# GENCO SHIPPING & TRADING LIMITED




## Q2 2024 Earnings Presentation

August 8th, 2024

# Forward Looking Statements

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995

This presentation contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements use words such as “anticipate,” “budget,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” and other words and terms of similar meaning in connection with a discussion of potential future events, circumstances or future operating or financial performance. These forward-looking statements are based on our management’s current expectations and observations. Included among the factors that, in our view, could cause actual results to differ materially from the forward looking statements contained in this release are the following: (i) declines or sustained weakness in demand in the drybulk shipping industry; (ii) weakness or declines in drybulk shipping rates; (iii) changes in the supply of or demand for drybulk products, generally or in particular regions; (iv) changes in the supply of drybulk carriers including newbuilding of vessels or lower than anticipated scrapping of older vessels; (v) changes in rules and regulations applicable to the cargo industry, including, without limitation, legislation adopted by international organizations or by individual countries and actions taken by regulatory authorities; (vi) increases in costs and expenses including but not limited to: crew wages, insurance, provisions, lube oil, bunkers, repairs, maintenance, general and administrative expenses, and management expenses; (vii) whether our insurance arrangements are adequate; (viii) changes in general domestic and international political conditions; (ix) acts of war, terrorism, or piracy, including without limitation the ongoing war in Ukraine, the Israel-Hamas war, and attacks on vessels in the Red Sea; (x) changes in the condition of the Company’s vessels or applicable maintenance or regulatory standards (which may affect, among other things, our anticipated drydocking or maintenance and repair costs) and unanticipated drydock expenditures; (xi) the Company’s acquisition or disposition of vessels; (xii) the amount of offhire time needed to complete maintenance, repairs, and installation of equipment to comply with applicable regulations on vessels and the timing and amount of any reimbursement by our insurance carriers for insurance claims, including offhire days; (xiii) the completion of definitive documentation with respect to charters; (xiv) charterers’ compliance with the terms of their charters in the current market environment; (xv) the extent to which our operating results are affected by weakness in market conditions and freight and charter rates; (xvi) our ability to maintain contracts that are critical to our operation, to obtain and maintain acceptable terms with our vendors, customers and service providers and to retain key executives, managers and employees; (xvii) completion of documentation for vessel transactions and the performance of the terms thereof by buyers or sellers of vessels and us; (xviii) the relative cost and availability of low sulfur and high sulfur fuel, worldwide compliance with sulfur emissions regulations that took effect on January 1, 2020 and our ability to realize the economic benefits or recover the cost of the scrubbers we have installed; (xix) our financial results for the year ending December 31, 2024 and other factors relating to determination of the tax treatment of dividends we have declared; (xx) the financial results we achieve for each quarter that apply to the formula under our new dividend policy, including without limitation the actual amounts earned by our vessels and the amounts of various expenses we incur, as a significant decrease in such earnings or a significant increase in such expenses may affect our ability to carry out our new value strategy; (xxi) the exercise of the discretion of our Board regarding the declaration of dividends, including without limitation the amount that our Board determines to set aside for reserves under our dividend policy; (xxii) outbreaks of disease such as the COVID-19 pandemic; and (xxiii) other factors listed from time to time in our filings with the Securities and Exchange Commission, including, without limitation, our Annual Report on Form 10-K for the year ended December 31, 2023 and subsequent reports on Form 8-K and Form 10-Q). Our ability to pay dividends in any period will depend upon various factors, including the limitations under any credit agreements to which we may be a party, applicable provisions of Marshall Islands law and the final determination by the Board of Directors each quarter after its review of our financial performance, market developments, and the best interests of the Company and its shareholders. The timing and amount of dividends, if any, could also be affected by factors affecting cash flows, results of operations, required capital expenditures, or reserves. As a result, the amount of dividends actually paid may vary. We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.




# Agenda

Q2 2024 + YTD Highlights

Financial Overview

Industry Overview

# Second Quarter 2024 and Year-to-Date Highlights

# Q2 2024 highlights + financial performance

## Value Strategy

| | |
|---|---|
| **Dividends** | Q2 2024 dividend: $0.34/sh, 20th consecutive quarterly dividend totaling 33% of the current share price (as of Aug 6, 2024) |
| **Deleveraging** | 2% net loan-to-value* |
| **Growth / fleet renewal** | Purchased 2 x 2016-built Capesize vessels in Q4 2023<br><br>Agreed to divest 5 older, less fuel efficient vessels |

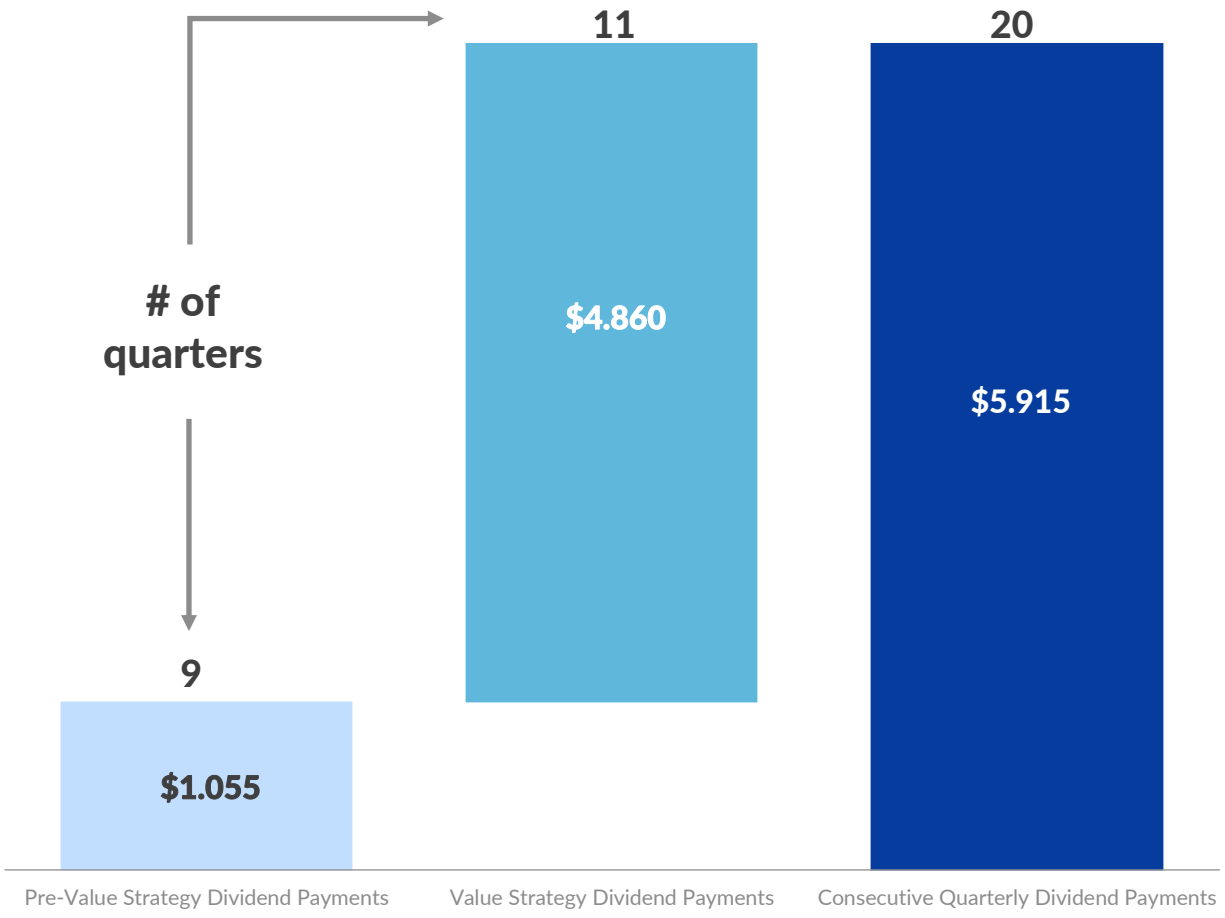
## Financial Performance

| | |
|---|---|
| **$23.5m** | Q2 2024 net income or $0.54/sh (diluted)<br>Adjusted net income of $19.9m or $0.46/sh |
| **$39.8m** | Q2 2024 adjusted EBITDA** |
| **$19,938** | Q2 2024 fleet-wide TCE** |
| **$19,291** | Estimated Q3 2024 TCE for 67% of Q3 owned available days** |

*Represents the principal amount of our credit facility debt outstanding less our cash and cash equivalents as of June 30, 2024 divided by estimates of the market value of our fleet as of August 6, 2024 from VesselsValue.com, pro forma for vessel sales that will occur in Q3 and Q4 2024. The actual market value of our vessels may vary.
**We believe the non-GAAP measure presented provides investors with a means of better evaluating and understanding the Company's operating performance. Please see the appendix for a reconciliation. Estimated Q3 2024 TCE is based on both period and current spot fixtures. Actual results will vary from current estimates based on the actual duration of voyages and other factors. Accordingly, we are unable to provide, without unreasonable efforts, a reconciliation of estimated TCE for the third quarter to the most comparable financial measures presented in accordance with GAAP.

# Compelling quarterly dividends over the last 5 years

## Significant increase in dividends since value strategy inception




## Sustained dividends across diverse market environments

**20 quarters** — Consecutive quarterly dividends since Q3 2019

**$5.915/ share** — Dividends in aggregate since Q3 2019

**33%** — Percentage of share price paid in dividends since Q3 2019*

*Closing share price as of August 6, 2024.

# Genco's "barbell" approach to fleet composition

...combines upside potential of Capesize vessels with the more stable earnings stream of minor bulk vessels

**Major bulk Capesize**

**15**

Vessels



Higher industry beta leading to greater upside potential

Focused on iron ore trade

Driven by world-wide steel production

## These two sectors provide complementary characteristics for Genco's value strategy...

- Direct exposure to all drybulk commodities
- Scalable fleet
- Active approach to revenue generation
- High operating leverage
- Focused fleet on 2 main sectors




**Minor bulk Ultra/Supra**

**26**

Vessels

More stable earnings

Diverse trade routes

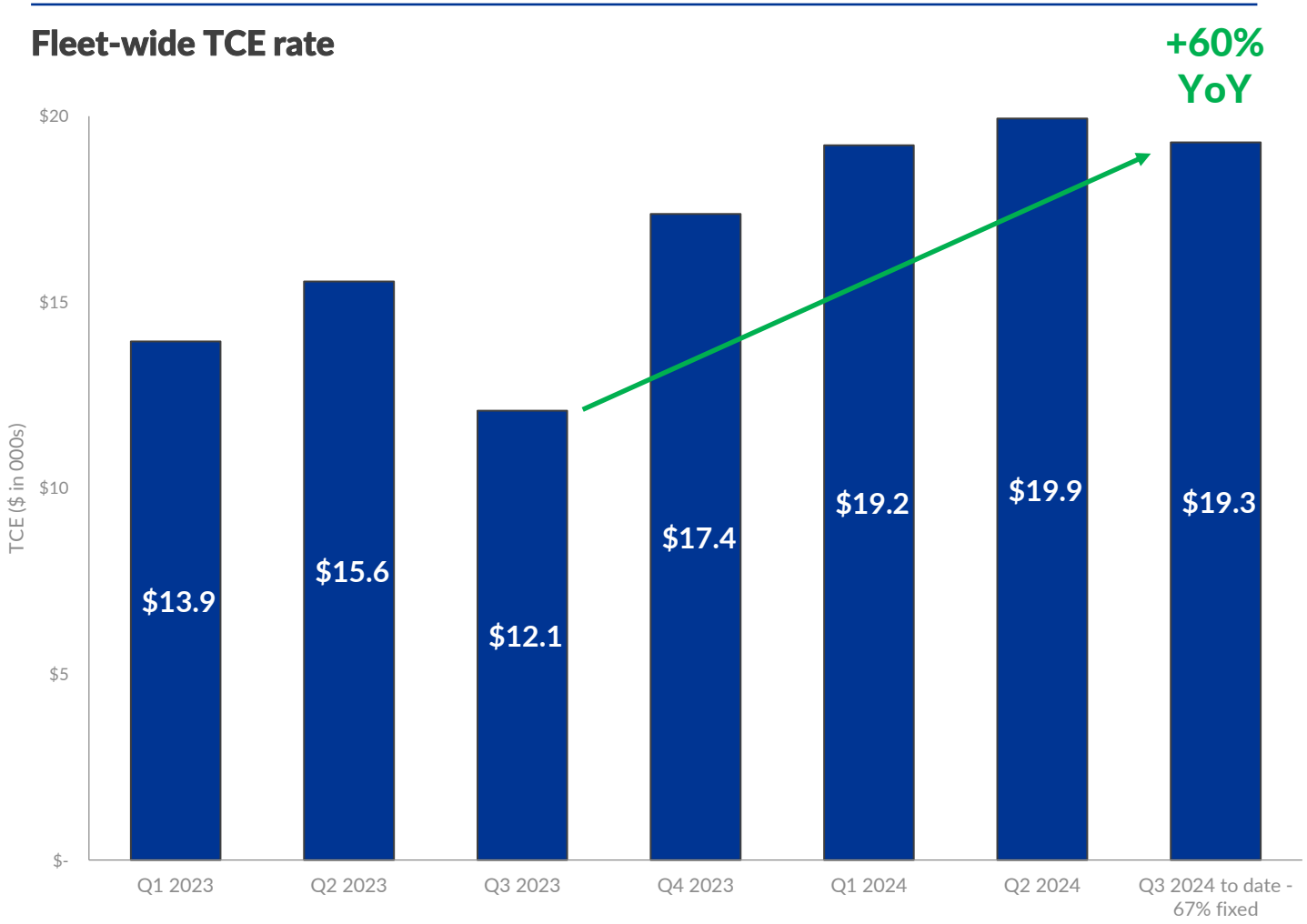
Linked to global GDP

Cargo arbitrage opportunities

Note: reflects pro forma fleet based on the agreed sales of the Genco Hadrian and Genco Warrior

# Continued strong TCE performance…

…with fleetwide rates well in excess of our cash flow breakeven rate




**$19.3k** Q3 2024 TCE estimate to date based on fixtures for ~67% of the quarter's available days

**67%** ~67% of Q3 available days fixed

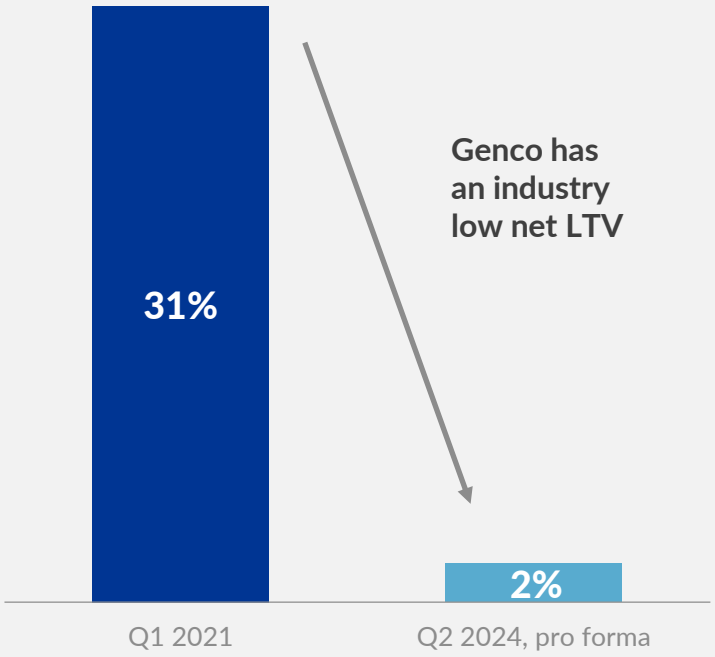
**$10.9k** Q3 2024 cash flow breakeven rate



Note: cash flow breakeven figure shown is based on estimates that are subject to change for Q3 2024. Please refer to the appendix for further details.

# Genco is in an advantageous position…

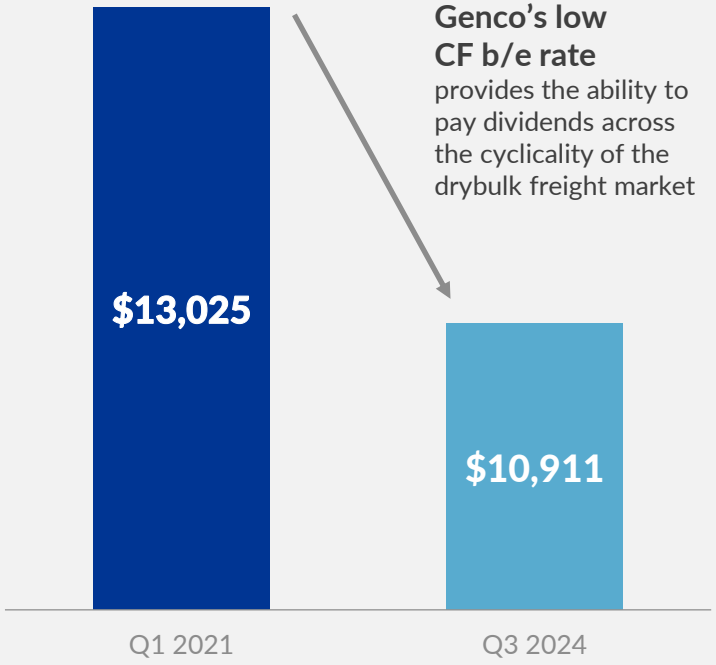
## Industry low financial leverage




No mandatory debt repayments thru 2028

+

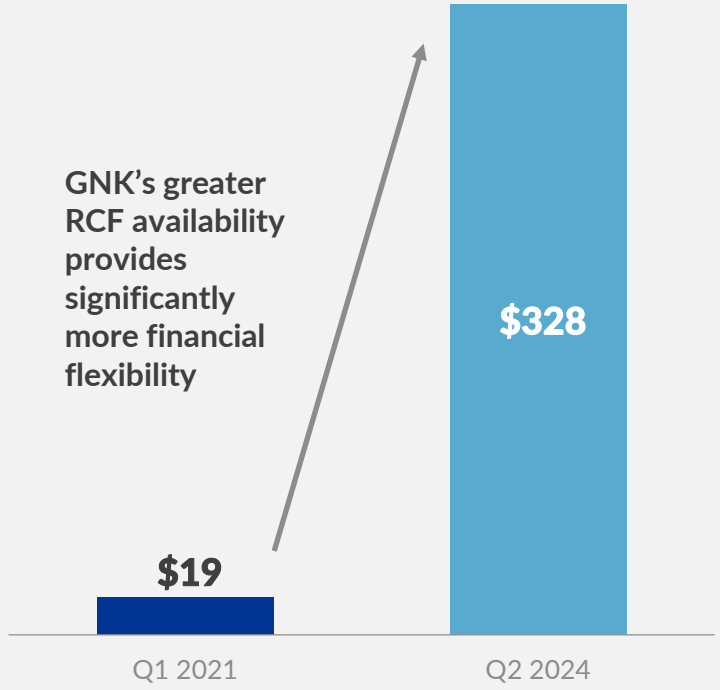
## Low cash flow breakeven rate




Enables dividends thru diverse freight rate environments

+

## $328m of undrawn revolver availability




Enhanced flexibility for opportunistic growth

# Financial Overview

# Second quarter earnings

| | Three Months Ended June 30, 2024 | Three Months Ended June 30, 2023 | Six Months Ended June 30, 2024 | Six Months Ended June 30, 2023 |
|---|---|---|---|---|
| | (Dollars in thousands, except share and per share data) (unaudited) | | (Dollars in thousands, except share and per share data) (unaudited) | |
| **INCOME STATEMENT DATA:** | | | | |
| Revenues: | | | | |
| Voyage revenues | $ 107,047 | $ 90,556 | $ 224,482 | $ 184,947 |
| Total revenues | 107,047 | 90,556 | 224,482 | 184,947 |
| Operating expenses: | | | | |
| Voyage expenses | 30,273 | 28,830 | 67,473 | 66,265 |
| Vessel operating expenses | 26,977 | 22,586 | 52,909 | 46,979 |
| Charter hire expenses | 2,455 | 1,040 | 5,965 | 4,705 |
| General and administrative expenses (inclusive of nonvested stock amortization expense of $1,451, $1,219, $2,833 and $2,778, respectively) | 6,320 | 6,933 | 13,984 | 14,682 |
| Technical management expenses | 1,260 | 1,349 | 2,291 | 2,111 |
| Depreciation and amortization | 17,096 | 16,791 | 34,319 | 32,736 |
| Impairment of vessel assets | 5,634 | - | 5,634 | - |
| Gain on sale of vessels | (13,206) | - | (12,228) | - |
| Other operating expense | 3,924 | - | 5,728 | - |
| Total operating expenses | 80,733 | 77,529 | 176,075 | 167,478 |
| Operating income | 26,314 | 13,027 | 48,407 | 17,469 |
| Other income (expense): | | | | |
| Other (expense) income | (90) | 125 | (24) | (198) |
| Interest income | 721 | 520 | 1,545 | 1,290 |
| Interest expense | (3,452) | (2,131) | (7,492) | (4,160) |
| Other expense, net | (2,821) | (1,486) | (5,971) | (3,068) |
| Net income | $ 23,493 | $ 11,541 | $ 42,436 | $ 14,401 |
| Less: Net income (loss) attributable to noncontrolling interest | 26 | (21) | 171 | 205 |
| Net income attributable to Genco Shipping & Trading Limited | $ 23,467 | $ 11,562 | $ 42,265 | $ 14,196 |
| Net earnings per share - basic | $ 0.54 | $ 0.27 | $ 0.98 | $ 0.33 |
| Net earnings per share - diluted | $ 0.54 | $ 0.27 | $ 0.97 | $ 0.33 |
| Weighted average common shares outstanding - basic | 43,073,440 | 42,786,918 | 42,995,844 | 42,709,916 |
| Weighted average common shares outstanding - diluted | 43,664,447 | 43,134,152 | 43,635,513 | 43,115,859 |

# June 30, 2024 balance sheet

| | June 30, 2024 | December 31, 2023 |
|---|---|---|
| | (Dollars in thousands) | |
| | (unaudited) | |
| **BALANCE SHEET DATA:** | | |
| Cash (including restricted cash) | $ 42,348 | $ 46,857 |
| Current assets | 135,920 | 157,272 |
| Total assets | 1,057,974 | 1,141,902 |
| Current liabilities (excluding current portion of long-term debt) | 37,885 | 35,286 |
| Current portion of long-term debt | - | - |
| Long-term debt (net of $8,834 and $9,831 of unamortized debt issuance costs at June 30, 2024 and December 31, 2023, respectively) | 96,166 | 190,169 |
| Shareholders' equity | 923,315 | 914,646 |



| | Three Months Ended | | Six Months Ended | |
|---|---|---|---|---|
| | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 |
| | (Dollars in thousands) | | (Dollars in thousands) | |
| | (unaudited) | | (unaudited) | |
| **OTHER FINANCIAL DATA:** | | | | |
| Net cash provided by operating activities | N/A | | $ 61,283 | $ 38,948 |
| Net cash provided by (used in) investing activities | | | 65,118 | (3,531) |
| Net cash used in financing activities | | | (130,910) | (45,625) |
| | (unaudited) | | (unaudited) | |
| **EBITDA Reconciliation:** | | | | |
| **Net income attributable to Genco Shipping & Trading Limited** | $ 23,467 | $ 11,562 | $ 42,265 | $ 14,196 |
| + Net interest expense | 2,731 | 1,611 | 5,947 | 2,870 |
| + Depreciation and amortization | 17,096 | 16,791 | 34,319 | 32,736 |
| **EBITDA**[(1)] | $ 43,294 | $ 29,964 | $ 82,531 | $ 49,802 |
| + Impairment of vessel assets | 5,634 | - | 5,634 | - |
| + Gain on sale of vessels | (13,206) | - | (12,228) | - |
| + Other operating expense | 3,924 | - | 5,728 | - |
| + Unrealized loss (gain) on fuel hedges | 121 | 38 | (39) | 80 |
| **Adjusted EBITDA** | $ 39,767 | $ 30,002 | $ 81,626 | $ 49,882 |

1. EBITDA represents net income attributable to Genco Shipping & Trading Limited plus net interest expense, taxes, and depreciation and amortization. EBITDA is included because it is used by management and certain investors as a measure of operating performance. EBITDA is used by analysts in the shipping industry as a common performance measure to compare results across peers. Our management uses EBITDA as a performance measure in consolidating internal financial statements and it is presented for review at our board meetings. We believe that EBITDA is useful to investors as the shipping industry is capital intensive which often results in significant depreciation and cost of financing. EBITDA presents investors with a measure in addition to net income to evaluate our performance prior to these costs. EBITDA is not an item recognized by U.S. GAAP (i.e. non-GAAP measure) and should not be considered as an alternative to net income, operating income or any other indicator of a company's operating performance required by U.S. GAAP. EBITDA is not a measure of liquidity or cash flows as shown in our consolidated statement of cash flows. The definition of EBITDA used here may not be comparable to that used by other companies.

# Second quarter highlights

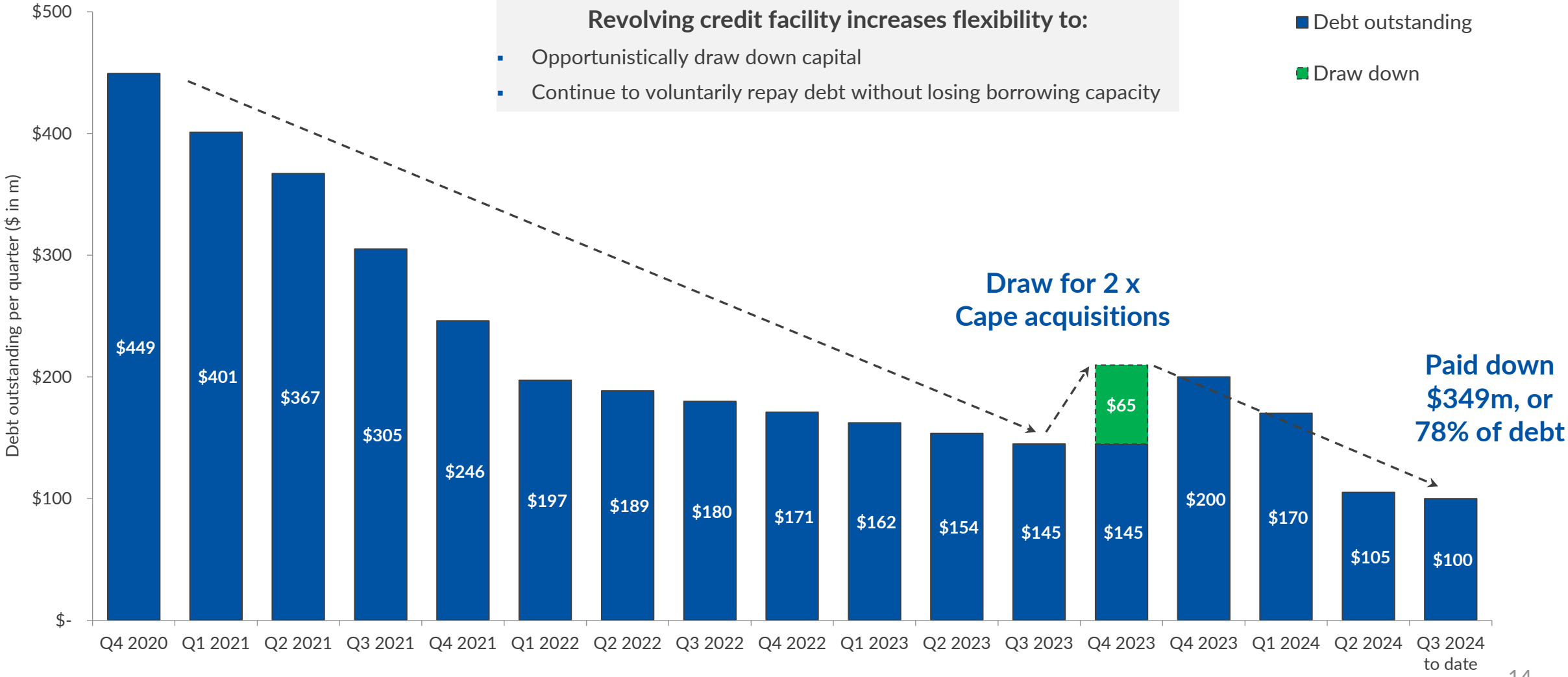
| | Three Months Ended | | Six Months Ended | |
|---|---|---|---|---|
| | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 |
| | (unaudited) | | (unaudited) | |
| **FLEET DATA:** | | | | |
| Total number of vessels at end of period | 43 | 44 | 43 | 44 |
| Average number of vessels (1) | 43.2 | 44.0 | 44.3 | 44.0 |
| Total ownership days for fleet (2) | 3,936 | 4,004 | 8,068 | 7,964 |
| Total chartered-in days (3) | 136 | 70 | 332 | 306 |
| Total available days (4) | 3,868 | 3,969 | 8,058 | 8,035 |
| Total available days for owned fleet (5) | 3,732 | 3,899 | 7,726 | 7,729 |
| Total operating days for fleet (6) | 3,827 | 3,919 | 7,938 | 7,898 |
| Fleet utilization (7) | 96.5% | 97.8% | 96.3% | 97.2% |
| **AVERAGE DAILY RESULTS:** | | | | |
| Time charter equivalent (8) | $ 19,938 | $ 15,556 | $ 19,564 | $ 14,757 |
| Daily vessel operating expenses per vessel (9) | 6,855 | 5,641 | 6,558 | 5,899 |

(1) Average number of vessels is the number of vessels that constituted our fleet for the relevant period, as a measured by the sum of the number of days each vessel was part of our fleet during the period divided by the number of calendar days in that period.
(2) We define ownership days as the aggregate number of days in a period during which each vessel in our fleet has been owned by us. Ownership days are an indicator of the size of our fleet over a period and affect both the amount of revenues and the amount of expenses that we record during a period.
(3) We define chartered-in days as the aggregate number of days in a period during which we chartered-in third-party vessels.
(4) We define available days as the number of our ownership days and chartered-in days less the aggregate number of days that our vessels are off-hire due to familiarization upon acquisition, repairs or repairs under guarantee, vessel upgrades or special surveys. Companies in the shipping industry generally use available days to measure the number of days in a period during which vessels should be capable of generating revenues.
(5) We define available days for the owned fleet as available days less chartered-in days.
(6) We define operating days as the number of our total available days in a period less the aggregate number of days that the vessels are off-hire due to unforeseen circumstances. The shipping industry uses operating days to measure the aggregate number of days in a period during which vessels actually generate revenues.
(7) We calculate fleet utilization as the number of our operating days during a period divided by the number of ownership days plus time charter-in days less days our vessels spend in drydocking.
(8) We define TCE rates as our voyage revenues less voyage expenses, charter-hire expenses, and realized gains or losses on fuel hedges, divided by the number of the available days of our owned fleet during the period. TCE rate is a common shipping industry performance measure used primarily to compare daily earnings generated by vessels on time charters with daily earnings generated by vessels on voyage charters, because charterhire rates for vessels on voyage charters are generally not expressed in per-day amounts while charterhire rates for vessels on time charters generally are expressed in such amounts.
(9) We define daily vessel operating expenses to include crew wages and related costs, the cost of insurance, expenses relating to repairs and maintenance (excluding drydocking), the costs of spares and consumable stores, tonnage taxes and other miscellaneous expenses. Daily vessel operating expenses are calculated by dividing vessel operating expenses by ownership days for the relevant period.

# Debt repayments accelerated to date w/ RCF

**Revolving credit facility increases flexibility to:**

- Opportunistically draw down capital
- Continue to voluntarily repay debt without losing borrowing capacity



# Transparent dividend policy

| Dividend calculation (numbers in millions except per share amounts) | Q2 2024 actual | Q3 2024 estimates | |
|---|---|---|---|
| Operating cash flow — Net revenue | $ 74.41 | Fixtures to date + market | |
| Operating cash flow — Operating expenses | $ (35.34) | $ (33.22) | |
| Less: drydocking/BWTS/ESD upgrades | $ (4.58) | $ (8.99) | |
| **Operating cash flow less DD capex** | **$ 34.49** | **Sum of the above output** | |
| Voluntary quarterly reserve | $ (19.50) | $ (19.50) | |
| **Cash flow distributable as dividends** | **$ 14.99** | **Sum of the above output** | (A) |
| Number of shares to be paid dividends | 43.5 | 43.5 | (B) |
| **Dividend per share** | **$ 0.34** | **A ÷ B** | |

**$19,291** Q3 2024 to date estimate based on 67% of owned available days fixed

**$10,911** Q3 2024 est cash flow breakeven rate

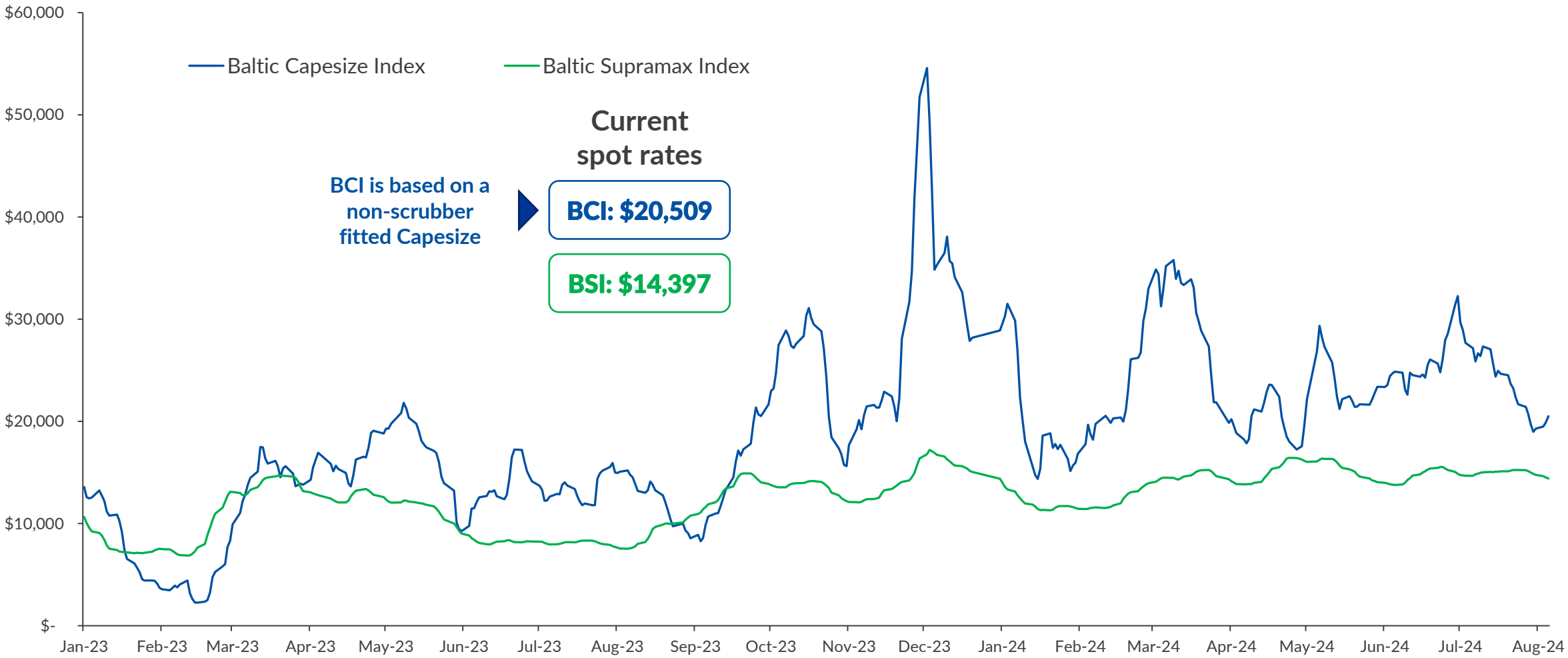
## Quarterly dividend policy target:

**100%** of excess quarterly cash flow ex-drydocking capex and a voluntary reserve

Note: Operating expenses and drydocking/BWTS/ESD upgrades for Q3 2024 are estimates presented for illustrative purposes. The amounts shown will vary based on actual results. Determinations of whether to pay a dividend, the amount of any dividend, and the amount of reserves used in any dividend calculation will remain in our board of directors' discretion. Please see the Appendix for a reconciliation of the above figures. The voluntary reserve in Q2 2024 is $19.5m for the purposes of the dividend calculation. The voluntary quarterly reserve for Q3 2024 is expected to be $19.5m. Operating expenses exclude for Q2 2024 incremental annual meeting related expenses. As we take into account the development of freight rates for the remainder of the third quarter, and our assessment of our liquidity, forward outlook and other factors, we maintain flexibility to reduce the quarterly reserve to pay dividends or increase the amount of dividends otherwise payable under our formula. Refer to slide 13 for a description of owned available days.

# Industry Overview

# Drybulk freight market






Source: Clarksons Research Services Limited 2024

# China’s iron ore and steel complex

## China’s iron ore inventory restocking, but remains below 2022 levels




**Global steel production (MT)**

| | Jun 2024 | Jun 2023 | % Variance | YTD 2024 | YTD 2023 | % Variance |
|---|---|---|---|---|---|---|
| **China** | 91.6 | 91.4 | 0.2% | 530.6 | 536.5 | -1.1% |
| **European Union** | 11.1 | 10.5 | 5.1% | 67.2 | 66.7 | 0.9% |
| **Japan** | 7.0 | 7.3 | -4.2% | 42.7 | 43.8 | -2.6% |
| **India** | 12.3 | 11.6 | 6.0% | 74.2 | 69.0 | 7.4% |
| **South Korea** | 5.1 | 5.5 | -7.2% | 31.5 | 33.7 | -6.4% |
| **Global Production** | **161.4** | **160.6** | **0.5%** | **954.6** | **954.7** | **0.0%** |
| **Ex-China** | **69.8** | **69.2** | **0.8%** | **424.1** | **418.3** | **1.4%** |
| **Ex-China/India** | **57.5** | **57.6** | **-0.2%** | **349.9** | **349.2** | **0.2%** |

**89%** China steel mill utilization

**-1%** China steel production has fallen by 1% YoY through June

**+7%** China’s iron ore imports increased by 7% YoY through July

**~$102** Iron ore price

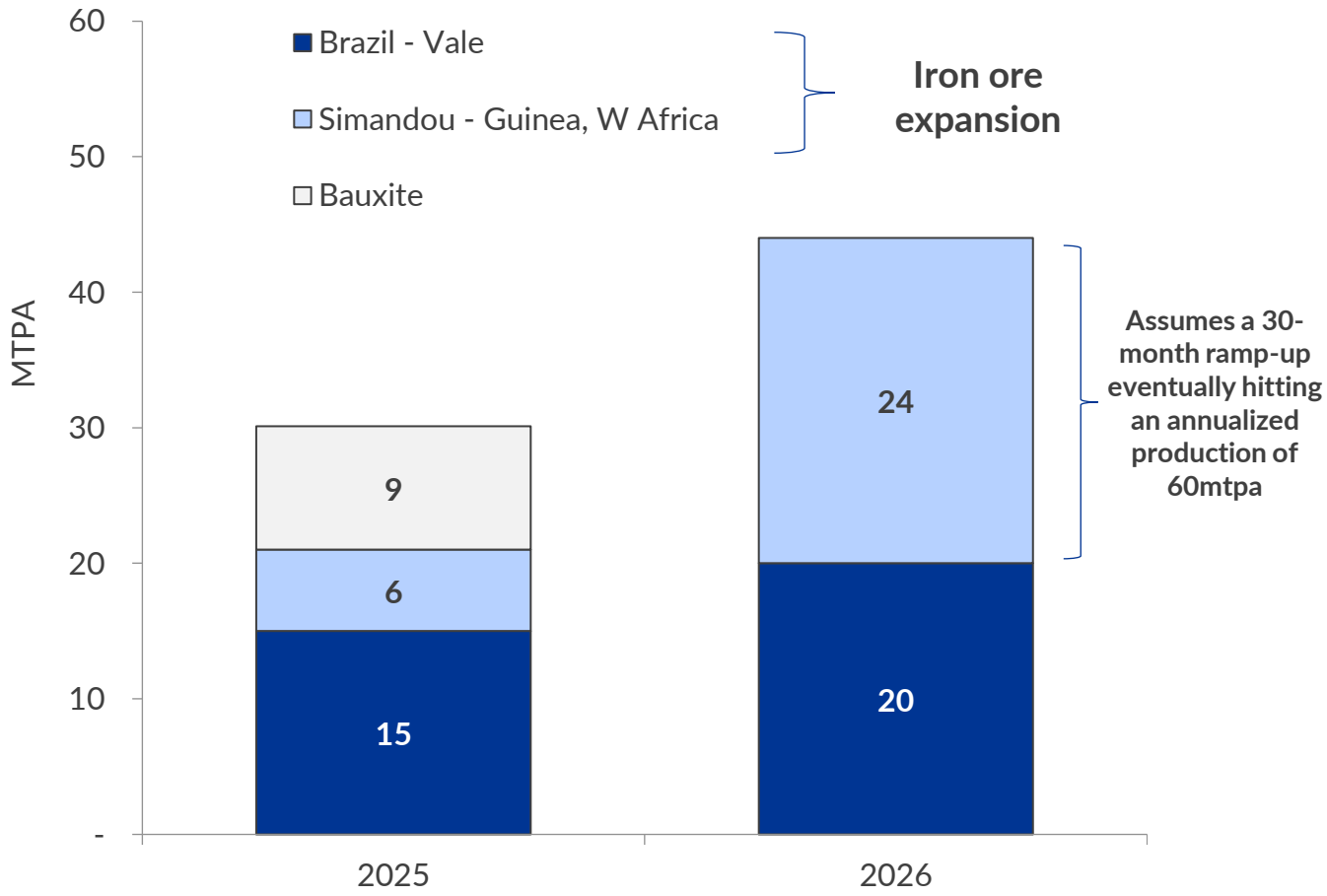
**+7%** Brazilian iron ore exports grew by 7% YoY through June

**+13%** China’s coal imports increased by 13% YoY through July

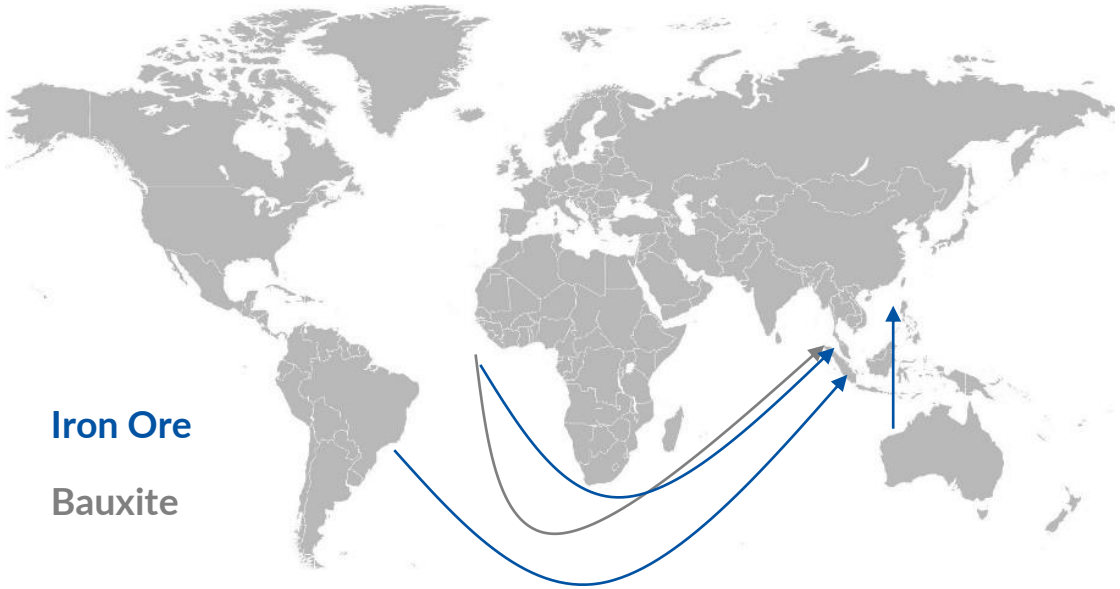
Sources: Clarksons Research Services Limited 2024, Mysteel, WorldSteel Association

# Global iron ore growth projects

**Key iron ore and bauxite expansion projects…**




**…add long-haul ton mile demand to absorb Cape supply**




**3x**

*Key iron ore and bauxite expansion have 3x the ton-mile impact of Aust-China cargoes*

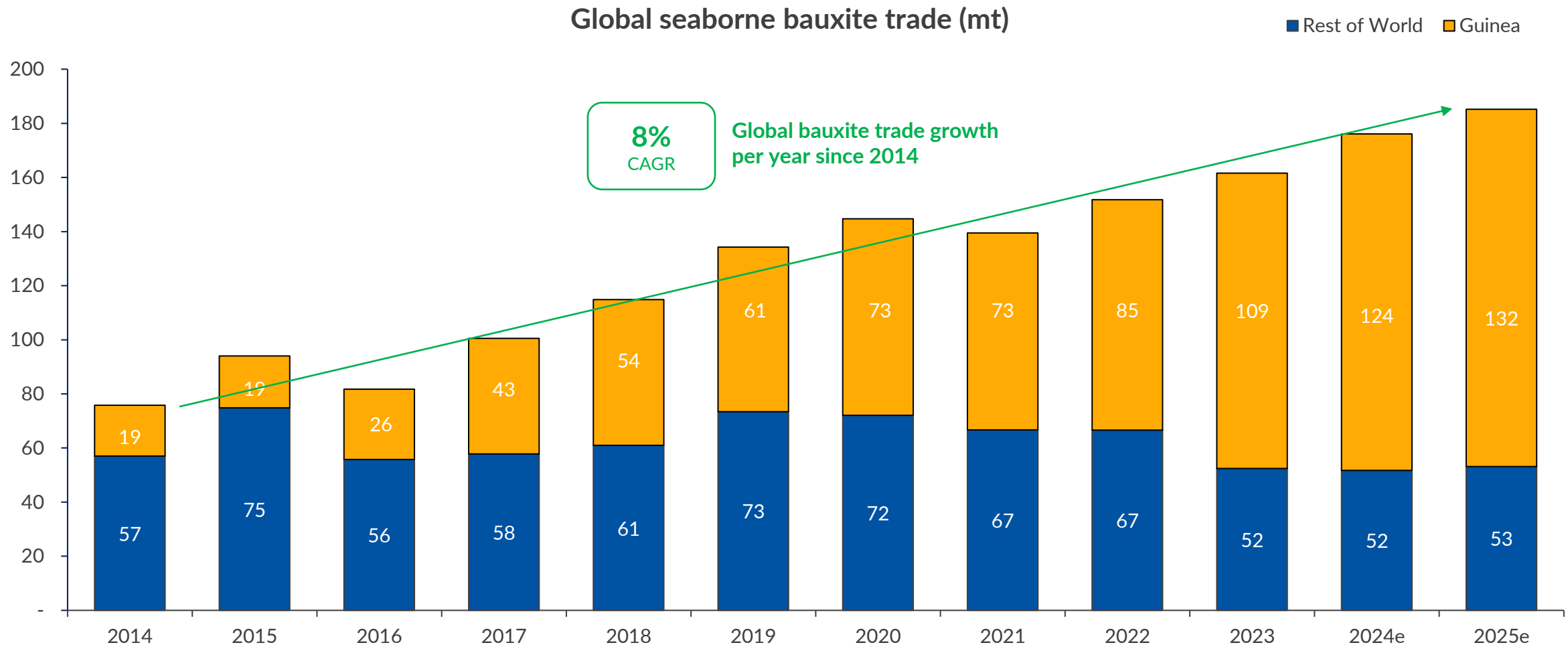
**>100**

*# of Capes absorbed by key expansion equates to nearly the entire Cape orderbook*

Sources: Clarksons Research Services Limited 2024, Vale, Rio Tinto

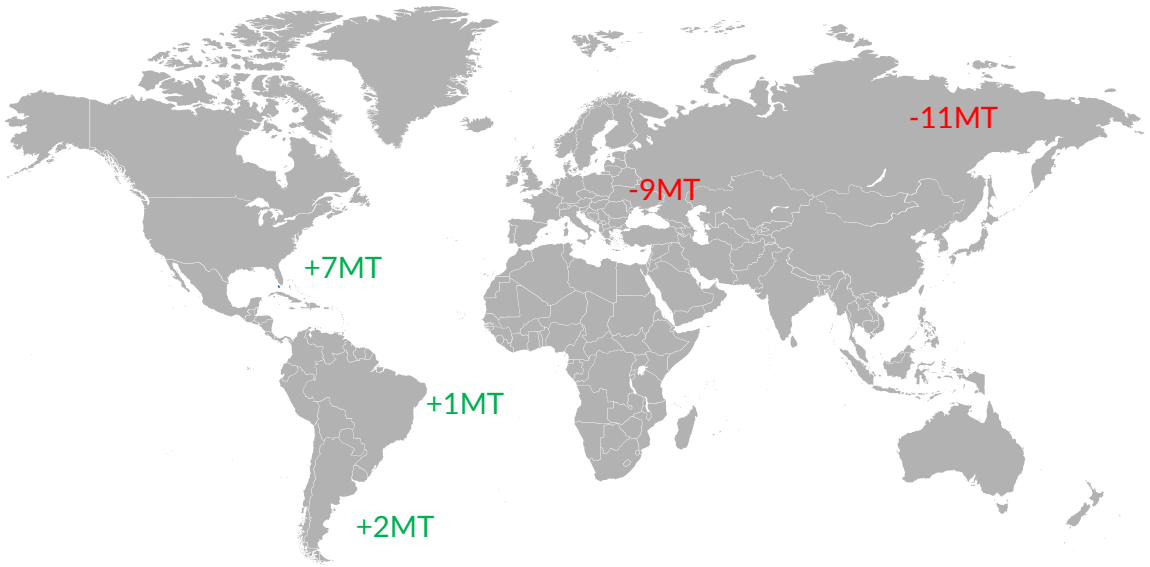
# Global bauxite trade has grown significantly

2025e global bauxite shipments are expected to be more than double the levels seen a decade ago




Source: Clarksons Research Services Limited 2024

# Grain trade impacted by macro environment




- USDA grain export forecast presented is as of July 2024
- The above represents cumulative grain exports from the US, Brazil, Argentina, Ukraine and Russia as forecasted by the USDA
- Strong start to Brazilian corn season following bumper last year
- Argentine grain exports set for strong YOY growth
- Grain exports from Ukraine have improved in recent months despite Russia exiting the UN grain initiative

| Wheat | 2024/25p | 2023/24e | Variance | % Variance |
|---|---|---|---|---|
| World | 212.89 | 220.61 | (7.72) | -3% |
| US | 22.45 | 19.24 | 3.21 | 17% |
| Russia | 48.00 | 55.50 | (7.50) | -14% |
| Ukraine | 13.00 | 18.10 | (5.10) | -28% |
| Aust | 22.00 | 20.00 | 2.00 | 10% |
| Canada | 25.00 | 25.00 | - | 0% |
| EU | 34.50 | 37.00 | (2.50) | -7% |
| Arg | 11.50 | 8.50 | 3.00 | 35% |

| Coarse grain | 2024/25p | 2023/24e | Variance | % Variance |
|---|---|---|---|---|
| World | 231.78 | 244.42 | (12.64) | -5% |
| US | 62.84 | 62.89 | (0.05) | 0% |
| Arg | 40.40 | 41.60 | (1.20) | -3% |
| Aust | 8.16 | 9.06 | (0.90) | -10% |
| Brazil | 49.09 | 50.14 | (1.05) | -2% |
| Canada | 5.63 | 5.80 | (0.17) | -3% |
| Russia | 9.00 | 12.61 | (3.61) | -29% |
| Ukraine | 26.77 | 30.56 | (3.79) | -12% |

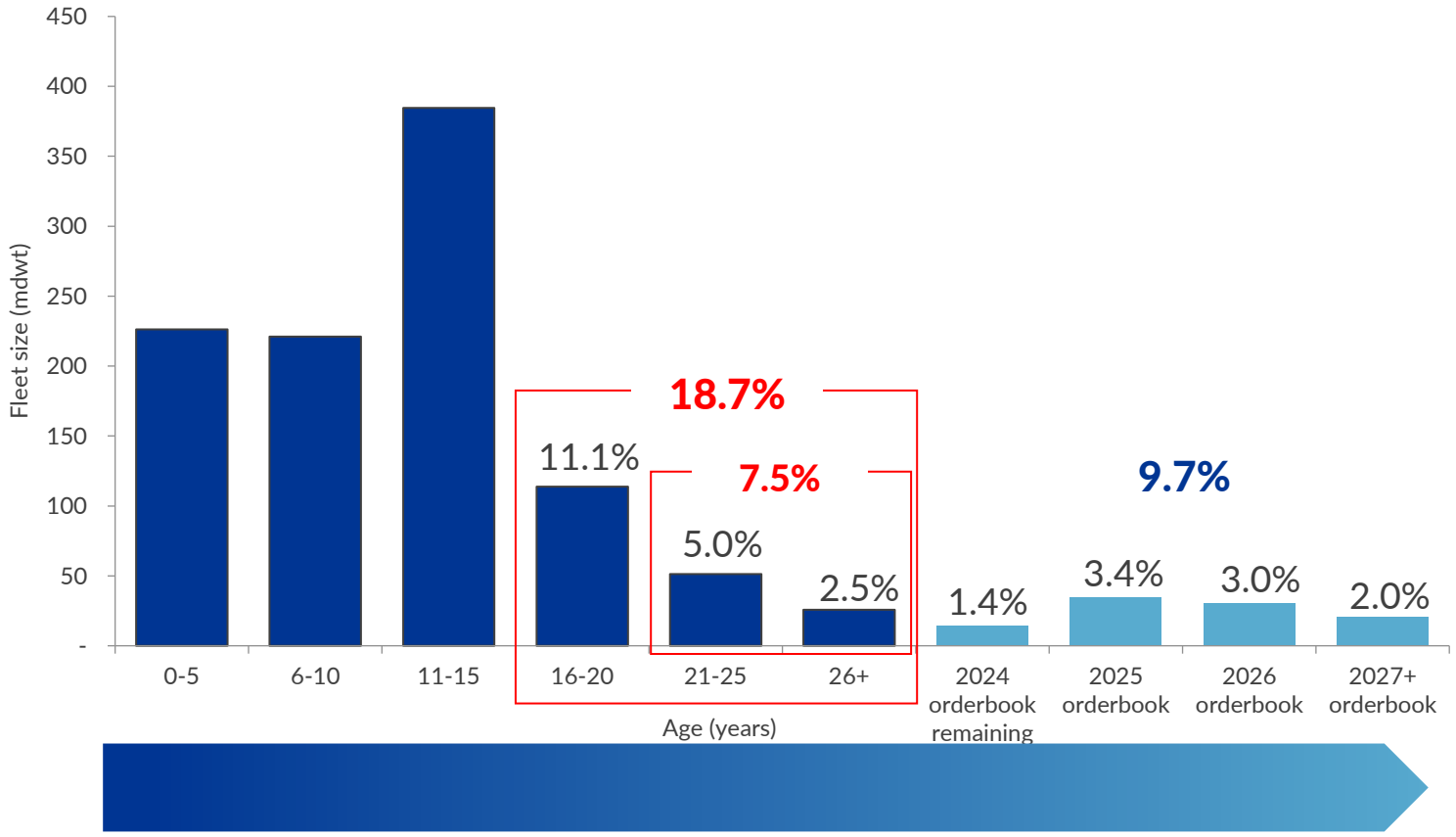
| Soybean | 2024/25p | 2023/24e | Variance | % Variance |
|---|---|---|---|---|
| World | 180.20 | 175.13 | 5.07 | 3% |
| US | 49.67 | 46.27 | 3.40 | 7% |
| Arg | 5.50 | 5.60 | (0.10) | -2% |
| Brazil | 105.00 | 103.00 | 2.00 | 2% |
| Paraguay | 6.80 | 6.85 | (0.05) | -1% |



Sources: USDA, Commodore Research

# Intense period of global fleet replacement is anticipated to occur…

## Age profile of the global drybulk fleet vs newbuilding orderbook




**~30%** In 2030, ~30% of the current drybulk fleet will be 20 years or older or ~4,300 ships

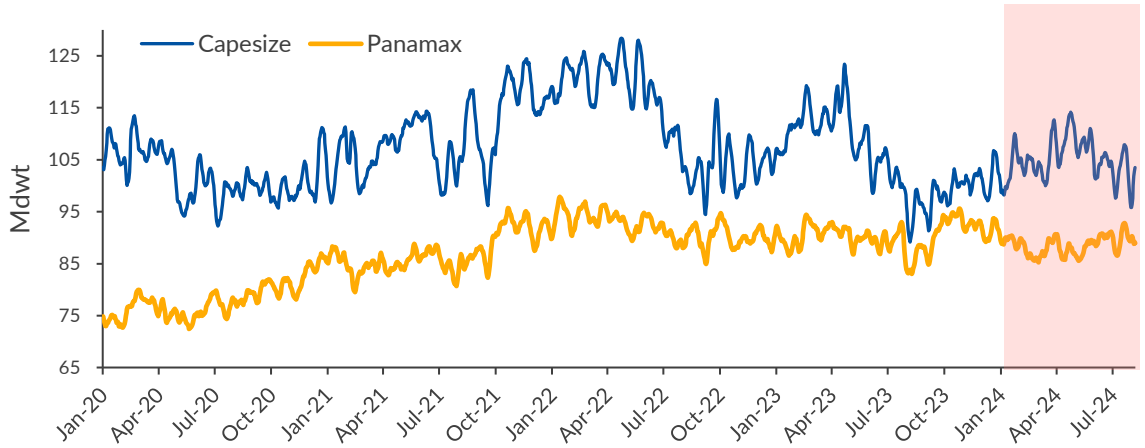
**9%** 9% of the fleet is currently 20 years or older

**64%** Yard capacity is down ~64% vs 2008 at a time when all sectors will be focused on fleet renewal / alternative fuels

Source: Clarksons Research Services Limited 2024

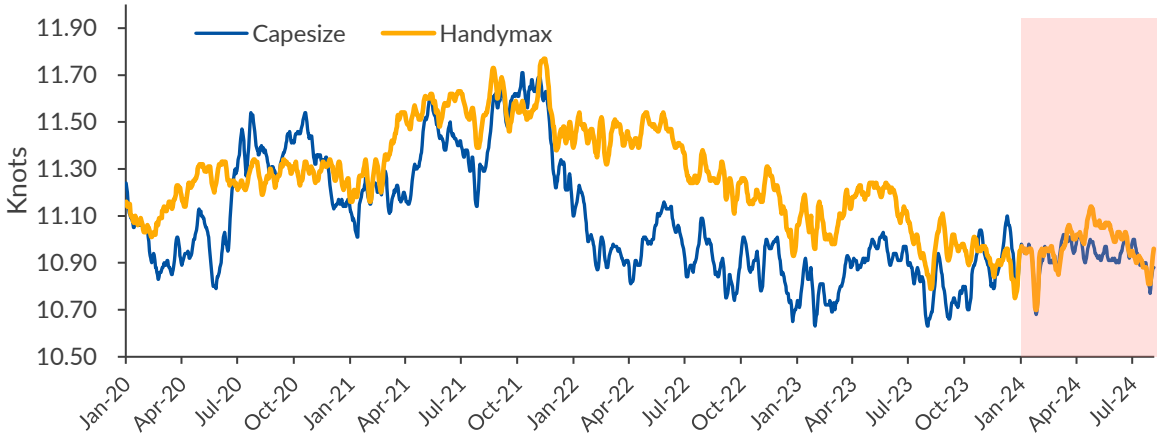
# Supply side remains favorable, with increasing inefficiencies

## Global port congestion has picked up since December…




- Global port congestion has pulled back from YTD highs in April
- This follows below average congestion for much of last year

## …while the global fleet has further slowed down




- Vessel speeds have reduced from highs seen in 2021
- Max speeds likely capped given environmental regulations



Source: Clarksons Research Services Limited 2024

# Q&A



# Thank You

# Appendix

# Genco's fleet list

| Major Bulk | | | Minor Bulk | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Vessel Name** | **Year Built** | **Dwt** | **Vessel Name** | **Year Built** | **Dwt** | **Vessel Name** | **Year Built** | **Dwt** |
| **Capesize** | | | **Ultramax** | | | **Supramax** | | |
| Genco Reliance | 2016 | 181,146 | Genco Freedom | 2015 | 63,671 | Genco Hunter | 2007 | 58,729 |
| Genco Resolute | 2015 | 181,060 | Baltic Hornet | 2014 | 63,574 | Genco Auvergne | 2009 | 58,020 |
| Genco Endeavour | 2015 | 181,057 | Genco Vigilant | 2015 | 63,498 | Genco Bourgogne | 2010 | 58,018 |
| Genco Ranger | 2016 | 180,882 | Genco Enterprise | 2016 | 63,472 | Genco Languedoc | 2010 | 58,018 |
| Genco Constantine | 2008 | 180,183 | Baltic Mantis | 2015 | 63,467 | Genco Pyrenees | 2010 | 58,018 |
| Genco Augustus | 2007 | 180,151 | Baltic Scorpion | 2015 | 63,462 | Genco Rhone | 2011 | 58,018 |
| Genco Liberty | 2016 | 180,032 | Genco Magic | 2014 | 63,443 | Genco Ardennes | 2009 | 58,014 |
| Genco Defender | 2016 | 180,021 | Baltic Wasp | 2015 | 63,389 | Genco Brittany | 2010 | 58,014 |
| Genco Tiger | 2011 | 179,185 | Genco Constellation | 2017 | 63,310 | Genco Aquitaine | 2009 | 57,981 |
| Genco Lion | 2012 | 179,185 | Genco Mayflower | 2017 | 63,304 | Genco Predator | 2005 | 55,407 |
| Genco London | 2007 | 177,833 | Genco Madeleine | 2014 | 63,163 | Genco Picardy | 2005 | 55,255 |
| Baltic Wolf | 2010 | 177,752 | Genco Weatherly | 2014 | 61,556 | | | |
| Genco Titus | 2007 | 177,729 | Genco Mary | 2022 | 61,304 | | | |
| Baltic Bear | 2010 | 177,717 | Genco Laddey | 2022 | 61,303 | | | |
| Genco Tiberius | 2007 | 175,874 | Genco Columbia | 2016 | 60,294 | | | |

**15**
Capesize



**26**
Ultra/Supra





Note: reflects pro forma fleet based on the agreed sales of the Genco Hadrian and Genco Warrior

# Longer term time charter activity

| Vessel | Type | Rate | Duration | Min Expiry |
|---|---|---|---|---|
| Genco Reliance | Capesize | BCI + 28% + scrubber | 10-12 months | Jan-25 |
| Genco Ranger | Capesize | BCI + 28% + scrubber | 11-14 months | Feb-25 |
| Genco Liberty | Capesize | $ 35,000 | 11-14 months | Feb-25 |
| Genco Resolute | Capesize | BCI + 23% + scrubber | 11-14 months | Apr-25 |
| Genco Defender | Capesize | BCI + 23% + scrubber | 11-14 months | Apr-25 |

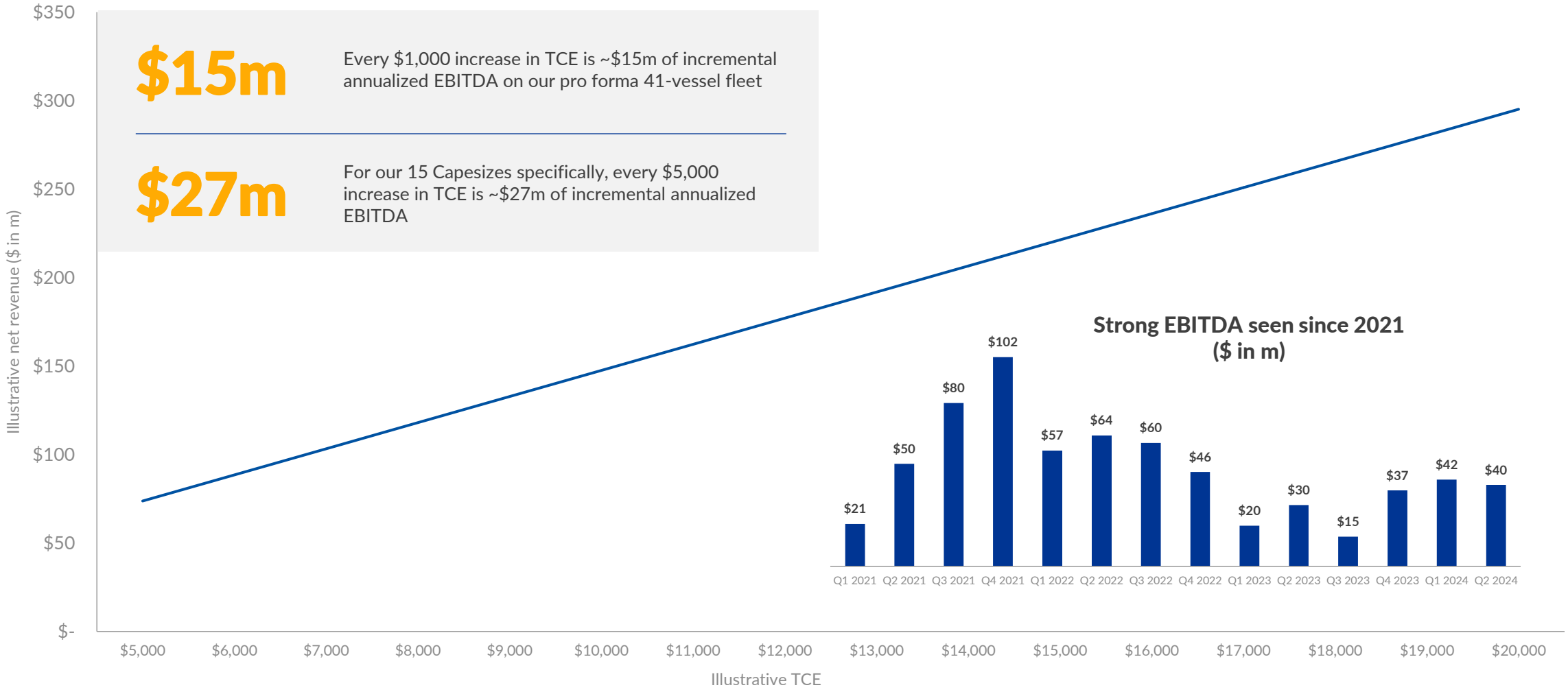
- We continue to utilize a fleet-wide portfolio approach to fixture activity
- We continue to evaluate a variety of fixture options fleet-wide to optimize revenue generation including further longer term coverage on an opportunistic basis

# Significant fleet-wide operating leverage

Highlights the improved risk / reward profile of our new value strategy

**$15m** Every $1,000 increase in TCE is ~$15m of incremental annualized EBITDA on our pro forma 41-vessel fleet

**$27m** For our 15 Capesizes specifically, every $5,000 increase in TCE is ~$27m of incremental annualized EBITDA






Note: based on a fleet of 41 ships, for illustrative purposes only. We believe the non-GAAP measure presented provides investors with a means of better evaluating and understanding the Company's operating performance

# EBITDA reconciliation[1]

| Adjusted EBITDA Q1 2021-Q2 2024 | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 2021 | Q2 2021 | Q3 2021 | Q4 2021 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | Q1 2024 | Q2 2024 |
| Net income | $ 1,985 | $ 32,037 | $ 57,132 | $ 90,852 | $ 41,689 | $ 47,382 | $ 40,828 | $ 28,679 | $ 2,634 | $ 11,562 | $ (32,004) | $ 4,937 | $ 18,798 | $ 23,467 |
| Net interest expense | 4,470 | 4,422 | 3,918 | 2,392 | 2,225 | 2,337 | 1,984 | 1,505 | 1,259 | 1,611 | 1,411 | 1,832 | 3,216 | 2,731 |
| Income tax expense | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation/amortization | 13,441 | 13,769 | 14,200 | 14,822 | 14,059 | 14,521 | 15,582 | 16,028 | 15,944 | 16,791 | 17,026 | 16,703 | 17,223 | 17,096 |
| **EBITDA** | **$ 19,896** | **$ 50,228** | **$ 75,250** | **$ 108,066** | **$ 57,973** | **$ 64,240** | **$ 58,394** | **$ 46,212** | **$ 19,837** | **$ 29,964** | **$ (13,567)** | **$ 23,472** | **$ 39,237** | **$ 43,294** |
| Impairment of vessel assets | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 28,102 | $ 13,617 | $ - | $ 5,634 |
| Loss (gain) on vessel sales | 720 | 15 | 159 | (5,818) | - | - | - | - | - | - | - | - | 978 | (13,206) |
| Other operating expense | - | - | - | - | - | - | - | - | - | - | - | - | 1,804 | 3,924 |
| Loss on debt extinguishment | - | - | 4,408 | - | - | - | - | - | - | - | - | - | - | - |
| Unrealized loss (gain) on fuel hedges | 116 | (168) | (30) | 47 | (1,439) | (321) | 1,871 | (115) | 42 | 38 | 15 | 1 | (160) | 121 |
| **Adjusted EBITDA** | **$ 20,732** | **$ 50,075** | **$ 79,787** | **$ 102,295** | **$ 56,534** | **$ 63,919** | **$ 60,265** | **$ 46,097** | **$ 19,879** | **$ 30,002** | **$ 14,550** | **$ 37,090** | **$ 41,859** | **$ 39,767** |

1. EBITDA represents net income attributable to Genco Shipping & Trading Limited plus net interest expense, taxes, and depreciation and amortization. EBITDA is included because it is used by management and certain investors as a measure of operating performance. EBITDA is used by analysts in the shipping industry as a common performance measure to compare results across peers. Our management uses EBITDA as a performance measure in consolidating internal financial statements and it is presented for review at our board meetings. We believe that EBITDA is useful to investors as the shipping industry is capital intensive which often results in significant depreciation and cost of financing. EBITDA presents investors with a measure in addition to net income to evaluate our performance prior to these costs. EBITDA is not an item recognized by U.S. GAAP (i.e. non-GAAP measure) and should not be considered as an alternative to net income, operating income or any other indicator of a company's operating performance required by U.S. GAAP. EBITDA is not a measure of liquidity or cash flows as shown in our consolidated statement of cash flows. The definition of EBITDA used here may not be comparable to that used by other companies.

# Time charter equivalent reconciliation[1]

| | Three Months Ended | | Six Months Ended | |
|---|---|---|---|---|
| | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 |
| | (unaudited) | | (unaudited) | |
| **Total Fleet** | | | | |
| Voyage revenues (in thousands) | $ 107,047 | $ 90,556 | $ 224,482 | $ 184,947 |
| Voyage expenses (in thousands) | 30,273 | 28,830 | 67,473 | 66,265 |
| Charter hire expenses (in thousands) | 2,455 | 1,040 | 5,965 | 4,705 |
| Realized gain (loss) on fuel hedges (in thousands) | 92 | (27) | 110 | 81 |
| | 74,411 | 60,659 | 151,154 | 114,058 |
| Total available days for owned fleet | 3,732 | 3,899 | 7,726 | 7,729 |
| Total TCE rate | $ 19,938 | $ 15,556 | $ 19,564 | $ 14,757 |

1 We define TCE rates as our voyage revenues less voyage expenses, charter-hire expenses, and realized gains or losses on fuel hedges divided by the number of the available days of our owned fleet during the period. TCE rate is a common shipping industry performance measure used primarily to compare daily earnings generated by vessels on time charters with daily earnings generated by vessels on voyage charters, because charterhire rates for vessels on voyage charters are generally not expressed in per-day amounts, while charterhire rates for vessels on time charters generally are expressed in such amounts.

# Net income reconciliation

| | Three Months Ended June 30, 2024 |
|---|---|
| | (unaudited) |
| **Net Income Reconciliation** | |
| Net income attributable to Genco Shipping & Trading Limited | $ 23,467 |
| + Impairment of vessel assets | 5,634 |
| + Gain on sale of vessels | (13,206) |
| + Other operating expense | 3,924 |
| + Unrealized loss on fuel hedges | 121 |
| **Adjusted net income** | $ 19,940 |
| | |
| Adjusted earnings per share - basic | $ 0.46 |
| Adjusted earnings per share - diluted | $ 0.46 |
| | |
| Weighted average common shares outstanding - basic | 43,073,440 |
| Weighted average common shares outstanding - diluted | 43,664,447 |
| | |
| Weighted average common shares outstanding - basic as per financial statements | 43,073,440 |
| Dilutive effect of stock options | 191,524 |
| Dilutive effect of performance based restricted stock units | 107,082 |
| Dilutive effect of restricted stock units | 292,401 |
| Weighted average common shares outstanding - diluted as adjusted | 43,664,447 |

# Portfolio approach to scrubber installation

Genco continues to capture wide fuel spreads through scrubbers installed on 16 Capesize vessels

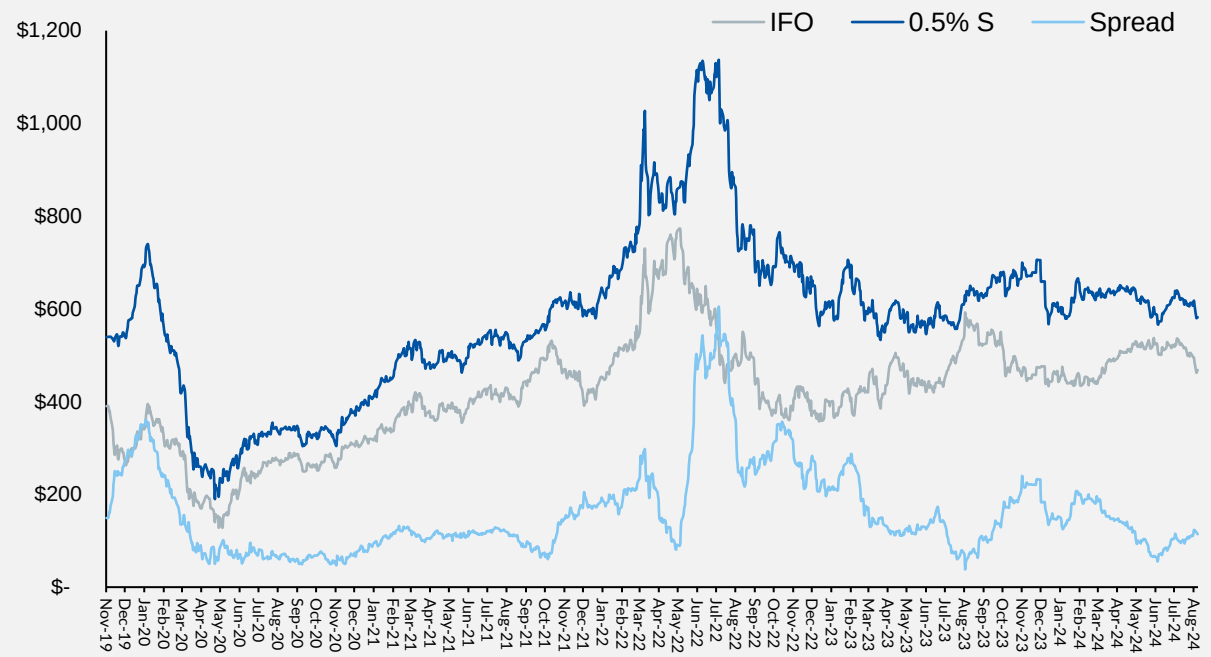
- Portfolio approach: installed scrubbers on Capesize vessels + consuming VLSFO on our minor bulk vessels
- All-in cost of our scrubbers has been fully paid off
- Scrubbers on Capesize vessels are a lower risk, higher return investment as compared to minor bulk vessels, as Capesize vessels

**1** Consume the most fuel

**2** Spend the most time at sea

**3** Bunker at main ports

**Singapore Fuel Spread Developments**



# Q3 2024 estimated fleet-wide expenses[1]

| Daily Expenses by Category | Net Income | Free Cash Flow[2] |
|---|---|---|
| Vessel Operating Expenses[3] | $6,150 | $6,150 |
| G&A Expenses[4] | 1,811 | 1,473 |
| Technical Management Expenses[4] | 326 | 326 |
| Drydocking[5] | - | 1,761 |
| Fuel efficiency upgrade investment / BWTS[6] | - | 563 |
| Interest Expense[7] | 767 | 637 |
| Mandatory debt repayments[8] | - | - |
| Depreciation and amortization[9] | 4,404 | - |
| **Total** | **$13,458** | **$10,911** |
| Number of Vessels[10] | 42.05 | 42.05 |

## Est Ownership / Owned Available Days – Q3 2024

| Vessel Type | Own. Days | Drydock Days | Owned Avail Days |
|---|---|---|---|
| Capsize | 1,472 | 50 | 1,422 |
| Ultramax | 1,380 | 50 | 1,330 |
| Supramax | 1,017 | 30 | 987 |
| **Total** | **3,869** | **130** | **3,739** |

- **Our objective is to reduce net debt to zero** in order to enhance our ability to pay meaningful dividends and take advantage of strategic opportunities throughout drybulk market cycles



Note: please refer to the next slide for further details and footnotes.

# Footnotes to Q3 2024 estimated fleet-wide expenses & operating expense reconciliation

(1) Estimated expenses are presented for illustrative purposes. The amounts shown will vary based on actual results.

(2) Free Cash Flow is defined as net income plus depreciation less capital expenditures, primarily vessel drydockings, plus other non-cash items, namely nonvested stock amortization and deferred financing costs, less fixed debt repayments. However, this does not include any adjustment for accounts payable and accrued expenses incurred in the ordinary course of business. We consider Free Cash Flow to be an important indicator of our ability to service debt.

(3) Vessel Operating Expenses are based on management's estimates and budgets submitted by our technical managers. We believe Vessel Operating Expenses are best measured for comparative purposes over a 12-month period.

(4) General & Administrative Expenses are based on a budget set forth at the beginning of the year. Actual results may vary. Management Expenses are based on the contracted monthly rate per vessel for the technical management of our fleet.

(5) Drydocking expenses represent estimated drydocking expenditures for Q3 2024 and include costs relating to energy saving devices and ballast water treatment systems.

(6) Represents costs associated with fuel efficiency upgrades on select vessels together with regulatory costs related to the installation of ballast water treatment systems.

(7) Interest expense is based on our debt level as of June 30, 2024, less anticipated voluntary debt repayments in Q3 2024. Deferred financing costs are included in calculating net income interest expense. Interest expense is calculated based on an assumed SOFR rate and margin under our credit facility.

(8) In Q3 2024, Genco has no mandatory debt repayments scheduled.

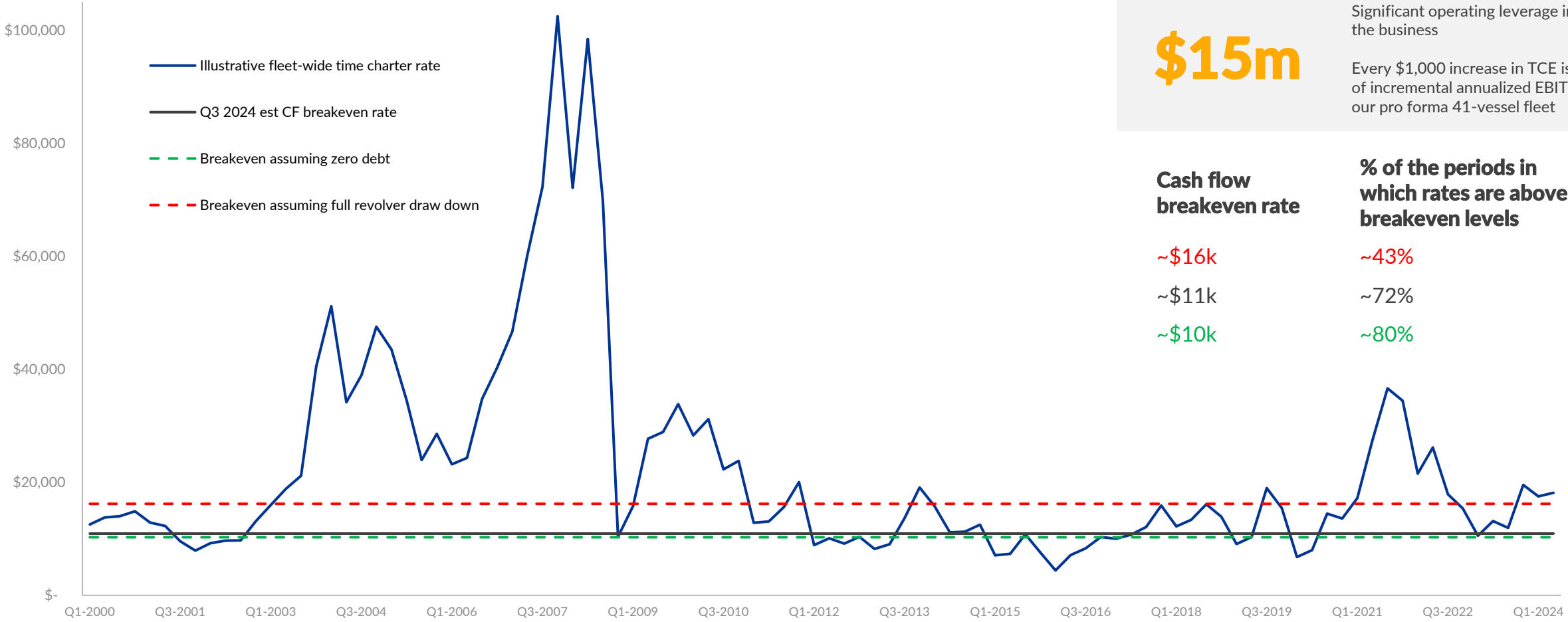
(9) Depreciation is based on cost less estimated residual value and amortization of drydocking costs. Depreciation and amortization expense utilizes a residual scrap rate of $400 per LWT.

(10) Based on a weighted average fleet of 42.05 vessels given the sales of the Genco Warrior in Q3 2024.

**Q3 2024 operating expense reconciliation**

| Operating expenses ($ in m) | Q3 2024 Net income estimate | Adj from GAAP measure | Q3 2024 free cash flow estimate |
|---|---|---|---|
| Vessel operating expenses | $ (23.79) | $ - | $ (23.79) |
| General & administrative expenses | $ (7.01) | $ 1.31 | $ (5.70) |
| Technical management fees | $ (1.26) | $ - | $ (1.26) |
| Interest expense | $ (2.97) | $ 0.50 | $ (2.46) |
| **Total operating expenses** | **$ (35.03)** | **$ 1.81** | **$ (33.22)** |

# Volatility and cyclicality of drybulk shipping highlights the importance of low financial leverage + low breakeven rate




**$15m**

Significant operating leverage inherent in the business

Every $1,000 increase in TCE is ~$15m of incremental annualized EBITDA on our pro forma 41-vessel fleet

| Cash flow breakeven rate | % of the periods in which rates are above breakeven levels |
|---|---|
| ~$16k | ~43% |
| ~$11k | ~72% |
| ~$10k | ~80% |



Assumptions: Illustrative fleet-wide time charter rate is based on the quarterly averages of the Baltic Capesize Index and Baltic Supramax Index since 2000 weighted based on Genco's pro forma fleet composition of 41 vessels. An assumed scrubber premium is included together with a target minor bulk outperformance figure. Cash flow breakeven rate is based on our Q3 2024 expense budget. Under its existing credit facility, Genco has no mandatory debt amortization until 2028, when this credit facility matures.