



# Interim Financial Report

Q2 2023 and H1 2023



BW LPG Limited  
Interim Financial Report  
Q2 2023 and H1 2023

## SELECTED KEY FINANCIAL INFORMATION

	Q2 2023 US\$ million	Q2 2022 US\$ million	Increase/ (Decrease) %	H1 2023 US\$ million	H1 2022 US\$ million	Increase/ (Decrease) %
<b>Income Statement</b>						
Net income from spot voyages <sup>1</sup>	120.3	83.8	44	279.8	176.6	58
Net income from time charter voyages <sup>1</sup>	46.7	35.8	30	87.6	73.7	19
TCE income - Shipping <sup>1</sup>	167.0	119.7	39	367.4	250.4	47
Loss after tax - Product Services <sup>1</sup>	(30.8)	(0.5)	N.M	(27.7)	(1.0)	N.M
Profit after tax - Consolidated	78.2	38.6	103	208.9	97.1	115
(US\$ per share)						
Basic and diluted EPS <sup>2</sup>	0.59	0.26	127	1.54	0.67	130
Dividend per share	0.81	0.20	N.M	1.76	0.51	N.M
<b>Balance Sheet</b>						
				30 June 2023 US\$ million	31 December 2022 US\$ million	Increase/ (Decrease) %
Cash & cash equivalents				330.9	236.2	40
Total assets				2,281.0	2,540.5	(10)
Total liabilities				749.7	981.4	(24)
Total shareholders' equity				1,531.3	1,559.1	(2)
<b>Cash flow</b>						
	Q2 2023 US\$ million	Q2 2022 US\$ million	Increase/ (Decrease) %	H1 2023 US\$ million	H1 2022 US\$ million	Increase/ (Decrease) %
Operating cash flow	149.7	(14.7)	N.M	273.7	149.7	83
Capital expenditure	45.2	35.9	26	91.2	120.6	(24)
Free cash flow <sup>3</sup>	194.9	21.2	N.M	364.9	270.2	35
<b>Financial Ratios</b>						
	Q2 2023 %	Q2 2022 %	Increase/ (Decrease) %	30 June 2023 %	30 June 2022 %	Increase/ (Decrease) %
ROE <sup>4</sup> (annualised)	19.9	10.5	90	27.0	13.5	100
ROCE <sup>4</sup> (annualised)	14.4	8.8	64	19.7	10.5	88
Gross leverage ratio <sup>5</sup>	28.8	30.5	(6)	28.8	30.5	(6)
Net leverage ratio <sup>6</sup>	19.4	24.7	(21)	19.4	24.7	(21)
<b>Other Information</b>						
				30 June 2023	31 December 2022	Increase/ (Decrease) %
Shares – end of period (shares)				141,938,998	141,938,998	-
Treasury shares – end of period (shares)				10,510,225	8,557,623	23
Share price (NOK)				107.2	75.8	41
Market cap (NOK million)				15,215.9	10,759.0	41
Market cap (USD million)				1,407.3	1,086.0	30

[1] TCE and (loss)/profit after tax reflect the Shipping and Product Services segments' performance respectively.

[2] Basic and diluted EPS (earnings per share) is computed based on Q2 2023: 133.1 million (H1 2023: 133.3 million) shares, the weighted average number of shares outstanding less treasury shares during the period/year.

[3] Free cash flow is computed based on Operating cash flow less of Capital expenditure which comprise additions to property, plant and equipment and proceeds from vessel sales.

[4] ROE (return on equity) and ROCE (return on capital employed) is computed based on the average equity and capital employed at the end and beginning of the period.

[5] Gross leverage ratio is computed as total debt over total debt plus equity.

[6] Net leverage ratio is computed as total debt less cash over total debt less cash plus equity.

## HIGHLIGHTS AND SUBSEQUENT EVENTS – Q2 2023

- Achieved Q2 2023 VLGC freight rates of US\$51,600 per calendar day (H1 2023: US\$55,300 per calendar day).
- Generated Q2 2023 Net Profit after Tax of US\$78.2 million (H1 2023: US\$208.9 million) or an earnings per share of US\$0.59 (H1 2023: US\$1.54) or NOK 6.42 (H1 2023: NOK 16.27).
- Trading-profit<sup>1</sup>-adjusted result of US\$112.2 million (H1 2023: US\$242.9 million), equivalent to earnings per share of US\$0.81 (H1 2023: US\$1.76).
- Concluded the sale and delivery of BW Austria and BW Odin in Q2 2023, generating US\$113.5 million in liquidity and a net book gain of US\$26.6 million.
- BW Messina was delivered to BW LPG in May 2023, following the declaration of purchase option under the time charter agreement in February 2023.
- Dividend policy updated to include the difference between Product Services trading profit<sup>1</sup> and reported Net Profit after Tax.
- Declared a Q2 2023 cash dividend of US\$0.81 which translates to a 100% payout ratio as a percentage of results for the quarter after adjustment for trading profits<sup>1</sup>.
- The Board has resolved to work towards a dual US listing of BW LPG shares<sup>2</sup>.

## PERFORMANCE REVIEW – Q2 2023 and H1 2023

Time Charter Equivalent (“TCE”) income for the Shipping segment increased to US\$167.0 million for Q2 2023 (H1 2023: US\$367.4 million), mainly due to higher LPG spot rates and higher fleet utilisation. Our India subsidiary continues to contribute stable TCE income of US\$27.9 million for Q2 2023 mainly from fixed rate time charters.

EBITDA increased to US\$107.6 million for Q2 2023 and US\$283.7 million for H1 2023, primarily due to higher TCE income from the Shipping operating segment.

Profit after tax was US\$78.2 million for Q2 2023 and US\$208.9 million for H1 2023, of which loss after tax of US\$30.8 million for Q2 2023 (H1 2023: Loss after tax of US\$27.7 million) relates to the Product Services segment’s results.

Product Services reported a US\$30.8 million loss after tax for Q2 2023 and US\$27.7 million loss for H1 2023, which includes depreciation of US\$16.6 million for Q2 2023 (H1 2023: US\$34.3 million) due to the five time charter-in vessels recorded as right-of-use assets. The reported loss for Q2 2023 and H1 2023 does not take into account the mark-to-market change in value of the time charter-in positions of Product Services. Our internal valuation of the five time charter-in vessels increased by \$34.0 million for the quarter, giving an estimated non-GAAP trading profit of US\$3.2 million for Q2 2023 (H1 2023: US\$6.3 million). This reflects a continued strong development in the 12-month forward freight market for VLGCs, the period we use to evaluate freight positions in Product Services.

Net leverage ratio decreased to 19.4% in Q2 2023. This is mainly due to solid cash flows from operations and investing activities, net of US\$125.7 million in total dividends paid in Q2 2023.

<sup>1</sup> Trading profit is a non-IFRS/non-GAAP number.

<sup>2</sup> This does not constitute an offer to sell or the solicitation of an offer to buy any securities of BW LPG nor shall there be any sale of any securities of BW LPG in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

## BALANCE SHEET

As at 30 June 2023, BW LPG controls a fleet of 45 VLGCs, including eight which are owned and operated by our subsidiary operating in India. Total assets amounted to US\$2,281.0 million (31 December 2022: US\$2,540.5 million), of which US\$1,476.9 million (31 December 2022: US\$1,484.5 million) represented the carrying value of the vessels (including dry docking), and US\$217.3 million (31 December 2022: US\$264.7 million) represented the carrying value of 12 right-of-use assets (vessels).

Cash and cash equivalents amounted to US\$330.9 million as at 30 June 2023 (31 December 2022: US\$236.2 million). Cash flows from operating activities generated a net cash surplus of US\$273.7 million in H1 2023 (H1 2022: US\$149.7 million). The cash flows from operating activities were used for scheduled maintenance capital expenditure, to repay bank borrowings, and for interest and dividend payments. Investing activities generated positive cash flows of US\$100.1 million in H1 2023 (H1 2022: US\$124.6 million) mainly due to proceeds from sale of three vessels in H1 2023.

In accordance with the share buy-back programme announced on 8 December 2021, BW LPG has bought back a total of 7.3 million shares amounting to approximately US\$45.5 million as at 30 June 2023. In addition, a new share buy-back programme to purchase up to 6 million shares for a maximum of US\$50 million was announced on 23 May 2023. A tender offer was also launched on 12 June 2023 to purchase shares in the Company through a reverse book building process. At the end of the application period on 14 June 2023, BW LPG bought back approximately 1 million shares amounting to US\$9.7 million.

## Market Update

During the first half of 2023, Very Large Gas Carrier (VLGC) freight rates surged well above the seasonal averages of recent years. The Time Charter Equivalent (TCE) rates for the Ras Tanura – Chiba trade route averaged over US\$70,000 per day, which is twice the average rate for the same period in 2022.

Despite a substantial influx of new VLGC vessels, robust demand for LPG shipping led to high vessel utilisation and strong earnings.

Average run rate for PDH plants in China dipped below 50% early in Q1 2023. Following the post-Covid reopening of China, PDH plants progressively ramped up their operations throughout the first half of 2023, reaching around 70% capacity by the end of June. This upward trend in run rates has continued into Q3 2023.

Similarly, China's LPG inventories at major ports grew in the first half of 2023. Starting below 1.4 million tons in early Q1 2023, inventories stabilised around 2.6 million tons by the end of the first half.

The robust demand for LPG from the Far East has been met by ample supplies from both North America and the Middle East. This dynamic has given rise to a highly favourable propane arbitrage, supporting the 5% and 19% year-on-year export growth during Q2 2023 for North America and the Middle East respectively.

### Fleet Capacity

Year-to-date, 22 new VLGC vessels have been delivered, and there are plans for the delivery of 20 more throughout the remaining months of 2023. Presently, there are 71 VLGCs on order, constituting 20% of the existing fleet. Shipbuilders are indicating deliveries no earlier than the first half of 2027 for new VLGC orders.

### VLGC Freight Market Outlook

For the remainder of 2023, we foresee sustained high spot rates, driven by robust LPG exports from both North America and the Middle East. Elevated day rates are also reflected in Forward Freight Agreement (FFA) pricing and the US – Far East propane arbitrage levels.

After the end of H1 2023, the water level at Lake Gatun, the primary reservoir for the Panama Canal, descended to the lowest point observed in 5 years. Consequently, the Panama Canal Authority has instituted transit restrictions for both the old and new canal locks, leading to a potential reduction of up to 29% in total monthly transits.

LPG, which mainly comes as the by-product of upstream production, is heavily dependent on the oil and gas outlook. We remain optimistic about the long-term prospects of natural gas and LPG, as gas continues to serve as the most promising transitional fuel towards a cleaner future.

The current favourable oil price is poised to stimulate additional growth in LPG production and exports in the upcoming years. Moreover, rig productivity in the US begun to increase. Alongside the expected increase in LPG supply, we also anticipate heightened demand, partly fuelled by the emergence of additional PDH plants in China. While the rate of newbuilding ordering has slowed, a significant number of ships in the current orderbook remain to be delivered, and the market outlook is dependent on supply-side discipline.

## RISK FACTORS

BW LPG's results are largely dependent on the worldwide market for transportation of LPG. Market conditions for shipping activities are typically volatile and, as a consequence, the results may vary considerably from year to year. The market in broad terms is dependent on the following factors: the supply of vessels, U.S. LPG export volumes and the demand for LPG. The supply of vessels depends on the number of newbuildings entering the market, the demolition of older tonnage and legislation that limits the use of older vessels or sets new standards for vessels used in specific trades. The demand side depends mainly on developments in the global economy.

BW LPG is also exposed to risk in respect of fuel oil costs. Fuel oil prices are affected by the global political and economic environment. This risk is managed by pricing contracts of affreightment with fuel oil adjustment clauses, or by entering into forward fuel oil contracts. Other risks that Management takes into account are interest rate risk, credit risk, liquidity risk and capital risk. Management does not expect the exposure to these risks to change materially and cause a significant impact on the performance of BW LPG in the rest of 2023.

## Statements to the Interim Financial Information

We confirm to the best of our knowledge, that the Interim Financial Information for the period from 1 January 2023 to 30 June 2023 has been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the Group’s financial position as at 30 June 2023 as well as of the Group’s financial performance and cash flows for the period from 1 January 2023 to 30 June 2023. We also confirm to the best of our knowledge, that the Interim Financial Information includes a fair review of important events that have taken place from 1 January 2023 to 30 June 2023 and their impact on the Interim Financial Information, and accounts properly for the principal risks and uncertainties for the remaining half year of 2023, as well as major related party transactions.

29 August 2023

Andreas Sohmen-Pao  
Chairman

Anne Grethe Dalane  
Director

Luc Gillet  
Director

Andrew E. Wolff  
Director

Sonali Chandmal  
Director

## INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

Board of Directors  
BW LPG Limited

### Introduction

We have reviewed the accompanying condensed consolidated interim financial information of BW LPG Limited ("the Company") and its subsidiaries ("the Group"), which comprises:

- the condensed consolidated balance sheet as at 30 June 2023;
- the condensed consolidated statements of comprehensive income and cash flows for the three-month and six-month periods ended 30 June 2023;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2023; and
- notes to the interim financial information

("condensed consolidated Interim Financial Information").

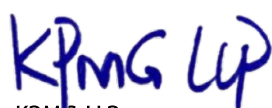
Management is responsible for the preparation and presentation of this condensed consolidated Interim Financial Information in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed consolidated Interim Financial Information based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated Interim Financial Information is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.



KPMG LLP

Public Accountants and  
Chartered Accountants

Singapore  
29 August 2023

BW LPG Limited  
Interim Financial Report  
Q2 2023 and H1 2023

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME \***

	Q2 2023 US\$'000	Q2 2022 US\$'000	H1 2023 US\$'000	H1 2022 US\$'000
Revenue - Shipping spot voyages #	244,106	137,800	491,435	288,516
Revenue - Shipping time charter voyages	46,740	35,846	87,614	73,738
Revenue - Product Services	168,110	184,244	773,027	286,892
Voyage expenses - Shipping	(132,520)	(78,312)	(245,149)	(150,689)
Cost of goods sold - Product Services #	(171,073)	(158,878)	(726,300)	(247,096)
	155,363	120,700	380,627	251,361
Vessel operating expenses	(22,327)	(24,679)	(44,560)	(48,508)
Time charter contracts (non-lease components)	(5,209)	(4,722)	(11,013)	(9,479)
General and administrative expenses	(11,029)	(7,581)	(22,076)	(15,412)
Charter hire expenses	(7,792)	(796)	(16,709)	(1,493)
Finance lease income	79	156	178	330
Other operating loss - net	(1,481)	(508)	(2,737)	(983)
<b>Operating profit before depreciation, amortisation and impairment (EBITDA)</b>	107,604	82,570	283,710	175,816
Depreciation charge	(53,382)	(37,995)	(108,054)	(78,371)
Amortisation of intangible assets	(189)	(150)	(351)	(297)
	54,033	44,425	175,305	97,148
Gain on disposal of vessels	-	4,834	-	6,895
Gain on derecognition of right-of-use assets	319	-	319	-
Gain on disposal of assets held-for-sale	26,610	-	43,199	11,699
<b>Operating profit (EBIT)</b>	80,962	49,259	218,823	115,742
Foreign currency exchange gain/(loss) - net	1,657	(1,567)	806	(1,309)
Interest income	3,308	738	4,768	810
Interest expense	(7,084)	(8,719)	(13,345)	(16,668)
Other finance expenses	(615)	(771)	(1,020)	(1,586)
<b>Finance expenses - net</b>	(2,734)	(10,319)	(8,791)	(18,753)
<b>Profit before tax for the financial period</b>	78,228	38,940	210,032	96,989
Income tax (expense)/credit	(15)	(305)	(1,139)	128
<b>Profit after tax for the financial period (NPAT)</b>	78,213	38,635	208,893	97,117

\* Condensed consolidated statement of comprehensive income has been re-presented to better reflect the financial performance of the Group's operating activities after the acquisition of Vilma's LPG trading operations.

# Exclude Q2 2023: US\$8.7 million (H1 2023: US\$33.5 million) of net internal freight revenue/expense that has been eliminated on consolidation.

BW LPG Limited  
Interim Financial Report  
Q2 2023 and H1 2023

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME \* (continued)

	Q2 2023 US\$'000	Q2 2022 US\$'000	H1 2023 US\$'000	H1 2022 US\$'000
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedges				
- fair value (loss)/gain	(30,728)	6,821	(39,718)	20,879
- reclassification to profit or loss	7,807	(278)	11,548	1,216
Currency translation reserve	(3,943)	(15,888)	3,963	(21,581)
Other comprehensive (loss)/income, net of tax	(26,864)	(9,345)	(24,207)	514
Total comprehensive income for the financial period	51,349	29,290	184,686	97,631
Profit attributable to:				
Equity holders of the Company	78,287	35,837	205,509	92,155
Non-controlling interests	(74)	2,798	3,384	4,962
	78,213	38,635	208,893	97,117
Total comprehensive income attributable to:				
Equity holders of the Company	53,054	34,500	179,662	102,936
Non-controlling interests	(1,705)	(5,210)	5,024	(5,305)
	51,349	29,290	184,686	97,631
Earnings per share attributable to the equity holders of the Company:				
(expressed in US\$ per share)				
Basic/Diluted earnings per share	0.59	0.26	1.54	0.67

BW LPG Limited  
Interim Financial Report  
Q2 2023 and H1 2023

CONDENSED CONSOLIDATED BALANCE SHEET

	30 June 2023 US\$'000	31 December 2022 US\$'000
<b>Intangible assets</b>	1,609	1,370
Derivative financial instruments	21,436	23,806
Finance lease receivables	-	2,684
Other receivables	14,778	15,869
Deferred tax assets	7,002	6,720
<b>Total other non-current assets</b>	43,216	49,079
Vessels and dry docking	1,476,915	1,484,489
Right-of-use assets (vessels)	217,303	264,666
Other property, plant and equipment	339	307
<b>Property, plant and equipment</b>	1,694,557	1,749,462
<b>Total non-current assets</b>	1,739,382	1,799,911
Inventories	57,050	113,945
Trade and other receivables	141,089	203,179
Equity financial assets, at fair value	3,271	3,271
Derivative financial instruments	2,579	89,346
Finance lease receivables	6,644	7,842
Assets held-for-sale	-	86,869
Cash and cash equivalents	330,930	236,151
<b>Total current assets</b>	541,563	740,603
<b>Total assets</b>	2,280,945	2,540,514
Share capital	1,419	1,419
Share premium	289,812	289,812
Treasury shares	(66,212)	(47,631)
Contributed surplus	685,913	685,913
Other reserves	(53,344)	(30,554)
Retained earnings	565,507	556,996
	1,423,095	1,455,955
<b>Non-controlling interests</b>	108,191	103,167
<b>Total shareholders' equity</b>	1,531,286	1,559,122
Borrowings	332,793	362,220
Lease liabilities	87,281	106,281
Derivative financial instruments	1,016	929
<b>Total non-current liabilities</b>	421,090	469,430
Borrowings	78,719	116,153
Lease liabilities	120,841	136,391
Derivative financial instruments	35,164	33,006
Current income tax liabilities	2,831	2,489
Trade and other payables	91,014	223,923
<b>Total current liabilities</b>	328,569	511,962
<b>Total liabilities</b>	749,659	981,392
<b>Total equity and liabilities</b>	2,280,945	2,540,514

BW LPG Limited  
Interim Financial Report  
Q2 2023 and H1 2023

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company											Non-controlling interests US\$'000	Total Equity US\$'000
	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		
<b>Balance at 1 January 2023</b>	1,419	289,812	(47,631)	685,913	(36,259)	24,777	2,141	(21,538)	325	556,996	1,455,955	103,167	1,559,122
Profit for the financial period	-	-	-	-	-	-	-	-	-	205,509	205,509	3,384	208,893
Other comprehensive (loss)/income for the financial period	-	-	-	-	-	(28,170)	-	2,323	-	-	(25,847)	1,640	(24,207)
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	-	-	-	(28,170)	-	2,323	-	205,509	179,662	5,024	184,686
Share-based payment reserve - Value of employee services	-	-	-	-	-	-	1,145	-	-	-	1,145	-	1,145
Purchases of treasury shares	-	-	(20,047)	-	-	-	-	-	-	-	(20,047)	-	(20,047)
Share options exercised	-	-	1,466	-	-	-	68	-	1,833	(2,533)	834	-	834
Dividend paid	-	-	-	-	-	-	-	-	-	(194,465)	(194,465)	-	(194,465)
Others	-	-	-	-	-	-	-	-	11	-	11	-	11
<b>Total transactions with owners, recognised directly in equity</b>	-	-	(18,581)	-	-	-	1,213	-	1,844	(196,998)	(212,522)	-	(212,522)
<b>Balance at 30 June 2023</b>	<b>1,419</b>	<b>289,812</b>	<b>(66,212)</b>	<b>685,913</b>	<b>(36,259)</b>	<b>(3,393)</b>	<b>3,354</b>	<b>(19,215)</b>	<b>2,169</b>	<b>565,507</b>	<b>1,423,095</b>	<b>108,191</b>	<b>1,531,286</b>

BW LPG Limited  
Interim Financial Report  
Q2 2023 and H1 2023

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Attributable to equity holders of the Company											Non-controlling interests US\$'000	Total Equity US\$'000
	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		
Balance at 1 January 2022	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
Profit for the financial period	-	-	-	-	-	-	-	-	-	92,155	92,155	4,962	97,117
Other comprehensive income/(loss) for the financial period	-	-	-	-	-	22,095	-	(11,314)	-	-	10,781	(10,267)	514
Total comprehensive income/(loss) for the financial period	-	-	-	-	-	22,095	-	(11,314)	-	92,155	102,936	(5,305)	97,631
Share-based payment reserve - Value of employee services	-	-	-	-	-	-	661	-	-	-	661	-	661
Purchases of treasury shares	-	-	(13,755)	-	-	-	-	-	-	-	(13,755)	-	(13,755)
Transfer of treasury shares	-	-	2,597	-	-	-	(96)	-	(1,344)	-	1,157	-	1,157
Dividend paid	-	-	-	-	-	-	-	-	-	(66,255)	(66,255)	-	(66,255)
Changes in non-controlling interests arising from changes of interests in subsidiary	-	-	-	-	-	-	-	-	-	(4,343)	(4,343)	84,343	80,000
Total transactions with owners, recognised directly in equity	-	-	(11,158)	-	-	-	565	-	(1,344)	(70,598)	(82,535)	84,343	1,808
Balance at 30 June 2022	1,419	289,812	(34,452)	685,913	(36,259)	15,426	1,487	(13,938)	850	482,205	1,392,463	92,875	1,485,338

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Q2 2023 US\$'000	Q2 2022 US\$'000	H1 2023 US\$'000	H1 2022 US\$'000
<b>Cash flows provided by operating activities</b>				
Profit before tax for the financial period	78,228	38,940	210,032	96,989
Adjustments for:				
- amortisation of intangible assets	189	150	351	297
- depreciation charge	53,382	37,995	108,054	78,371
- gain on disposal of assets held-for-sale	(26,610)	-	(43,199)	(11,699)
- gain on disposal of vessels	-	(4,834)	-	(6,895)
- interest income	(3,308)	(738)	(4,768)	(810)
- interest expenses	7,884	8,719	14,906	16,668
- other finance expenses	462	565	867	1,177
- share-based payments	862	302	1,145	564
- finance lease income	(79)	(156)	(178)	(330)
- gain on derecognition of right-of-use assets	(319)	-	(319)	-
	110,691	80,943	286,891	174,332
Changes in working capital:				
- inventories	37,244	(18,756)	56,895	5,370
- trade and other receivables	195,763	(97,178)	67,144	(14,508)
- trade and other payables	(170,342)	22,443	(134,467)	(17,978)
- derivative financial instruments	19,727	(2,552)	63,125	2,009
- margin account held with broker	(42,481)	240	(64,822)	379
Total changes in working capital:	39,911	(95,803)	(12,125)	(24,728)
Taxes paid	(856)	156	(1,025)	113
<b>Net cash provided by/(used in) operating activities</b>	<b>149,746</b>	<b>(14,704)</b>	<b>273,741</b>	<b>149,717</b>
<b>Cash flows (used in)/provided by investing activities</b>				
Additions in property, plant and equipment	(67,867)	(24,192)	(75,990)	(35,502)
Progress payments for vessel upgrades and dry docks <sup>1</sup>	-	15,515	-	17,486
Additions in intangible assets	(496)	(15)	(590)	(44)
Proceeds from sale of assets held-for-sale	113,538	-	167,804	50,726
Proceeds from sale of vessels	-	44,558	-	87,883
Repayment of finance lease receivables	1,950	1,874	3,882	3,730
Interest received	3,387	155	4,946	330
<b>Net cash provided by investing activities</b>	<b>50,512</b>	<b>37,895</b>	<b>100,052</b>	<b>124,609</b>

<sup>1</sup> This will be reclassified from "prepayments" to "property, plant and equipment" upon completion.

BW LPG Limited  
Interim Financial Report  
Q2 2023 and H1 2023

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

	Q2 2023 US\$'000	Q2 2022 US\$'000	H1 2023 US\$'000	H1 2022 US\$'000
<b>Cash flows used in financing activities</b>				
Proceeds from bank borrowings	-	50,000	-	50,000
Payment of financing fees	-	-	-	(184)
Repayments of bank borrowings	(15,002)	(289,081)	(30,012)	(309,681)
Payment of lease liabilities	(23,205)	(12,656)	(46,748)	(25,186)
Interest paid	(7,374)	(7,599)	(14,424)	(14,442)
Other finance expense paid	(402)	(569)	(809)	(1,180)
(Purchase)/sale of treasury shares	(14,015)	733	(20,047)	(12,502)
Drawdown of trust receipts	49,076	93,333	456,026	93,333
Repayment of trust receipts	(103,946)	(32,017)	(493,357)	(32,017)
Dividend payment	(125,734)	(42,072)	(194,465)	(66,255)
Contributions from non-controlling interests	-	30,000	-	80,000
<b>Net cash used in financing activities</b>	<b>(240,602)</b>	<b>(209,928)</b>	<b>(343,836)</b>	<b>(238,114)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(40,344)</b>	<b>(186,737)</b>	<b>29,957</b>	<b>36,212</b>
Cash and cash equivalents at beginning of the financial period	291,216	352,596	220,915	129,647
<b>Cash and cash equivalents at end of the financial period</b>	<b>250,872</b>	<b>165,859</b>	<b>250,872</b>	<b>165,859</b>

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

	30 June 2023 US\$'000	30 June 2022 US\$'000
Cash and cash equivalents per consolidated balance sheet	330,930	168,506
Less: Margin account held with broker	(80,058)	(2,647)
<b>Cash and cash equivalents per consolidated statement of cash flows</b>	<b>250,872</b>	<b>165,859</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

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

### 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, 4<sup>th</sup> 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.

This condensed consolidated interim financial information ("Interim Financial Information") was authorised for issue by the Board of Directors of the Company on 29 August 2023.

### 2. Significant accounting policies

#### Basis of preparation

The Interim Financial Information for the three-month and six-month ended 30 June 2023 has been prepared in accordance with IAS 34, 'Interim Financial Reporting'. The Interim Financial Information should be read in conjunction with the annual audited financial statements for the year ended 31 December 2022, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Interim Financial Information does not include all the information required for a complete set of financial statements prepared in accordance with IFRS standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

All interim balances and transactions during the three-month period ("Q2 2023") and six-month period ("H1 2023") ended 30 June 2023 and the three-month period ("Q2 2022") and six-month period ("H1 2022") ended 30 June 2022 were reviewed. The balances as at and transactions for the year ended 31 December 2022 ("FY 2022") were audited.

In the preparation of this set of Interim Financial Information, the same accounting policies have been applied as those used in the preparation of the annual financial statements for the year ended 31 December 2022.

#### 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.

#### Critical accounting estimates, assumptions and judgements

The preparation of the Interim Financial Information requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this Interim Financial Information, the judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the consolidated financial statements for the year ended 31 December 2022.

### 3. Derivative financial instruments

	30 June 2023		31 December 2022	
	Assets	Liabilities	Assets	Liabilities
	US\$'000	US\$'000	US\$'000	US\$'000
Interest rate swaps	24,015	-	23,806	-
Forward freight agreements and related bunker swaps	-	(26,521)	-	(3,152)
Commodity contracts and derivatives	-	(9,627)	89,346	(30,706)
Forward foreign exchange contracts	-	(32)	-	(77)
	<b>24,015</b>	<b>(36,180)</b>	<b>113,152</b>	<b>(33,935)</b>
Non-current	21,436	(1,016)	23,806	(929)
Current	2,579	(35,164)	89,346	(33,006)
	<b>24,015</b>	<b>(36,180)</b>	<b>113,152</b>	<b>(33,935)</b>

As at 30 June 2023, the Group has interest rate swaps with total notional principal amounting to US\$336.2 million (2022: US\$358.6 million). The Group's interest rate swaps mature between 2024 to 2029.

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 1.8% per annum to 2.9% per annum and would receive a variable rate based on US\$ SOFR. 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 contracts and 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.

4. 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 the subleases as finance lease receivables of US\$6.6 million as at 30 June 2023 (2022: US\$10.5 million).

5. 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
<b>At 30 June 2023</b>					
Cost	1,934,850	52,119	943	367,236	2,355,148
Accumulated depreciation and impairment charge	(489,525)	(20,529)	(604)	(149,933)	(660,591)
<b>Net book value</b>	<b>1,445,325</b>	<b>31,590</b>	<b>339</b>	<b>217,303</b>	<b>1,694,557</b>
	Vessels US\$'000	Dry docking US\$'000	Furniture and fixtures US\$'000	Right-of-use assets (Vessels) US\$'000	Total US\$'000
<b>At 31 December 2022</b>					
Cost	1,915,717	53,717	817	379,345	2,349,596
Accumulated depreciation and impairment charge	(462,605)	(22,340)	(510)	(114,679)	(600,134)
<b>Net book value</b>	<b>1,453,112</b>	<b>31,377</b>	<b>307</b>	<b>264,666</b>	<b>1,749,462</b>

- (a) Vessels with an aggregate carrying amount of US\$1,045.8 million as at 30 June 2023 (2022: US\$974.5 million) are secured on bank borrowings (note 7).
- (b) For owned assets, the assessment of the recoverable amounts of the vessels are 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 predominantly 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 have the required competency and capability to perform the valuations. The Group has also considered the appropriateness of the valuation methodologies and assumptions used by the brokers.

## 6. Treasury shares

Pursuant to the Company's Long-term Management Share Option Plan ("LTIP 2017") announced on 21 April 2017, the members of the management and primary insiders of the Company have exercised vested options granted under LTIP 2017 on 8 March 2023 and 26 May 2023; 198,800 shares were transferred at an average price of US\$3.06 (NOK 32.6) per share, and 186,304 shares were transferred at an average price of US\$0.16 (NOK 1.61) per share respectively.

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 30 June 2023, the Company has purchased a total of 7,317,962 of its own common shares at an average price of US\$6.2 (NOK 59.4) per share for an aggregate consideration of US\$45.5 million (NOK 434.7 million).

On 23 May 2023, the Company announced a new share buy-back programme where the Company will purchase up to 6 million of its own common shares for a maximum amount of US\$50 million.

A tender offer was also launched on 12 June 2023 by the Company to purchase its own common shares through a reverse book building process. Following the end of the application period on 14 June 2023, the Company bought 956,222 of its own common shares at a price of US\$10.6 (NOK 108.0) per share for an aggregate consideration of US\$9.7 million (NOK 103.3 million).

## 7. Borrowings and lease liabilities

	30 June 2023 US\$'000	31 December 2022 US\$'000
<b>Borrowings</b>		
Bank borrowings	391,898	421,325
Trust receipts	15,806	53,138
Interest payable	3,808	3,910
	<b>411,512</b>	<b>478,373</b>
<b>Borrowings</b>		
Non-current	332,793	362,220
Current	78,719	116,153
	<b>411,512</b>	<b>478,373</b>
<b>Lease liabilities</b>		
Non-current	87,281	106,281
Current	120,841	136,391
	<b>208,122</b>	<b>242,672</b>

## 7. Borrowings and lease liabilities (continued)

Movements in borrowings and lease liabilities are analysed as follows:

	Borrowings US\$'000	Lease liabilities US\$'000	Total US\$'000
At 1 January 2023	478,373	242,672	721,045
Drawdown of trust receipts	456,026	-	456,026
Additions	-	16,095	16,095
Interest expense	11,015	3,891	14,906
Lease modifications	-	(3,897)	(3,897)
Less: Interest paid	(10,533)	(3,891)	(14,424)
Less: Principal repayment	(30,012)	(46,748)	(76,760)
Less: Repayment of trust receipts	(493,357)	-	(493,357)
<b>At 30 June 2023</b>	<b>411,512</b>	<b>208,122</b>	<b>619,634</b>

	Borrowings US\$'000	Lease liabilities US\$'000	Total US\$'000
At 1 January 2022	742,289	132,540	874,829
Proceeds from bank borrowings	50,000	-	50,000
Drawdown of trust receipts	93,333	-	93,333
Payment of financing fees	(184)	-	(184)
Interest expense	14,223	2,445	16,668
Less: Interest paid	(11,997)	(2,445)	(14,442)
Less: Principal repayment	(309,681)	(25,186)	(334,867)
Less: Repayment of trust receipts	(32,017)	-	(32,017)
<b>At 30 June 2022</b>	<b>545,966</b>	<b>107,354</b>	<b>653,320</b>

As at 30 June 2023, bank borrowings amounting to US\$395.7 million (31 December 2022: US\$425.2 million) are secured by mortgages on a number of vessels of the Group (note 5). These bank borrowings are interest bearing at SOFR 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.

## 8. Related party transactions

In addition to the information disclosed elsewhere in the Interim Financial Information, the following transactions took place between the Group and related parties during the financial period at terms agreed between the parties:

### (a) Services

	Q2 2023 US\$'000	Q2 2022 US\$'000	H1 2023 US\$'000	H1 2022 US\$'000
Charter hire expense charged by related party*	250	508	1,278	1,468
Corporate service fees charged by related parties*	1,711	1,879	3,386	3,459
Ship management fees charged by related parties*	317	314	631	624
Corporate service fees charged to related parties*	70	58	126	126

\* "Related parties" refer to corporations controlled by a shareholder of the Company.

## 8. Related party transactions

### (b) Key management's remuneration

	Q2 2023 US\$'000	Q2 2022 US\$'000	H1 2023 US\$'000	H1 2022 US\$'000
Salaries and other short-term employee benefits	521	471	1,573	1,814
Post-employment benefits - contributions to defined contribution plans and share-based payment	869	402	1,158	650
Directors' fees	94	94	188	188
	<b>1,484</b>	<b>967</b>	<b>2,919</b>	<b>2,652</b>

## 9. Financial risk management

The Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual financial statements as at 31 December 2022. There have been no major changes in any risk management policies or processes since the previous year end.

### (a) Financial instruments by category

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

	30 June 2023 US\$'000	31 December 2022 US\$'000
Equity financial assets, at FVPL	3,271	3,271
Net derivative (liabilities)/assets measured at fair value	(12,165)	79,217
Financial assets at amortised cost	411,121	384,858
Financial liabilities at amortised cost	<b>483,939</b>	<b>687,968</b>

### (b) 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).

#### 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 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 quoted forward commodity indices at the balance sheet date.

9. **Financial risk management** (continued)

(b) Estimation of fair value (continued)

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.

10. **Segment information**

The Group identifies segments on the basis of those components of the Group that are regularly reviewed by Management. Management considers the business from each individual business segment perspective which comprise the Shipping and Product Services segments.

The reported measure of segment performance is gross profit. For the Shipping segment, gross profit is reflected as TCE income. Operating segment disclosures are consistent with the information reviewed by Management.

Segment performance is presented below:

	Shipping US\$'000	Product Services US\$'000	Inter- segment elimination US\$'000	Total US\$'000
<b>Q2 2023</b>				
Revenue from spot voyages	244,106	-	-	244,106
Inter-segment revenue	33,578	-	(33,578)	-
Voyage expenses	(132,520)	-	-	(132,520)
Inter-segment expense	(24,873)	-	24,873	-
Net income from spot voyages	120,291	-	(8,705)	111,586
Revenue from time charter voyages	46,740	-	-	46,740
<b>TCE income - Shipping ^</b>	<b>167,031</b>	-	<b>(8,705)</b>	<b>158,326</b>
Revenue from Product Services	-	168,110	-	168,110
Inter-segment revenue	-	24,873	(24,873)	-
Cost of goods sold	-	(171,073)	-	(171,073)
Inter-segment expense	-	(33,578)	33,578	-
<b>Gross loss - Product Services @</b>	-	<b>(11,668)</b>	<b>8,705</b>	<b>(2,963)</b>
<b>Gross profit/(loss) - Total</b>	<b>167,031</b>	<b>(11,668)</b>	-	<b>155,363</b>
Depreciation	(36,827)	(16,555)	-	(53,382)
Amortisation	(175)	(14)	-	(189)
Gain on derecognition of right-of-use assets	319	-	-	319
Gain on disposal of assets held for sale	26,610	-	-	26,610
<b>Net profit/(loss) after tax</b>	<b>109,004</b>	<b>(30,791)</b>	-	<b>78,213</b>

^ 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.

@ Gross loss from Product Services represents the net trading results which comprise revenue and cost of LPG cargo, derivative gains and losses, and other trading attributable costs.

BW LPG Limited  
Interim Financial Report  
Q2 2023 and H1 2023

10. Segment information (continued)

	Shipping US\$'000	Product Services US\$'000	Inter- segment elimination US\$'000	Total US\$'000
<b>H1 2023</b>				
Revenue from spot voyages	491,435	-	-	491,435
Inter-segment revenue	76,226	-	(76,226)	-
Voyage expenses	(245,149)	-	-	(245,149)
Inter-segment expense	(42,760)	-	42,760	-
Net income from spot voyages	279,752	-	(33,466)	246,286
Revenue from time charter voyages	87,614	-	-	87,614
<b>TCE income - Shipping ^</b>	<b>367,366</b>	<b>-</b>	<b>(33,466)</b>	<b>333,900</b>
Revenue from Product Services	-	773,027	-	773,027
Inter-segment revenue	-	42,760	(42,760)	-
Cost of goods sold	-	(726,300)	-	(726,300)
Inter-segment expense	-	(76,226)	76,226	-
<b>Gross profit - Product Services @</b>	<b>-</b>	<b>13,261</b>	<b>33,466</b>	<b>46,727</b>
<b>Gross profit - Total</b>	<b>367,366</b>	<b>13,261</b>	<b>-</b>	<b>380,627</b>
Depreciation	(73,775)	(34,279)	-	(108,054)
Amortisation	(337)	(14)	-	(351)
Gain on derecognition of right-of-use assets	319	-	-	319
Gain on disposal of assets held for sale	43,199	-	-	43,199
<b>Net profit/(loss) after tax</b>	<b>236,594</b>	<b>(27,701)</b>	<b>-</b>	<b>208,893</b>

^ "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.

@ Gross profit from Product Services represents the net trading results which comprise revenue and cost of LPG cargo, derivative gains and losses, and other trading attributable costs.

10. Segment information (continued)

	Shipping US\$'000	Product Services US\$'000	Inter- segment elimination US\$'000	Total US\$'000
<b>Q2 2022</b>				
Revenue from spot voyages	137,800	-	-	137,800
Inter-segment revenue	24,320	-	(24,320)	-
Voyage expenses	(78,312)	-	-	(78,312)
Net income from spot voyages	83,808	-	(24,320)	59,488
Revenue from time charter voyages	35,846	-	-	35,846
<b>TCE income - Shipping ^</b>	<b>119,654</b>	<b>-</b>	<b>(24,320)</b>	<b>95,334</b>
Revenue from Product Services	-	184,244	-	184,244
Cost of goods sold	-	(158,878)	-	(158,878)
Inter-segment expense	-	(24,320)	24,320	-
<b>Gross profit - Product Services @</b>	<b>-</b>	<b>1,046</b>	<b>24,320</b>	<b>25,366</b>
<b>Gross profit - Total</b>	<b>119,654</b>	<b>1,046</b>	<b>-</b>	<b>120,700</b>
Depreciation	(37,995)	-	-	(37,995)
Amortisation	(150)	-	-	(150)
Gain on disposal of vessels	4,834	-	-	4,834
<b>Net profit/(loss) after tax</b>	<b>39,085</b>	<b>(450)</b>	<b>-</b>	<b>38,635</b>
	Shipping US\$'000	Product Services US\$'000	Inter- segment elimination US\$'000	Total US\$'000
<b>H1 2022</b>				
Revenue from spot voyages	288,516	-	-	288,516
Inter-segment revenue	38,802	-	(38,802)	-
Voyage expenses	(150,689)	-	-	(150,689)
Net income from spot voyages	176,629	-	(38,802)	137,827
Revenue from time charter voyages	73,738	-	-	73,738
<b>TCE income - Shipping ^</b>	<b>250,367</b>	<b>-</b>	<b>(38,802)</b>	<b>211,565</b>
Revenue from Product Services	-	286,892	-	286,892
Cost of goods sold	-	(247,096)	-	(247,096)
Inter-segment expense	-	(38,802)	38,802	-
<b>Gross profit - Product Services @</b>	<b>-</b>	<b>994</b>	<b>38,802</b>	<b>39,796</b>
<b>Gross profit - Total</b>	<b>250,367</b>	<b>994</b>	<b>-</b>	<b>251,361</b>
Depreciation	(78,371)	-	-	(78,371)
Amortisation	(297)	-	-	(297)
Gain on disposal of vessels	6,895	-	-	6,895
Gain on disposal of assets held for sale	11,699	-	-	11,699
<b>Net profit/(loss) after tax</b>	<b>98,156</b>	<b>(1,039)</b>	<b>-</b>	<b>97,117</b>

^ "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.

@ Gross profit from Product Services represents the net trading results which comprise revenue and cost of LPG cargo, derivative gains and losses, and other trading attributable costs.

## 11. Investment in subsidiaries

The Group's subsidiary BW LPG Product Services Pte. Ltd. ("BW Product Services") completed the acquisition of Vilma's LPG trading operations in November 2022. From 30 November 2022, the Group accounted for Vilma's LPG trading operations as its subsidiary.

Set out below are the summarised financial information for BW LPG India Pte. Ltd. ("BW India") and BW LPG Product Services Pte. Ltd. ("BW Product Services"), that has non-controlling interest that are material to the Group. These are presented before inter-company eliminations.

Summarised balance sheet:

	BW India		BW Product Services	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Assets</b>				
<b>Current assets</b>	<b>51,329</b>	<b>36,874</b>	<b>77,226</b>	<b>329,485</b>
Includes				
Cash and cash equivalents	21,329	12,216	68,436	72,829
<b>Non-current assets</b>	<b>331,535</b>	<b>337,868</b>	<b>109,206</b>	<b>120,085</b>
<b>Liabilities</b>				
<b>Current liabilities</b>	<b>35,825</b>	<b>33,861</b>	<b>99,022</b>	<b>326,246</b>
Includes				
Borrowings	27,900	27,957	48,120	110,260
<b>Non-current liabilities</b>	<b>125,918</b>	<b>139,007</b>	<b>55,083</b>	<b>62,231</b>
<b>Net assets</b>	<b>221,121</b>	<b>201,874</b>	<b>32,327</b>	<b>61,093</b>

Summarised statement of comprehensive income:

	BW India		Product Services
	Q2 2023	Q2 2022	Q2 2023
	US\$'000	US\$'000	US\$'000
TCE income - Shipping	27,917	20,139	-
Gross loss - Product services	-	-	(11,668)
Vessel operating expenses	(5,508)	(4,707)	-
Depreciation and amortisation	(8,497)	(6,731)	(16,569)
Finance expense	(2,723)	(1,500)	(1,462)
Other expenses - net	(1,645)	(604)	(1,092)
<b>Net profit/(loss) after tax</b>	<b>9,544</b>	<b>6,597</b>	<b>(30,791)</b>
Other comprehensive loss (currency translation effects)	(3,187)	(15,888)	(756)
<b>Total comprehensive income/(loss)</b>	<b>6,357</b>	<b>(9,291)</b>	<b>(31,547)</b>
<b>Total comprehensive income/(loss) allocated to non-controlling interests</b>	<b>3,026</b>	<b>(5,210)</b>	<b>(4,731)</b>

**11. Investment in subsidiaries (continued)**

Summarised statement of comprehensive income (continued):

	BW India		Product Services
	H1 2023	H1 2022	H1 2023
	US\$'000	US\$'000	US\$'000
TCE income - Shipping	51,961	40,357	-
Gross profit - Product services	-	-	13,261
Vessel operating expenses	(11,316)	(9,244)	-
Depreciation and amortisation	(16,044)	(14,539)	(34,293)
Finance expense	(5,415)	(3,206)	(2,070)
Other expenses - net	(3,355)	(1,333)	(4,599)
<b>Net profit/(loss) after tax</b>	<b>15,831</b>	<b>12,035</b>	<b>(27,701)</b>
Other comprehensive income/(loss) (currency translation effects)	3,208	(21,589)	755
<b>Total comprehensive income/(loss)</b>	<b>19,039</b>	<b>(9,554)</b>	<b>(26,946)</b>
Total comprehensive income/(loss) allocated to non-controlling interests	9,062	(5,305)	(4,038)

**12. Dividends paid**

An interim dividend of US\$125.7 million (US\$0.95 per share) was paid on 16 June 2023 in respect of Q1 2023. In the corresponding period last year, an interim dividend of US\$42.1 million (US\$0.31 per share) was paid on 10 June 2022 in respect of Q1 2022.

**13. Subsequent events**

On 3 July 2023, the Company cancelled 1,938,998 of its treasury shares. Following the cancellation, the Company will own 8,571,227 treasury shares and have 140,000,000 shares outstanding.

The Group amended the existing US\$400 million Senior Secured Facility to convert US\$110 million of Term Loan to Revolving Credit Facility with all other terms unchanged.