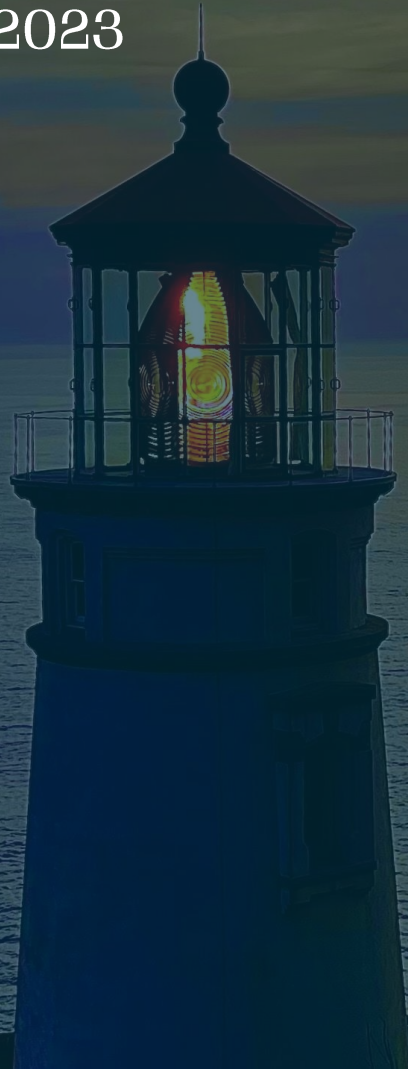


# Golden Ocean Results Q3 2023

November 21st, 2023



# Forward-looking statements

Matters discussed in this presentation may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995, or the PSLRA, provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

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In addition to these important factors and matters discussed elsewhere herein, important factors that, in the Company's view, could cause actual results to differ materially from those discussed in the forward-looking statements, include among other things: general market trends in the dry bulk industry, which is cyclical and volatile, including fluctuations in charter hire rates and vessel values; a decrease in the market value of the Company's vessels; changes in supply and demand in the dry bulk shipping industry, including the market for the Company's vessels and the number of newbuildings under construction; delays or defaults in the construction of the Company's newbuildings could increase the Company's expenses and diminish the Company's net income and cash flows; an oversupply of dry bulk vessels, which may depress charter rates and profitability; the Company's future operating or financial results; the Company's continued borrowing availability under the Company's debt agreements and compliance with the covenants contained therein; the Company's ability to procure or have access to financing, the Company's liquidity and the adequacy of cash flows for the Company's operations; the failure of the Company's contract counterparties to meet their obligations, including changes in credit risk with respect to the Company's counterparties on contracts; the loss of a large customer or significant business relationship; the strength of world economies; the volatility of prevailing spot market and charter-hire charter rates, which may negatively affect the Company's earnings; the Company's ability to successfully employ the Company's dry bulk vessels and replace the Company's operating leases on favorable terms, or at all; changes in the Company's operating expenses and voyage costs, including bunker prices, fuel prices (including increased costs for low sulfur fuel), drydocking, crewing and insurance costs; the adequacy of the Company's insurance to cover the Company's losses, including in the case of a vessel collision; vessel breakdowns and instances of offhire; the Company's ability to fund future capital expenditures and investments in the construction, acquisition and refurbishment of the Company's vessels (including the amount and nature thereof and the

timing of completion of vessels under construction, the delivery and commencement of operation dates, expected downtime and lost revenue); risks associated with any future vessel construction or the purchase of second-hand vessels; effects of new products and new technology in the Company's industry, including the potential for technological innovation to reduce the value of the Company's vessels and charter income derived therefrom; the impact of an interruption or failure of the Company's information technology and communications systems, including the impact of cyber-attacks, upon the Company's ability to operate; potential liability from safety, environmental, governmental and other requirements and potential significant additional expenditures (by the Company and the Company's customers) related to complying with such regulations; changes in governmental rules and regulations or actions taken by regulatory authorities and the impact of government inquiries and investigations; the arrest of the Company's vessels by maritime claimants; government requisition of the Company's vessels during a period of war or emergency; the Company's compliance with complex laws, regulations, including environmental laws and regulations and the U.S. Foreign Corrupt Practices Act of 1977; potential difference in interests between or among certain members of the Board of Directors, executive officers, senior management and shareholders; the Company's ability to attract, retain and motivate key employees; work stoppages or other labor disruptions by the Company's employees or the employees of other companies in related industries; potential exposure or loss from investment in derivative instruments; stability of Europe and the Euro or the inability of countries to refinance their debts; the central bank policies intended to combat overall inflation and rising interest rates and foreign exchange rates; fluctuations in currencies; acts of piracy on ocean-going vessels, public health threats, terrorist attacks and international hostilities and political instability; potential physical disruption of shipping routes due to accidents, climate-related (acute and chronic), political instability, terrorist attacks, piracy, international sanctions or international hostilities, including the ongoing developments in the Ukraine region; general domestic and international political and geopolitical conditions or events, including any further changes in U.S. trade policy that could trigger retaliatory actions by affected countries; the impact of adverse weather and natural disasters; the impact of increasing scrutiny and changing expectations from investors, lenders and other market participants with respect to the Company's Environmental, Social and Governance policies; changes in seaborne and other transportation; the length and severity of epidemics and pandemics; fluctuations in the contributions of the Company's joint ventures to the Company's profits and losses; the potential for shareholders to not be able to bring a suit against us or enforce a judgement obtained against us in the United States; the Company's treatment as a "passive foreign investment company" by U.S. tax authorities; being required to pay taxes on U.S. source income; the Company's operations being subject to economic substance requirements; the volatility of the stock price for the Company's common shares, from which investors could incur substantial losses, and the future sale of the Company's common shares, which could cause the market price of the Company's common shares to decline; and other important factors described from time to time in the reports filed by the Company with the U.S. Securities and Exchange Commission, including the Company's most recently filed Annual Report on Form 20-F for the year ended December 31, 2022.

The Company cautions readers of this presentation not to place undue reliance on these forward-looking statements, which speak only as of their dates. Except to the extent required by applicable law or regulation, the Company undertakes no obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events. These forward-looking statements are not guarantees of the Company's future performance, and actual results and future developments may vary materially from those projected in the forward-looking statements.



# 01

- Company and financial update



# Highlights

- Adjusted **EBITDA** in the third quarter of 2023 was **\$78.9 million** compared to \$80.4 million in the second quarter of 2023
- Reports **net profit of \$28.7 million** and earnings per share of \$0.14 for the third quarter of 2023 compared with net profit of \$34.9 million and earnings per share of \$0.17 for the second quarter of 2023
- **Reported TCE rates for Capesize and Panamax** vessels of \$18,200 per day and \$15,400 per day, respectively, in the third quarter of 2023
- **Estimated TCE rates, inclusive of charter coverage, are:**
  - \$23,045 per day for 79% of Capesize days and \$17,275 per day for 83% of Panamax days for the fourth quarter of 2023<sup>(1)</sup>
  - \$21,700 per day for 12% of Capesize days and \$15,600 per day for 23% of Panamax days for the first quarter of 2024<sup>(1)</sup>
- Entered into back-to-back agreements to buy and sell a Supramax vessel. The Company expects to recognize a gain from sale of approximately \$6 million upon delivery of the vessel
- Completed the sale of one Panamax vessel, recognizing a gain from sale of \$0.8 million and net cash proceeds of \$7.2 million
- **Announces a dividend of \$0.10 per share** for the third quarter of 2023

<sup>1)</sup> The company expects spot TCE rates for the full fourth quarter of 2023 and first quarter of 2024 to be lower than the rates currently contracted due to the impact of ballast days at the end of each quarter



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# Profit and loss

Third quarter 2023



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(in thousands of \$)	Q3 2023	Q2 2023	Quarterly Variance
Operating revenues and other operating income/expenses	221,663	213,383	8,280
Voyage expenses	(65,082)	(59,395)	(5,687)
<b>Net revenues</b>	<b>156,581</b>	<b>153,988</b>	<b>2,593</b>
<b>Gain from disposal of vessels</b>	<b>831</b>	<b>-</b>	<b>831</b>
Ship operating expenses	(64,472)	(62,431)	(2,041)
Administrative expenses	(4,441)	(5,167)	726
Charter hire expenses	(8,339)	(10,210)	1,871
Depreciation	(35,272)	(32,590)	(2,682)
<b>Net operating expenses</b>	<b>(112,524)</b>	<b>(110,398)</b>	<b>(2,126)</b>
<b>Net operating income</b>	<b>44,888</b>	<b>43,590</b>	<b>1,298</b>
Net financial expenses	(28,063)	(23,014)	(5,049)
Derivatives and other income	11,939	14,344	(2,405)
<b>Net income before taxation</b>	<b>28,764</b>	<b>34,920</b>	<b>(6,156)</b>
Income tax expense	(30)	(30)	-
<b>Net income</b>	<b>28,734</b>	<b>34,890</b>	<b>(6,156)</b>
Earnings per share: basic and diluted	\$0.14	\$0.17	(\$0.03)
<b>Adjusted EBITDA</b>	<b>78,878</b>	<b>80,404</b>	<b>(1,526)</b>
<b>TCE per day</b>	<b>17,076</b>	<b>17,664</b>	<b>(588)</b>

**Q3 2023**

**Q2 2023**

TCE rate<sup>1</sup>

TCE rate<sup>1</sup>

\$ 17,076

\$ 17,664

Earnings per  
share

Earnings per  
share

\$ 0.14

\$ 0.17

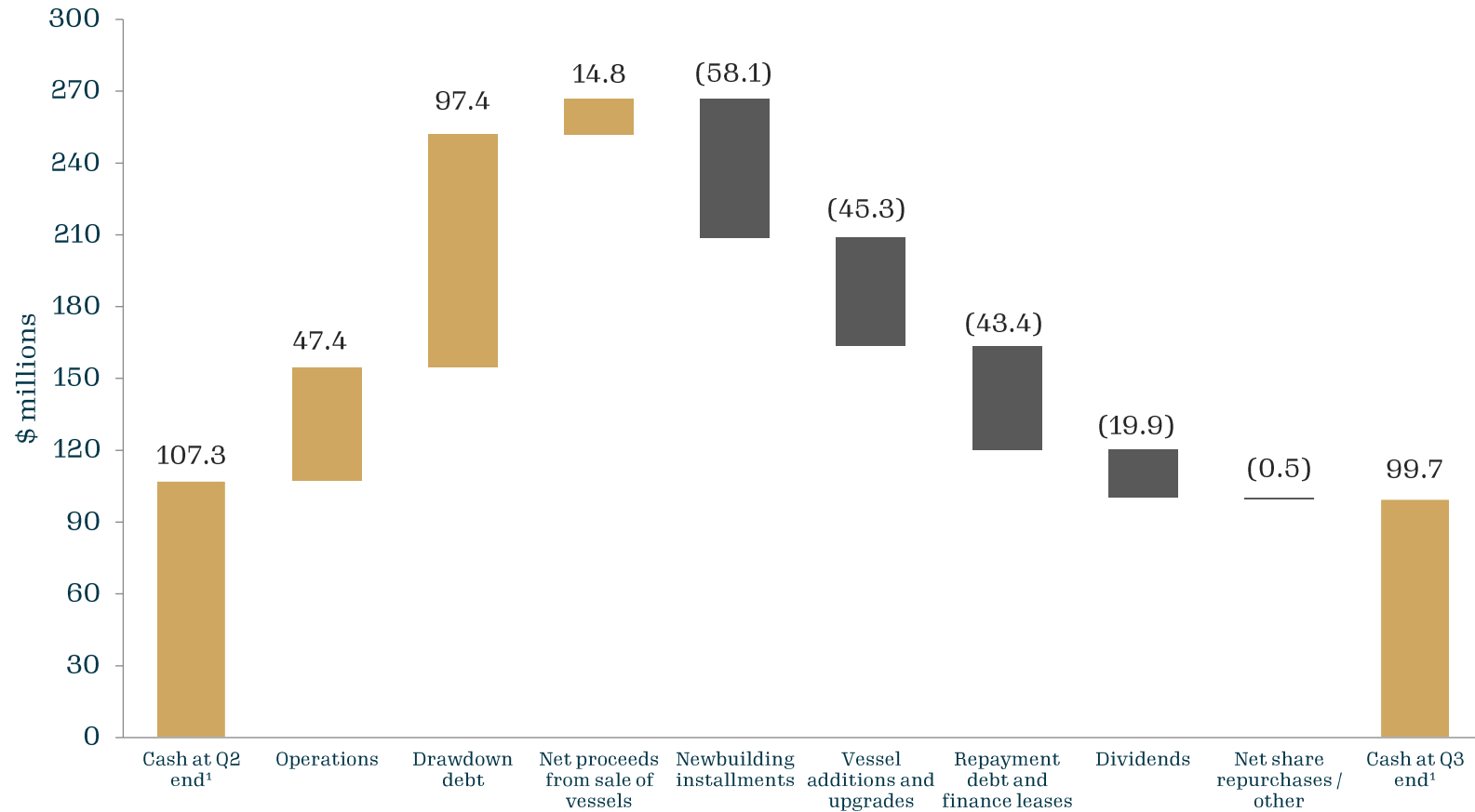
1. Full fleet TCE, time charter equivalent rate, is a non-GAAP measure. For definition, please refer to Q3 2023 Press Release

# Cash flow

Third quarter 2023



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**Q3 2023**

**Q2 2023**

Dividend per share

Dividend per share

\$ 0.10

\$ 0.10

Operating CF

Operating CF

\$ 47.4 million

\$ 45.5 million

1. Includes restricted cash

# Balance sheet

Third quarter 2023



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(in thousands of \$)	Q3 2023	Q2 2023	Quarterly Variance
<b>ASSETS</b>			
<b>Short term</b>			
Cash and cash equivalents (incl. restricted cash)	99,740	107,323	(7,583)
Other current assets	181,306	165,454	15,852
<b>Long term</b>			
Vessels and equipment, net	3,033,514	2,952,894	80,620
Newbuildings	44,714	62,397	(17,683)
Leases, right of use assets	98,733	89,165	9,568
Other long-term assets	85,440	87,048	(1,608)
<b>Total assets</b>	<b>3,543,447</b>	<b>3,464,281</b>	<b>79,166</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Short term</b>			
Current portion of long-term debt	109,309	106,372	2,937
Current portion of finance lease obligations	33,604	19,007	14,597
Current portion of operating lease obligations	2,565	4,900	(2,335)
Other current liabilities	115,117	113,054	2,063
<b>Long term</b>			
Long-term debt	1,312,083	1,252,669	59,414
Non-current portion of finance lease obligations	72,940	77,816	(4,876)
Non-current portion of operating lease obligations	10,262	10,907	(645)
Other long-term liabilities	3,198	3,825	(627)
<b>Equity</b>	<b>1,884,369</b>	<b>1,875,731</b>	<b>8,638</b>
<b>Total liabilities and equity</b>	<b>3,543,447</b>	<b>3,464,281</b>	<b>79,166</b>

Q3 2023	Q2 2023
Loan-to-value <sup>1</sup>	Loan-to-value <sup>1</sup>
45.6 %	45.1 %
Liquidity <sup>2</sup>	Liquidity <sup>2</sup>
\$ 148 million	\$ 179 million

1. Based on valuations from broker and debt on bank and lease financings, excluding SFL leases. 2. Includes undrawn available revolving credit facilities

# 02

- Market review and outlook



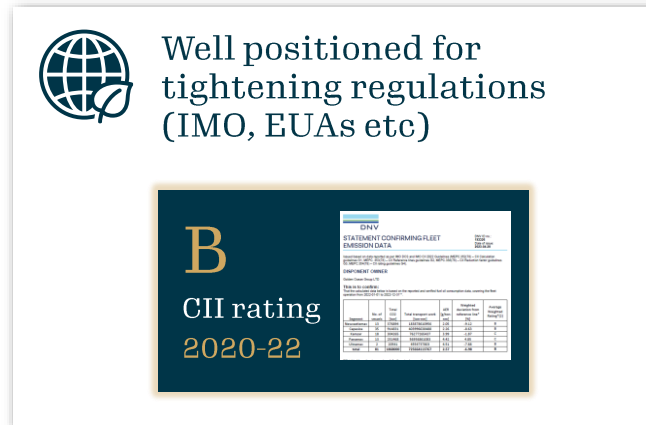
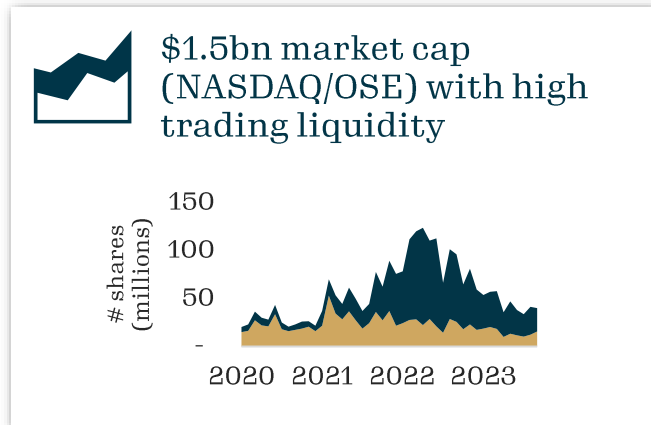
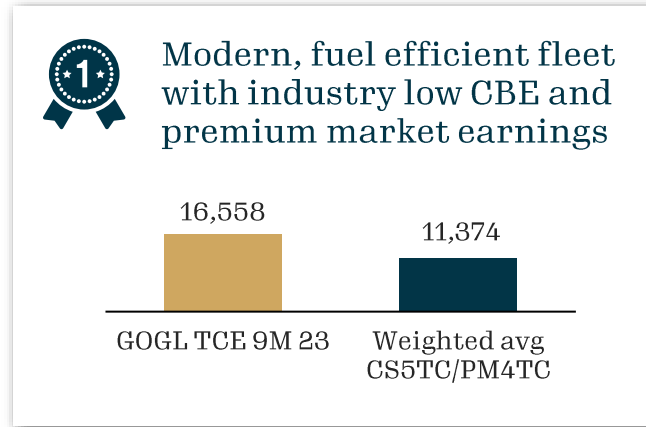
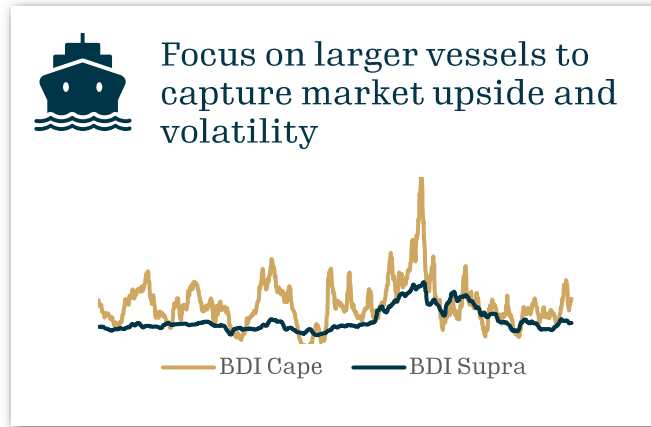


# Golden Ocean, the leading owner in large-sized dry bulk



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Positioned to capture market strength and generate significant cash flow with modern, fuel efficient fleet, large commercial scale and highly competitive cash costs



	Nmax/ Cape	Kmax/ Pmax	Full fleet
# of vessels (whereof NBs)	60 (-)	35 (4)	<b>95</b> <b>(4)</b>
DWTm	11.3	2.9	<b>14.2</b>
Avg age (World avg)	7.7 (10.4)	5.8 (11.8)	<b>7.0</b>
% scrubber	67%	23%	<b>51%</b>
Cash breakeven (\$/day/vessel)	14,800	11,300	<b>13,500</b>
TCE 9M 2023 (Market rate)	17,024 (11,995)	16,035 (9,979)	<b>16,558</b> <b>(11,374)</b>

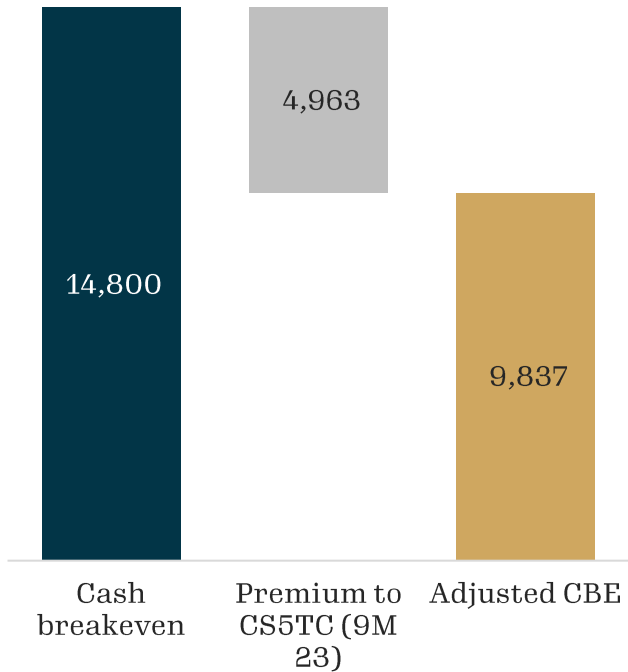
Note: Market rate for Nmax/Cape and Kmax/Pmax is the CS5TC and PM4TC respectively and for full fleet the weighted average of the CS5TC & PM4TC. Market rate adjusted for 5% commission.

# A resilient business model

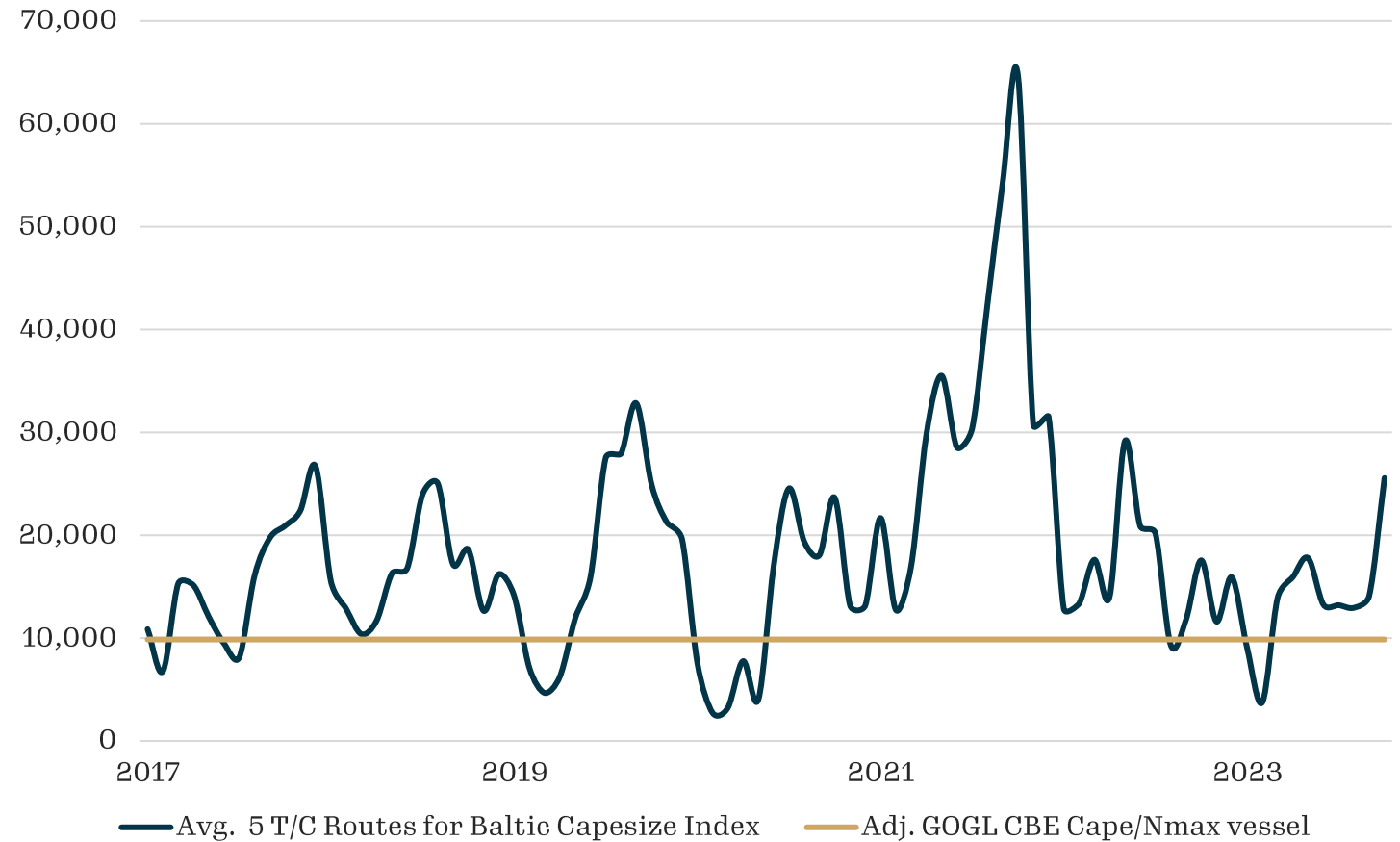
Industry low CBE combined with premium fleet and earnings ensures downside protection and high upside potential



## Capesize cash breakeven



## Capesize earnings and CBE (\$/day)



Source: Company, Clarksons.  
Adj CBE = Cape cash breakeven adjusted for Capesize/Newcastlemax premium to market Q1-Q3 2023

# Q3/YTD market comment



## Capesize

- China has y-t-d 2023 imported more iron ore, bauxite and coal than in 2022
- Record low iron ore and steel inventories
- China's steel exports up 30% y-o-y
- Iron Ore prices at ~\$130 pmt
- Bauxite volumes are continuing to move at a fierce pace 12.5% increase in tonne-miles in 2023

## Panamax

- Panama canal congestion
- Massive soybean season from ECSCA, 11% up y-t-d
- Good corn crop in the US and Brazil
- Tonne-miles increase up 5.5% y-o-y from agribulk

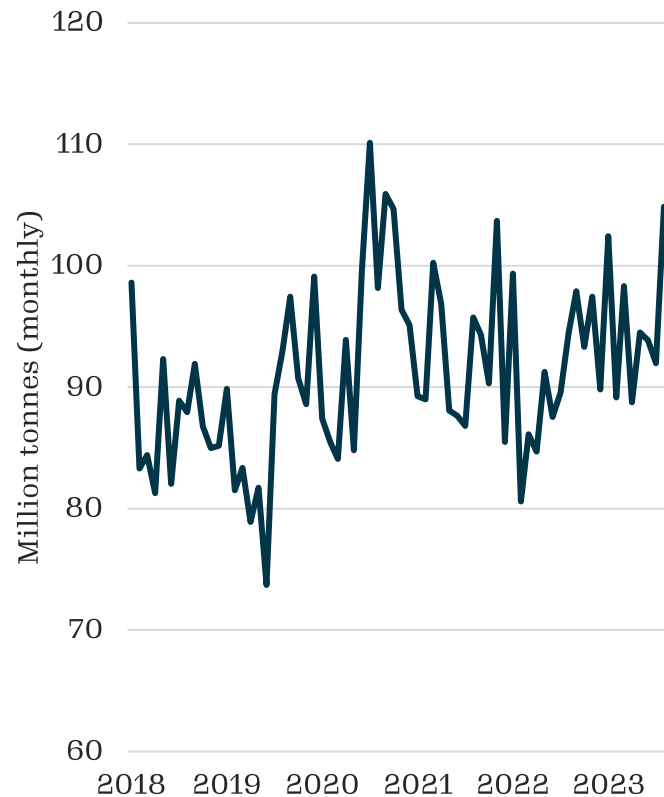
# Iron ore

Chinese iron ore imports have remained strong through 2023

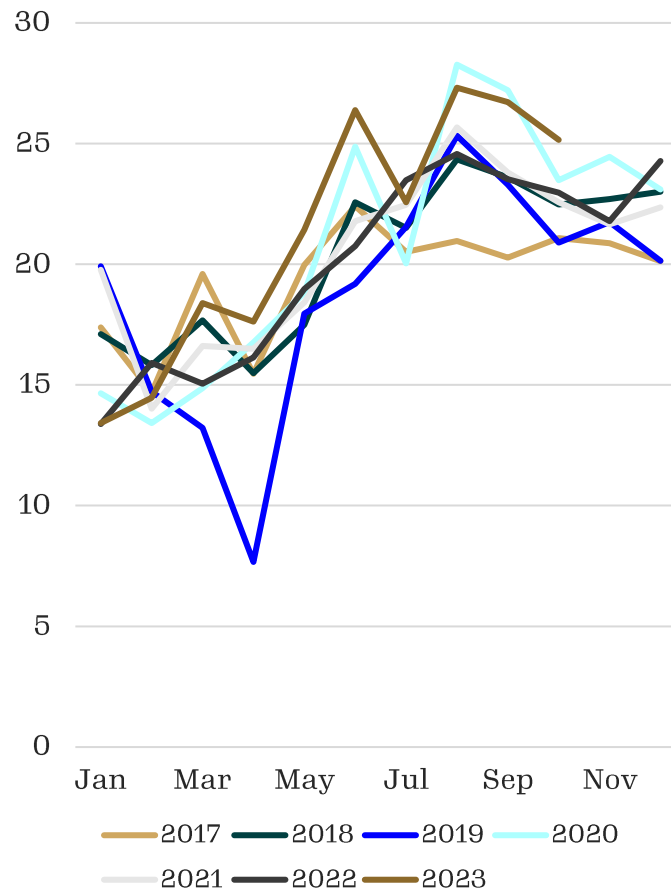


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## China IO imports (+7% y/y)



## Brazil IO export to China (+9% y/y)



- Steady Chinese demand with continuous import from both Brazil and Australia
- Brazil will for the first time since the Brumadinho incident deliver close to her yearly target about 300 million tonnes
- Iron ore prices are pushing \$130 pmt. Frustration in the Chinese government and steel mills as their stockpiles diminish
- India declining iron ore export throughout the quarter. Recently concluded an import contract from a large Brazilian miner for 5 million tonnes

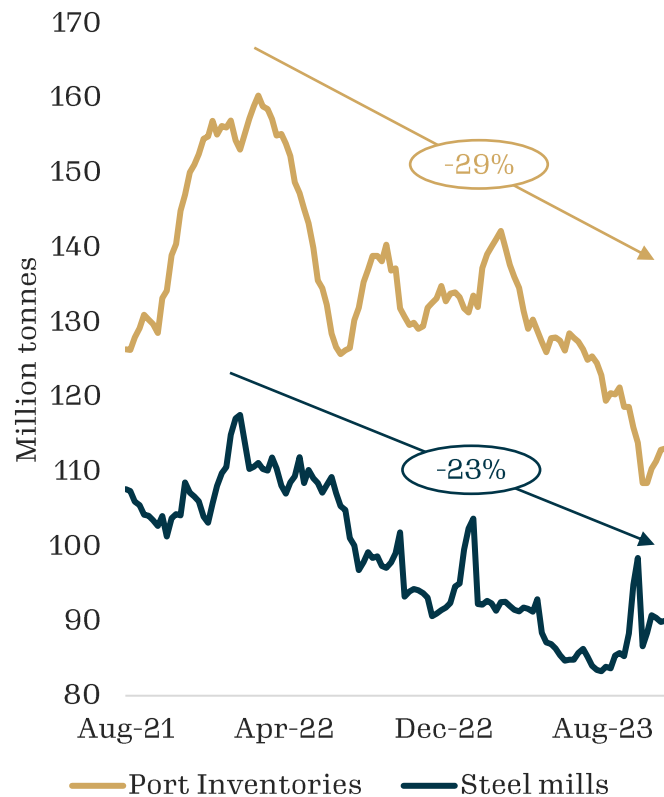
# Where has the Chinese IO import been absorbed?

Increased import combined with falling inventories indicate recovery in the economy

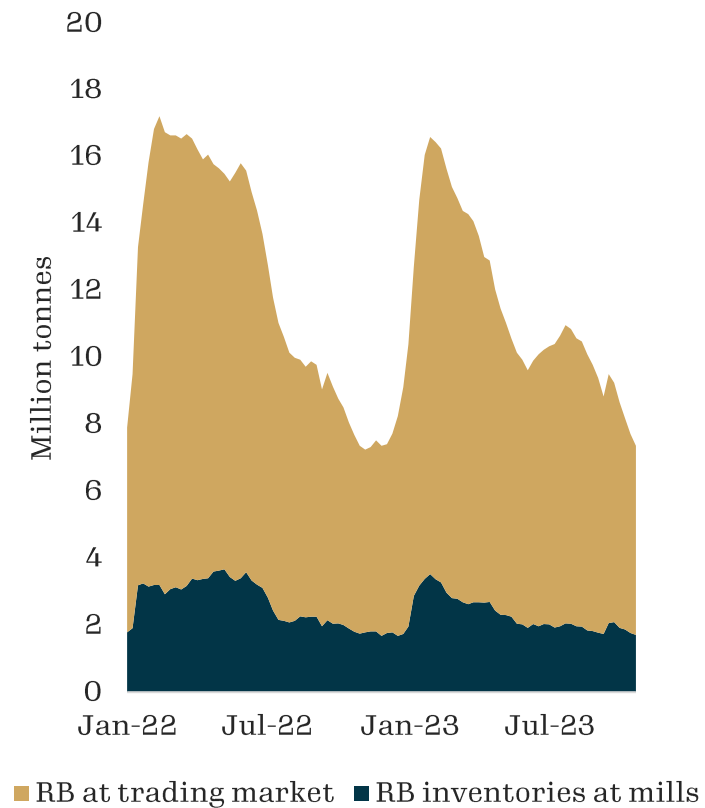


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## China iron ore inventories



## China steel inventories



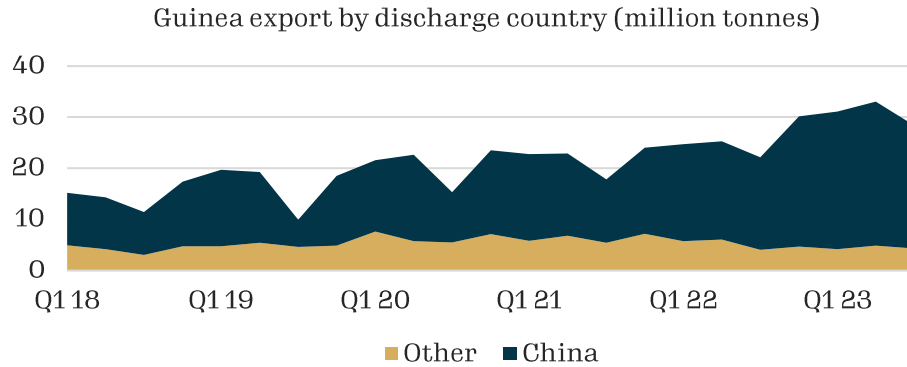
- China is the world's largest steel producer accounting for ~56% of global steel output
- China steel production up 2% y-o-y with a solid 4.5% increase in Q3
- Although property investments are down 9.3% y-o-y we see
  - Chinese iron ore production down
  - Rotation to technology-intensive manufacturing and energy transition with infrastructure investments +9.0% y-o-y and private manufacturing investment +6.2% y-o-y
  - Chinese car export up 62% y-o-y
  - Steel exports +30% y-o-y (~80 million tonnes iron ore)

# Bauxite

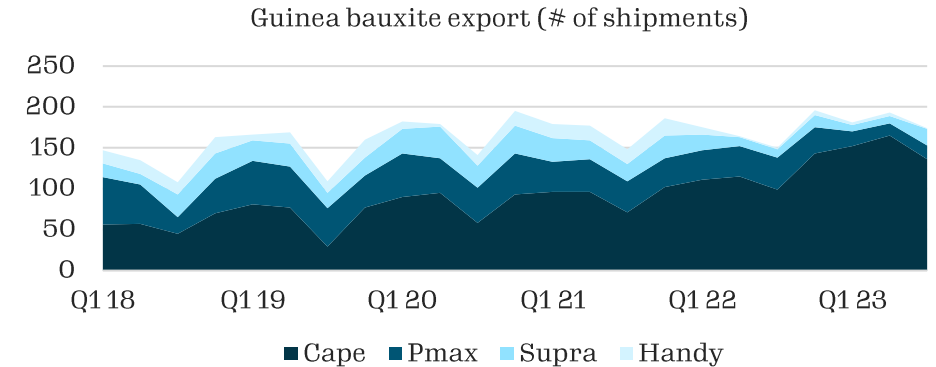
Bauxite is becoming a significant cape trade driven by long-haul export from Guinea to China



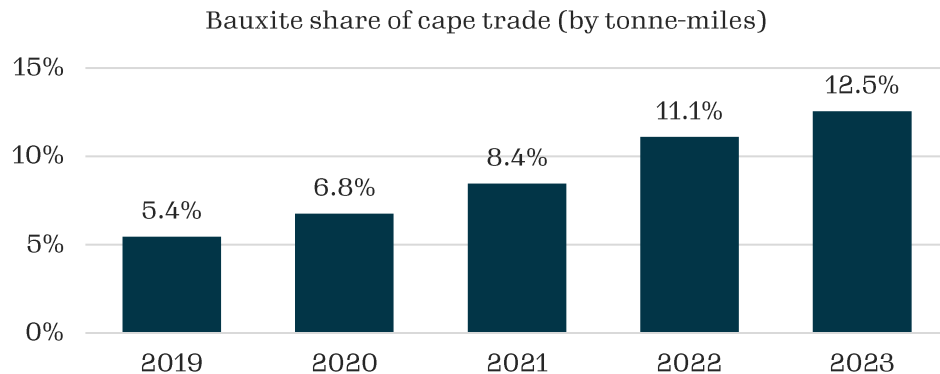
## 1 The Guinea bauxite volumes to China...



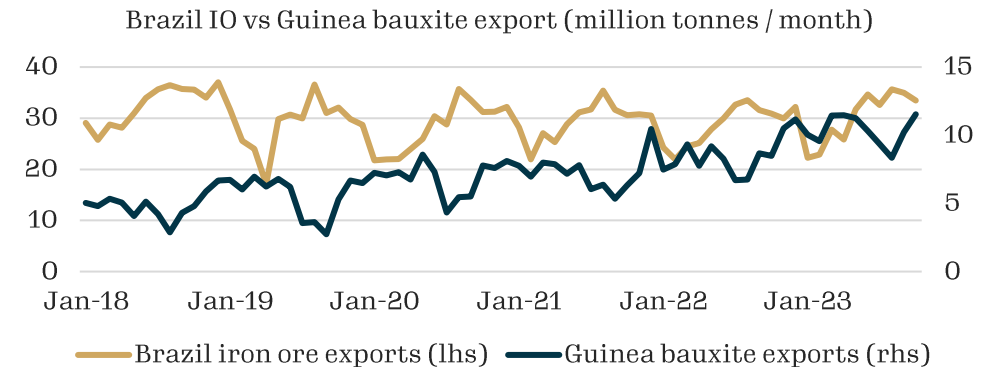
## 2 ...is primarily a long-haul capes trade...



## 3 ...driving bauxite share of cape trade up...



## 4 ....and inversely seasonal to the iron ore trade



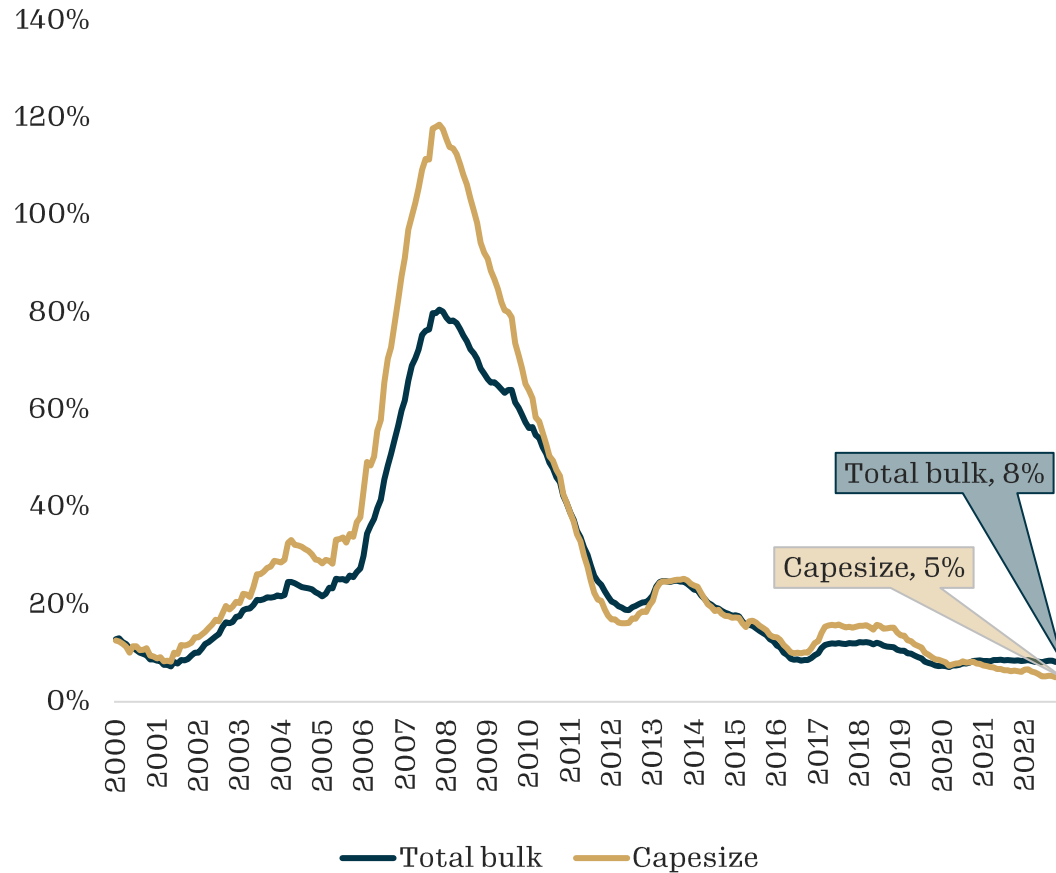
# Favourable supply dynamics

The dry orderbook is still vastly compelling and the Capesize fleet efficiency downside is limited



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## Orderbook as % of global fleet

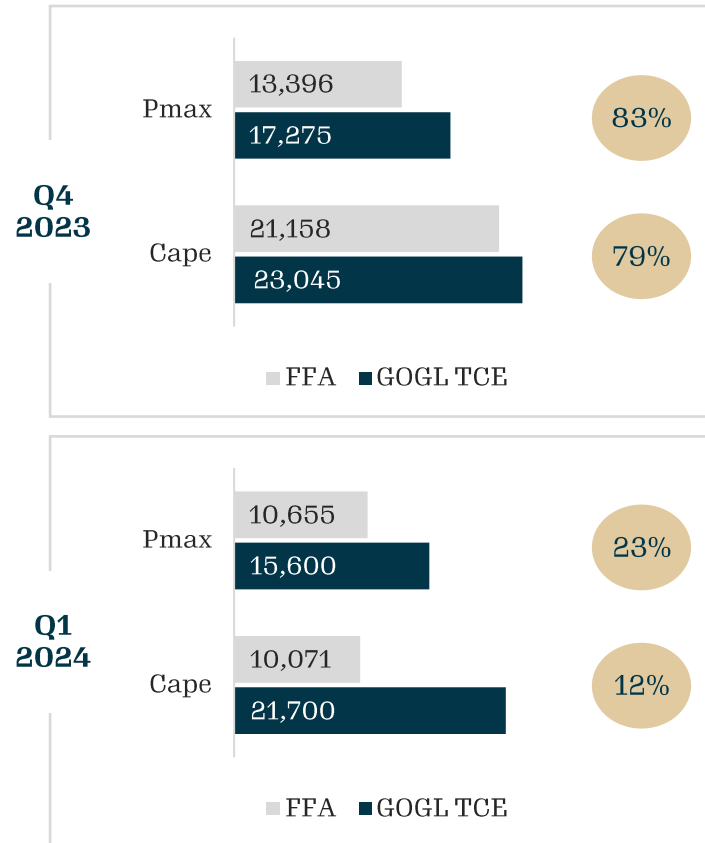


## Capesize congestion (# of vessels anchored China)

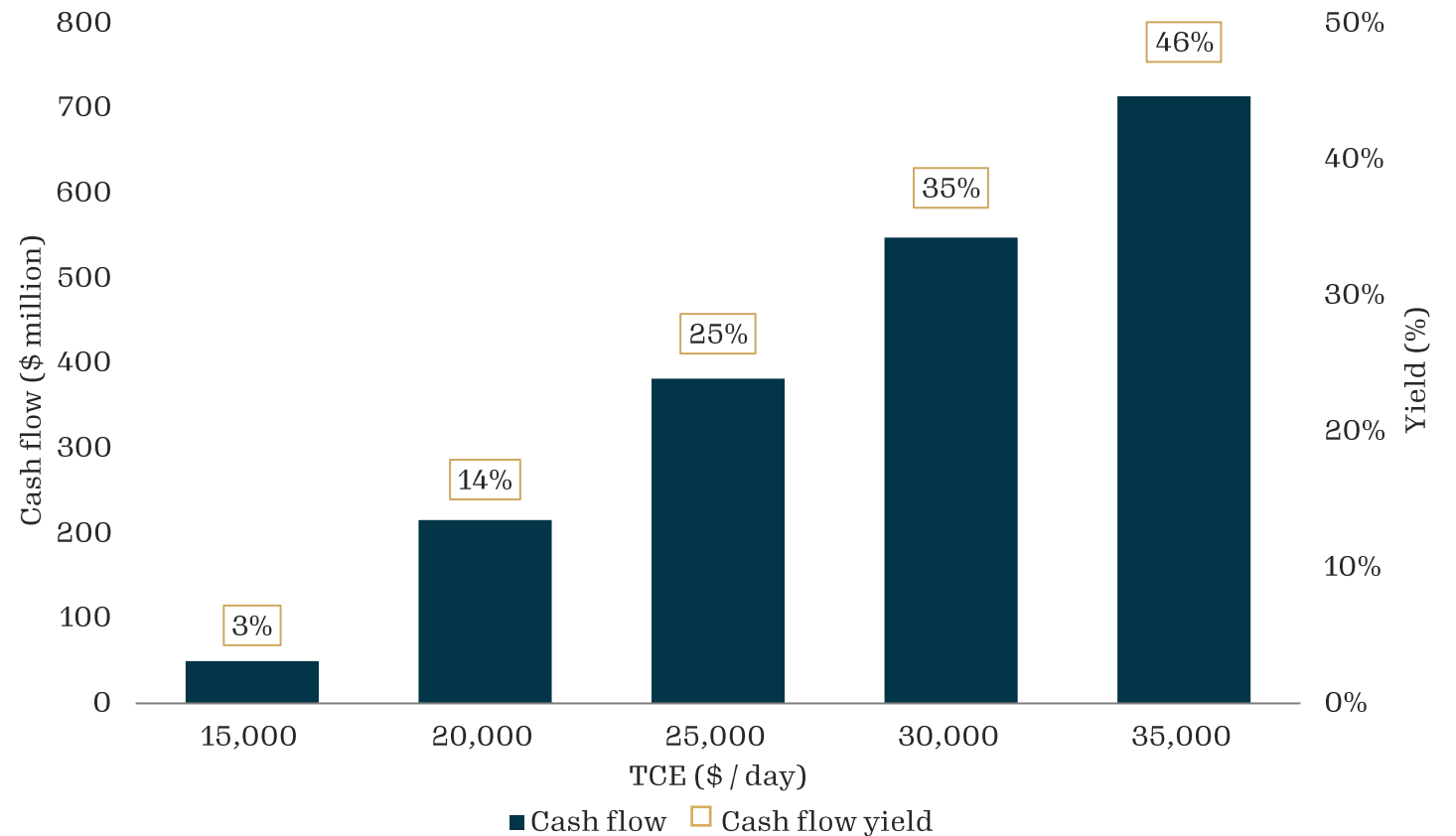


# Strong cash flow potential

## Charter coverage (as of Nov 23)



## Annualized free cash flow and yield





*Thank you for your attention*

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