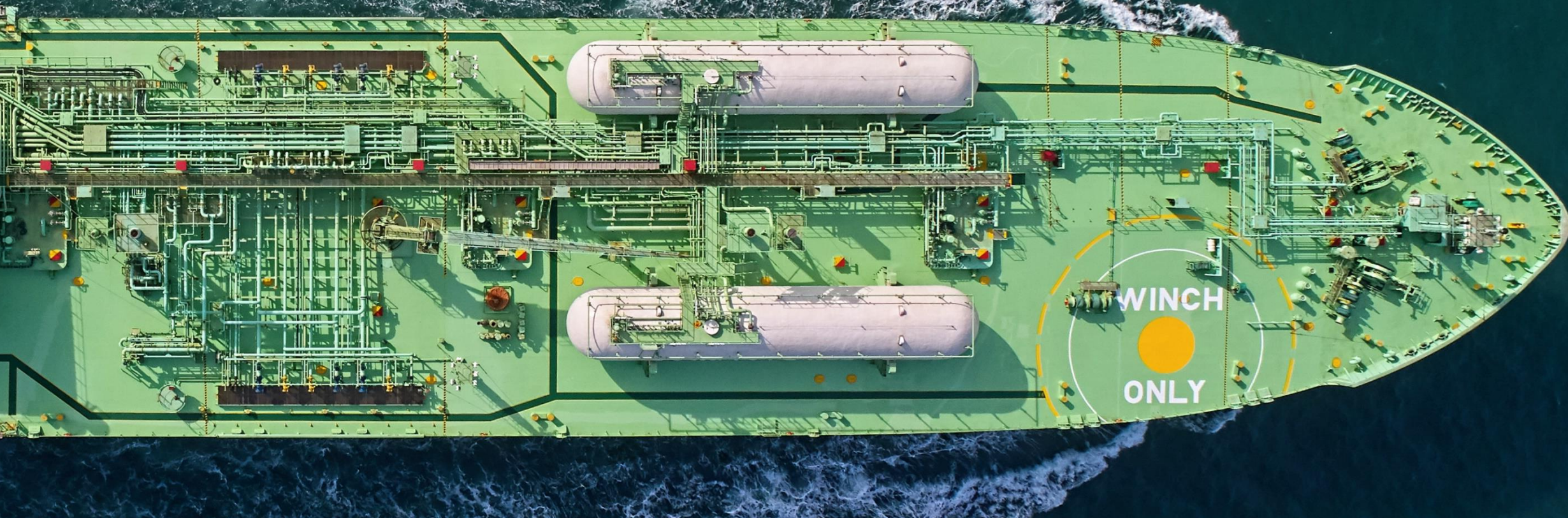


Trade financing structure²



As at 30 June 2023
1.Cash presented excludes \$80m held in broker margin accounts
2.Excludes lease liabilities, capitalised fees, and interest payable

04 Q&A



Q&A



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Deputy CEO & Head of Strategy Kristian Sørensen



EVP (Commercial) Niels Rigault



Interim CFO, Head of Investor Relations and Corporate Development Iver Baatvik



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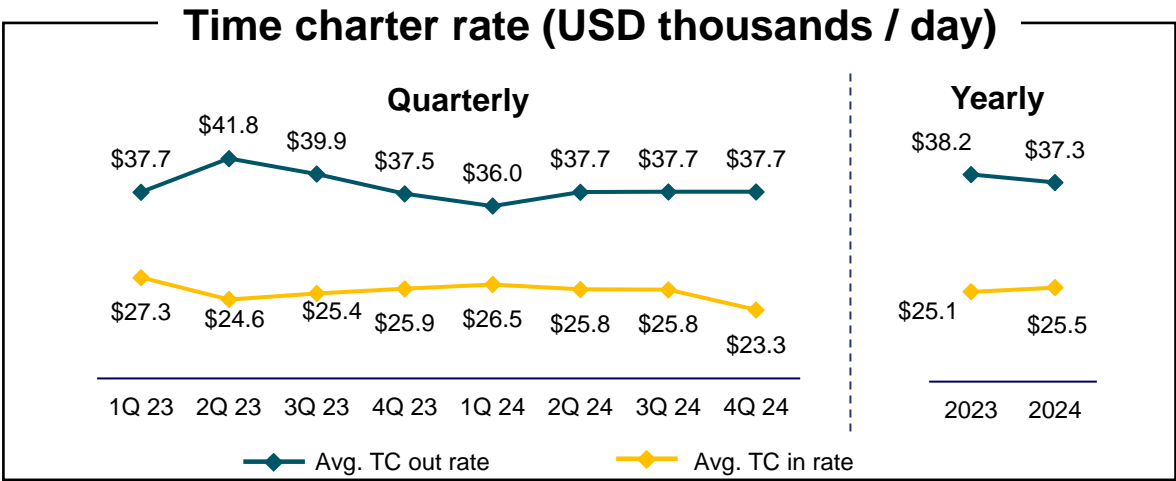
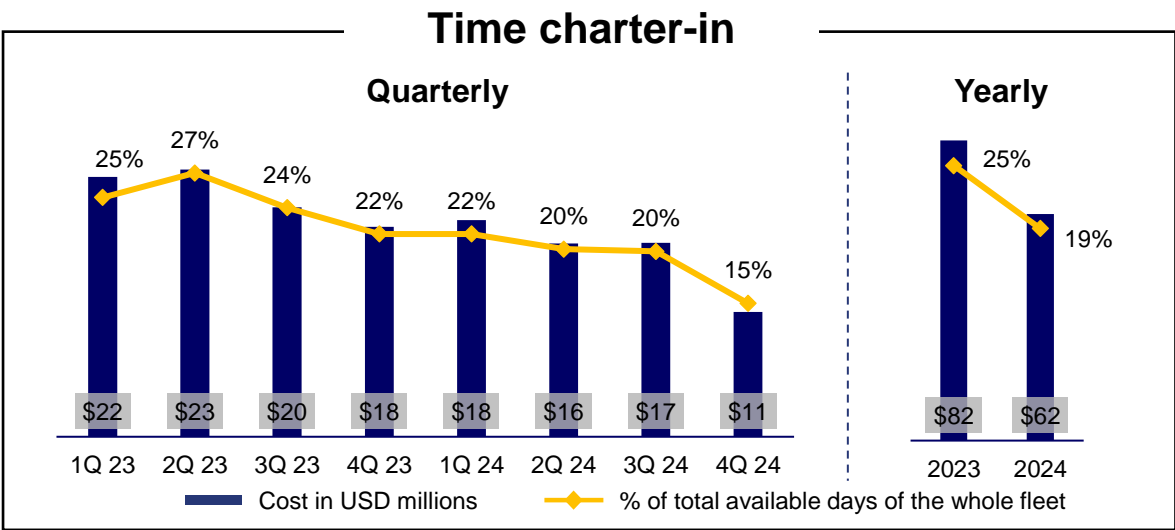
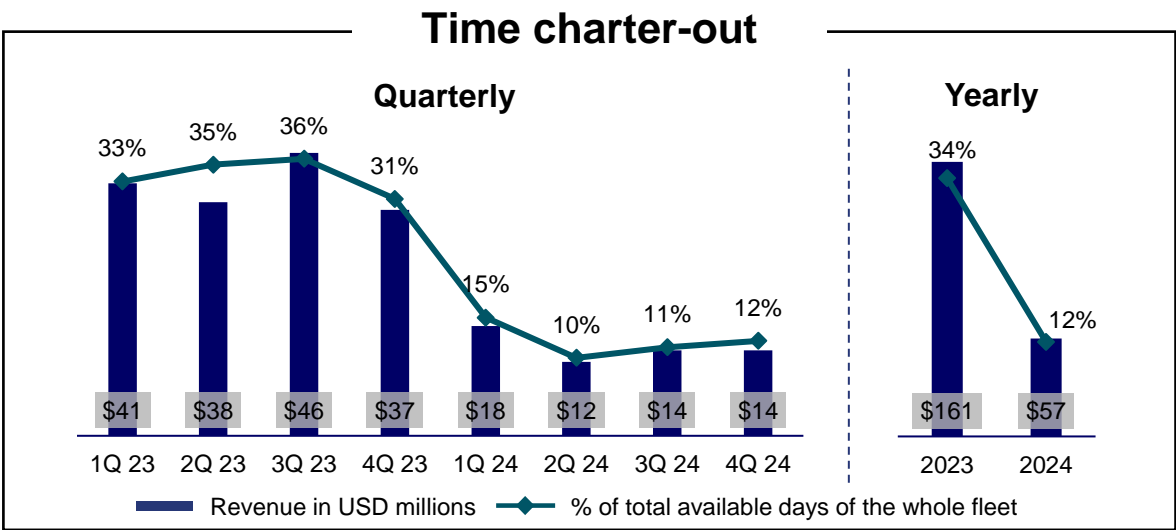


05 Appendices



VLGC Charter Portfolio Overview

Time charter-out coverage for 2023 at 34% at an average rate of \$38,200 per day



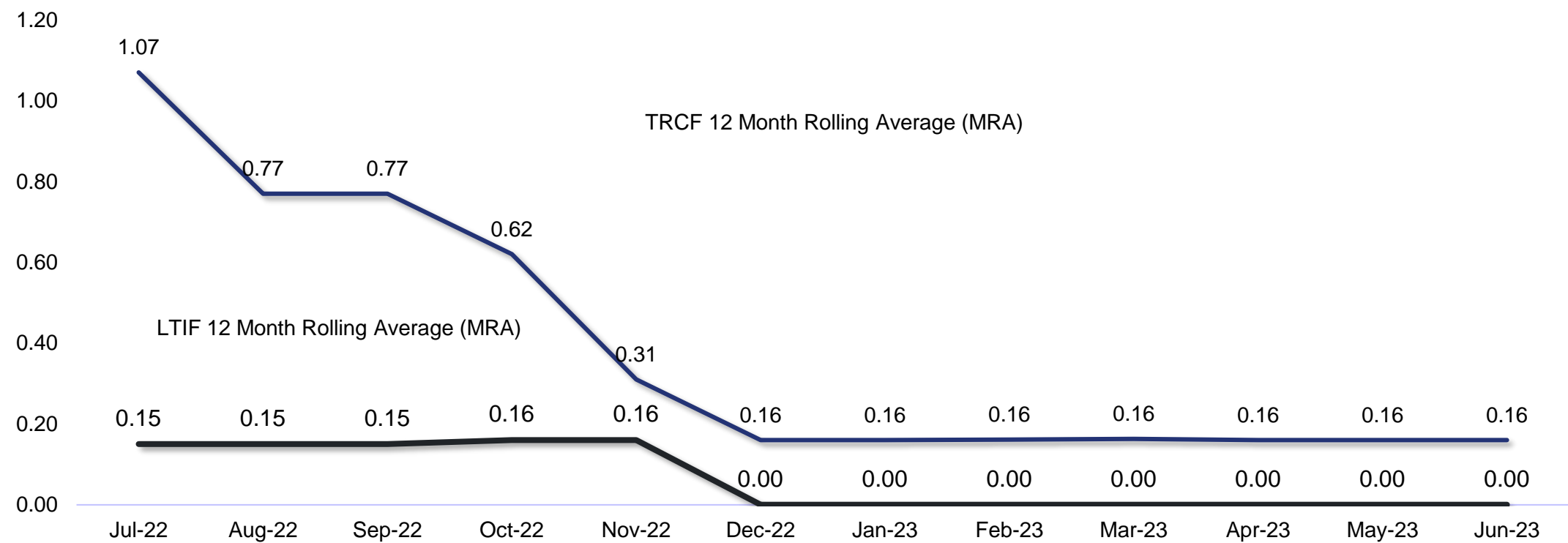
Net time charter position

2023 Time charter			
	% of total fleet	Revenue/ (Cost) in \$m	Average day rate
TC out	25%	\$125	\$38,200
TC in	25%	(\$82)	\$25,100
Net	-	\$43	
Remaining TC out	9%	\$36	\$38,200

1. % of fleet ratio is basis: TC out is based on total available days and TC in is based on total calendar days

Fleet Safety Statistics

Safety and Zero Harm onboard remain our key focus.



Total Recordable Case Frequency (TRCF): Work-related fatalities and injuries per one million hours worked
Lost Time Injury Frequency (LTIF): Workplace fatalities and injuries that leads to lost work time, per one million hours worked

Data as of 30 June 2023

Shipping Segment Charter Portfolio 2023-2024

Time Charter Out contract coverage stands at 34% for 2023 (as of 30 June 2023)

	Q1 2023	Q2 2023	Q3 2023E	Q4 2023E	2023E	2024E
Owned days	2,600	2,469	2,484	2,530	10,083	10,248
Time charter in days	810	769	770	689	3,038	2,429
Total calendar days	3,410	3,238	3,254	3,219	13,121	12,677
Offhire ¹	118	56	54	38	266	139
Total available days (Net of offhire)	3,292	3,182	3,200	3,181	12,855	12,538
Spot days (Net of offhire)	2,208	2,065	2,052	2,205	8,530	10,996
Time charter out days (Net of offhire)	1,084	1,117	1,148	976	4,325	1,542
% Spot days	67%	65%	64%	69%	66%	87%
% TC days	33%	35%	36%	31%	34%	13%

TCE rates

Spot	\$72,200	\$58,300	–	–	–	–
Time charter out	\$37,700	\$41,800	\$39,900	\$37,500	\$38,200	\$37,300
VLGC TCE rate (Net of offhire)	\$60,900	\$52,500	–	–	–	–

Notes:

BW LPG India Charter Portfolio is a subset of the Shipping Segment Charter Portfolio
Pool revenue distributed to participants and the associated days are excluded from the presentation

1. Offhire is assumed to be 3 days per year per vessel, distributed equally per quarter, during the years the vessel does not have planned dry dockings

BW LPG India Charter Portfolio 2023-2024

Time Charter Out contract coverage stands at 84% for 2023 (as of 30 June 2023)

	Q1 2023	Q2 2023	Q3 2023E	Q4 2023E	2023E	2024E
Owned days	720	728	736	736	2,920	2,928
Time charter in days	–	–	–	–	–	–
Total calendar days	720	728	736	736	2,920	2,928
Offhire ¹	77	53	4	19	153	24
Total available days (Net of offhire)	643	675	732	717	2,767	2,904
Spot days (Net of offhire)	58	124	86	174	442	2,520
Time charter out days (Net of offhire)	585	551	646	543	2,325	384
% Spot days	9%	18%	12%	24%	16%	87%
% TC days	91%	82%	88%	76%	84%	13%

TCE rates

Spot	\$88,300	\$78,300	–	–	–	–
Time charter out	\$32,300	\$35,200	\$33,900	\$34,200	\$33,900	\$34,700
VLGC TCE rate (Net of offhire)	\$37,400	\$39,500	–	–	–	–

1. Offhire is assumed to be 3 days per year per vessel, distributed equally per quarter, during the years the vessel does not have planned dry dockings