

ABGSC Shipping Seminar

Tankers – Is there a place for fundamentals, or is this all about disruptions?

Engebret Dahm, CEO
Oslo, 11 April 2024



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Future proof exposure to both the product tanker and dry bulk markets

Product tankers



+

Dry bulk vessels



=

8+3
CABUs



8
CLEANBUs



EFFICIENCY

Substantially lower ballast and carbon footprint than standard vessels

DIVERSIFICATION

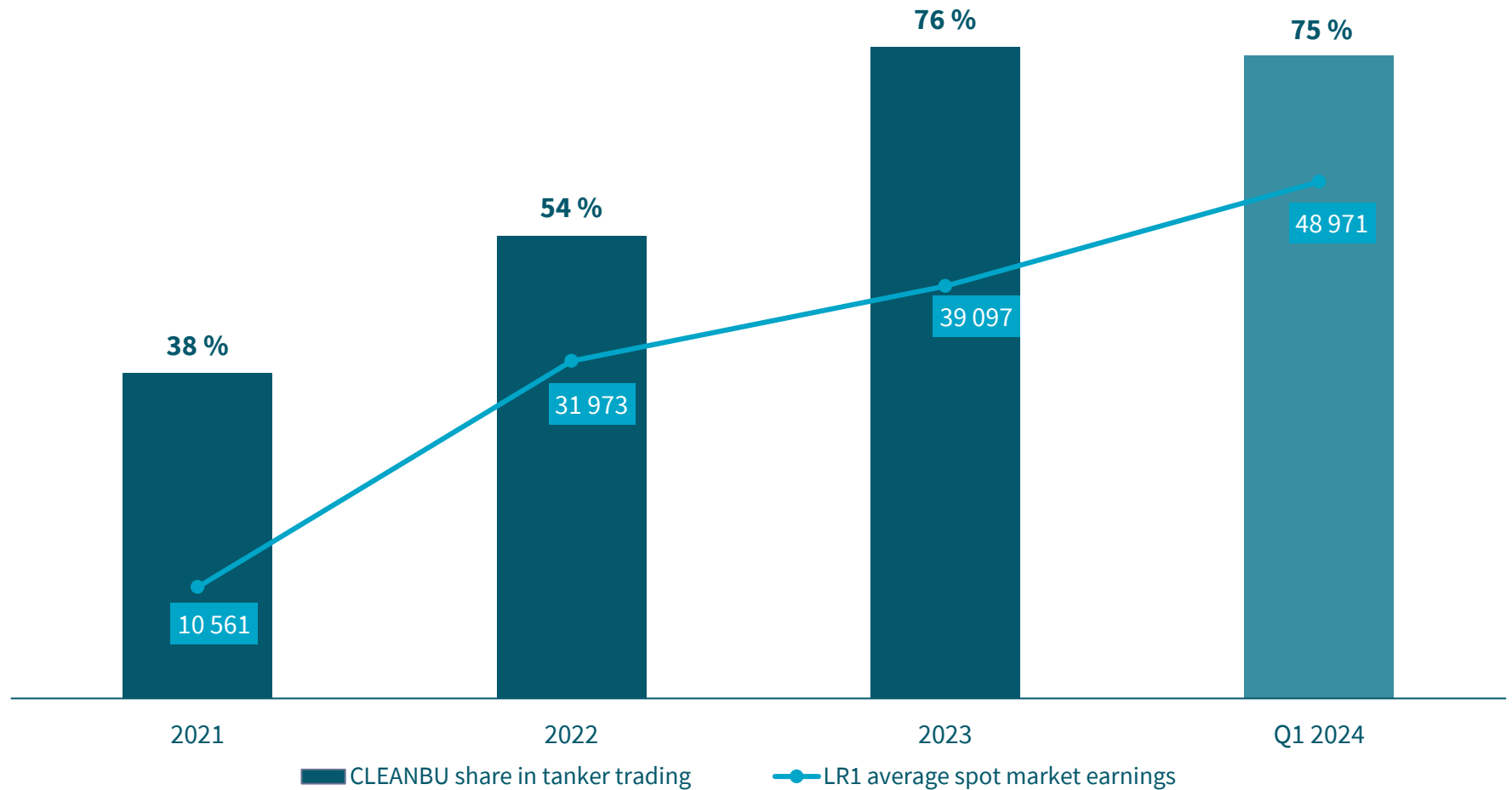
Exposed to both dry bulk and product tanker markets

FLEXIBILITY

Optionality to shift capacity to the highest paying market

Optionality to shift capacity to the highest paying market

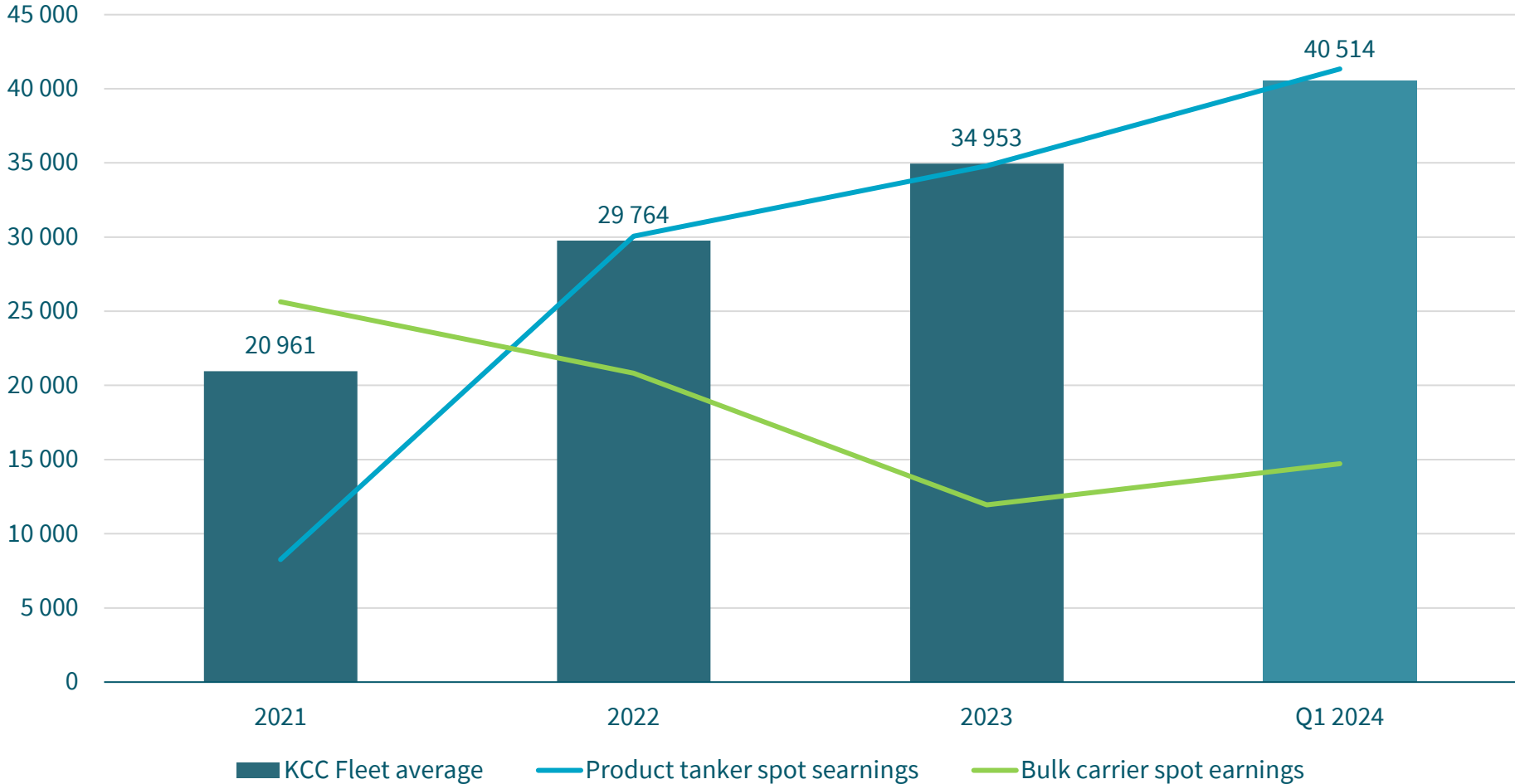
CLEANBU fleet tanker trading in % of capacity (on-hire days) vs. LR1 spot market earnings (\$/day)



FLEXIBILITY

Solid start to a promising 2024

KCC fleet TCE earnings¹ vs. standard tonnage² (\$/day)

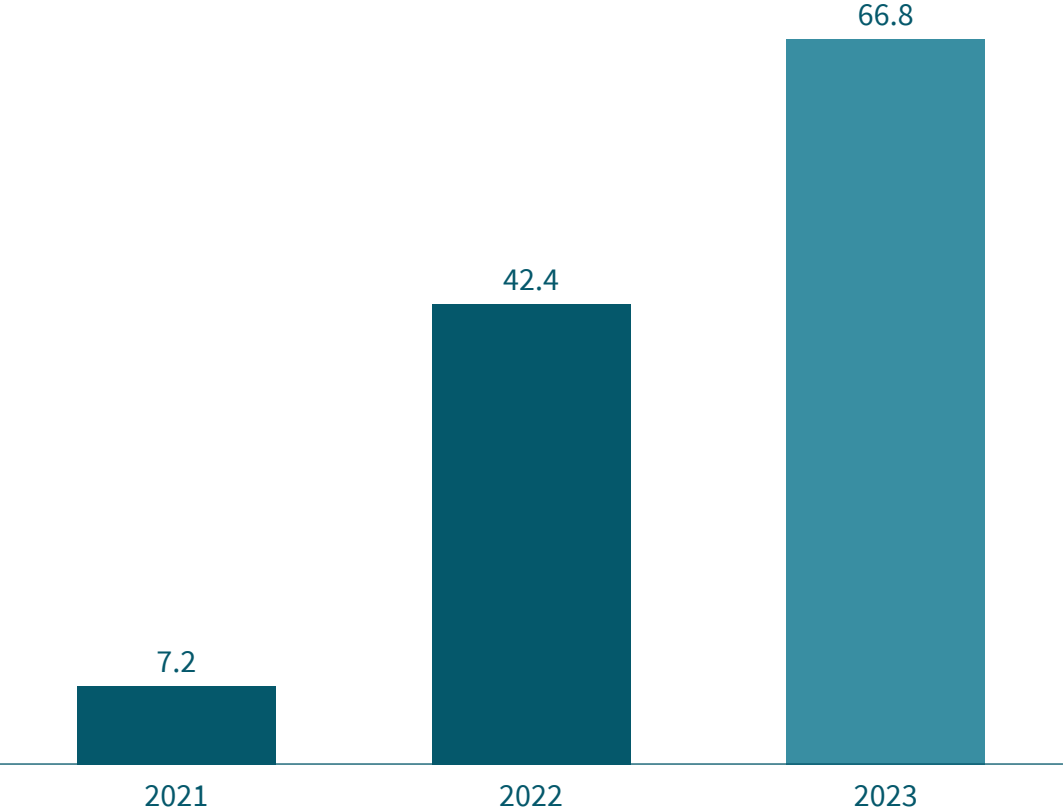


Source: Clarksons Securities, SIN Clarksons
 1) TCE earnings \$/day are alternative performance measures (APMs) which are defined and reconciled in the excel sheet "APM1Q2024" published on the Company's homepage (www.combinationcarriers.com) Investor Relations/Reports and Presentations under the section for the Q1 2024 report.
 2) Standard tonnage for bulk carriers are calculated averages of Panamax and Kamsarmax earnings weighted by CABU and CLEANBU onhire days respectively. Standard tonnage for product tankers are calculated averages of MR and LR1 earnings weighted by CABU and CLEANBU onhire days respectively

Strong and more stable cash flow generation gives high dividend capacity

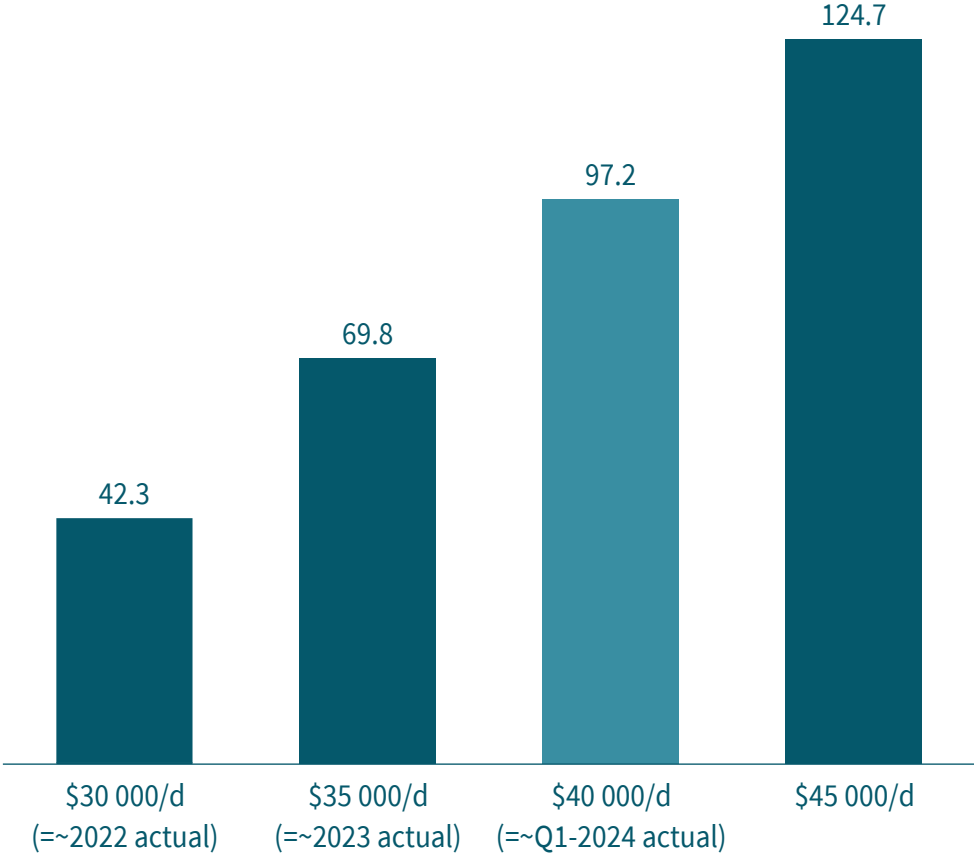
Quarterly dividend payments of minimum 80% of adjusted cash flow to equity

\$ million



Estimated adjusted cash flow to equity Cal-2024 dependent on average TCE earnings (100%)¹

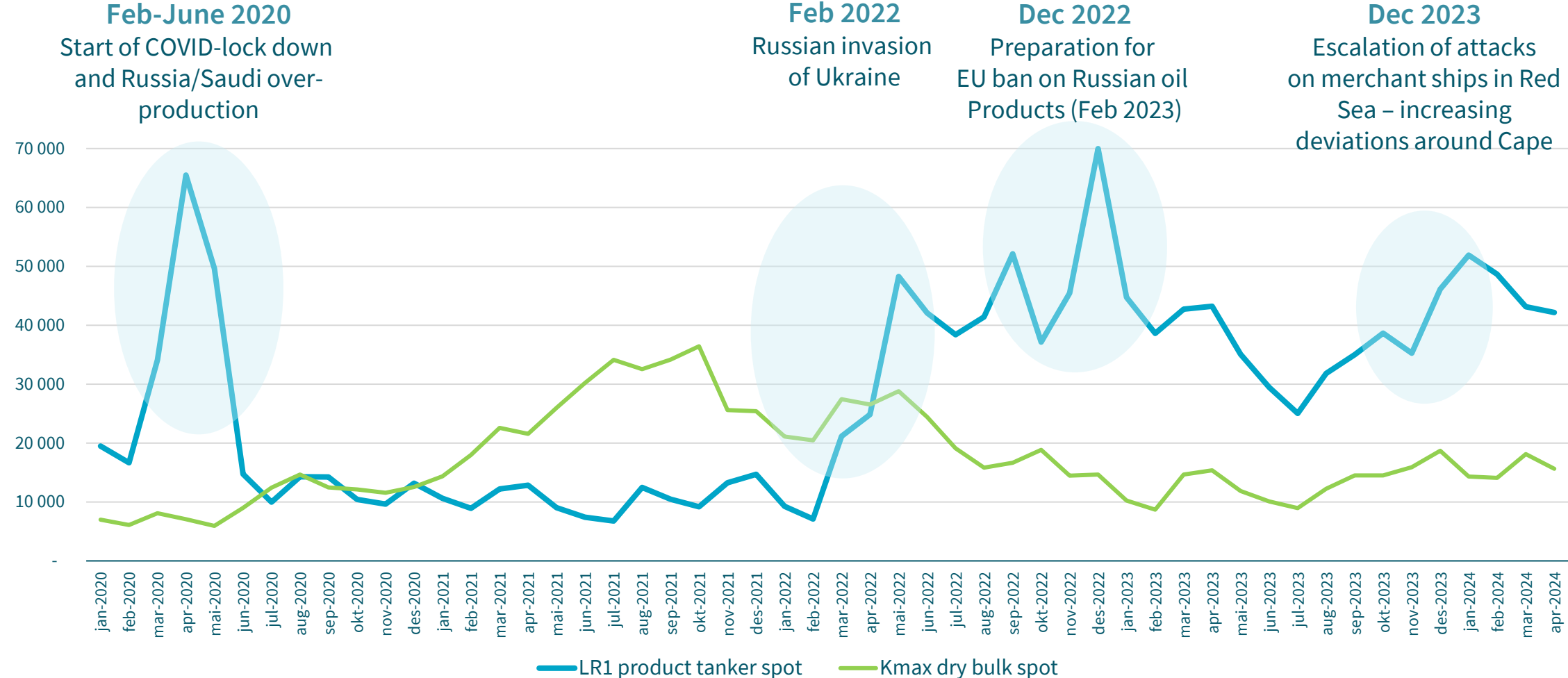
\$ million



1) Adjusted cash flow to equity calculated based on expected on-hire days for 2024 and expected CAPEX schedule (see Appendix Q4 2023 presentation). Estimated OPEX and SG&A are based on 2023 figures adjusted for a projected annual growth rate of 5%. Debt installment based on repayment schedule. Bond interest and mortgage debt interest (incl. commitment fees on undrawn amounts) are calculated based on average weighted margins and Term SOFR 3m and interest-bearing debt per year-end 2023.

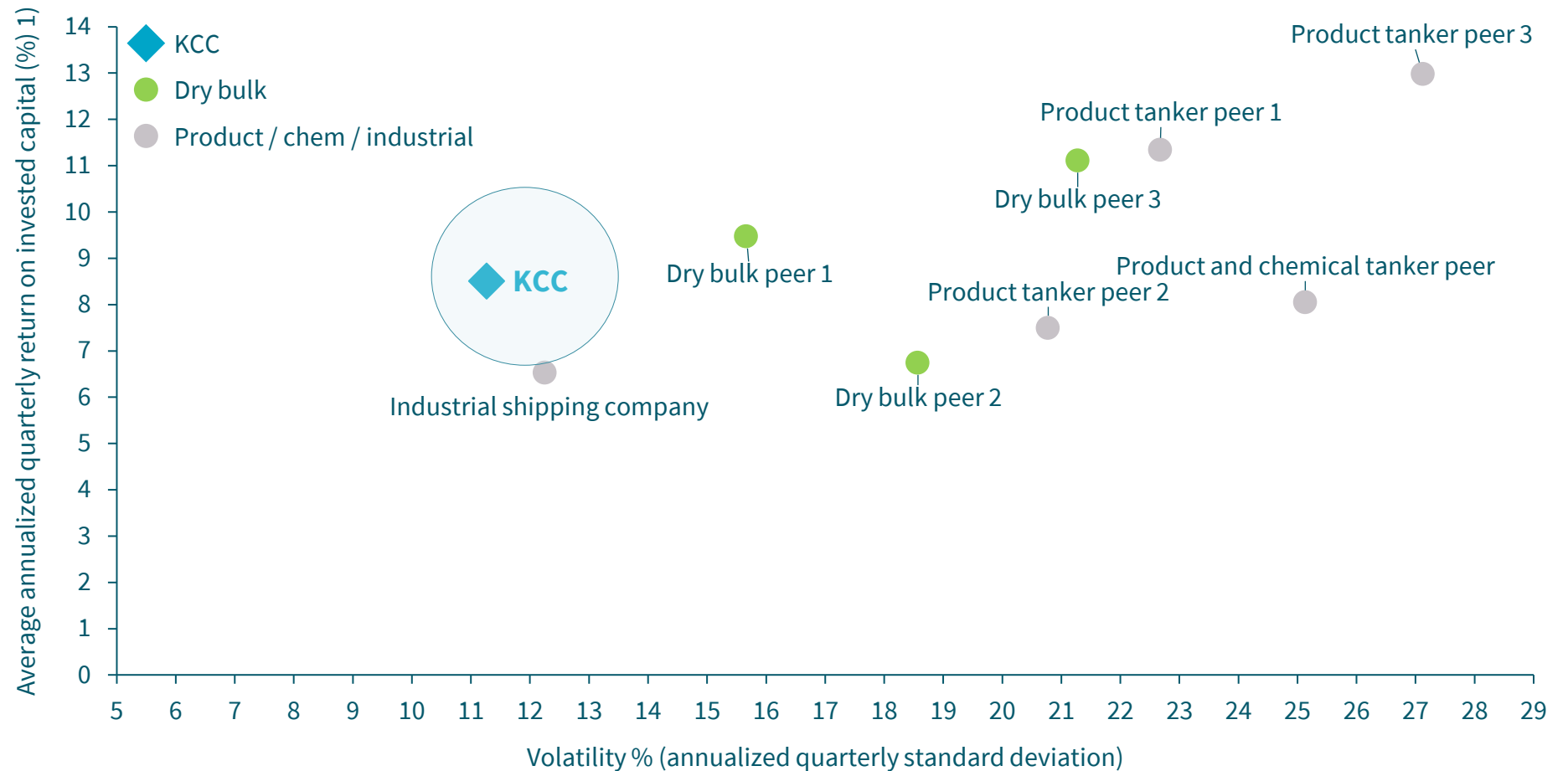
Large market impacts from wars and geopolitics

LR1 spot and kmax dry bulk earnings 2020-YTD 2024 (TCE-earnings \$/day)¹



Best risk-adjusted return in dry bulk/tanker shipping

2019 – 2023 average annualized quarterly return on invested capital vs. volatility (%)¹



EFFICIENCY

DIVERSIFICATION

FLEXIBILITY



FUTURE BOUND