



COMPANY PRESENTATION | Q3 2022
NOVEMBER 2022



BELSHIPS

Belships ASA – Owner and Operator of Bulk Carriers



The newest Ultramax fleet

31x bulk carriers



Strong financial position

Capital discipline and dividend policy



Corporate governance leader

Transparency and zero conflicts of interest



Lighthouse Navigation

Commercial management and operating platform

3.6 years

average vessel age

USD 10 900

cash break-even per day 2023

Founded 1918

stock listed since 1937

12 years

of annual profits

Highlights – Q3 2022

CONTRACT COVERAGE SECURES PROFITABILITY AND DIVIDEND OUTLOOK FOR 2023

- Operating income of USD 151.8m (USD 205.3m)
- EBITDA of USD 56.4m (USD 57.1m) including USD 10.1m from Lighthouse Navigation
- Net result of USD 49.8m (USD 35.2m)
- Declared dividend of USD 18.4m (NOK 0.75 per share)
- TCE of USD 24 155 gross per day for owned fleet
- 90 per cent of ship days in Q4 2022 are fixed at USD 22 900 gross per day
- 64 per cent of ship days in the next four quarters are fixed at USD 22 300 gross per day
- Modern fleet of 31 vessels with an average age below four years and daily cash breakeven for 2023 of about USD 10 900 per vessel

Earnings summary

| Q3 2022 | Q3 2021 |
|--------------------------------------|--------------------------------------|
| Average TCE USD 24 155/day | Average TCE USD 26 714/day |
| EBITDA USD 56.4m | EBITDA USD 57.1m |
| Net result USD 49.8m | Net result USD 35.2m |

Financial position

| Assets | Equity and liabilities |
|--|--|
| Cash and cash equivalents USD 116.3m | Book value Equity USD 281.9m |
| Ships USD 724.3m | Interest bearing debt USD 585.7m |
| Other assets USD 133.6m | Other liabilities USD 106.6m |

Lighthouse Navigation – Dry Bulk Operating

Track Record

Profitable every year since inception in 2009

Risk Management

Skin in the game - leading employees invested

Growth

Offices in 4 countries with 80 employees

Volume

Operating about 60 vessels*

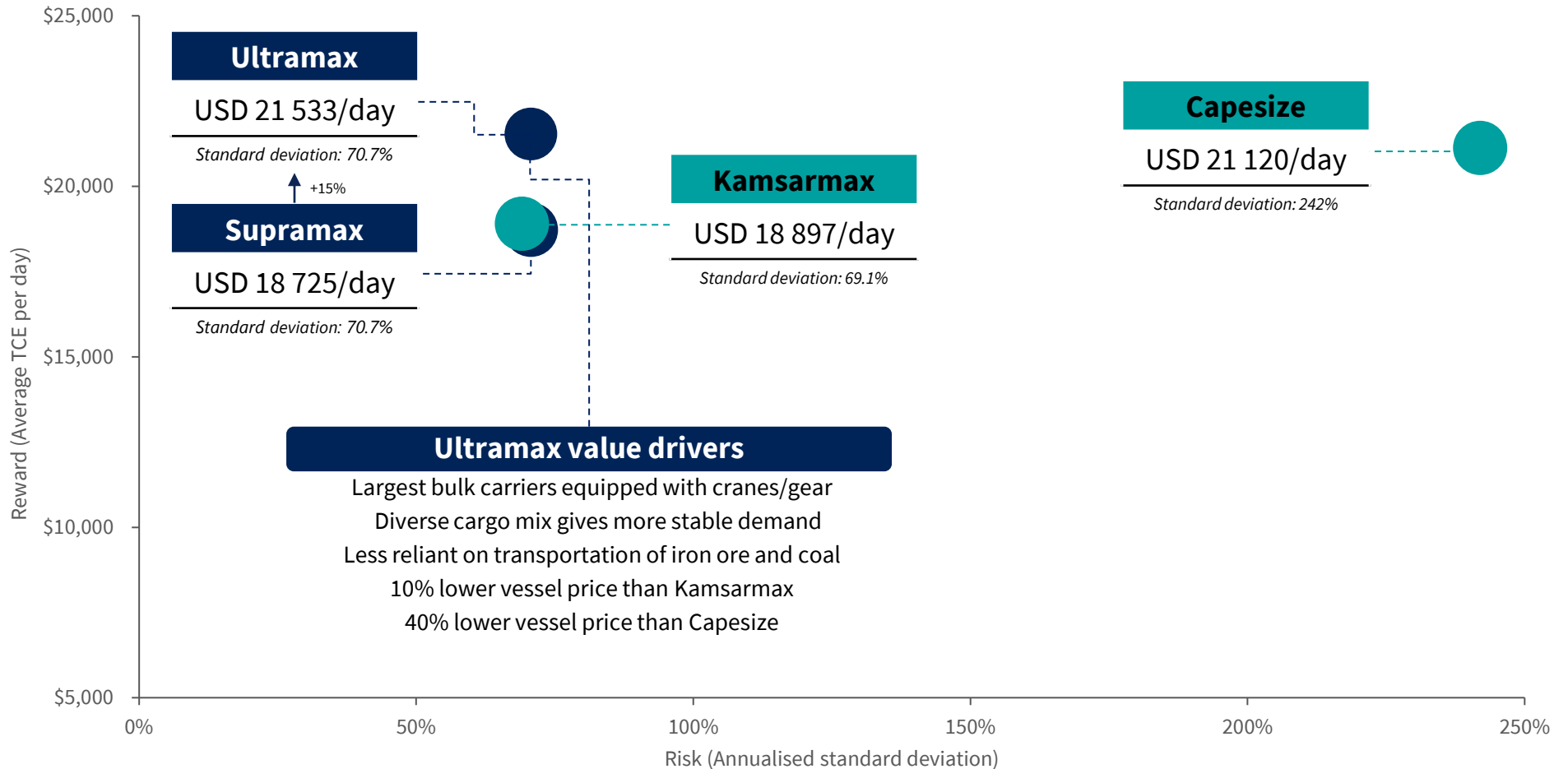
Performance

Average EBITDA of USD 9.6m last 12 quarters



Ultramax – Superior Risk/Reward

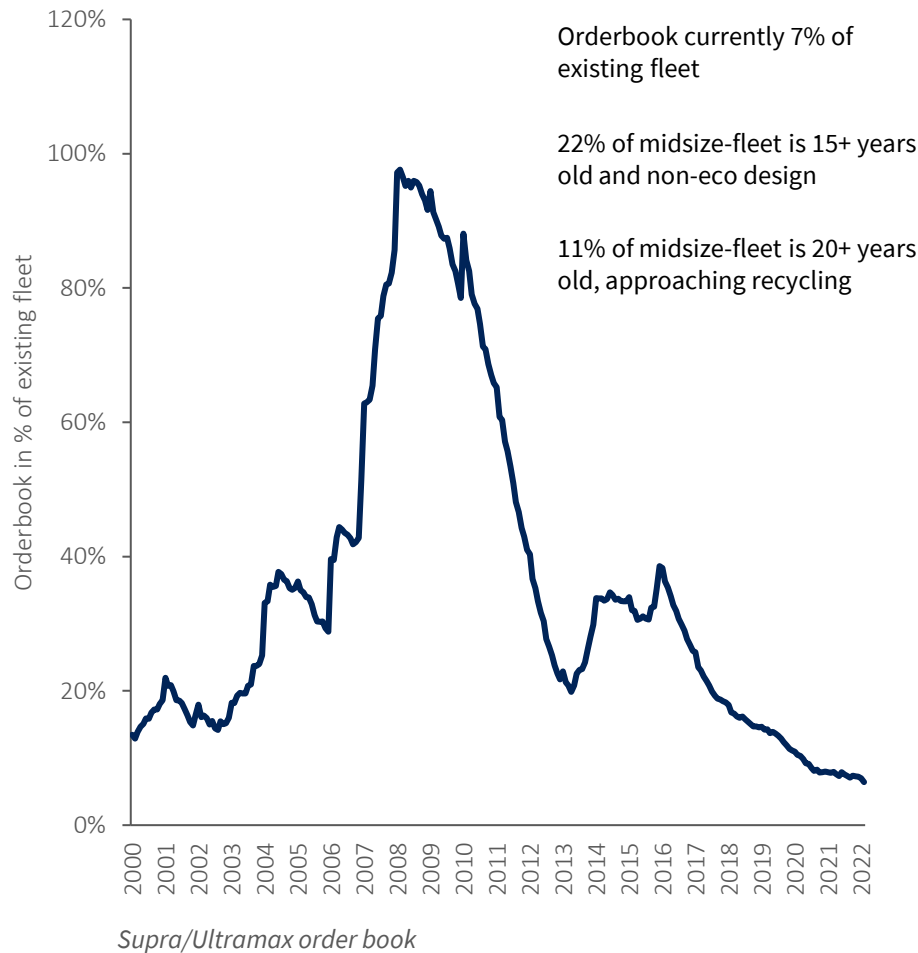
Average earnings per day - Last 3 years – Strong outperformance of index vessels



Supramax: BSI58
 Kamsarmax: BPI82
 Capesize: BCI 5TC
 Source: Baltic Exchange

Market Update – Historically Low Orderbook

Lowest fleet growth in decades



ORDERBOOK/SUPPLY - The order book for Supra/Ultramax bulk carriers is about 7 per cent. In relative terms, we are heading towards the lowest rate of supply growth in 30 years.

78x Supra/Ultramax bulk carriers have been delivered year-to-date. 24x vessels are scheduled to be delivered for the remaining part of the year

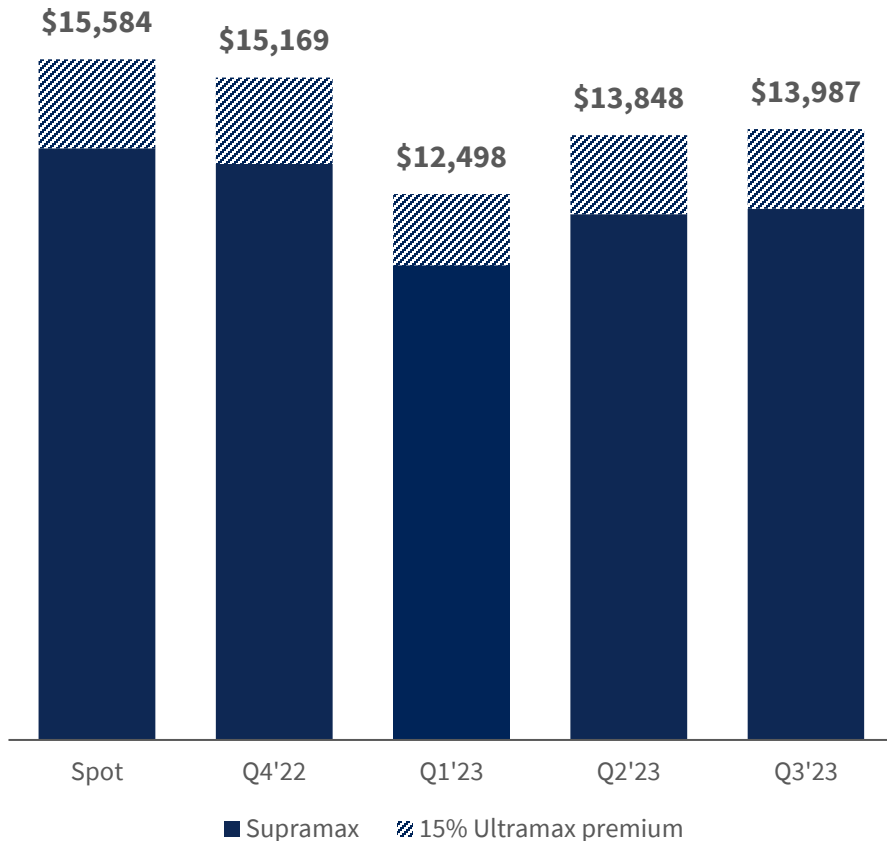
103x vessels are scheduled to be delivered in 2023, however, it may be lower as some orders are usually, delayed, cancelled or incorrectly reported.

The new regulations (EEXI) in 2023 might cause a slight contraction on the supply side as older vessels may have to reduce their maximum sailing speed. However, high bunker prices have already resulted in a moderate reduction in average sailing speeds, therefore reducing the chance for any dramatic effects from new regulations in January 2023.

NEWBUILDING PRICES: Ordering activity for bulk carriers remains low, cost inflation and high demand from other shipping segments has reduced the available shipbuilding capacity for bulk carriers for the next 2-3 years. A Japanese Ultramax newbuilding would today cost in the region of USD 37m with delivery in 2025.

SECONDHAND VESSEL VALUES: The value of a 5-year old Japanese-built Ultramax today is in the region of USD 30m. With current earnings, it remains clearly in favour of buying existing vessels rather than contracting newbuildings.

Current freight market - Spot and FFA



RATES – The Baltic Supramax Index (BSI-58) averaged 19 700 per day – down from 28 900 in Q2. The Baltic Exchange Supramax spot index is currently about USD 13 600. Freight Forward Agreements (FFA) currently indicate a market average of about USD 13 300 for the remaining part of the year, with Ultramax bulk carriers earning an additional premium.

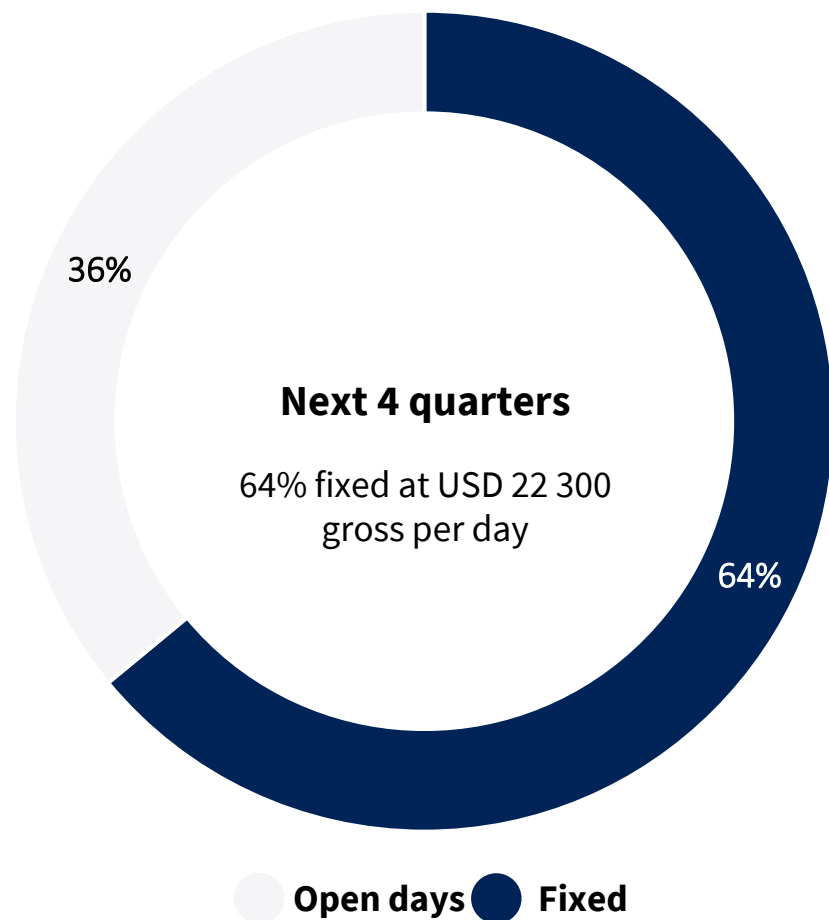
DEMAND – According to Fearnleys, total Supramax shipment volumes ended at 250 million tons, unchanged from the previous quarter. This is, however, about 5 per cent lower compared to last year, when 264 and 255 million tons were shipped in Q2 and Q3 2021, respectively.

Port congestion has reversed from earlier this year and is now close to pre-Covid normalised levels. This increase in sailing efficiency has affected rates negatively in the quarter markedly.

China has continued to fight the pandemic with severe lockdowns in major cities. The war in Ukraine exposed energy and commodity shortages which has accelerated inflation. Usual volumes of wheat, corn, fertilizers and steel products have been prevented from moving out of the Black Sea or Northwestern Russian ports. In sum, fears of demand destruction from high commodity prices and rising interest rates have subdued near term GDP forecasts.

FOOD, ENERGY AND INFRASTRUCTURE – Seaborne iron ore is predominantly driven by Chinese demand for steel production, whereas minor bulks tend to correlate closer with wider GDP growth. Rising inflation and recession fears has lowered GDP growth estimates, still positive for 2023. China economic stimulus expected to continue which tends to support infrastructure and dry bulk demand.

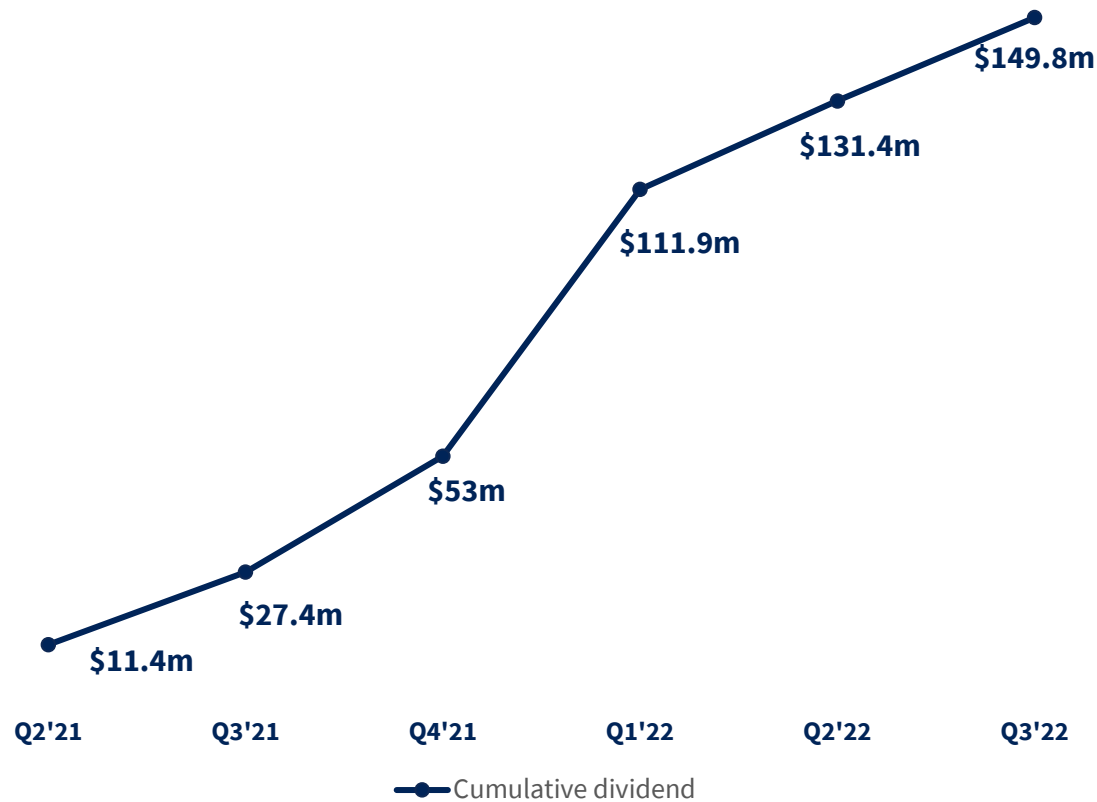
Significant de-risk: Highly Profitable Contract Coverage



| Period | Contract coverage | TCE (USD/day) |
|---------|-------------------|---------------|
| Q4 2022 | 90 % | 22 900 |
| Q1 2023 | 70 % | 22 500 |
| Q2 2023 | 55 % | 21 700 |
| Q3 2023 | 43 % | 21 500 |
| Q4 2023 | 33 % | 21 500 |
| Q1 2024 | 17 % | 21 500 |

Cash breakeven for remaining open days in 2023 is below zero

Payout since Dividend Policy Q2 2021

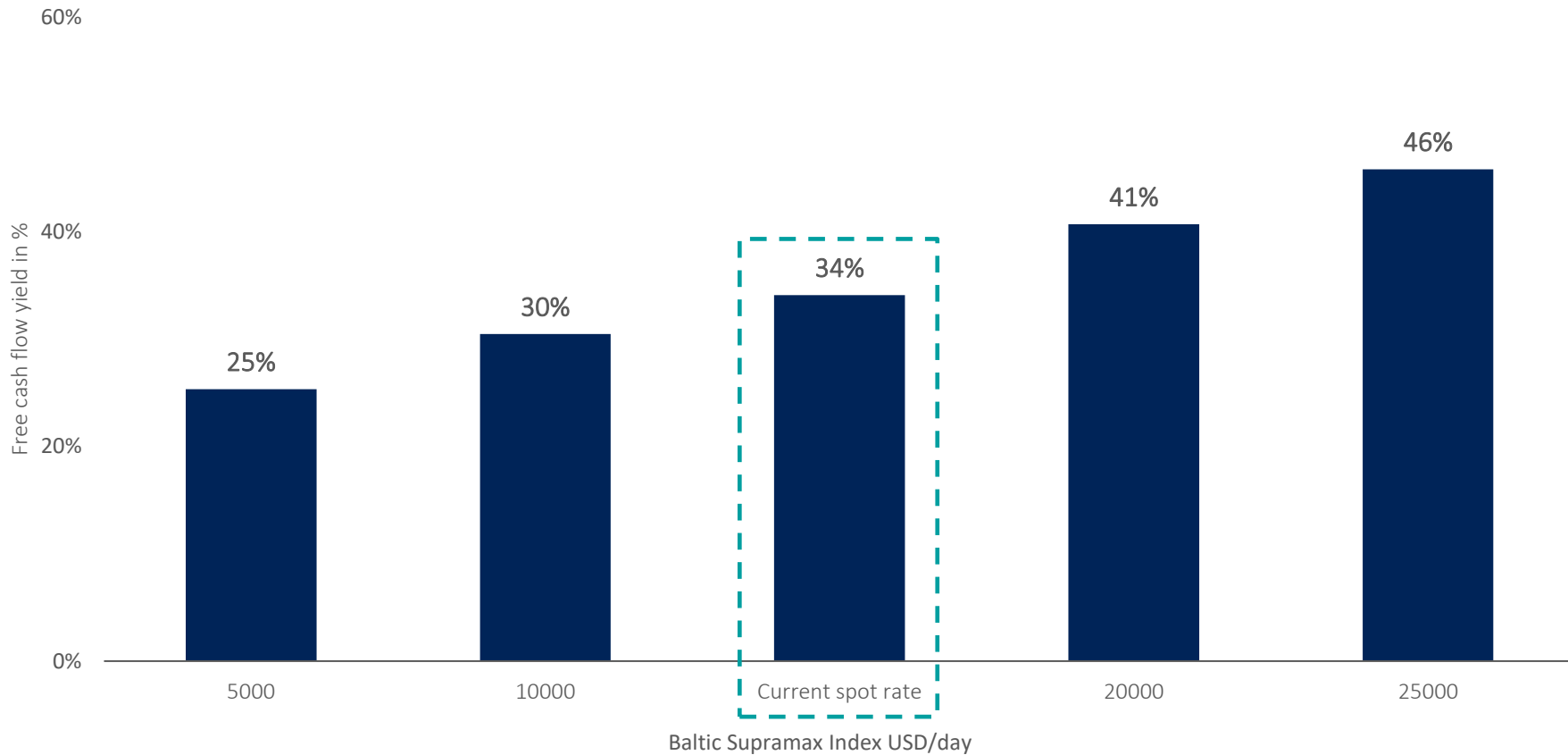


| Period | Dividend per share |
|--------------|--------------------|
| Q2 2021 | 0.40 |
| Q3 2021 | 0.55 |
| Q4 2021 | 0.90 |
| Q1 2022 | 2.25 |
| Q2 2022 | 0.75 |
| Q3 2022 | 0.75 |
| Total | 5.60 NOK |

Focus on returning value to shareholders

Undervalued – Strong Downside Protection

Potential free cash flow yield next four quarters



Significant free cash flow and dividend capacity even in lower markets

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 10.3, Share price NOK 15, BSI 13 551} – basis 9 Nov 22

Free cash flow yield basis Belships' current contract coverage and contribution from Lighthouse Navigation equal to average last 12 quarters

Belships ASA – A Safe Harbour in High Seas



Modern Ultramax Fleet

31x vessels with an average age of 3.6 years

Fully Financed

Fixed interest rates on 75% of debt

Market Uncertainty

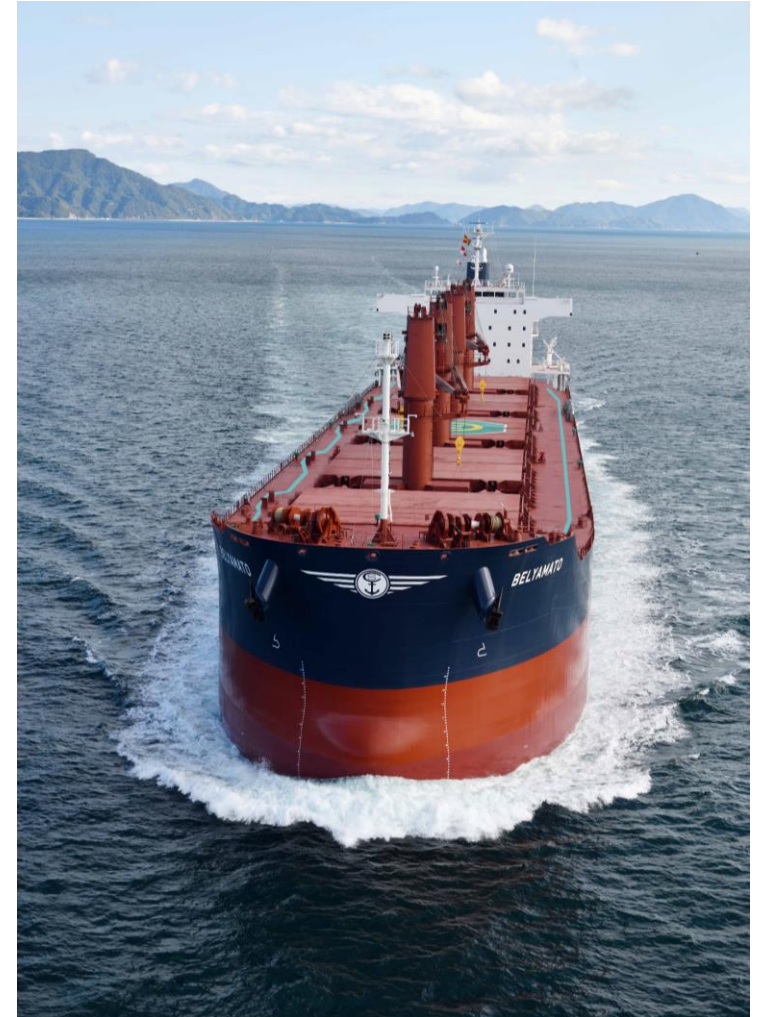
Short term headwinds vs lowest orderbook in 30 years

Solid Contract Coverage

Dividend capacity secured for 2023

Value

Discount to NAV and outsized dividend yield



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Consolidated Statement of Income and Financial Position



BELSHIPS

Consolidated statement of income

| USD 1 000 | Q3 2022 | Q3 2021 | YTD Q3 2022 | YTD Q3 2021 | 2021 |
|---|------------------|-----------------|-----------------|-----------------|-----------------|
| Gross freight revenue | Note 210 459 | 238 169 | 720 177 | 511 150 | 808 237 |
| Voyage expenses | -59 381 | -34 306 | -151 895 | -93 666 | -164 929 |
| Net freight revenue | 2 151 078 | 203 863 | 568 282 | 417 484 | 643 308 |
| Management fees | 726 | 1 397 | 7 027 | 4 569 | 7 366 |
| Operating income | 2 151 804 | 205 260 | 575 309 | 422 053 | 650 674 |
| Share of result from j/v and assoc. comp. | 6 327 | 3 598 | 25 214 | 6 081 | 14 323 |
| T/C hire expenses | -84 036 | -125 262 | -369 256 | -260 187 | -400 710 |
| Ship operating expenses | -12 785 | -14 675 | -39 845 | -35 040 | -50 457 |
| Operating expenses management companies | -3 677 | -10 689 | -20 080 | -21 605 | -30 756 |
| General and administrative expenses | -1 218 | -1 090 | -5 469 | -3 463 | -4 795 |
| Operating expenses | -95 389 | -148 118 | -409 436 | -314 214 | -472 395 |
| EBITDA | 56 415 | 57 142 | 165 873 | 107 839 | 178 279 |
| Depreciation and amortisation | 3 -10 814 | -6 780 | -28 149 | -20 633 | -28 735 |
| Gain on sale of ships | 3 9 966 | 0 | 22 274 | 0 | 15 333 |
| Other gains/(-losses) | -1 695 | 0 | 2 874 | -6 739 | -4 048 |
| Operating result (EBIT) | 53 872 | 50 362 | 162 872 | 80 467 | 160 829 |
| Interest income | 303 | 224 | 403 | 655 | 815 |
| Interest expenses | -7 297 | -4 000 | -18 013 | -10 841 | -15 881 |
| Other financial items | 553 | -950 | -4 893 | -1 294 | -2 308 |
| Currency gains/(-losses) | 2 626 | -798 | 2 675 | -946 | -1 325 |
| Net financial items | -3 815 | -5 524 | -19 828 | -12 426 | -18 699 |
| Result before taxes | 50 057 | 44 838 | 143 044 | 68 041 | 142 130 |
| Taxes | -291 | -9 619 | -2 184 | 6 173 | -8 708 |
| Net result | 49 766 | 35 219 | 140 860 | 74 214 | 133 422 |
| Hereof majority interests | 46 674 | 25 024 | 120 427 | 55 503 | 103 983 |
| Hereof non-controlling interests | 3 092 | 10 195 | 20 433 | 18 711 | 29 439 |
| Earnings per share | 0.20 | 0.14 | 0.56 | 0.29 | 0.54 |
| Diluted earnings per share | 0.19 | 0.14 | 0.55 | 0.30 | 0.53 |

Consolidated statement of financial position

| USD 1 000 | 30 Sep 2022 | 30 Sep 2021 | 31 Dec 2021 |
|--|----------------|----------------|----------------|
| NON-CURRENT ASSETS | Note | | |
| Intangible assets | 0 | 11 178 | 0 |
| Ships | 3 724 314 | 511 766 | 580 628 |
| Prepayment of ships | 13 500 | 0 | 0 |
| Property, Plant, and Equipment | 3 806 | 4 375 | 4 227 |
| Investments in j/v and assoc. companies | 25 057 | 5 779 | 13 997 |
| Other non-current assets | 104 | 2 373 | 821 |
| Total non-current assets | 766 781 | 535 471 | 599 673 |
| CURRENT ASSETS | | | |
| Assets held for sale | 0 | 21 349 | 23 933 |
| Bunker inventory | 15 288 | 14 963 | 16 492 |
| Current receivables | 75 893 | 64 031 | 52 332 |
| Cash and cash equivalents | 116 302 | 106 461 | 105 204 |
| Total current assets | 207 483 | 206 804 | 197 961 |
| Total assets | 974 264 | 742 275 | 797 634 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Paid-in capital | 157 839 | 158 678 | 158 802 |
| Retained earnings | 91 739 | 49 773 | 82 739 |
| Non-controlling interests | 32 371 | 23 131 | 31 378 |
| Total equity | 281 949 | 231 582 | 272 919 |
| NON-CURRENT LIABILITIES | | | |
| Long-term interest bearing debt | 4 516 613 | 386 354 | 412 881 |
| Other non-current liabilities | 1 633 | 2 189 | 1 757 |
| Total non-current liabilities | 518 246 | 388 543 | 414 638 |
| CURRENT LIABILITIES | | | |
| Current portion of interest bearing debt | 4 69 133 | 30 243 | 24 467 |
| Other current liabilities | 104 936 | 91 907 | 85 610 |
| Total current liabilities | 174 069 | 122 150 | 110 077 |
| Total equity and liabilities | 974 264 | 742 275 | 797 634 |

Uniform and Modern Fleet of 31 Bulk Carriers



| Vessel | Built | DWT | Yard |
|-----------------------|-------|--------|----------------|
| Newbuild TBN 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 |
| BELFUJI | 2020 | 63 000 | Imabari |
| BELGRACE | 2020 | 63 000 | Imabari |
| BELTANGO | 2020 | 64 000 | Mitsui |
| BELFORTE | 2019 | 64 000 | Mitsui |
| BELRAY | 2019 | 61 000 | Shin Kurushima |

| Vessel | Built | DWT | Yard |
|-------------|-------|--------|-----------|
| 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 |
| BELVEDERE | 2015 | 66 000 | Mitsui |
| BELFOREST | 2015 | 61 000 | Imabari |
| BELHAWK | 2015 | 61 000 | Imabari |
| BELSOUTH | 2015 | 63 000 | Hantong |