



COMPANY PRESENTATION | Q4 2023
FEBRUARY 2024



BELSHIPS

Our business – Dry Bulk Shipowning and Operating



**The newest
Ultramax fleet**



**Capital
discipline**



**Limited
residual risk**



Added value

2020

average year of build

USD 10 900

cash break-even

2030

optionality

50.1%

ownership in Lighthouse

STRONG RESULTS, IMPROVED OUTLOOK

- EBITDA of USD 40.8m including USD 9.6m from Lighthouse Navigation
- Net result of USD 22.6m
- Declared dividend of NOK 0.60 per share
- TCE of USD 18 449 gross per day for owned fleet – 30 per cent outperformance BSI-58
- Prepaid USD 13.2m of bank debt – increasing the number of debt free vessels
- 81 per cent of ship days in Q1 2024 are fixed at USD 17 000 gross per day
- 42 per cent of ship days in the next four quarters are fixed at USD 16 700 gross per day
- Cash breakeven for 2024 of about USD 10 900 per day per vessel
- The newest Supra/Ultramax fleet with 38 ships including eight newbuildings

Subsequent events

- In January, Belships made a further debt repayment of USD 13.5m, increasing the number of unencumbered vessels to four.
- Belships has chartered out three vessels on index-linked contracts for one year each. The vessels will earn a premium of 116-120 per cent of the BSI-58 Index. This brings the total number of vessels on floating index-linked contracts to nine and is considered attractive due to an improved market outlook.

Earnings summary

Average TCE

USD 18 449 per day

EBITDA

USD 40.8m

Net result

USD 22.6m

Dividend

NOK 0.60 per share

Financial position

Cash and cash equivalents

USD 128.3m

Book value equity

USD 305.6m

Book value ships

USD 731.6m

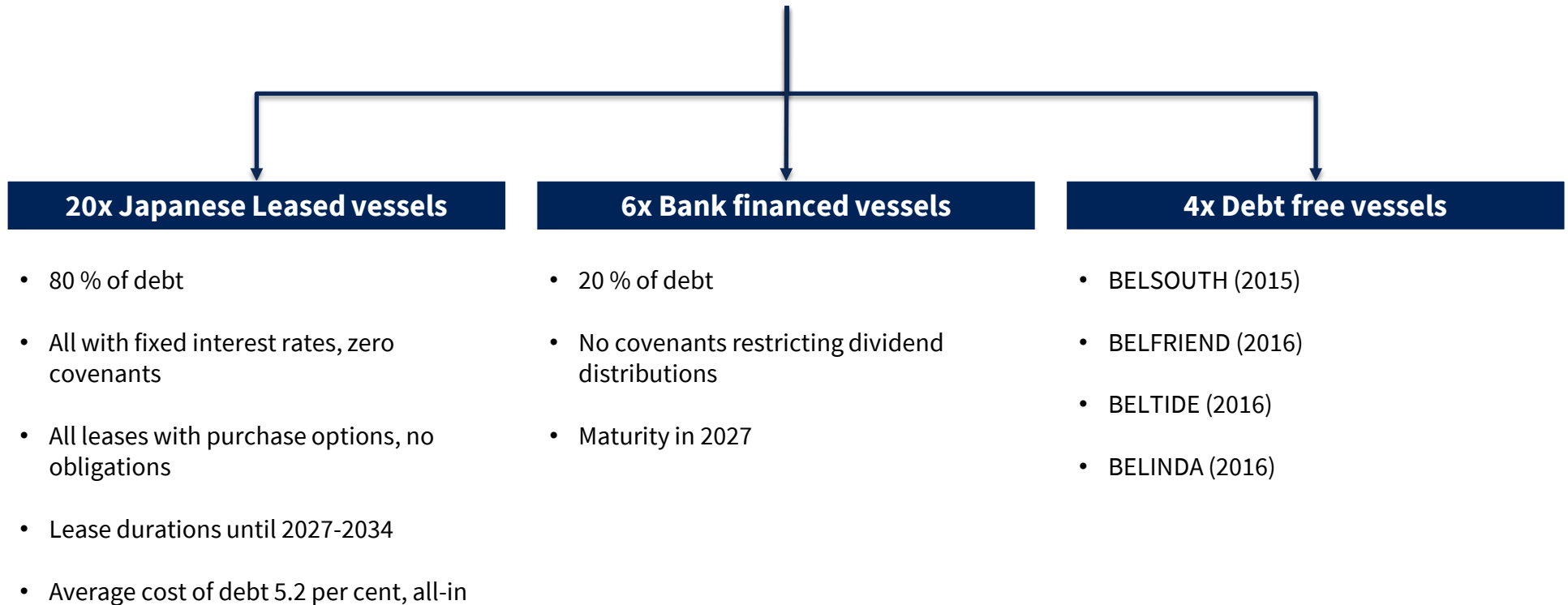
Interest bearing debt

USD 563.4m

30x Vessels on the water today.....



SUPRAMAX | ULTRAMAX



.....and 8x Newbuildings coming in 2024-2027

64 000 dwt Ultramax Bulk Carriers

Delivery



Q4 2024

- Japanese-built 64 000 dwt Ultramax represents the highest quality and efficiency available today



Q4 2025

- Japanese lease financing with fixed costs



Q4 2025 – Q1 2026

- 100% leverage – No cash invested



Q1 2026

- Cost of capital 6.5 per cent fixed rate all in
- 7 years duration with optional period up to 10 years



H2 2026

- Purchase options during the charter, all in USD



H2 2026

- No obligation to acquire any of the vessels



H1 2027

- A levered bet on a historically low order book



Q2-Q3 2027

No cash invested, zero impact on dividend capacity during construction

Lighthouse Navigation – Dry Bulk Operating

Track record

Profitable every year since inception in 2009

Risk Management

Skin in the game - leading employees invested

Global Operation

95 employees

Total volume

About 85 vessels in operation

Performance

The average EBITDA per quarter in the last five years has been USD 8.2m.

What we do

Operating

Parcelling & liner services

Commercial management

Agency

LIGHTHOUSE
NAVIGATION

Vessel Owners



Cargo Owners



How we create value

Operational
efficiency

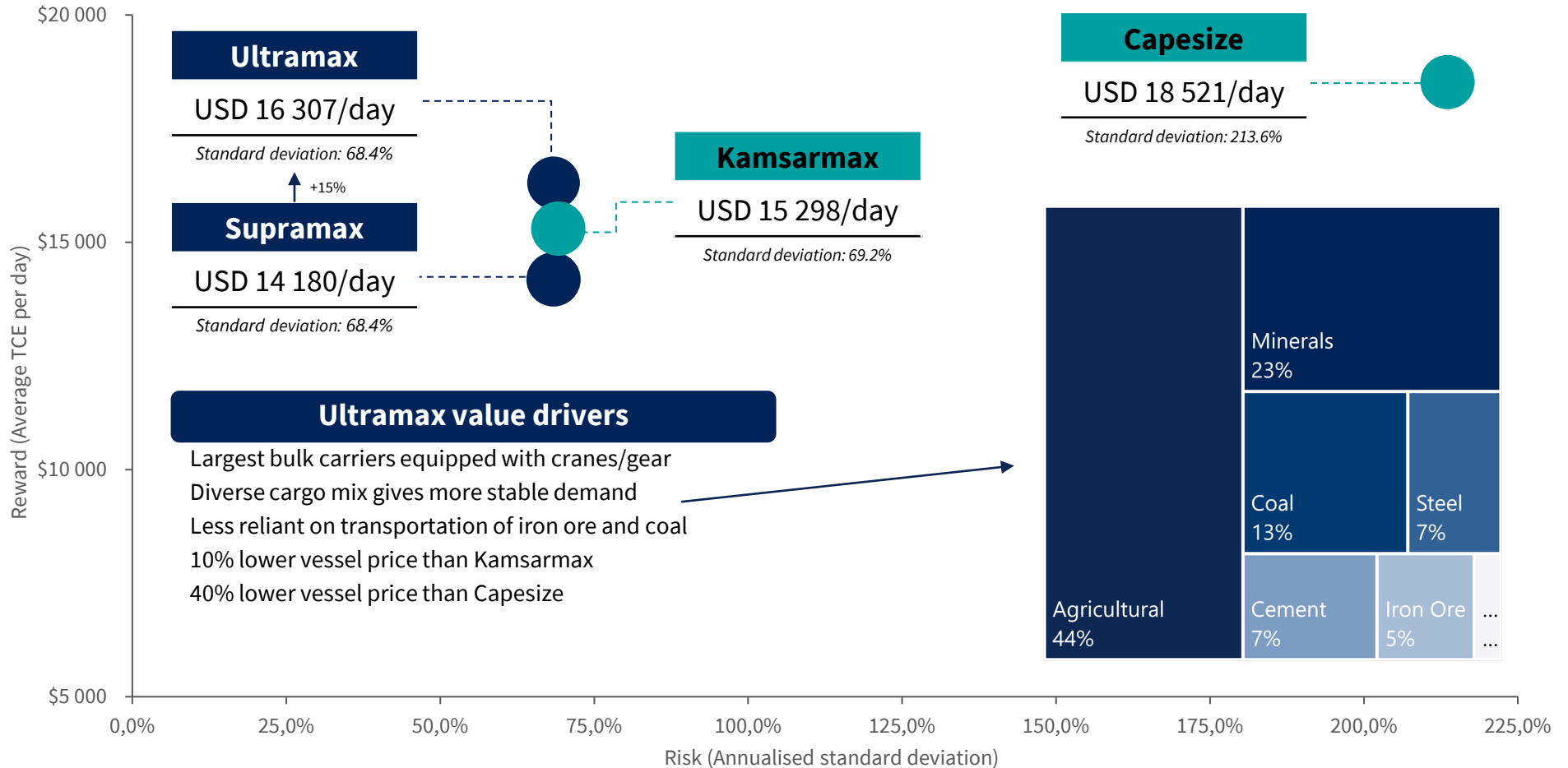
Market
knowledge

Customer
relations

Ultramax – Superior Risk/Reward



Average earnings per day last 7 years



Supramax: BSI58, Kamsarmax: BPI82, Capesize: BCI 5TC sourced: Baltic Exchange as of Feb 2024

Cargo mix percentages are based on Belshps fleet 2023

Total Return 2019 – 2023: Share Price including Dividends



Belships
436%

Peer 1
247%

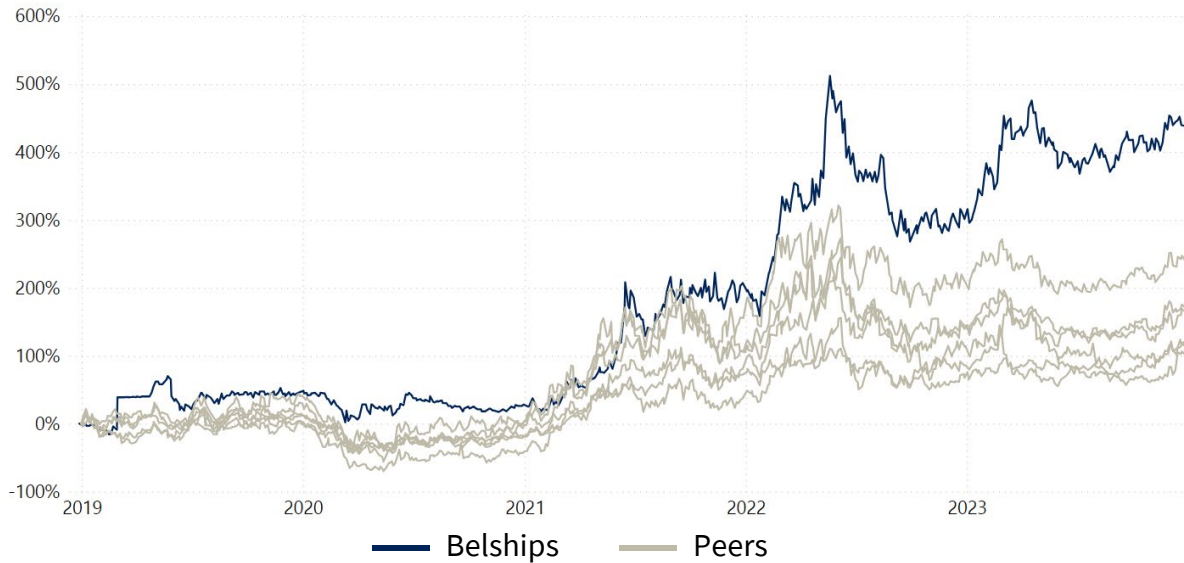
Peer 2
174%

Peer 3
170%

Peer 4
120%

Peer 5
115%

Peer 6
107%



Fleet doubled, twice

Acquired 33x new vessels at lower prices

Divestments

Sold all old/non-Eco vessels at higher prices

Higher leverage

Fixed interest rates, lower cost of capital

Added value

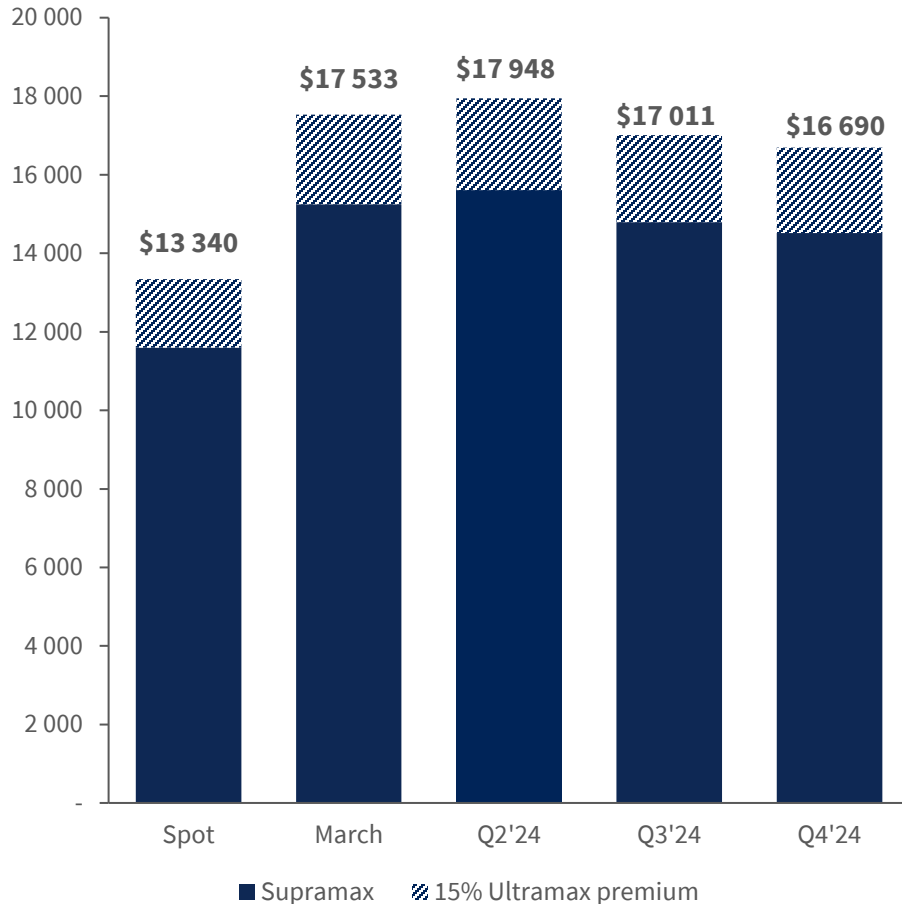
Expanded Lighthouse Navigation, sold Technical

Risk Management

Combination of contract coverage and spot

Improving Markets, Strong Start to 2024

Current freight market - Spot and FFA



RATES – The Baltic Supramax Index (BSI-58) averaged 14 159 per day in Q4 2023 – markedly up from 10 028 in Q3. This translated into USD 16 500 for Ultramax vessels which typically earn a premium of about 15-20 per cent to a Supramax.

Sentiment was increasingly strong, as rates climbed and peaked in December at close to USD 20 000 per day for Ultramax vessels.

DEMAND – According to Fearnleys, preliminary estimates for Q4 2023 shipment volumes were 283 million tonnes, an all-time high again, and shows consecutive quarterly records thru 2023. The highest growth (quarter-on-quarter) was seen in iron ore (67 per cent), coal (9 per cent) and steel products (10.6 per cent). Minor bulks (-11 per cent), grains (-7 per cent) and fertilizers (-3 per cent) contributed negatively.

Importantly, overall volumes continue to grow and shows that the demand side is stable and resilient.

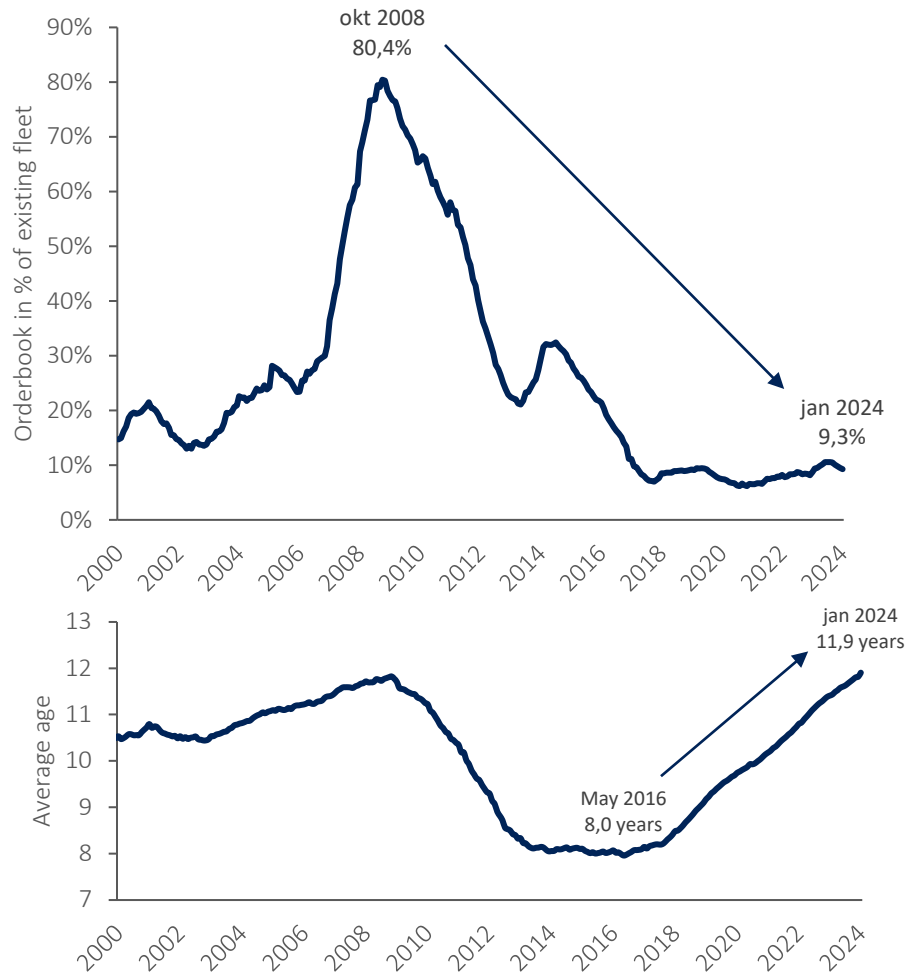
2024 - Very strong start, year-on-year volume growth for Supra-Ultramax segment at +9%

Reduced capacity thru Panama Canal, and now also Suez Canal due to Red Sea being a high risk area, is adding to sailing distances, reducing tonnage capacity. Spot rates are improving, best start to the year in more than a decade. One year period rates at around USD 17 000 per day

If this continues: Ship values are undervalued and will increase

Historically Low Orderbook – Newbuilding prices increasing

Lowest fleet growth in decades – Ageing fleet



ORDERBOOK/SUPPLY: The order book for Supra/Ultramax bulk carriers is about 8-9 per cent of the sailing fleet. In 2024 there will still be about the same % supply growth as 2023, about 160 vessels are scheduled to deliver. In 2025-2026, we are heading towards the lowest rate of supply growth, in decades.

NUMBERS: There are about 4 100 ships on the water today in the 45 – 65 000 dwt bracket. Only 1/3 of these are Ultramax vessels. The rest – are smaller, older and/or non-economical.

Even if newbuilding supply doubled it would take a decade to modernise the existing fleet – giving perspective on difficulties in scaling the adaptation of new fuels like ammonia/methanol.

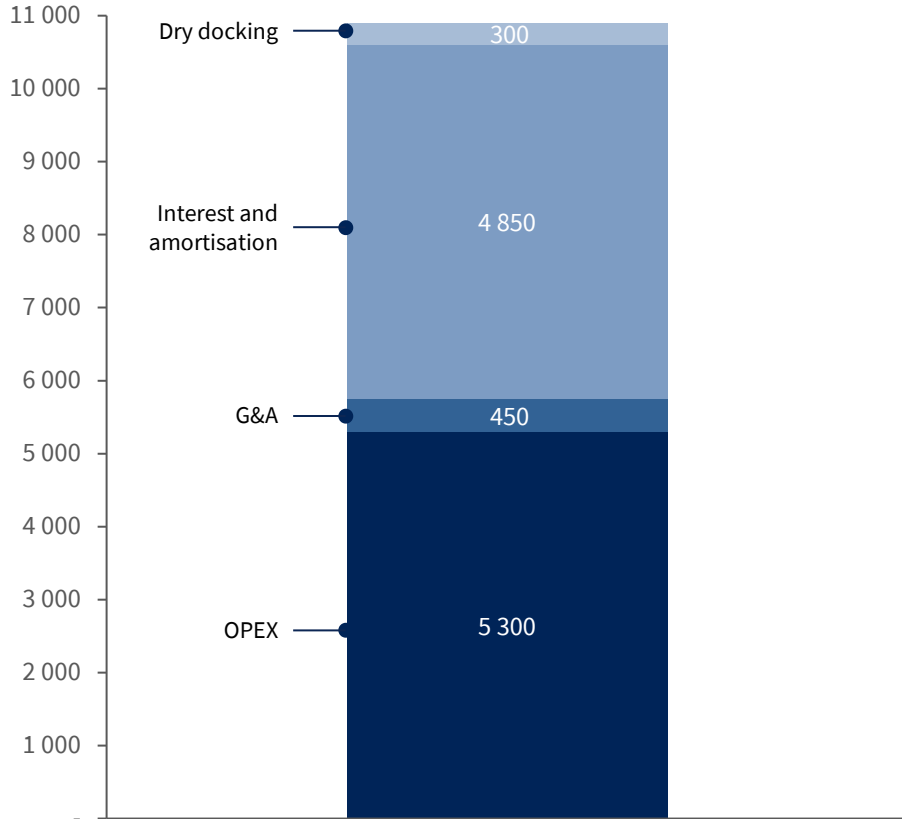
Reduced amount of newbuildings coupled with very little scrapping/recycling has led to a consistently ageing fleet (see graph left below).

NEWBUILDING PRICES: Ordering activity remains low, cost inflation and high demand from other shipping segments has reduced the available shipbuilding capacity. A Japanese Ultramax newbuilding would today cost about USD 39 (up from USD USD 38m in Q3) with available delivery from end 2027 and 2028.

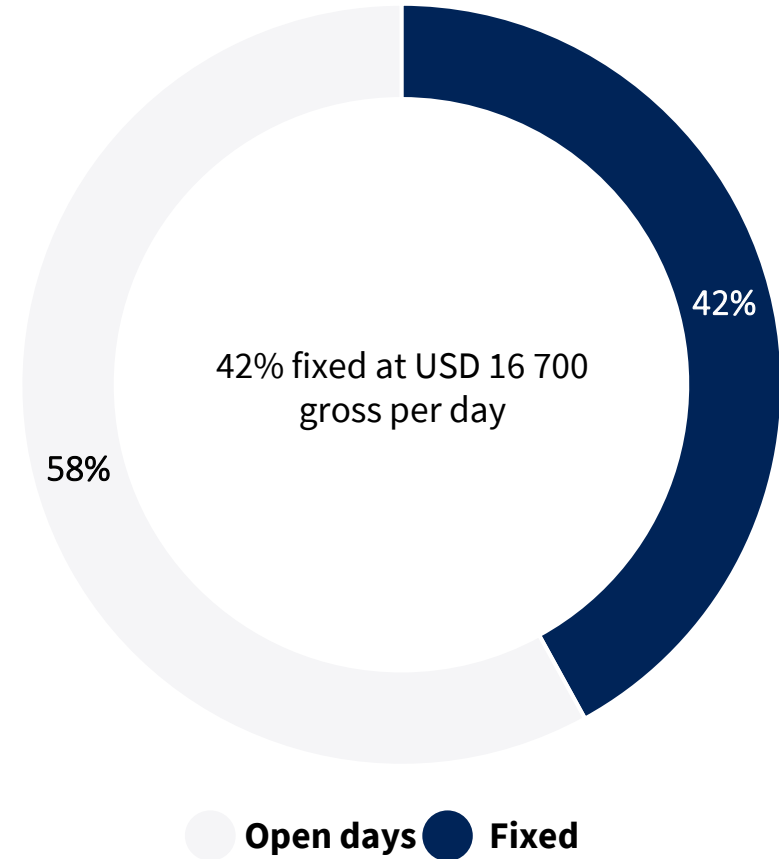
SECONDHAND VESSEL VALUES: Values are increasing, already 10 per cent YTD. Modern vessels are clearly higher in demand than older, less economical ships.

Low Hurdle for Profitability

Cash breakeven 2024

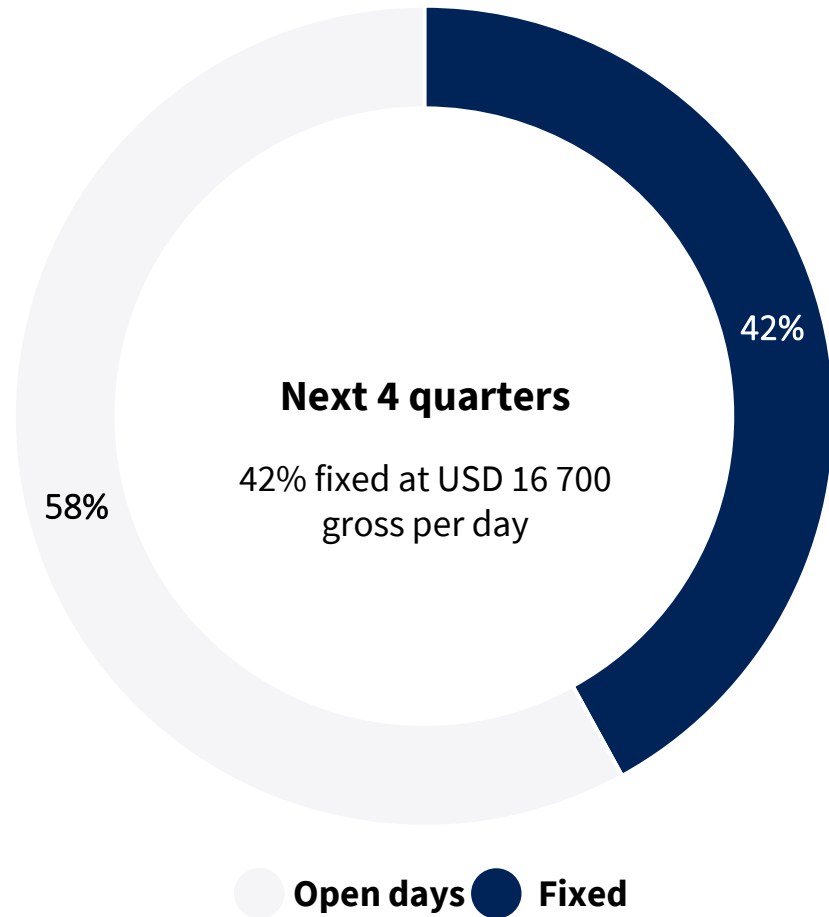


Contract coverage 2024



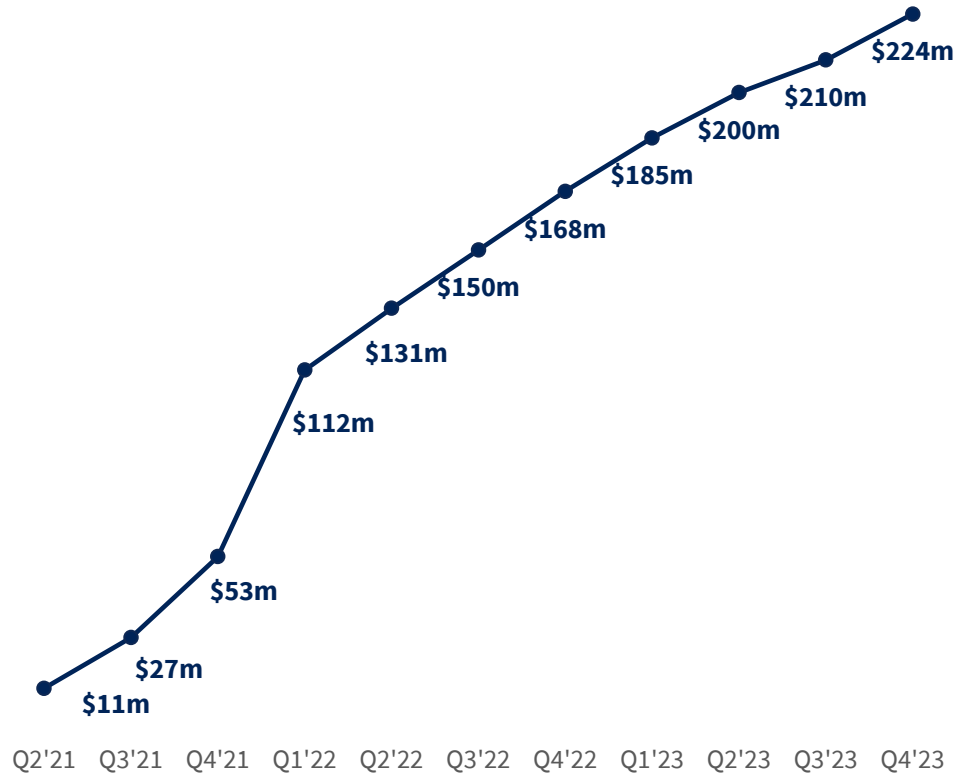
Cash breakeven is USD 10 900 per vessel per day

Significant de-risk: Highly Profitable Contract Coverage



Period	Contract coverage	Rate (USD/day)
Q1 2024	81 %	17 000
Q2 2024	42 %	16 300
Q3 2024	28 %	16 500
Q4 2024	21 %	16 000

Payouts since dividend policy Q2 2021

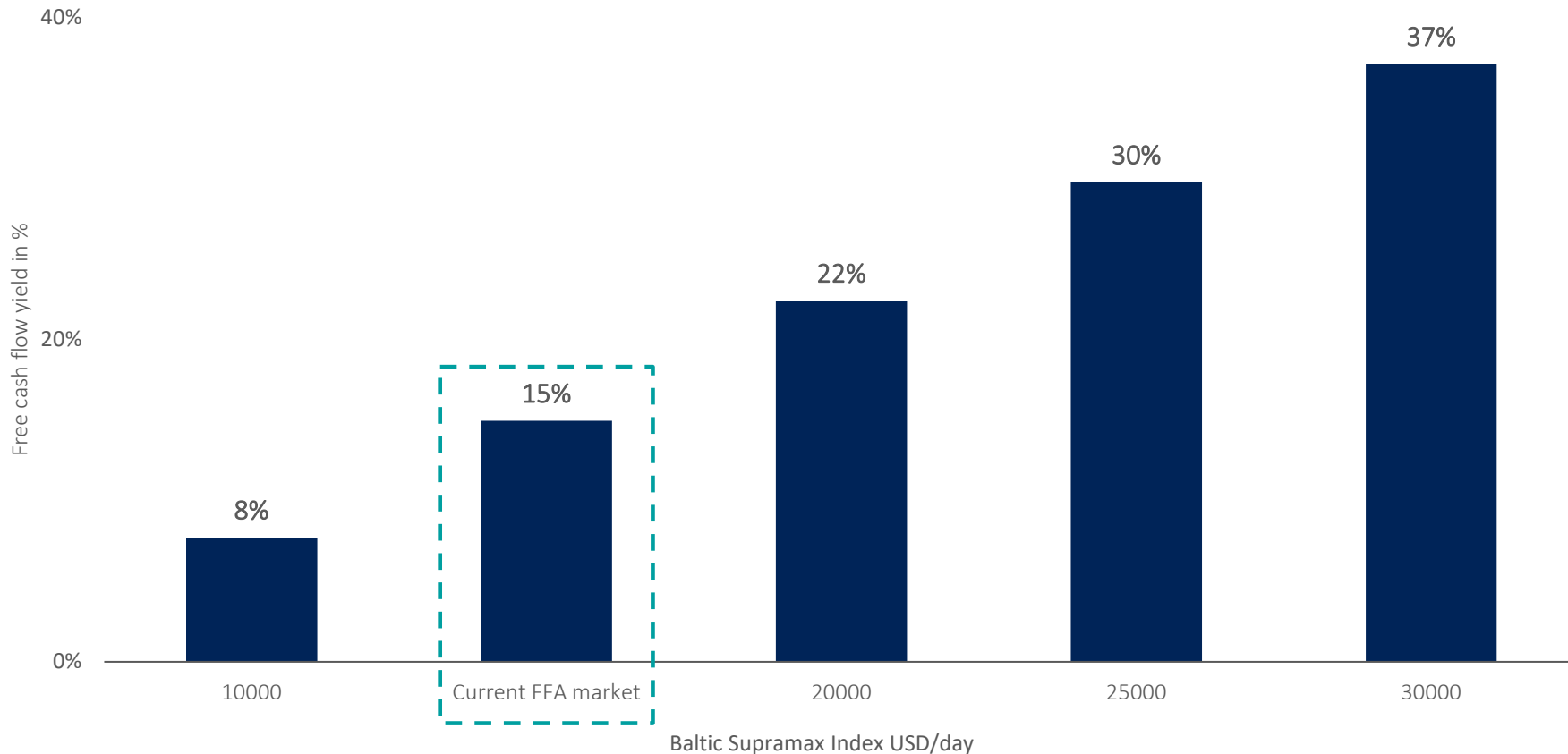


Period	Dividend per share
Q2 2021	0.40
Q3 2021	0.55
Q4 2021	0.90
Q1 2022	2.25
Q2 2022	0.75
Q3 2022	0.75
Q4 2022	0.75
Q1 2023	0.70
Q2 2023	0.60
Q3 2023	0.45
Q4 2023	0.60
Total	8.70 NOK

Creating value and returning it to shareholders

Strong Downside Protection, Significant Upside

Potential free cash flow yield next four quarters



Solid free cash flow and dividend capacity

Free cash flow is defined as: Cash flow from operations less the aggregate of i) Debt and lease payments ii) Dry docking expenses
{USD/NOK 10.5, Share price NOK 20.5, BSI forward curve next four quarters} – basis 16 Feb 24

Free cash flow yield basis Belships' current contract coverage and contribution from Lighthouse Navigation per quarter equal to average last 5 years

The Nicest House, in an Up-and-Coming Neighbourhood

The Newest Ultramax Fleet

No need for modernisation

Low Cost, Long Duration Financing

Fixed interest rates, unique optionality

Market Dynamics

Rising ship values, historically low supply-side

Dividend Visibility

Contract coverage and high cash position

Value

Discount to Net Asset Values and favourable risk/reward



Important Information



This presentation has been prepared by Belships ASA (the “Company”) exclusively for information purposes. This presentation is confidential and may not be copied, distributed, reproduced, published or passed on, directly or indirectly, in whole or in part, or disclosed by any recipient, to any other person (whether within or outside such person's organisation or firm) or published in whole or in part, by any medium or in any form for any purpose or under any circumstances.

The information in this presentation speaks as of 16 February 2024 and the Company assumes no obligation to amend, correct or update the information in this presentation. None of the Company or any of their respective directors, officers, employees, agents, affiliates, advisors or any person acting on their behalf, shall have any liability whatsoever, (whether direct or indirect, in contract, tort or otherwise) for any loss whatsoever arising from any use of this presentation, or otherwise arising in connection with this presentation.

The contents of this presentation shall not be construed as legal, business or tax advice, and the furnishing of this presentation should not be considered as the giving of investment advice by the Company or any of its directors, officers, agents, employees or advisers. Prospective investors should consult its own legal, business or tax advisor as to legal, business or tax advice.

This presentation contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words “believes”, “expects”, “predicts”, “intends”, “projects”, “plans”, “estimates”, “aims”, “foresees”, “anticipates”, “targets”, and similar expressions. The forward-looking statements contained in this presentation, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. None of the Company or subsidiaries or any such person’s directors, officers or employees provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor does any of them accept any responsibility for the future accuracy of the opinions expressed in this presentation or the actual occurrence of the forecasted developments.

This presentation has been prepared for information purposes only, and does not constitute or form part of, and should not be construed as, any offer, invitation or recommendation to purchase, sell or subscribe for any securities in any jurisdiction and neither the issue of the information nor anything contained herein shall form the basis of or be relied upon in connection with, or act as an inducement to enter into, any investment activity.

This presentation is subject to Norwegian law and any dispute arising in respect of this presentation is subject to the exclusive jurisdiction of Norwegian courts with Oslo district court as legal venue.

Consolidated Statement of Income and Financial Position



Consolidated statement of income

USD 1 000		Q4 2023	Q4 2022	2023	2022
Gross freight revenue	Note	145 083	206 317	563 441	926 494
Voyage expenses		-36 170	-52 874	-139 085	-204 769
Net freight revenue	2	108 914	153 443	424 356	721 725
Management fees		2 167	758	3 408	4 228
Operating income	2	111 081	154 201	427 764	725 953
Share of result from j/v and assoc. comp.		591	5 841	6 407	30 963
T/C hire expenses		-50 077	-81 268	-194 155	-450 524
Ship operating expenses		-16 054	-15 726	-60 865	-55 571
Operating expenses management companies		-3 710	-5 239	-16 306	-22 209
General and administrative expenses		-1 022	-1 599	-5 233	-7 068
Operating expenses		-70 273	-97 991	-270 152	-504 409
EBITDA		40 807	56 210	157 612	221 544
Depreciation and amortisation	3	-12 497	-10 924	-45 738	-38 992
Gain on sale of ships	3	0	0	316	22 274
Other gains/(-losses)		-81	-1 532	350	1 342
Operating result (EBIT)		28 229	43 754	112 539	206 168
Interest income		688	558	2 527	958
Interest expenses		-7 786	-8 097	-33 184	-26 106
Other financial items		1 225	3 001	2 065	-1 877
Currency gains/(-losses)		2 251	-4 967	1 049	-2 183
Net financial items		-3 621	-9 505	-27 543	-29 208
Result before taxes		24 609	34 249	84 996	176 960
Taxes	6	-1 973	74	-7 562	-2 041
Net result from continuing operations		22 636	34 323	77 434	174 919
Result from discontinuing operation	5	0	-123	8 806	141
Net result for the period		22 636	34 200	86 240	175 060
Hereof majority interests		18 162	26 463	75 895	146 886
Hereof non-controlling interests		4 474	7 737	10 346	28 174
Earnings per share for continuing operations		0,09	0,14	0,31	0,69
Diluted earnings per share for continuing operations		0,09	0,13	0,30	0,68
Earnings per share		0,09	0,14	0,34	0,69
Diluted earnings per share		0,09	0,13	0,34	0,68

Consolidated statement of financial position

USD 1 000		31 Dec 2023	31 Dec 2022
NON-CURRENT ASSETS	Note		
Ships	3	731 596	747 042
Prepayment of ships		0	6 900
Property, Plant, and Equipment		883	3 702
Investments in j/v and assoc. companies		9 934	29 483
Other non-current assets		2 956	1 076
Total non-current assets		745 370	788 203
CURRENT ASSETS			
Bunker inventory		8 556	14 675
Current receivables		50 662	57 544
Cash and cash equivalents		128 276	139 871
Total current assets		187 495	212 090
Total assets		932 864	1 000 293
EQUITY AND LIABILITIES			
Equity			
Paid-in capital		141 736	158 359
Retained earnings		128 936	98 864
Non-controlling interests		34 889	40 112
Total equity		305 561	297 335
NON-CURRENT LIABILITIES			
Deferred tax	6	6 537	0
Long-term interest bearing debt	4	536 668	555 202
Other non-current liabilities		954	1 729
Total non-current liabilities		544 160	556 931
CURRENT LIABILITIES			
Current portion of interest bearing debt	4	26 735	50 053
Other current liabilities		56 408	95 974
Total current liabilities		83 144	146 027
Total equity and liabilities		932 864	1 000 293

Appendix: Uniform and Modern Fleet of 38 Bulk Carriers



Vessel	Built	DWT	Yard
BELVICTORY	2027	64 000	Japan
BELTEMPO	2027	64 000	Japan
BELROSSO	2026	64 000	Japan
BELAVANTI	2026	64 000	Japan
BELFUTURE	2026	64 000	Japan
BELFORTUNE	2025	64 000	Japan
BELFOX	2025	64 000	Japan
BELGRACE	2024	64 000	Japan
BELMONDO	2023	64 000	Imabari
BELYAMATO	2022	64 000	Imabari
BELTOKYO	2021	64 000	Imabari
BELFORCE	2021	61 000	Dacks
BELKNIGHT	2021	61 000	Dacks
BELTRADER	2021	61 000	Dacks
BELGUARDIAN	2021	61 000	Dacks
BELMAR	2021	64 000	Imabari
BELFAST	2021	64 000	Imabari
BELAJA	2020	61 000	Shin Kurushima
BELMOIRA	2020	61 000	Shin Kurushima

Vessel	Built	DWT	Yard
BELFUJI	2020	63 000	Imabari
BELNIKE	2020	63 000	Imabari
BELTANGO	2020	64 000	Mitsui
BELFORTE	2019	64 000	Mitsui
BELRAY	2019	61 000	Shin Kurushima
BELNIPPON	2018	63 000	Imabari
BELAFONTE	2017	63 000	Imabari
BELHAVEN	2017	63 000	Imabari
BELTIGER	2017	63 000	New Times
BELISLAND	2016	61 000	Imabari
BELINDA	2016	63 000	Hantong
BELMONT	2016	63 000	Hantong
BELATLANTIC	2016	63 000	Hantong
BELLIGHT	2016	63 000	New Times
BELFRIEND	2016	58 000	Tsuneishi
BELTIDE	2016	58 000	Tsuneishi
BELFOREST	2015	61 000	Imabari
BELHAWK	2015	61 000	Imabari
BELSOUTH	2015	63 000	Hantong