

# DNB Energy & Shipping Conference 2024

Presentation by Engebret Dahm, CEO

Oslo, 7 March 2024





# World leader in combination carriers

8+3

CABUs



8  
CLEANBUs



=

LR1 or MR  
Product  
tankers



+

Panamax/  
Kamsarmax  
dry bulk vessels





# EFFICIENCY

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Substantially lower ballast and carbon footprint than standard vessels

# DIVERSIFICATION

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Exposed to both dry bulk and product tanker markets

# FLEXIBILITY

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Optionality to shift capacity to the highest paying market

# Substantially lower ballast and carbon footprint

EFFICIENCY

## Panamax dry bulk

~40-50% trading empty  
(ballast)



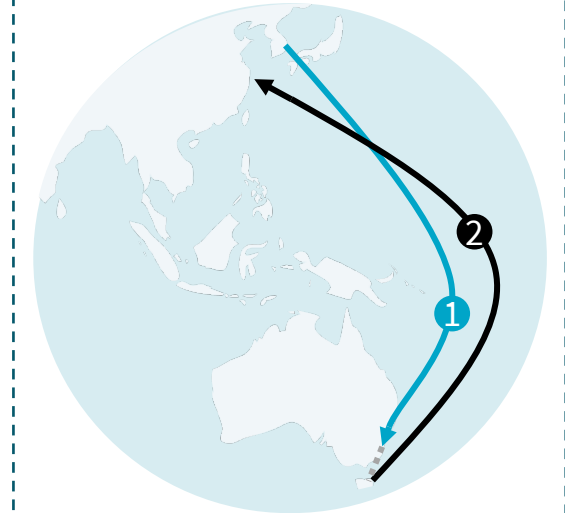
## Product tankers

~30% trading empty  
(ballast)



## KCC's solution

~10% trading empty  
(ballast)



1 Tank    2 Dry bulk    3 Ballast

**30-40%**

Lower carbon emission per ton  
transported compared to standard vessels

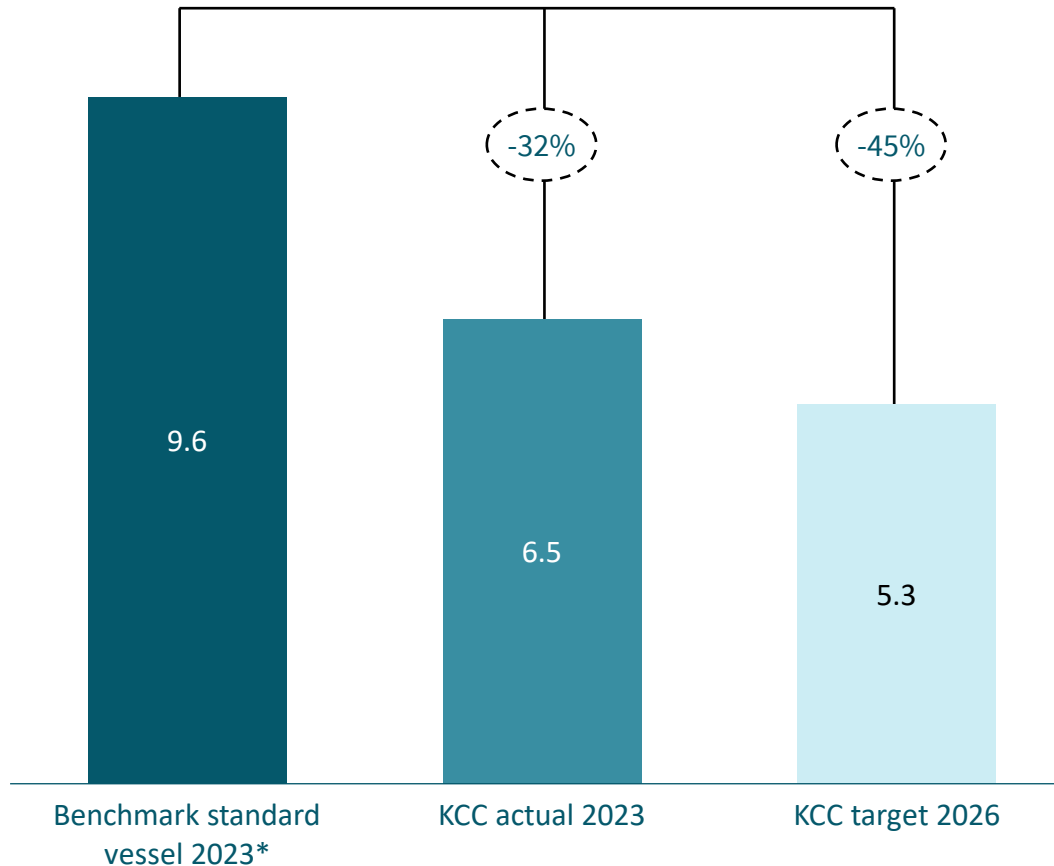
Source: AXSDry and Alphatanker



# Profitable decarbonization through efficiency improvements

## Reinforcing KCC's leading carbon efficiency advantage

Carbon intensity EEOI (Grams CO2 per transported cargo per nautical mile)



2023-2026

Retrofits of air lubrication system and shaft generator (# of vessels)

**1+5x** contracted retrofits

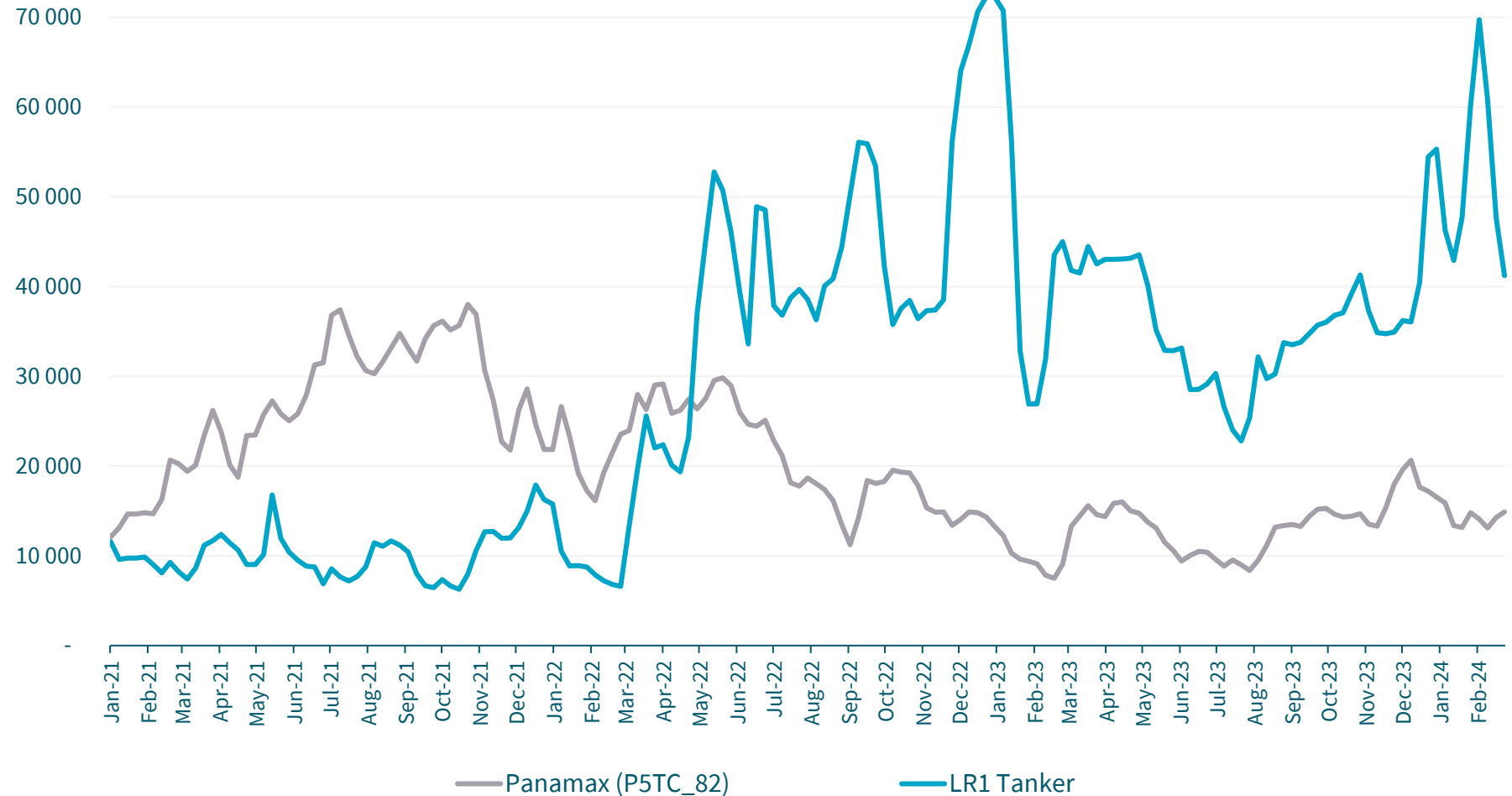
**5x** optional retrofits

EFFICIENCY

DIVERSIFICATION

# Exposure to both the dry bulk and product tanker markets

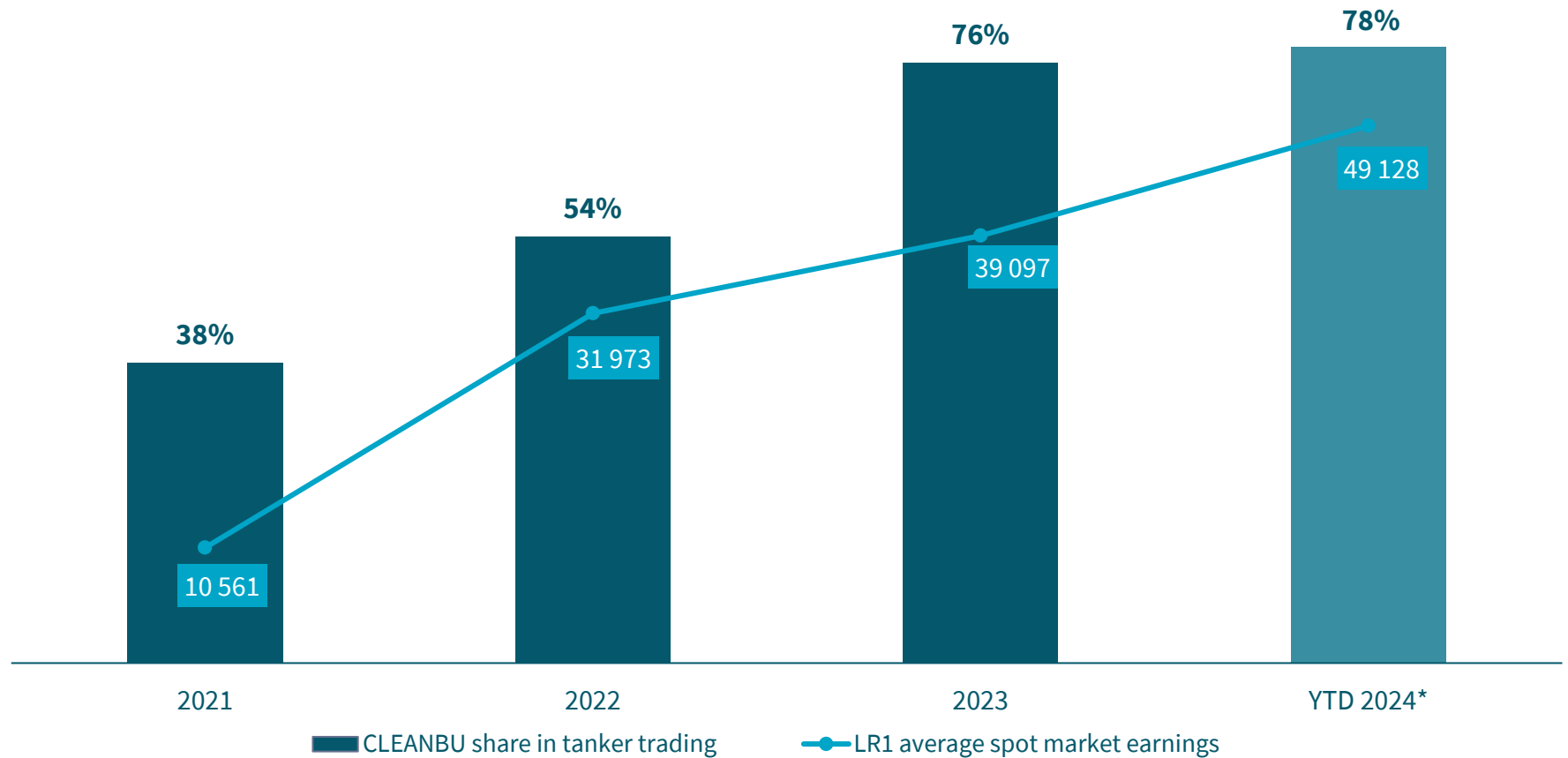
Spot market TCE earnings (\$/day)



Source: Clarksons Securities and Clarksons SIN

# Optionality to shift capacity to the highest paying market

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

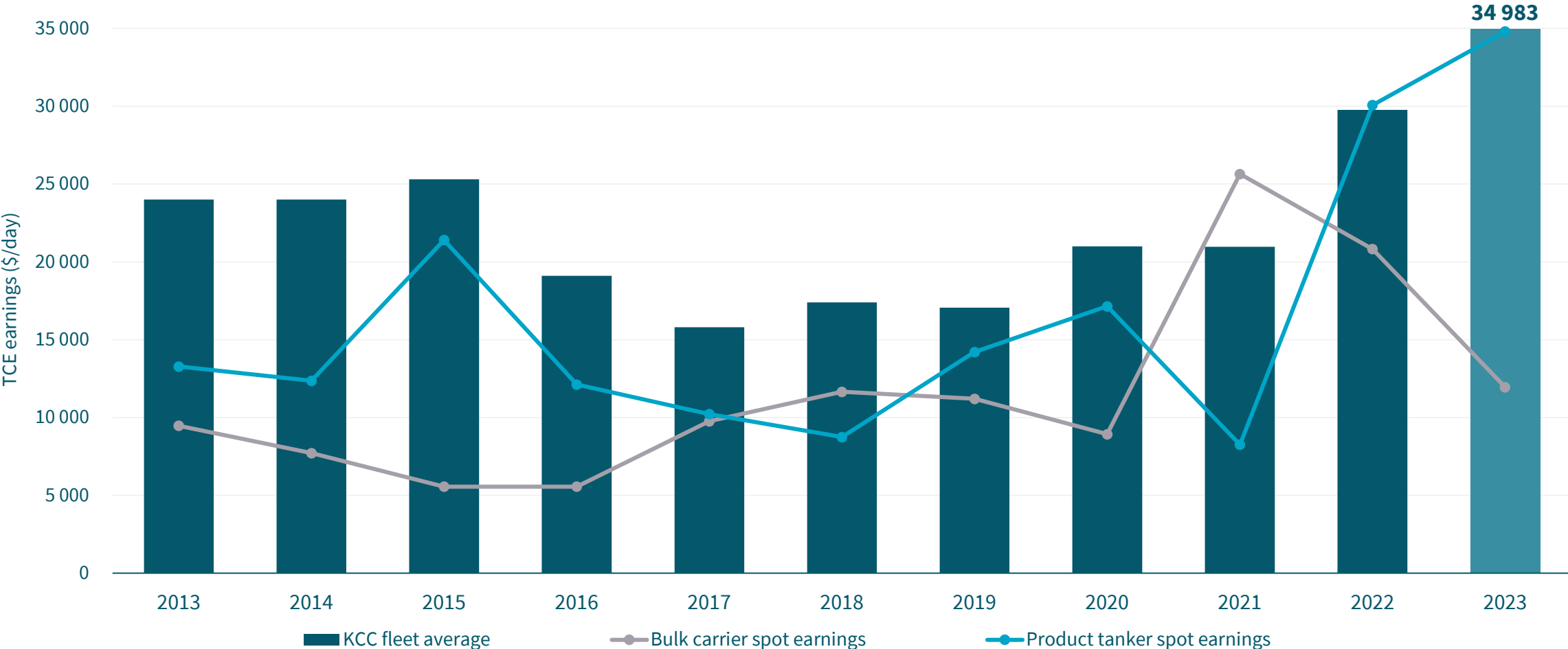


\* YTD 29 February 2024

FLEXIBILITY

# Premium earnings and lower volatility than standard vessels

Average KCC TCE earnings<sup>1</sup> vs. standard tonnage<sup>2</sup>



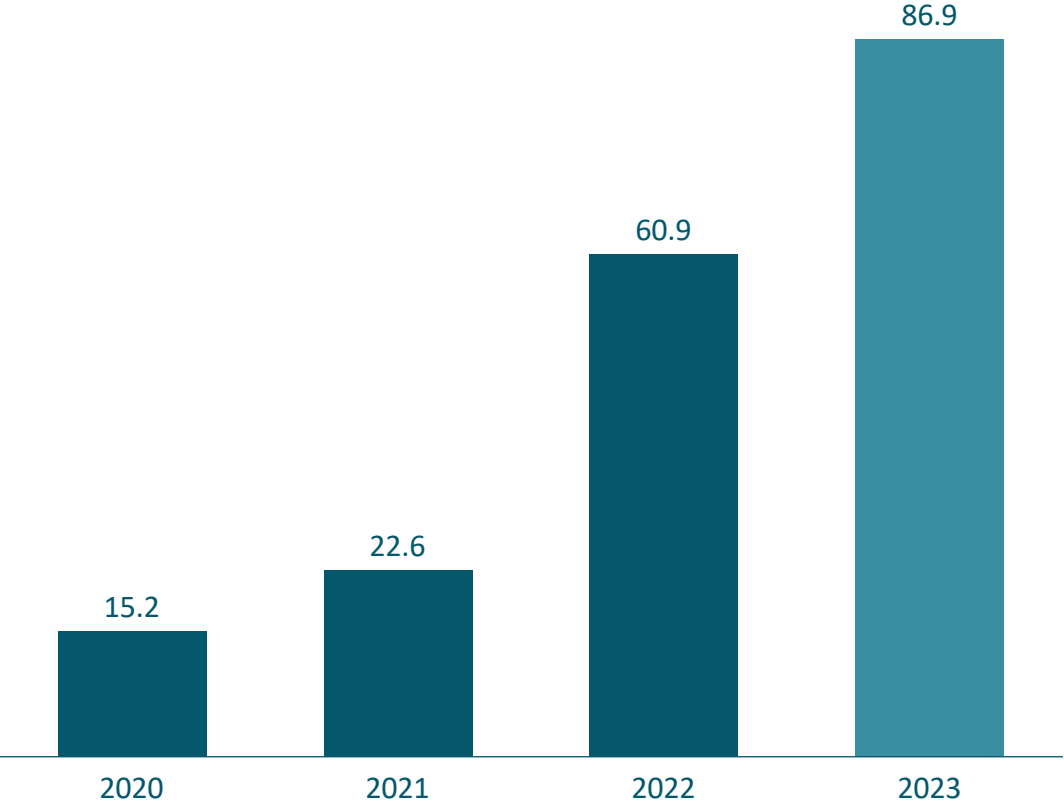
1) TCE earnings \$/day are alternative performance measures (APMs) which are defined and reconciled in the excel sheet “APM4Q2023” published on the Company’s homepage (www.combinationcarriers.com) Investor Relations/Reports and Presentations under the section for the Q4 2023 report.  
2) Standard tonnage for bulk carriers are calculated averages of Panamax and Kamsarmax earnings and CABU and CLEANBU onhire days. Standard tonnage for product tankers are calculated averages of MR and LR1 earnings and CABU and CLEANBU onhire days.



# Record financial results supports strong dividend yield

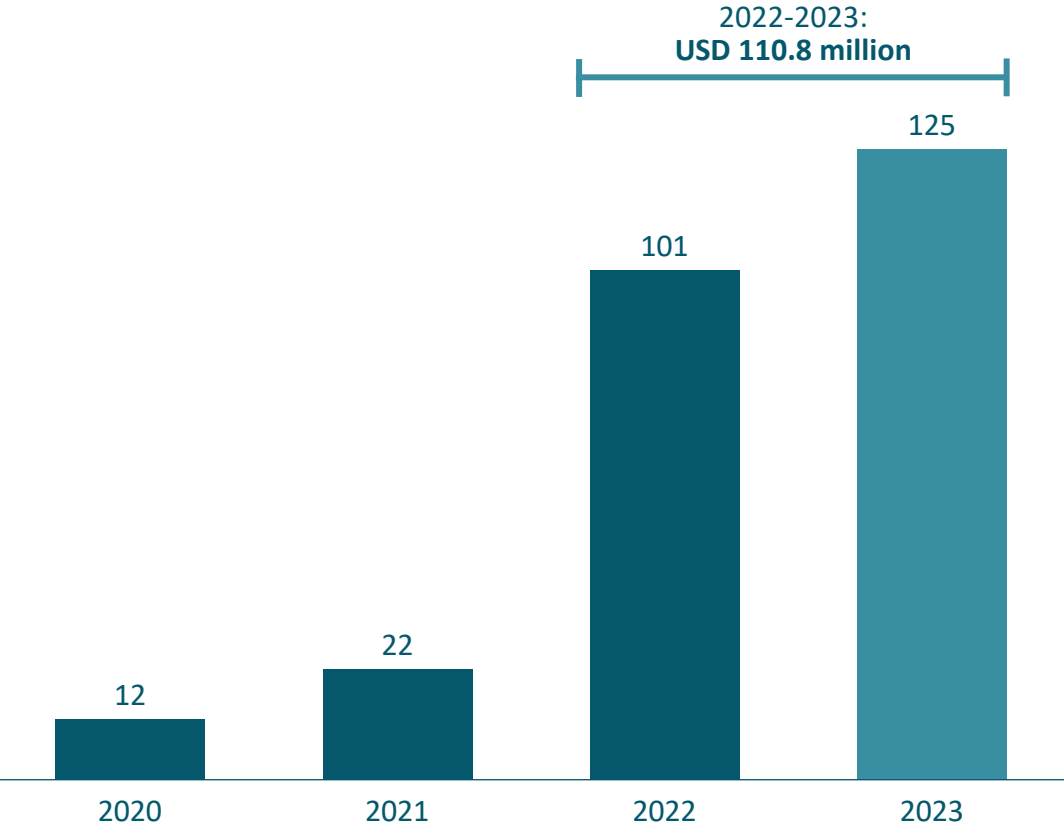
## Profit after tax

USD million



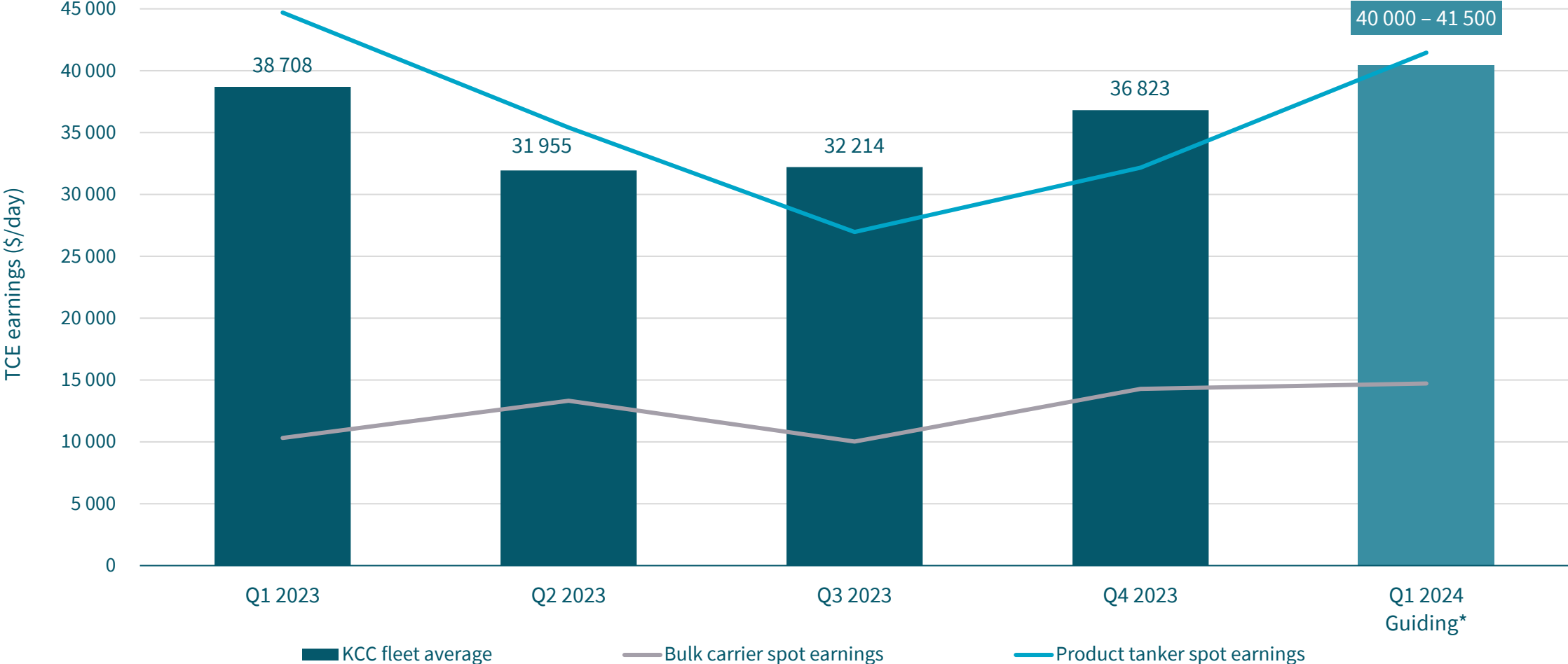
## Dividend

\$ cents per share



# Solid start to 2024

Quarterly KCC fleet TCE earnings<sup>1</sup> vs. standard tonnage<sup>2</sup> (\$/day)

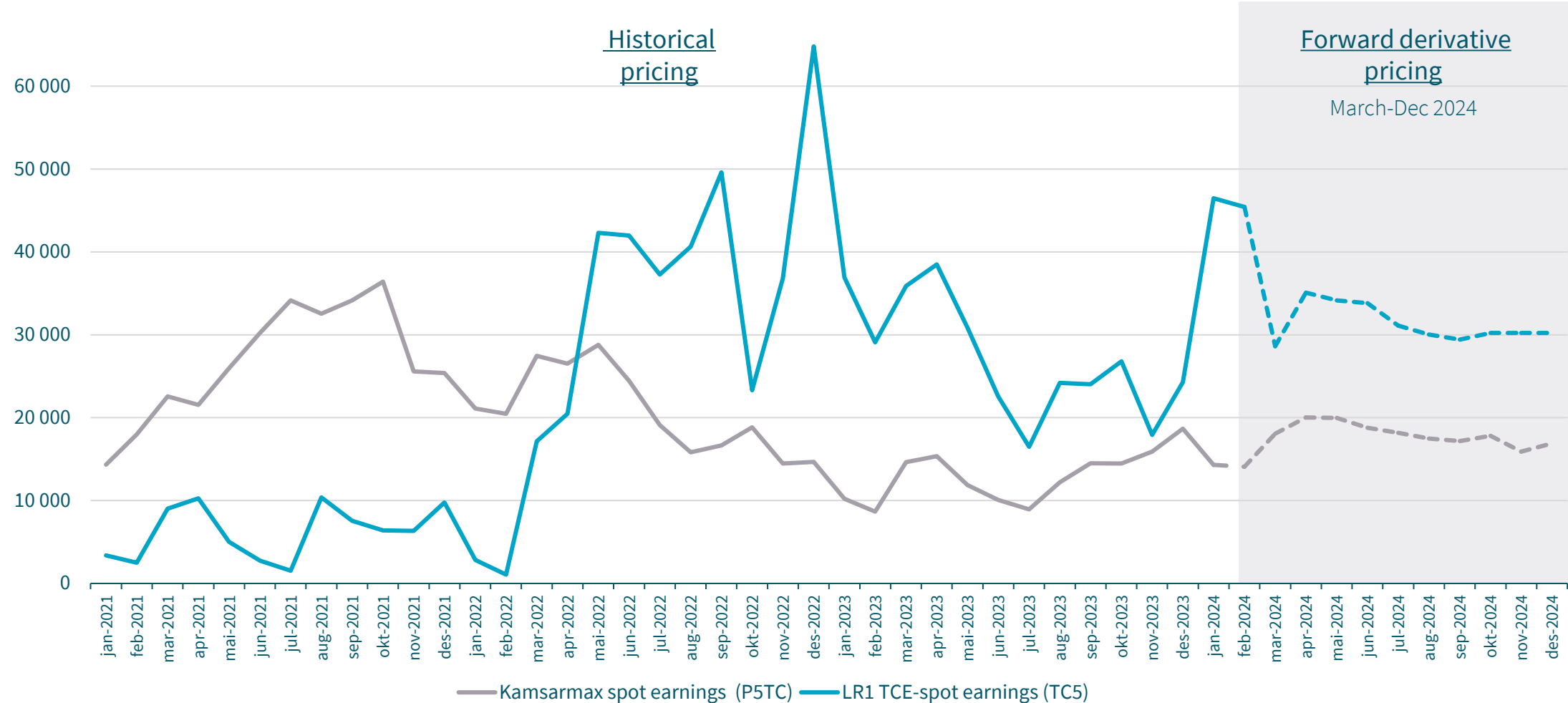


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 \*Estimate based on booked cargoes and expected employment for open capacity basis forward freight pricing (FFA)



# Forward pricing indicates a considerably stronger 2024 than 2023

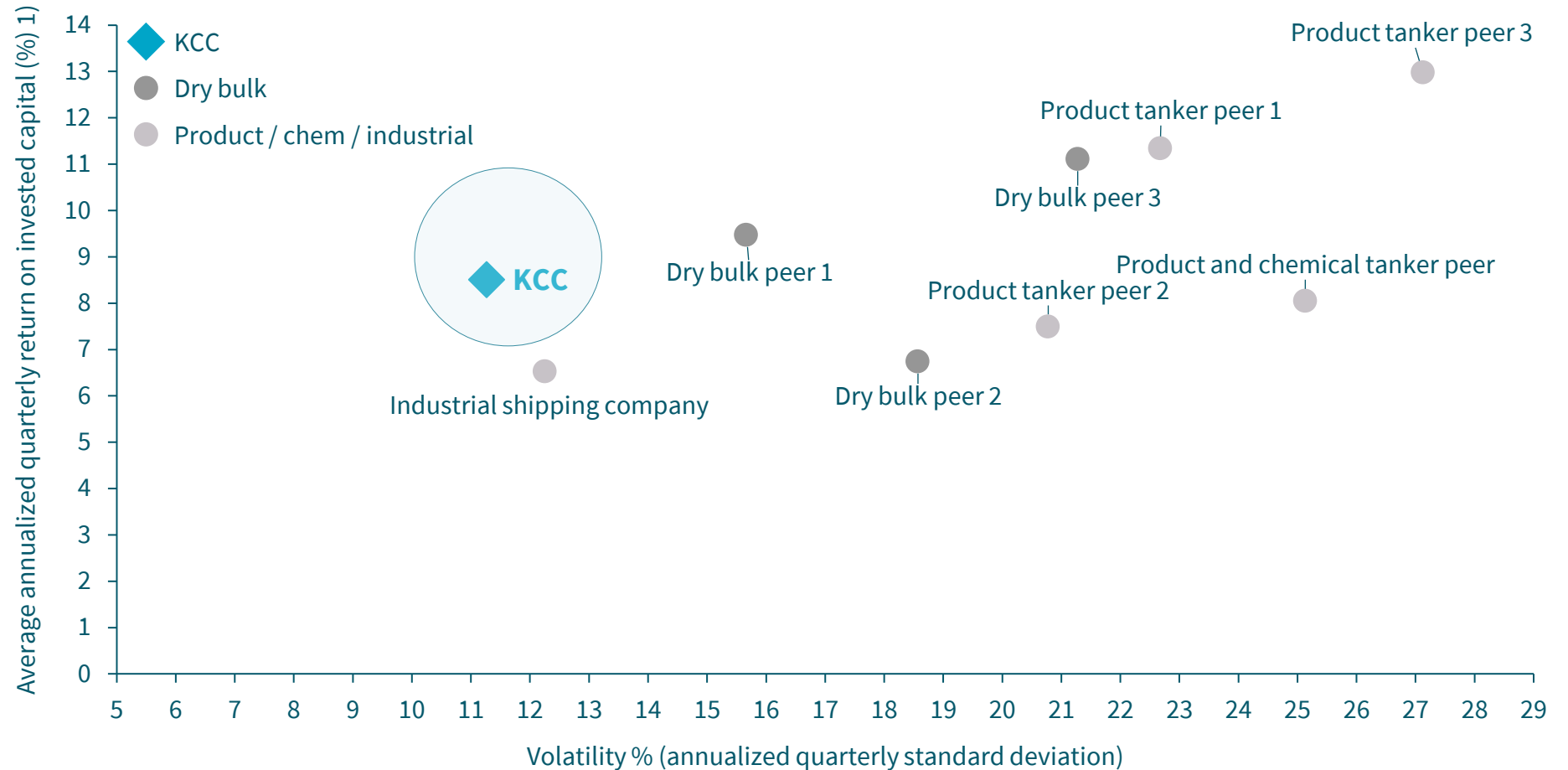
Historical pricing and forward derivative pricing (TCE-earnings \$/day)<sup>1</sup>



Source: Klaveness, Baltic Exchange and Clarkson's SIN as of February 2024  
 1) KMAX dry bulk vessel = P5TC, LR1 tanker = TC5 TCE, Forward TC5 TCE based on TC5 FFA assessment and forward VLSFO price.

# Best risk-adjusted return in dry bulk/tanker shipping

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



Source: Bloomberg.

1) Return on invested capital is calculated as annualized quarterly net operating profit divided by the company's invested capital.

EFFICIENCY

DIVERSIFICATION

FLEXIBILITY





**FUTURE  
BOUND**