

Golden Ocean Results Q2 2023

August 29th, 2023



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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.

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01

- Company and financial update



Highlights

- Adjusted **EBITDA** in the second quarter of 2023 was **\$80.4 million** compared to \$54.7 million in the first quarter of 2023
- Reports **net profit of \$34.9 million** and earnings per share of \$0.17 for the second quarter of 2023 compared with net loss of \$8.8 million and loss per share of \$0.04 for the first quarter of 2023
- **Reported TCE rates for Capesize and Panamax** vessels of \$19,100 per day and \$15,600 per day, respectively, in the second quarter of 2023
- **Estimated TCE rates, inclusive of charter coverage, are:**
 - \$18,300 per day for 79% of Capesize days and \$13,510 per day for 98% of Panamax days for the third quarter of 2023⁽¹⁾
 - \$21,500 per day for 34% of Capesize days and \$16,500 per day for 26% of Panamax days for the fourth quarter of 2023⁽¹⁾
- **Took delivery of the first six of 10 Kamsarmax newbuildings** under construction and **six modern Newcastlemax vessels**
- **Entered into two credit facilities in an aggregate amount of \$120 million part financing the six newbuildings, at highly competitive terms**
- **Announces a dividend of \$0.10 per share** for the second quarter of 2023

1) The company expects spot TCE rates for the full third and fourth quarters of 2023 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

Second quarter 2023



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(in thousands of \$)	Q2 2023	Q1 2023	Quarterly Variance
Operating revenues and other operating income/expenses	213,383	196,517	16,866
Voyage expenses	(59,395)	(64,231)	4,836
Net revenues	153,988	132,286	21,702
Gain from disposal of vessels	-	2,583	(2,583)
Ship operating expenses	(62,431)	(61,630)	(801)
Administrative expenses	(5,167)	(4,162)	(1,005)
Charter hire expenses	(10,210)	(16,782)	6,572
Impairment loss on vessels	-	(11,780)	11,780
Depreciation	(32,590)	(31,497)	(1,093)
Net operating expenses	(110,398)	(125,851)	15,453
Net operating income	43,590	9,018	34,572
Net financial expenses	(23,014)	(20,497)	(2,517)
Derivatives and other income	14,344	2,687	11,657
Net income (loss) before taxation	34,920	(8,792)	43,712
Income tax expense	(30)	(30)	-
Net income (loss)	34,890	(8,822)	43,712
Earnings (loss) per share: basic and diluted	\$0.17	(\$0.04)	\$0.21
Adjusted EBITDA	80,404	54,715	25,689
TCE per day	17,664	14,929	2,735

Q2 2023

Q1 2023

TCE rate¹

TCE rate¹

\$ 17,664

\$ 14,929

Earnings per
share

Earnings per
share

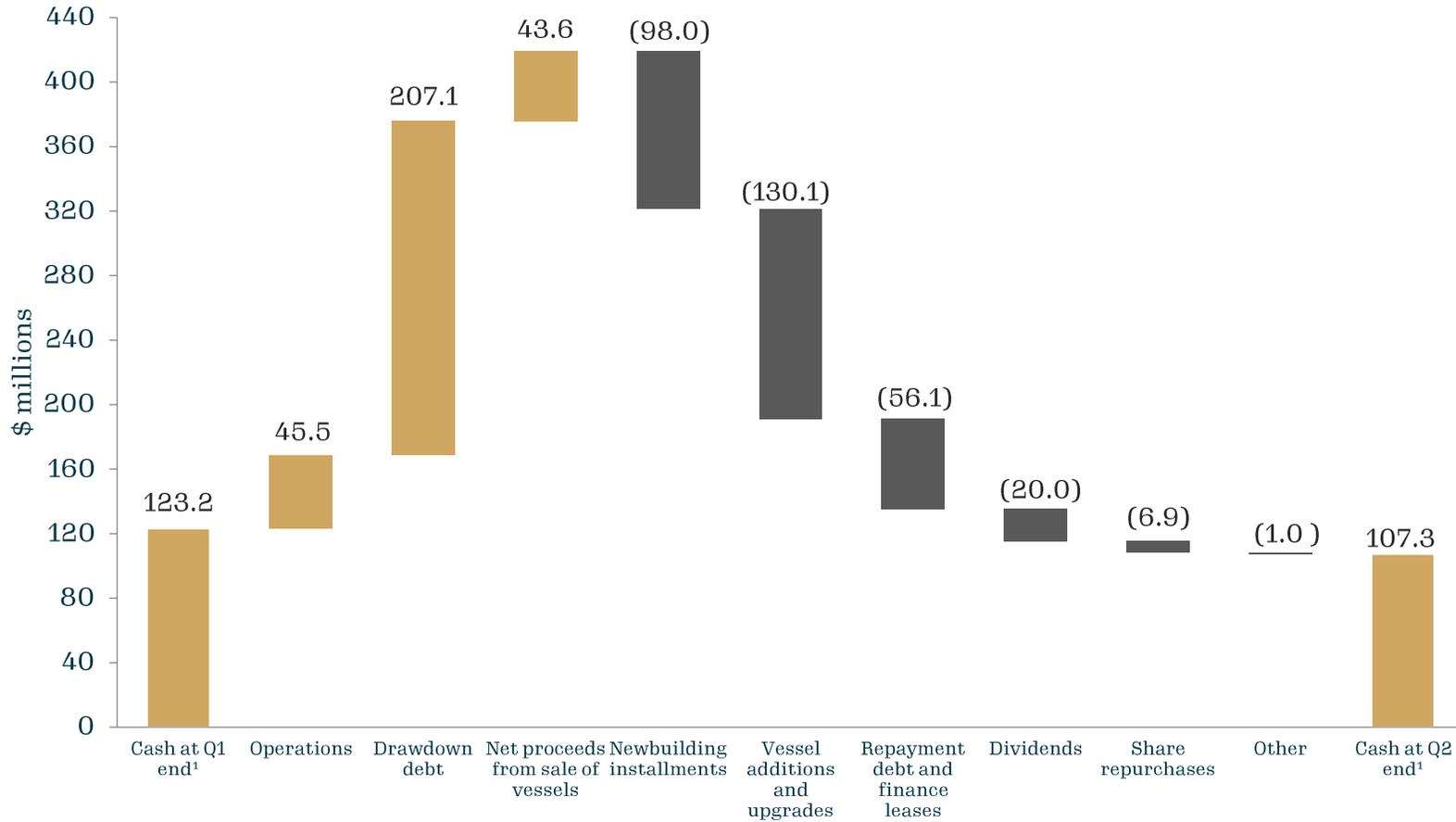
\$ 0.17

(\$ 0.04)

1. Full fleet TCE. Time charter equivalent rate, is a non-GAAP measure. For definition, please refer to Q2 2023 Press Release

Cash flow

Second quarter 2023



1. Includes restricted cash



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Q2 2023

Q1 2023

Dividend per share

Dividend per share

\$ 0.10

\$ 0.10

Operating CF

Operating CF

\$ 45.5 million

\$ 76.5 million

Balance sheet

Second quarter 2023



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(in thousands of \$)	Q2 2023	Q1 2023	Quarterly Variance
ASSETS			
Short term			
Cash and cash equivalents (incl. restricted cash)	107,323	123,240	(15,917)
Other current assets	165,454	156,498	8,956
Long term			
Vessels and equipment, net (incl. held for sale)	2,952,894	2,736,918	215,976
Newbuildings	62,397	111,096	(48,699)
Leases, right of use assets	89,165	94,228	(5,063)
Other long-term assets	87,048	92,561	(5,513)
Total assets	3,464,281	3,314,541	149,740
LIABILITIES AND EQUITY			
Short term			
Current portion of long-term debt	106,372	97,402	8,970
Current portion of finance lease obligations	19,007	18,720	287
Current portion of operating lease obligations	4,900	5,646	(746)
Other current liabilities	113,054	123,067	(10,013)
Long term			
Long-term debt	1,252,669	1,104,316	148,353
Non-current portion of finance lease obligations	77,816	82,681	(4,865)
Non-current portion of operating lease obligations	10,907	11,576	(669)
Other long-term liabilities	3,825	3,389	436
Equity	1,875,731	1,867,744	7,987
Total liabilities and equity	3,464,281	3,314,541	149,740

Q2 2023

Q1 2023

Loan-to-value¹

Loan-to-value¹

45.1 %

44.5 %

Liquidity²

Liquidity²

\$ 179 million

\$ 218 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



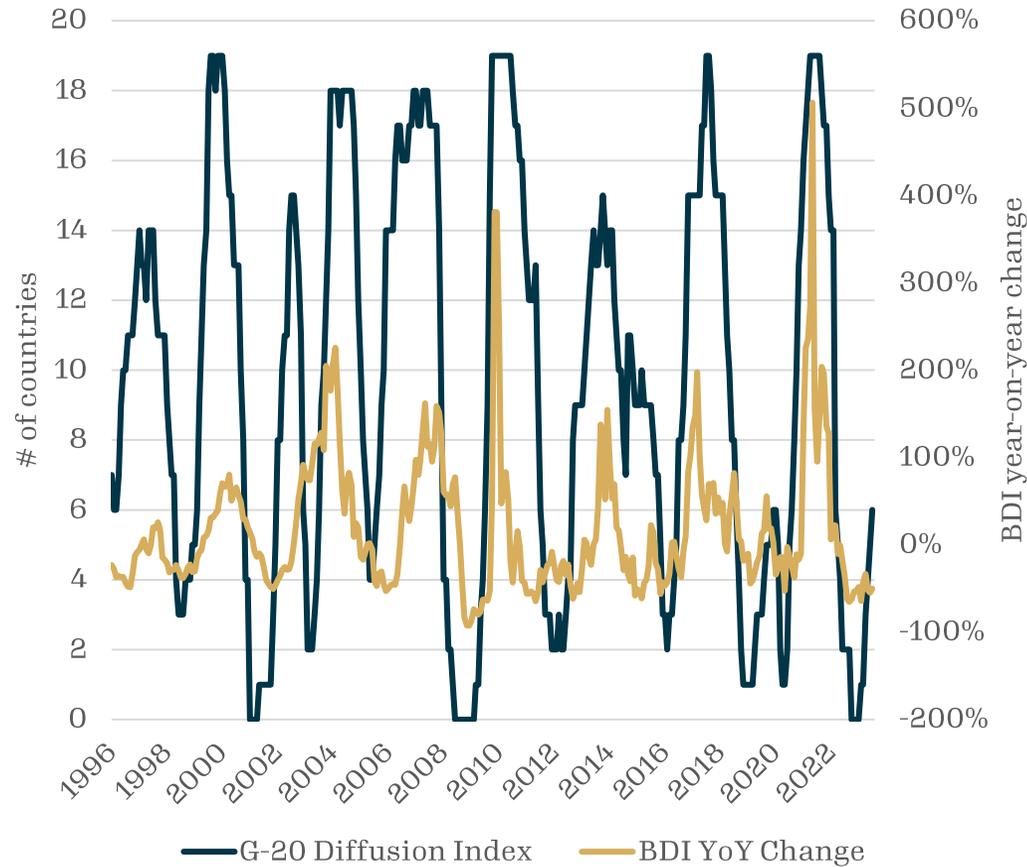
GDP growth continues to support dry bulk demand

The dry bulk and economic cycle is still at a low point but starting to turn upwards

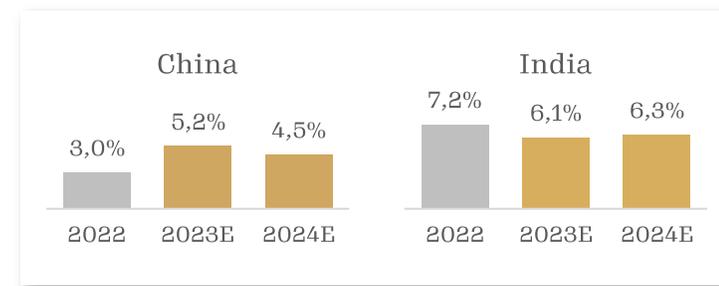
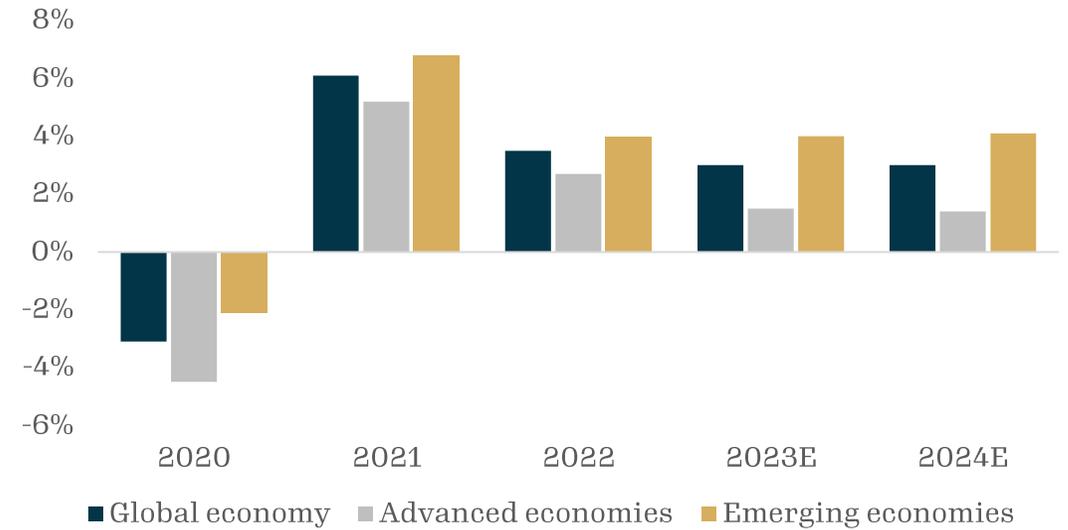


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G-20 Diffusion index vs Baltic dry index y/y



GDP growth



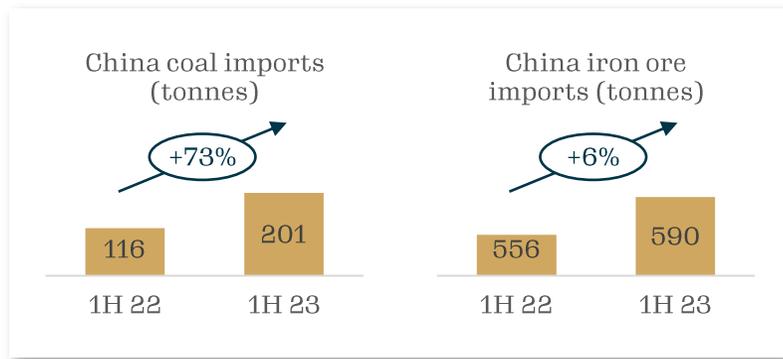
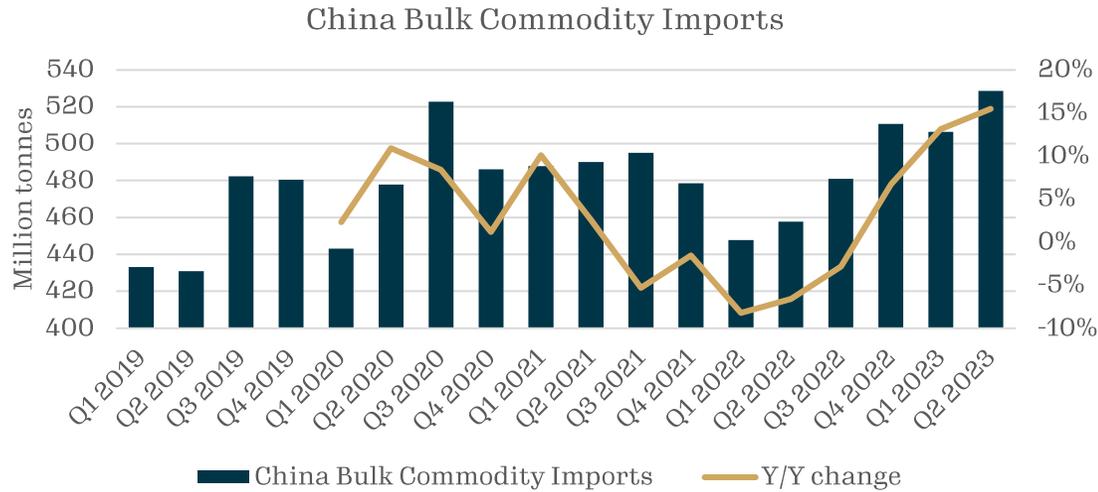
Source: Baltic Exchange, OECD, Fearnleys, International Monetary Fund World Economic Outlook, July 2023
G20 Diffusion index is the number of G-20 countries where the OECD Composite leading indicator (CLI) is above 100 (growing above its long term potential)

Market development

Macro news vs. underlying physical activity



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Capesize

- China has YTD 2023 imported more iron ore, bauxite and coal than in 2022
- Record low iron ore and steel inventories
- Iron Ore prices at ~\$115 pmt
- Monsoon season is over in India which should increase coal flow
- West Africa rain season is over and Bauxite volumes are continuing to move at a fierce pace
- Tonne/Mile increase

Panamax

- Panama canal congestion
- Delayed soybean season from ECSA
- Good corn crop in the US and Brazil bodes well for Q3
- Tonne/mile increase

China iron ore and steel mills inventories

Falling inventories and strong imports



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Iron ore port inventories



Steel mill inventories



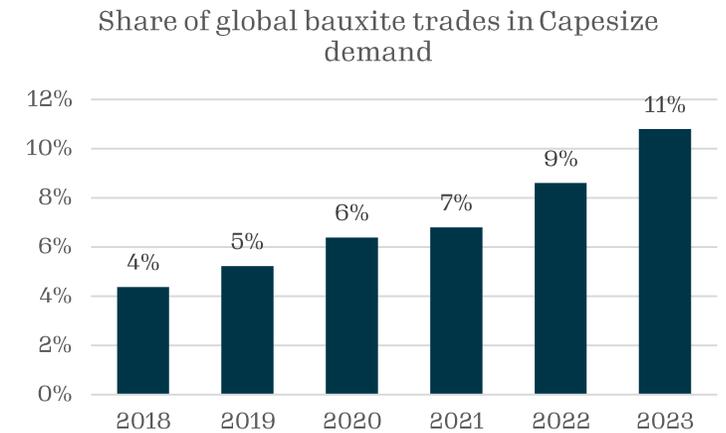
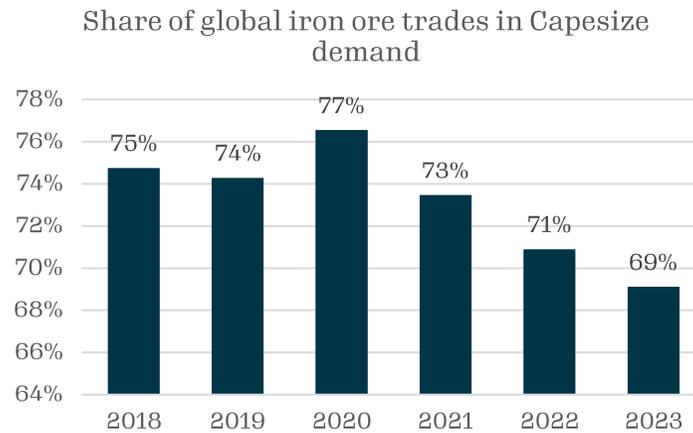
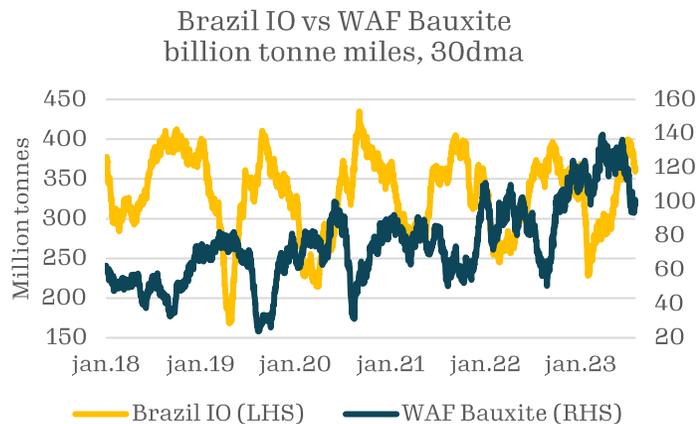
Brazil iron ore and Bauxite



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The tonne/mile increase continues

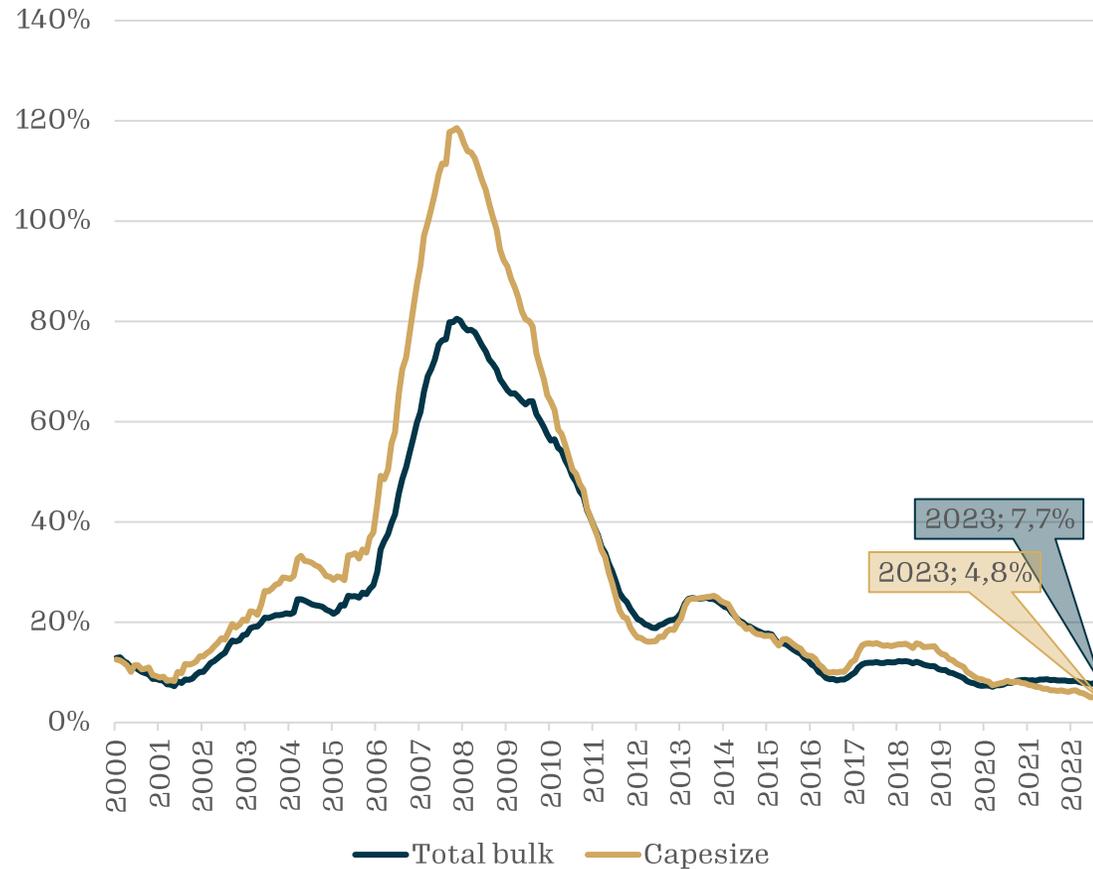
- Tonne/miles from iron ore on Capesize vessels in 2022 was down about 3%, however the overall Capesize tonne/mile increased by 2.5%
- Guinea holds the largest Bauxite reserves in the world with reserves exceeding 7bn mt
- The Capesize seasonal downturn in Q1 due to Brazil iron ore terminal maintenance and wet season, is being increasingly neutralized by Bauxite exports from Guinea
- 1st half 2023 Guinean bauxite exports are up 30% y-o-y
- 1st half 2023 Brazilian iron ore exports are up 6.5% y-o-y



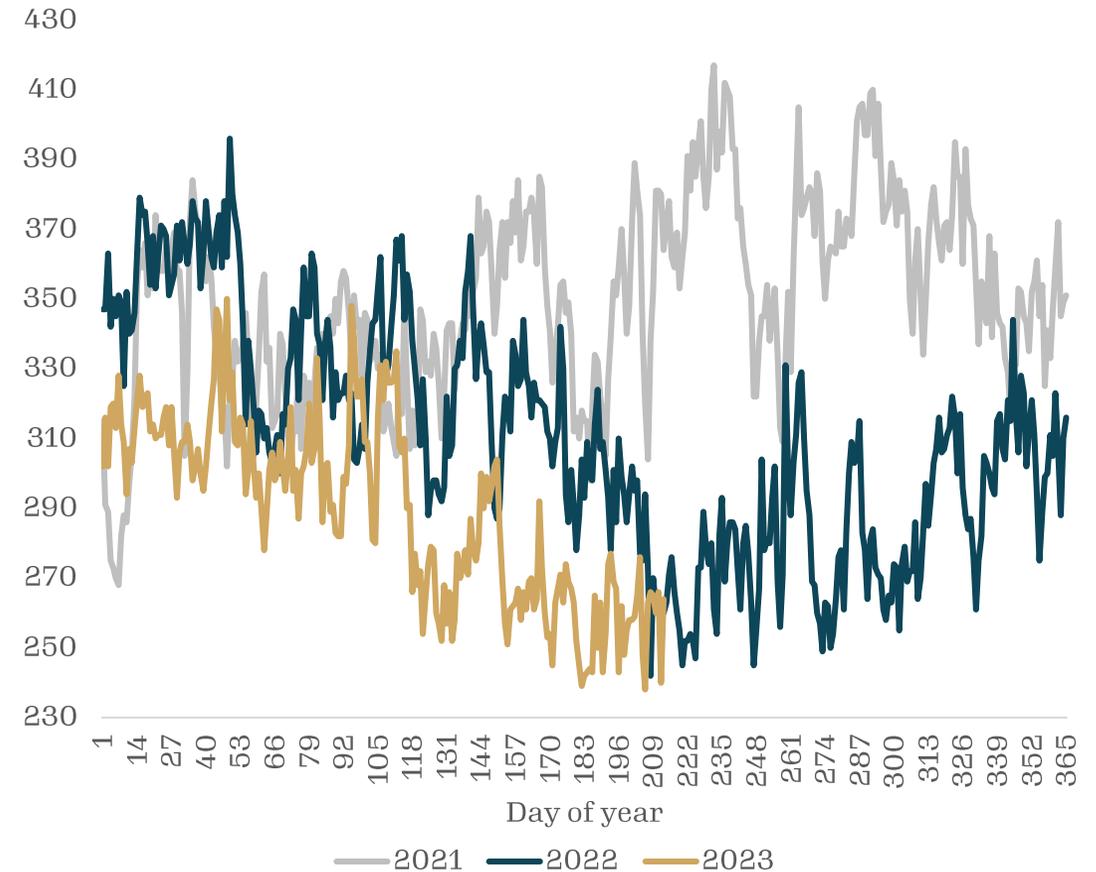
Favourable supply dynamics

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

Orderbook as % of global fleet



Capesize congestion (no. of ships)



A resilient business model

An efficient fleet, industry-low CBE and risk management are key to profitability

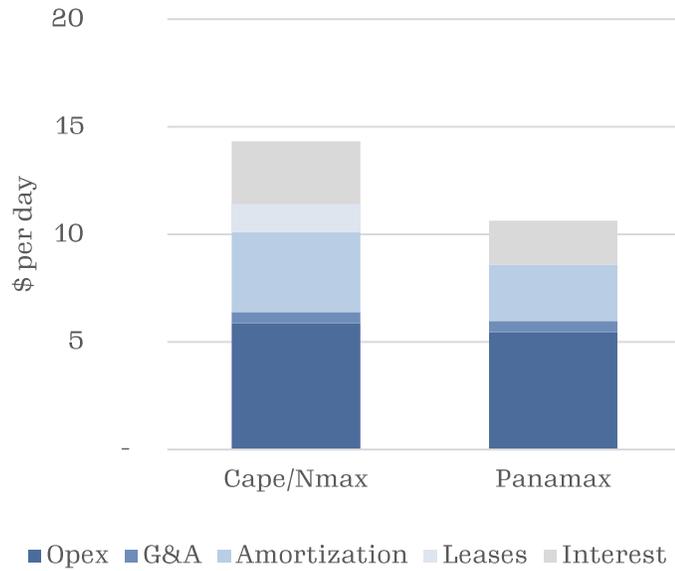


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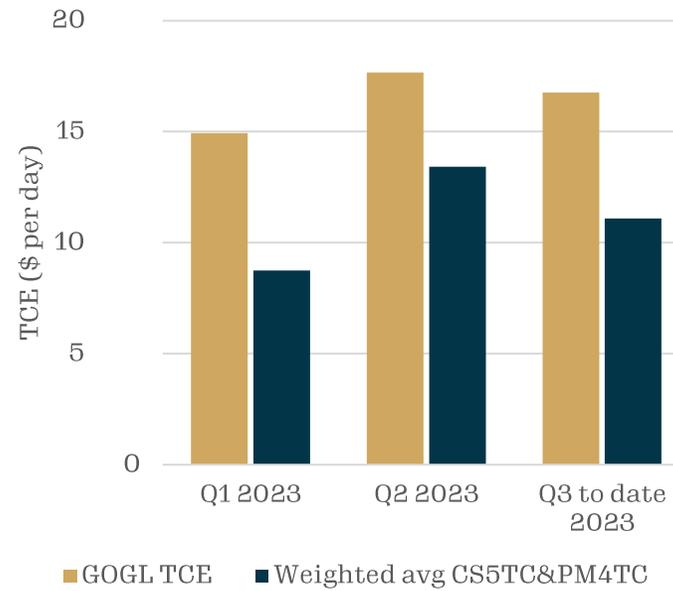
Industry-low cash breakeven

Fleet-wide CBE of \$13k per day...



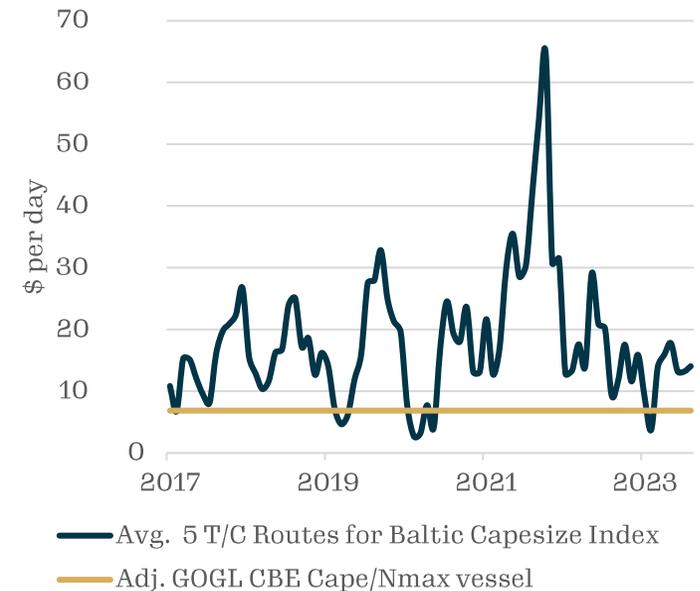
Premium fleet

...\$4.7k premium per day per vessel 1H2023...



Fleet floats in “any” market

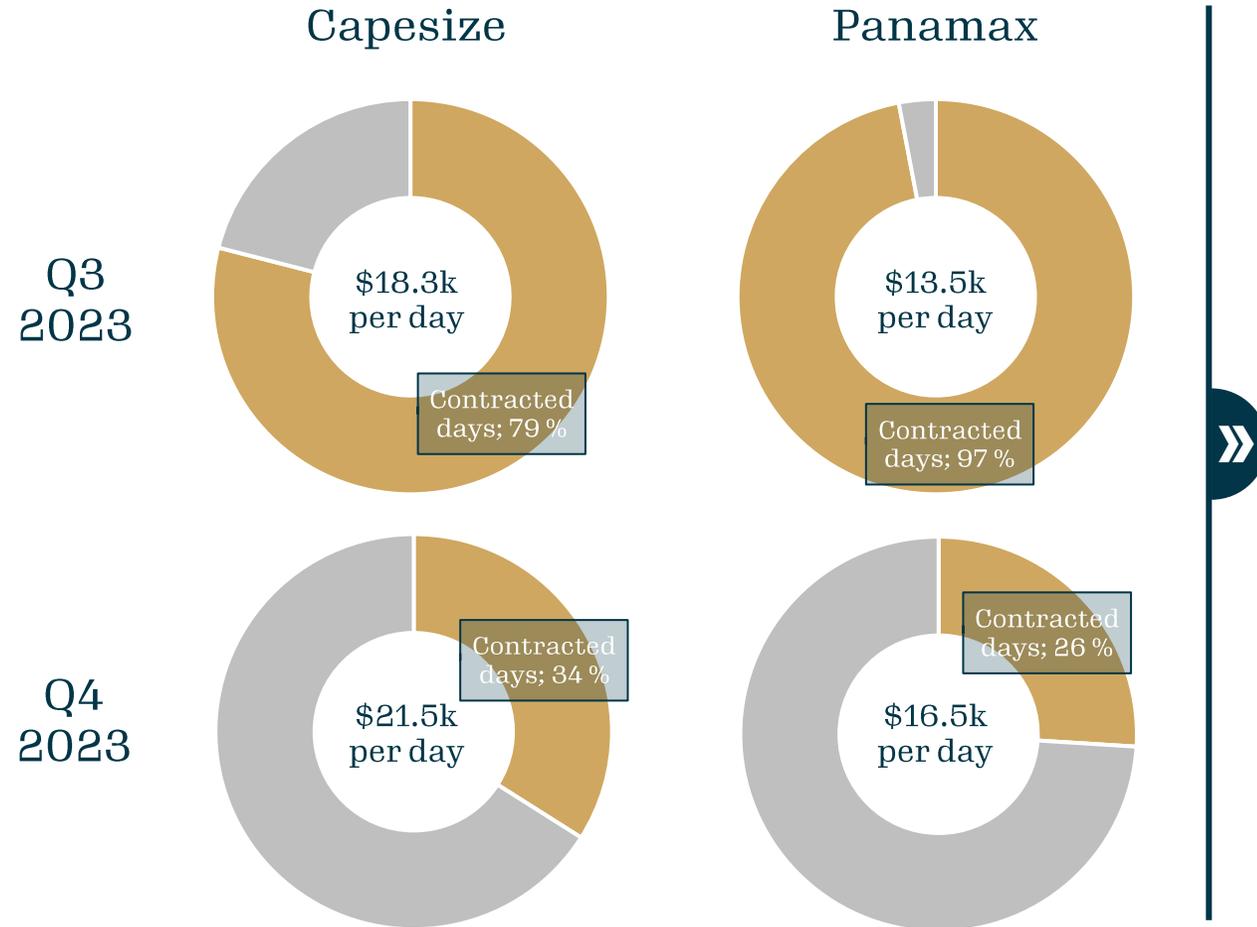
...ensures downside protection and high upside potential



Source: Company, Clarksons.
Adj GOGL CBE = Cash breakeven adjusted for Capesize/Newcaslemax premium 2022 - YTD2023

Guidance for next two quarters

Well balanced forward portfolio to monetize on the expected high season



59% of the fleet on fixed contracts for Q3 and Q4 2023

\$181 million in contracted TCE revenue for Q3 and Q4 2023

\$5.3k per day per vessel beat qtd (Q3 23) above market rate¹

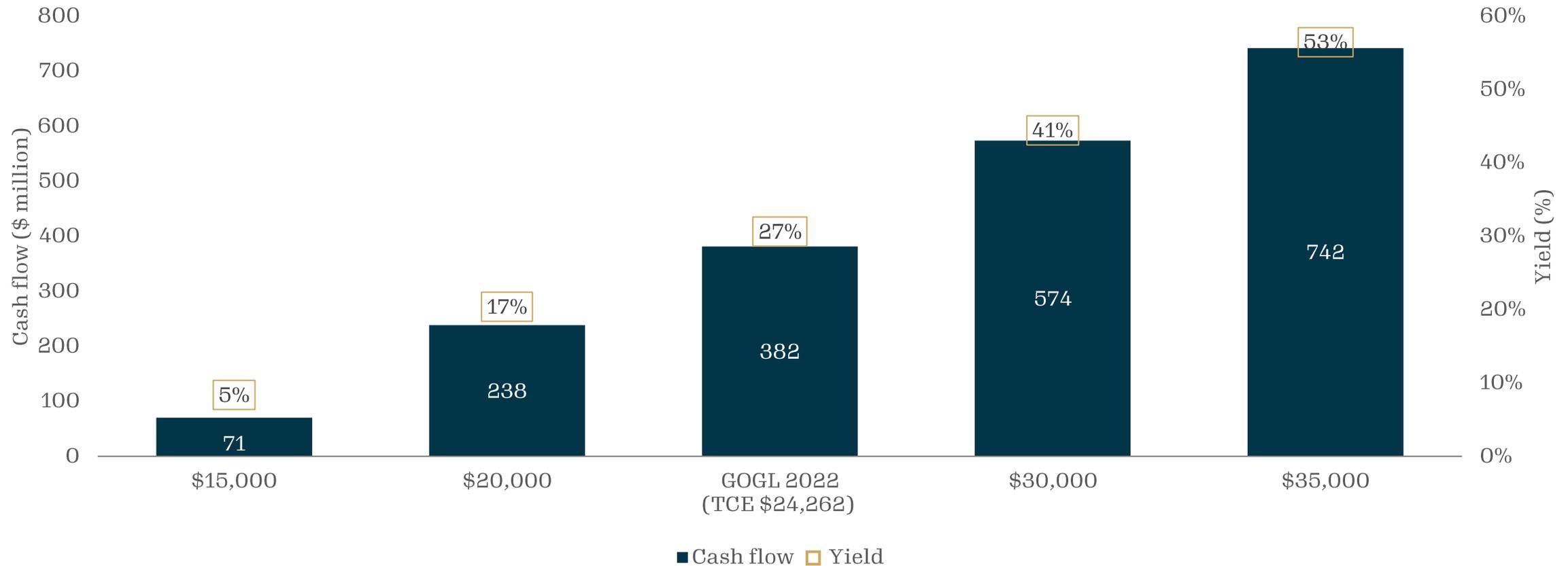
Source: Company
1. Weighted average CS5TC & PM4TC

Strong cash flow potential

Significant earnings potential with modern on-the-water fleet comprised of Capesize and Panamax vessels



Annualized free cash flow and yield



Source: Company, based on share price on NASDAQ of USD 7.2

Thank you for your attention

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