



GOLDEN OCEAN™

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CAPITAL LINK CONFERENCE

March, 2022



# 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.*

*The Company is taking advantage of the safe harbor provisions of the PSLRA and is including this cautionary statement in connection therewith. This document and any other written or oral statements made by the Company or on its behalf may include forward-looking statements, which reflect the Company's current views with respect to future events and financial performance. This presentation includes assumptions, expectations, projections, intentions and beliefs about future events. These statements are intended as "forward-looking statements." The Company cautions that assumptions, expectations, projections, intentions and beliefs about future events may and often do vary from actual results and the differences can be material. When used in this document, the words "believe," "expect," "anticipate," "estimate," "intend," "plan," "targets," "projects," "likely," "will," "would," "could" and similar expressions or phrases may identify forward-looking statements.*

*The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in the Company's records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond the Company's control, the Company cannot assure you that it will achieve or accomplish these expectations, beliefs or projections. As a result, you are cautioned not to rely on any forward-looking statements.*

*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: the Company's future operating or financial results; the Company's continued borrowing availability under its 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 Company's ability to successfully employ its existing and newbuilding dry bulk vessels and replace its operating leases on favorable terms, or at all; changes in the Company's operating expenses and voyage costs, including bunker prices, fuel prices (including increases costs for low sulfur fuel), dry docking, crewing and insurance costs; 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 thereof, the delivery and commencement of operations dates, expected downtime and lost revenue); planned, pending or recent acquisitions, business strategy and expected capital spending or operating expenses, including drydocking, surveys, upgrades and insurance costs; risks associated with vessel construction; the Company's expectations regarding the availability of vessel acquisitions and its ability to complete acquisition transactions planned; vessel breakdowns and instances of off-hire; potential differences in interest by or among certain members of the Company's board of directors, or the Board, executive officers, senior management and shareholders; potential liability from pending or future litigation; potential exposure or loss from investment in derivative instruments; general dry bulk shipping market trends, including fluctuations in charter hire rates and vessel values; 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; the strength of world economies; stability of Europe and the Euro; fluctuations in interest rates and foreign exchange rates; changes in seaborne and other transportation; changes in governmental rules and regulations or actions taken by regulatory authorities; general domestic and international political conditions; potential disruption of shipping routes due to accidents or political events; the length and severity of epidemics and pandemics, including COVID-19 and its impact on the demand for seaborne transportation in the dry bulk sector; the impact of increasing scrutiny and changing expectations from investors, lenders, charterers and other market participants with respect to our Environmental, Social and Governance practices; new environmental regulations and restrictions, whether at a global level stipulated by the International Maritime Organization, and/or regional/national imposed by regional authorities such as the European Union or individual countries; 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, 2020.*

*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.*

# GOLDEN OCEAN – LEADERSHIP IN LARGE SIZE DRY BULK



- Modern fleet – 92 vessels on water
- Large-size pure play
- Large market cap and high trading liquidity



- Economics of scale, low G&A and competitive finance
- Young fleet with superior fuel economics
- Lowest cash breakeven of listed peers



- Increased fleet by 33% last year – time to harvest – dividend is a priority
- \$502m returned to shareholders relating to 2021
- No material CAPEX and no debt maturities until 2023

**92 + 7 vessels**  
large commercial scale

**~6.5 years**  
average age of fleet

**~\$502m**  
returned to shareholders  
relating to 2021

**~\$2.4b**  
market capitalization



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## MARKET OUTLOOK

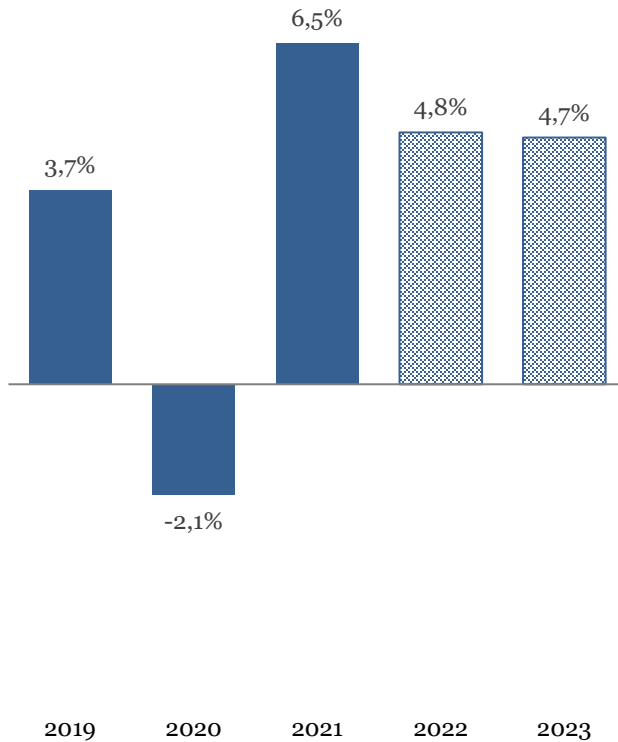
# CONTINUED DEMAND GROWTH EXPECTED



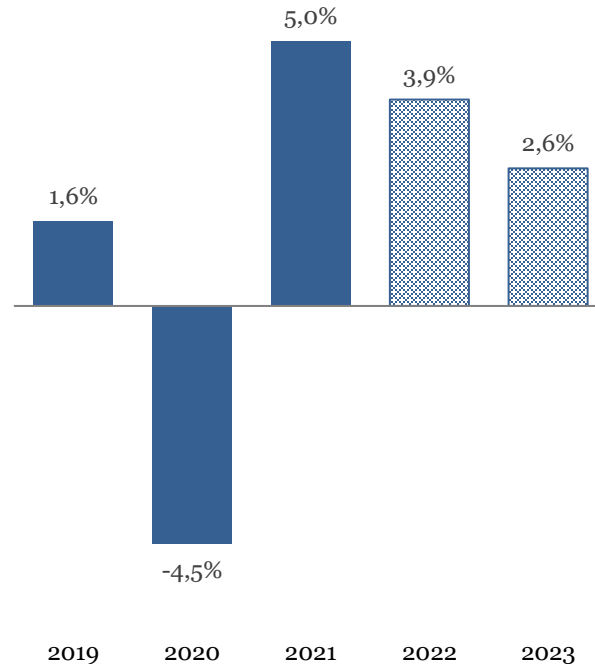
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Expectations for continued GDP growth, with emerging Asian economies being the main driver - supporting expectations for a strong dry bulk markets for years to come

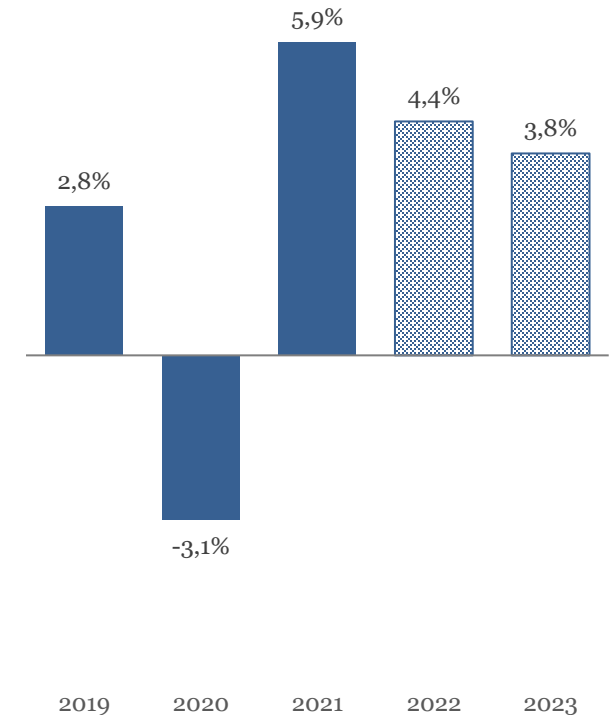
## EMERGING ECONOMIES



## ADVANCED ECONOMIES



## GLOBAL ECONOMY



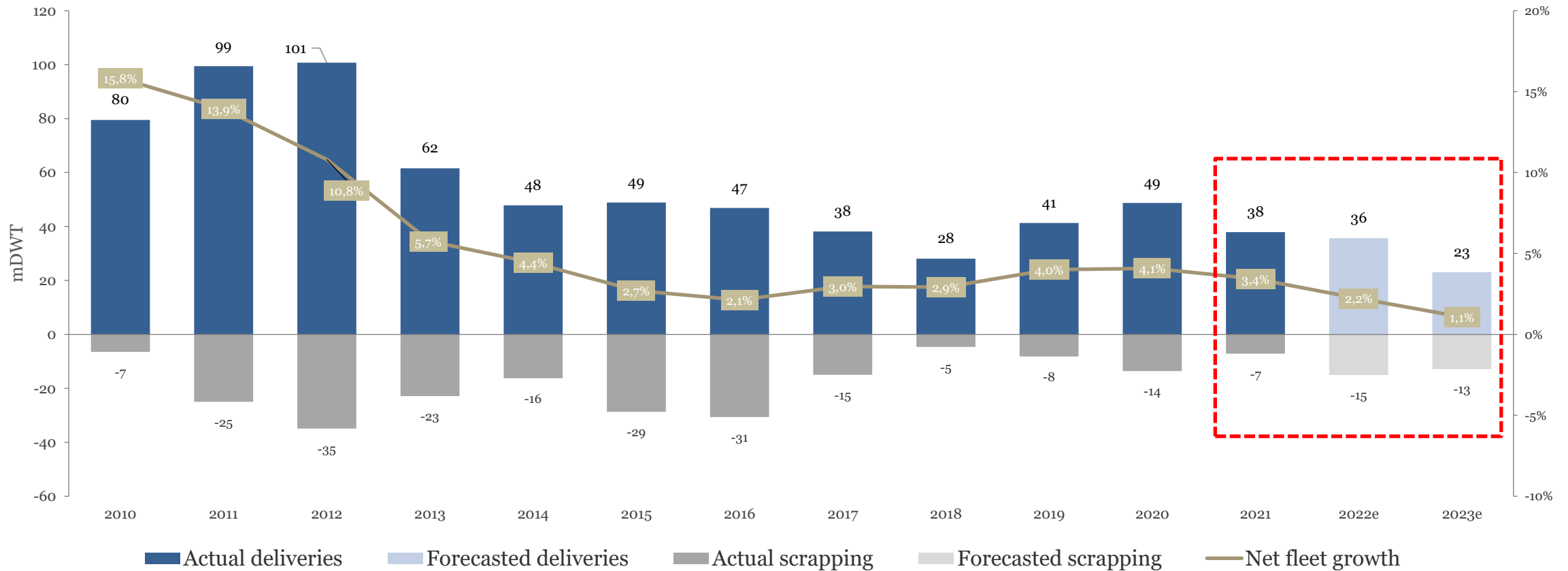
# NET FLEET GROWTH IS THE LOWEST IN 30 YEARS



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Orderbook is likely to stay muted due to limited slot availability before 2024, increasing prices, limited availability of financing and new emissions regulations

## ESTIMATED NET FLEET GROWTH OF ~2.2% (2022), AND ~1.1% (2023)



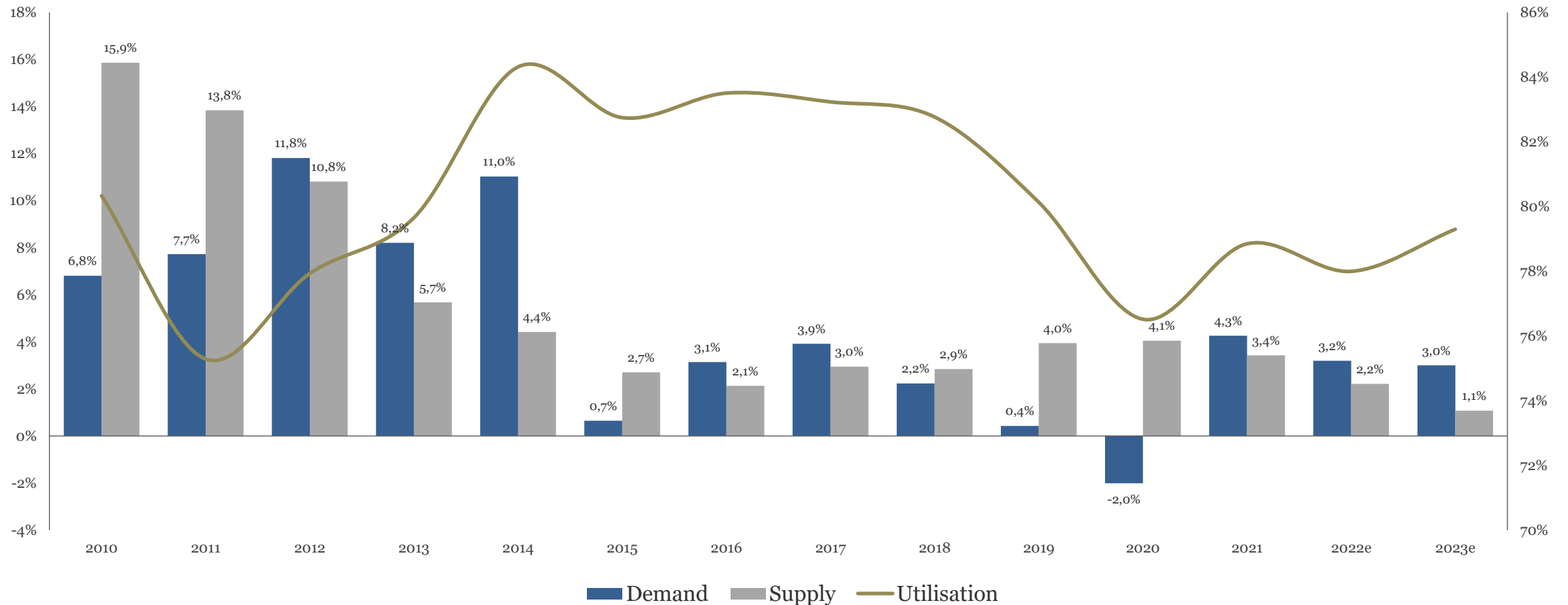
# DEMAND TO OUTPACE SUPPLY THROUGH 2023



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Fleet utilization is forecast to increase, supporting continued strong freight rate environment

## SUPPLY / DEMAND MARKET BALANCE



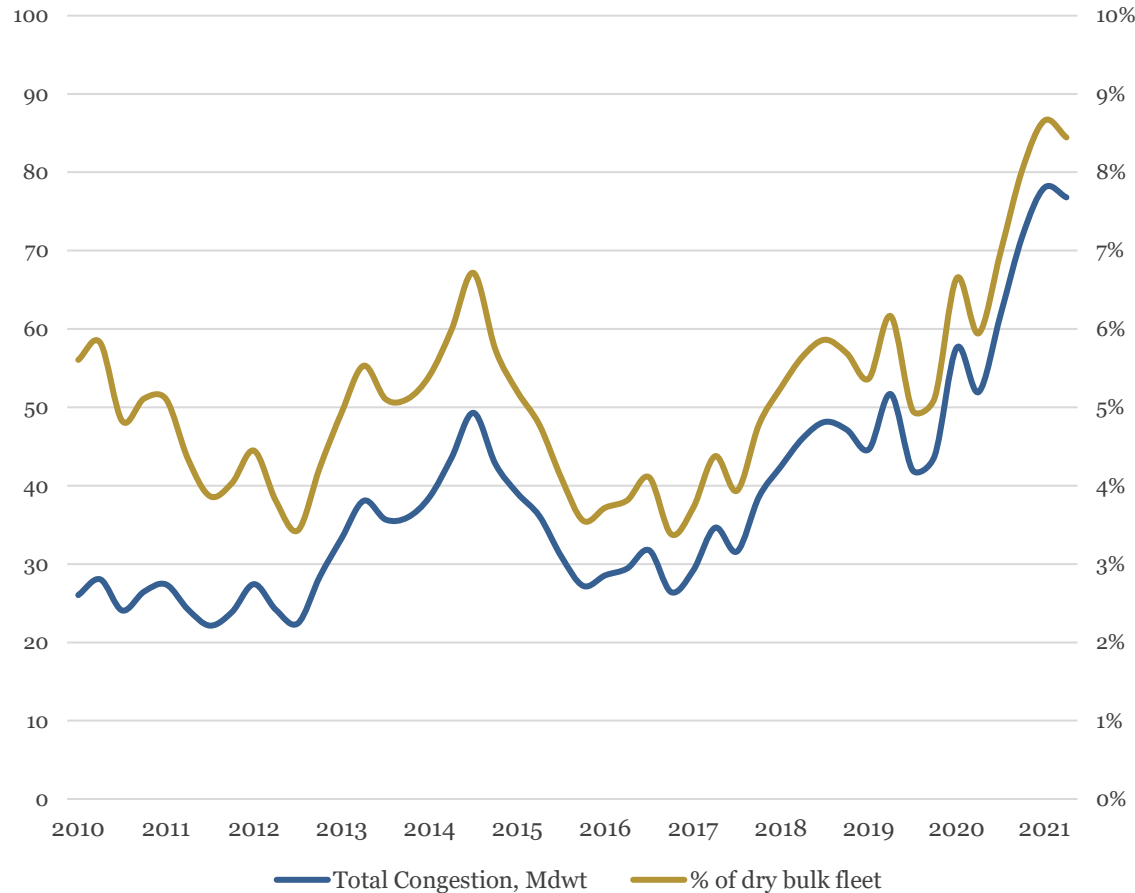
# CONGESTION AND EEXI TO IMPACT FLEET EFFICIENCY



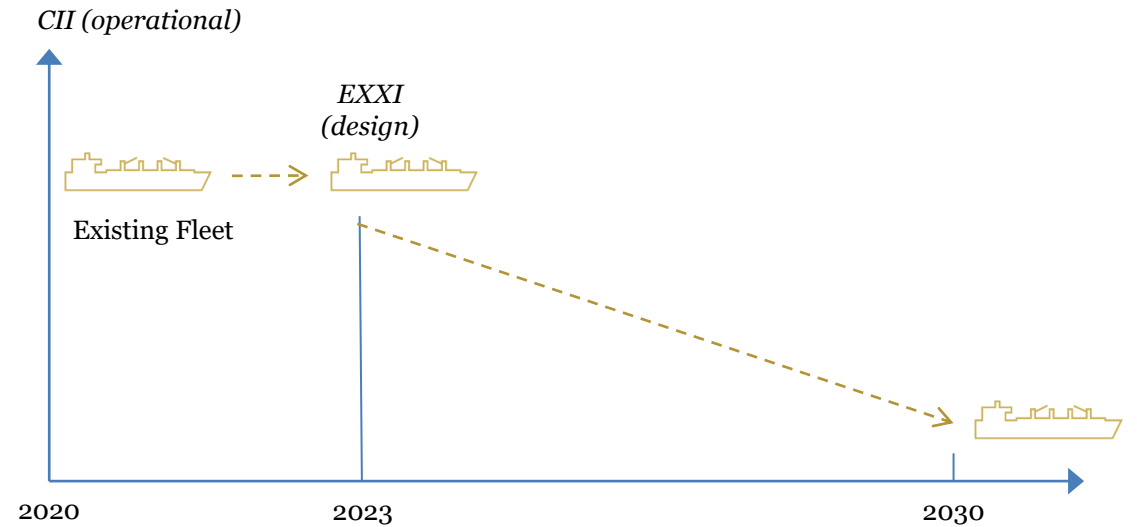
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Inefficiencies set to reduce effective fleet supply during a period where demand growth will exceed supply growth

## FLEET CONGESTION



## EEXI IMPLEMENTATION TIMELINE



- EEXI is a one-time certification, while CII is annual
- An estimated 84% of the bulk fleet is non-compliant
- Compliance through “engine power limitation” or upgrades of vessels’ performance (or both)





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## STRATEGY

# GOLDEN OCEAN'S THREE STRATEGIC PILLARS

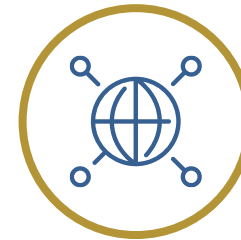
## STRATEGY



**Focus on the large  
vessel classes**



**Manage downside,  
position for upside**



**Digitalisation and  
decarbonisation**

# THE STRATEGY IS CHANGING AS THE DRY BULK MARKET IS MATURING

## **From ”sowing” to “harvesting”**

- We expanded the fleet by 32% and strengthened the operating platform through the divestment of SeaTeam, discontinuation of 3rd party services and leaving the CCL Pool.
- In the meantime, the dry bulk market has been maturing. The freight market is strong, and asset prices are up
- The strong cycle to carry into 2022/2023, driven by steady demand growth and exceptionally low fleet growth
- Thus, the focus is shifting from growing the Company to taking home profit, while preparing for the future through the decarbonisation strategy

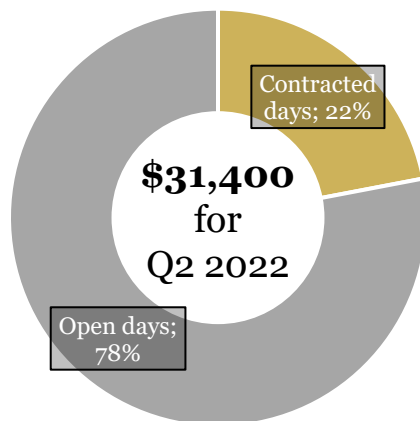
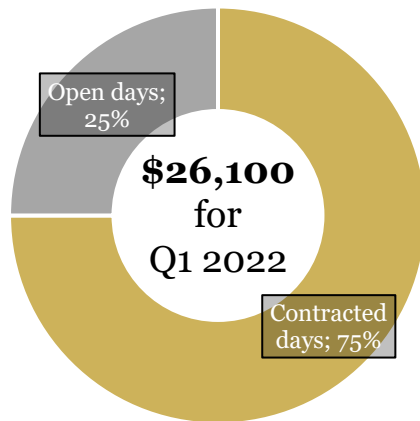
## **The main focus areas for 2022:**

- Maximise revenue and dividends through prudent and first-class execution of chartering and trading. And through the divestment of older tonnage
- Continue (and accelerate) decarbonisation. By improving the fleet’s efficiency, we lower bunker costs and comply with future regulations and our Charterers’ requirements

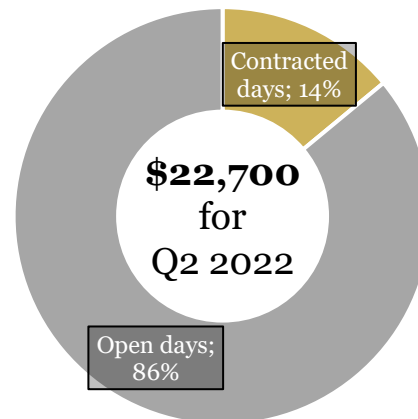
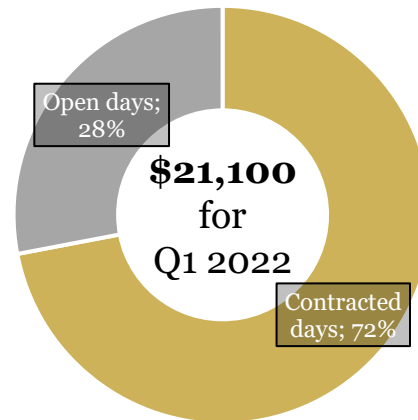
# MAXIMISING RETURN AND MANAGING RISK

Significant cash flow secured in first half of the year. Effectively building a bridge into the second half of the year, which is expected to be much stronger

## CAPESIZE



## PANAMAX

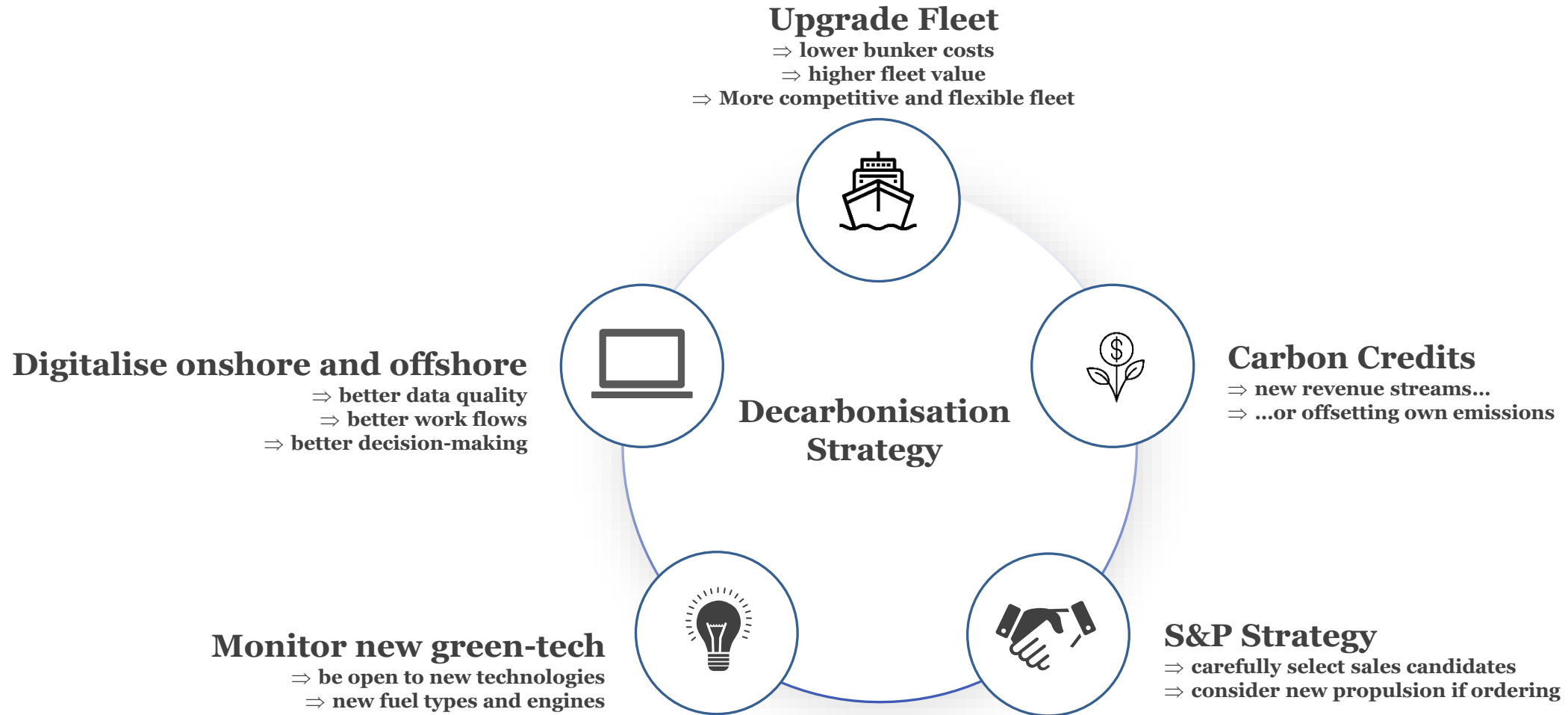


## COMMENTS

- ✓ ~\$50 million in contracted TCE for Q2 2022 – from 19% of the fleet
- ✓ Bridging through seasonally weaker part of the year
- ✓ Securing continued dividend capacity
- ✓ YTD indices:
  - ✓ Capesize: \$12.5k per day
  - ✓ Panamax: \$18.8k per day

# DECARBONISATION MEANS LOWER COSTS, CREATING NEW REVENUE STREAMS AND FUTURE-PROOFING THE FLEET

The world is decarbonisation and it is an opportunity for Golden Ocean





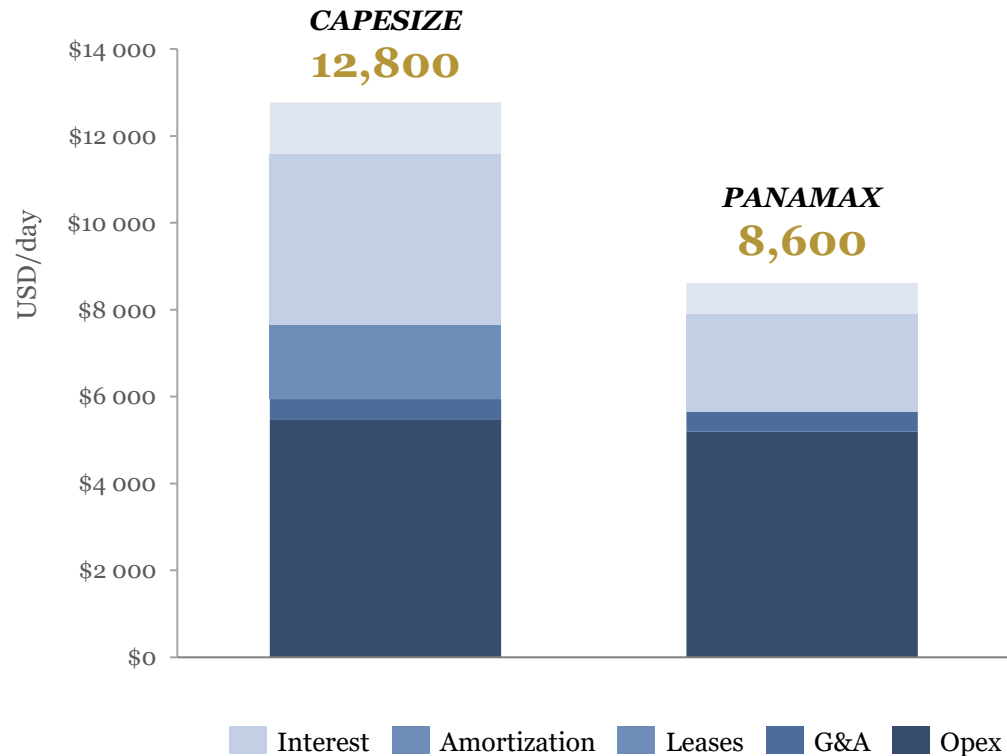
# INDUSTRY LOW CASH BREAK-EVEN AND LIMITED CAPEX



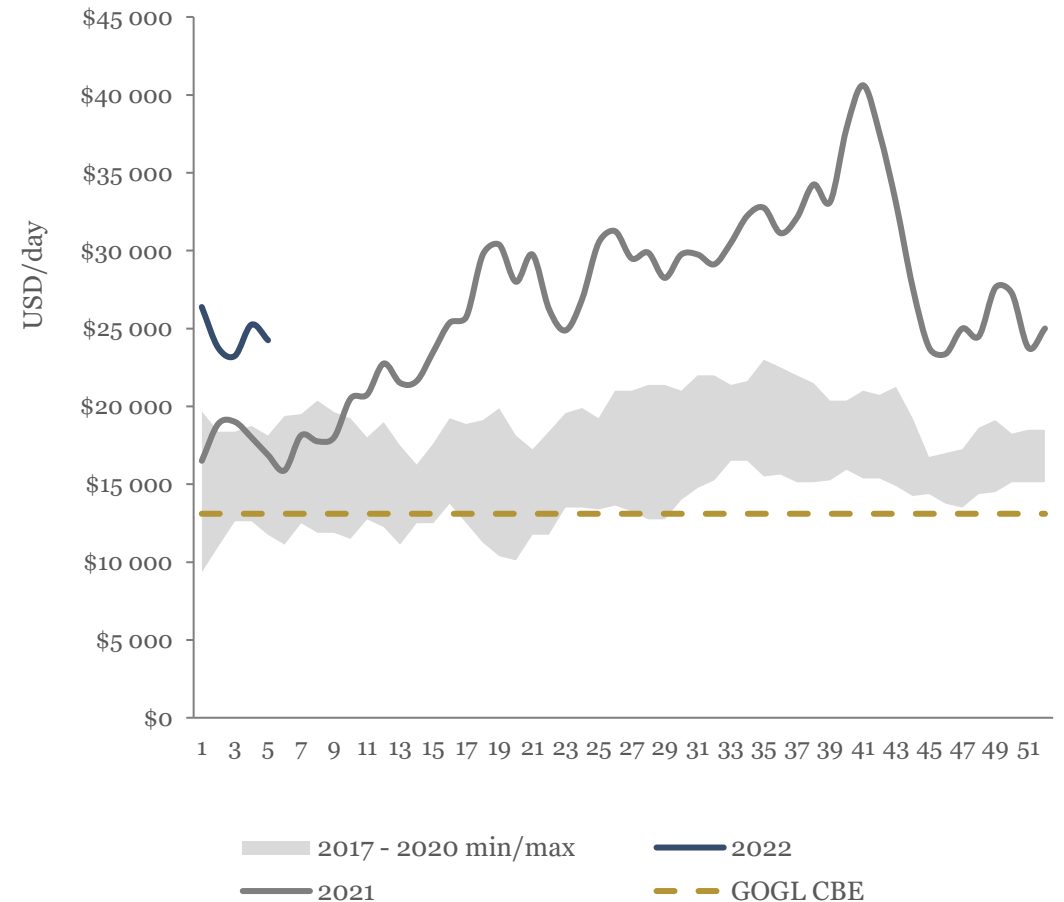
GOLDEN OCEAN™

Achieved through well timed acquisitions, modern attractive fleet and access to competitive financing

CASH BREAK EVEN (year end 2021)



CAPEXSIZE 1YR TC RATES (USD/DAY)



# STRONG CASH FLOW POTENTIAL

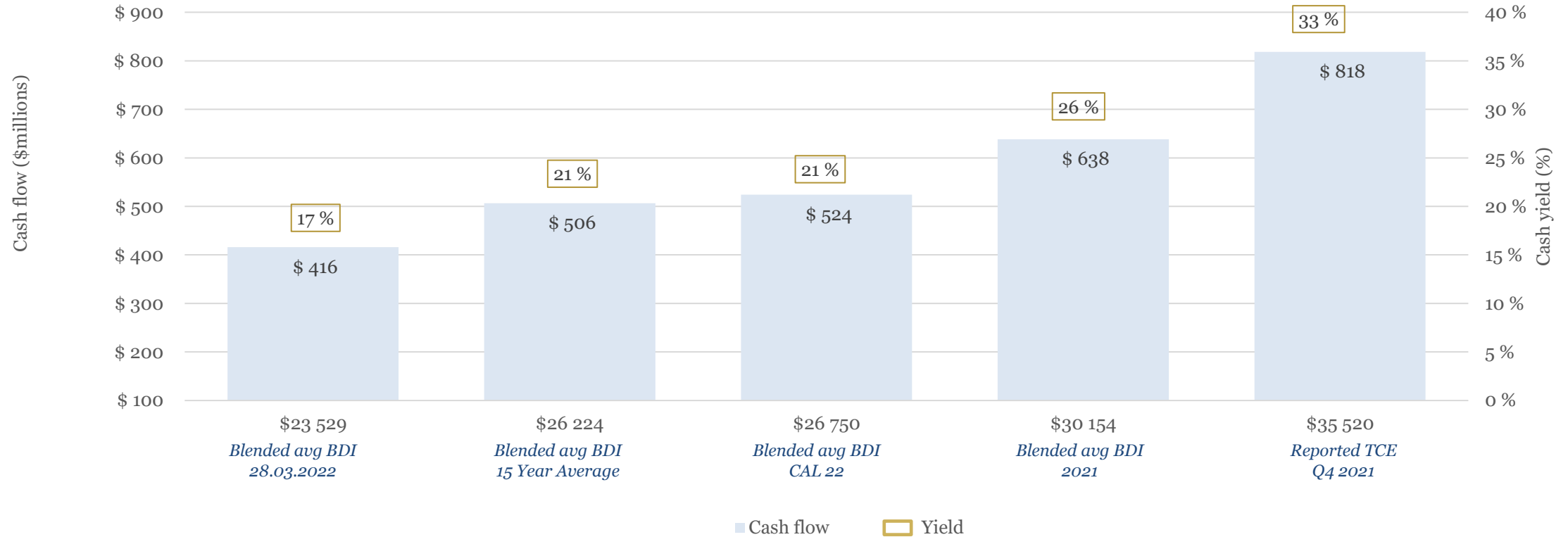


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Significant earnings potential with modern on-the-water fleet comprised almost exclusively of Capesize and Panamax vessels

## ANNUALIZED FREE CASH FLOW ABOVE CBE AT DIFFERENT ACHIEVED RATES

TCE rate for fleet





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## APPENDIX / Q4 FINANCIALS

# HIGHLIGHTS Q4-21



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- Adjusted **EBITDA** in the fourth quarter of 2021 was **\$243.5 million** compared with \$229.7 million in the third quarter of 2021
- The Company reports **net income of \$203.8 million** and earnings per share of \$1.02 for the fourth quarter of 2021 – the best in the history of the Company - compared with \$195.3 million and earnings per share of \$0.97 for the third quarter of 2021
- Sold two older **Panamax vessels at attractive prices**, as part of the fleet renewal strategy
- **Reported TCE rates for Capesize and Panamax vessels** of \$39,304 per day and \$29,635 per day, respectively, in the fourth quarter of 2021
- **Estimated TCE rates for the first quarter of 2022** calculated on a load-to-discharge basis and inclusive of charter coverage are:
  - approximately \$26,100 per day contracted for 75% of the available days for Capesize vessels<sup>(1)</sup>
  - approximately \$21,100 per day contracted for 72% of the available days for Panamax vessels<sup>(1)</sup>
- **Estimated TCE rates for the second quarter of 2022** calculated on a load-to-discharge basis, including charter coverage are:
  - approximately \$31,400 per day contracted for 22% of the available days for Capesize vessels<sup>(1)</sup>
  - approximately \$22,700 per day contracted for 14% of the available days for Panamax vessels<sup>(1)</sup>
- **Announces a dividend of \$0.90 per share** for the fourth quarter of 2021

1) THE COMPANY EXPECTS SPOT TCE RATES FOR THE FULL FIRST QUARTER OF 2022 AND THE FULL SECOND QUARTER OF 2022 TO BE LOWER THAN THE RATES CURRENTLY CONTRACTED DUE TO THE IMPACT OF BALLAST DAYS AT THE END OF THE FIRST QUARTER OF 2022 AND THE END OF THE SECOND QUARTER OF 2022, RESPECTIVELY

# PROFIT & LOSS

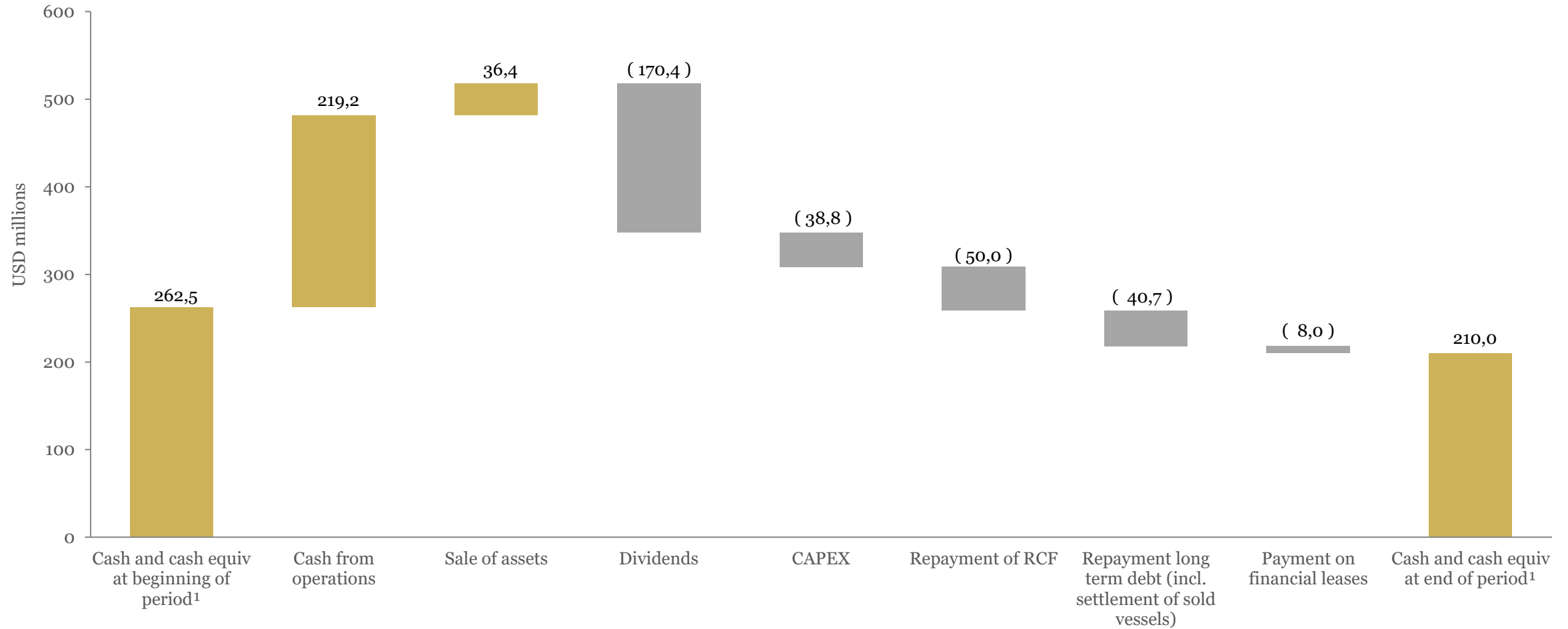


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(in thousands of \$)	<i>FY 2021</i>	<i>Q4 2021</i>	<i>Q3 2021</i>	<i>Quarterly Variance</i>
Operating revenues and other operating income / expenses	1,201,173	375,450	388,410	(12,960)
Voyage expenses	(252,865)	(68,942)	(81,734)	12,792
<b>Net revenues</b>	<b>948,308</b>	<b>306,508</b>	<b>306,676</b>	<b>(168)</b>
<b>Gain from disposal of vessels</b>	<b>9,788</b>	<b>4,928</b>	<b>4,860</b>	<b>68</b>
Ship operating expenses	(208,894)	(57,622)	(52,371)	(5,251)
Administrative expenses	(18,149)	(4,827)	(4,602)	(225)
Charter hire expenses	(89,559)	(11,247)	(31,240)	19,993
Depreciation	(123,699)	(33,354)	(33,299)	(55)
Impairment loss on vessels	(4,187)	-	-	-
<b>Net operating expenses</b>	<b>(444,488)</b>	<b>(107,050)</b>	<b>(121,512)</b>	<b>14,462</b>
<b>Net operating income</b>	<b>513,608</b>	<b>204,386</b>	<b>190,024</b>	<b>14,362</b>
Net financial expenses	(39,425)	(10,355)	(10,770)	415
Derivatives and other financial income	53,424	10,096	16,105	(6,009)
<b>Net income before taxation</b>	<b>527,607</b>	<b>204,127</b>	<b>195,359</b>	<b>8,768</b>
Income tax expense	(389)	(309)	(30)	(279)
<b>Net income</b>	<b>527,218</b>	<b>203,818</b>	<b>195,329</b>	<b>8,489</b>
Earnings per share: basic and diluted	\$2.74/\$2.73	\$1.02/\$1.01	\$0.97	\$0.05
<b>Adjusted EBITDA</b>	<b>658,242</b>	<b>243,544</b>	<b>229,652</b>	<b>13,892</b>
<b>TCE per day</b>	<b>27,582</b>	<b>35,256</b>	<b>32,262</b>	<b>2,994</b>



# CASH FLOW – Q4 2021



1) INCLUDES RESTRICTED CASH

# BALANCE SHEET



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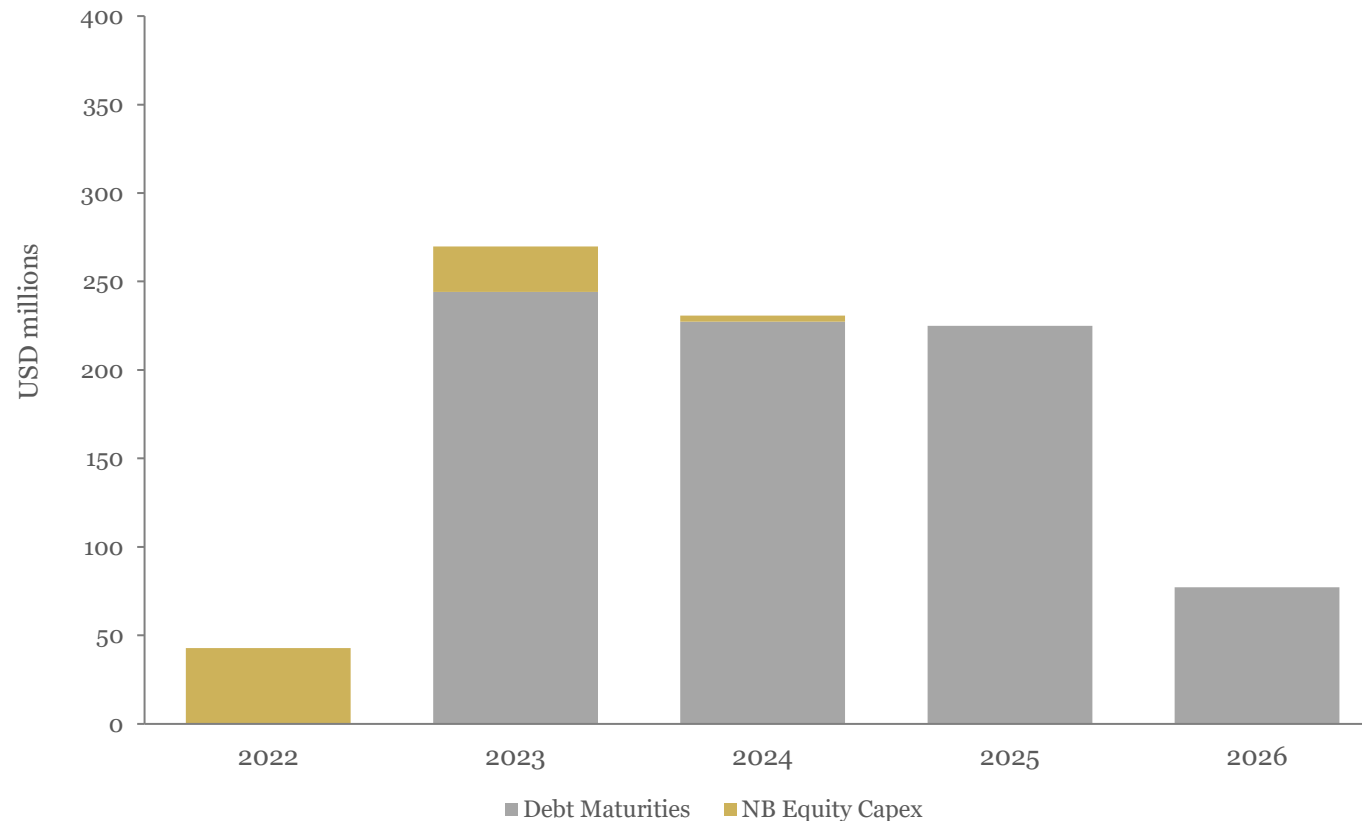
(in thousands of \$)	Q4 2021	Q3 2021	Quarterly Variance
<b>ASSETS</b>			
<b>Short term</b>			
Cash and cash equivalents (incl. restricted cash)	210,017	262,462	(52,445)
Other current assets	159,373	186,056	(26,683)
<b>Long term</b>			
Vessels and equipment, net (incl. held for sale)	2,880,321	2,939,818	(59,497)
Newbuildings	35,678	-	35,678
Leases, right of use of assets	118,500	120,658	(2,158)
Other long-term assets	50,288	39,622	10,666
<b>Total assets</b>	<b>3,454,177</b>	<b>3,548,616</b>	<b>(94,439)</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Short term</b>			
Current portion of long-term debt	105,864	107,534	(1,670)
Current portion of finance lease obligations	21,755	23,332	(1,577)
Current portion of operating lease obligations	13,860	15,107	(1,247)
Other current liabilities	106,594	136,362	(29,768)
<b>Long term</b>			
Long-term debt	1,156,481	1,244,735	(88,254)
Non-current portion of finance lease obligations	105,975	110,347	(4,372)
Non-current portion of operating lease obligations	14,907	16,036	(1,129)
<b>Equity</b>	<b>1,928,741</b>	<b>1,895,163</b>	<b>33,578</b>
<b>Total liabilities and equity</b>	<b>3,454,177</b>	<b>3,548,616</b>	<b>(94,439)</b>

# STRONG BALANCE SHEET SUPPORTING CAPITAL ALLOCATION



No maturities before 2023 and remaining marginal newbuilding equity capex

## DEBT MATURITIES & CAPEX



## UNIQUE ACCESS TO CAPITAL

- ✓ Banking group consisting of the **largest and most active global shipping banks**
- ✓ **Strong liquidity position** and consistent access to competitive financing
- ✓ Fleet wide average LTV ~**41%**
- ✓ Sale of older vessel sales funding NB capex
- ✓ **Full focus on dividends** going into a strengthening market

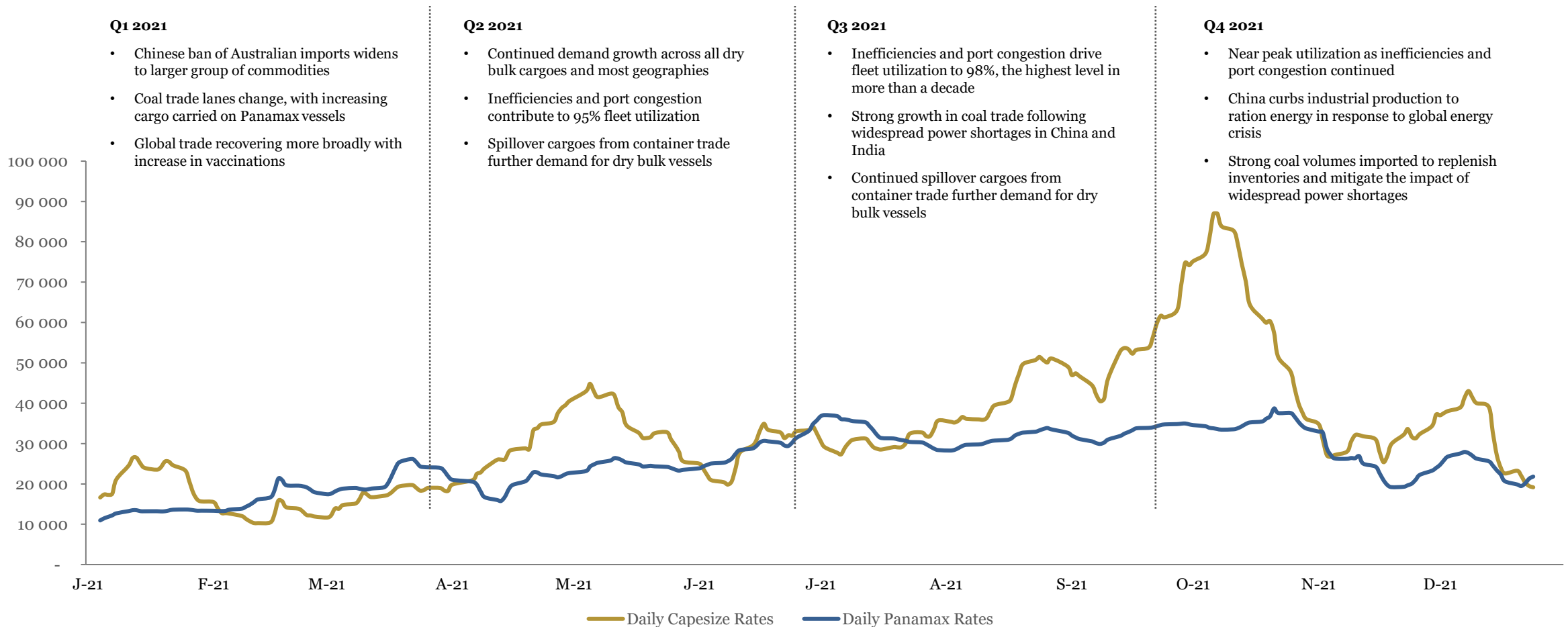
# Q4 MARKET DEVELOPMENTS



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Fleet inefficiencies amid continued healthy demand across most commodity groups continued to support a strong rate environment

## DAILY DRY BULK SHIPPING RATES – LAST 12 MONTHS



THANK YOU FOR YOUR ATTENTION!



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