GENCO SHIPPING & TRADING LIMITED



Capital Link Investor Presentation
September 2022
NYSE: GNK

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, including without limitation the ongoing war in Ukraine; (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, 2022 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 (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, 2021 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.

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Presenters



John C. Wobensmith
Chief Executive Officer

- Over 25 years of experience in the shipping industry
- Strong background in managing all aspects of a drybulk shipping company including commercial, technical and finance
- Holds CFA designation



Apostolos Zafolias
Chief Financial Officer

- 17 years of experience in the shipping industry
- Significant experience in M&A, S&P, commercial bank financing and capital market transactions
- Holds CFA designation



Peter Allen
SVP, Strategy & Finance

- 14 years of experience in the shipping industry
- Serves as the Company's drybulk market analyst
- Holds CFA designation







Executive summary

Genco Shipping & Trading overview

- The **largest U.S. based** drybulk shipowner, with **44 modern, high quality** vessels transporting both major (iron ore & coal) and minor (grains, cement, fertilizers, etc.) bulk across all key world-wide shipping routes
- **Optimized risk return profile:** low leverage (13% Net LTV[1]) + high dividend payout (14% annualized yield based on Q2 2022 dividend[2])
- Headquartered in **New York** with global offices in **Singapore** and **Copenhagen**
- **Direct exposure to all drybulk trades** transported across world-wide shipping routes
- Provides a **full-service logistics solution** to our customers
- **Transparent US filer** with no related party transactions
- **Rated #1 ESG shipping company** globally[3]
- **NYSE listed** under ticker symbol **GNK**





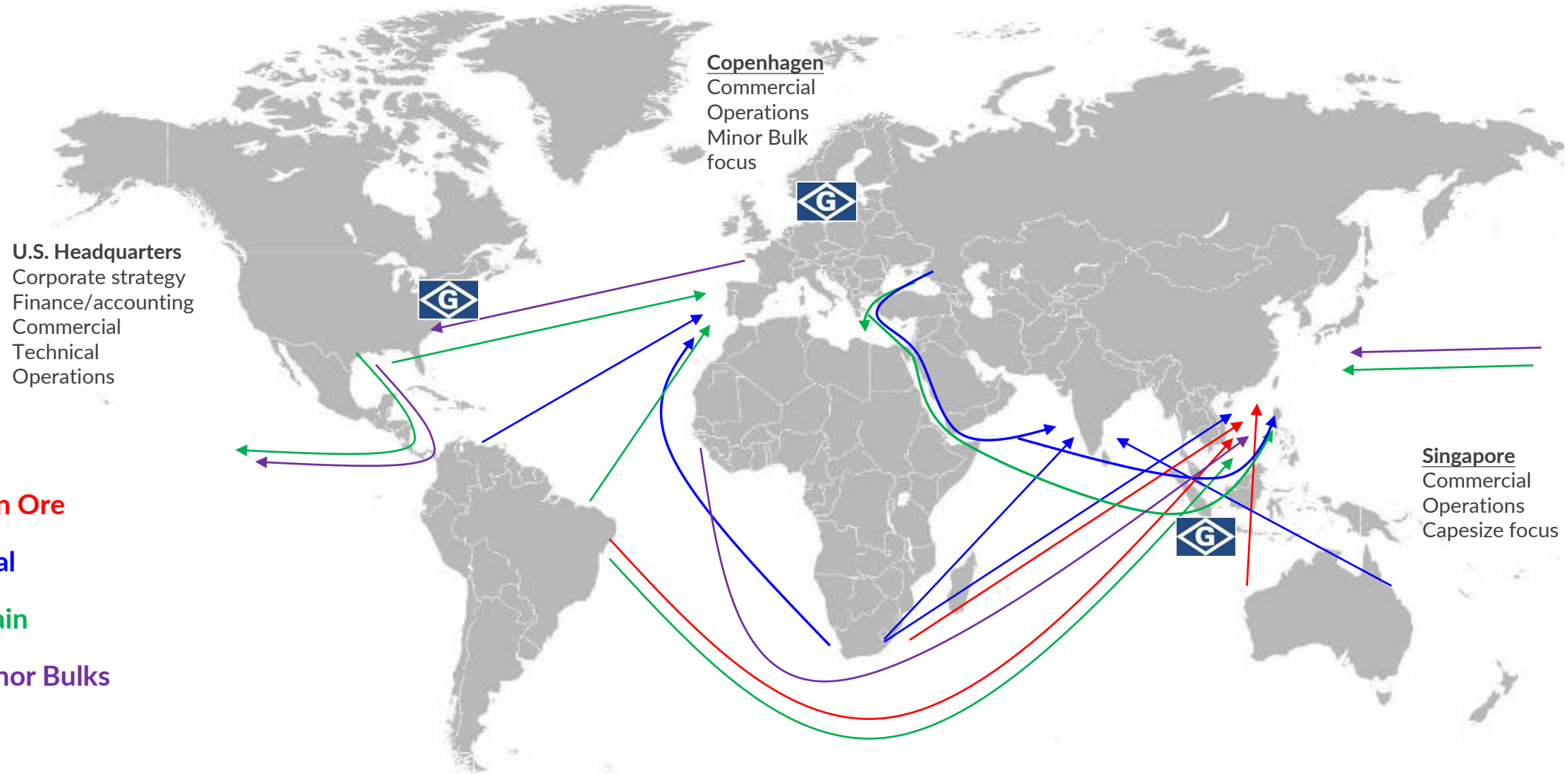




1) Net LTV is based on VesselsValue.com estimates from September 2022 and cash and debt balances as of June 30, 2022.
2) Based on the closing share price as of September 20, 2022.
3) Based on the Webber Research 2021 ESG scorecard.

Global drybulk trade and key routes

~90% of global trade is carried by the international shipping industry – Genco's global footprint maximizes revenue generation by capturing market trends in real-time

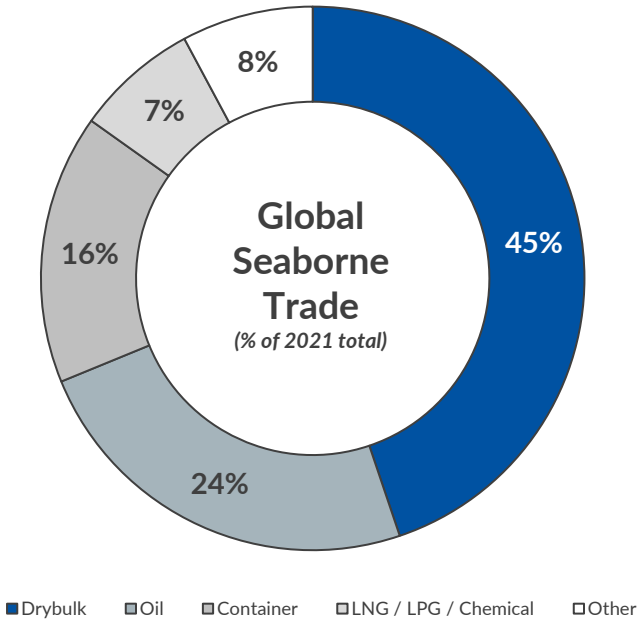


Source: Clarksons Research Services Limited 2022

Genco transported 25mdwt of drybulk commodities in 2021

We employ a diversified asset base consisting of large Capesize vessel and medium size Ultra/Supramax vessels, enabling us to carry a wide range of cargoes worldwide

Drybulk trade is ~half of seaborne trade volume



Commodity	% of drybulk trade	Primary use
Iron ore	30%	Steel production
Met / thermal coal	17%	Steel production + power generation
Grain	14%	Human consumption + feed livestock
Minor bulks	39%	Various uses, building products, raw materials, linked to global GDP growth



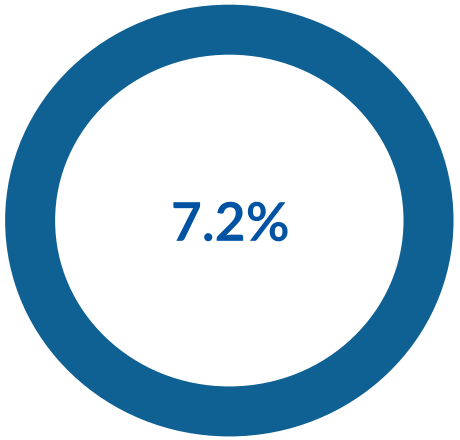


Genco's commodities carried

- Iron ore: 51%
- Met / thermal coal: 15%
- Grains: 12%
- Cement: 6%
- Potash/Fertilizer: 5%
- Steel/Pig Iron: 2%
- Alumina/Bauxite: 2%
- Limestone: 1%
- Miscellaneous: 7%

Current drybulk market trends

Orderbook



Historically low newbuilding vessel orderbook as a percentage of the fleet to limit net fleet growth

Environmental



Environmental regulations have led to lower newbuilding orders, could result in increased scrapping / slower vessel speeds

Fleet-inefficiencies



Russia's war in Ukraine resulting in longer coal ton miles while grain exports have been reduced

Iron ore



China stimulus + seasonal uplift in cargo volumes – recovery of Brazilian iron ore exports expected as Vale is targeting a 370mtpa runrate by YE 2022

Sources: Clarksons Research Services Limited 2022, Vale, IMF

Global grain trade: key component of our business helping to feed the world and alleviate hunger

#3

Grain is the 3rd largest commodity carried by the vessels in our fleet…

20%

…representing 20% of our commodities loaded

3MT

Corn, wheat, soybeans and other agricultural commodities transported by Genco in 2021

The UN's Sustainable Development Goals address important global challenges, 3 of which the grain trade relates to including alleviating poverty and hunger world-wide















Genco's "barbell" approach to fleet composition

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

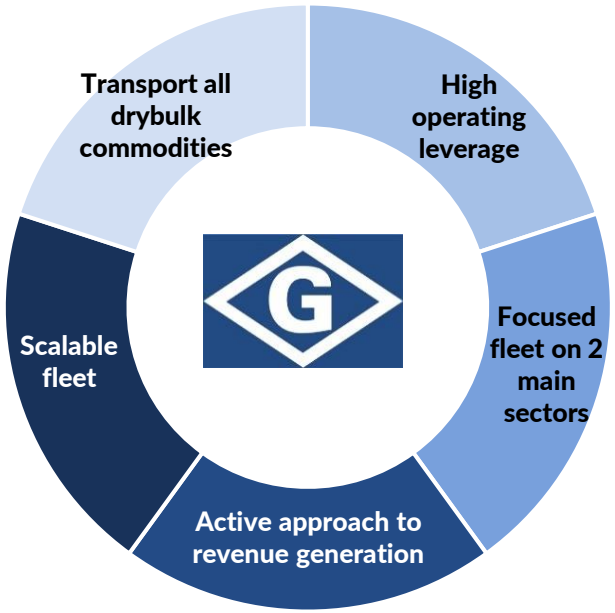
Major bulk Capesize

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



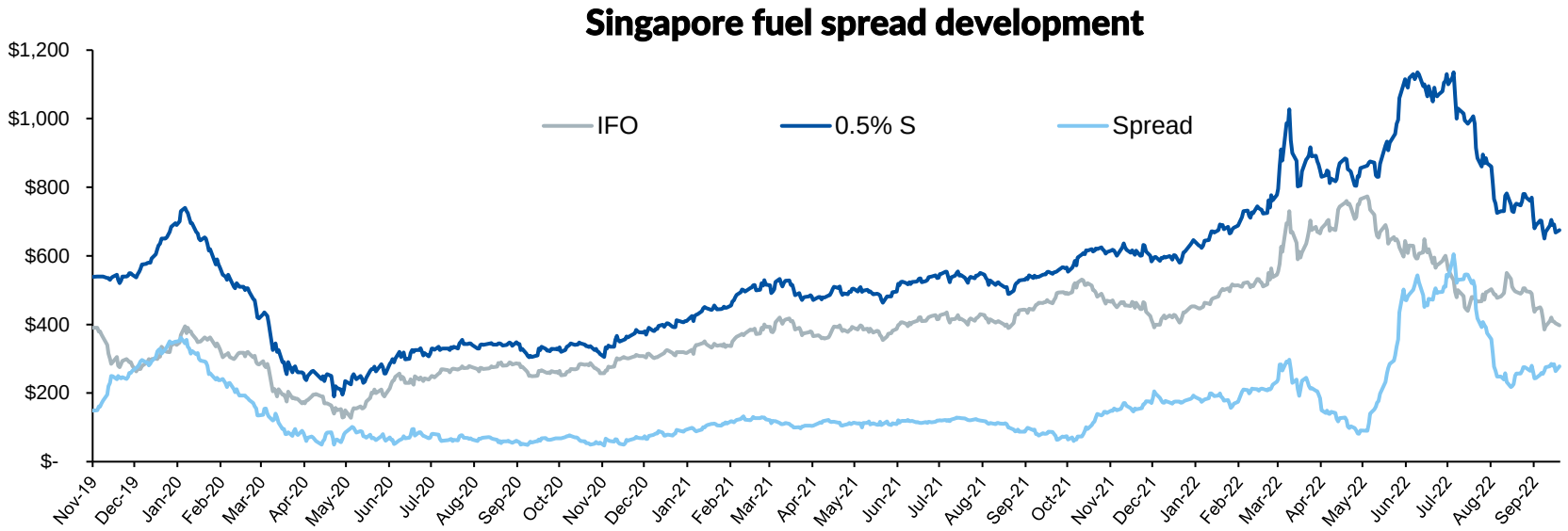
- More stable earnings
- Diverse trade routes
- Linked to global GDP
- Cargo arbitrage opportunities

Portfolio approach to scrubber installation

Genco is capturing the widening fuel spreads thru exhaust gas cleaning systems ("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 since end of 2021
- 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





Illustrative fuel spread sensitivity

Fuel spread ($/ton)	Scrubber benefit ($ in m)	Illustrative IRR
$ 150	$ 28.1	57%
$ 200	$ 37.4	59%
$ 250	$ 46.8	61%
$ 300	$ 56.1	63%

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 for the balance of 2022. The calculation period is over three years starting on Jan 1, 2020.

Genco's ESG overview / recent initiatives

#1 rated public shipping company on ESG matters [1]

Environmental

- Replaced older, less fuel-efficient vessels with modern Ultramax ships that will lower overall fuel consumption in order to reduce our fleet's greenhouse gas emissions
- Implemented an IMO 2023 compliance plan for select vessels involving ESDs and high-performance paint systems
- Installed ballast water treatment systems on over 80% of our fleet
- Outfitted majority of our fleet with Energy Saving Devices (ESD)
- Installed Engine Power Limitation (EPL) systems on select vessels to increase energy efficiency
- Real-time performance management of fuel consumption



Social

- Focus on investing in our team to drive productivity
- Involved in various charities to support our local and maritime communities
- Organize annual beach clean-ups across our global offices



Governance

- Transparent, U.S. filer with a majority independent Board of Directors
- No related party transactions
- Formed an ESG committee of our Board of Directors



1) Based on the Webber Research 2021 ESG scorecard

Comprehensive value strategy

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

$188.5 *million* — **Debt outstanding at Jun 30, 2022** *(~45% of fleet's current scrap value)*

58% — **Paid down $261m of debt since 2021**

13% — **Net LTV***

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

*Net LTV is based on VesselsValue.com estimates from September 20, 2022 and cash and debt balances as of June 30, 2022.

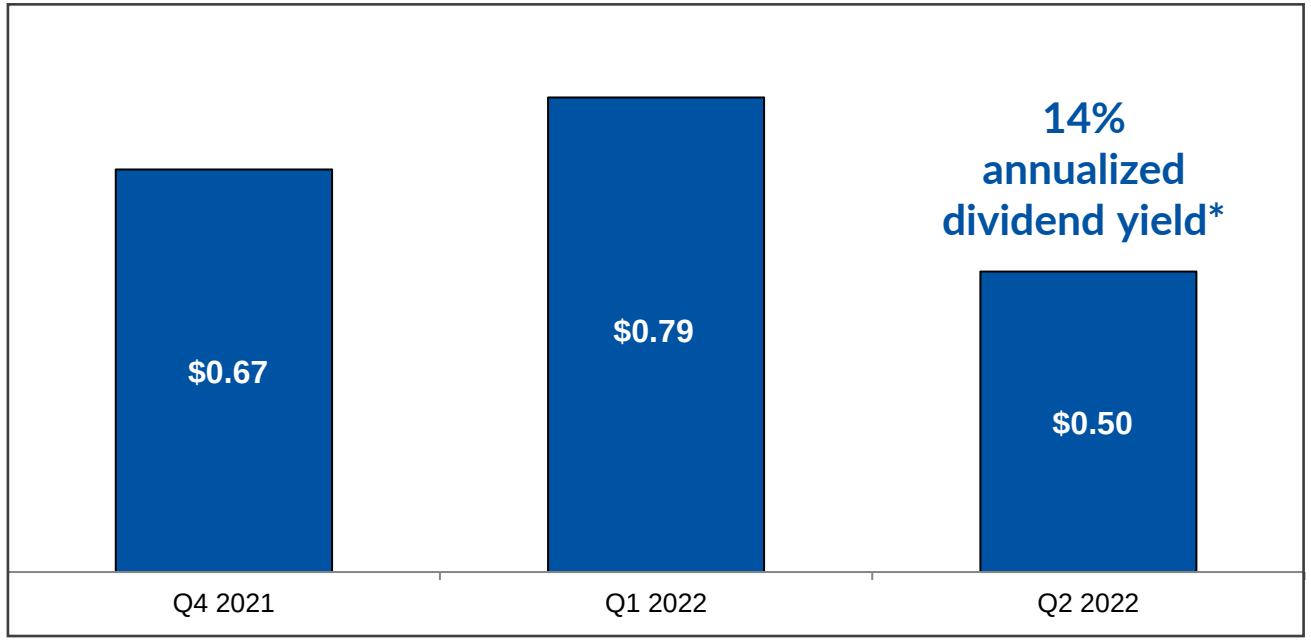
Dividends declared under our value strategy…

$1.96 per share
Declared under value strategy in last 3Qs

14%
Last 3 dividends declared as a % of Sep 20, 2022 GNK share price

12 quarters
Declared 12 consecutive quarterly dividends since Q3 2019

$3.015/share
Declared dividends in aggregate since Q3 2019



Q3 2022 dividend is expected to increase vs Q2 2022

Dividend under value strategy:	1	2	3
	Paid down $59m of debt in Q4	*First dividend using run rate debt prepayment of $8.75m*	*Frontloaded Q2 drydock schedule*

*Q2 2022 annualized dividend yield based on Sep 20, 2022 share price

Quarterly dividend calculation / framework

Straight-forward and transparent dividend formula – Genco plans to provide TCE, expense and reserve estimates in advance

Dividend calculation (numbers in m except per share amounts)		Q2 2022 actual	Q3 2022 estimates	
Operating cash flow	Net revenue	$ 100.93	Fixtures to date + market	
	Operating expenses	$ (37.63)	$ (28.58)	
Less: debt repayments		$ (8.75)	$ (8.75)	
Less: drydocking/BWTS/ESD upgrades		$ (22.56)	$ (6.81)	
Less: reserve		$ (10.75)	$ (10.75)	
Cash flow distributable as dividends		**$ 21.24**	**Sum of the above output**	(A)
Number of shares to be paid dividends		42.6	42.6	(B)
Dividend per share		**$ 0.50**	**A ÷ B**	

+$0.37 *per share*

Per share estimated drydocking capex variance from Q2 to Q3 2022

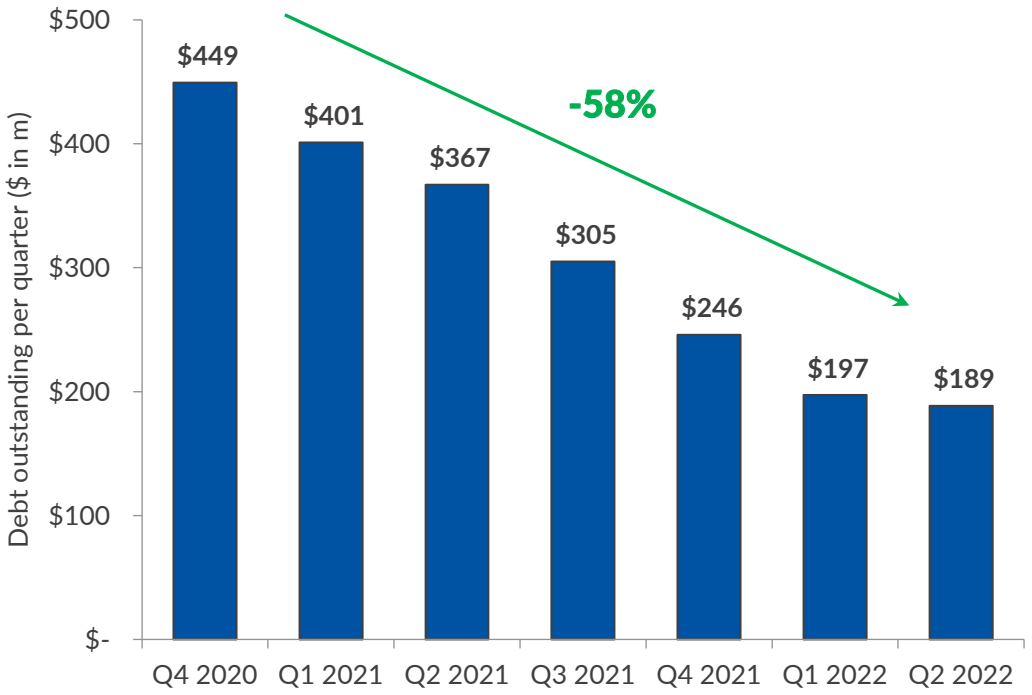
Q3 2022 dividend is expected to increase vs Q2 2022

Note: Operating expenses, debt repayments, and drydocking/BWTS/ESD upgrades for Q3 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. 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.

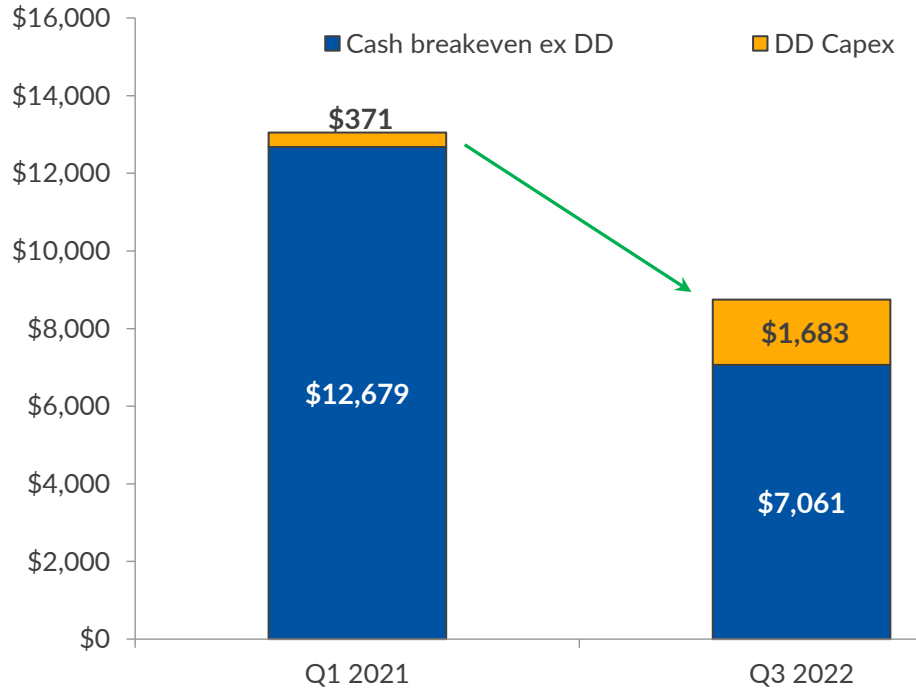
Genco's industry low cash flow breakeven rate

Genco accentuated its financial de-leveraging thru large scale debt paydowns (in addition to asset value appreciation) creating the strongest balance sheet among its peer group

Meaningful reduction in debt outstanding thru large-scale debt paydowns since 2020…



…significantly reduced our cash flow breakeven rate to the lowest in the peer group



Breakeven rate prior to implementation of value strategy

- We have no mandatory debt repayments until 2026
- Plan to continue to voluntarily pay down debt
- Medium term goal of net debt zero

Note: cash flow breakeven figures shown are based on actual figures for Q1 2021 and estimates that are subject to change for Q3 2022. Peer group is US listed public drybulk companies.

Significant fleet-wide operating leverage

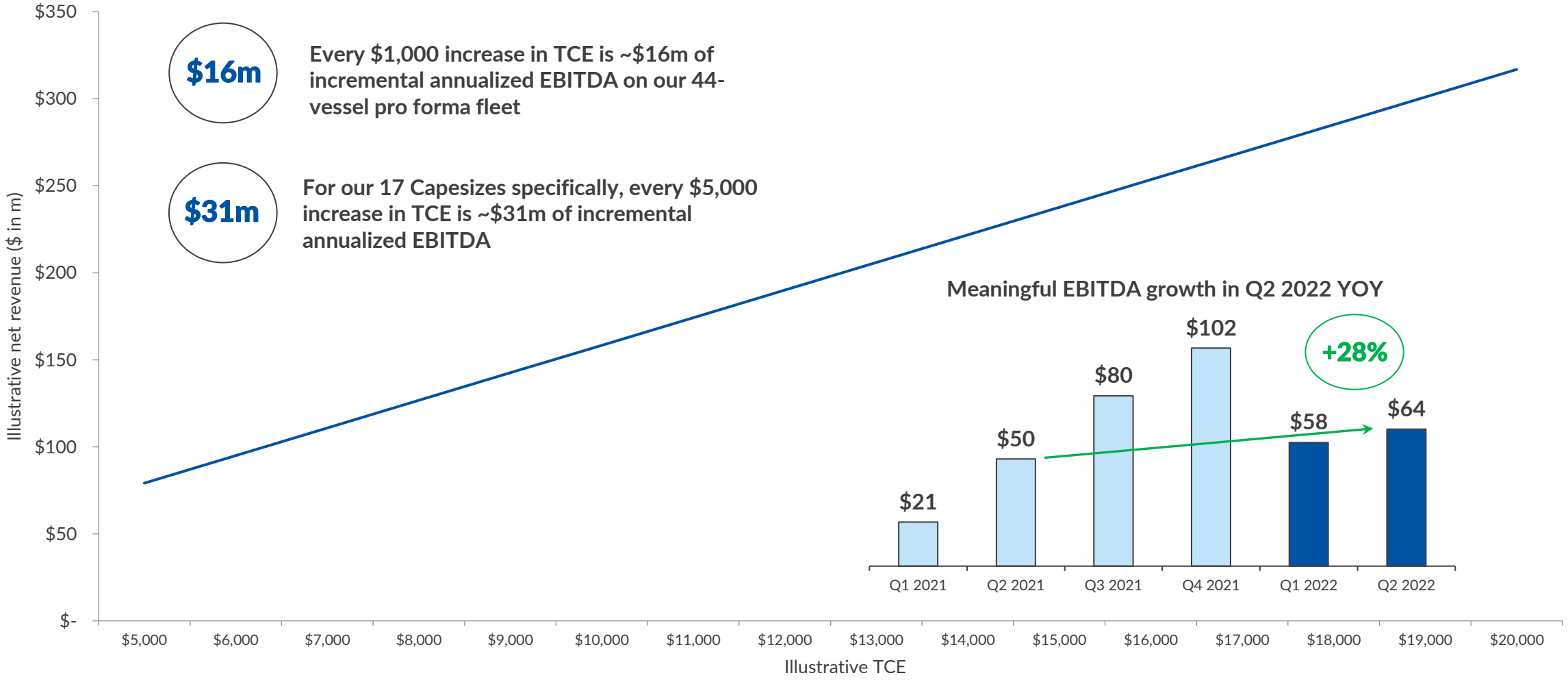
Highlights the improved risk / reward profile of our new value strategy

$16m

Every $1,000 increase in TCE is ~$16m of incremental annualized EBITDA on our 44-vessel pro forma fleet

$31m

For our 17 Capesizes specifically, every $5,000 increase in TCE is ~$31m of incremental annualized EBITDA

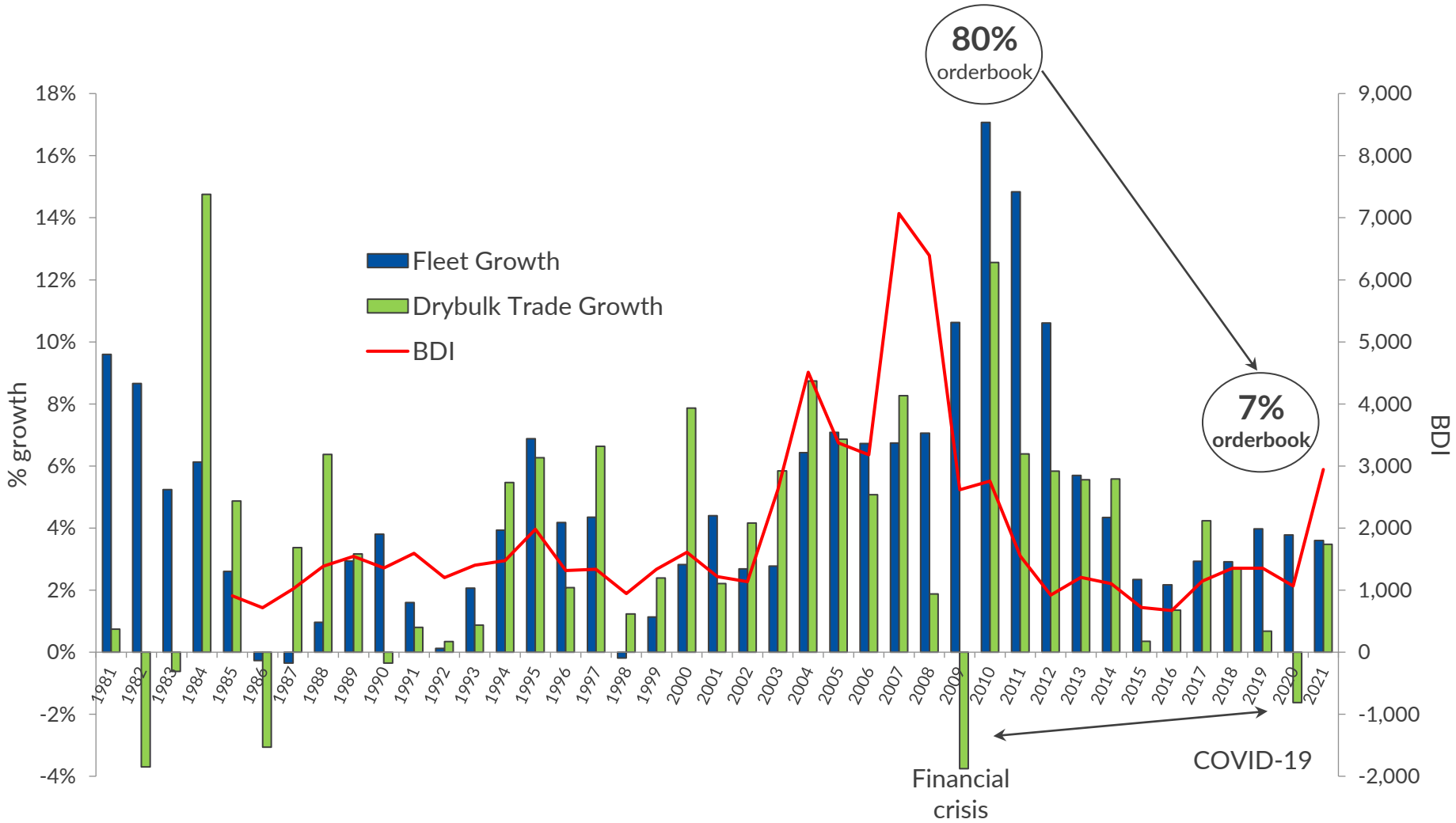


Meaningful EBITDA growth in Q2 2022 YOY

Note: based on a fleet of 44 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

Drybulk market historical development

The drybulk supply and demand equation

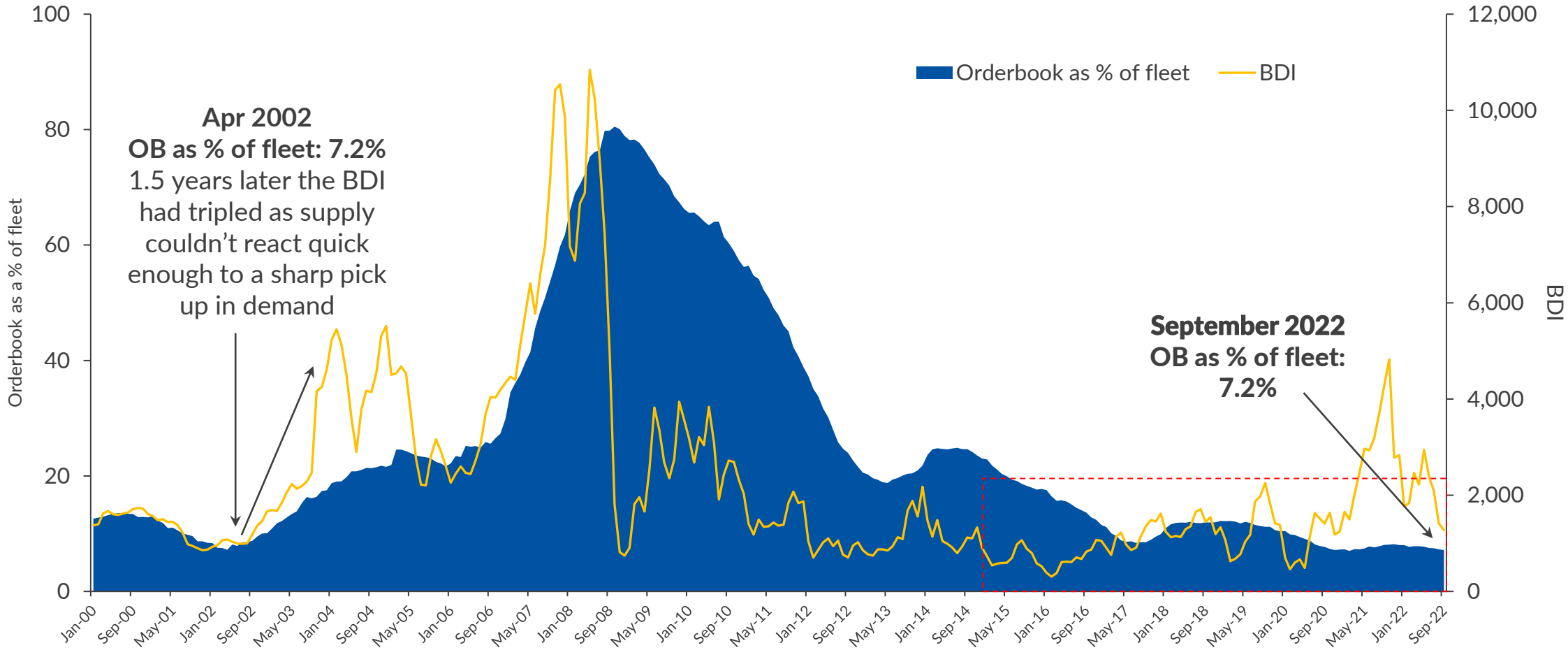


- Record newbuilding ordering resulted in double digit net fleet growth from 2009 to 2012
- After "supply shock" of over ordering during boom years, the market began to find balance in 2017
  - Led by a combination of supply-side discipline + record vessel demolitions
- Over the last 30 years, drybulk trade has increased in all but 2 years (financial crisis 2008-2009, and COVID-19 in 2020)

Source: Clarksons Research Services Limited 2022

Historically low orderbook as a percentage of the fleet…

…highlights positive supply side fundamentals going forward

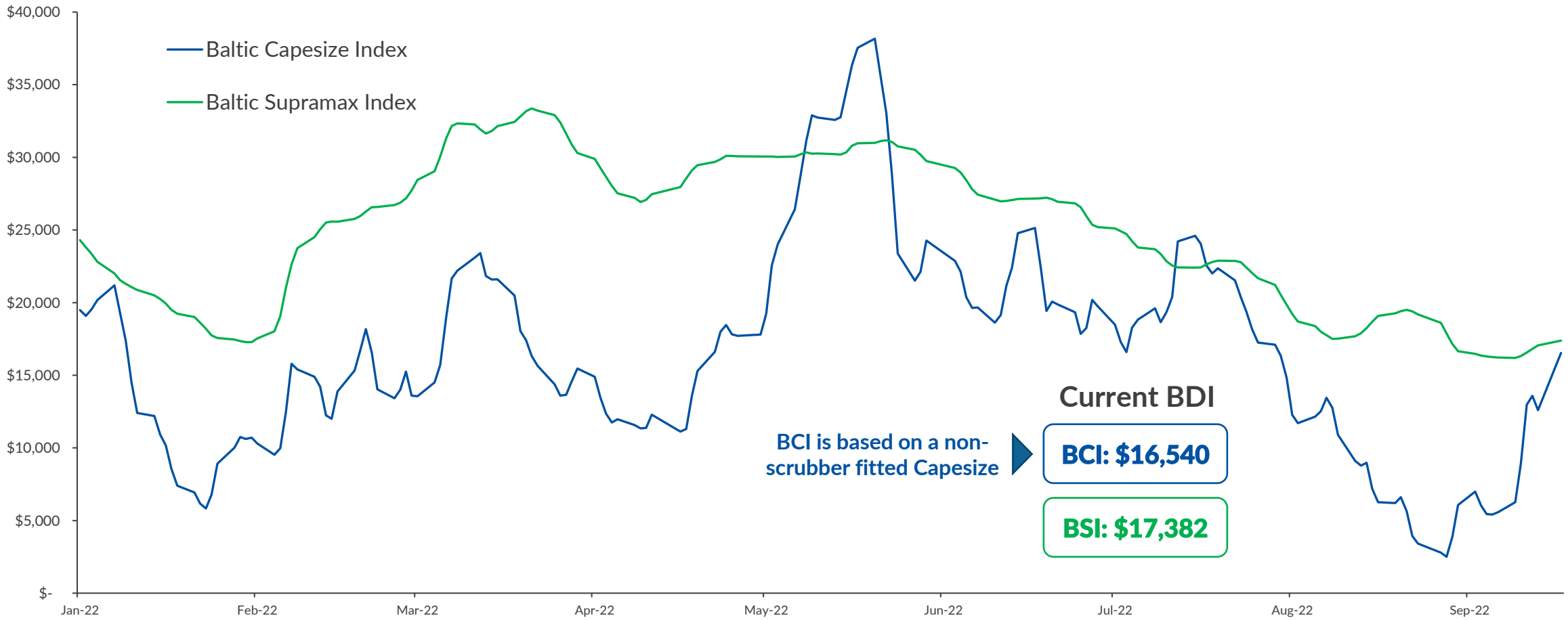


Source: Clarksons Research Services Limited 2022

Current drybulk market dynamics

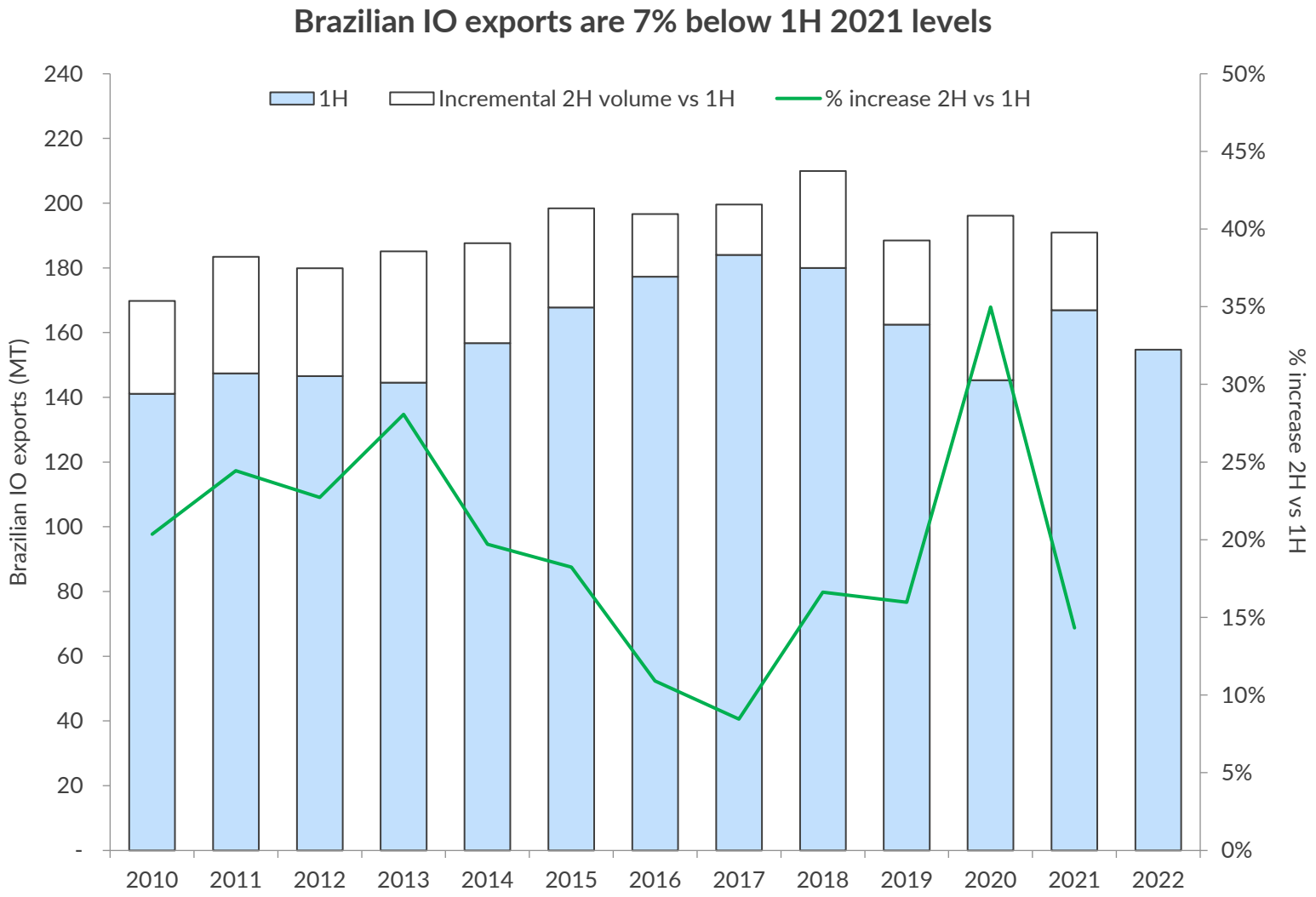
Freight rate development

Capes have increased off of recent lows+ Supras remain firm despite decline



Source: Clarksons Research Services Limited 2022

Brazilian IO exports near 2013/2020 1H lows



+19% Avg increase of Br IO exports in 2H vs 1H since 2010

<160 6 of the last 12 years to 2021 have seen Br IO exports below 160MT in 1H, with 5 of those years occurring from 2010 to 2014 and the other being in 2020 (Covid)

+25% In years with <160MT of Br IO exports in 1H, the 2H volumes have been at least 25% higher (in 2020 it was +35%)

155 1H 2022 Br IO exports, ex 2020, was the lowest 1H since 2013

Source: Clarksons Research Services Limited 2022

China’s series of accommodative policies since Q4

Date	China's stimulus measures since shift to accommodation in Q4 2021
Dec-21	PBoC cuts RRR by 50bps
Dec-21	PBoC cuts the 1-year Loan Prime Rate by 5bps
Jan-22	PBoC cuts the 1-year Loan Prime Rate by 10bps, cuts 5-year rate by 5bps
Feb-22	Delay carbon peak for steel industry from 2025 to 2030, rental housing is not subject to restriction for property loans
Mar-22	“5% growth bottom line” becomes official
Apr-22	PBoC cuts RRR by 25bps
Apr-22	Xi calls for “all-out effort to boost infrastructure construction”
May-22	PBoC reduces mortgage rate floor for first-time homebuyers to 20bp below the 5-year LPR, which is 4.6%.
May-22	Cuts 5-year Loan Prime Rate by 15bps
May-22	Premier Li calls on local governments to implement stimulus measures as China begins to normalize in June
Jun-22	Increase loan quota for banks by $120 billion to support infrastructure investment
Jun-22	Xi reiterates call for China to "strive to meet the economic and social targets for this year"
Jul-22	China will set up a state infrastructure investment fund worth $75 billion to spur infrastructure spending
Jul-22	China considering allowing local govs to issue $220 billion of special bonds in 2H to spur infrastructure spending
Jul-22	China announces launch of $44 billion real estate fund to help resolve debt issues for developers
Aug-22	PBoC surprised the market by cutting the benchmark 1-year MLF rate by 10bp from 2.85% to 2.75%.
Aug-22	China lowered the 1-year and 5-year Loan Prime Rates for first time since Jan 2022
Aug-22	China is planning an additional $146 billion of funding largely focused on infrastructure spending
Sep-22	Several large Chinese banks cut personal deposit rates

- July 2022 Politburo meeting:
  - Growth target now focused on “striving to achieve the best result”
  - Macro policy to be proactive in boosting demand
  - Infrastructure investment to accelerate in 2H vs 1H
  - Zero-Covid policy likely to remain in place ahead of Party Congress in Oct/Nov
- Full scale stimulus (ie 2008-09 or Q2 2020 levels) have not yet been implemented, but various measures have been taken to date
- China to support property sector

Sources: Macquarie, Mysteel

Russia's war in Ukraine continues to impact the global coal and grain trades – recent developments include…

Grain

- Russia and Ukraine sign a deal to reopen Ukrainian ports for grain exports
  - Wheat and corn prices have softened leading up to and on the announcement
  - 20MT reportedly stored in Ukrainian grain silos
  - Potential improvement in shipments in the coming weeks
- Brazil to export corn to China by year end increasing ton miles in what would be a new trade
  - Strong Brazilian corn crop this year to help offset lost Ukrainian volumes

Coal

- Continued re-routing of cargo flows
- Tightness in energy markets
- Potential easing of China's unofficial ban on Australian coal imports
- China's coal imports from Russia have increased in recent months
  - China continues to ramp up domestic output
- India coal demand post monsoon season
- Europe continues its shift back towards coal use given power shortages and pricing

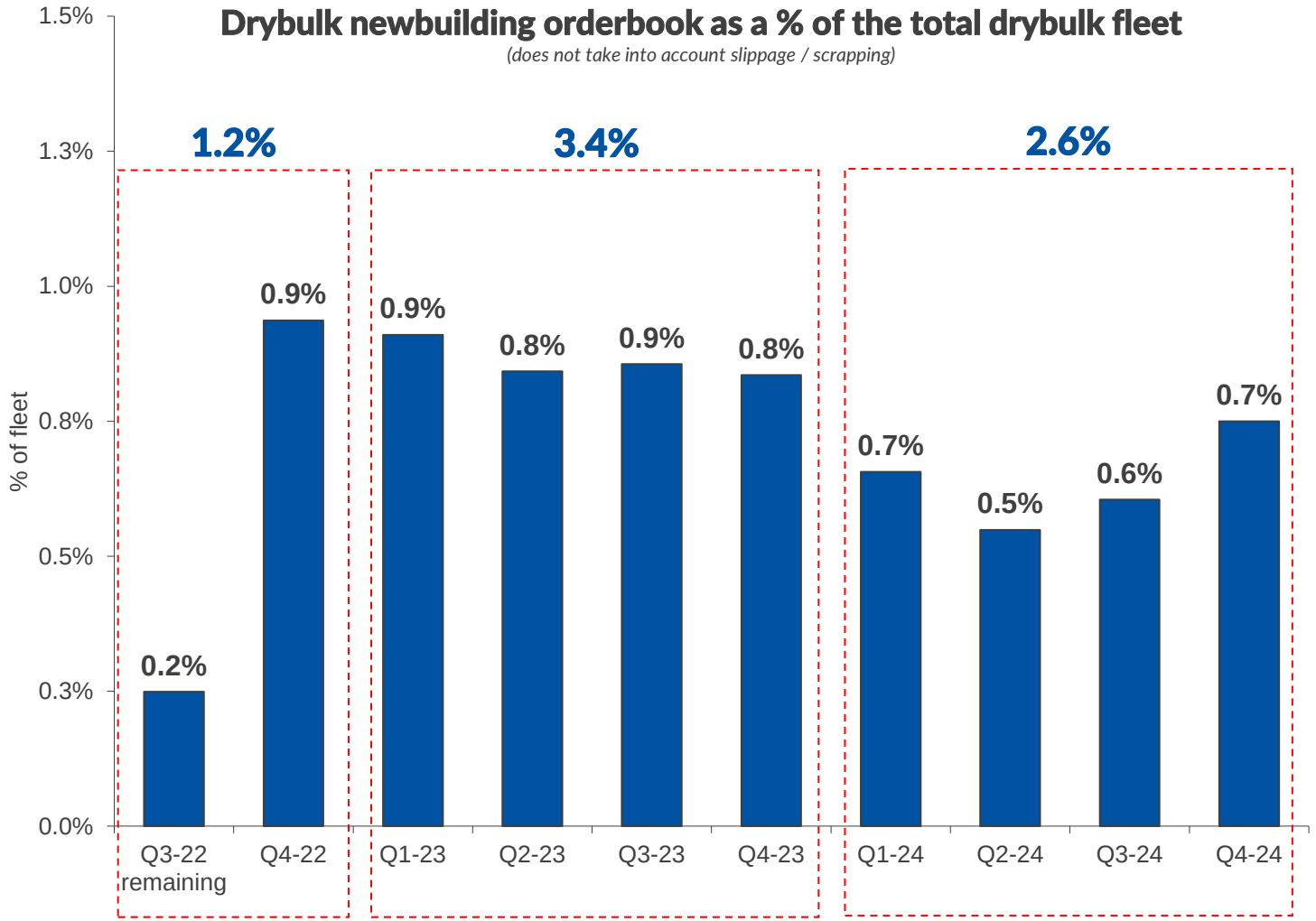






Source: Clarksons Research Services Limited 2022

Historically low newbuilding orderbook



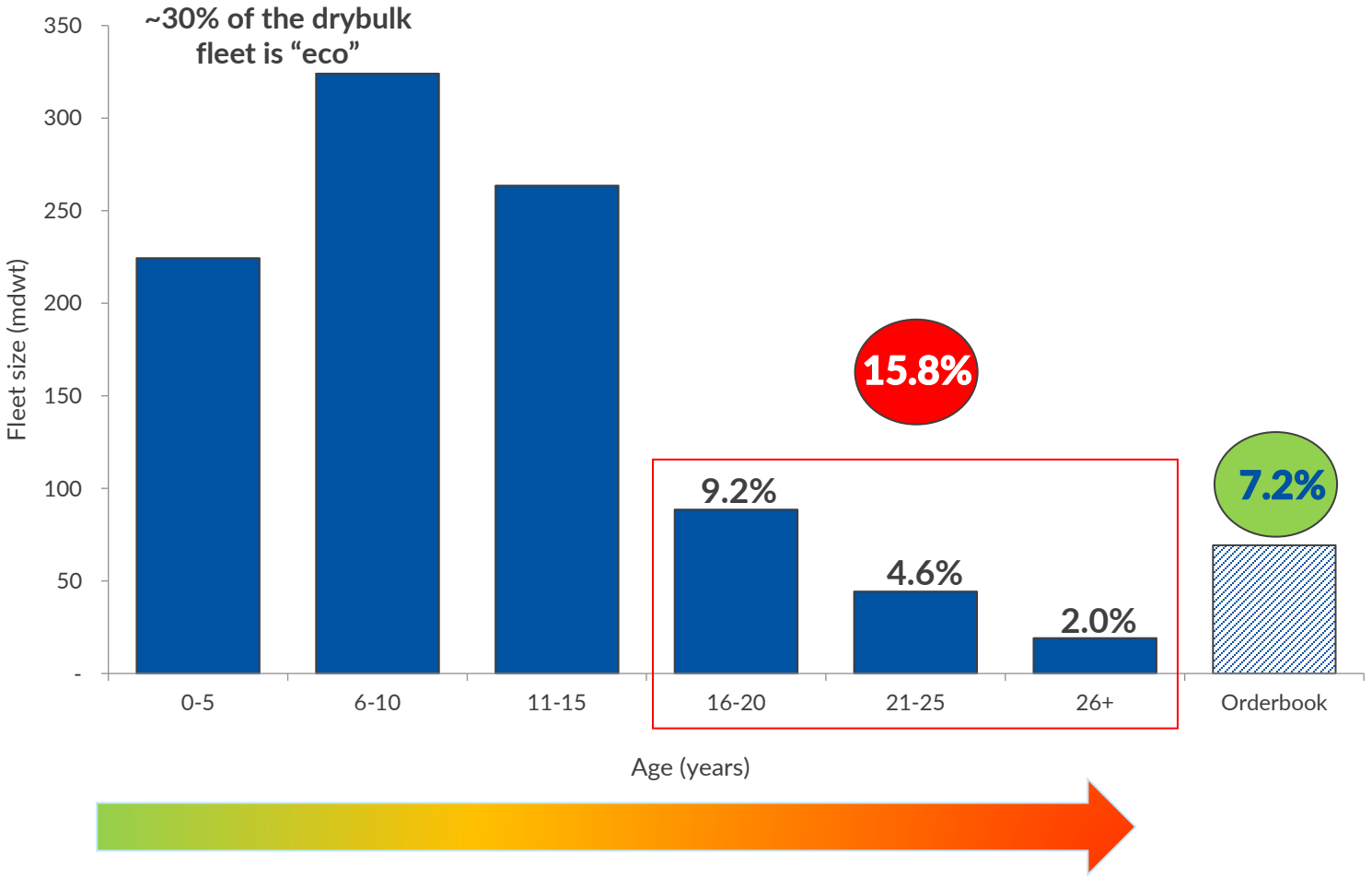
7.2% Orderbook as a % of the total drybulk fleet

7.9% % of the total drybulk fleet >=20 years old

-24% Newbuilding deliveries down 24% through August

Source: Clarksons Research Services Limited 2022

Fleet-wide impact of environmental regulations



- **Slower maximum speeds** due to Engine Power Limitation system installations + Carbon Intensity Indicator 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 2H 2022 to 2024 S&D growth estimates

	Vessel*	2023	2024
Iron Ore 	Capesize	+4.3%	+1.6%
Coal 	Capesize Panamax	+2.9%	+0.2%
Grain 	Panamax Supramax Handysize	+0.7%	+3.1%
Minor Bulk 	Supramax Handysize	+2.4%	+2.3%
Total Demand		+2.9%	+1.7%
Net Fleet Growth		+1.7%	+1.1%

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

Drybulk market catalysts

1. Record low orderbook as a percentage of the fleet to limit net fleet growth
2. Potential for increased fleet-wide inefficiencies and increased scrapping
3. China's shift to more accommodative economic policies
4. Upcoming environmental regulations
5. Recovery and growth of Brazilian iron ore exports

Sources: Marsoft, Clarksons, IMF

Conclusion

Genco provides an attractive risk-reward balance…

…while being well-positioned to capture market upside

Leadership	Experienced US-based management team + US-filer with high corporate governance standards
Drybulk Market	Demand and supply dynamics forecast to continue to improve in 2023
Value strategy	Meaningful dividends to shareholders + low leverage + strong cash position
Best-in-Class Commercial Platform	Active mgmt. thru global commercial platform + full-service logistics solution + track record of benchmark outperformance
Fleet Modernization	Grew our Ultramax fleet with nine vessel acquisitions since Dec 2020
Genco's Fleet	Barbell approach to fleet composition

Appendix

Second quarter earnings

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
	(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	$ 137,764	$ 121,008	$ 273,991	$ 208,599
Total revenues	137,764	121,008	273,991	208,599
Operating expenses:				
Voyage expenses	32,460	36,702	70,924	71,775
Vessel operating expenses	29,463	18,789	56,477	37,834
Charter hire expenses	5,044	8,325	12,682	13,761
General and administrative expenses (inclusive of nonvested stock amortization expense of $0.8 million, $0.6 million, $1.5 million and $1.1 million respectively)	6,381	5,854	12,424	11,957
Technical management fees	700	1,305	1,617	2,769
Depreciation and amortization	14,521	13,769	28,579	27,209
Loss on sale of vessels	-	15	-	735
Total operating expenses	88,569	84,759	182,703	166,040
Operating income	49,195	36,249	91,288	42,559
Other income (expense):				
Other income	767	210	2,764	356
Interest income	68	48	85	119
Interest expense	(2,405)	(4,470)	(4,647)	(9,012)
Other expense, net	(1,570)	(4,212)	(1,798)	(8,537)
Net income	$ 47,625	$ 32,037	$ 89,490	$ 34,022
Less: Net income attributable to noncontrolling interest	243	-	419	-
Net income attributable to Genco Shipping & Trading Limited	$ 47,382	$ 32,037	$ 89,071	$ 34,022
Earnings per share - basic	$ 1.12	$ 0.76	$ 2.11	$ 0.81
Earnings per share - diluted	$ 1.10	$ 0.75	$ 2.07	$ 0.80
Weighted average common shares outstanding - basic	42,385,423	42,071,019	42,276,371	42,022,669
Weighted average common shares outstanding - diluted	42,996,676	42,612,132	42,932,370	42,445,184

June 30, 2022 balance sheet

BALANCE SHEET DATA:	June 30, 2022 (unaudited)	December 31, 2021
	(Dollars in thousands)	
Cash (including restricted cash)	$ 50,627	$ 120,531
Current assets	120,146	174,830
Total assets	1,186,143	1,203,002
Current liabilities (excluding current portion of long-term debt)	48,916	41,895
Current portion of long-term debt	-	-
Long-term debt (net of $6.9 million and $7.8 million of unamortized debt issuance costs at June 30, 2022 and December 31, 2021, respectively)	181,568	238,229
Shareholders' equity	950,459	916,675



OTHER FINANCIAL DATA:	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
	(Dollars in thousands) (unaudited)		(Dollars in thousands) (unaudited)	
Net cash provided by operating activities	N/A		$ 99,159	$ 62,552
Net cash (used in) provided by investing activities			(49,980)	4,156
Net cash used in financing activities			(119,083)	(85,186)
	(unaudited)		(unaudited)	
EBITDA Reconciliation:				
Net income attributable to Genco Shipping & Trading Limited	$ 47,382	$ 32,037	$ 89,071	$ 34,022
+ Net interest expense	2,337	4,422	4,562	8,893
+ Depreciation and amortization	14,521	13,769	28,579	27,209
EBITDA[(1)]	$ 64,240	$ 50,228	$ 122,212	$ 70,124
+ Loss on sale of vessels	-	15	-	735
Adjusted EBITDA	$ 64,240	$ 50,243	$ 122,212	$ 70,859

(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, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	(unaudited)		(unaudited)	
FLEET DATA:				
Total number of vessels at end of period	44	40	44	40
Average number of vessels (1)	44.0	40.1	43.9	41.7
Total ownership days for fleet (2)	4,004	3,648	7,954	7,545
Total chartered-in days (3)	146	446	457	787
Total available days (4)	3,656	4,041	7,730	8,242
Total available days for owned fleet (5)	3,510	3,595	7,273	7,455
Total operating days for fleet (6)	3,611	3,998	7,568	8,120
Fleet utilization (7)	97.2%	98.3%	95.6%	98.1%
AVERAGE DAILY RESULTS:				
Time charter equivalent (8)	$ 28,756	$ 21,137	$ 26,354	$ 16,508
Daily vessel operating expenses per vessel (9)	7,358	5,151	7,100	5,015

(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.

Q3 2022 estimated fleet-wide expenses[1]

Daily Expenses by Category	Free Cash Flow[2]	Net Income
Direct Vessel Operating[3]	$4,950	$4,950
G&A Expenses[4]	1,264	1,444
Technical Management Fees[5]	353	353
Drydocking[6]	987	-
Fuel efficiency upgrade investment / BWTS[7]	696	-
Interest Expense[8]	494	600
Mandatory debt repayments[9]	-	-
Depreciation[10]	-	3,774
Total	**$8,744**	**$11,121**
Number of Vessels[11]	44.00	44.00

Est Ownership / Owned Available Days - Q3 2022

Vessel Type	Own. Days	DD Days	Owned Avail Days
Capesize	1,564	127	1,437
Ultramax	1,380	32	1,348
Supramax	1,104	-	1,104
Total	**4,048**	**159**	**3,889**

- Less drydocking capex as compared to Q2 2022
- No mandatory debt amortizations payments until 2026,
- Plan to voluntarily prepay $8.75 million of debt in Q3 2022
- We plan to continue to voluntarily pay down our debt
- Our medium term objective is to reduce net debt to zero

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

Footnotes to Q3 2022 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) 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 Q3 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 June 30, 2022, less anticipated voluntary debt repayments in Q3 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 Q3 2022, Genco has no mandatory debt repayments scheduled. The Company plans to pay down approximately $8.75 million in Q2 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 44.00 vessels.

Q3 2022 operating expense reconciliation

Operating expenses ($ in m)	Q3 2022 free cash flow est	Adj to GAAP measure	Q3 2022 Net income est
Vessel operating expenses	$ (20.04)	$ -	$ (20.04)
General & administrative expenses	$ (5.12)	$ (0.73)	$ (5.85)
Technical management fees	$ (1.43)	$ -	$ (1.43)
Interest expense	$ (2.00)	$ (0.43)	$ (2.43)
Total operating expenses	**$ (28.58)**	**$ (1.16)**	**$ (29.74)**

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	Genco Vigilant	2015	63,671	Genco Auvergne	2009	58,020
Genco Liberty	2016	180,387	Baltic Hornet	2014	63,574	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
Genco 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



Securing cash flows in this strong earning environment

Vessel	Type	Rate	Duration	Min Expiration
Baltic Wolf	Capesize	$ 30,250	22-28 months	Jun-23
Genco Maximus	Capesize	$ 27,500	24-30 months	Sep-23
Genco Vigilant	Ultramax	$ 17,750	11-13 months	Sep-22
Genco Mary	Ultramax	$ 31,500	6-8 months	Nov-22
Genco Freedom	Ultramax	$ 23,375	20-23 months	Mar-23
Baltic Scorpion	Ultramax	$ 30,500	10-13 months	Mar-23
Baltic Hornet	Ultramax	$ 24,000	20-23 months	Apr-23
Baltic Wasp	Ultramax	$ 25,500	23-25 months	Jun-23
Genco Claudius	Capesize	94% of BCI + scrubber premium	11-14 months	Jan-23
Genco Resolute	Capesize	121% of BCI + scrubber premium	11-14 months	Jan-23
Genco Defender	Capesize	121% of BCI + scrubber premium	11-14 months	Feb-23

- We continue to utilize a fleet-wide portfolio approach to fixture activity to capture this strong earnings environment
- Our 2 year duration Ultramax fixtures were concluded to lock in solid returns on acquisition vessels
- We continue to evaluate a variety of fixture options fleet-wide to optimize revenue generation including further longer term coverage on an opportunistic basis

EBITDA reconciliation(1)

Adjusted EBITDA Q1 2021-Q2 2022						
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Net income	$ 1,985	$ 32,037	$ 57,132	$ 90,852	$ 41,689	$ 47,382
Net interest expense	4,470	4,422	3,918	2,392	2,225	2,337
Income tax expense	-	-	-	-	-	-
Depreciation/amortization	13,441	13,769	14,200	14,822	14,059	14,521
EBITDA	**$ 19,896**	**$ 50,228**	**$ 75,250**	**$ 108,066**	**$ 57,973**	**$ 64,240**
Loss (gain) on vessel sales	$ 720	$ 15	$ 159	$ (5,818)	$ -	$ -
Loss on debt extinguishment	-	-	4,408	-	-	-
Adjusted EBITDA	**$ 20,616**	**$ 50,243**	**$ 79,817**	**$ 102,248**	**$ 57,973**	**$ 64,240**

(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, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	(unaudited)		(unaudited)	
Total Fleet				
Voyage revenues (in thousands)	$ 137,764	$ 121,008	$ 273,991	$ 208,599
Voyage expenses (in thousands)	32,460	36,702	70,924	71,775
Charter hire expenses (in thousands)	5,044	8,325	12,682	13,761
Realized gain on fuel hedges (in thousands)	667	-	1,296	-
	100,927	75,981	191,681	123,063
Total available days for owned fleet	3,510	3,595	7,273	7,455
Total TCE rate	$ 28,756	$ 21,137	$ 26,354	$ 16,508

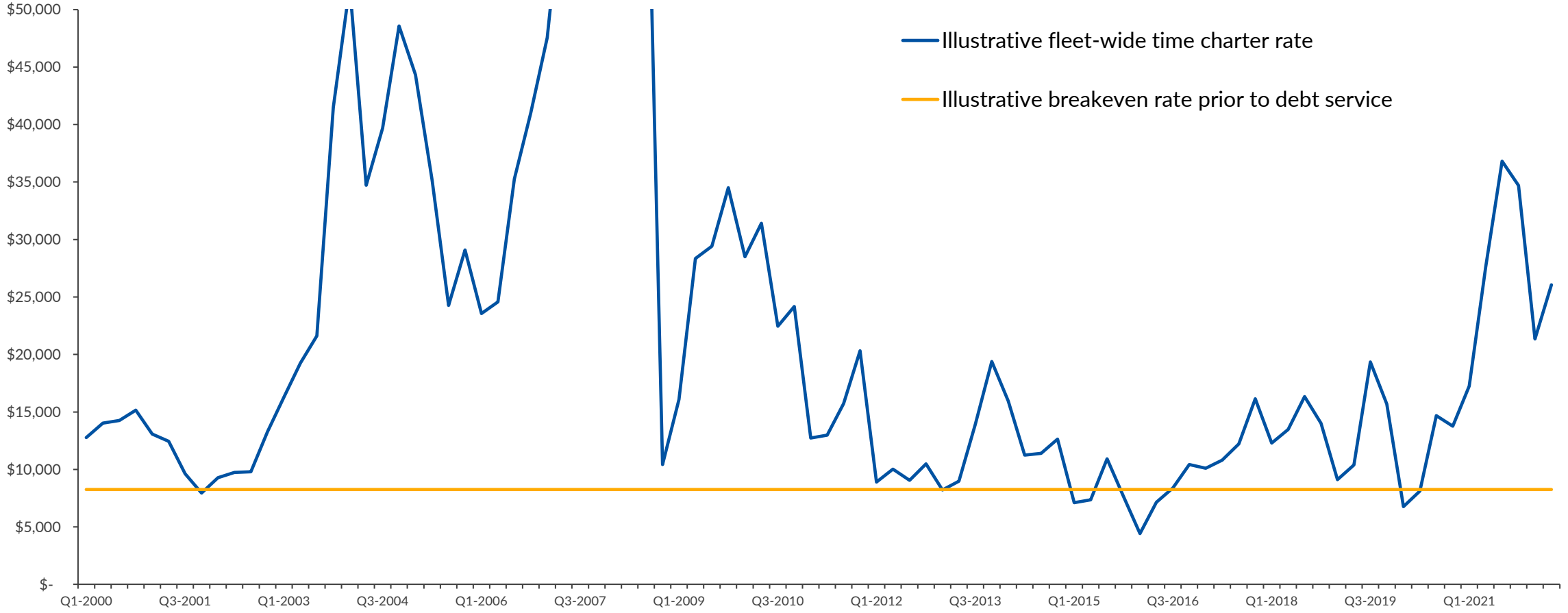
(1) We define TCE rates as our voyage revenues less voyage expenses, charter-hire expenses, and realized gains or losses on fuel hedges divided by the number of the available days of our owned fleet during the period. TCE rate is a common shipping industry performance measure used primarily to compare 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, 2022
	(unaudited)
Net Income Reconciliation	
Net income attributable to Genco Shipping & Trading Limited	$ 47,382
Adjusted earnings per share - basic	$ 1.12
Adjusted earnings per share - diluted	$ 1.10
Weighted average common shares outstanding - basic	42,385,423
Weighted average common shares outstanding - diluted	42,996,676
Weighted average common shares outstanding - basic as per financial statements	42,385,423
Dilutive effect of stock options	415,578
Dilutive effect of restricted stock units	195,675
Weighted average common shares outstanding - diluted as adjusted	42,996,676

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 Q3 2022 expense budget.


Thank You