

**BW LPG LIMITED**

*(The Company was incorporated in Bermuda and re-domiciled in Singapore on 1 July 2024,  
Registration Number: 202426186Z)*

**AND ITS SUBSIDIARIES**

**FINANCIAL STATEMENTS**

*FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025*

**Contents**

	Page
Directors' Statement	2
Independent Auditors' Report	5
Consolidated Statement of Comprehensive Income	9
Balance Sheet	11
Consolidated Statement of Changes in Equity	12
Consolidated Statement of Cash Flows	14
Notes to the Financial Statements	17

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**DIRECTORS' STATEMENT**

*For the financial year ended 31 December 2025*

---

The directors present their statement to the members together with the audited financial statements for the financial year ended 31 December 2025.

In the opinion of the directors,

- (a) the financial statements set out on pages 9 to 70 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) and IFRS Accounting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

**Directors**

The directors of the Company in office at the date of this statement are as follows:

Andreas Sohmen-Pao  
Anne Grethe Dalane  
Sonali Chandmal  
Luc Gillet  
Sanjiv Misra

**Arrangements to enable directors to acquire shares or debentures**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

**Directors' interests in shares or debentures**

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 (the Act), none of the directors of the Company holding office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year, except as disclosed below. The Company's largest shareholder, BW Group Limited, owns 48,407,126 shares in the Company as at 31 December 2025. BW Group Limited is owned by a company controlled by corporate interests associated with the Sohmen family. Andreas Sohmen-Pao is a member of the Sohmen family.

Except as disclosed under the 'Share Options' section of this statement, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**DIRECTORS' STATEMENT**  
*For the financial year ended 31 December 2025*

---

**Share options**

Share-Based Compensation Plans

The Company operates an equity-settled, share-based compensation plan: the five-year long-term management share option plan launched on 1 March 2022 ("LTIP 2022"). Under LTIP 2022, at the end of the vesting periods between February 2025 and February 2029, up to 3,500,000 Shares may be acquired by certain employees from the Company at a predetermined strike price. The Company also operated a five-year long-term management share option plan launched on 21 April 2017 ("LTIP 2017"). Under LTIP 2017, at the end of the vesting periods between February 2020 and February 2024, 2,083,424 Shares were acquired by certain employees from the Company at a predetermined strike price.

Under LTIP 2017, members of senior management of the Company were awarded share options on an annual basis for a period of five years. The total number of options that were awarded under LTIP 2017 was 568,000 for 2017 and 2018, and 1,515,424 from 2019 to 2021, where each option gives the holder the right to acquire one Share from the Company. The options (i.e. 284,000 options each for 2017 and 2018, 568,000 for 2019, 470,304 for 2020 and 477,120 for 2021) were awarded each year in connection with the publication of the quarterly report for the fourth quarter for the preceding year, except for 2017 in which the options were awarded on 21 April 2017. The strike price for the options is equal to the sum of (i) the volume weighted average share price ("VWAP") quoted on the OSE on the first five trading days following the announcement of such quarterly report, and (ii) 16% of the VWAP. The strike price for the options awarded on 21 April 2017 was NOK 48.15; on 28 February 2018, NOK 42.98; on 28 February 2019, NOK 30.75; on 6 March 2020, NOK 61.64; and on 1 March 2021, NOK 56.98.

Under LTIP 2022, members of senior management and certain employees of the Company will, on an annual basis for a period of five years, be awarded share options. The total number of options that will be awarded under LTIP 2022 is 3,500,000 (adjusted in 2023 from 3,548,500 when it was set in 2022), where each option will give the holder the right to acquire one Share from the Company. The total number of options that were awarded under LTIP 2022 was 624,536 in 2022, 709,700 in 2023, 631,963 in 2024, 657,935 in 2025 and 506,631 in 2026. The options will be awarded each year in connection with the publication of the quarterly report for the fourth quarter of the preceding year. The strike price for the options shall be equal to the sum of (i) the VWAP quoted on the OSE on the first five trading days following the announcement of such quarterly report, and (ii) 16% of the VWAP. The strike price for the options awarded on 1 March 2022 was NOK 63.15; on 28 February 2023, NOK 109.77; on 29 February 2024, NOK 142.32; on 27 February 2025, NOK 145.46; and on 6 March 2026, NOK 195.06.

The LTIP 2017 and LTIP 2022 options will have a vesting period of three years from being awarded, and may then be exercised during the course of a period of three additional years. The LTIP 2017 and LTIP 2022 options are non-tradable and conditional upon the option holder being employed by the Company or its subsidiaries and not having resigned or being terminated for cause prior to the vesting date.

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**DIRECTORS' STATEMENT**  
*For the financial year ended 31 December 2025*

---

**Share options** (continued)

Share options outstanding

The number of share options in relation to the LTIP 2022 outstanding at the end of the financial year was as follows:

	No. of share options outstanding at <u>31.12.2025</u>	<u>Issued strike price</u>	<u>Exercise period</u>
2023 Tranche	439,373	NOK 109.77	28.2.2026 – 28.2.2029
2024 Tranche	531,471	NOK 142.32	28.2.2027 – 28.2.2030
2025 Tranche	582,283	NOK 145.46	27.2.2028 – 27.2.2031
	<u>1,553,127</u>		

**Audit Committee**

The members of the Audit Committee at the end of the financial year were as follows:

Anne Grethe Dalane (Chairperson)  
Sonali Chandmal  
Sanjiv Misra

All members of the Audit Committee were non-executive directors, and were independent.

The Audit Committee carried out its functions in accordance with Section 201B of the Act. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor, any recommendations on internal accounting controls arising from the statutory audit, and the audit report;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2025 before their submission to the Board of Directors.

The Audit Committee has recommended to the Board that the independent auditor, KPMG LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

**Independent auditor**

The auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

On behalf of the directors



---

Andreas Sohlen-Pao  
Director



---

Anne Grethe Dalane  
Director

30 April 2026

---



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF BW LPG LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of BW LPG Limited ('the Company') and its subsidiaries ('the Group'), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 9 to 70.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ('the Act'), Singapore Financial Reporting Standards (International) ('SFRS(I)s') and IFRS Accounting Standards as issued by the International Accounting Standards Board ('IFRS Accounting Standards'), so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ('ACRA Code'), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key audit matters**

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



Key audit matters (continued)

Evaluation of fair value of the physical commodity contracts (Fair value of Level 3 derivative financial instruments as \$19.8 million of assets and \$11.0 million of liabilities) (Refer to Note 2(a)(4) and 22(f) to the financial statements)	
The key audit matter	How the matter was addressed in our audit
We identified the evaluation of the fair value of the physical commodity contracts as a key audit matter. Specifically, complex auditor judgment and specialized skills and knowledge were required to evaluate the appropriateness and application of the cashflow models as well as the significant assumptions related to forward commodity and freight prices. These assumptions are forward-looking and could be affected by future economic and market conditions.	<p>We evaluated the design and tested the operating effectiveness of certain internal controls related to the valuation of the physical commodity contracts. This included controls related to the appropriateness and application of the cash flow model, and the reasonableness of assumptions of forward commodity and freight prices used in the cash flow model. We involved valuation professionals with specialized skills and knowledge, who assisted in:</p> <ul style="list-style-type: none"> <li>evaluating the appropriateness and application of the cash flow model by inspecting the contractual agreements.</li> <li>evaluating the reasonableness of management's adjustments for location differentials to the forward commodity and freight prices obtained from exchanges and broker quotes.</li> </ul>

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

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

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

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



## Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s and IFRS Accounting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the Group's financial reporting process.

## Auditors' responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



### Auditors' responsibilities for the audit of the financial statements *(continued)*

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

### Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Ong Li Qin.

KPMG LLP  
Public Accountants and  
Chartered Accountants

Singapore  
30 April 2026

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

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

	Note	2025 US\$'000	2024 US\$'000
Revenue - Shipping	3	1,015,745	962,803
Revenue - Product Services	3	2,566,394	2,600,944
Cost of cargo and delivery expenses - Product Services	4	(2,460,924)	(2,390,929)
Voyage expenses - Shipping	4	(348,238)	(383,798)
Vessel operating expenses	4	(126,299)	(84,984)
Time charter contracts (non-lease components)	4	(15,219)	(19,675)
General and administrative expenses	4	(76,496)	(71,134)
Charter hire expenses	4	(667)	(1,041)
Fair value (loss)/gain from equity financial asset		(1,172)	1,326
Finance lease income		895	635
Other operating (expense)/income - net		(6,461)	1,332
Depreciation	8	(255,561)	(201,338)
Amortisation of intangible assets		(368)	(843)
Gain on disposal of vessels		56,708	20,391
Loss on derecognition of right-of-use assets		(289)	-
<b>Operating profit</b>		<b>348,048</b>	<b>433,689</b>
Foreign currency exchange gain/(loss) - net		1,574	(1,651)
Interest income		9,302	15,617
Interest expense		(53,046)	(19,849)
Other finance expenses		(1,968)	(2,843)
<b>Finance expenses - net</b>		<b>(44,138)</b>	<b>(8,726)</b>
<b>Profit before tax</b>		<b>303,910</b>	<b>424,963</b>
Income tax expense	7(a)	(14,199)	(30,095)
<b>Profit after tax</b>		<b>289,711</b>	<b>394,868</b>

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

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

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

	Note	2025 US\$'000	2024 US\$'000
<b>Other comprehensive (loss)/income:</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Equity investments at FVOCI			
- fair value loss	9	(11,422)	(7,030)
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Cash flow hedges			
- fair value (loss)/gain		(6,561)	62,841
- reclassification to profit or loss		(3,995)	(21,464)
Currency translation reserve		2,204	(1,022)
<b>Other comprehensive (loss)/income, net of tax</b>		<b>(19,774)</b>	<b>33,325</b>
<b>Total comprehensive income</b>		<b>269,937</b>	<b>428,193</b>
<b>Profit attributable to:</b>			
Equity holders of the Company		242,313	354,296
Non-controlling interests		47,398	40,572
		<b>289,711</b>	<b>394,868</b>
<b>Total comprehensive income:</b>			
Equity holders of the Company		222,095	387,797
Non-controlling interests		47,842	40,396
		<b>269,937</b>	<b>428,193</b>
<b>Earnings per share attributable to the equity holders of the Company:</b>			
(expressed in US\$ per share)			
Basic earnings per share	6	1.60	2.65
Diluted earnings per share	6	1.60	2.64

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

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**BALANCE SHEET**  
*As at 31 December*

	Note	Group		Company	
		2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<b>Intangible assets</b>		356	636	-	-
Subsidiaries	27(a)	-	-	1,637,571	1,627,362
Investment in joint venture		301	301	-	-
Equity financial assets, at FVOCI	9	-	23,132	-	-
Derivative financial instruments	14	3,055	7,469	-	-
Finance lease receivables	10	10,324	2,882	-	-
Other receivables	12	3,812	7,980	-	-
Deferred tax assets	7(c)	5,321	1,644	-	-
<b>Total other non-current assets</b>		<b>22,813</b>	<b>43,408</b>	<b>1,637,571</b>	<b>1,627,362</b>
Vessels and dry docking	8	2,365,965	2,381,821	-	-
Right-of-use assets	8	116,742	216,272	-	-
Other property, plant and equipment	8	433	354	-	-
<b>Property, plant and equipment</b>		<b>2,483,140</b>	<b>2,598,447</b>	<b>-</b>	<b>-</b>
<b>Total non-current assets</b>		<b>2,506,309</b>	<b>2,642,491</b>	<b>1,637,571</b>	<b>1,627,362</b>
Inventories	11	123,885	76,706	-	-
Trade and other receivables	12	231,207	202,921	249	188
Equity financial assets, at FVOCI	9	11,710	-	-	-
Equity financial assets, at FVPL		1,597	2,769	-	-
Derivative financial instruments	14	25,956	74,571	-	-
Finance lease receivables	10	7,220	8,283	-	-
Assets held-for-sale	13	-	32,998	-	-
Cash and cash equivalents	15	242,009	279,681	1,889	925
<b>Total current assets</b>		<b>643,584</b>	<b>677,929</b>	<b>2,138</b>	<b>1,113</b>
<b>Total assets</b>		<b>3,149,893</b>	<b>3,320,420</b>	<b>1,639,709</b>	<b>1,628,475</b>
Share capital	16	619,868	619,868	619,868	619,868
Treasury shares	16	(50,372)	(48,387)	(50,372)	(48,387)
Other reserves		655,303	667,756	689,850	688,492
Retained earnings		605,203	565,794	217,651	221,956
		<b>1,830,002</b>	<b>1,805,031</b>	<b>1,476,997</b>	<b>1,481,929</b>
<b>Non-controlling interests</b>		<b>95,551</b>	<b>132,463</b>	<b>-</b>	<b>-</b>
<b>Total shareholders' equity</b>		<b>1,925,553</b>	<b>1,937,494</b>	<b>1,476,997</b>	<b>1,481,929</b>
Borrowings	17	730,394	711,664	-	-
Lease liabilities	18	72,836	60,588	-	-
Derivative financial instruments	14	411	569	-	-
<b>Total non-current liabilities</b>		<b>803,641</b>	<b>772,821</b>	<b>-</b>	<b>-</b>
Borrowings	17	122,709	230,344	-	-
Lease liabilities	18	64,303	170,700	-	-
Derivative financial instruments	14	24,398	25,527	-	-
Current income tax liabilities	7(b)	1,520	14,470	354	-
Trade and other payables	19	207,769	169,064	2,220	2,390
Payables to subsidiaries	27(b)	-	-	160,138	144,156
<b>Total current liabilities</b>		<b>420,699</b>	<b>610,105</b>	<b>162,712</b>	<b>146,546</b>
<b>Total liabilities</b>		<b>1,224,340</b>	<b>1,382,926</b>	<b>162,712</b>	<b>146,546</b>
<b>Total shareholders' equity and liabilities</b>		<b>3,149,893</b>	<b>3,320,420</b>	<b>1,639,709</b>	<b>1,628,475</b>

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

BW LPG LIMITED  
AND ITS SUBSIDIARIES

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

	Note	Attributable to equity holders of the Company								Non-controlling interest US\$'000	Total equity US\$'000	
		Share capital US\$'000	Treasury shares 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 2025</b>		619,868	(48,387)	649,654	13,835	2,579	(427)	2,115	565,794	1,805,031	132,463	1,937,494
Profit after tax		-	-	-	-	-	-	-	242,313	242,313	47,398	289,711
Other comprehensive (loss)/income		-	-	-	(10,556)	-	1,760	(11,422)	-	(20,218)	444	(19,774)
<b>Total comprehensive (loss)/income</b>		-	-	-	<b>(10,556)</b>	-	<b>1,760</b>	<b>(11,422)</b>	<b>242,313</b>	<b>222,095</b>	<b>47,842</b>	<b>269,937</b>
Share-based payment reserve												
- Value of employee services	16	-	-	-	-	1,753	-	-	-	1,753	-	1,753
Capital returns to non-controlling interests	25	-	-	-	-	-	-	-	-	-	(41,616)	(41,616)
Purchases of treasury shares	16	-	(2,739)	-	-	-	-	-	-	(2,739)	-	(2,739)
Share options exercised	16	-	754	-	-	(395)	-	-	164	523	-	523
Dividends paid	24	-	-	-	-	-	-	-	(199,855)	(199,855)	(41,120)	(240,975)
Changes in non-controlling interest		-	-	-	-	-	-	-	3,194	3,194	(2,018)	1,176
Transfer to tonnage tax reserve	16	-	-	-	-	-	-	6,407	(6,407)	-	-	-
<b>Total transactions with owners, recognised directly in equity</b>		-	<b>(1,985)</b>	-	-	<b>1,358</b>	-	<b>6,407</b>	<b>(202,904)</b>	<b>(197,124)</b>	<b>(84,754)</b>	<b>(281,878)</b>
<b>Balance at 31 December 2025</b>		<b>619,868</b>	<b>(50,372)</b>	<b>649,654</b>	<b>3,279</b>	<b>3,937</b>	<b>1,333</b>	<b>(2,900)</b>	<b>605,203</b>	<b>1,830,002</b>	<b>95,551</b>	<b>1,925,553</b>

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

BW LPG LIMITED  
AND ITS SUBSIDIARIES

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

	Note	Attributable to equity holders of the Company											Non-controlling interest 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 2024</b>		1,400	285,853	(56,438)	685,913	(36,259)	(27,542)	3,905	419	2,983	609,479	1,469,713	116,447	1,586,160
Profit after tax		-	-	-	-	-	-	-	-	-	354,296	354,296	40,572	394,868
Other comprehensive income/(loss)		-	-	-	-	-	41,377	-	(846)	(7,030)	-	33,501	(176)	33,325
<b>Total comprehensive income/(loss)</b>		-	-	-	-	-	<b>41,377</b>	-	<b>(846)</b>	<b>(7,030)</b>	<b>354,296</b>	<b>387,797</b>	<b>40,396</b>	<b>428,193</b>
Effects of re-domiciliation	16	285,853	(285,853)	-	(685,913)	685,913	-	-	-	-	-	-	-	-
Share-based payment reserve - Value of employee services	16	-	-	-	-	-	-	2,016	-	-	-	2,016	-	2,016
Capital returns to non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	(4,500)	(4,500)
Purchases of treasury shares	16	-	-	(100)	-	-	-	-	-	-	-	(100)	-	(100)
Sale of treasury shares		-	-	1,091	-	-	-	-	-	-	-	1,091	-	1,091
Issue of new shares		332,615	-	-	-	-	-	-	-	-	-	332,615	-	332,615
Share options exercised	16	-	-	7,060	-	-	-	(3,342)	-	-	(3,143)	575	-	575
Dividends paid	24	-	-	-	-	-	-	-	-	-	(388,461)	(388,461)	(21,657)	(410,118)
Changes in non-controlling interest		-	-	-	-	-	-	-	-	-	(215)	(215)	1,777	1,562
Transfer to tonnage tax reserve	16	-	-	-	-	-	-	-	-	6,162	(6,162)	-	-	-
<b>Total transactions with owners, recognised directly in equity</b>		<b>618,468</b>	<b>(285,853)</b>	<b>8,051</b>	<b>(685,913)</b>	<b>685,913</b>	<b>-</b>	<b>(1,326)</b>	<b>-</b>	<b>6,162</b>	<b>(397,981)</b>	<b>(52,479)</b>	<b>(24,380)</b>	<b>(76,859)</b>
<b>Balance at 31 December 2024</b>		<b>619,868</b>	<b>-</b>	<b>(48,387)</b>	<b>-</b>	<b>649,654</b>	<b>13,835</b>	<b>2,579</b>	<b>(427)</b>	<b>2,115</b>	<b>565,794</b>	<b>1,805,031</b>	<b>132,463</b>	<b>1,937,494</b>

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

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF CASHFLOWS**  
*For the financial year ended 31 December*

	Note	2025 US\$'000	2024 US\$'000
<b>Cash flows from operating activities</b>			
Profit before tax		303,910	424,963
Adjustments for:			
- amortisation of intangible assets		368	843
- depreciation	8	255,561	201,338
- gain on disposal of vessels		(56,708)	(20,391)
- loss on derecognition of right-of-use assets		289	-
- interest income		(9,302)	(15,617)
- interest expense		53,046	19,849
- other finance expense		4,479	3,939
- share-based payments		1,753	2,016
- finance lease income		(895)	(635)
- fair value loss/(gain) from equity financial asset		1,172	(1,326)
		<u>553,673</u>	<u>614,979</u>
Changes in working capital:			
- inventories		(47,179)	111,886
- trade and other receivables		(24,535)	112,689
- trade and other payables		41,201	(91,123)
- derivative financial instruments		42,933	(57,375)
- margin account held with broker		31,486	77,727
Total changes in working capital		<u>43,906</u>	<u>153,804</u>
Tax paid	7(b)	(30,176)	(19,639)
<b>Net cash from operating activities</b>		<u>567,403</u>	<u>749,144</u>
<b>Cash flows from investing activities</b>			
Additions in property, plant and equipment		(182,295)	(602,012)
Additions in intangible assets		(88)	(237)
Purchase of equity financial asset		-	(30,162)
Proceeds from sale of vessels		125,234	64,687
Investment in joint venture		-	-
Repayment of finance lease receivables	10	7,525	7,915
Interest received		10,197	16,252
Sale of equity financial asset		-	2,343
<b>Net cash (used in)/from investing activities</b>		<u>(39,427)</u>	<u>(541,214)</u>

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

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF CASHFLOWS (continued)**  
*For the financial year ended 31 December*

	Note	2025 US\$'000	2024 US\$'000
<b>Cash flows from financing activities</b>			
Proceeds from bank borrowings		1,027,443	610,883
Payment of financing fees		(4,408)	(4,430)
Repayments of bank borrowings		(1,081,010)	(197,437)
Payment of lease liabilities	18	(101,830)	(102,764)
Interest paid		(51,750)	(17,818)
Other finance expense paid		(4,479)	(3,939)
Purchase of treasury shares		(2,739)	(100)
Sale of treasury shares		-	1,091
Drawdown of trust receipts		1,776,251	2,107,821
Repayment of trust receipts		(1,810,225)	(2,118,318)
Dividend payment	24	(199,855)	(388,461)
Dividend payment to non-controlling interests		(41,120)	(21,657)
Contributions from non-controlling interests		1,176	1,562
Capital returns to non-controlling interests		(41,616)	(4,500)
<b>Net cash used in financing activities</b>		<b>(534,162)</b>	<b>(138,067)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(6,186)</b>	<b>69,863</b>
Cash and cash equivalents at beginning of the financial year		231,900	162,037
<b>Cash and cash equivalents at end of the financial year</b>	15	<b>225,714</b>	<b>231,900</b>

**Reconciliation of liabilities arising from financing activities**

	Borrowings US\$'000	Lease liabilities US\$'000	Interest rate swaps <sup>1</sup> US\$'000
At 1 January 2025	942,008	231,288	569
<b>Cash changes:</b>			
Proceeds from bank borrowings and trust receipts	2,803,694	-	-
Principal and interest (payments)/receipts	(2,947,813)	(104,984)	3,574
	(144,119)	(104,984)	3,574
<b>Non-cash changes:</b>			
Interest expense/(income)	55,214	3,154	(5,322)
Changes in fair value of interest rate swaps	-	-	1,485
Additions to lease liabilities	-	59,634	-
Lease remeasurement	-	86,266	-
Derecognition of lease liabilities	-	(138,219)	-
	55,214	10,835	(3,837)
<b>At 31 December 2025</b>	<b>853,103</b>	<b>137,139</b>	<b>306</b>

<sup>1</sup> Interest rate swaps are hedged against certain portions of bank borrowings.

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

BW LPG LIMITED  
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASHFLOWS (continued)  
For the financial year ended 31 December

Reconciliation of liabilities arising from financing activities (continued)

	Borrowings US\$'000	Lease liabilities US\$'000	Interest rate swaps <sup>1</sup> US\$'000
At 1 January 2024	412,349	157,839	679
<b>Cash changes:</b>			
Proceeds from bank borrowings and trust receipts	2,718,704	-	-
Principal and interest (payments)/receipts	(2,339,122)	(107,238)	5,592
	379,582	(107,238)	5,592
<b>Non-cash changes:</b>			
Interest expense/(income)	20,967	4,474	(5,592)
Changes in fair value of interest rate swaps	-	-	(110)
Additions to lease liabilities	-	68,177	-
Lease remeasurement	-	108,036	-
Acquisition of vessels <sup>2</sup>	129,110	-	-
	150,077	180,687	(5,702)
<b>At 31 December 2024</b>	<b>942,008</b>	<b>231,288</b>	<b>569</b>

<sup>1</sup> Interest rate swaps are hedged against certain portions of bank borrowings.

<sup>2</sup> Acquisition of vessels includes non-cash transaction of US\$332.6 million relating to the issuance of the Company's equity shares to the seller.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

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

**1. General information**

BW LPG Limited (the “Company”) is a public company limited by shares, and is dual listed on the Oslo Stock Exchange and the New York Stock Exchange. The principal legislation under which the Company operates is the Singapore Companies Act 1967 and regulations made thereunder.

The Company was incorporated in Bermuda on 21 August 2008 and redomiciled to Singapore on 1 July 2024, with its registered office at 10 Pasir Panjang Road, #17-02, Mapletree Business City, Singapore, 117438.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are ship owning, chartering and LPG trading (note 26).

These financial statements were authorised for issue by the Board of Directors of the Company on 30 April 2026.

**2. Material accounting policies**

(a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards).

SFRS (I)s are issued by the Accounting Standards Committee, which comprise standards and interpretations that are equivalent to IFRS Accounting Standards. All references to SFRS(I)s and IFRS Accounting Standards are subsequently referred to as SFRS(I)s in these financial statements unless otherwise specified.

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

The Group adopted all relevant new standards, amendments and interpretations to published standards as of 1 January 2025.

The adoption of these new standards, amendments, and interpretations to published standards did not have a material impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(a) Basis of preparation (continued)

*Critical accounting estimates, assumptions and judgements*

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

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

(1) Useful life and residual value of assets

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

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

(2) Impairment

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

Future changes may lead to reversals of currently recognised impairment charges.

(3) Revenue recognition

Voyage revenue is recognised on a percentage of completion basis. Load-to-discharge basis is used in determining the percentage of completion for all spot voyages (including voyages servicing contracts of affreightment). Under this method, spot voyage revenue is recognised rateably over the period from the point of loading of the current voyage to the point of discharge of the current voyage.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(a) Basis of preparation (continued)

(3) Revenue recognition (continued)

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

(4) Physical commodity contracts

Management estimates the fair values of the physical commodity contracts using a cash flow model based on the best information available. The fair values are estimated based on observable market prices obtained from exchanges and broker quotes, adjusted for location differentials and unobservable inputs such as shipping and financing costs. Where observable market prices for commodity and freight prices are not available for the remaining tenure of the physical commodity contracts, management utilises unobservable inputs based on internally developed proxy curves for the estimation.

As the fair value estimation process involves uncertainties and significant judgement over the unobservable inputs and assumptions, the fair values of the physical commodity contracts are classified under level 3.

See note 22(f) for further disclosures.

(b) Revenue and income recognition

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

(1) Rendering of services

Revenue from time charters accounted for as operating leases is recognised in accordance with IFRS 16 in profit or loss on a straight-line basis over the lease term. Apart from the lease, performance obligations include non-lease components attributable to the bareboat charter and the operation of the vessel which are accounted for as service revenue under IFRS 15. This revenue is recognised "over time" as the customer is simultaneously receiving and consuming the benefits of the service. Revenues are allocated to each performance obligation based on its relative standalone selling price, generally determined based on prices charged to customers. Non-lease components are not separately disclosed as they are considered not material to understand the Group operations.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(b) Revenue and income recognition (continued)

(1) Rendering of services (continued)

Revenue from spot voyages is recognised rateably over the estimated length of the voyage on a load-to-discharge basis within the respective reporting period. Voyage expenses are capitalized between the discharge port of the immediately previous cargo, or contract date if later, and the load port of the cargo to be chartered if they qualify as fulfilment costs. The performance obligations for voyage revenue are satisfied over time from when the vessel is ready at the load port to the point of cargo delivery at the discharge port. No additional disclosures in relation to the incremental cost of obtaining the contract and the remaining performance obligation with an original duration of one year or less are made as the Group has applied the practical expedients available in IFRS 16. Additionally, as the Group typically receives payments within one year from the start of the voyage, there are no additional disclosures made.

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

(2) Product Services – cargo sales

Revenue from the sale of goods is recognised at the point in time when the performance obligations have been satisfied, which is when control of the cargo is transferred to the customer. Revenue is measured based on consideration specified in the contract with a customer, which also includes the provision of services (shipping and insurance) when goods are sold on a CFR or CIF basis, which means that the Group is responsible (acts as principal) for providing shipping services, and in some instances, insurance after the date at which control of goods passes to the customer at the loading port. The Group, therefore, has separate performance obligations for freight and insurance services that are provided to facilitate the sale of commodities. The Group does not disclose sales revenue from freight and insurance services separately as these are not considered necessary in order to understand the economic impact on the Group. The same recognition and presentation principles apply to revenues arising from physical settlement of forward sale contracts that do not meet the own use exemption. See note 2(x).

(3) Interest income

Interest income is recognised using the effective interest method.

2. Material accounting policies (continued)

(c) Group accounting

(1) Subsidiaries

(i) *Consolidation*

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

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group companies are eliminated. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure the consistency of accounting policies with those of the Group.

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

(ii) *Acquisitions*

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

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

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(c) Group accounting (continued)

(1) Subsidiaries

(ii) *Acquisitions* (continued)

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

Acquisition-related costs are expensed as incurred.

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

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

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

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

(iii) *Disposals*

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

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

2. Material accounting policies (continued)

(c) Group accounting (continued)

(2) Transactions with non-controlling interests

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

(3) Joint venture

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

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

(i) *Acquisitions*

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

(ii) *Equity method of accounting*

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(c) Group accounting (continued)

(3) Joint venture (continued)

(ii) *Equity method of accounting* (continued)

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

(iii) *Disposals*

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

(d) Property, plant and equipment

(1) Measurement

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

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

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(d) Property, plant and equipment (continued)

(2) Depreciation

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

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

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

(ii) Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

(3) Subsequent expenditure

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

(4) Disposal

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

(e) Impairment of non-financial assets

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

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

2. **Material accounting policies** (continued)

(e) Impairment of non-financial assets (continued)

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

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

(f) Derivative financial instruments and hedging activities

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

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

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

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

Where the critical terms of the hedging instrument and the hedged item are identical or closely aligned, the Group performs a qualitative assessment to demonstrate the existence of an economic relationship. If changes in circumstances mean that a qualitative assessment is no longer sufficient, the Group performs a quantitative assessment of hedge effectiveness, including using the hypothetical derivative method where appropriate.

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

The fair value of interest rate swaps, forward bunker swaps and forward freight agreements represent the amounts estimated by banks or brokers that the Group will receive or pay to terminate the derivatives at the balance sheet date.

2. Material accounting policies (continued)

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

(1) Interest rate swaps

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

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

(2) Forward bunker swaps

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

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

(3) Forward freight agreements (FFAs)

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

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

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

(4) Commodity contracts derivatives

Commodity contract derivatives comprise physical commodity contracts measured at fair value through profit or loss, and exchange-traded commodity futures contracts.

Fair value of physical commodity contracts is estimated using a cash flow model based on the best information available. Fair value is estimated based on observable market prices obtained from exchanges and broker quotes, adjusted for location differentials and unobservable inputs such as shipping and financing costs. Where observable market prices for commodity and freight prices are not available management has utilised unobservable inputs based on internally developed proxy curves. Fair values of exchange-traded commodity futures is determined using forward commodity indices at the balance sheet date.

The Group did not apply hedge accounting for these contracts.

(5) Non-derivative financial asset

The Group has designated the foreign currency risk component of a foreign denominated cash balance as a cash flow hedge against the Group's commitment for the exercise of a purchase option on its time charter in lease contract which is denominated in the same foreign currency. This effectively hedges the forecasted purchase price at a fixed USD amount from the date of designation of the hedge. It was assessed that the economic relationship between the hedging instrument and the hedged item was effective as the critical terms match.

The fair value changes on the effective portion of the foreign currency risk component of the foreign denominated cash balance designated as cash flow hedges are recognised in other comprehensive income. Amounts accumulated in equity are reclassified into the cost of the asset upon payment of the purchase option.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(g) Financial assets

(1) Financial assets at amortised cost

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

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's and the Company's financial assets at amortised costs, are presented as "finance lease receivables" (note 10) "trade and other receivables" (note 12) and "cash and cash equivalents" (note 15) in the balance sheet.

These financial assets are initially recognised at their fair values plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses. The Group and the Company manages these groups of financial assets by collecting the contractual cash flow and these cash flows represent solely payment of principal and interest.

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(g) Financial assets (continued)

(1) Financial assets at amortised cost (continued)

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

- the borrower is unlikely to pay its credit obligations to the Group and the Company in full, without recourse by the Group and the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

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

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

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

(2) Equity investments

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

- (i) The Group subsequently measures equity investments at fair value. Equity investments are classified as fair value through profit or loss ("FVTPL") with movements in their fair values recognised in profit or loss in the period in which the changes arise, except for those equity securities which are not held for trading. The Group has irrevocably elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments. Movements in fair values of investments classified as fair value through other comprehensive income ("FVOCI") are presented in other comprehensive income. Dividends from equity investments are recognised in profit or loss as "dividend income".

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(g) Financial assets (continued)

(2) Equity investments (continued)

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

(h) Borrowings

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

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

(i) Borrowing costs

Borrowing costs are recognised in profit and loss using the effective interest method except for costs that are directly attributable to the construction of vessels. This includes those costs on borrowings acquired specifically for the construction of vessels and those in relation to general borrowings used to finance the construction of vessels.

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

(j) Trade and other payables

Trade and other payables represent liabilities to pay for goods or services provided to the Group and the Company prior to the end of the financial year which are unpaid. Trade and other payables are classified as current liabilities if payment is due within 12 months, otherwise they are classified as non-current liabilities.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(k) Leases

(1) As a lessee:

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

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

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

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

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

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(k) Leases (continued)

(1) As a lessee: (continued)

Lease liabilities are measured at amortised cost using the effective interest method. These are remeasured when:

- There is a change in future lease payments arising from a change in an index or rate;
- There is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee;
- There is a change in the Group's assessment of whether it will exercise a purchase, extension, or termination option; or
- There is a revised in-substance fixed lease payment.

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

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

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

(2) As a lessor:

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

Lessor – Finance leases

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

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

Lessor – Operating leases

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. **Material accounting policies** (continued)

(k) Leases (continued)

(3) As an intermediate lessor:

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

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

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

(l) Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date.

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

(m) Inventories

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

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

LPG held for trading purposes are measured at fair value less costs to sell. Subsequent changes in fair value is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(n) Provisions for other liabilities and charges

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

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

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

(o) Foreign currency translation

(1) Functional and presentation currency

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

(2) Transactions and balances

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

(3) Translation of Group entities' financial statements

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

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(o) Foreign currency translation (continued)

(3) Translation of Group entities' financial statements (continued)

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

(p) Employee benefits

(1) Employee leave entitlement

Employee entitlements to annual leave are accrued as it is earned. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(2) Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(3) Share-based compensation

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

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(q) Offsetting financial instruments

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

(r) Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term bank deposits less restricted cash, related to margin accounts held with brokers, which are subject to an insignificant risk of change in value.

(s) Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted from equity.

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

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

(t) Income tax

Income tax expense comprises current and deferred tax.

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. **Material accounting policies** (continued)

(t) Income tax (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

(u) Dividend to Company's shareholders

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

(v) 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 the performance of the operating segments.

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

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

2. Material accounting policies (continued)

(x) Commodity contracts

The Product Services Segment transacts in exchange traded derivatives, and physical contracts to trade commodities. Derivative instruments, which include physical commodity contracts that do not meet the own use exemption, are accounted for as derivatives at fair value through profit or loss. The Group accounts for these physical commodity contracts under IFRS 9 before physical delivery, and excludes changes in the fair value of derivative assets and liabilities prior to physical delivery from revenue from contracts with customers. Derivative gains or losses are presented separately as “derivative gain/(loss)” within Revenue – Product Services.

The Group recognizes revenue from a contract with a customer under IFRS 15 the delivery of the commodity occurs. Revenue is measure at the contractually determined price. See note 2(b)(2).

(y) Contingent liabilities

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

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

(z) Interest in subsidiaries

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

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

BW LPG LIMITED  
AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

3. Revenue

	Group	
	2025 US\$'000	2024 US\$'000
(a) Revenue – Shipping		
- spot voyages	703,469	773,039
- time charter	312,276	189,764
	1,015,745	962,803
(b) Revenue – Product Services		
- cargo sales	2,526,386	2,520,882
- shipping income	59,233	27,705
- derivative (loss)/gain	(19,225)	52,357
	2,566,394	2,600,944

4. Expenses by nature

	Group	
	2025 US\$'000	2024 US\$'000
Fuel oil	170,044	181,348
Port charges	97,061	97,335
Pool distribution expenses	45,396	75,739
Other voyage expenses	35,737	29,376
Voyage expenses	348,238	383,798
Cost of cargo and delivery expenses – Product Services	2,460,924	2,390,929
Manning costs	66,388	45,350
Maintenance and repair expenses	43,532	28,205
Insurance expenses	6,300	4,299
Other vessel operating expenses	10,079	7,130
Vessel operating expenses	126,299	84,984
Employee compensation (note 5)	42,880	43,902
Directors' fees	555	585
Other general and administrative expenses	33,061	26,647
General and administrative expenses	76,496	71,134
Time charter-in expenses (variable payments)	667	1,041
Charter hire expenses	667	1,041
Time charter contracts (non-lease components)	15,219	19,675

BW LPG LIMITED  
AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

5. Employee compensation

	Group	
	2025	2024
	US\$'000	US\$'000
Wages and salaries	40,096	41,012
Share-based payments	1,753	2,016
Post-employment benefits	1,031	874
	<b>42,880</b>	<b>43,902</b>

6. Basic and diluted earnings per share

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

Diluted earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year, after adjusting for all dilutive potential ordinary shares.

	Group	
	2025	2024
Net profit attributable to equity holders of the Company (US\$'000)	242,313	354,296
Weighted average number of ordinary shares outstanding ('000) - Basic	151,406	133,609
Weighted average number of ordinary shares outstanding ('000) <sup>1</sup> - Diluted	151,897	134,188
Basic earnings per share (US\$ per share)	1.60	2.65
Diluted earnings per share (US\$ per share)	<b>1.60</b>	<b>2.64</b>

<sup>1</sup> Includes dilutive shares of 490,833 (2024: 515,905) from share options.

7. Income tax expense

(a) Income tax expense

	Group	
	2025	2024
	US\$'000	US\$'000
Tax expense attributable to profit is made up of:		
- current income tax	17,868	25,294
- deferred income tax	(3,669)	4,801
	<b>14,199</b>	<b>30,095</b>

BW LPG LIMITED  
AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

7. Income tax expense (continued)

(b) Movement in current income tax liabilities

	Group	
	2025 US\$'000	2024 US\$'000
At beginning of the financial year	14,470	8,121
Income tax expense	17,868	25,294
Income tax paid	(30,176)	(19,639)
Currency effects	(642)	694
At end of the financial year	1,520	14,470

(c) Movement in deferred tax assets

	Group	
	2025 US\$'000	2024 US\$'000
At beginning of the financial year	1,644	6,855
Tax credited/(charged) to profit for the financial year	3,669	(4,801)
Currency effects	8	(410)
At end of the financial year	5,321	1,644

Deferred tax assets are recognised for tax losses carried forward for the Group's subsidiaries to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has concluded that the deferred tax assets will be recoverable from the estimated future taxable income of the subsidiaries within the next five years.

In 2024, deferred tax assets do not include unutilised tax losses carried forward of US\$7.1 million, tax effect of US\$1.6 million, as it is not probable that the future taxable profit will be available against which the Group can use the taxable benefits therefrom. In 2025, all unutilised tax losses carried forward are recognised as deferred tax assets.

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December*

**7. Income tax expense (continued)**

Income tax expense reconciliation is as follows:

	Group	
	2025 US\$'000	2024 US\$'000
Profit before tax	<u>303,910</u>	<u>424,963</u>
Tax calculated at a tax rate of 17% (2024: 17%; 2023: 0% <sup>1</sup> )	51,665	72,244
Effects of different tax rates in other countries	(19,232)	(2,051)
Effects of concessionary tax rates (Global Trader Programme)	1,344	(2,233)
Tax exemption	(28,957)	(37,535)
Previously unrecognised tax benefits	(1,321)	(4,000)
Foreign withholding tax	10,700	3,670
Income tax expense	<u>14,199</u>	<u>30,095</u>

<sup>1</sup> The Company redomiciled to Singapore on 1 July 2024. Prior to the redomiciliation, there was no income, withholding, capital gains or capital transfer taxes as the Company was domiciled in Bermuda.

BW LPG Product Services Pte. Ltd., a Group subsidiary, was granted on 28 March 2024, the Global Trader Programme by Enterprise Singapore for the period commencing 1 March 2024, until 31 December 2028. The status entitles BW LPG Product Services Pte. Ltd. a concessionary tax rate of 10% during the period on prescribed qualifying income, subject to achieving the terms and conditions set by Enterprise Singapore, and requirements of the Income Tax Act.

In 2024, the Group is subject to a global minimum top-up tax rules under OECD BEPS Pillar Two. The Group has entities in certain jurisdictions that implemented Pillar Two rules, which include Domestic Top-up Tax rules ("DMTT") and Income Inclusion Rules ("IIR"). Accordingly, any top-up tax of these entities or their subsidiaries would be collected in those jurisdictions. As at 31 December 2024 and 2025, management assessed the impact of the top-up tax exposure to be immaterial, since the effective tax rates in those jurisdictions are estimated to exceed 15%.

BW LPG LIMITED  
AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

8. Property, plant and equipment

Group	Vessels US\$'000	Dry docking US\$'000	Furniture and fixtures US\$'000	Right-of-use assets US\$'000	Total US\$'000
<i>Cost</i>					
At 1 January 2025	2,936,835	63,116	1,102	470,514	3,471,567
Additions	133,050	49,096	149	59,634	241,929
Modifications	-	-	-	72,361	72,361
Disposals	(74,989)	(2,871)	-	(249,083)	(326,943)
Write off on completion of dry docking costs	-	(17,996)	-	-	(17,996)
At 31 December 2025	<u>2,994,896</u>	<u>91,345</u>	<u>1,251</u>	<u>353,426</u>	<u>3,440,918</u>
<i>Accumulated depreciation and impairment charge</i>					
At 1 January 2025	583,545	34,585	748	254,242	873,120
Depreciation	141,707	20,767	70	93,017	255,561
Disposals	(40,417)	(1,915)	-	(110,575)	(152,907)
Write off on completion of dry docking costs	-	(17,996)	-	-	(17,996)
At 31 December 2025	<u>684,835</u>	<u>35,441</u>	<u>818</u>	<u>236,684</u>	<u>957,778</u>
<i>Net book value</i>					
At 31 December 2025	<u>2,310,061</u>	<u>55,904</u>	<u>433</u>	<u>116,742</u>	<u>2,483,140</u>

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December*

**8. Property, plant and equipment (continued)**

<b>Group</b>	<b>Vessels US\$'000</b>	<b>Dry docking US\$'000</b>	<b>Furniture and fixtures US\$'000</b>	<b>Right-of-use assets US\$'000</b>	<b>Total US\$'000</b>
<i>Cost</i>					
At 1 January 2024	1,932,413	52,074	910	325,883	2,311,280
Additions	1,049,295	14,332	192	68,177	1,131,996
Disposals	-	-	-	(15,186)	(15,186)
Lease remeasurement	-	-	-	91,640	91,640
Reclassified to assets held- for-sale (note 13)	(44,873)	(1,725)	-	-	(46,598)
Write off on completion of dry docking costs	-	(1,565)	-	-	(1,565)
At 31 December 2024	<b>2,936,835</b>	<b>63,116</b>	<b>1,102</b>	<b>470,514</b>	<b>3,471,567</b>
<i>Accumulated depreciation and impairment charge</i>					
At 1 January 2024	503,740	23,661	633	174,099	702,133
Depreciation	91,924	13,970	115	95,329	201,338
Disposals	-	-	-	(15,186)	(15,186)
Reclassified to assets held- for-sale (note 13)	(12,119)	(1,481)	-	-	(13,600)
Write off on completion of dry docking costs	-	(1,565)	-	-	(1,565)
At 31 December 2024	<b>583,545</b>	<b>34,585</b>	<b>748</b>	<b>254,242</b>	<b>873,120</b>
<i>Net book value</i>					
At 31 December 2024	<b>2,353,290</b>	<b>28,531</b>	<b>354</b>	<b>216,272</b>	<b>2,598,447</b>

- (a) Vessels with an aggregate carrying amount of US\$1,423 million as at 31 December 2025 (2024: US\$1,091 million) are pledged as security on borrowings (note 17).
- (b) In 2024, the Group acquired 12 vessels for aggregate consideration of US\$1,050 million which comprised US\$588.3 million cash payment, net of US\$129.1 million amount of borrowings novated from the seller, and US\$332.6 million settled via the issuance of the Company's equity shares to the seller.

BW LPG LIMITED  
AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

9. Equity investments, at FVOCI

	Group	
	2025 US\$'000	2024 US\$'000
At beginning of the financial year	23,132	-
Additions	-	30,162
Fair value loss	(11,422)	(7,030)
At end of the financial year	<u>11,710</u>	<u>23,132</u>
Non-current	-	23,132
Current	<u>11,710</u>	<u>-</u>
	<u>11,710</u>	<u>23,132</u>

The equity investment consists of investment in Confidence Petroleum India Ltd, a listed company on National Stock Exchange of India ("NSE").

10. Finance lease receivables

	Group	
	2025 US\$'000	2024 US\$'000
At beginning of the financial year	11,165	2,684
Additions	13,904	16,396
Repayments	(7,525)	(7,915)
At end of the financial year	<u>17,544</u>	<u>11,165</u>

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

	Less than <u>1 year</u> US\$'000	Between 1 <u>and 2 years</u> US\$'000	Between 2 <u>and 3 years</u> US\$'000	<u>Total</u> US\$'000
<b>Group</b>				
<b>At 31 December 2025</b>				
Undiscounted lease receivables	8,076	8,076	2,692	18,844
Less: Unearned finance income	(856)	(411)	(33)	(1,300)
	<u>7,220</u>	<u>7,665</u>	<u>2,659</u>	<u>17,544</u>
<b>At 31 December 2024</b>				
Undiscounted lease receivables	8,765	2,921	-	11,686
Less: Unearned finance income	(482)	(39)	-	(521)
	<u>8,283</u>	<u>2,882</u>	<u>-</u>	<u>11,165</u>

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December*

**11. Inventories**

	Group	
	2025 US\$'000	2024 US\$'000
Fuel oil and LPG, at cost	27,553	33,645
LPG, held for trading	96,332	43,061
	<b>123,885</b>	<b>76,706</b>

The cost of fuel oil recognised as an expense and included in voyage expenses amounted to US\$170.0 million (2024: US\$181.3 million).

The cost of LPG recognised as an expense and included in "cost of cargo and delivery expenses – Product Services" amounted to US\$2,460.9 million (2024: US\$2,390.9 million).

**12. Trade and other receivables**

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Trade receivables	199,366	168,546	6	-
Other receivables	15,423	15,193	184	182
Other receivables - related parties <sup>1</sup>	2,852	-	-	6
	217,641	183,739	190	188
Prepayments	16,539	27,162	59	-
Tax recoverable	839	-	-	-
	235,019	210,901	249	188
Non-current	3,812	7,980	-	-
Current	231,207	202,921	249	188
	235,019	210,901	249	188

<sup>1</sup> Related parties refer to corporations controlled by a shareholder of the Company.

Contract assets – accrued revenue of US\$43.0 million (2024: US\$26.0 million) had been presented within "Trade receivables". These relate to the Group's rights to consideration for proportional performance from spot voyages that are in-progress at the balance sheet date, and which shall be recognised as revenue in the subsequent year. The Group will invoice the customers when the rights become unconditional which typically occurs in the next financial year.

Other receivables due from non-related parties include GST paid to India's Government in advance. After taking into account the present value of other receivables (non-current), the carrying amounts approximate their fair value.

Other receivables due from related parties comprise mainly advances for vessel operating expenses. They are unsecured, interest-free and repayable on demand.

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

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December*

**13. Assets held-for-sale**

	2025 US\$'000	Group 2024 US\$'000
At beginning of the financial year	32,998	44,296
Reclassified from property, plant and equipment (note 8)	-	32,998
Disposals	<b>(32,998)</b>	<b>(44,296)</b>
At end of the financial year	<b>-</b>	<b>32,998</b>

As at 31 December 2025, assets held-for-sale comprised nil VLGC (2024: one VLGC) that has been committed for sale to a non-related party.

**14. Derivative financial instruments**

Group	2025		2024	
	Assets US\$'000	Liabilities US\$'000	Assets US\$'000	Liabilities US\$'000
Interest rate swaps	3,055	(306)	7,469	(179)
Forward freight agreements and related bunker swaps	1,238	(1,496)	3,993	-
Commodity contracts and derivatives	24,696	(23,007)	70,565	(25,835)
Forward foreign exchange contracts and foreign exchange	22	-	13	(82)
	<b>29,011</b>	<b>(24,809)</b>	<b>82,040</b>	<b>(26,096)</b>
Non-current	3,055	(411)	7,469	(569)
Current	<b>25,956</b>	<b>(24,398)</b>	<b>74,571</b>	<b>(25,527)</b>
	<b>29,011</b>	<b>(24,809)</b>	<b>82,040</b>	<b>(26,096)</b>

As at 31 December 2025, the Group has interest rate swaps with total notional principal amounting to US\$199.6 million (2024: US\$179.1 million). The Group's interest rate swaps mature between 2027 to 2029.

Interest rate swaps are 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 2.0% per annum to 3.7% per annum and would receive a variable rate equal to US\$ Secured Overnight Financing Rate (SOFR). Hedge accounting was adopted for these contracts.

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

Commodity contract derivatives comprise physical commodity contracts measured at fair value through profit or loss, and exchange-traded commodity futures. The Group did not adopt hedge accounting for these contracts.

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

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

15. Cash and cash equivalents

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

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Cash and cash equivalents per consolidated balance sheet	242,009	279,681	1,889	925
Less: Margin accounts held with brokers <sup>1</sup>	(16,295)	(47,781)	-	-
Cash and cash equivalents per consolidated statement of cash flows	<b>225,714</b>	<b>231,900</b>	<b>1,889</b>	<b>925</b>

<sup>1</sup> Margin accounts held with brokers are collateral for open derivative financial instruments.

16. Share capital and other reserves

(a) Issued and fully paid share capital

- (i) As at 31 December 2025 and 2024, the Company has a share capital of US\$619.9 million, comprising of 159,282,000 ordinary shares, no par value per share, issued and paid-up.

Fully paid ordinary shares carry one vote per share and carry a right to dividend as and when declared by the Company.

- (ii) The Company operates two equity-settled, share-based compensation plans. The 2017 Long-Term Incentive Plan ("LTIP 2017") was fully awarded in 2021. At the end of the vesting periods between February 2020 and February 2024, ordinary shares of 2,043,784 may be acquired by certain employees, from the Company at a predetermined strike price. Under the 2022 Long-Term Incentive Plan ("LTIP 2022"), at the end of the vesting periods between February 2025 and February 2029, ordinary shares of 3,463,336 may be acquired by certain employees from the Company at a predetermined strike price.

(b) Share premium

The differences between the consideration for ordinary shares issued and par value is recognised as share premium. On 1 July 2024, following the Company's redomiciliation to Singapore, US\$285.9 million was reclassified from the Company's share premium to share capital to comply with local regulatory requirements in Singapore.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

16. Share capital and other reserves (continued)

(c) Capital reserve

As at 31 December 2025, capital reserve amounted to US\$649.7 million.

As at 31 December 2024, capital reserve amounted to US\$649.7 million, of which US\$685.9 million related to a reclassification from the Company's contributed surplus account, following the Company's redomiciliation from Bermuda to Singapore on 1 July 2024.

As at 31 December 2023, negative capital reserve amounted to US\$36.3 million, which comprises negative reserve arising from the business acquisition of entities under common control of US\$41.5 million and a gain on disposal of treasury shares of US\$5.2 million in December 2015.

(d) Other reserve

Other reserve includes US\$6.4 million (2024: US\$6.2 million; 2023: US\$0.8 million) of tonnage tax reserves of the Group's Indian subsidiary, BW Global United LPG India Private Limited. This amount is computed based on the subsidiary's profits pursuant to Section 115 JB to Tonnage tax reserve.

(e) Share-based payment reserve

Certain employees are entitled to receive ordinary shares in the Company. Share-based payment awards are recognised as an expense in the consolidated profit or loss with a corresponding increase in the share-based payment reserve over the vesting periods. For the year ended 31 December 2025, an expense of US\$1.8 million (2024: US\$2.0 million; 2023: US\$1.7 million) was recognised in the consolidated profit or loss with a corresponding increase recognised in the share-based payment reserve. When the share options subsequently vest and are exercised, the corresponding amounts are reversed.

(f) Treasury shares

	Number of shares			Amount		
	2025 '000	2024 '000	2023 '000	2025 US\$'000	2024 US\$'000	2023 US\$'000
Balance as at 1 January	7,743	8,926	8,558	48,387	56,438	47,631
Transfer of treasury shares	(120)	(1,192)	(471)	(754)	(8,151)	(2,676)
Purchases of treasury shares	316	9	2,778	2,739	100	23,698
Cancellation of treasury shares	-	-	(1,939)	-	-	(12,215)
Balance as at 31 December	<b>7,939</b>	<b>7,743</b>	<b>8,926</b>	<b>50,372</b>	<b>48,387</b>	<b>56,438</b>

In March 2025, 120,647 shares (2024: 597,767 shares; 2023: 470,000 shares) were transferred to certain members in settlement of their exercising of certain vested options granted under LTIP 2017.

In August 2024, 503,889 shares were transferred to certain members in settlement of their exercising of certain vested options granted under LTIP 2022, after the Company accelerated the vesting period for that share tranche from February 2025 to August 2024.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

16. Share capital and other reserves (continued)

(f) Treasury shares (continued)

On 8 December 2021, the Company announced a share buy-back programme, under which the Company may purchase up to 10 million ordinary shares for a maximum amount of US\$50 million, to be held as treasury shares. In FY 2023, the Company purchased a total of 2,777,784 of its ordinary shares at an average price of US\$8.53 (NOK88.59) per share for an aggregate consideration of US\$23.7 million (NOK246.1 million). In FY 2023, the Company further resolved to cancel 1,938,999 treasury shares following which, the Company had 140,000,000 shares outstanding.

On 8 April 2025, the Company initiated another share buy-back programme, under which the Company will purchase up to 3 million ordinary shares for a maximum amount of US\$20 million, to be held as treasury shares. In FY 2025, the Company purchased a total of 316,437 of its ordinary shares at an average price of US\$8.63 (NOK94.48) per share for an aggregate consideration of US\$2.7 million (NOK29.9 million).

17. Borrowings

	Group	
	2025 US\$'000	2024 US\$'000
Bank borrowings	627,873	655,795
Lease financing arrangement	182,689	129,110
Shareholder loan	-	79,501
Trust receipts	39,792	73,766
Interest payable	2,749	3,836
	<b>853,103</b>	<b>942,008</b>
Non-current	730,394	711,664
Current	122,709	230,344
	<b>853,103</b>	<b>942,008</b>

The Group had borrowings amounting to US\$799.4 million at 31 December 2025 (2024: US\$762.6 million) that are secured by mortgages over certain vessels of the Group (note 8). These borrowings are interest bearing at US\$ SOFR + margin and contain financial covenants which may result in these borrowings being repayable on demand if not met:

- the Group has liquidity (including undrawn available lines of credit with a maturity exceeding six months) on a consolidated basis of no less than US\$50 million and at least US\$20 million of cash and cash equivalents at the end of each quarter;
- the Group's adjusted equity on a consolidated basis is no less than US\$350 million at the end of each quarter;
- the Group's adjusted equity on a consolidated basis is at all times no less than 25% of the sum of the Group's liabilities and adjusted equity at the end of each quarter;
- the Group's market value of collateral vessels is less than 120% of the outstanding indebtedness under the applicable facilities at the second and fourth fiscal quarter of each year

As of 31 December 2025, the Group was in compliance with all covenants and accordingly, the bank borrowings are classified as non-current at 31 December 2025.

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December*

**17. Borrowings (continued)**

The Group entered into shareholder's loan with BW Finance Limited amounting to \$80.0 million at 31 December 2024, which forms part of the financing for the purchase of 12 vessels. These borrowings are interest bearing at US\$ SOFR + margin, and repayable on demand. At 31 December 2025, shareholder's loan was fully repaid.

**18. Lease liabilities**

	Group	
	2025 US\$'000	2024 US\$'000
At beginning of financial year	231,288	157,839
Additions	59,634	68,177
Lease remeasurement	86,266	108,036
Derecognition of lease liabilities	(138,219)	-
Repayments	(101,830)	(102,764)
At end of financial year	<u>137,139</u>	<u>231,288</u>
Non-current	72,836	60,588
Current	<u>64,303</u>	<u>170,700</u>
	<u>137,139</u>	<u>231,288</u>

**19. Trade and other payables**

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Trade payables	93,922	97,743	5	104
Other payables	72	332	-	-
Other payables - related parties <sup>1</sup>	60	704	-	-
Charter hire received in advance	5,565	1,337	-	-
Other accrued operating expenses	108,150	68,948	2,215	2,286
	<u>207,769</u>	<u>169,064</u>	<u>2,220</u>	<u>2,390</u>

<sup>1</sup> Related parties refer to corporations controlled by a shareholder of the Company.

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

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

Other accrued operating expenses mainly comprise cost of cargo and delivery expenses that are incurred but are unbilled at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

20. Related party transactions

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

(a) Services

	Group	
	2025	2024
	US\$'000	US\$'000
Corporate service fees charged by related parties	8,692	6,887
Ship management fees charged by a related party	533	808
	<b>8,692</b>	<b>6,887</b>

(b) Key management's remuneration

	Group	
	2025	2024
	US\$'000	US\$'000
Salaries and other short-term employee benefits	3,776	3,500
Post-employment benefits - contributions to defined contribution plans and share-based payment	1,848	1,692
Directors' fees	555	585
	<b>6,179</b>	<b>5,777</b>

(c) Others

	Group	
	2025	2024
	US\$'000	US\$'000
Interest expense charged by a related party	801	769
	<b>801</b>	<b>769</b>

21. Commitments

(a) Commitments – as a lessor

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

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

	Group	
	2025	2024
	US\$'000	US\$'000
Less than one year	332,955	223,847
Two to five years	250,097	151,451
More than five years	-	1,397
	<b>583,052</b>	<b>376,695</b>

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

21. Commitments (continued)

(b) Sub-leasing – as a lessor

Included within “Revenue from time charter voyages” and “Revenue from Product Services” were income from sub-leasing of right-of-use assets of US\$31.7 million and US\$6.3 million (2024: US\$6.6 million and US\$19.1 million) respectively.

22. Financial risk management

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

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

(a) Market risk

(i) Fuel price risk

The Group is exposed to the risk of variations in fuel oil costs, which are affected by the global political and economic environment. In 2025, fuel oil costs comprised 30% (2024: 30%) of the Group’s total operating expenses (excluding cost of cargo and delivery expenses – Product Services, charter hire expenses, depreciation, and amortisation).

(ii) Currency risk

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

The Company is exposed to currency risk arising from payables to a subsidiary that are denominated in a currency other than the Company’s functional currency. The currency in which these payables are denominated are in Norwegian Krone (“NOK”) of US\$548.4 million (2024: US\$457.0 million). A reasonable possible strengthening of the USD against NOK by 1% would have increased profit before tax by US\$5.5 million (2024: strengthening of 6% increased profit before tax by US\$27.4 million). This analysis assumes all other variables remain constant.

(iii) Equity price risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified as equity financial assets, at FVPL or at FVOCI. If prices for these equity securities increase/decrease by 20% with other variables including tax rate being held constant, the profit after tax and other comprehensive income will be higher/lower by approximately US\$0.3 million and US\$2.3 million, respectively (2024: US\$0.6 million and US\$4.6 million).

22. Financial risk management (continued)

(a) Market risk (continued)

(iv) Commodity price risk

Commodity price risk results primarily from exposures to fluctuations in spot prices and forward prices of LPG and LPG freight indexes due to the Group's LPG trading operations. The Group holds positions to meet physical supply commitments to its customers and to leverage on physical arbitrage opportunities between the key LPG markets. The value of these positions is accounted for at fair value and are therefore impacted by changes in market prices. The Group manages the price risks arising from the LPG trading activities by hedging the corresponding commodity price exposures.

The Group monitors the market risk arising from commodity price risk using Daily Value at Risk (VaR) calculated at a 95 percent confidence level, which is a statistical estimate of the potential decline in value of the Group's positions due to market movements.

(v) Interest rate risk

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

The Group's bank borrowings are at variable rates. The Group has entered into interest rate swaps to swap floating interest rates to fixed interest rates for certain portions of the bank borrowings (note 17). If the US\$ interest rates increase/decrease by 50 basis points (2024: 50 basis points) with all other variables including tax rate being held constant, the profit after tax will be lower/higher by approximately US\$2.8 million (2024 profit after tax will be lower/higher by approximately US\$2.7 million) as a result of higher/lower interest expense on these borrowings; the other comprehensive loss will be lower/higher by approximately US\$2.0 million (2024: other comprehensive loss will be lower/higher by approximately US\$2.1 million).

The Group holds interest rate swaps for risk management purposes which are designated in cash flow hedging relationships. The interest rate swaps have floating legs that are indexed to various IBORs. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA) master agreements.

(b) Credit risk

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

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

22. Financial risk management (continued)

(b) Credit risk (continued)

The Group's credit risk is primarily attributable to trade and other receivables, finance lease receivables, amounts due from related parties and cash and cash equivalents. The Group has assessed the ECL as at 31 December 2025 and 2024 based on past events, current conditions and forecasts of future economic conditions:

(i) General approach

- bank deposits are not credit-impaired and are mainly deposits with banks with credit-ratings assigned by international credit-rating agencies

(ii) Simplified approach

- trade receivables are neither past due nor impaired and are substantially from companies with a good collection track record with the Group;
- finance lease receivables are due from customers with good credit standing, and in the event of default, the Group would be entitled to repossess the vessels chartered; and
- other receivables from related parties are not past due.

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

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

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

(c) Liquidity risk

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

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

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

22. Financial risk management (continued)

(c) Liquidity risk (continued)

Group	Less than <u>1 year</u> US\$'000	Between 1 <u>and 2 years</u> US\$'000	Between 2 <u>and 5 years</u> US\$'000	<u>Over 5 years</u> US\$'000
<b>At 31 December 2025</b>				
Trade and other payables	196,200	-	-	-
Bank borrowings	88,109	73,061	234,683	333,825
Lease financing arrangement	24,017	23,157	88,719	108,523
Trust receipts	39,792	-	-	-
Lease liabilities	70,040	44,642	31,699	-
	<b>418,158</b>	<b>140,860</b>	<b>355,101</b>	<b>442,348</b>
<b>At 31 December 2024</b>				
Trade and other payables	155,693	-	-	-
Bank borrowings	648,753	57,964	50,683	-
Lease financing arrangement	14,945	13,729	37,777	120,151
Trust receipts	73,766	-	-	-
Lease liabilities	177,277	35,497	28,401	-
	<b>1,070,434</b>	<b>107,190</b>	<b>116,861</b>	<b>120,151</b>
<b>Company</b>				
<b>At 31 December 2025</b>				
Trade and other payables	2,220	-	-	-
Payables to subsidiaries	160,138	-	-	-
	<b>162,358</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2024</b>				
Trade and other payables	2,390	-	-	-
Payables to subsidiaries	144,156	-	-	-
	<b>146,546</b>	<b>-</b>	<b>-</b>	<b>-</b>

22. Financial risk management (continued)

(d) Capital risk

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

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

The Group's leverage ratio net of cash at 31 December 2025 was 28% (2024: 33%).

The Group is in compliance with all other externally imposed capital requirements for the financial year ended 31 December 2025 and 2024.

(e) Financial instruments by category

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

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Equity financial assets, at FVOCI	11,710	23,132	-	-
Equity financial assets, at FVPL	1,597	2,769	-	-
Derivative assets measured at fair value	29,011	82,040	-	-
Derivative liabilities measured at fair value	(24,809)	(26,096)	-	-
Financial assets at amortised cost	432,888	437,401	945,295	942,565
Financial liabilities at amortised cost	(1,049,304)	(1,097,701)	(162,358)	(146,546)

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

22. Financial risk management (continued)

(f) Estimation of fair value

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

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

Group	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
<b>2025</b>				
<i>Assets</i>				
Equity financial assets, at FVOCI	11,710	-	-	11,710
Equity financial assets, at FVPL	-	-	1,597	1,597
Derivative financial instruments	-	9,179	19,832	29,011
<b>Total assets</b>	<b>11,710</b>	<b>9,179</b>	<b>21,429</b>	<b>42,318</b>
<i>Liabilities</i>				
Derivative financial instruments	-	13,836	10,973	24,809
<b>Total liabilities</b>	<b>-</b>	<b>13,836</b>	<b>10,973</b>	<b>24,809</b>
<b>2024</b>				
<i>Assets</i>				
Equity financial assets, at FVOCI	23,132	-	-	23,132
Equity financial assets, at FVPL	-	-	2,769	2,769
Derivative financial instruments	-	16,475	65,565	82,040
<b>Total assets</b>	<b>23,132</b>	<b>16,475</b>	<b>68,334</b>	<b>107,941</b>
<i>Liabilities</i>				
Derivative financial instruments	-	12,166	13,930	26,096
<b>Total liabilities</b>	<b>-</b>	<b>12,166</b>	<b>13,930</b>	<b>26,096</b>

22. Financial risk management (continued)

(f) Estimation of fair value (continued)

*Derivative financial assets and liabilities*

The Group's financial derivative instruments primarily relate to interest rate swaps, forward freight agreements, bunker swaps and commodity contracts (note 14) measured at fair value.

Level 2 classifications primarily include exchange-traded futures including interest rate swaps, forward freight agreements, bunker swaps and commodity contracts. The fair values of interest rate swaps are calculated at the present value of estimated future cash flows based on observable yield curves. The fair values of forward freight agreements, bunker swaps and commodity contracts measured at fair value are determined using forward commodity indices at the balance sheet date.

Level 3 classifications primarily include the physical commodity contracts where the fair values are estimated using a cash flow model, based on the best information available. As the fair value estimation process involves uncertainties and significant judgement over the unobservable inputs and assumptions, the fair values of the physical commodity contracts are classified under level 3. If inputs in relation to freight prices increase/decrease by 5% with other variables including tax rate being held constant, the profit after tax derived from the physical commodity contracts would be lower/higher by approximately US\$6.8 million (FY24: US\$6.3 million).

*Non-derivative non-current financial assets and liabilities*

The carrying amounts of non-derivative non-current financial assets and liabilities which bear floating interest rates 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 approximates their fair value because of the short period to maturity.

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

22. Financial risk management (continued)

(g) Offsetting financial assets and financial liabilities

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

	Gross amounts of recognised financial instruments US\$'000	Gross amounts of recognised financial instruments offset in the balance sheet US\$'000	Net amounts of financial instruments included in the balance sheet US\$'000	Net amount US\$'000
<b>Group</b>				
<b>2025</b>				
<b>Derivative financial assets</b>				
Forward freight agreements and related bunker swaps (note 14)	7,088	(5,850)	1,238	1,238
Commodity contracts (note 14)	99,862	(75,166)	24,696	24,696
<b>Derivative financial liabilities</b>				
Forward freight agreements and related bunker swaps (note 14)	(7,346)	5,850	(1,496)	(1,496)
Commodity contracts (note 14)	(98,173)	75,166	(23,007)	(23,007)

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

22. Financial risk management (continued)

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

	Gross amounts of recognised financial instruments US\$'000	Gross amounts of recognised financial instruments offset in the balance sheet US\$'000	Net amounts of financial instruments included in the balance sheet US\$'000	Net amount US\$'000
<b>Group</b>				
<b>2024</b>				
<b>Derivative financial assets</b>				
Forward freight agreements and related bunker swaps (note 14)	4,565	(572)	3,993	3,993
Commodity contracts (note 14)	98,176	(27,611)	70,565	70,565
<b>Derivative financial liabilities</b>				
Forward freight agreements and related bunker swaps (note 14)	(572)	572	-	-
Commodity contracts (note 14)	(53,446)	27,611	(25,835)	(25,835)

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

23. Segment information

The executive management team (“EMT”) is the Group’s chief operating decision-maker. The Group identifies segments on the basis of those components of the Group that the EMT regularly reviews. The Group considers the business from each individual business segment perspective which comprise the Shipping and Product Services segments.

The EMT uses the reported measure of TCE income and gross profit to assess the performance of the Shipping and Product Services operating segments respectively. Operating segment disclosures are consistent with the information reviewed by the management.

Geographical information

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

Segment performance is presented below:

	Shipping US\$’000	Product Services US\$’000	Inter- segment elimination US\$’000	Total US\$’000
<b>2025</b>				
Revenue from spot voyages	703,469	-	-	703,469
Inter-segment revenue	65,698	-	(65,698)	-
Voyage expenses	(348,238)	-	-	(348,238)
Inter-segment expense	(24,231)	-	24,231	-
Net income from spot voyages	396,698	-	(41,467)	355,231
Revenue from time charter voyages	312,276	-	-	312,276
<b>TCE income – Shipping <sup>1</sup></b>	<b>708,974</b>	<b>-</b>	<b>(41,467)</b>	<b>667,507</b>
Revenue from Product Services	-	2,566,394	-	2,566,394
Inter-segment revenue	-	24,206	(24,206)	-
Cost of cargo and delivery expenses	-	(2,460,924)	-	(2,460,924)
Inter-segment expense	-	(65,673)	65,673	-
Depreciation	-	(48,066)	-	(48,066)
<b>Gross profit – Product Services <sup>2</sup></b>	<b>-</b>	<b>15,937</b>	<b>41,467</b>	<b>57,404</b>
<b>Segment results</b>	<b>708,974</b>	<b>15,937</b>	<b>-</b>	<b>724,911</b>
Depreciation	(207,495)	-		
Amortisation	(264)	(104)		
Loss on derecognition of right-of-use assets	(289)	-		
Gain on disposal of vessels	56,708	-		

<sup>1</sup> “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.

<sup>2</sup> 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, including depreciation from Product Services’ leased in vessels.

BW LPG LIMITED  
AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

23. Segment information (continued)

	Shipping US\$'000	Product Services US\$'000	Inter- segment elimination US\$'000	Total US\$'000
<b>2024</b>				
Revenue from spot voyages	773,039	-	-	773,039
Inter-segment revenue	78,130	-	(78,130)	-
Voyage expenses	(383,798)	-	-	(383,798)
Inter-segment expense	(49,501)	-	49,501	-
Net income from spot voyages	417,870	-	(28,629)	389,241
Revenue from time charter voyages	189,764	-	-	189,764
Inter-segment revenue	562	-	(562)	-
<b>TCE income – Shipping <sup>1</sup></b>	<b>608,196</b>	<b>-</b>	<b>(29,191)</b>	<b>579,005</b>
Revenue from Product Services	-	2,600,944	-	2,600,944
Inter-segment revenue	-	49,501	(49,501)	-
Cost of cargo and delivery expenses	-	(2,390,929)	-	(2,390,929)
Inter-segment expense	-	(78,692)	78,692	-
Depreciation	-	(35,991)	-	(35,991)
<b>Gross profit – Product Services <sup>2</sup></b>	<b>-</b>	<b>144,833</b>	<b>29,191</b>	<b>174,024</b>
<b>Segment results</b>	<b>608,196</b>	<b>144,833</b>	<b>-</b>	<b>753,029</b>
Depreciation	(165,347)	-	-	(165,347)
Amortisation	(739)	(104)	-	(843)
Gain on disposal of vessels	20,391	-	-	20,391

<sup>1</sup> “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.

<sup>2</sup> 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, including depreciation from Product Services’ leased in vessels

NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December

23. Segment information (continued)

(a) Reconciliation of segment results:

	2025 US\$'000	2024 US\$'000
Total segment results for reportable segments	724,911	753,029
Vessel operating expenses	(126,299)	(84,984)
Time charter contracts (non-lease components)	(15,219)	(19,675)
General and administrative expenses	(76,496)	(71,134)
Charter hire expenses	(667)	(1,041)
Fair value gain from equity financial asset	(1,172)	1,326
Finance lease income	895	635
Other operating (expense)/income – net	(6,461)	1,332
Depreciation – Shipping segment	(207,495)	(165,347)
Amortisation	(368)	(843)
Gain on disposal of vessels	56,708	20,391
Loss on derecognition of right-of-use assets	(289)	-
Finance expenses – net	(44,138)	(8,726)
Income tax expense	(14,199)	(30,095)
<b>Profit after tax</b>	<b>289,711</b>	<b>394,868</b>

(b) Customer concentration

Revenues from external customers are derived mainly from spot voyages, time charter voyages and sale of LPG cargo. Revenues from the top customer of the Product Services segment represented approximately US\$281 million (2024: US\$347 million) of the Group's total revenues.

24. Dividends paid

	2025 US\$'000	Group 2024 US\$'000
Final dividend paid in respect of FY 2024 of US\$0.42 (2024: in respect of FY 2023 of US\$0.90) per share	63,646	118,387
Interim dividend paid in respect of Q1 2025 of US\$0.28 (2024: in respect of Q1 2024 of US\$1.00) per share	42,376	131,752
Interim dividend paid in respect of Q2 2025 of US\$0.22 (2024: in respect of Q2 2024 of US\$0.58) per share	33,295	76,709
Interim dividend paid in respect of Q3 2025 of US\$0.40 (2024: in respect of Q3 2024 of US\$0.42) per share	60,538	61,613
	<b>199,855</b>	<b>388,461</b>

The Board has declared a final cash dividend of US\$0.57 per share for 2025, amounting to US\$86.5 million. The shares will be traded ex-dividend on and after 12 March 2026. The dividend was paid on 23 March 2026 to shareholders of record as at 11 March 2026. Together with the interim dividend paid for Q1 2025 of US\$0.28 per share, Q2 2025 of US\$0.22 per share and Q3 2025 of US\$0.40 per share, the total dividend payout for FY 2025 will amount to US\$1.47 per share or US\$222.7 million.

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December*

**25. Investment in subsidiaries with material non-controlling interests**

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 interests that are material to the Group. These are presented before inter-company eliminations.

In March and November 2025, BW India reduced its share capital and distributed US\$41.6 million to its non-controlling interests. The ownership composition remained the same after the share capital reduction.

Summarised balance sheet:

	BW India		BW Product Services	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
<b>Assets</b>				
<b>Current assets</b>	<b>52,901</b>	<b>63,581</b>	<b>283,465</b>	<b>417,096</b>
Includes				
Cash and cash equivalents	30,821	19,443	39,917	175,882
<b>Non-current assets</b>	<b>355,533</b>	<b>278,287</b>	<b>114,202</b>	<b>92,115</b>
<b>Liabilities</b>				
<b>Current liabilities</b>	<b>45,446</b>	<b>28,371</b>	<b>282,646</b>	<b>328,769</b>
Includes				
Borrowings	28,268	23,927	100,649	137,425
<b>Non-current liabilities (Borrowings)</b>	<b>180,217</b>	<b>76,443</b>	<b>62,512</b>	<b>50,748</b>
<b>Net assets</b>	<b>182,771</b>	<b>237,054</b>	<b>52,509</b>	<b>129,694</b>

Summarised statement of comprehensive income:

	BW India		BW Product Services	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
TCE income – Shipping	129,011	126,660	-	-
Revenue from Product Services	-	-	2,590,600	2,650,445
Cost of cargo and delivery expenses	-	-	(2,526,597)	(2,469,621)
Vessel operating expense	(22,502)	(22,223)	-	-
Charter hire expense	(1,559)	-	-	-
Depreciation and amortisation	(33,307)	(34,853)	(48,170)	(36,095)
Gain on disposal of vessels	57,250	-	-	-
Finance expense	(6,057)	(8,980)	811	(934)
Other expenses - net	(6,675)	(4,713)	(27,274)	(23,418)
Income tax expense	(11,709)	(4,631)	(3,197)	(21,727)
<b>Net profit/(loss) after tax</b>	<b>104,452</b>	<b>51,260</b>	<b>(13,827)</b>	<b>98,650</b>
Other comprehensive income/ (loss) (currency translation effects)	-	-	2,204	(1,022)
<b>Total comprehensive income/ (loss)</b>	<b>104,452</b>	<b>51,260</b>	<b>(11,623)</b>	<b>97,628</b>
<b>Total comprehensive income/ (loss) allocated to non- controlling interests</b>	<b>49,719</b>	<b>24,400</b>	<b>(1,877)</b>	<b>15,996</b>

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December**

**26. Listing of companies in the Group**

<u>Name of companies</u>	<u>Principal activities</u>	<u>Country of incorporation</u>	<b>Effective equity holding 2025</b>	Effective equity holding 2024
<i>(i) Subsidiary held by the Company</i>				
BW LPG Holding Pte. Ltd. (formerly known as BW LPG Holding Limited)	Management	Singapore	<b>100%</b>	100%
<i>(ii) Subsidiaries held by BW LPG Holding Pte. Ltd.</i>				
BW LPG Technologies Pte. Ltd.	Investment holding	Singapore	<b>100%</b>	100%
BW LPG LLC	Management	United States	<b>100%</b>	100%
BW Gas LPG Chartering Pte. Ltd.	Chartering	Singapore	<b>100%</b>	100%
BW LPG Pool Pte. Ltd.	Chartering	Singapore	<b>100%</b>	100%
BW Constellation I Pte. Ltd.	Ship owning	Singapore	<b>100%</b>	100%
BW Constellation II Pte. Ltd.	Ship owning	Singapore	<b>100%</b>	100%
BW Constellation III Pte. Ltd. (formerly known as BW Seoul Pte. Ltd.)	Ship owning	Singapore	<b>100%</b>	100%
BW Okpo Pte. Ltd.	Ship owning	Singapore	<b>100%</b>	100%
BW VLGC Pte. Ltd.	(a) Dormant	Singapore	<b>100%</b>	100%
BW LPG Kyoto Pte. Ltd.	(b) Ship owning	Singapore	<b>100%</b>	-
BW LPG Partners Pte. Ltd.	Ship owning	Singapore	<b>100%</b>	100%
LPG Kenya Pte. Ltd.	(a) Dormant	Singapore	<b>100%</b>	100%
BW LPG India Pte. Ltd.	Management	Singapore	<b>52%</b>	52%
Aurora LPG Holding AS	(c) Management	Norway	-	100%
BW LPG AS	Management	Norway	<b>100%</b>	100%
BW LPG Product Services Pte. Ltd.	(d) LPG Trading	Singapore	<b>81%</b>	83%
BW LPG Infrastructure Holding Ltd	(a) Management	United Arab Emirates	<b>100%</b>	100%
BW LPG Shipping FZCO (formerly known as BW LPG Infrastructure DMCC)	(e) Investment in Commercial Enterprises & Management	United Arab Emirates	<b>100%</b>	-
<i>(iii) Subsidiaries held by BW LPG Product Services Pte. Ltd.</i>				
BW LPG Product Services S.L. (formerly known as Vilma Oil Trading, S.L.)	LPG Trading	Spain	<b>81%</b>	83%
Vilma Oil Singapore Pte. Ltd.	(a) Dormant	Singapore	<b>81%</b>	83%
BW LPG Product Services (Norway) AS	Management	Norway	<b>81%</b>	83%
BW LPG Product Services USA LLC	LPG Trading	United States	<b>81%</b>	83%

**BW LPG LIMITED  
AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS  
For the financial year ended 31 December**

**26. Listing of companies in the Group (continued)**

<u>Name of companies</u>	<u>Principal activities</u>	<u>Country of incorporation</u>	<u>Effective equity holding 2025</u>	<u>Effective equity holding 2024</u>
<i>(iv) Subsidiary held by BW LPG AS</i>				
BW LPG Fleet Management AS	Management	Norway	100%	100%
<i>(v) Subsidiary held by BW LPG India Pte. Ltd.</i>				
BW Global United LPG India Private Limited	Ship owning	India	52%	52%
<i>(vi) Subsidiary held by BW LPG Infrastructure Holding Ltd</i>				
BW LPG Shipping FZCO (formerly known as BW LPG Infrastructure DMCC)	(e) Investment in Commercial Enterprises & Management	United Arab Emirates	-	100%
<i>(vii) Joint venture held by BW VLGC Pte. Ltd.</i>				
BW Confidence Enterprise Private Limited	(f) LPG wholesaler	India	-	50%
<i>(viii) Joint venture held by BW LPG Shipping FZCO (formerly known as BW LPG Infrastructure DMCC).</i>				
BW Confidence Enterprise Private Limited	(f) LPG wholesaler	India	50%	-
<i>(ix) Subsidiary held by BW Confidence Enterprise Private Limited.</i>				
GBC LPG Private Limited	(g) Dormant	India	50%	25%

- (a) Companies in process of liquidation during the financial year  
(b) Company was newly incorporated during the financial year  
(c) Company has amalgamated with BW LPG AS during the financial year  
(d) Changes in effective equity holding due to sales of shares of BW LPG Product Services Pte. Ltd. to certain employees during the financial year  
(e) Company was transferred from BW LPG Infrastructure Holding Ltd to BW LPG Holding Pte. Ltd.  
(f) Company was transferred from BW VLGC Pte. Ltd. to BW LPG Shipping FZCO (formerly known as BW LPG Infrastructure DMCC)  
(g) BW Confidence Enterprise Private Limited acquired the remaining shares in GBC LPG Private Limited during the financial year

BW LPG LIMITED  
AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS  
*For the financial year ended 31 December*

---

27(a). Subsidiaries

	Company	
	2025	2024
	US\$'000	US\$'000
Equity investments at cost	694,355	685,910
Receivables from subsidiaries	943,216	941,452
	<u>1,637,571</u>	<u>1,627,362</u>

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

27(b). Payables to subsidiaries

	Company	
	2025	2024
	US\$'000	US\$'000
Payables to subsidiaries	160,138	144,156
	<u>160,138</u>	<u>144,156</u>

The payables to subsidiaries are classified as financial liabilities at amortised cost. The payables are unsecured, interest-free and have no fixed terms of repayment.

**28. New or revised accounting standards and interpretations**

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2026 and earlier application is permitted. However, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements. Except as disclosed below, the Group does not expect these standards to have a material impact on its financial position or performance.

**IFRS 18 Presentation and Disclosure in Financial Statements**

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements.

**29. Authorisation of financial statements**

These financial statements were authorized for issue in accordance with a resolution of the Board of Directors of BW LPG Limited and its subsidiaries on 30 April 2026.