



Interim Financial Report

Q3 2023 (unaudited)



BW LPG Limited
Interim Financial Report
Q3 2023 (unaudited)

SELECTED KEY FINANCIAL INFORMATION

Income Statement	Q3 2023 US\$ million	Q3 2022 US\$ million	Increase/ (Decrease) %	YTD September 2023 US\$ million	YTD September 2022 US\$ million	Increase/ (Decrease) %
Net income from spot voyages ¹	150.5	100.8	49	430.3	277.4	55
Net income from time charter voyages ¹	44.9	30.5	47	132.5	104.2	27
TCE income - Shipping ¹	195.4	131.3	49	562.8	381.6	47
Profit/(loss) after tax - Product Services ¹	11.7	2.0	N.M	(16.0)	0.9	N.M
Profit after tax - Consolidated	122.3	46.4	164	331.2	143.5	131
(US\$ per share)						
Basic and diluted EPS ²	0.85	0.32	166	2.39	1.00	139
Dividend per share	0.80	0.25	N.M	2.56	0.76	N.M
Balance Sheet				30 September 2023 US\$ million	31 December 2022 US\$ million	Increase/ (Decrease) %
Cash & cash equivalents				299.7	236.2	27
Total assets				2,355.9	2,540.5	(7)
Total liabilities				833.8	981.4	(15)
Total shareholders' equity				1,522.2	1,559.1	(2)
Cash flow	Q3 2023 US\$ million	Q3 2022 US\$ million	Increase/ (Decrease) %	YTD September 2023 US\$ million	YTD September 2022 US\$ million	Increase/ (Decrease) %
Operating cash flow	77.1	61.9	25	350.8	211.6	66
Capital expenditure	(2.3)	(4.1)	(44)	88.9	116.4	(24)
Free cash flow ³	74.8	57.8	29	439.7	328.0	34
Financial Ratios	Q3 2023 %	Q3 2022 %	Increase/ (Decrease) %	30 September 2023 %	30 September 2022 %	Increase/ (Decrease) %
ROE ⁴ (annualised)	32.0	12.5	156	28.7	13.3	116
ROCE ⁴ (annualised)	23.9	10.2	134	20.9	10.4	101
Gross leverage ratio ⁵	28.9	29.0	-	28.9	29.0	-
Net leverage ratio ⁶	22.0	24.6	(11)	22.0	24.6	(11)
Other Information				30 September 2023	31 December 2022	Increase/ (Decrease) %
Shares – end of period (shares)				140,000,000	141,938,998	(1)
Treasury shares – end of period (shares)				8,926,105	8,557,623	4
Share price (NOK)				134.7	75.8	78
Market cap (NOK million)				18,858.0	10,759.0	75
Market cap (USD million)				1,768.8	1,086.0	63

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

[2] Basic and diluted EPS (earnings per share) is computed based on Q3 2023: 132.2 million (YTD September 2023: 133.0 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 – Q3 2023

- Achieved Q3 2023 VLGC freight rates of US\$61,800 per calendar day (YTD September 2023: US\$57,400 per calendar day).
- Generated Q3 2023 net profit after tax of US\$122.3 million (YTD September 2023: US\$331.2 million) or an earnings per share of US\$0.85 or NOK 8.92 (YTD September 2023: US\$2.39 or NOK 25.19).
- The dividend policy is revised to reflect the 'core shipping' nature of the company. The dividend payout will be based on Shipping's net profit after tax and company leverage, adjusted for Product Service's performance and anticipated cash and capital requirements.
- Declared a Q3 2023 cash dividend of US\$0.80 per share amounting to US\$104.9 million. This translates to a 94% payout ratio as a percentage of total profit attributable to equity holders for the quarter.
- Entered into an agreement to sell one VLGC in October 2023 with an estimated delivery in Q1 2024. The sale is expected to generate approximately US\$64.0 million in liquidity and a net book gain of US\$20.0 million.

PERFORMANCE REVIEW – Q3 2023 and YTD September 2023

Profit after tax was US\$122.3 million for Q3 2023 and US\$331.2 million for YTD September 2023. This includes a net downward adjustment of US\$24.0 million related to the effects of IFRS 15 for Q3 2023 (YTD September 2023: downward adjustment of US\$7.7 million), where spot voyages that straddle the quarter-end are now accounted for on a load to discharge basis.

Time Charter Equivalent ("TCE") income for the Shipping segment increased to US\$195.4 million for Q3 2023 (YTD September 2023: US\$562.8 million), mainly due to higher LPG spot rates and higher fleet utilisation. Our India subsidiary continues to contribute stable TCE income of US\$32.3 million for Q3 2023 mainly from fixed rate time charters.

Product Services reported a US\$11.7 million profit after tax for Q3 2023 and US\$16.0 million loss for YTD September 2023, which includes depreciation of US\$16.7 million for Q3 2023 (YTD September 2023: US\$51.0 million) due to the five time charter-in vessels recorded as right-of-use assets.

BALANCE SHEET

As at 30 September 2023, BW LPG controls a fleet of 44 VLGCs, including eight which are owned and operated by our subsidiary operating in India. Total assets amounted to US\$2,355.9 million (31 December 2022: US\$2,540.5 million), of which US\$1,449.2 million (31 December 2022: US\$1,484.5 million) represented the carrying value of the vessels (including dry docking), and US\$210.3 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\$299.7 million as at 30 September 2023 (31 December 2022: US\$236.2 million). Cash flows from operating activities generated a net cash surplus of US\$350.8 million in YTD September 2023 (YTD September 2022: US\$211.6 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\$102.7 million in YTD September 2023 (YTD September 2022: US\$122.5 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. 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.

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *

	Q3 2023 US\$'000	Q3 2022 US\$'000	YTD September 2023 US\$'000	YTD September 2022 US\$'000
Revenue - Shipping spot voyages #	263,884	176,777	755,319	465,293
Revenue - Shipping time charter voyages	44,861	30,463	132,475	104,201
Revenue - Product Services	404,710	122,344	1,177,737	448,038
Voyage expenses - Shipping	(143,833)	(94,500)	(388,982)	(245,189)
Cost of goods sold - Product Services #	(342,712)	(105,778)	(1,069,012)	(391,676)
	226,910	129,306	607,537	380,667
Vessel operating expenses	(19,968)	(21,723)	(64,528)	(70,231)
Time charter contracts (non-lease components)	(4,771)	(4,721)	(15,784)	(14,200)
General and administrative expenses	(10,801)	(7,021)	(32,877)	(22,433)
Charter hire expenses	(7,411)	(3,645)	(24,120)	(5,138)
Finance lease income	60	137	238	467
Other operating (loss)/income - net	(101)	500	(2,838)	(483)
Operating profit before depreciation, amortisation and impairment (EBITDA)	183,918	92,833	467,628	268,649
Depreciation charge	(55,057)	(38,501)	(163,111)	(116,872)
Amortisation of intangible assets	(205)	(156)	(556)	(453)
	128,656	54,176	303,961	151,324
Gain on disposal of vessels	-	-	-	6,895
Gain on derecognition of right-of-use assets	-	-	319	-
Gain on disposal of assets held-for-sale	(497)	-	42,702	11,699
Operating profit (EBIT)	128,159	54,176	346,982	169,918
Foreign currency exchange gain/(loss) - net	113	(387)	919	(1,696)
Interest income	2,897	236	7,665	1,046
Interest expense	(8,095)	(6,766)	(21,440)	(23,434)
Other finance expenses	(648)	(552)	(1,668)	(2,138)
Finance expenses - net	(5,733)	(7,469)	(14,524)	(26,222)
Profit before tax for the financial period	122,426	46,707	332,458	143,696
Income tax expense	(107)	(311)	(1,245)	(183)
Profit after tax for the financial period (NPAT)	122,319	46,396	331,213	143,513

* 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 Q3 2023: US\$30.5 million (YTD September 2023: US\$64.0 million) of net internal freight revenue/expense that has been eliminated on consolidation.

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME * (continued)

	Q3 2023 US\$'000	Q3 2022 US\$'000	YTD September 2023 US\$'000	YTD September 2022 US\$'000
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedges				
- fair value (loss)/gain	(29,945)	11,907	(69,663)	32,786
- reclassification to profit or loss	11,551	(1,615)	23,099	(399)
Currency translation reserve	(4,718)	(12,034)	(755)	(33,615)
Other comprehensive loss, net of tax	(23,112)	(1,742)	(47,319)	(1,228)
Total comprehensive income for the financial period	99,207	44,654	283,894	142,285
Profit attributable to:				
Equity holders of the Company	112,974	43,370	318,484	135,525
Non-controlling interests	9,345	3,026	12,729	7,988
	122,319	46,396	331,213	143,513
Total comprehensive income attributable to:				
Equity holders of the Company	92,047	47,357	271,710	150,293
Non-controlling interests	7,160	(2,703)	12,184	(8,008)
	99,207	44,654	283,894	142,285
Earnings per share attributable to the equity holders of the Company: (expressed in US\$ per share)				
Basic/Diluted earnings per share	0.85	0.32	2.39	1.00

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CONDENSED CONSOLIDATED BALANCE SHEET

	30 September 2023 US\$'000	31 December 2022 US\$'000
Intangible assets	1,439	1,370
Derivative financial instruments	13,511	23,806
Finance lease receivables	-	2,684
Other receivables	13,921	15,869
Deferred tax assets	6,806	6,720
Total other non-current assets	34,238	49,079
Vessels and dry docking	1,449,176	1,484,489
Right-of-use assets (vessels)	210,348	264,666
Other property, plant and equipment	301	307
Property, plant and equipment	1,659,825	1,749,462
Total non-current assets	1,695,502	1,799,911
Inventories	109,217	113,945
Trade and other receivables	241,992	203,179
Equity financial assets, at fair value	3,271	3,271
Derivative financial instruments	1,627	89,346
Finance lease receivables	4,674	7,842
Assets held-for-sale	-	86,869
Cash and cash equivalents	299,661	236,151
Total current assets	660,442	740,603
Total assets	2,355,944	2,540,514
Share capital	1,400	1,419
Share premium	285,853	289,812
Treasury shares	(57,647)	(47,631)
Contributed surplus	685,913	685,913
Other reserves	(72,846)	(30,554)
Retained earnings	564,160	556,996
	1,406,833	1,455,955
Non-controlling interests	115,351	103,167
Total shareholders' equity	1,522,184	1,559,122
Borrowings	213,647	362,220
Lease liabilities	75,095	106,281
Derivative financial instruments	682	929
Total non-current liabilities	289,424	469,430
Borrowings	197,919	116,153
Lease liabilities	131,854	136,391
Derivative financial instruments	82,313	33,006
Current income tax liabilities	1,040	2,489
Trade and other payables	131,210	223,923
Total current liabilities	544,336	511,962
Total liabilities	833,760	981,392
Total equity and liabilities	2,355,944	2,540,514

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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		
Balance at 1 January 2023	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	-	-	-	-	-	-	-	-	-	318,484	318,484	12,729	331,213
Other comprehensive loss for the financial period	-	-	-	-	-	(46,564)	-	(210)	-	-	(46,774)	(545)	(47,319)
Total comprehensive (loss)/income for the financial period	-	-	-	-	-	(46,564)	-	(210)	-	318,484	271,710	12,184	283,894
Share-based payment reserve - Value of employee services	-	-	-	-	-	-	3,036	-	-	-	3,036	-	3,036
Purchases of treasury shares	-	-	(23,698)	-	-	-	-	-	-	-	(23,698)	-	(23,698)
Share options exercised	-	-	1,467	-	-	-	(382)	-	1,833	(2,492)	426	-	426
Shares cancellation	(19)	(3,959)	12,215	-	-	-	-	-	-	(8,237)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	(300,591)	(300,591)	-	(300,591)
Others	-	-	-	-	-	-	-	-	(5)	-	(5)	-	(5)
Total transactions with owners, recognised directly in equity	(19)	(3,959)	(10,016)	-	-	-	2,654	-	1,828	(311,320)	(320,832)	-	(320,832)
Balance at 30 September 2023	1,400	285,853	(57,647)	685,913	(36,259)	(21,787)	4,795	(21,748)	2,153	564,160	1,406,833	115,351	1,522,184

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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	-	-	-	-	-	-	-	-	-	135,525	135,525	7,988	143,513
Other comprehensive income/(loss) for the financial period	-	-	-	-	-	32,387	-	(17,619)	-	-	14,768	(15,996)	(1,228)
Total comprehensive income/(loss) for the financial period	-	-	-	-	-	32,387	-	(17,619)	-	135,525	150,293	(8,008)	142,285
Share-based payment reserve - Value of employee services	-	-	-	-	-	-	1,031	-	-	-	1,031	-	1,031
Purchases of treasury shares	-	-	(27,690)	-	-	-	-	-	-	-	(27,690)	-	(27,690)
Share options exercised	-	-	3,324	-	-	-	(153)	-	(1,833)	-	1,338	-	1,338
Dividend paid	-	-	-	-	-	-	-	-	-	(92,782)	(92,782)	-	(92,782)
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	-	-	(24,366)	-	-	-	878	-	(1,833)	(97,125)	(122,446)	84,343	(38,103)
Balance at 30 September 2022	1,419	289,812	(47,660)	685,913	(36,259)	25,718	1,800	(20,243)	361	499,048	1,399,909	90,172	1,490,081

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Q3 2023 US\$'000	Q3 2022 US\$'000	YTD September 2023 US\$'000	YTD September 2022 US\$'000
Cash flows provided by operating activities				
Profit before tax for the financial period	122,426	46,707	332,458	143,696
Adjustments for:				
- amortisation of intangible assets	205	156	556	453
- depreciation charge	55,057	38,501	163,111	116,872
- gain on disposal of assets held-for-sale	497	-	(42,702)	(11,699)
- gain on disposal of vessels	-	-	-	(6,895)
- interest income	(2,897)	(236)	(7,665)	(1,046)
- interest expenses	7,604	6,766	22,510	23,434
- other finance expenses	393	425	1,260	1,602
- share-based payments	1,891	467	3,036	1,031
- finance lease income	(60)	(137)	(238)	(467)
- gain on derecognition of right-of-use assets	-	-	(319)	-
	185,116	92,649	472,007	266,981
Changes in working capital:				
- inventories	(52,167)	1,662	4,728	7,032
- trade and other receivables	(104,765)	(18,733)	(37,621)	(33,241)
- trade and other payables	41,130	(9,491)	(93,337)	(27,469)
- derivative financial instruments	38,997	4,610	102,122	6,619
- margin account held with broker	(29,735)	(8,928)	(94,557)	(8,549)
Total changes in working capital:	(106,540)	(30,880)	(118,665)	(55,608)
Taxes paid	(1,487)	93	(2,512)	206
Net cash provided by operating activities	77,089	61,862	350,830	211,579
Cash flows (used in)/provided by investing activities				
Additions in property, plant and equipment	(1,753)	(1,312)	(77,743)	(36,814)
Progress payments for vessel upgrades and dry docks ¹	-	(2,742)	-	14,744
Additions in intangible assets	(35)	(59)	(625)	(103)
Net proceeds from sale of equity financial asset, at FVPL	-	(21)	-	(21)
Proceeds from sale of assets held-for-sale	(497)	-	167,307	50,726
Proceeds from sale of vessels	-	-	-	87,883
Repayment of finance lease receivables	1,970	1,893	5,852	5,623
Interest received	2,957	137	7,903	467
Net cash provided by/(used in) investing activities	2,642	(2,104)	102,694	122,505

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

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	Q3 2023 US\$'000	Q3 2022 US\$'000	YTD September 2023 US\$'000	YTD September 2022 US\$'000
Cash flows used in financing activities				
Proceeds from bank borrowings	55,000	17,243	55,000	67,243
Payment of financing fees	-	75	-	(109)
Repayments of bank borrowings	(126,586)	(64,422)	(156,598)	(374,103)
Payment of lease liabilities	(23,408)	(12,724)	(70,156)	(37,910)
Interest paid	(6,468)	(5,719)	(20,892)	(20,161)
Other finance expense paid	-	(406)	(809)	(1,586)
(Purchase)/sale of treasury shares	(3,651)	(13,697)	(23,698)	(26,199)
Drawdown of trust receipts	286,717	122,230	742,743	215,563
Repayment of trust receipts	(216,213)	(119,969)	(709,570)	(151,986)
Dividend payment	(106,127)	(26,527)	(300,591)	(92,782)
Contributions from non-controlling interests	-	-	-	80,000
Net cash used in financing activities	(140,736)	(103,916)	(484,571)	(342,030)
Net decrease in cash and cash equivalents	(61,005)	(44,158)	(31,047)	(7,946)
Cash and cash equivalents at beginning of the financial period	250,873	165,859	220,915	129,647
Cash and cash equivalents at end of the financial period	189,868	121,701	189,868	121,701

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

	30 September 2023 US\$'000	30 September 2022 US\$'000
Cash and cash equivalents per consolidated balance sheet	299,661	133,276
Less: Margin account held with broker	(109,793)	(11,575)
Cash and cash equivalents per consolidated statement of cash flows	189,868	121,701

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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
Q3 2023				
Revenue from spot voyages	263,884	-	-	263,884
Inter-segment revenue	62,406	-	(62,406)	-
Voyage expenses	(143,833)	-	-	(143,833)
Inter-segment expense	(31,917)	-	31,917	-
Net income from spot voyages	150,540	-	(30,489)	120,051
Revenue from time charter voyages	44,861	-	-	44,861
TCE income - Shipping ^	195,401	-	(30,489)	164,912
Revenue from Product Services	-	404,710	-	404,710
Inter-segment revenue	-	31,917	(31,917)	-
Cost of goods sold	-	(342,712)	-	(342,712)
Inter-segment expense	-	(62,406)	62,406	-
Gross profit - Product Services @	-	31,509	30,489	61,998
Gross profit - Total	195,401	31,509	-	226,910
Depreciation	(38,406)	(16,651)	-	(55,057)
Amortisation	(181)	(24)	-	(205)
Gain on derecognition of right-of-use assets	-	-	-	-
Gain on disposal of assets held for sale	(497)	-	-	(497)
Net profit after tax	110,641	11,678	-	122,319

^ 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.

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Segment information (continued)

	Shipping US\$'000	Product Services US\$'000	Inter- segment elimination US\$'000	Total US\$'000
YTD September 2023				
Revenue from spot voyages	755,319	-	-	755,319
Inter-segment revenue	138,632	-	(138,632)	-
Voyage expenses	(388,982)	-	-	(388,982)
Inter-segment expense	(74,677)	-	74,677	-
Net income from spot voyages	430,292	-	(63,955)	366,337
Revenue from time charter voyages	132,475	-	-	132,475
TCE income - Shipping ^	562,767	-	(63,955)	498,812
Revenue from Product Services	-	1,177,737	-	1,177,737
Inter-segment revenue	-	74,677	(74,677)	-
Cost of goods sold	-	(1,069,012)	-	(1,069,012)
Inter-segment expense	-	(138,632)	138,632	-
Gross profit - Product Services @	-	44,770	63,955	108,725
Gross profit - Total	562,767	44,770	-	607,537
Depreciation	(112,181)	(50,930)	-	(163,111)
Amortisation	(518)	(38)	-	(556)
Gain on derecognition of right-of-use assets	319	-	-	319
Gain on disposal of assets held for sale	42,702	-	-	42,702
Net profit/(loss) after tax	347,236	(16,023)	-	331,213

^ 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.

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Segment information (continued)

	Shipping US\$'000	Product Services US\$'000	Inter- segment elimination US\$'000	Total US\$'000
Q3 2022				
Revenue from spot voyages	176,777	-	-	176,777
Inter-segment revenue	18,520	-	(18,520)	-
Voyage expenses	(94,500)	-	-	(94,500)
Net income from spot voyages	100,797	-	(18,520)	82,277
Revenue from time charter voyages	30,463	-	-	30,463
TCE income - Shipping ^	131,260	-	(18,520)	112,740
Revenue from Product Services	-	122,344	-	122,344
Cost of goods sold	-	(105,778)	-	(105,778)
Inter-segment expense	-	(18,520)	18,520	-
Gross (loss)/profit - Product Services @	-	(1,954)	18,520	16,566
Gross profit/(loss)- Total	131,260	(1,954)	-	129,306
Depreciation	(38,501)	-	-	(38,501)
Amortisation	(156)	-	-	(156)
Gain on disposal of vessels	-	-	-	-
Net profit after tax	44,431	1,965	-	46,396
	Shipping US\$'000	Product Services US\$'000	Inter- segment elimination US\$'000	Total US\$'000
YTD September 2022				
Revenue from spot voyages	465,293	-	-	465,293
Inter-segment revenue	57,322	-	(57,322)	-
Voyage expenses	(245,189)	-	-	(245,189)
Net income from spot voyages	277,426	-	(57,322)	220,104
Revenue from time charter voyages	104,201	-	-	104,201
TCE income - Shipping ^	381,627	-	(57,322)	324,305
Revenue from Product Services	-	448,038	-	448,038
Cost of goods sold	-	(391,676)	-	(391,676)
Inter-segment expense	-	(57,322)	57,322	-
Gross (loss)/profit - Product Services @	-	(960)	57,322	56,362
Gross profit/(loss) - Total	381,627	(960)	-	380,667
Depreciation	(116,872)	-	-	(116,872)
Amortisation	(453)	-	-	(453)
Gain on disposal of vessels	6,895	-	-	6,895
Gain on disposal of assets held for sale	11,699	-	-	11,699
Net profit after tax	142,587	926	-	143,513

^ 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.

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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 September 2023	31 December 2022	30 September 2023	31 December 2022
	US\$'000	US\$'000	US\$'000	US\$'000
Assets				
Current assets	68,183	36,874	235,758	329,485
Includes				
Cash and cash equivalents	57,715	12,216	65,294	72,829
Non-current assets	317,085	337,868	92,365	120,085
Liabilities				
Current liabilities	34,088	33,861	233,207	326,246
Includes				
Borrowings	27,976	27,957	116,999	110,260
Non-current liabilities	119,390	139,007	47,985	62,231
Net assets	231,790	201,874	44,071	61,093

Summarised statement of comprehensive income:

	BW India		Product Services
	Q3 2023	Q3 2022	Q3 2023
	US\$'000	US\$'000	US\$'000
TCE income - Shipping	32,276	23,860	-
Gross profit - Product services	-	-	31,509
Vessel operating expenses	(4,854)	(5,088)	-
Depreciation and amortisation	(9,270)	(9,430)	(16,675)
Finance expense	(1,472)	(1,460)	(1,493)
Other expenses - net	(814)	(1,523)	(1,663)
Net profit after tax	15,866	6,359	11,678
Other comprehensive loss (currency translation effects)	(4,531)	(12,034)	(187)
Total comprehensive income/(loss)	11,335	(5,675)	11,491
Total comprehensive income/(loss) allocated to non-controlling interests	5,436	(2,703)	1,724

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Investment in subsidiaries (continued)

Summarised statement of comprehensive income (continued):

	BW India		Product Services
	YTD September 2023 US\$'000	YTD September 2022 US\$'000	YTD September 2023 US\$'000
TCE income - Shipping	84,237	64,217	-
Gross profit - Product services	-	-	44,770
Vessel operating expenses	(16,170)	(14,331)	-
Depreciation and amortisation	(25,314)	(23,969)	(50,968)
Finance expense	(6,887)	(4,612)	(3,563)
Other expenses - net	(4,169)	(2,911)	(6,262)
Net profit/(loss) after tax	31,697	18,394	(16,023)
Other comprehensive (loss)/income (currency translation effects)	(1,323)	(33,623)	568
Total comprehensive income/(loss)	30,374	(15,229)	(15,455)
Total comprehensive income/(loss) allocated to non-controlling interests	14,502	(8,008)	(2,318)