



GOLDEN OCEAN™

SHIPPINGKLUBBEN ÅLESUND

SEPTEMBER 2018



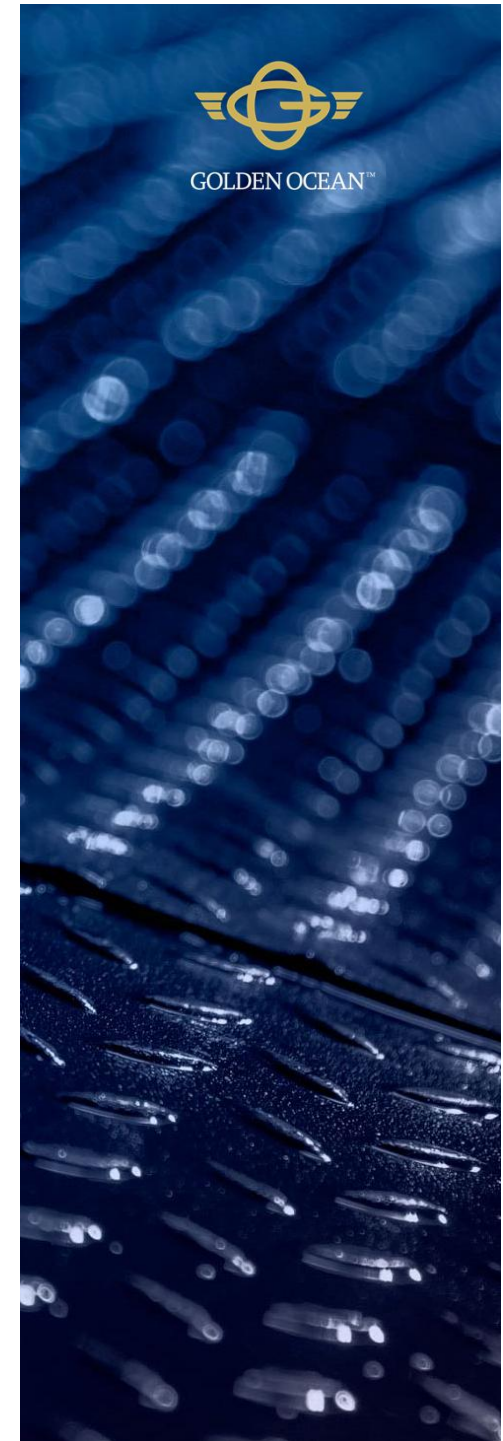
GOLDEN OCEAN™

INTRO TO GOLDEN OCEAN

INVESTMENT HIGHLIGHTS

- Significant scale with modern 77-vessel on-the-water fleet with average age ~5 years and large commercial platform with additional ~45 vessels under management
- Primarily exposed to spot market and focused on segments offering the most exposure to market strength and volatility
- Competitive breakeven levels with low OPEX and G&A and very competitive financing costs
- Strong balance sheet with healthy cash balance and relaxed covenants on non-recourse debt
- Proven ability to source accretive transactions and access the capital markets
- Long-term support of committed founder and largest shareholder and no overhang from private equity / distressed investors
- Returning value to shareholders through dividends for third consecutive quarter – 4% annualized yield⁽¹⁾

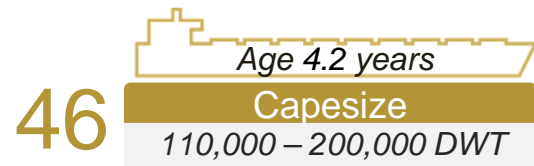
(1) BASED ON Q2 2018 DIVIDEND AND CLOSING PRICE AS OF AUGUST 28, 2018



FLEET FOCUSED ON LARGE VESSEL CLASSES

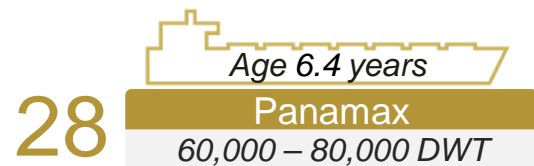


Young, fuel efficient fleet with average age of 5 years



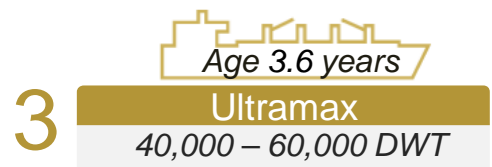
Cargoes

- Iron ore
- Coal



Cargoes

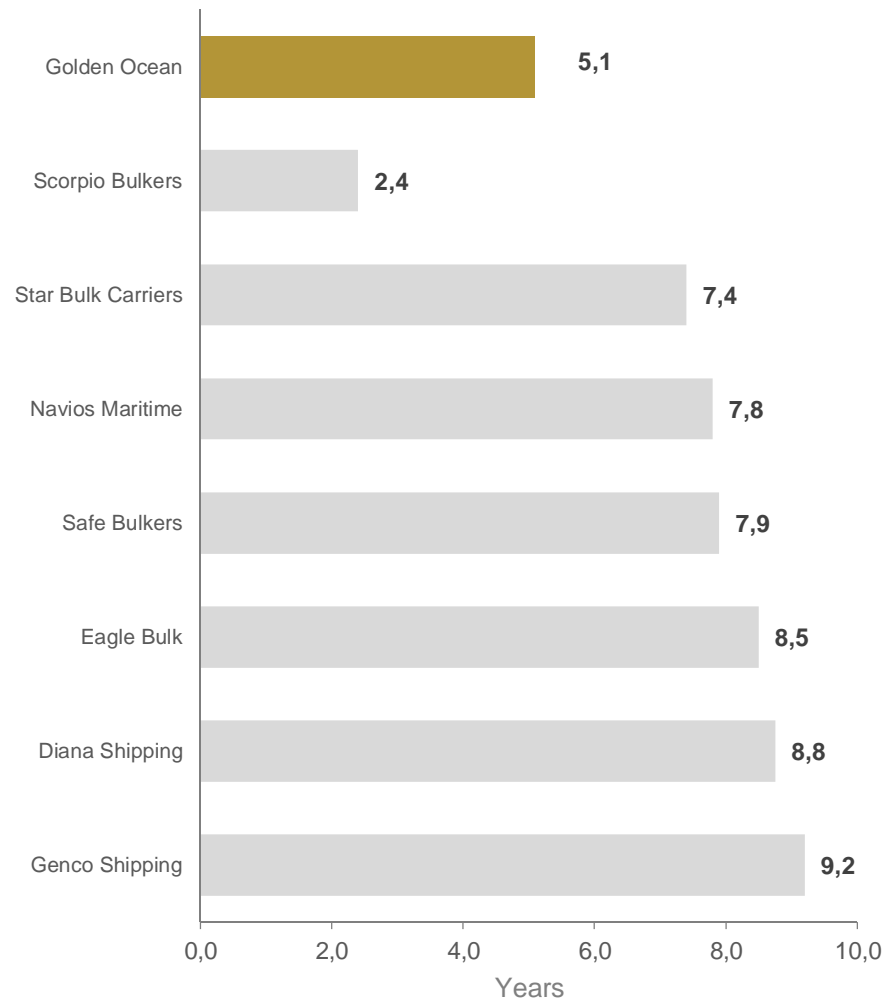
- Coal
- Soybean
- Grains
- Bauxite



Cargoes

- Coal
- Steel
- Grains
- Minor bulks

FLEET AGE VS. PUBLIC DRY BULK COMPANIES

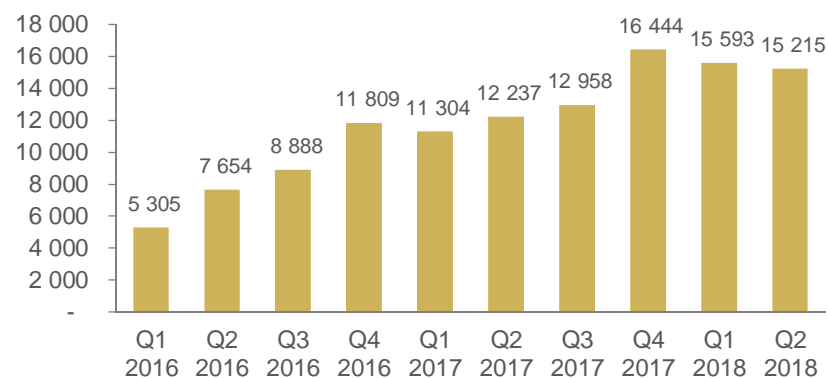


SOURCE: COMPANY FILINGS AND PRESENTATIONS

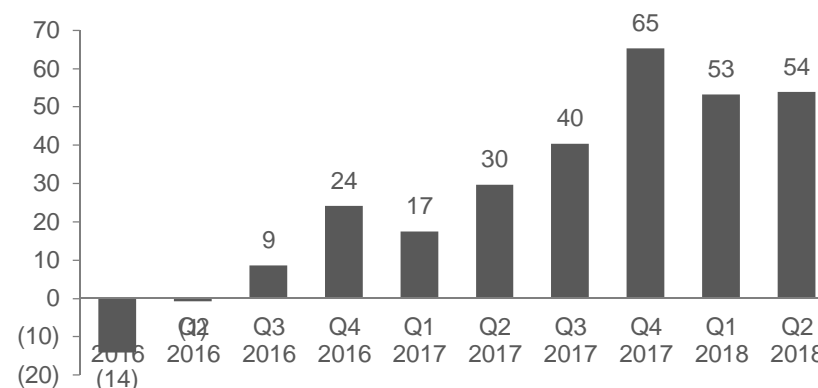
CONSISTENTLY IMPROVING FINANCIAL RESULTS



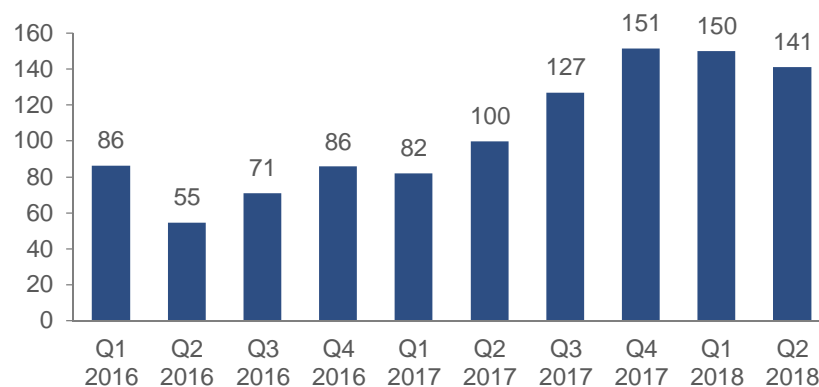
AVERAGE DAILY TCE



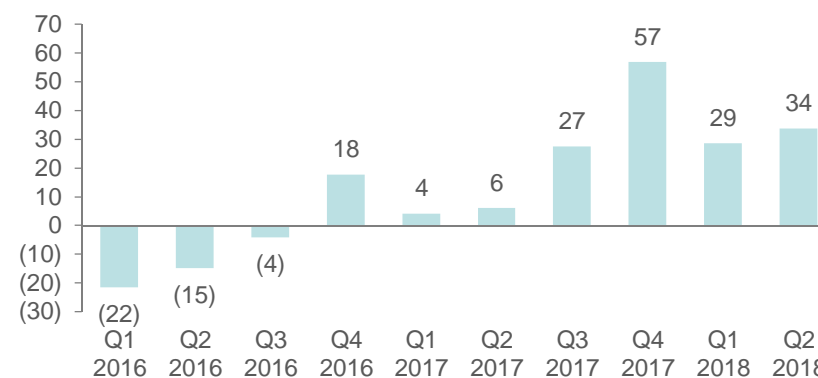
ADJUSTED EBITDA



OPERATING REVENUE



OPERATING CASH FLOW





GOLDEN OCEAN™

BUSINESS PRINCIPLES

STRONG SUPPORT FROM THE SEATANKERS GROUP



A diversified global powerhouse within marine and energy industries



BY THE NUMBERS

32,000+ employees

USD 12+ billion in revenues

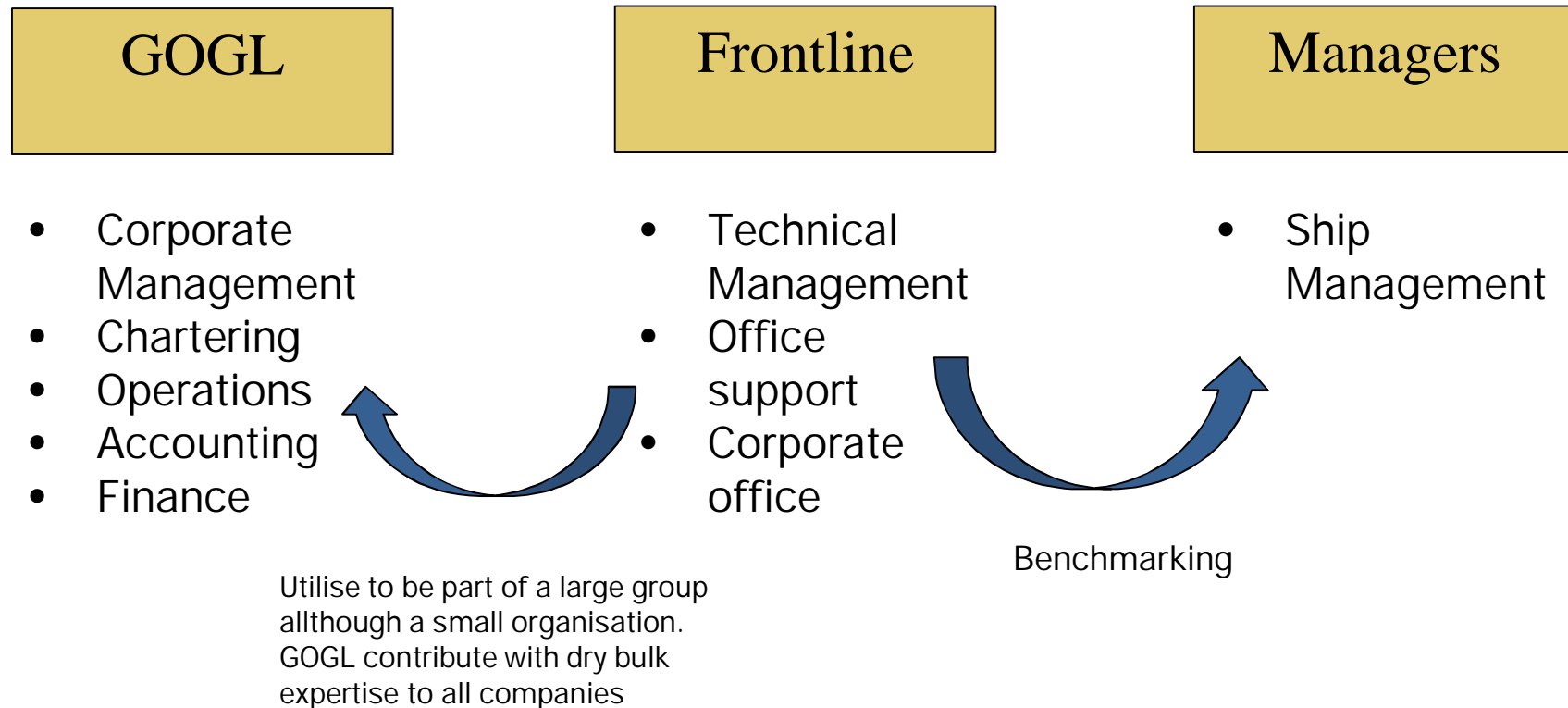
~5.5 billion USD in EBITDA



OPERATING PHILOSOPHY

- Keep it simple and focused
- Lean & efficient management teams
- Define where we are in the cycle
- Consolidation & economy of scale works
- Build credibility with customers, investors & financiers
- Think and act like an investor
- Good cash position at holding company to protect portfolio and take up new opportunities

A COST EFFICIENT AND EFFECTIVE OPERATING MODEL



Approximately 120 vessels managed by Golden Ocean
-> SG&A Cost per operating day (excl OPEX): ~ 400 usd

SMALL TEAM MANAGING LARGE FLEET



brvartdal



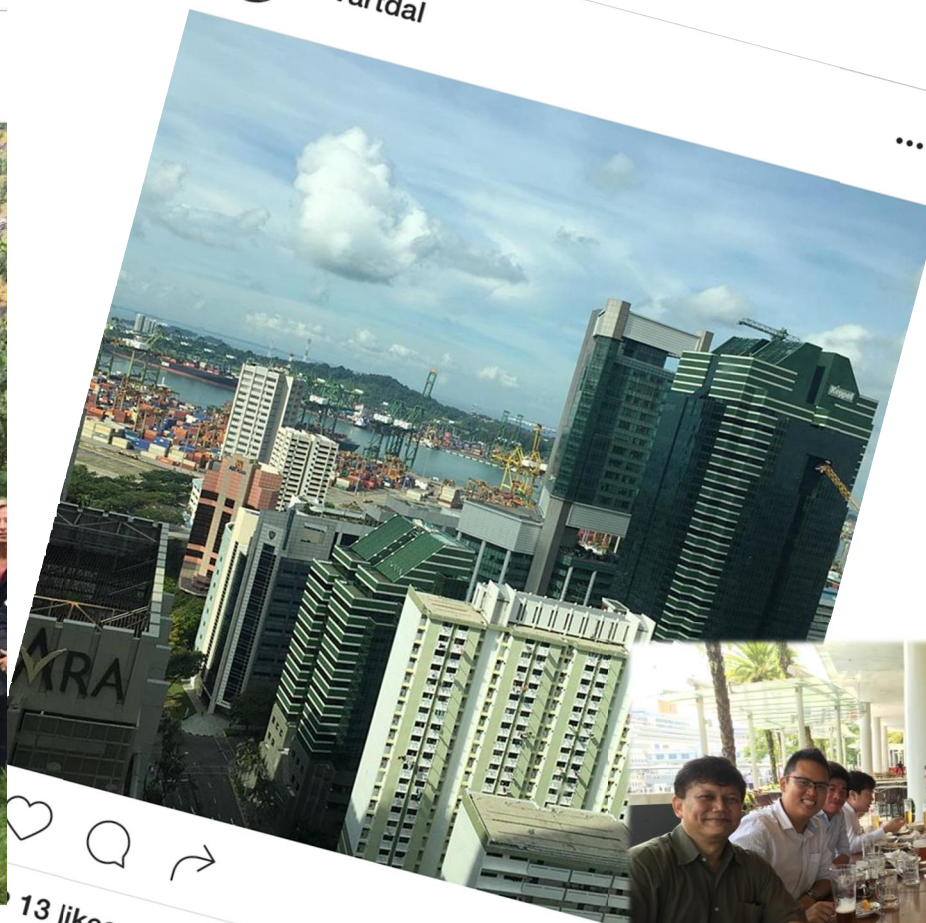
♥ 11 likes

brvartdal Teamtur på sunnmøre #myhometurf
#skageflå #dårligmarkedfancytur

29. AUGUST 2015



brvartdal



13 likes

brvartdal Utsikt både til kontoret og havna - hva mer
man ønske seg? #singapore #shortestvisitever
lineliumvalmot Gratulerer så masse med nv iobb



9

USING THE CAPITAL MARKETS



STRATEGIC ELEMENTS FOR A CAPITAL INTENSIVE INDUSTRY



Raise cash when you have the opportunity, when you need the cash it may be too late

REFLECTIONS THROUGH THE CYCLES

- Company
 - Benefit/advantages of having a strong owner
 - Public listing/access to capital
 - Bank support -> balanced solution
- Personal Experience
 - Prewarning
 - Trust/openness
 - Consistency
 - Persistence





GOLDEN OCEAN™

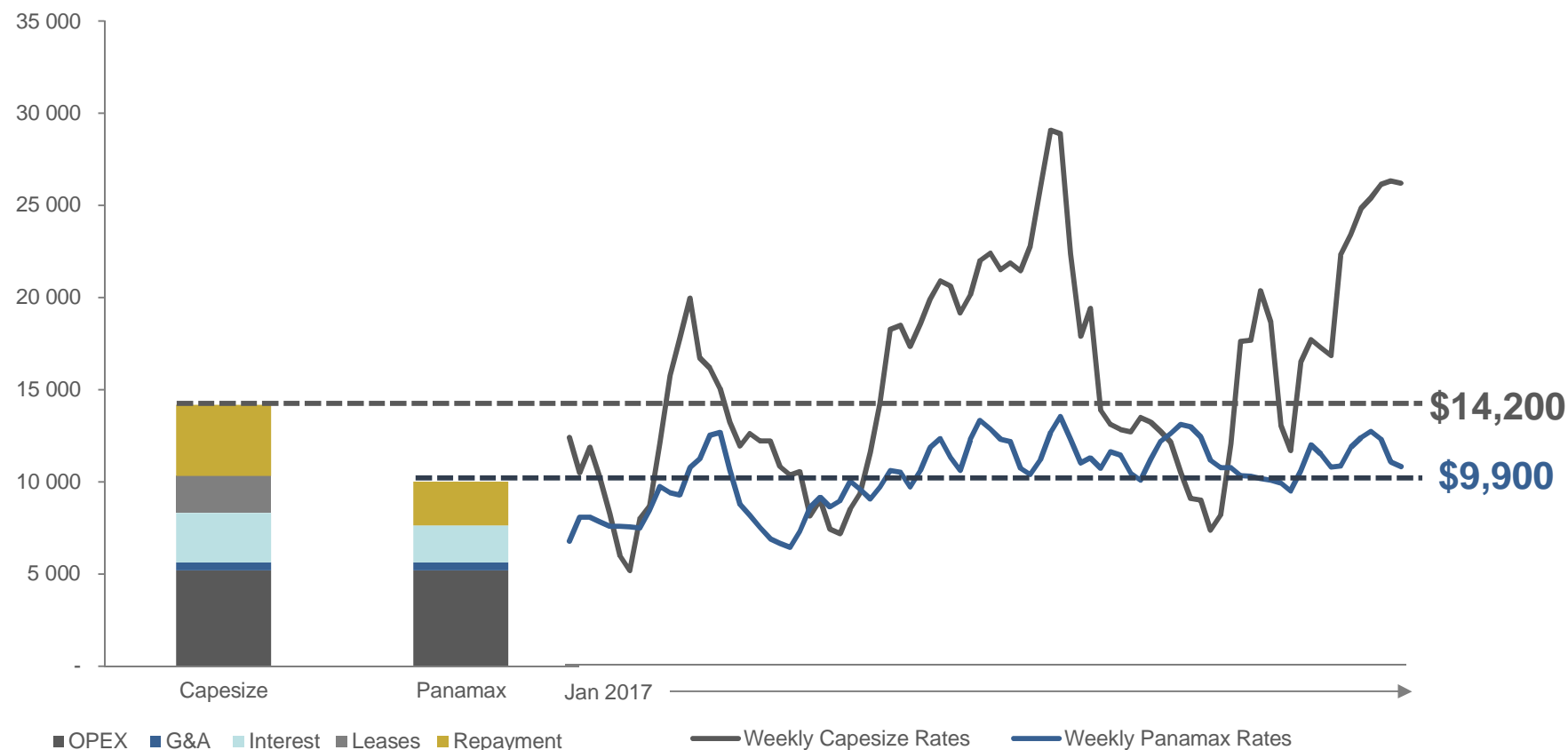
OUTLOOK

COMPETITIVE CASH COSTS DRIVE EARNINGS



- Fully-burdened Opex includes dry docking and management fees
- G&A net of management fees are estimated to be approximately \$400 per day in 2018 on a fully delivered fleet
- Average margin above LIBOR on bank financing is competitive at ~2.3%
- Majority of bank debt has 20 year profile (adjusted for year of age)

CASH BREAK EVEN LEVELS VS. INDEXES⁽¹⁾



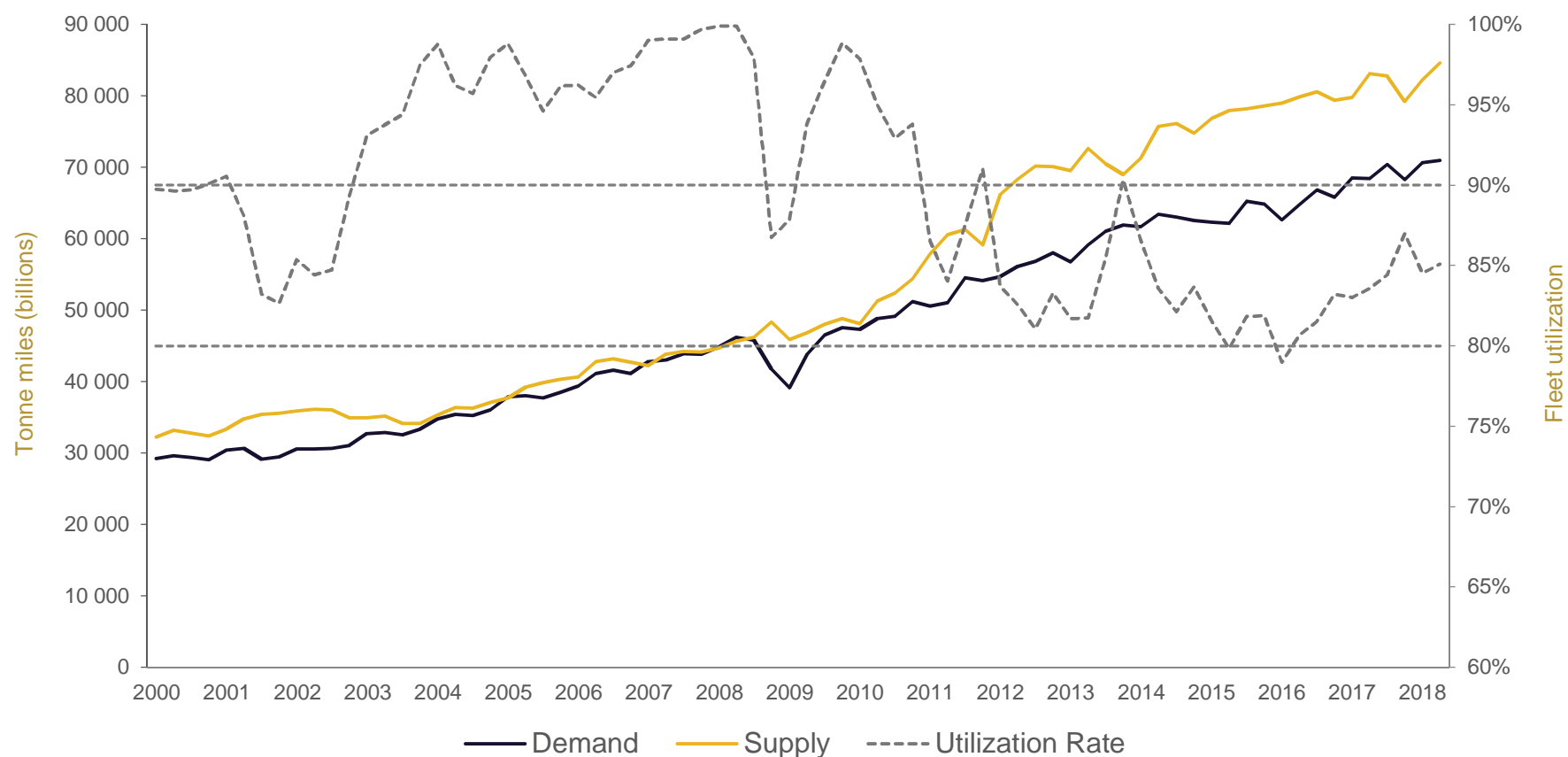
(1) ESTIMATED CASH BREAK-EVEN LEVELS AT TODAY'S INTEREST LEVEL, INCLUDING FULL CASH-SWEEP FOR NON-RECOURSE DEBT AND EXCLUDING PROFITABLE CHARTERS WHICH WILL REDUCE THE CASH BREAK-EVEN FROM THESE LEVELS
SOURCE: CLARKSON'S

DRY BULK SUPPLY / DEMAND & UTILIZATION



Utilization improved over the course of the second quarter following increased capacity at the end of the first quarter due to easing of port delays

SUPPLY, DEMAND AND UTILIZATION RATE - DRY BULK SHIPS 10,000 DWT +

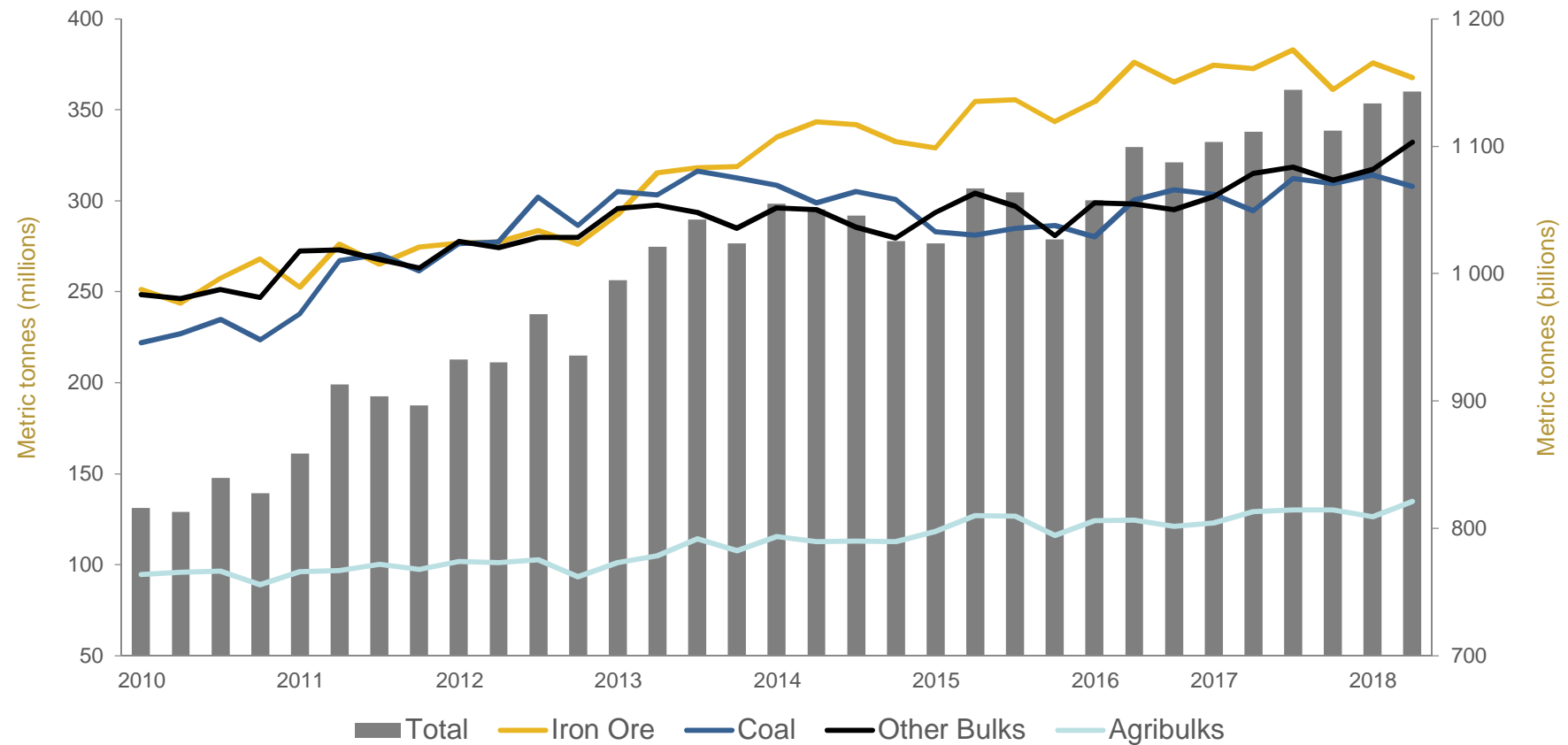


GROWTH IN SEABORNE TRADE CONTINUES



Continued year-over-year increases in imports during the second quarter due to pickup in agribulks and minor bulks

SEABORNE TRADE OF DRY BULK COMMODITIES (MAJOR IMPORTERS)

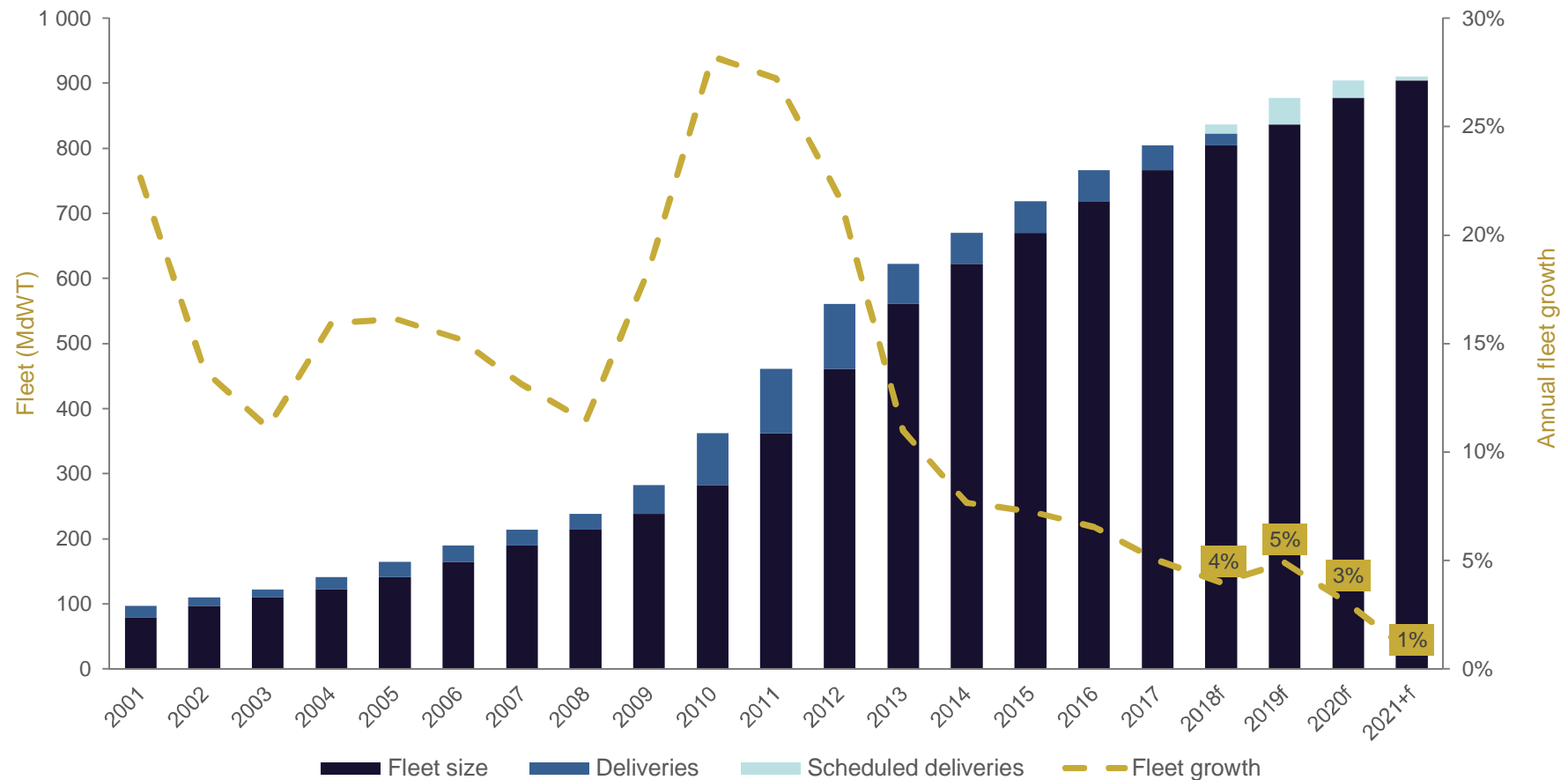


PROJECTED FLEET GROWTH STILL MODERATE



Forecasted fleet growth is still moderate, despite new ordering observed; any additional capacity from now expected to be placed in 2020 or later

FLEET GROWTH (ASSUMES NO SCRAPPING OR NEW ORDERING)



EXPECTATION FOR CONTINUED STRONG MARKET FOR THE REMAINDER OF THE YEAR WITH NORMAL SEASONALITY GOING INTO 2019



UPSIDE POTENTIAL

- Increased tonne-miles if additional iron ore capacity comes from Brazil
- Coal demand grows due to increased consumption as domestic production in India and China lag
- China implements additional stimulus measures to offset potential impact of tariffs
- More tonne-miles due to longer sailing distances on as demand increases in Asia replace European demand
- Removal of older vessels ahead of BWTS and sulphur emissions regulations

DOWNSIDE RISKS

- Lower steel margins impact import / export volumes
- Increase use of scrap steel and draw down of iron ore inventories in China
- Trade tensions reduce global trade
- Economic activity decreases in China, leading to lower consumption of steel and energy
- New ordering increases fleet growth expectations for 2020+

THANK YOU FOR YOUR ATTENTION!



GOLDEN OCEAN™