Address
10 Pasir Panjang Road, #17-02
Mapletree Business City
Singapore 117438

Contact
+65 6705 5588
Investor.relations@bwlpg.com
www.bwlpg.com

Investor Relations – Q4 2025 Earnings Presentation Transcript

Singapore • 3 March 2026

[Moderator]

Hello everyone, a warm welcome to BW LPGs Q4 2025 Earnings Presentation. My name is Aline Anliker and I am the Head of Corporate Communications at BW LPG.

Today's presentation will be given by our CEO, Kristian Sørensen and our CFO, Samantha Xu. After the presentation, we will have a Q&A session. The questions can be put into the Q&A chat during the presentation, or you can raise your hand and ask your question directly once we move to the Q&A part.

[DISCLAIMER AND FORWARD-LOOKING STATEMENTS]

Before we begin, I would like to highlight the legal disclaimers displayed on the current slide. Please also note that today's call is being recorded. Without further ado, I would now like to hand over to our CEO, Kristian.

[Kristian Sørensen, CEO]

Thank you Aline and hi everyone. Thanks for calling in as we review our fourth quarter financial results and the recent developments including the Middle East situation which dramatically escalated last weekend.

[Q4 2025 HIGHLIGHTS]

Let's turn to slide 4 please – highlights. The beginning of Q4 was marked by lower tension in the US-China relationship as the reciprocal port tariffs were lifted and postponed until November this year.

In addition, there was a significant build in US propane inventories, well above trend levels, driven by strong US production. Over the winter, there were no major disruptions from the usual cold-season weather, supporting a wide arbitrage throughout the fourth quarter and into 2026.

Moving on to the Q4 results, we reported a TCE income of 50,300 USD per available day and 48,100 USD per calendar day, above our guidance of 47,000 dollars per day for the quarter. The Q4 profit after minority interest was 104 million dollars, equivalent to an EPS of $0.69.

Our trading branch, BW Product Services, reported a gross profit of $27 million and a profit after tax of $23 million for the quarter. We are pleased to report a strong realisation of $12 million from our trading activities in Q4, bringing the full year 2025 realised trading results to $66 million.

For Q1 2026, we are guiding about $54,000 per day, fixed for 94% of our available days, solid levels above our all in cash breakeven of $23,400 per day, but it’s reflecting the time charter coverage in the first quarter of 42% of our available days at $44,200 per day. Please see the appendix in this presentation for the full breakdown of the time charter days and levels.

The Board of Directors has declared a dividend of $0.57 per share, representing 100% of our Shipping NPAT, exceeding the guidance set by the dividend policy.

Looking further at our shipping activities, we are continuing our active dry-docking program in 2026, with 13 vessels scheduled for dry docking. The majority of these are planned during Q1, with a total of 193 off-hire days expected during the first quarter due to dry docking.

Given the dramatic escalation in the Middle East over the last couple of days, our first priority is to ensure the safety of our colleagues and crew in the region, at the same time as we protect and optimize the overall interests of the company.

We have three ships from our Indian-flagged fleet in the Arabian Gulf, two on timecharter to Indian charterers and one vessel in dry dock. So far, there have been minimal negative financial impacts, only pertaining to the vessel in dry dock where nighttime work is suspended. The two vessels on timecharter are on hire in accordance with their respective time-charter parties.

In addition, we have other vessels on timecharter idling outside the Arabian Gulf, assessing the evolving safety and security situation in the Strait of Hormuz. Our next open spot vessel for AG loading could be available in the last decade of March, unless we decide to ballast them to the US Gulf, depending on how the security situation and market develop.

Like we have experienced in previous rounds of increased tension in the Middle East, the market response is to secure cargoes and ships from alternative loading regions, mainly from the US Gulf. We announced yesterday at around US$80,000 per day for mid-March loading, while other fixtures in the market are reported around the same level for first half April loading in Houston.

Further, in all the subsequent events from the quarter, we recently announced that in January we secured three-year time charter contracts for two VLGCs, the BW Tucana and the BW Yushi, increasing our full year 2026 fixed-rate time charter coverage to 36% at an average of US$43,700 per day.

Let's move to the next slide, please.

[VLGC MARKET DRIVER DURING Q4 2025]

[Kristian Sørensen, CEO]

Although the main attention right now is on the impact from the Middle East war, we believe it is worthwhile to remind ourselves of the market fundamentals as the fourth quarter of 2025 and the start of 2026 positively surprised the VLGC markets.

By the end of 2025, US propane inventories were well above the trend level at 100 million barrels, compared to 85 million barrels at the end of 2024. This was driven by strong production levels and supported US export volumes, while domestic consumption remained steady at around 50 million tonnes per year.

As we entered the inventory draw season, US propane inventories declined somewhat but remained well above the levels typically expected at this time of the year.

The high inventory levels have contributed to continued downward pressure on US LPG prices and have, together with healthy demand in the Far East, supported the wide arbitrage, as reflected in the US–Far East price differential.

If you look at the graph on the right-hand side, we can see the relationship between the arbitrage and VLGC spot rates. A wide arbitrage usually allows for a higher willingness to pay for shipping, something that has been the case in recent months.

In addition to commercial drivers such as the US–Far East arbitrage, other geopolitical events and infrastructure expansions have also contributed to a strong market in recent months.

In late October, for instance, the US and China agreed to a trade truce, paving the way for a revived US–China LPG trade. Further into January this year, we also saw the Nederland terminal in the US Gulf increasing its number of VLGC loadings, after commissioning the terminal expansion in 2025.

Lastly, before the armed conflict commenced on Saturday in the Middle East, increased tension in the region led market participants to fix vessels further out in time than they normally would have. This was creating a shortage of available vessels and ultimately pushed up spot rates.

In addition to the factors discussed on this page pertaining to the exports of LPG, it is also important to look at how developments in the Asian import markets are shaping the LPG trade dynamics under normal market circumstances.

[LPG TRADE FLOW OVERVIEW 2025]

[Kristian Sørensen, CEO]

On this slide, we can see how trade flows responded to several major disruptions during 2025, with trade tensions between the US and China being among the most significant during the year.

Chinese imports on VLGCs from North America and the Middle East fell by 3% in 2025 compared to the year before. This number is however heavily impacted by a few months during 2025 when trade tensions were at their highest and imports from the US were much lower than normal.

Towards the end of last year, China also had lower imports than usual. This, however, coincided with Chinese LPG inventories declining. At the beginning of 2026, Chinese LPG imports are again on the rise, and the ongoing Middle East conflict is likely to support more cargoes from the US ending up in China as Middle East supply is disrupted.

As we have highlighted before, incremental LPG production is priced to clear in the international markets. With the US–China trade war as a backdrop, this produced some interesting trade flows in 2025.

For instance, while LPG volumes into the Far East declined 2% year over year, India saw its imports grow by 10% during the same period, driven by higher cargo flows from the US. This increased the tonne-mile demand compared to the traditional sourcing of LPG from the Middle East.

India is a market of growing importance for LPG, with about 10%, equalling 2 million tons of Indian LPG imports contracted from the US for 2026. We also see Indian government subsidies continuing to support retail demand and new pipeline infrastructure is expected to further improve inland distribution.

Another region that saw an increase in import volumes from North America in 2025 was Southeast Asia. This region has historically imported most of its LPG from the Middle East. However, with the trade war shifting more Middle East volumes toward the Far East, increased volumes from North America found their way to Southeast Asia last year.

As long as the Middle East tension is halting LPG exports from the region, we anticipate more US volumes flowing to the markets East of Suez, which is supportive for freight in the short term. Over the longer term, however, vessels that have traditionally loaded in the Middle East are likely to see cargoes from the US instead, which could place downward pressure on the rate structure for US-loading VLGCs.

Next slide please.

[MORE GROWTH IN THE YEARS AHEAD]

[Kristian Sørensen, CEO]

If you're looking at the two main regions for LPG exports – North America and the Middle East – we will continue seeing export growth in the years ahead assuming the Middle East situation returns to normal.

In the Middle East, the exports from Saudi Arabia and Qatar are currently disrupted, with the duration of these disruptions remaining uncertain at this point in time. Secondly, the raging Middle East war has halted all ships passing in and out of the Arabian Gulf, which would have a dramatic short-term impact on Middle East exports. It remains to be seen how long the large energy markets in Asia can accept their supply of hydrocarbons being choked.

US exporters probably have some slack and room for optimisation as we move into April, but we have limited visibility at the moment. Anyhow, it is obviously not enough to replace the shortfall of volumes from the Middle East in the medium term.

If we look through the current fluid and dramatic situation, Saudi Aramco has now started oil production from the Jafurah field, with gas output expected towards the end of this year. Furthermore, the first phase of Qatar's North Field expansion is expected to come online in Q4.

In the US, Permian crude oil production continues to yield more NGLs per barrel of oil produced. In addition to this, more LPG export infrastructure is coming online, enabling continued growth in exports.

In sum, we expect the larger North American region to grow its exports in the mid-single digits over the coming years, while Middle East LPG exports are expected to grow in the high-single digits.

Next slide please.

[PANAMA CANAL CONGESTION ISSUES LIKELY TO PERSIST]

Let's take a look at the Panama Canal, which continues to play an important role in the VLGC markets. Throughout 2025, the canal's neo-panamax locks frequently saw utilisation close to its maximum capacity, often driven by increased transits from container vessels. This has fuelled volatility in transit fees and waiting times, which in turn continues to divert VLGCs around South Africa in order to timely reach their destinations.

The Middle East situation may increase traffic in the Panama Canal in the short term as market participants rush to secure cargo and shipping capacity from the US while in the coming years, we expect usage of the Panama Canal to remain high. An important driver for this, is growth in several shipping segments that to a large extent are being built for increased exports out of the US.

This includes VLGCs, of course, but also Very Large Ethane Carriers and LNG vessels. Now, it is important to highlight that not all VLGCs and LNG carriers will service the US exports exclusively – some will ship volumes out of the Middle East and other places, and some volumes out of the US will not be sailing through Panama.

Regardless, considering the limited capacity of the canal to handle additional transits, we will likely continue to see VLGCs sailing around South Africa in the foreseeable future.

[VLGC FLEET AND NEWBUILDINGS]

Let's take a look at the current fleet and order book. The fleet has grown over the last three months and now stands at 421 VLGCs on the water. The orderbook currently includes 105 VLGCs under construction, with deliveries stretching all the way to the end of 2028.

We have seen some orders for newbuildings this year, but contracting remains modest compared to the levels seen in recent years. And, while we expect more newbuildings to be delivered going forward, it is also worth keeping in mind that about 10% of the fleet is older than 25 years old.

[MARKET OUTLOOK]

So to sum up, the underlying fundamentals of the VLGC market are robust in the medium term, but the serious situation in the Middle East is increasing volatility and uncertainty.

US Gulf spot rates are so far benefiting from increased demand for cargoes and ships, while a long-term conflict will probably increase the number of VLGCs seeking employment in the US Gulf, putting pressure on the rate sentiment.

The US does not have enough production and exports capacity to meet the shortfall from Middle Eastern exports. We could therefore see a rather serious situation unfolding in the consuming markets in Asia unless hydrocarbon exports from the Middle East resume rather soon.

Assuming the Middle East situation normalizes, the medium-term outlook is underpinned by expanding export infrastructure in the US and increasingly higher NGL content in Permian oil production. At the same time, new gas projects are expected to support LPG exports out of the Middle East in the coming years.

As mentioned, the VLGC fleet now stands at 421 ships. The orderbook is relatively large, and inefficiencies in the VLGC market will define how the order book will be absorbed. Firstly, the neo-panamax locks in the Panama Canal are operating at or near full capacity, and growth in several shipping segments linked to increased US exports will likely continue diverting VLGCs around South Africa.

Secondly, the trade pattern will play a vital role in how much shipping capacity is needed, and we have seen new long-haul cargo flows from the US into markets East of Suez.

Thirdly, if you envisage a normalization in the Middle East involving 11 million tons of Iranian LPG exports to be shipped on compliant vessels rather than the more than 50 VLGCs currently trading in the shadow fleet, you would have a bullish outlook, pretty similar to how it would play out in the VLCC tankers market.

Finally, looking at the paper market at the moment, it is currently pricing around US$85,000 per day for the Ras Tanura–Chiba benchmark leg, although liquidity remains limited.

And that concludes our market segment. Over to you, Samantha.

[COMPANY PERFORMANCE]

[Samantha Xu, CFO]

Thank you, Kristian, and Hello everyone! Thank you for being here with us today.

[SHIPPING PERFORMANCE]

Let’s start with our shipping performance. The fourth quarter of 2025 was a quarter where we delivered above our guidance, with a TCE of US$48,100 per calendar day, or US$50,300 per available day. Fleet utilisation was 94% after deducting technical off-hire and waiting time.

Delivering this healthy result in a market full of uncertainties is a strong testament to our commercial strategy which is built on healthy time charters and FFAs concluded during active and strong markets. Such protection provides stability and support when spot markets come under pressure, as we have witnessed in this quarter.

In Q4, the time charter portfolio was 44%, of which 33% consisted of fixed-rate time charters. Looking ahead for Q1 2026, we have fixed 94% of the available fleet days at an average rate of about US$54,000 per day. This also includes index-linked time charter contracts which could shares some spot market upside when the market becomes stronger.

For the full year 2026, we have secured 40% of our portfolio with fixed-rate time charters and FFA hedges at rates of US$43,700 and US$47,900 per day. Altogether, our time-charter-out portfolio is expected to generate around US$197 million. Although the level of rates appears to be slightly lower than in 2025, it continues to represent a very healthy level of earnings against an all-in cash breakeven in the low $20,000s.

Next slide, please.

Address
10 Pasir Panjang Road, #17-02
Mapletree Business City
Singapore 117438

Contact
+65 6705 5588
Investor.relations@bwlpg.com
www.bwlpg.com

[PRODUCT SERVICES PERFORMANCE]

In Q4, Product Services posted a realised gain of US$12 million, reflecting effective risk management during the turbulent market conditions we experienced.

At quarter end, we reported a US$33 million increase in mark-to-market on our cargo position, offset by US$18 million decrease in paper positions. After accounting for G&A costs and other expenses, Product Services reported a net profit after tax of US$23 million for the quarter, with net asset value at US$53 million at the end of December, creating good dividend capacity.

As we highlighted in previous quarters, these mark-to-market movements which regularly create volatility in P&L are largely driven by the gradual phasing out of our multi-year term contracts, as reflected in a volatile market. While the periodic value adjustments are significant, they reflect the delta between the balance sheet dates, and we will see fluctuations before the positions are realized. We will continue to report our future trading performance, including mark-to-market movements, through our quarter-end trading result updates. We are pleased to see that the analyst consensus has, in general, included our trading performance.

It is also important to note that trading gains and losses are realised across different financial periods. They cannot be extrapolated from past performance, as unrealized positions will vary depending on the period-end valuations. The realized trading profit will add to the company's dividend potential and be considered for dividend distribution post year-end, along with other factors such as net profit after tax, cash flow, and other commercial considerations.

Our trading model is designed to create value by combining cargo, paper, and shipping positions. With that in mind, we would like to remind you that the reported net asset value does not include an unrealised physical shipping position of US$26 million, based on our internal valuation.

In Q4, our average VAR (value at risk) was US$3 million, reflecting a well-balanced trading book including cargo, shipping, and derivatives, even after accounting for the increased term contract volume scheduled to start from the end of 2026.

[FINANCIAL HIGHLIGHTS]

Moving on to our financial highlights, we reported a net profit after tax of US$123 million, including a profit of US$31 million from BW LPG India and a US$23 million profit from Product Services.

Profit attributable to equity holders of the Company was 104 million US dollars for the quarter, which translates to an earnings per share of 69 cents, and an annualised earnings yield of 21% when compared against our share price at the end of December.

We reported a net leverage ratio of 28.4% in Q4, down from 32.7% at the end of 2024. The reduction was mainly due to lower lease liabilities following the exercise of purchase options for BW Kizoku and BW Yushi, and principal repayments made during FY 2025.

For Q4, the Board declared a dividend of US$0.57 per share, representing a 100% payout of our shipping profit for the quarter, beyond the 75% payout ratio of Shipping profits guided by our dividend policy. The healthy liquidity and a positive market outlook supported our wish to payback to our shareholders.

For the period end, our balance sheet reported a shareholder's equity of 1.9 billion US dollars. The annualised return on equity (ROE), and on capital employed (ROCE) for Q4 were 26% and 19% respectively. Our 2025 OPEX concluded at 8,800 dollars per day, a marginal reduction than reported in the last year. For 2026, we expect our owned fleet's operating cash breakeven to be about 18,500 dollars, and 20,200 dollars for the whole fleet including time charter vessels. The all-in-cash breakeven is estimated to be 23,400, driven primarily by lower lease repayments and decrease in financing costs.

Next slide please.

[FINANCING STRUCTURE AND REPAYMENT PROFILE]

Finally, let's look at our financing structure and repayment profile.

As of end-Q4, we maintained a healthy liquidity position of 613 million USD, which consists of 226 million in cash and 387 million undrawn credit facilities. This is after voluntary cancellation of two ship financing facilities including 36 million USD repayment and 216 million USD undrawn revolving credit facility. This cancellation reduces our funding costs and level of cash breakeven, further strengthen our financing discipline.

Looking ahead, our liquidity stays strong, repayment profile remains sustainable, with major repayments starts from 2030. On Product Services, trade finance utilisation stood at 182 million USD, or 23% of our available credit line, leaving ample headroom for future trading needs. And with that, I'd like to conclude my updates. Thank you for listening, and I will give it back to you, Aline.

[Q&A]

Thank you, Samantha. Thank you, Kristian. We would now like to open the call for your questions. (Moderator instructions). And I can see already that Petter has raised his hand, so please proceed, Petter.

[Petter]

Good afternoon. Thank you. A quick, very difficult question first then about the Middle East unrest. In terms of the current Iranian volumes, is there any indication that Iran is still exporting LPG or is that now come to a complete halt? And secondly, are there any convoys planned for other exports within the Arabian Gulf? And if so, what is the war risk premium paid these days? Three simple questions there, Kristian.

[Kristian Sørensen, CEO]

Thanks, Petter. We don't have the full overview of the exports from Iran under the current circumstances, but there are, let's say, unconfirmed reports that ships are still planned for exporting LPG through convoys basically, sailing to China. But we don't know if this is just a market rumour or if it's actually for real and a fact. And your second question, Petter, what was that again?

[Petter]

Yes, well, the first one was more about the Iranian-specific question, and the second one was about the convoys, I suppose, then for other sort of legitimate exports.

[Kristian Sørensen, CEO]

There is no concrete news about convoys being established at the moment. So this is something we have seen if you look historically back to when the pirate attacks were peaking and also previous wars in the Middle East, there have been convoys with naval escort vessels established. But that is something we have no firm news about at the moment.

[Petter]

Understood. And if sort of you were to do the transit here now, is it possible to get insurance? And what is the war risk premiums paid these days?

[Kristian Sørensen, CEO]

As far as we have been informed, you won't get ships insured if you pass into the Arabian Gulf through the Strait of Hormuz at the moment. But this is changing from day to day, Petter. So it's hard to give an exact answer to what would be the case tomorrow. But for the time being, that's something which is difficult to assess.

[Petter]

Yes. So effectively now the Hormuz is actually closed or for LPG vessels more or less.

[Kristian Sørensen, CEO]

As far as we can see, there are no ships from the conventional fleet shuttling in and out of the Arabian Gulf. But again, what is actually happening with the shadow fleet, which is about 50 odd ships shuttling between Iran and mainly China, that is unclear to us.

[Petter]

Understood. A quick follow up on the FFA rates and to what extent would you think that those rates now quoted, we see that it's pretty similar in terms of day rates out of the US, and out of the Middle East. But in the VLGC market, we've seen some numbers which is, well, from what we hear, not particularly relevant being very high. So now the FFA market is pricing in some $80,000 plus. Is that also a level in which you can fix ships in the TC market these days? Before the weekend, there were reports about a one-year time charter done in the mid $50,000 per day.

[Kristian Sørensen, CEO]

So far this week, with the current situation, we haven't heard about any discussions. I think the situation is so fluid at the moment, so it's hard to give an assessment on that. But the last time in the market is reportedly in the mid $50,000 per day for 12 months.

[Petter]

Okay, that's helpful. I'll turn it over. Thank you for taking my questions.

[Moderator]

Thank you, Petter. I have Climent up next. Please, if you unmute yourself.

[Climent]

Hi, good afternoon, and thank you for taking my questions. Several US LPG projects have come online recently. You commented on this briefly, but at what utilisation was overall US LPG export running prior to the war? So in other words, to what extent is there, let's say, spare capacity to increase volumes out of the US in the short term?

[Kristian Sørensen, CEO]

This is a very good question, and we discussed this yesterday at the desk actually. We believe the US terminals have some slack capacity to export more volumes if they optimize the berthing, which we have seen they've done before, for instance, by loading VLGCs instead of mid-size vessels. So you basically have a more optimal usage of the jetties and berth. We don't know exactly whether all the mid-size vessels can be replaced by VLGCs. Most likely not, but probably the US has some slack in their export volumes, but it's difficult for us to assess exactly because we don't have enough visibility on the April loadings at the moment. So it's hard for us to say, but we anticipate some slack to be made available for VLGCs.

[Climent]

Makes sense. That's still very helpful. I'll turn it over. Thank you.

[Moderator]

Thank you. Next up would be Joy Wu.

[Joy]

Hi. and thanks. I have two questions. So first thing is I would like to understand on the overall fleet. From what we have known until now, is there any vessel getting impacted because of the Iran situation escalation over the weekend? And also looking forward, let's say two weeks, is there any vessel that is unable to detour, to avoid the high-risk waters as far as you are aware, or is there any so-called crisis management that has been put in place for all the fleet nearby the risky waters? Yes, this is my first question.

[Kristian Sørensen, CEO]

Okay. Thanks for the question. If I understand you correctly, you're asking if ships can be diverted from loading in the Middle East, is that your question?

[Joy]

Yes.

[Kristian Sørensen, CEO]

So, of course, the ships which have not yet entered the Arabian Gulf and are outside in the Indian Ocean, for instance, they can always start ballasting towards the US Gulf for all the loading areas to seek employment. So this is basically down to the decision made for every single vessel in the region, which is not inside the Arabian Gulf. And it depends if the ships are on time charter, it's up to the charters to decide where they want to employ the ships. If it's a part of the spot fleet, like the one I mentioned, our first ship, which could be available for a spot cargo out of the Middle East is towards the end of March. But of course, if the situation is as serious as it is now, we will rather ballast the ship to the US Gulf to employ the ship, if that made sense.

[Joy]

Yes. Thanks. And sorry to build on top of that, can I just confirm there is no vessel currently sort of stuck in that risky region near Iran?

[Kristian Sørensen, CEO]

Are you thinking of our fleet or the VLGC fleet in general?

[Joy]

Your fleet includes all the so-called managed fleet.

[Kristian Sørensen, CEO]

Yes. So as mentioned in our highlights, we have two ships which are from our Indian flagged fleet on time charter to Indian charters, which are in the Arabian Gulf, still on time charter, and we have one vessel in dry dock in the region, also Indian flagged. So you will see that also being mentioned in the highlights page, slide 4.

[Joy]

Okay, got it. But do we see any series coming up concerning these three, that two, actually one in dry dock, one is in the risky zone, sort of? Like, do we foresee any financial impact or any drastic negative developments to these three vessels?

[Kristian Sørensen, CEO]

So far there is, as I also mentioned, there is minimal negative financial impacts only due to a slight delay in the dry docking of the ship in dry dock. And then we don't have any threats to our ships or crew at the moment. So there are no direct threats, but it's an overall view on the market and the situation that is making us avoiding the transits through the Strait of Hormuz.

[Joy]

Okay, thanks.

[Moderator]

Thank you, Troy. Let's move on to John Dixon first, before we then have Abhishek. But please, John, go ahead and unmute yourself.

[John]

Hello, Kristian, Samantha. How are you doing this morning? Well, I guess it's not morning for you. Kristian, I do have a question. So I've listened to Samantha for a little while, a couple of quarters, and relating to the trading profit that would be eligible for dividend distribution. Is that included in your all's current dividends or are you guys planning on having your board review that later in the year for dividend distribution? I'm just curious to see if I can learn a little bit more how that is considered and when you guys are likely to have that be a part of your dividend distribution.

[Samantha Xu, CFO]

Thanks for the question, John. It's a very good one. And also for following up our previous quarter's earnings as well. Indeed, as we mentioned, that Product Services, basically, their realized the trading result will build on our dividends capacity. And then we would like to look at it to declare once a year, post year end. So specifically, for Q4 2025, the 50 cent per share dividend declared by the board is only 100% Shipping NPAT, does not include any contributions from Product Services. However, the Product Services board has already reviewed the dividend proposal and also approved the dividend proposal for Product Services for 2025.And the approved dividend will subsequently be considered in the future quarters within 2026 and distribute to the shareholders accordingly.

[John]

Okay, so that basically it would be distributed on a quarterly basis throughout the remainder of the year. Is that what I'm understanding?

[Samantha Xu, CFO]

No, it would be forming the overall company dividend capacity. You can imagine that we will have a bigger base for considering the dividend distribution for the upcoming quarters.

[John]

Okay, all right. I understand that now. Thank you, Samantha. I appreciate the explanation.

[Samantha Xu, CFO]

Thanks, John.

[Moderator]

Thanks, John. So next up we have Abhishek, please.

Address
10 Pasir Panjang Road, #17-02
Mapletree Business City
Singapore 117438

Contact
+65 6705 5588
Investor.relations@bwlpg.com
www.bwlpg.com

[Abishek]

Hi, good evening. I have two questions. One, you mentioned that there are three ships which are stuck in the conflict zone. May I know the name of these three ships? And second, last year you raised borrowing for acquisition of new ships, basically new vessels in India. So in the presentation also we can see that India is a high growth market for you. So do you plan any further new acquisition of fleet in India this year?

[Kristian Sørensen, CEO]

Hi, thanks for the questions. The ships are BW Elm, BW Tyr and BW Loyalty from the Indian flag fleet. So when it comes to further expansion of the Indian flag fleet, that is something we are considering. It depends also on the employment that we see and where we can employ our ships most efficiently to ensure a solid and robust shareholder value creation. So it's definitely something we are considering, but it remains to be seen if we decide to do so.

[Abishek]

Okay, thanks.

[Moderator]

Thank you. So let's move on to some questions from the chat. We have a question. We have a question posed by Kevin: Is there an option to delay dry docking to take advantage of current high charter rates?

[Kristian Sørensen, CEO]

Yes, so this is something we're always considering. It should be said that these immediate spikes that we experience now, for instance, are difficult to plan for. And these dry dockings, they have to take place within a certain time. We try to optimize depending on the market view and so on. But it also needs to fit into the commercial program. And of course, you also need to have available space at the docking yards. So the question is, yes, we try to plan around this. Usually, the first quarter is the weakest quarter of the year. We had, if you look back in time, several years where the rates are softening considerably in January, February. This was not the case this time. But of course, we plan around optimizing the fleet positioning so that we can hopefully have all the vessels in position at the best point in time of the cycle in the market.

[Moderator]

Thanks, Kristian. Another question from the chat: Has the current war disruption led to higher long-term charter rates?

[Kristian Sørensen, CEO]

So far, we haven't seen that. And again, this is very recent development. So there hasn't been any serious talks about time charters so far.

[Moderator]

And another one from Kevin: Have scrappings increased recently? And will that continue or be delayed in 2026 due to the elevated spot rates?

[Kristian Sørensen, CEO]

Well, scrappings is, like you alluded to, very much dependent on the underlying freight market. And as long as we see the freight market operating at the current levels, we don't really see much scrapping activity, if anything at all. And these ships, they can technically trade for any more years after they turn even 30 years of age. So technically, if they are well-maintained, they can still sail across the seven seas.

[Moderator]

The last one from Kevin: Will the three ships in the Gulf region of conflict be at risk for lower revenue than currently expected?

[Kristian Sørensen, CEO]

For time being, that's not the case. Two of the ships are, like mentioned, on time charter in accordance with their time charter parties. For the ship in dry dock, we'll see when she gets out of the dry dock, but we see there are certain needs in the region to employ ships as well. So we'll see what happens, but the spot market and the freight market is evolving day by day here. But so far, no impact, as far as we can see.

[Moderator]

Thank you, Kristian. There's still some time for some more questions, if you either want to type into the chat or raise your hand. I see one hand up. Karl, if you would like to unmute yourself.

[Karl]

Could you comment a little bit about the capacity expansion in the US energy transfer enterprise product partners? I read that it's about 250,000 and 300,000 barrels a day in new export capacity. Probably not all of it will go on (…)

[Kristian Sørensen, CEO]

Karl, we can't really hear you that well, to be honest.

[Karl]

You cannot hear me? Hello?

[Moderator]

If you just speak up a bit louder, if that's possible.

[Karl]

Yes, I wanted you to comment on the capacity expansion in the US., the exports and how many ships you will need to cover that expansion.

[Kristian Sørensen, CEO]

Yeah, this depends on the trade pattern, like I also mentioned in the presentation, and also how the Panama Canal is congested or not congested in the time ahead, because it's a very big difference if the ships are sailing through the Panama Canal to Northeast Asia, or like we have seen recently, more and ships sailing around South Africa into India and Southeast Asia, which is absorbing more shipping capacity actually than if you sail the milk routes from the US., through Panama to Northeast Asia, a quick turnaround and back again. So I think it's hard on the spot to simulate that exactly, but we can do that.

[Kristian Sørensen, CEO]

Sorry, how many ships?

[Karl]

No, I said you can just provide a high and a low.

[Kristian Sørensen, CEO]

Sorry, a high number of ships needed for the exports, is that what you're asking for?

[Karl]

Yes, you can just give a span from low to high.

[Kristian Sørensen, CEO]

So are you talking up until 2028 or is it within this year?

[Karl]

I was thinking first and foremost this year, but I could get both answers, please.

[Kristian Sørensen, CEO]

Yes, I need to get back to you on that exactly, to be honest, because I don't have that number in front of me. So I'll get back to you on that when I have looked at the numbers.

[Karl]

But these two projects, when do you think they will come online in 2026?

[Kristian Sørensen, CEO]

The two enterprise expansions, right?

[Karl]

Yes, and energy transfer.

[Kristian Sørensen, CEO]

Yes, energy transfer is already ramping up as of beginning of this year, end of last year, beginning of this year. Enterprise is expanding their flex capacity first, and then secondly, the LPG specific capacity, which is later this year. So you will see in our previous investor presentation, we have it stacked up on slide number 6, isn't it? Yes.

[Moderator]

All right. Thank you. Any more questions before we round up? If not. Thank you, Kristian. Thank you, Samantha. Hold on, I just see another hand. Okay, we have a couple of minutes. So, Joy, if you would like to unmute yourself, please.

[Joy]

Yes. Thanks very much. I make this quick. So, going back to the three vessels, Indian-flagged in the risky zone, can't get the names. I think I heard two names. One is one is Amelia, one is Loyalty, and what is the dry docking vessel's name?

[Kristian Sørensen, CEO]

Yes, so Elm and Tyr and Loyalty are the ship's names.

[Joy]

Okay, okay, thanks.

[Moderator]

Well, thanks a lot to all our key stakeholders for joining us for today's call. Thank you, Kristian. Thank you, Samantha. This will conclude BWLPG's Q4 2025 earnings presentation. The call transcript and the recording will be available on our website shortly. And again, thanks for dialling in. We wish you a good rest of your day and look forward to seeing you again next quarter. Thank you.

About BW LPG

BW LPG is the world's leading owner and operator of LPG vessels, with a fleet of about 50 Very Large Gas Carriers (VLGCs), including 22 vessels powered by LPG dual-fuel propulsion technology. Building on over five decades of LPG shipping experience, the company is strengthened by an in-house LPG trading division and the commercial expertise to explore investments in value chain assets. Together, these capabilities enable BW LPG to provide trusted and reliable services for sourcing and delivering LPG to customers worldwide.
Delivering energy for a better world – more information about BW LPG can be found at www.bwlpg.com.

BW LPG is associated with BW Group, a leading global maritime company involved in shipping, floating infrastructure, deepwater oil & gas production, and new sustainable technologies. Founded in 1955 by Sir YK Pao, BW controls a fleet of over 450 vessels transporting oil, gas and dry commodities, with its 200 LNG and LPG ships constituting the largest gas fleet in the world. In the renewables space, the group has investments in solar, wind, batteries, and water treatment.

For further information, please contact:

investor.relations@bwlpg.com

Kristian Sørensen
Chief Executive Officer

Samantha Xu
Chief Financial Officer