GENCO SHIPPING & TRADING LIMITED



Q4 2021 Earnings Presentation

February 24th, 2022

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 report 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 fee expenses; (vii) whether our insurance arrangements are adequate; (viii) changes in general domestic and international political conditions; (ix) acts of war, terrorism, or piracy; (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, 2021 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) the duration and impact of the COVID-19 novel coronavirus epidemic, which may negatively affect general global and regional economic conditions; our ability to charter our vessels at all and the rates at which are able to do so; our ability to call on or depart from ports on a timely basis or at all; our ability to crew, maintain, and repair our vessels, including without limitation the impact diversion of our vessels to perform crew rotations may have on our revenues, expenses, and ability to consummate vessel sales, expense and disruption to our operations that may arise from the inability to rotate crews on schedule, and delay and added expense we may incur in rotating crews in the current environment; our ability to staff and maintain our headquarters and administrative operations; sources of cash and liquidity; our ability to sell vessels in the secondary market, including without limitation the compliance of purchasers and us with the terms of vessel sale contracts, and the prices at which vessels are sold; and other factors relevant to our business described from time to time in our filings with the Securities and Exchange Commission; and (xxiv) 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, 2020 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

- Q4 2021 + YTD Highlights
- Financial Overview
- Industry Overview

Fourth Quarter 2021 and Year-to-Date Highlights

Value strategy implemented

Reducing our cash flow breakeven rate, paving the way for compelling dividends…

Dividends

- Declared a $0.67 per share dividend for Q4 2021 – the first dividend under our comprehensive value strategy, and a nearly 350% increase from the Q3 2021 dividend
- We have now paid 10 consecutive quarterly dividends totaling $1.725 per share



Debt repayments

- Repaid $203.2 million of debt in FY 2021 ($59m in Q4 2021), or 45% of our beginning of the year total
- Met our year-end target of $246 million of debt outstanding, our net loan-to-value is 16%*



Growth

- Took delivery of two high quality, fuel efficient Ultramaxes in January 2022 (Genco Mary and Genco Laddey – 2022 DACKS built vessels)
- Completed the acquisitions of six Ultramaxes we agreed to purchase from April to July 2021

*Net LTV is based on VesselsValue.com estimates pro forma for the delivery of two Ultramax vessels in January 2022.

Continued strong financial performance

Recording our best results in over a decade

Q4 / FY 2021 key financial metrics

- **Net income attributable to Genco**
  - Q4 2021: $90.9 million, basic and diluted earnings per share: $2.16 / $2.13
    - Basic and diluted EPS adjusted for gain on sale of vessels: $2.02 / $1.99
  - FY 2021: $182.0 million, basic and diluted earnings per share: $4.33 / $4.27
    - Basic and diluted EPS adjusted for gain on sale of vessels and debt extinguishment: $4.31 / $4.26



- **Adjusted EBITDA***
  - Q4 2021: $102.2m – greater than Adjusted EBITDA for *all of 2020* of $71.8m
  - FY 2021: $252.9m – greater than 2019 and 2020 combined and double the level of 2018



- **Fleet-wide TCE**
  - $35,200 and $24,402 per day for Q4 / FY 2021
  - Opportunistically booked 5 container fixtures, capturing the arbitrage between container and Pacific drybulk backhaul rates and highlighting the agility and ingenuity of our best-in-class commercial platform

*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.

Genco's comprehensive value strategy

Focused on 3 key elements…

Significant dividends	Deleveraging	Growth
Cash flow generation	Debt repayments	Use shares as a currency to grow
Reduced cash flow breakeven rate	Debt prepayments utilizing cash on the balance sheet + operating cash flow	Utilize reserve + revolver
		Opportunistically sell older ships + redeploy

$246m — **Reached target debt outstanding** *(~60% of fleet's current scrap value)*

45% — **Paid down $203m of debt in 2021**

16% — **Net LTV at year-end 2021**

Strategy closely integrates with our barbell approach to fleet composition in which our minor bulk fleet provides more stable cash flows, while our Capesize vessels provide meaningful upside potential and operating leverage

Note: figures are as of December 31, 2021, net LTV is based on VesselsValue.com estimates pro forma for the delivery of two Ultramax vessels in January 2022.

Genco's differentiated platform…

…offers a compelling risk / reward profile

2022 Genco setup

High operating leverage thru scale	**17** Major bulk vessels – Capesize	**27** Minor bulk vessels – Ultra/Supra	**44** *Drybulk vessels*
Low financial leverage	**$246m** Debt outstanding	**16%** Net LTV *(current VV estimates)*	**2x** *Current fleet scrap value is nearly twice our debt level*
Strong liquidity position	**$80m** Cash *(pro forma for delivery of 2 Ultras in Jan 2022)*	**$185m** Revolver availability	**~$265m** *of total available liquidity*

Timeline of value strategy execution

3 pillars of our value strategy were accomplished on parallel paths over the course of 2021…

Evaluation / BOD approval / Public announcement
Dec 2020 to Apr 2021

Agreed to purchase 1 Ultra
Apr 2021

Agreed to purchased 2 Ultras
May 2021

Agreed to purchase 3 Ultras
Jul 2021

Implemented
Dec 2021

Growth

$180m
Dec 20 cash

$80m
Dec 21 PF cash



Q1 debt paydown
$48m in Feb/Mar 2021

Q2 debt paydown
$34m in Jun 2021

Refi + Q3 debt paydown
$62m in Jul-Sep 2021

Q4 debt paydown
$59m in Nov 2021

Deleveraging

$449m
Dec 20 Debt

$246m
Dec 21 debt



Q1 dividend
$0.05/share

Q2 dividend
$0.10/share

Q3 dividend
$0.15/share

Q4 dividend
$0.67/share

Dividends

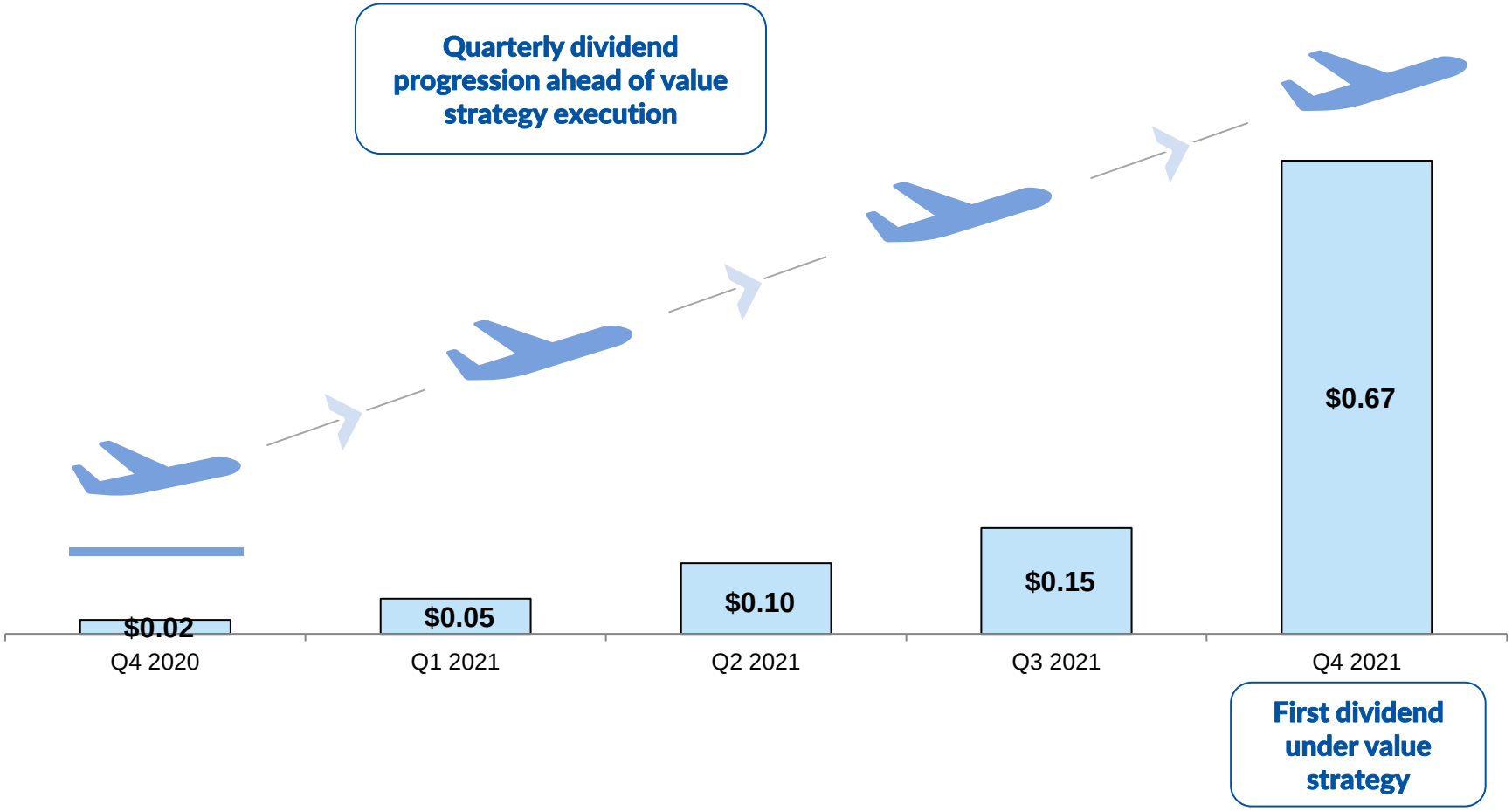


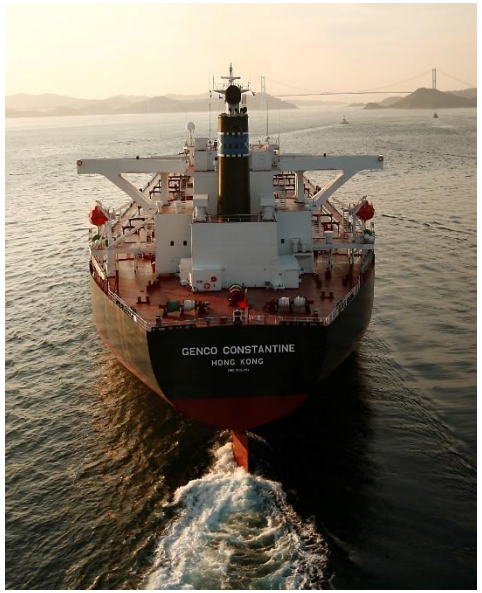
Note: net loan-to-value figures are based on VesselsValue.com estimates as of December 31, 2020 and 2021. Cash as of December 31 2021 is pro forma for the acquisition of 2 Ultramax vessels delivered in January 2022.

Genco's dividend ramp up ahead of "take off"…

10 quarters — **Declared 10 consecutive quarterly dividends since Q3 2019**

$1.725 Per share — **Declared $1.725 per share of dividends in aggregate since Q3 2019**





Quarterly dividend calculation / framework

Straight-forward and transparent dividend formula

$24,215 **Estimate of Q1 2022 for 87% of days fixed to date** ***(Q1 2022 owned available days: 3,849 for the full quarter)***

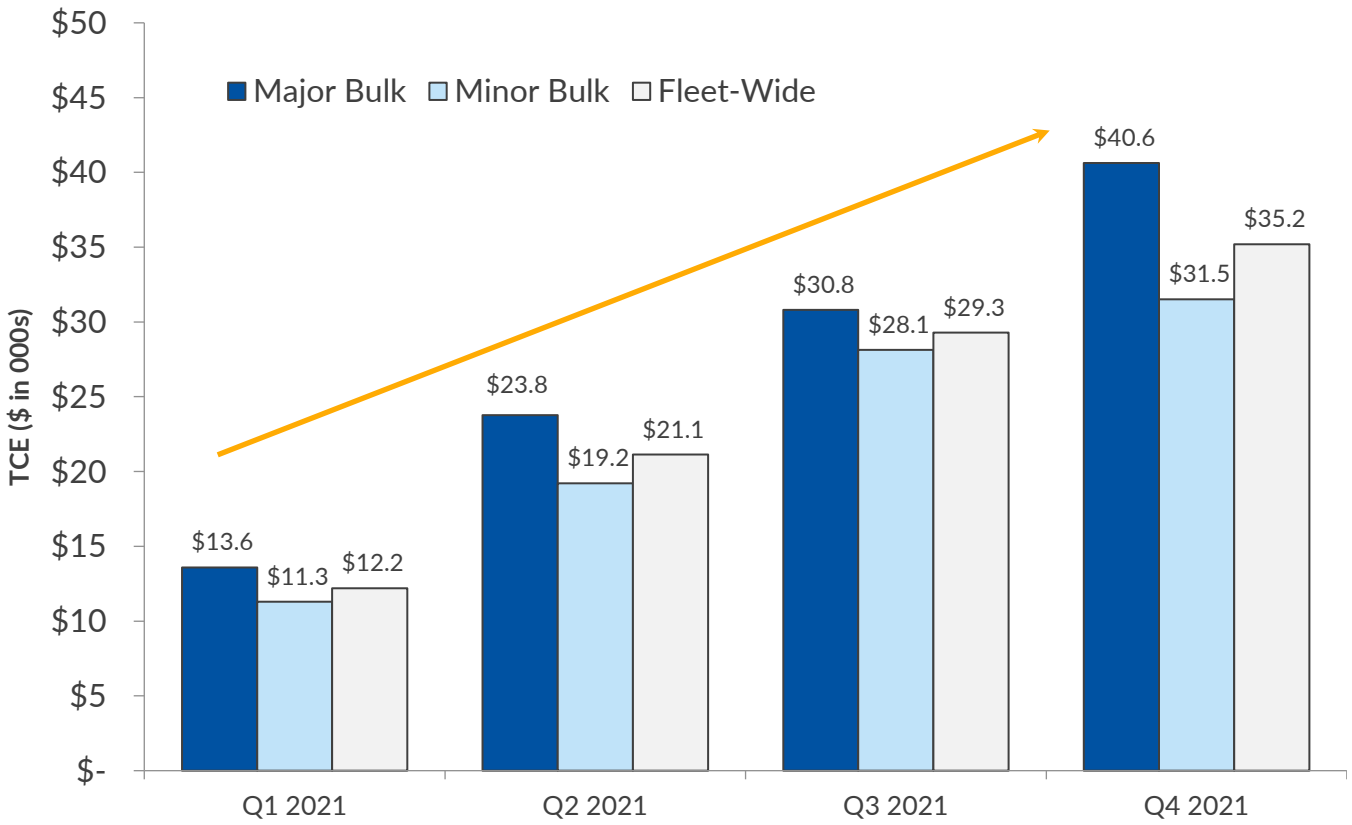
	Dividend calculation (numbers in m except per share amounts)	Q4 2021 actual	Q1 2022 estimates	Commentary
Operating cash flow	Net revenue	$ 132.70	Fixtures to date + market	Calculated as voyage revenue less voyage expenses and charter hire expenses
	Operating expenses	$ (31.79)	$ (31.63)	Consists of vessel opex, G&A ex restricted stock, interest expense ex deferred financing costs, technical mgmt fees - based on our estimated cash flow breakeven rate
	Less: debt repayments	$ (59.00)	$ (8.75)	Represents voluntary debt paydowns
	Less: drydocking/BWTS/ESD upgrades	$ (2.92)	$ (5.90)	Subject to timing of actual drydockings
	Less: reserve	$ (10.75)	$ (10.75)	Based on the following quarter's voluntary debt repayment of $8.75m + anticipated interest expense
	Cash flow distributable as dividends	**$ 28.25**	Sum of the above output	A
	Number of shares to be paid dividends	42.4	42.4	B
	Dividend per share	**$ 0.67**	A ÷ B	

- Management plans to communicate the following information to the market a quarter ahead in order to provide a basis for estimating the next quarter's dividend:
  - TCE estimate
  - Estimated cash flow breakeven / expense levels
  - Debt repayment and quarterly reserve
- We plan to base the quarterly reserve on the next quarter's debt repayments and interest expense
- Reserve optionality: uses include debt prepayments, vessel acquisitions, and general corporate purposes

Note: Operating expenses, debt repayments, and drydocking/BWTS/ESD upgrades for Q1 2022 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.

Q4 2021 TCE is our highest since 2008

Q1 2022 estimates to date point to another strong quarter



$24.2k Q1 2022 TCE estimate to date is fixed for ~87% of the quarter's available days

+20% Q4 2021 is 20% higher vs Q3 2021

+98% Q1 2022 TCE estimate to date is 98% higher than Q1 2021

- Significant operating leverage
- Sizeable fleet
- Major + minor bulk exposure

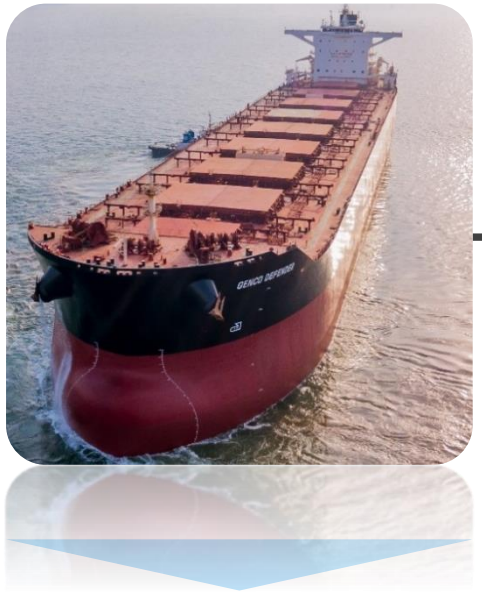
Note: our Capesize vessels are considered major bulk vessels, while Panamax, Ultramax, Supramax and Handysize vessels are considered minor bulk.

Genco's "barbell" approach to fleet composition

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

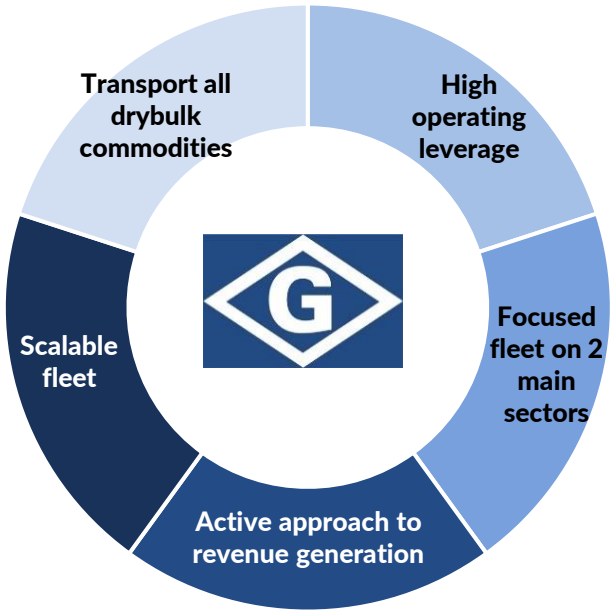
Major bulk Capesize

17 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...



Minor bulk Ultra/Supra

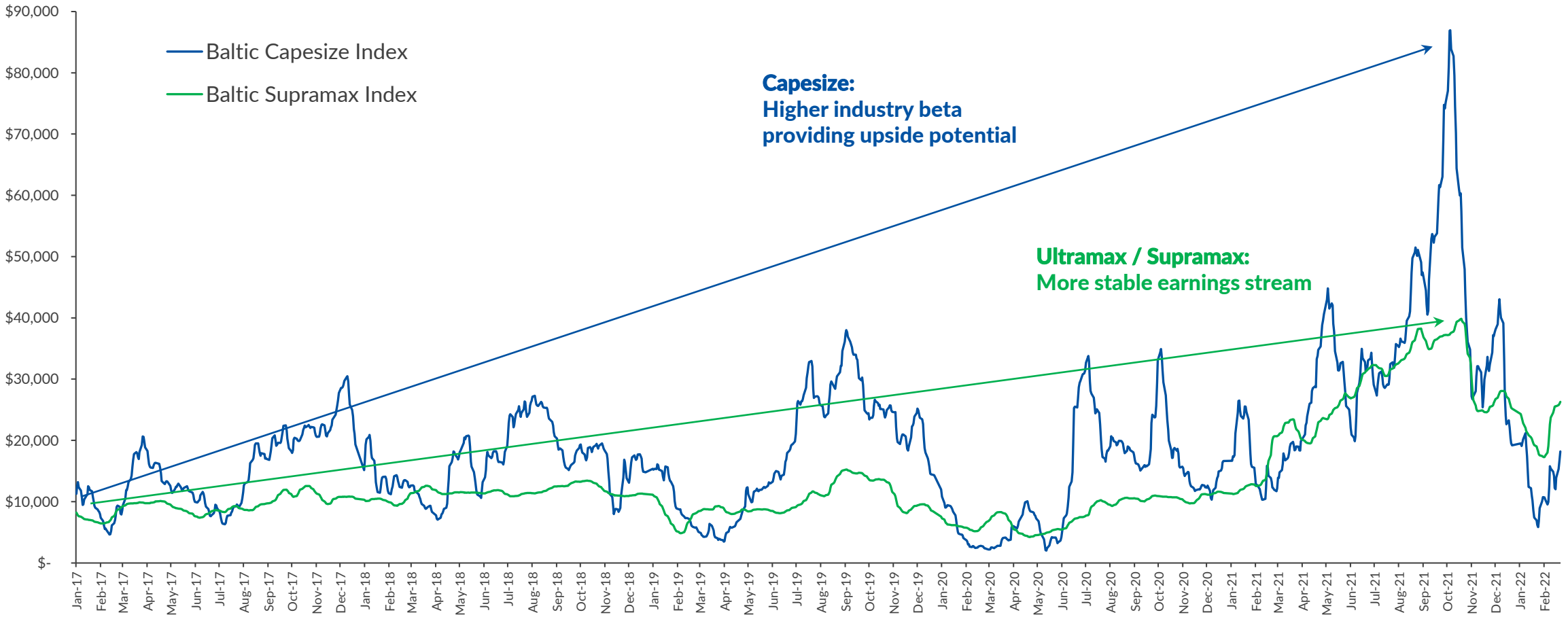
27 vessels



- More stable earnings
- Diverse trade routes
- Linked to global GDP
- Cargo arbitrage opportunities

Freight rate development and earnings

...highlight the importance of owning large Capesize vessels together with minor bulk ships



Source: Clarksons Research Services Limited 2022

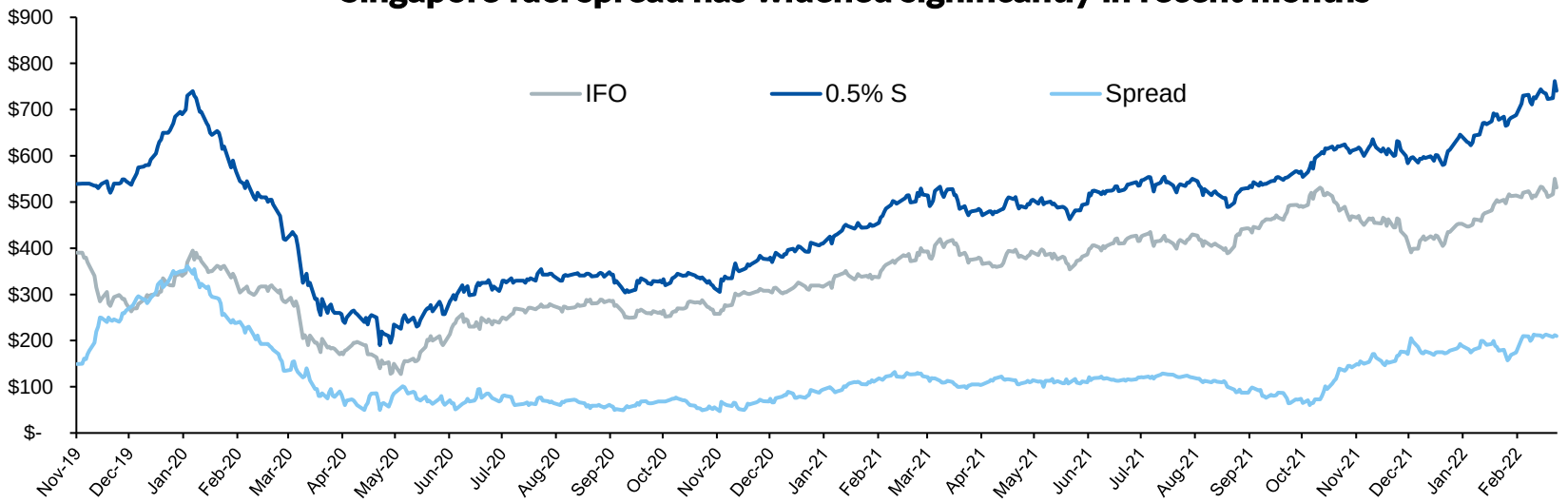
Portfolio approach to scrubber installation

Genco is capturing the widening fuel spreads thru scrubbers installed on 17 Capesize vessels

- Genco implemented a portfolio approach towards IMO 2020 compliance
- Installed scrubbers on Capesize vessels + consuming VLSFO on our minor bulk vessels
- Equipment + installation cost of our Capesize scrubbers has been paid off
- Scrubbers on Capesize vessels are a lower risk, higher return investment as these vessels:
  1) consume the most fuel 2) spend the most time at sea 3) bunker at main ports



Singapore fuel spread has widened significantly in recent months



Illustrative fuel spread sensitivity

Fuel spread ($/ton)	Scrubber benefit ($ in m)	Illustrative IRR
$ 125	$ 23.4	34%
$ 150	$ 28.1	38%
$ 175	$ 32.7	42%
$ 200	$ 37.4	46%

Note: illustrative fuel spread sensitivity assumes 40mt of fuel consumed per day and 275 sailing days per year. Shown for Genco's 17 Capesize vessels which have scrubbers installed. Illustrative IRR is based on the cost of Genco's scrubbers and actual fuel spreads realized to date plus the sensitized fuel spreads as listed in the chart. The calculation period is over three years starting on Jan 1, 2020.

Financial Overview

Fourth quarter earnings

	Three Months Ended December 31, 2021	Three Months Ended December 31, 2020	Twelve Months Ended December 31, 2021	Twelve Months Ended December 31, 2020
	(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	$ 183,277	$ 95,495	$ 547,129	$ 355,560
Total revenues	183,277	95,495	547,129	355,560
Operating expenses:				
Voyage expenses	36,610	33,435	146,182	156,985
Vessel operating expenses	22,467	21,088	82,089	87,420
Charter hire expenses	13,964	4,780	36,370	10,307
General and administrative expenses (inclusive of nonvested stock amortization expense of $0.6 million, $0.5 million, $2.3 million and $2.0 million , respectively)	6,838	4,912	24,454	21,266
Technical management fees	1,213	1,645	5,612	6,961
Depreciation and amortization	14,822	15,549	56,231	65,168
Impairment of vessel assets	-	74,225	-	208,935
(Gain) loss on sale of vessels	(5,818)	1,012	(4,924)	1,855
Total operating expenses	90,096	156,646	346,014	558,897
Operating income (loss)	93,181	(61,151)	201,115	(203,337)
Other income (expense):				
Other income (expense)	101	49	541	(851)
Interest income	10	79	154	1,028
Interest expense	(2,402)	(4,898)	(15,357)	(22,413)
Loss on debt extinguishment	-	-	(4,408)	-
Other expense, net	(2,291)	(4,770)	(19,070)	(22,236)
Net income (loss)	$ 90,890	$ (65,921)	$ 182,045	$ (225,573)
Less: Net income attributable to noncontrolling interest	38	-	38	-
Net income (loss) attributable to Genco Shipping & Trading Limited	$ 90,852	$ (65,921)	$ 182,007	$ (225,573)
Net earnings (loss) per share - basic	$ 2.16	$ (1.57)	$ 4.33	$ (5.38)
Net earnings (loss) per share - diluted	$ 2.13	$ (1.57)	$ 4.27	$ (5.38)
Weighted average common shares outstanding - basic	42,102,187	41,933,926	42,060,996	41,907,597
Weighted average common shares outstanding - diluted	42,709,594	41,933,926	42,588,871	41,907,597

December 31, 2021 balance sheet

	December 31, 2021	December 31, 2020
	(Dollars in thousands) (unaudited)	
BALANCE SHEET DATA:		
Cash (including restricted cash)	$ 120,531	$ 179,679
Current assets	174,830	247,202
Total assets	1,203,002	1,232,809
Current liabilities (excluding current portion of long-term debt)	41,895	32,979
Current portion of long-term debt	-	80,642
Long-term debt (net of $7.8 million and $9.7 million of unamortized debt issuance costs at December 31, 2021 and December 31, 2020, respectively)	238,229	358,933
Shareholders' equity	916,675	744,994



	Three Months Ended December 31, 2021	Three Months Ended December 31, 2020	Twelve Months Ended December 31, 2021	Twelve Months Ended December 31, 2020
	(Dollars in thousands) (unaudited)		(Dollars in thousands) (unaudited)	
OTHER FINANCIAL DATA:				
Net cash provided by operating activities	N/A		$ 231,119	$ 36,896
Net cash (used in) provided by investing activities			(67,573)	37,439
Net cash used in financing activities			(222,694)	(56,905)
	(unaudited)		(unaudited)	
EBITDA Reconciliation:				
Net income (loss) attributable to Genco Shipping & Trading Limited	$ 90,852	$ (65,921)	$ 182,007	$ (225,573)
+ Net interest expense	2,392	4,819	15,203	21,385
+ Depreciation and amortization	14,822	15,549	56,231	65,168
EBITDA[(1)]	$ 108,066	$ (45,553)	$ 253,441	$ (139,020)
+ Impairment of vessel assets	-	74,225	-	208,935
+ (Gain) loss on sale of vessels	(5,818)	1,012	(4,924)	1,855
+ Loss on debt extinguishment	-	-	4,408	-
Adjusted EBITDA	$ 102,248	$ 29,684	$ 252,925	$ 71,770

(1) EBITDA represents net income (loss) 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.

Fourth quarter highlights

	Three Months Ended December 31, 2021 (unaudited)	Three Months Ended December 31, 2020 (unaudited)	Twelve Months Ended December 31, 2021 (unaudited)	Twelve Months Ended December 31, 2020 (unaudited)
FLEET DATA:				
Total number of vessels at end of period	42	47	42	47
Average number of vessels (1)	42.4	48.5	41.6	51.8
Total ownership days for fleet (2)	3,897	4,462	15,177	18,957
Total chartered-in days (3)	352	400	1,472	1,216
Total available days (4)	4,122	4,751	16,412	19,636
Total available days for owned fleet (5)	3,770	4,350	14,940	18,420
Total operating days for fleet (6)	4,082	4,637	16,165	19,204
Fleet utilization (7)	97.4%	96.8%	97.9%	97.1%
AVERAGE DAILY RESULTS:				
Time charter equivalent (8)	$ 35,200	$ 13,167	$ 24,402	$ 10,221
Daily vessel operating expenses per vessel (9)	5,766	4,726	5,409	4,612

(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.

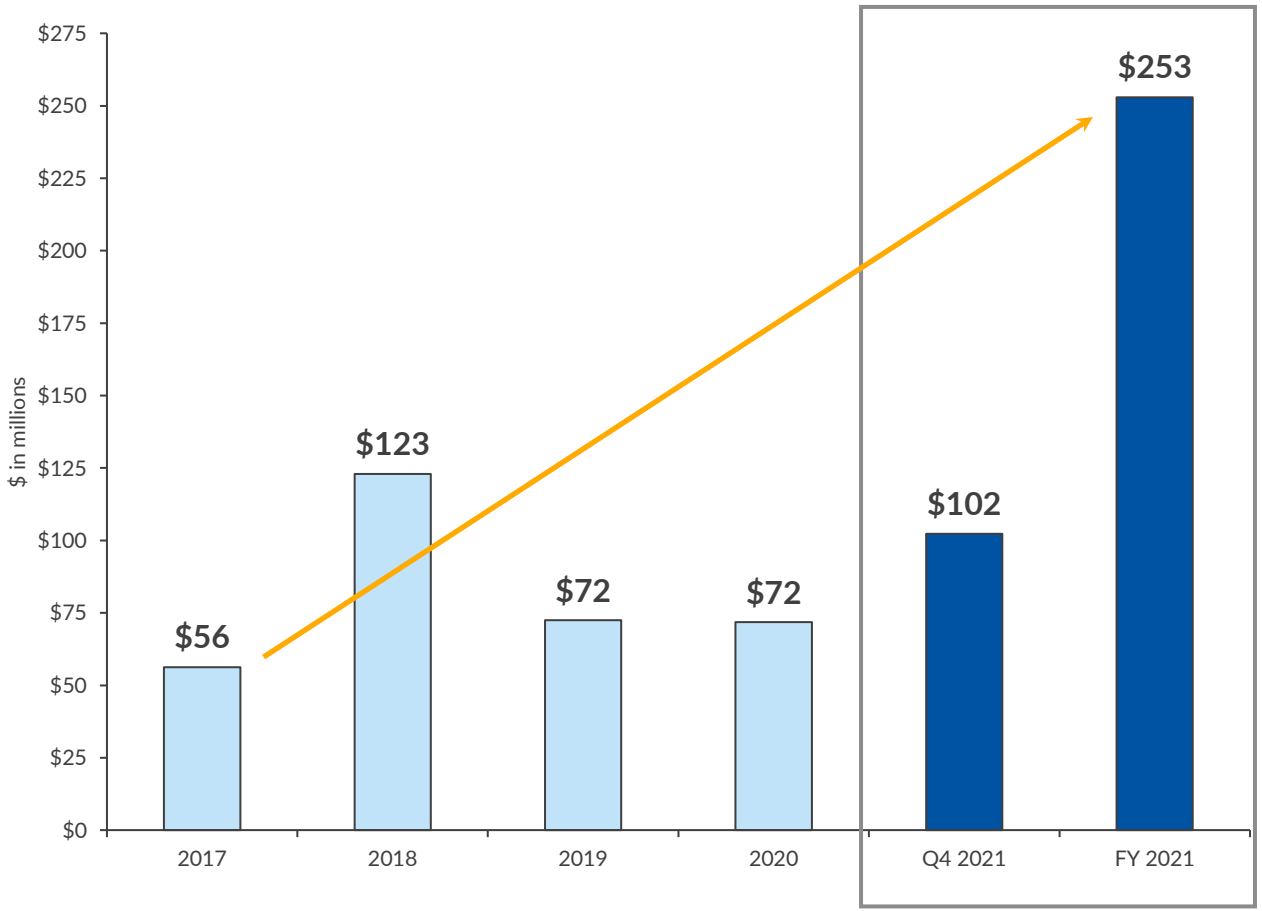
(7) We calculate fleet utilization as the number of our operating days during a period divided by the number of ownership days plus time charter-in days less days our vessels spend in drydocking.

(8) We define TCE rates as our voyage revenues less voyage expenses and charter-hire expenses, 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.

Adjusted EBITDA development since 2017

Q1 2022 estimates to date point to another strong quarter

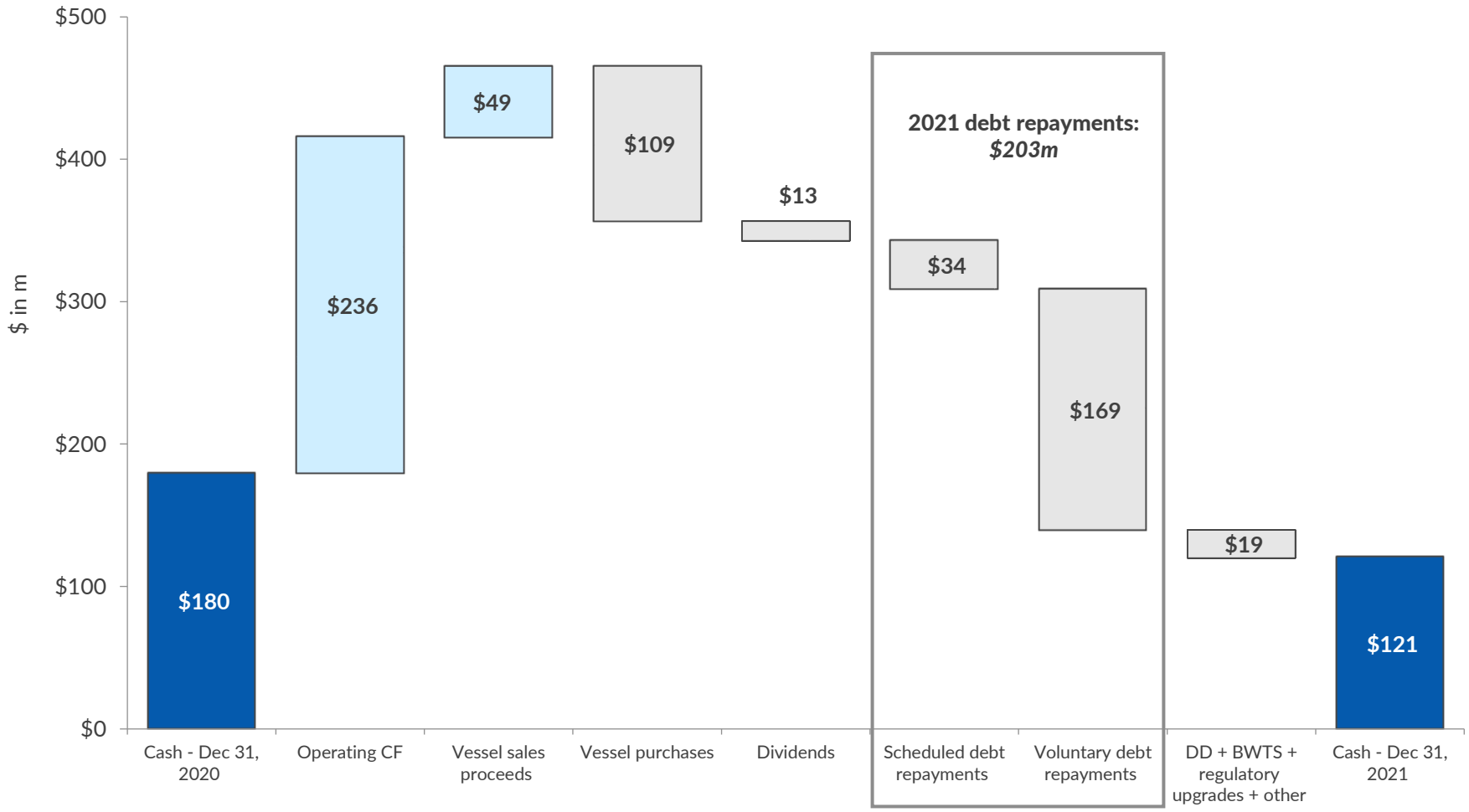


- Significant operating leverage highlighted by significant growth in Adjusted EBITDA
- Q4 2021 Adjusted EBITDA is greater than FY 2019 / 2020 levels
- FY 2021 Adjusted EBITDA is greater than FY 2019 and 2020 combined and double FY 2018

Note: 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.

2021 cash flow walk

Primary uses of cash in 2021 included debt paydowns + fleet growth







$80

Cash pro forma for the delivery of 2 x Ultras in Jan 2022

Q1 2022 estimated fleet-wide expenses[1]

Daily Expenses by Category	Free Cash Flow[2]	Net Income
Direct Vessel Operating[3]	$5,825	$5,825
G&A Expenses[4]	1,296	1,391
Technical Management Fees[5]	361	361
Drydocking[6]	971	-
Fuel efficiency upgrade investment / BWTS[7]	523	-
Interest Expense[8]	530	636
Mandatory debt repayments[9]	-	-
Depreciation[10]	-	3,532
Total	**$9,506**	**$11,745**
Number of Vessels[11]	**43.87**	**43.87**

- Our year-end debt is $246m following voluntary debt paydowns totaling $59 million in Q4 2021
- No mandatory debt amortizations payments until 2026
- In Q1 2022, we prepaid $8.75 million of debt
- We plan to continue to voluntarily pay down our debt
- Our medium term objective is to reduce net debt to zero

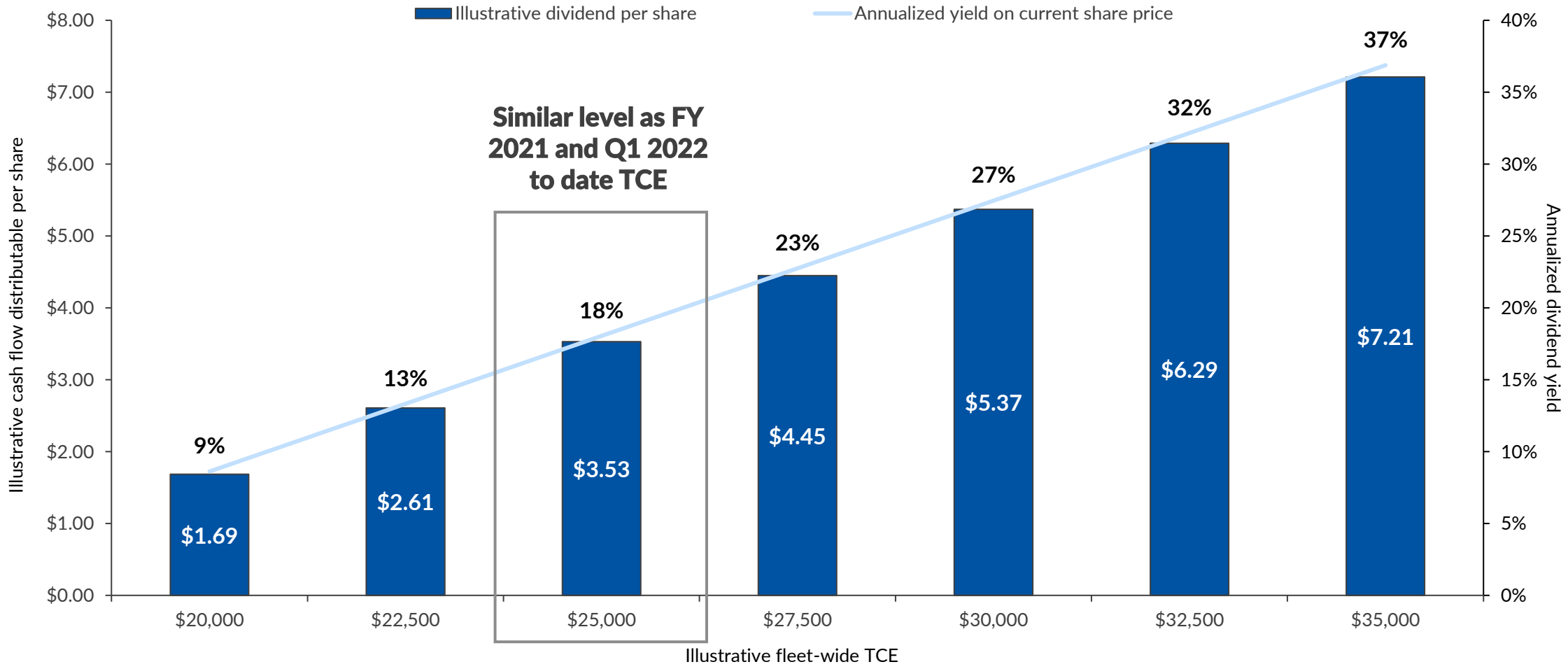
Est Ownership / Owned Available Days - Q1 2022

Vessel Type	Own. Days	DD Days	Owned Avail Days
Capesize	1,530	36	1,494
Ultramax	1,338	42	1,296
Supramax	1,080	21	1,059
Total	**3,948**	**99**	**3,849**

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

2022 illustrative dividend sensitivity…

…points to significant operating leverage

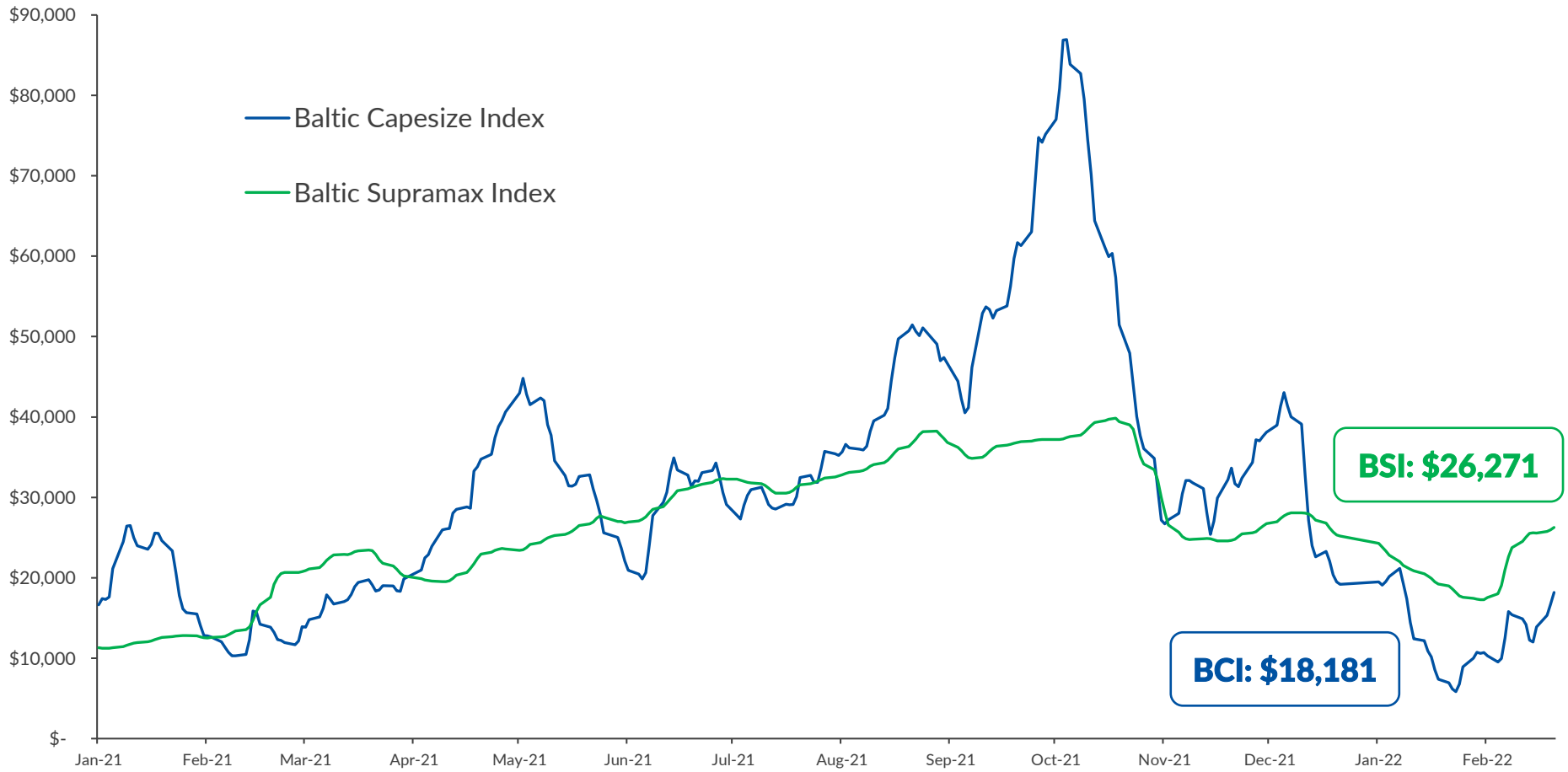


Note: based on GNK's share price as of February 23, 2022. Illustrative cash flow distributable per share is based on sensitized TCE rates shown above less the annualized 2022 expense levels. The reserve and voluntary debt paydown amounts are based on Q1 2022 annualized figures. The amounts set forth above are for illustrative purposes only, and actual amounts will vary. 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 our Board of Directors each quarter after its review of our financial performance. Operating cash flow and TCE are non-GAAP financial measures. For further details and a reconciliation of operating cash flow to net income, the most comparable financial measure presented in accordance with GAAP, please see the Appendix of this presentation. TCE rates are assumed for analytical purposes and encompass a number of underlying assumed variables. Accordingly, we are unable to provide, without unreasonable efforts, a reconciliation of TCE to the most comparable financial measure presented in accordance with GAAP.

Industry Overview

Freight rate development

Strong 2021 followed by Q1 seasonal decline, although rates have increased off recent lows



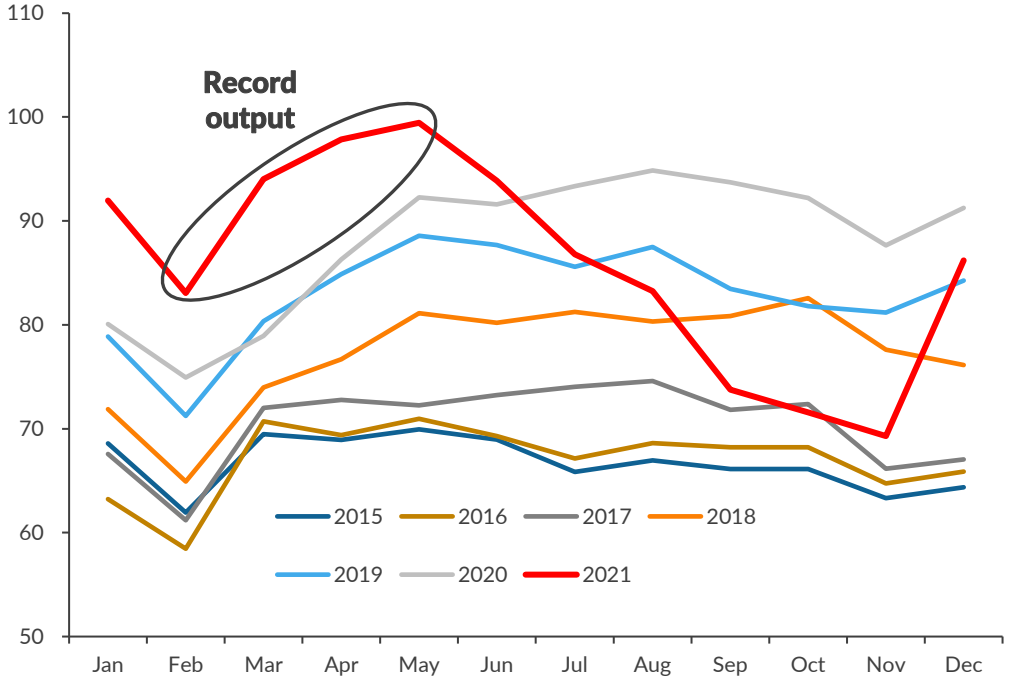
Q1 seasonal factors

- Weather related cargo disruptions impact cargo availability
- Timing of newbuilding vessel deliveries
- Timing of Lunar New Year in China + Beijing Olympics
- Temporary Indonesian coal export ban in January

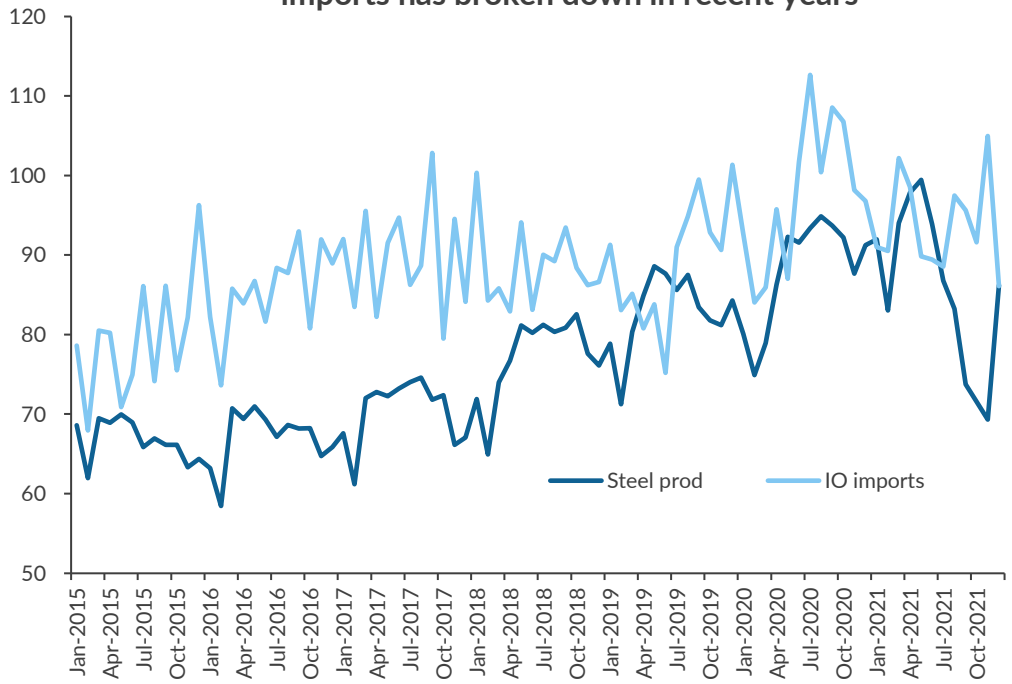
Source: Clarksons Research Services Limited 2022

China steel output + iron ore imports

China's steel output has declined from record levels



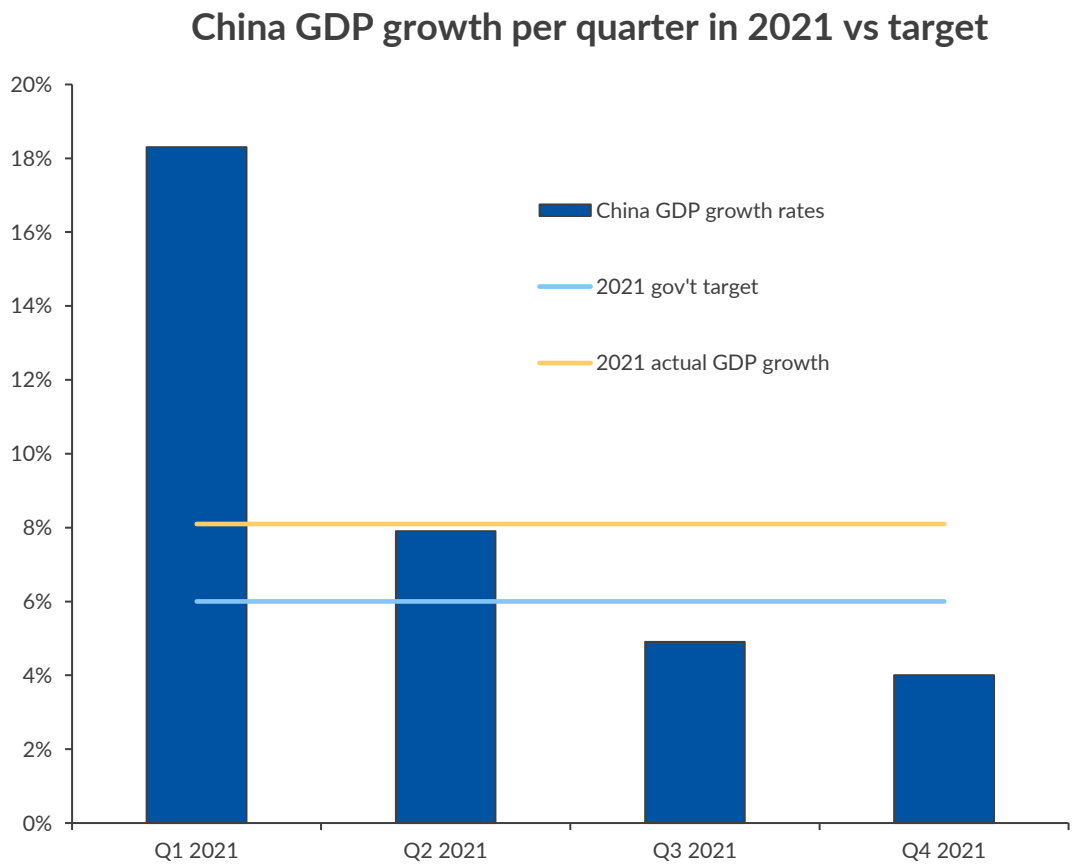
Correlation of China's steel output and iron ore imports has broken down in recent years



- China's steel output is expected to improve in late Q1 / early Q2 2022 from current levels during peak spring construction season
- Seaborne iron ore exports historically peak in 2H and decline in Q1 due to weather factors and maintenance

Source: Clarksons Research Services Limited 2022

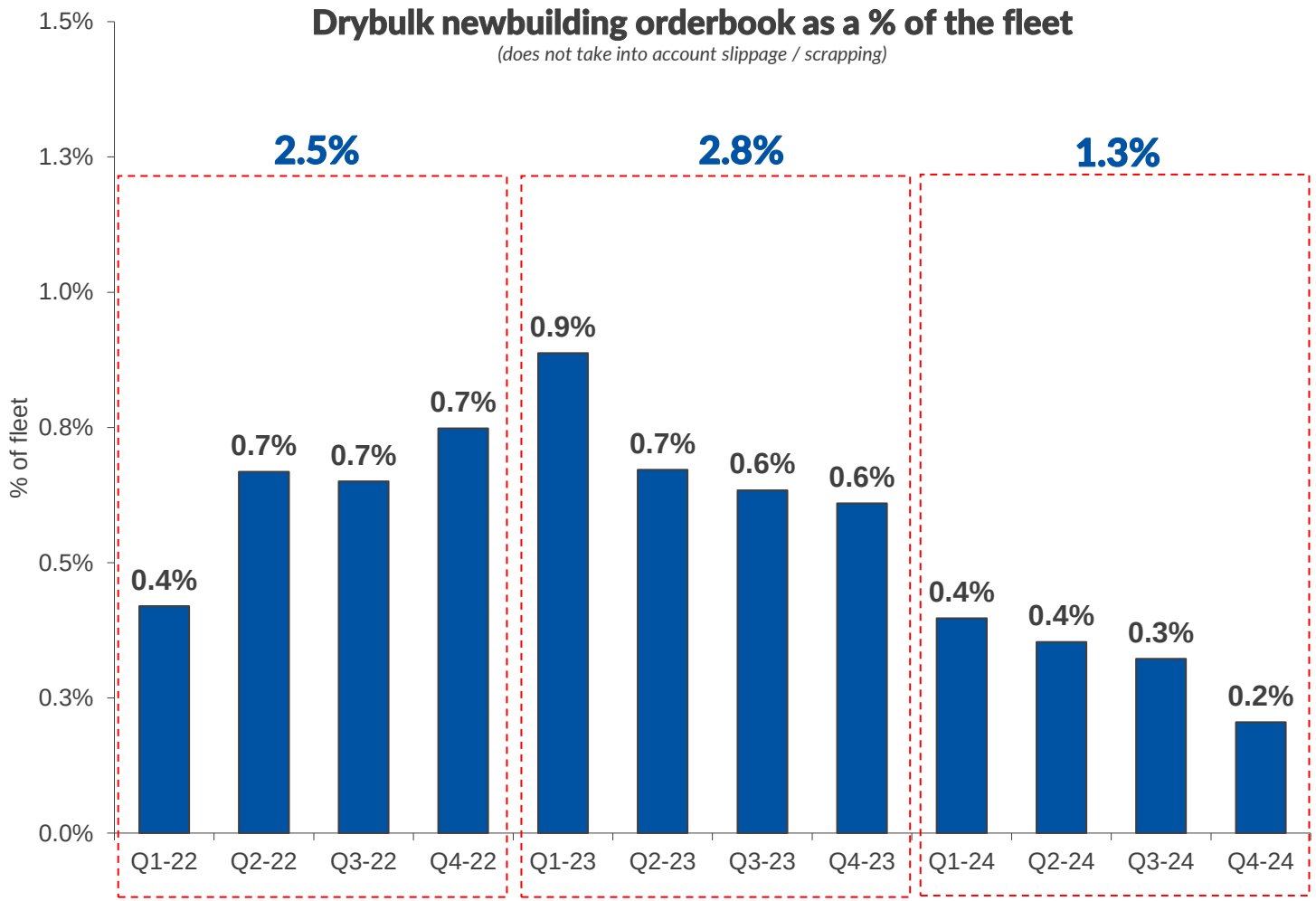
China’s policies becoming more accommodative



- China to set 2022 GDP growth target in March 2022
- Credit growth in China has been increasing in recent months
- 21 provinces in China have targeted 6%+ for local GDP growth
- Construction projects in many parts of China have restarted faster post CNY
- China is accelerating infrastructure projects to support growth

Source: Mysteel

Historically low newbuilding orderbook



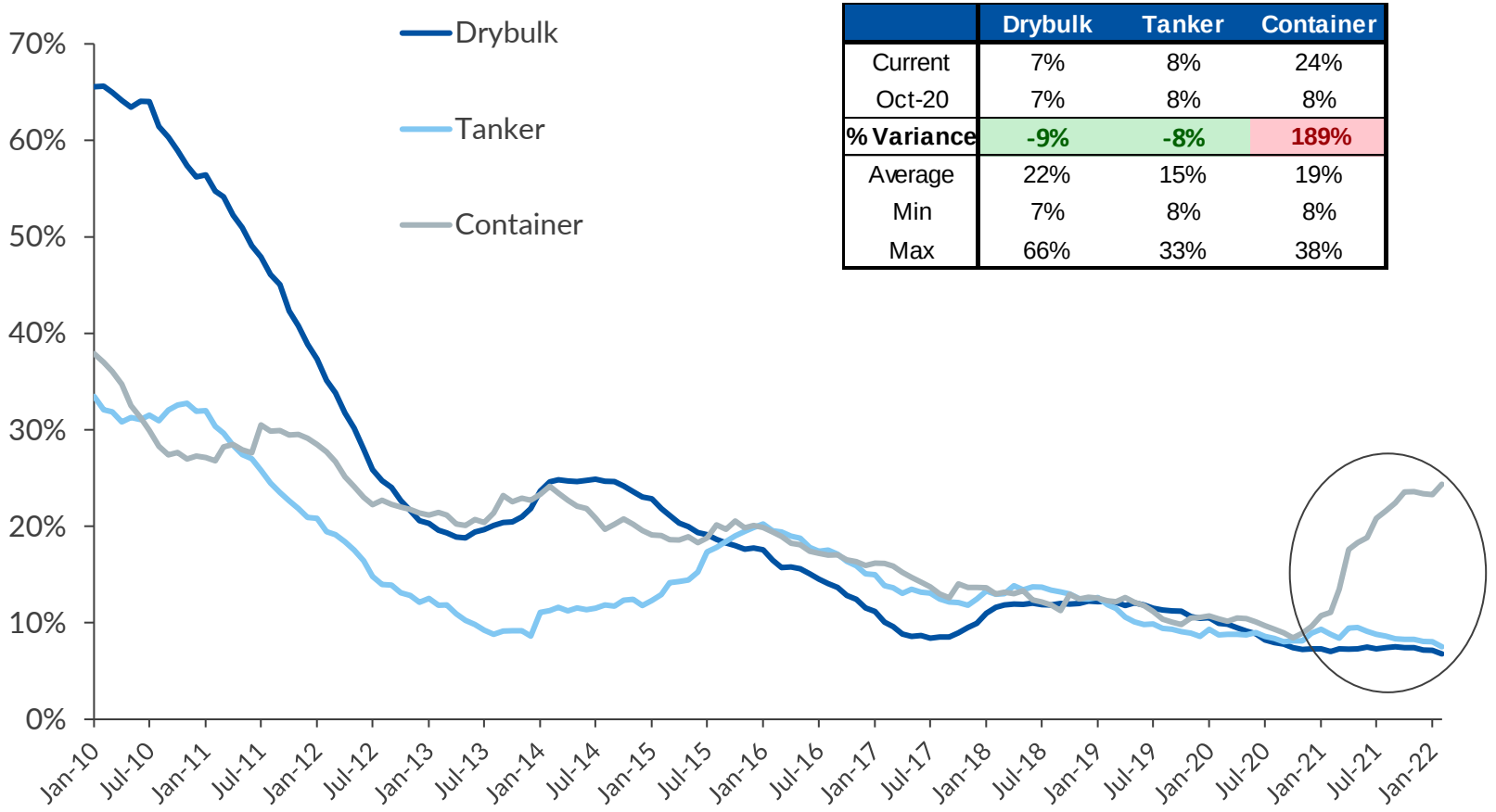
7% Orderbook as a % of the total drybulk fleet

7% % of the on the water fleet >=20 years old

-22% N/B deliveries down 22% in 2021 YOY

Source: Clarksons Research Services Limited 2022

Global ordering trends focus on containers

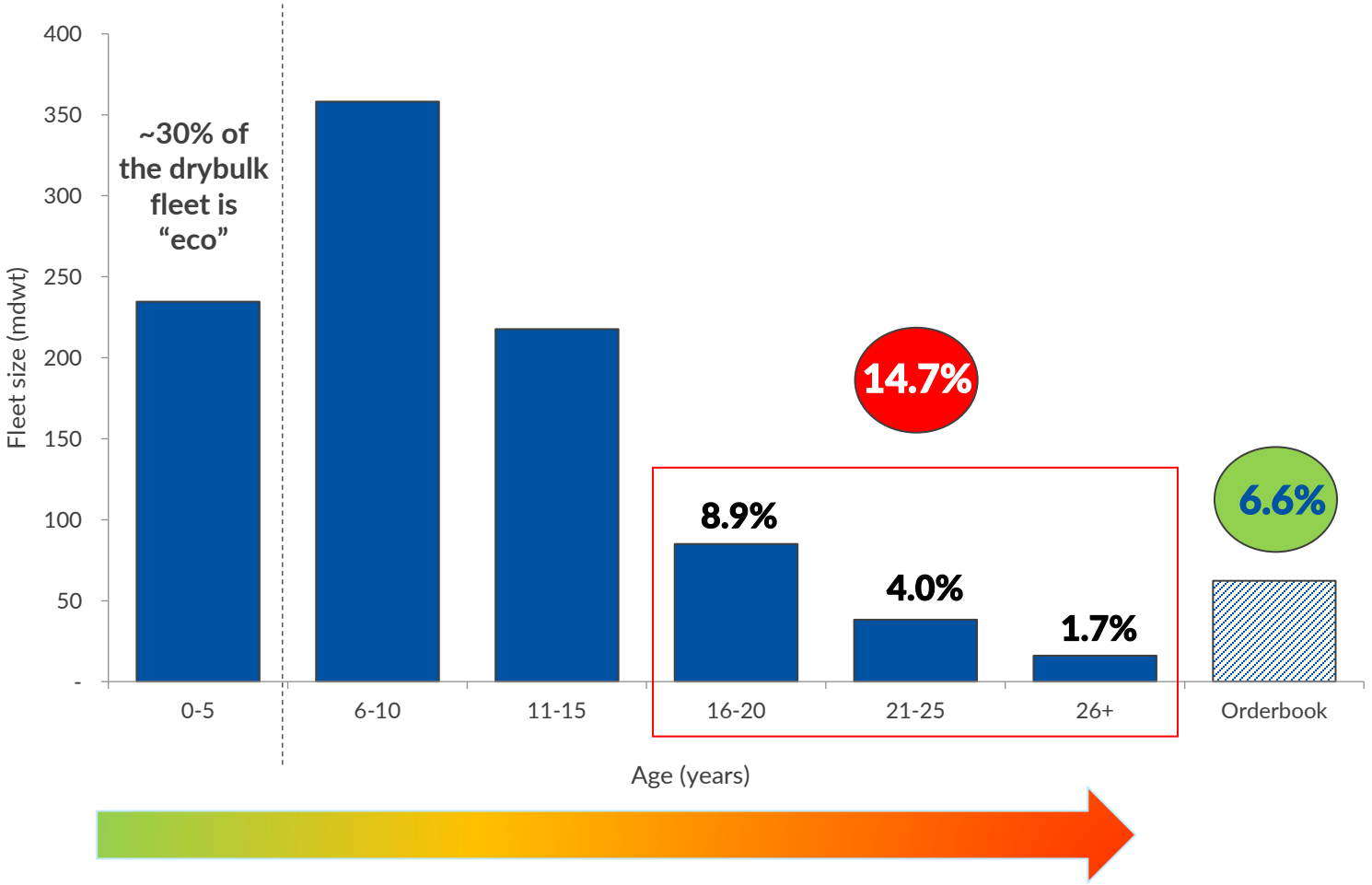


	Drybulk	Tanker	Container
Current	7%	8%	24%
Oct-20	7%	8%	8%
% Variance	-9%	-8%	189%
Average	22%	15%	19%
Min	7%	8%	8%
Max	66%	33%	38%

- Global newbuild ordering has been focused on the containership sector
- Container orderbook has increased to over 20% of the fleet from 8% in Oct 2020
- Order volumes have increased significantly in the containership sector, where extremely firm market conditions have supported a surge in newbuild contracts
- Availability remains tight for newbuilding slots with new orders likely to be set for 2024 delivery

Source: Clarksons Research Services Limited 2022

Fleet-wide impact of environmental regulations



- **Slower maximum speeds** due to EPL installations + CII compliance
- **Older ships becoming less competitive**, possibly increased scrapping
- **Longer times in drydocking** for installation of energy saving devices (think scrubbers, but to a lesser extent)
- **Chartering impact:** large charterers could "force" owners into compliance by not fixing certain vessels

Source: Clarksons Research Services Limited 2022

Freight rate catalysts and drybulk outlook

Marsoft 2022 to 2023 S&D growth estimates

	Vessel*	2022	2023
Iron Ore 	Capesize	+3.9%	+3.2%
Coal 	Capesize Panamax	+3.2%	+0.0%
Grain 	Panamax Supramax Handysize	+3.5%	+2.4%
Minor Bulk 	Supramax Handysize	+4.6%	+3.3%
Total Demand		+3.9%	+2.4%
Net fleet Growth		+1.7%	+1.4%

*Indicates the primary vessel type that carries the respective commodities. Supply and demand forecasts are based on Marsoft's base case from January 2022

Drybulk market catalysts

1. Record low orderbook as a percentage of the fleet to limit net fleet growth
2. Strong 2022 global GDP growth forecast
3. China to potentially shift to more accommodative policies to defend economic growth targets in 2022
4. ROW continues economic improvement
5. Recovery and growth of Brazilian iron ore exports

Sources: Marsoft, Clarksons, IMF

Q&A

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 Resolute	2015	181,060	Genco Freedom	2015	63,671	Genco Hunter	2007	58,729
Genco Endeavour	2015	181,060	Baltic Hornet	2014	63,574	Genco Auvergne	2009	58,020
Genco Liberty	2016	180,387	Genco Vigilant	2015	63,498	Genco Ardennes	2009	58,018
Genco Defender	2016	180,377	Genco Enterprise	2016	63,473	Genco Bourgogne	2010	58,018
Genco Constantine	2008	180,183	Baltic Mantis	2015	63,470	Genco Brittany	2010	58,018
Genco Augustus	2007	180,151	Baltic Scorpion	2015	63,462	Genco Languedoc	2010	58,018
Genco Tiger	2011	179,185	Genco Magic	2014	63,446	Genco Pyrenees	2010	58,018
Baltic Lion	2012	179,185	Baltic Wasp	2015	63,389	Genco Rhone	2011	58,018
Genco London	2007	177,833	Genco Mayflower	2017	63,304	Genco Aquitaine	2009	57,981
Baltic Wolf	2010	177,752	Genco Constellation	2017	63,304	Genco Warrior	2005	55,435
Genco Titus	2007	177,729	Genco Madeleine	2014	63,166	Genco Predator	2005	55,407
Baltic Bear	2010	177,717	Genco Weatherly	2014	61,556	Genco Picardy	2005	55,257
Genco Tiberius	2007	175,874	Genco Mary	2022	61,085			
Genco Commodus	2009	169,098	Genco Laddey	2022	61,085			
Genco Hadrian	2008	169,025	Genco Columbia	2016	60,294			
Genco Maximus	2009	169,025						
Genco Claudius	2010	169,001						

17
Capesize

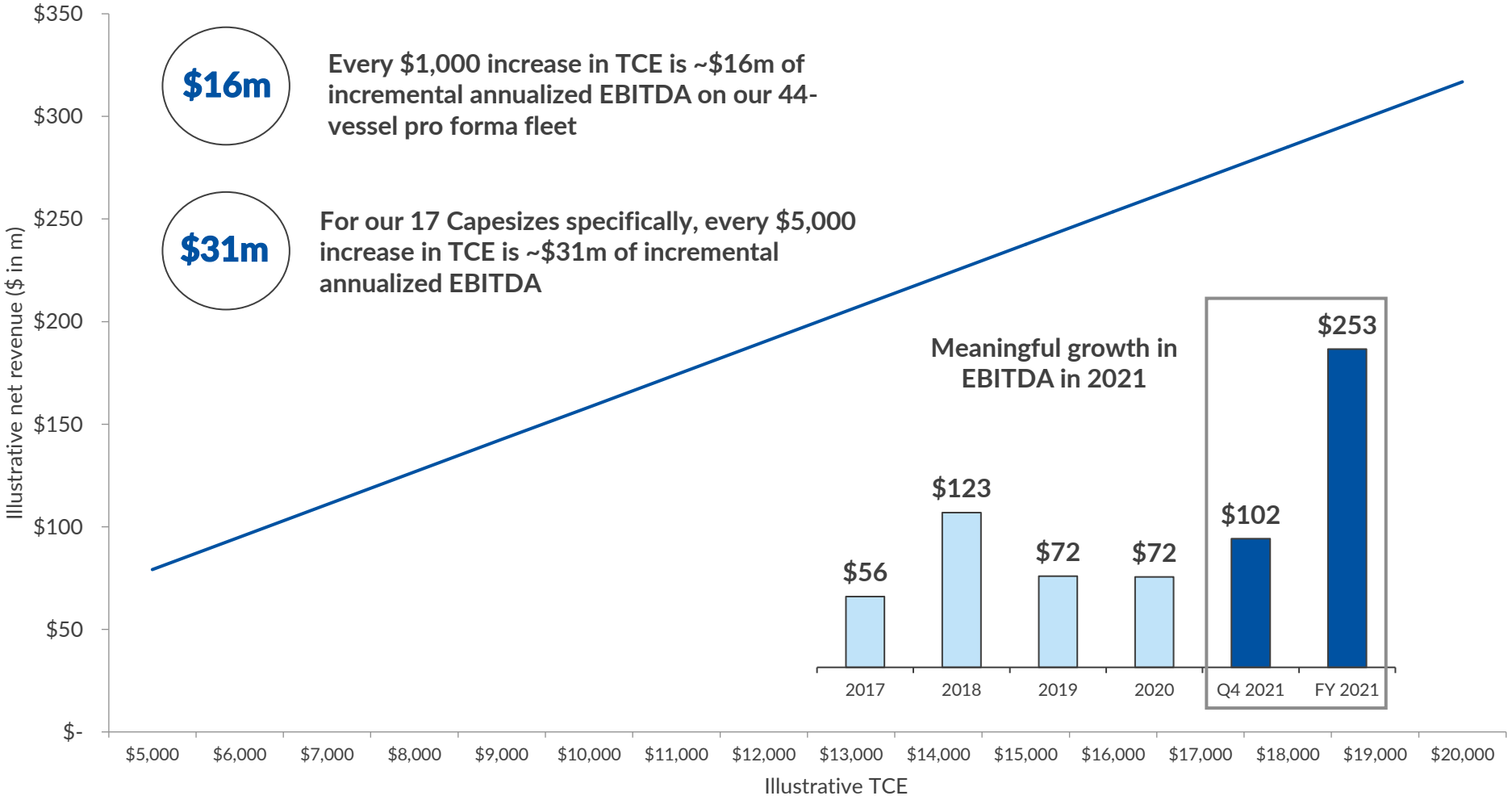


27
Ultra/Supra



Significant fleet-wide operating leverage

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





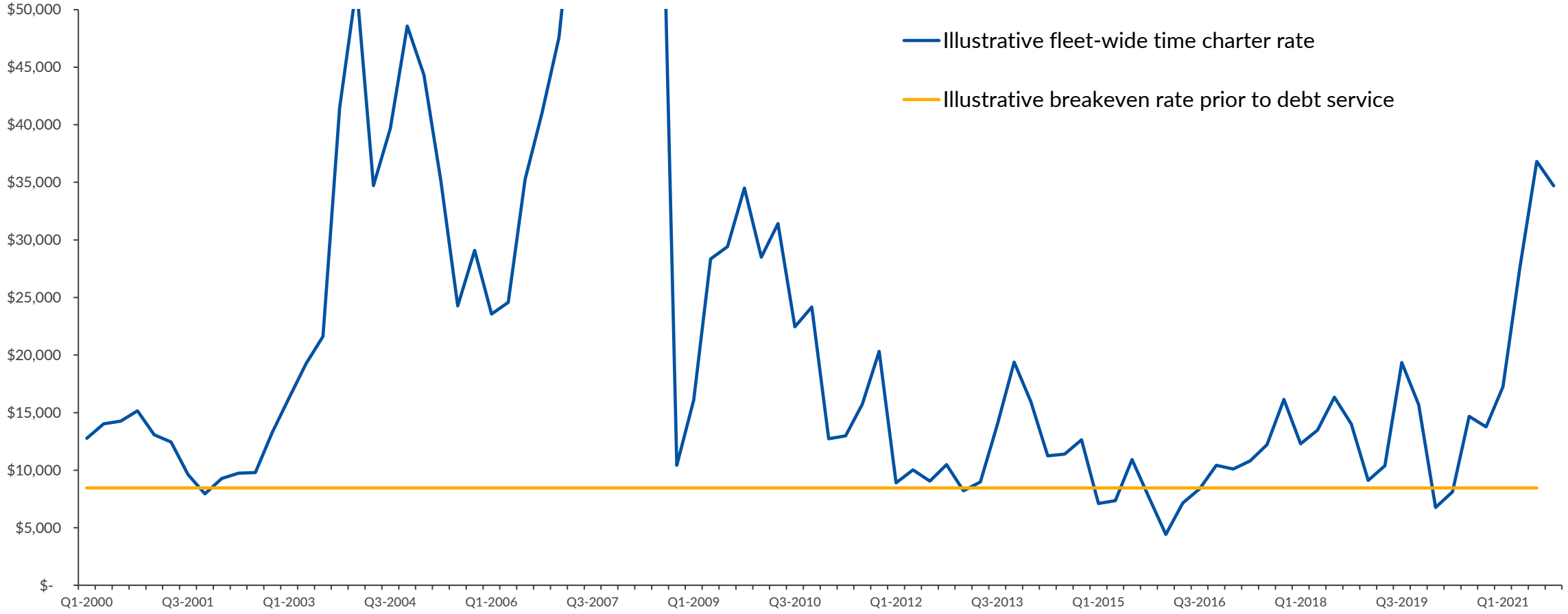




Note: based on a fleet of 44 ships, for illustrative purposes only Note: We believe the non-GAAP measure presented provides investors with a means of better evaluating and understanding the Company's operating performance

Breakeven rate prior to debt service…

…is covered in nearly every rate environment over the last 2 decades



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 44 vessels.
An assumed scrubber premium is included together with a target minor bulk outperformance figure. Illustrative breakeven rate prior to debt service is based on our Q1 2022 expense budget.

EBITDA reconciliation(1)

Adjusted EBITDA 2017 to 2021						
	2017	2018	2019	2020	Q4 2021	FY 2021
Net (loss) income	$ (58,725)	$ (32,940)	$ (55,985)	$ (225,573)	$ 90,852	$ 182,006
Net interest expense	28,946	29,290	27,860	21,385	2,392	15,203
Income tax (benefit) expense	-	-	-	-	-	-
Depreciation/amortization	71,776	68,976	72,824	65,168	14,822	56,231
EBITDA	**$ 41,997**	**$ 65,326**	**$ 44,699**	**$ (139,020)**	**$ 108,066**	**$ 253,440**
Impairment of vessels	$ 21,993	$ 56,586	$ 27,393	$ 208,935	$ -	$ -
(Gain) loss on vessel sales	(7,712)	(3,513)	168	1,855	(5,818)	(4,924)
Loss on debt extinguishment	-	4,533	-	-		4,408
Impairment of right of use asset	-	-	223	-	-	-
Adjusted EBITDA	**$ 56,278**	**$ 122,932**	**$ 72,483**	**$ 71,770**	**$ 102,248**	**$ 252,924**

(1) EBITDA represents net income (loss) 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					Twelve Months Ended	
	Dec 31, 2020	Mar 31, 2021	Jun 30, 2021	Sep 30, 2021	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021
	(unaudited)					(unaudited)	
Total Fleet							
Voyage revenues (in thousands)	$ 95,495	$ 87,591	$ 121,008	$ 155,252	$ 183,277	$ 355,560	$ 547,129
Voyage expenses (in thousands)	33,435	35,074	36,702	37,797	36,610	156,985	146,182
Charter hire expenses (in thousands)	4,780	5,435	8,325	8,644	13,964	10,307	36,370
	57,280	47,082	75,981	108,811	132,703	188,268	364,577
Total available days for owned fleet	4,350	3,860	3,595	3,715	3,770	18,420	14,940
Total TCE rate	$ 13,167	$ 12,197	$ 21,137	$ 29,287	$ 35,200	$ 10,221	$ 24,402

(1) We define TCE rates as our voyage revenues less voyage expenses and charter-hire expenses, 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.

Adjusted Net Income reconciliation

	Three Months Ended December 31, 2021
	(unaudited)
Adjusted Net Income Reconciliation	
Net income attributable to Genco Shipping & Trading Limited	$ 90,852
+ Gain on sale of vessels	(5,818)
Adjusted net income	$ 85,034
Adjusted net earnings per share - basic	$ 2.02
Adjusted net earnings per share - diluted	$ 1.99
Weighted average common shares outstanding - basic	42,102,187
Weighted average common shares outstanding - diluted	42,709,594
Weighted average common shares outstanding - basic as per financial statements	42,102,187
Dilutive effect of stock options	380,055
Dilutive effect of restricted stock units	227,352
Weighted average common shares outstanding - diluted as adjusted	42,709,594

Footnotes to Q1 2022 estimated fleet-wide expenses

(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) Direct Vessel Operating Expenses are based on management's estimates and budgets submitted by our technical managers. We believe DVOE 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.

(5) Management Fees are based on the contracted monthly rate per vessel for the technical management of our fleet.

(6) Drydocking expenses represent estimated drydocking expenditures for Q1 2022 and include costs relating to energy saving devices and ballast water treatment systems.

(7) Represents costs associated with fuel efficiency upgrades on select vessels as part of Genco's comprehensive IMO 2023 plan together with regulatory costs related to the installation of ballast water treatment systems.

(8) Interest expense is based on our debt level as of December 31, 2021, less anticipated voluntary debt repayments in Q1 2022. Deferred financing costs are included in calculating net income interest expense. Interest expense is calculated based on an assumed LIBOR rate and margin under our credit facility.

(9) In Q1 2022, Genco has no mandatory debt repayments scheduled. The Company plans to pay down approximately $8.75 million in Q1 2022.

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

(11) Based on a weighted average fleet of 43.87 vessels.

Q1 2022 operating expense reconciliation

Operating expenses ($ in m)	Q1 2022 free cash flow est	Adj to GAAP measure	Q1 2022 Net income est
Vessel operating expenses	$ (23.00)	$ -	$ (23.00)
General & administrative expenses	$ (5.12)	$ (0.38)	$ (5.49)
Technical management fees	$ (1.43)	$ -	$ (1.43)
Interest expense	$ (2.09)	$ (0.42)	$ (2.51)
Total operating expenses	**$ (31.63)**	**$ (0.79)**	**$ (32.43)**

Assumptions to illustrative dividend sensitivity

- **Fleet size:** Based on a fleet of 44 vessels.
- **Illustrative rates used to calculate net revenue:** Net revenue is defined as voyage revenues less voyage expenses less charter hire expenses. Illustrative time charter equivalent rates are presented on a net basis and are sensitized based on estimates provided by third-party industry research firms. TCE presented is multiplied by the estimated available days of the fleet resulting in an illustrative net revenue figure.
- **Expenses:** Illustrative expenses are based on Genco's 2022 budget, including a daily fleet-wide vessel operating expense budget of $5,825 per vessel per day, which represents the Q1 2022 amount annualized. Fleet-wide G&A and technical management fees remain the same as in our Q1 2022 budget amount annualized.
- **Drydocking / ballast water treatment system capex:** Based on Genco's 2022 capex budget of $34 million.
- **Quarterly debt amortization:** While we have no mandatory debt repayments until 2026, we will continue to voluntarily paydown debt. For the purposes of this calculation, we are assuming voluntary quarterly debt repayments of $8.75 million.
- **Operating cash flow:** Defined as voyage revenue less voyage expenses, charter hire expenses, vessel operating expenses, general and administrative expenses other than non-cash restricted stock expenses, technical management fees, and interest expense other than non-cash deferred financing costs.
- **Illustrative dividend per share:** Based on 42.4 million shares.
- **Reserve:** The reserve will be set on a quarterly basis in advance of the subsequent quarter at the discretion of our Board of Directors and is anticipated to be based on future quarterly debt repayments and interest expense. Reserve for this calculation is based on estimated debt repayments of $8.75 million per quarter plus estimated interest expense for the year.
- **Reconciliation of operating cash flow ($ in m):**

2022 illustrative analysis based on cash flow sensitivity

Fleet-wide net TCE - 2022	**$ 20,000**	**$ 22,500**	**$ 25,000**	**$ 27,500**	**$ 30,000**	**$ 32,500**	**$ 35,000**
Net revenue	$ 312	$ 352	$ 391	$ 430	$ 469	$ 508	$ 547
Vessel operating expenses	(94)	(94)	(94)	(94)	(94)	(94)	(94)
General & administrative expenses	(20)	(20)	(20)	(20)	(20)	(20)	(20)
Technical management fees	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Interest expense	(9)	(9)	(9)	(9)	(9)	(9)	(9)
Operating cash flow	**$ 184**	**$ 223**	**$ 262**	**$ 301**	**$ 340**	**$ 379**	**$ 418**

Adjustment to GAAP measure
$ -
-
(1)
-
(2)

Illustrative net income equivalent figures

$ 312	$ 352	$ 391	$ 430	$ 469	$ 508	$ 547
(94)	(94)	(94)	(94)	(94)	(94)	(94)
(21)	(21)	(21)	(21)	(21)	(21)	(21)
(6)	(6)	(6)	(6)	(6)	(6)	(6)
(11)	(11)	(11)	(11)	(11)	(11)	(11)


Thank You