



**BW LPG LIMITED**  
**(the “Company”)**

**DIVIDEND DISTRIBUTION POLICY**

Adopted by the Board of Directors on 10 November 2023

The Company intends to provide a quarterly dividend payout, subject to the discretion of the Board of Directors. As a guideline for declaring dividends, the Board of Directors generally aims for an annual payout ratio of 50% of Shipping NPAT, which may be enhanced to 75% and 100% of Shipping NPAT when the net leverage ratio is below 30% and 20%, respectively. Shipping NPAT is calculated as Profit attributable to equity holders of the Company, minus the Company’s share of BW LPG Product Services Pte. Ltd.’s Net profit/(loss) after tax.

The declaration and payment of dividends is subject to the discretion of the Board of Directors, and the final amount of any dividends is determined by the Board of Directors. The Board of Directors may adjust the dividend payout for extraordinary items, such as vessel impairment or write-backs of impairment, and may also consider other factors in determining the payment and amount of any dividends, such as the following:

- BW LPG Product Services Pte. Ltd.’s performance, as measured by, among other things, the amount of dividends distributed by BW LPG Product Services Pte. Ltd. to the Company;
- the Group’s capital expenditure plans; and
- the Group’s financing requirements, financial flexibility, and anticipated cash flows of the business.

There can be no assurance that the Board of Directors will declare a dividend payment in any period.

Under Bermuda law, a company may not declare or pay dividends if there are reasonable grounds for believing that: (i) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) that the realisable value of its assets would thereby be less than its liabilities.