Genco Shipping & Trading Limited

Genco’s new comprehensive value strategy

April 20th, 2021

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) 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; (ii) the financial results we achieve for each quarter that apply to the dividend formula described above, 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; (iii) 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; (iv) our ability to refinance and amend the terms of our credit facilities as contemplated under our new value strategy; and (v) 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.

Genco's new comprehensive value strategy

We have formulated this new corporate strategy utilizing Genco's strong balance sheet and our already low leverage position together with positive drybulk market fundamentals

Objective

- Transform Genco into a low leverage, attractive dividend yield company
- Maintain significant flexibility to grow the fleet
- Target paying a quarterly dividend based on cash flows less a reserve consistently

Strong starting point

- We believe Genco is the best positioned company within its drybulk peer group to accomplish this objective
- Genco's cash and debt balances of approximately $164m and $401m as of March 31, 2021 provide a solid foundation

Roadmap to year-end

- For the balance of 2021, we plan to take advantage of the strong market to continue to pay down debt through a combination of cash flow generation and cash on the balance sheet, while opportunistically growing our fleet utilizing proceeds from previous vessel sales
- We plan to deploy cash towards the acquisition of new assets on a lowly levered basis
- Further debt repayments and a refinancing of our credit facilities will continue to strengthen the Company's balance sheet and reduce cash flow breakeven levels

Timeline

- We are targeting Q4 2021 (payable in Q1 2022) for the first dividend under the new corporate strategy
- We plan to continue to pay the current $0.02/share quarterly dividend, subject to Board approval, in the interim

Our new corporate strategy…

…is a holistic three-pronged approach including returning cash to shareholders, further de-levering of the balance sheet and continuing to renew and grow the fleet

Dividends	De-levering	Growth
Cash flow generation	Scheduled debt repayments	Use shares as a currency to grow
Reduced cash flow breakeven rate	Debt prepayments utilizing cash on the balance sheet + reserve	Utilize reserve + revolver
		Opportunistically sell older ships + redeploy proceeds

Strategy ideally integrates with our barbell approach to fleet composition in which our minor bulk fleet provides stable cash flows to cover debt service, while our Capesize vessels provide meaningful upside and operating leverage

Our roadmap to year-end and implementation…

Where we currently stand – March 31, 2021 balances

$164m Cash balance, including restricted cash

$401m Debt outstanding

$237m Net debt

28% Net LTV

Year-end targets

20% Target a net loan-to-value of ~20% by year-end

$75m Cash balance following paydown of debt

Differentiator for Genco: we believe achieving these metrics will uniquely position Genco to successfully execute the low leverage + attractive dividend structure

Notes: debt balance presented gross of unamortized debt issuance costs. Net debt is equal to debt minus cash. Net loan-to-value figures presented above are based on VesselsValue.com estimated from April 2021 and assume the sale of the two remaining agreed upon 53,000 dwt Supramax vessels and are shown for illustrative purposes. Actual results will vary.

Genco’s quarterly dividend framework / calculation

Targeting a quarterly dividend based on cash flow after debt service less a reserve

Genco's quarterly dividend to be paid based on the following formula:
Operating cash flow
Less: Debt repayments
Less: Capital expenditures for drydocking
Less: Reserve
Cash flow distributable as dividends

Quarterly reserve is targeted to be based on quarterly debt repayments and interest expense

Reserve optionality: uses include debt prepayments, vessel acquisitions, general corporate purposes

- **Genco to provide guidance** each quarter for the data above based on management estimates in our quarterly breakeven rates and TCE guidance
- **For the purpose of the dividend calculation, operating cash flow is defined as:** voyage revenue less voyage expenses, charter hire expenses, vessel opex, G&A other than non-cash restricted stock expenses, technical mgmt fees, interest expense other than non-cash deferred financing costs
- 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

Illustrative cash flow sensitivity *($ in m, except TCE and per share data)*

$164m — **Cash, including restricted cash, as of March 31, 2021**

$75m — **Plan to pay down debt to achieve a cash balance of ~$75m to reduce our cash flow breakeven rate**

2022 illustrative analysis based on cash flow sensitivity

Fleet-wide net TCE - 2022	**$ 15,000**	**$ 17,500**	**$ 20,000**
Net revenue	$ 211	$ 246	$ 281
Vessel operating expenses	(71)	(71)	(71)
G&A (ex-non cash restricted stock)	(20)	(20)	(20)
Technical management fees	(5)	(5)	(5)
Interest exp. (ex-deferred financing costs)	(7)	(6)	(6)
Operating cash flow	$ 107	$ 143	$ 179
Quarterly debt amortization	(21)	(16)	(11)
Drydocking / BWTS capex	(11)	(11)	(11)
Cash flow after debt repayments / drydocking capex	$ 74	$ 116	$ 157
Cash flow distributable as dividends (after reserve)	**$ 46**	**$ 93**	**$ 140**
Illustrative dividend per share	**$ 1.10**	**$ 2.22**	**$ 3.34**

- Plan to continue to reduce our debt balance, with a long-term goal of zero debt

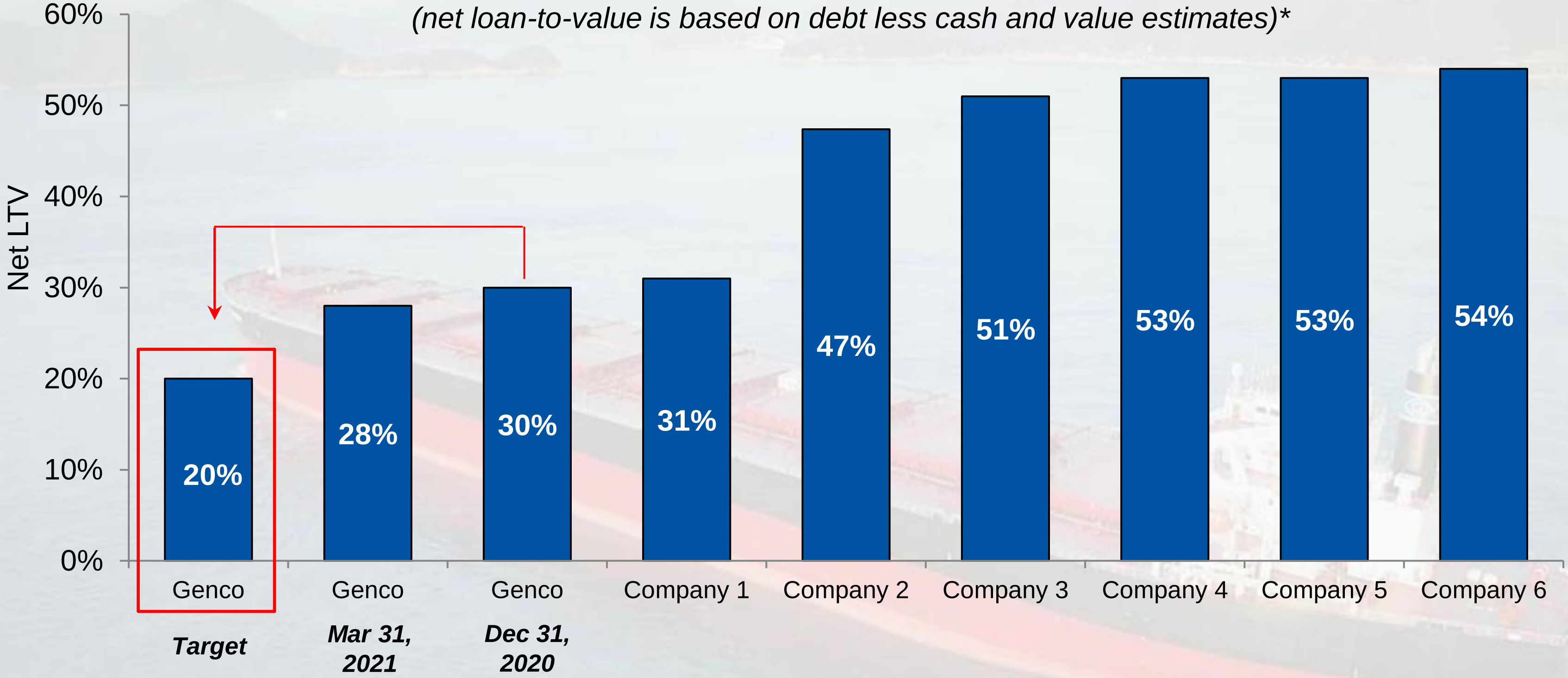
Note: The amounts set forth above are for illustrative purposes only, and actual amounts will vary. Our ability to pay dividends in any period will depend upon various factors, including the limitations under any credit agreements to which we may be a party, applicable provisions of Marshall Islands law and the final determination by our Board of Directors each quarter after its review of our financial performance. Please see p.2 and the appendix of this presentation for additional details. Operating cash flow and TCE are non-GAAP financial measures. For 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.

Genco's low net leverage position is a clear differentiator

Our strong balance sheet uniquely positions Genco relative to the peer group to effectively deliver on the low leverage, attractive dividend yield strategy

Genco has the lowest net loan-to-value position across its drybulk peer group

*(net loan-to-value is based on debt less cash and value estimates)**



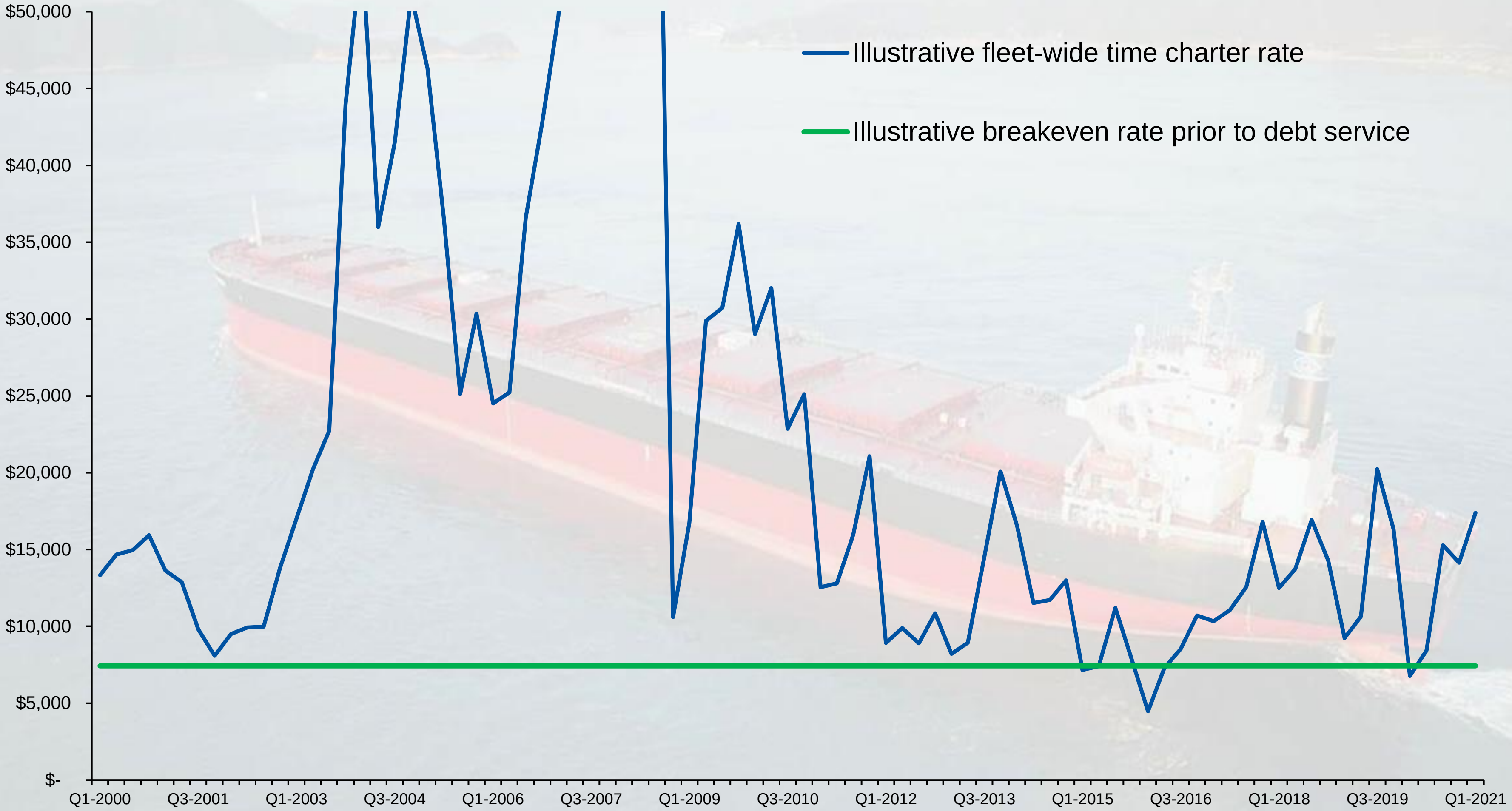
- Our substantial liquidity position + operating cash flow in the current rate environment provide Genco with significant flexibility and optionality to both grow the fleet at an opportunistic point in the cycle as well as further de-lever the balance sheet

Sources: public company filings, VesselsValue.com

*Fleet values are based on VesselsValue.com estimates from April 2021. Cash and debt figures are presented as reported by the above companies as of December 31, 2020 adjusted for vessel sale and purchase activity that has been announced in 2021 to date by the respective companies. Genco's March 31, 2021 figures are pro forma for the two remaining agreed upon vessel sales scheduled to take place in Q2 2021. Actual results will vary.

Breakeven rate prior to debt service is covered…

…in nearly every rate environment over the last two decades, highlighting the importance of the quarter dividend reserve to be targeted off debt and interest payments – a prudent approach to protect the balance sheet during volatile market periods



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 39 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 2021 expense budgets across a fleet of 39 vessels.

Now is an opportune time to execute this strategy…

…due to Genco's strong financial position and platform + positive market fundamentals

Genco's differentiated position

- Best in class company in the peer group to execute a low leverage + attractive dividend strategy
- Cash position of $164m as of March 31, 2021
- Low existing leverage leads to a strong starting point
- Strong commercial operating platform in place with a track record of benchmark outperformance
- Barbell approach to fleet composition through the ownership of Capesize and Ultramax / Supramax vessels allows for further upside and operating leverage

Drybulk market outlook

- Record low orderbook as a percentage of the fleet to limit net fleet growth and visibility well into 2023
- Unprecedented levels of global stimulus
- Global GDP forecast to rise by 6% in 2021
- China's economy leads while the rest of the world continues economic improvement
- Recovery and growth of Brazilian iron ore exports
- India's coal imports and steel production to continue their rebound

Appendix

Assumptions to illustrative cash flow sensitivity

- **Fleet size:** Based on a fleet of 39 vessels pro forma for the agreed upon sale of two 53,000 dwt Supramaxes.
- **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. The same TCE rates used in the three columns presented for 2022 are used for the equivalent Q2 to Q4 2021 period.
- **Expenses:** Assumed to remain at current levels for vessels in our fleet and otherwise. Illustrative expenses are based on Genco's 2021 budget, including a daily fleet-wide vessel operating expense budget of $5,000 per vessel per day. Fleet-wide G&A and technical management fees remain similar to previous guidance.
- **Drydocking / ballast water treatment system capex:** Based on Genco's budget for the remainder of 2021 and FY 2022. Specifically, Q2 to Q4 2021 capex is budgeted for $9.9m and 2022 capex is budgeted for $11.5m.
- **Quarterly debt amortization:** For Q2 to Q4 2021, this is based on our current credit facility structure and assumes the resetting of debt amortization following the sale of our two remaining 53,000 dwt Supramaxes. For 2022, a refinancing of our debt is assumed. We intend to refinance our credit facilities. We do not know what interest and amortization terms any refinanced credit facility will have. For analytical purposes only, we have used annual debt amortization based on initial discussions with our bank group of $11m to $21m. The actual terms of a refinanced facility, if we enter into one, will depend on the results of negotiations with our lenders. Actual figures will vary. In a potential refinancing, we plan to include a revolver component for growth.
- **Cash and debt balances:** Starting balances are based on March 31, 2021 figures. It is assumed that cash is paid down to $75m to repay debt outstanding at year-end 2021. Timing of this paydown will vary. Potential refinancing fees and potential working capital fluctuations are not assumed in the illustrative calculations.
- **Operating cash flow:** Defined as voyage revenue less voyage expenses, charter hire expenses, vessel operating expenses, general and administrative expenses other than non-cash restricted stock expenses, technical management fees, and interest expense other than non-cash deferred financing costs.
- **Illustrative dividend per share:** Based on 41.9m shares outstanding.
- **Reserve:** The reserve will be set on a quarterly basis in advance of the subsequent quarter at the discretion of our Board of Directors and is anticipated to be based on future quarterly debt repayments and interest expense**.**
- **Reconciliation of operating cash flow ($ in m):**

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Operating cash flow	**$ 107**	**$ 143**	**$ 179**

Adjustment to GAAP measure

$ -
-
(2)
-
(4)

Illustrative net income equivalent figures

$ 211	$ 246	$ 281
(71)	(71)	(71)
(22)	(22)	(22)
(5)	(5)	(5)
(11)	(10)	(10)