

Third quarter 2020

Oslo, 18 November 2020

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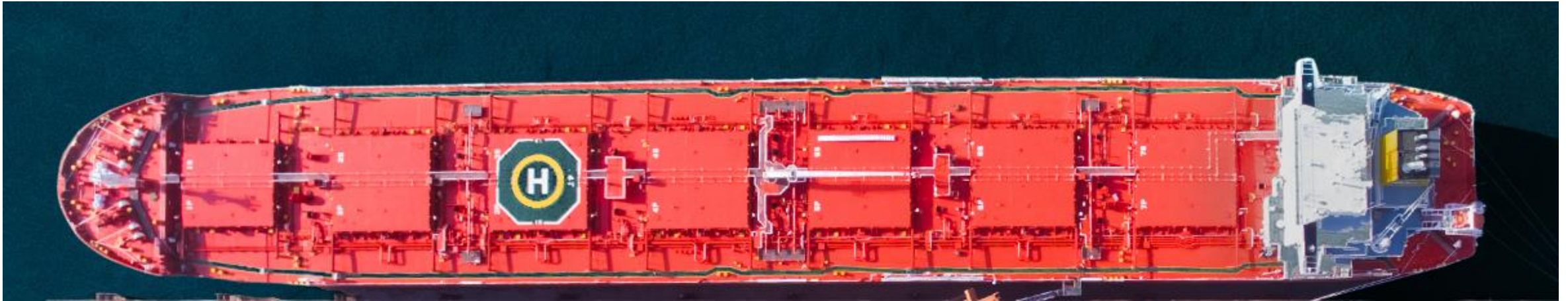
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Company introduction

A unique seaborne transportation system



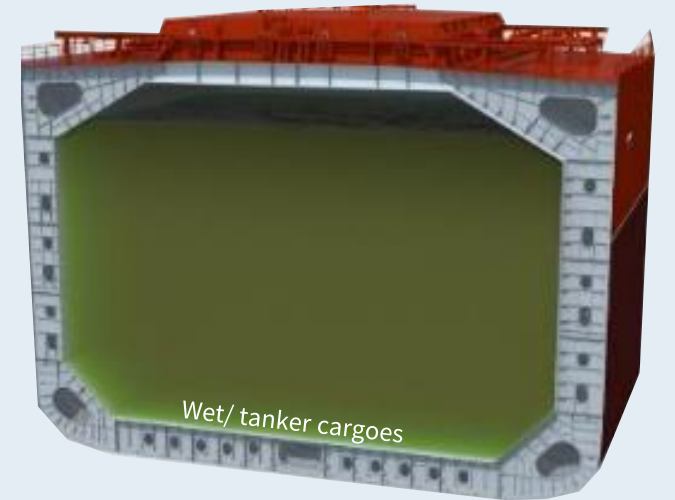
Transporting dry bulk and wet cargoes with safe and efficient cleaning/switching



Dry cargo



Efficient cleaning

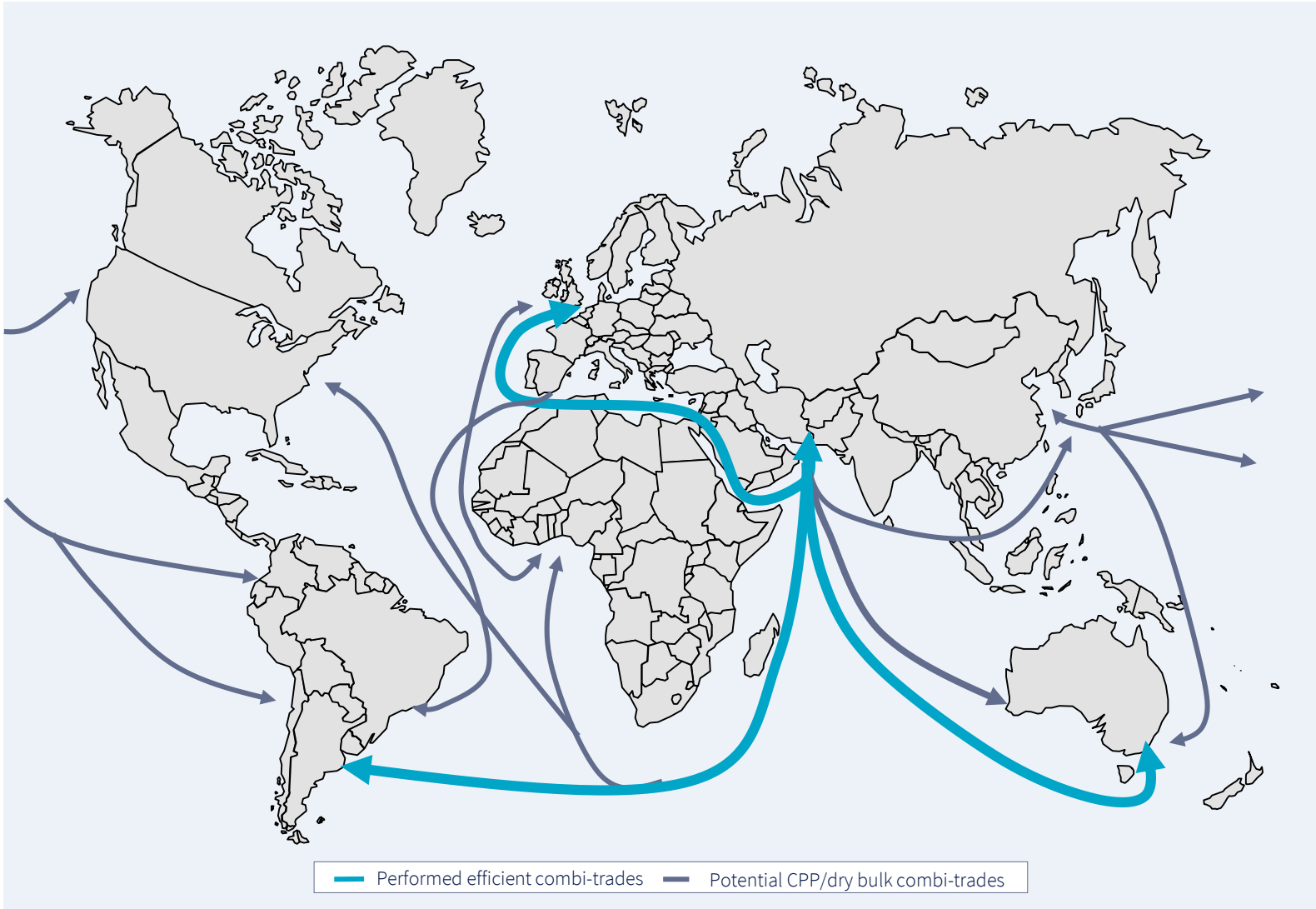


Wet/ tanker cargoes

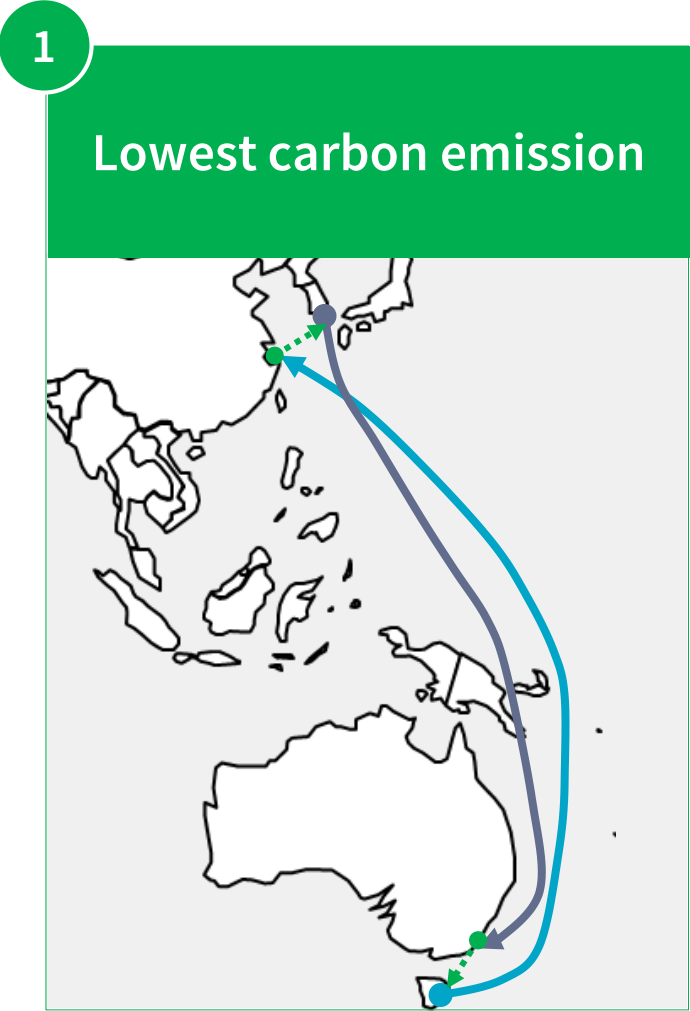
CABU | Well proven shipping solution for the alumina industry



CLEANBU | KCC's growth business with a substantial addressable market



Future proof and profitable business model



Highlights Q3 2020

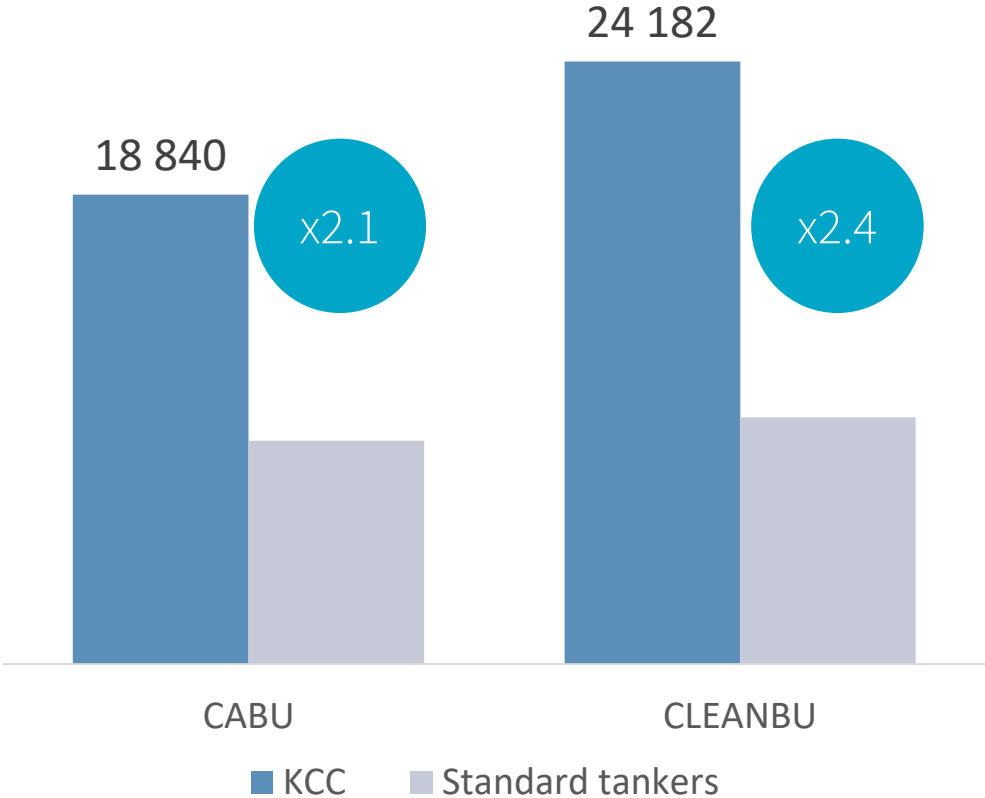
Our priority # 1: Ensuring the health and safety of our seafarers



Highlights Q3 2020

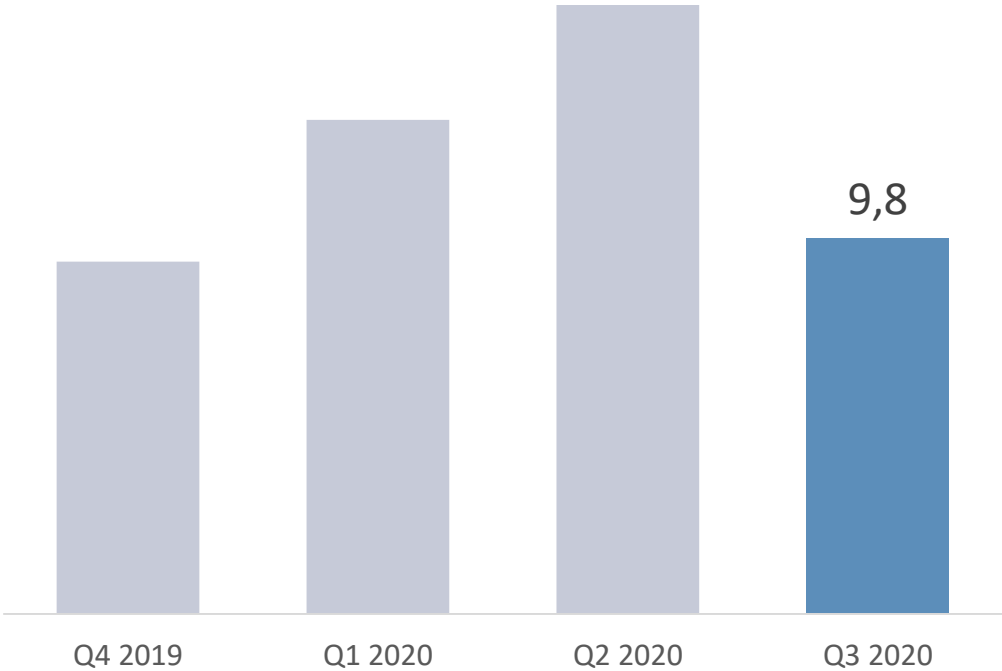
TCE earnings outperforming standard markets

Q3 2020 CABU and CLEANBU TCE earnings USD per on-hire day



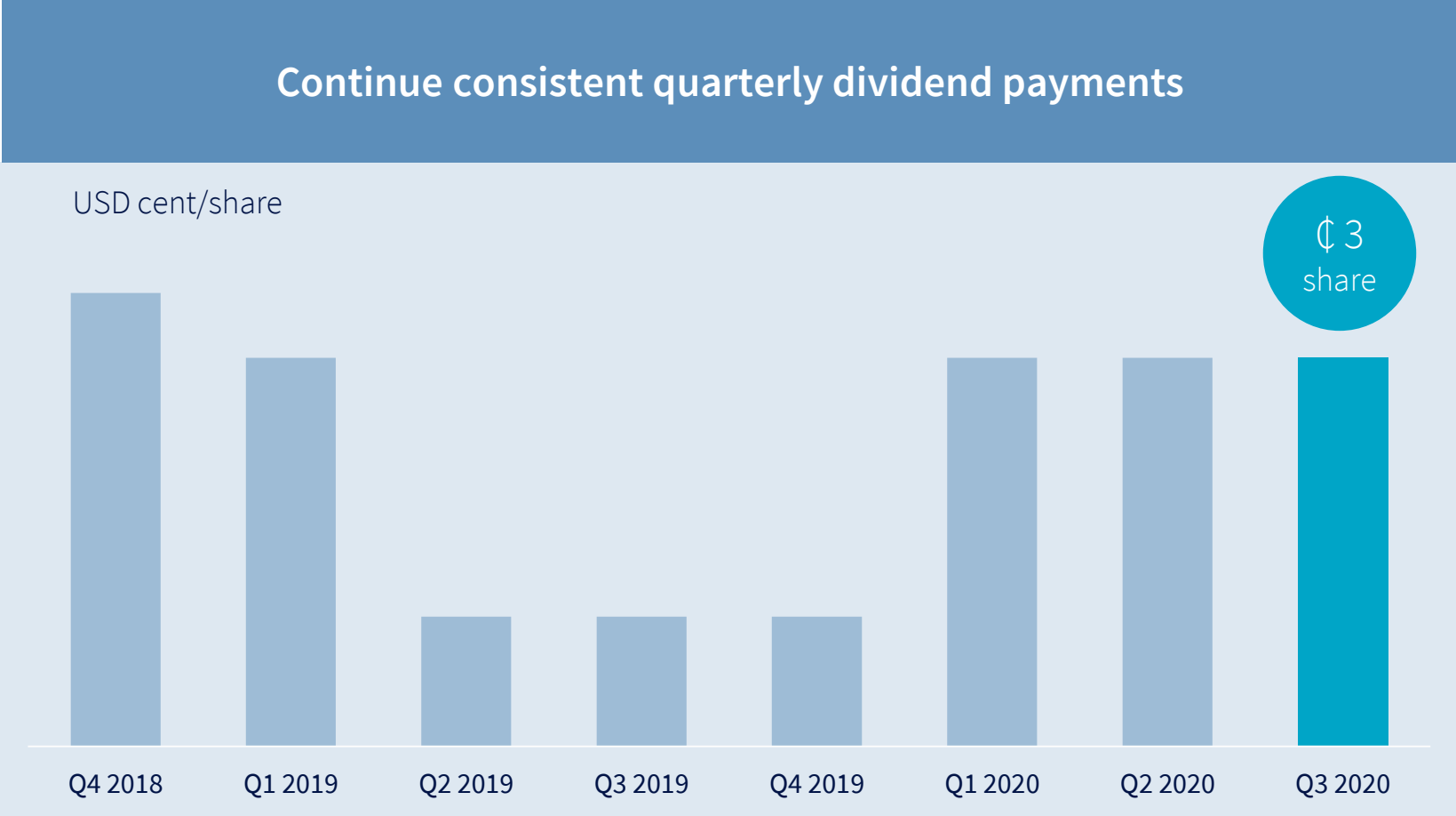
.. but results impacted by dockings, newbuild delivery and COVID-19 effects

Adjusted EBITDA USD million



Note: CABU and CLEANBU TCE Earnings USD per on-hire day is an alternative performance measure (please see slide 39 in enclosures for more details)
Adjusted EBITDA is an alternative performance measure (please see slide 39 in enclosures for more details)

Highlights Q3 2020



Highlights Q3 2020

Strong start to CABU
2021 caustic soda contract season

~83%
H1 contract coverage

~66%
Full year contract coverage

- ① The most carbon efficient deep-sea shipping solution
- ② Diversified market exposure and COA portfolio reduce earnings volatility
- ③ Premium earnings vs. standard vessels

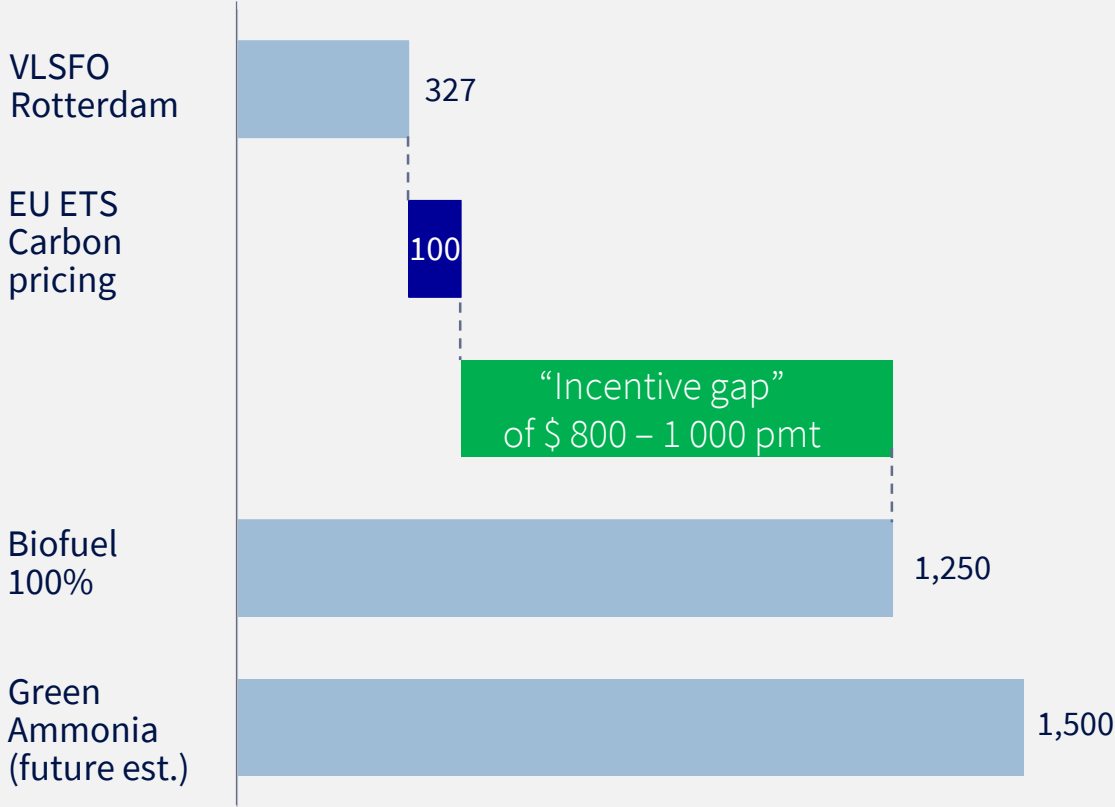
Shipping to be included in EU's emission trading market from 2022

First of likely more carbon taxes on shipping

Higher carbon taxes necessary to incentivize fuel switch



Fuel / fuel equivalent prices USD pmt



Emission reductions will become an integrated part of chartering decisions

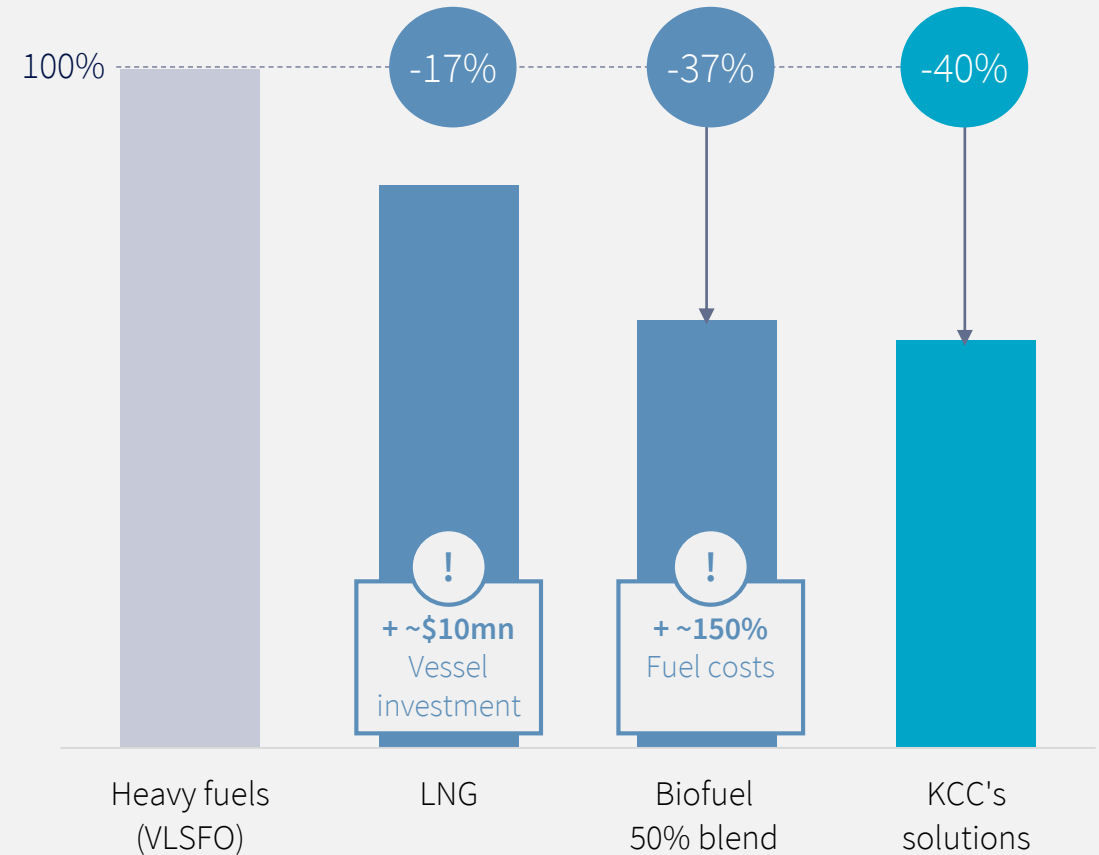
Customers driving decarbonization agenda...

..seeking the most efficient way of reducing CO2 emissions



- Standardized reporting based on EEOI
- Benchmarking compared to IMO 2030/2050 trajectory

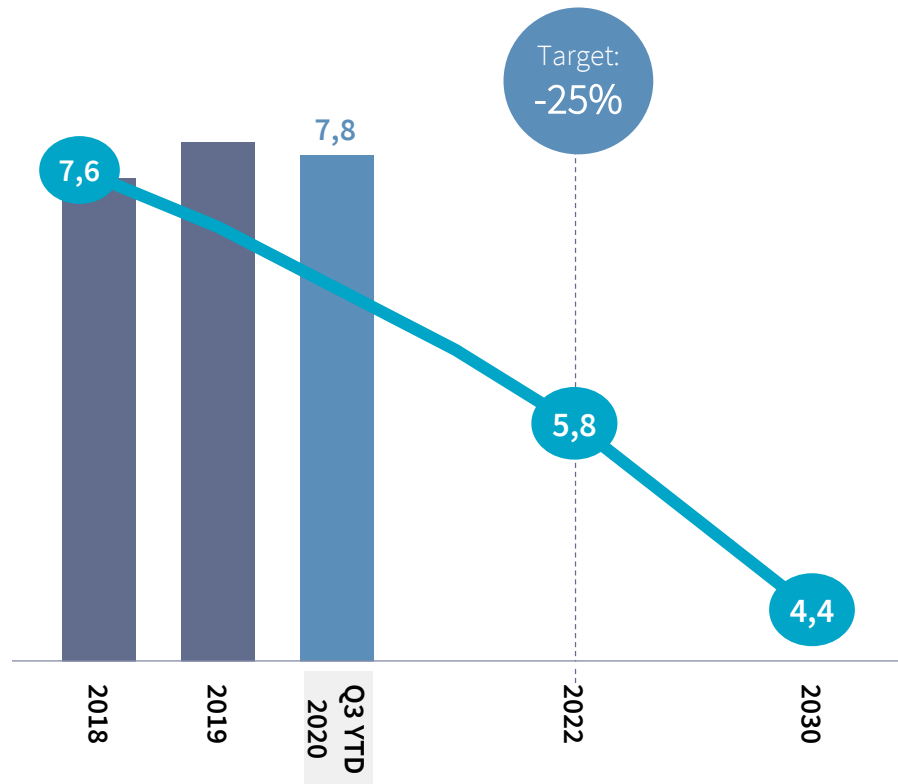
Reduction in carbon intensity compared to standard vessel burning VLSFO



Focused on meeting decarbonization targets

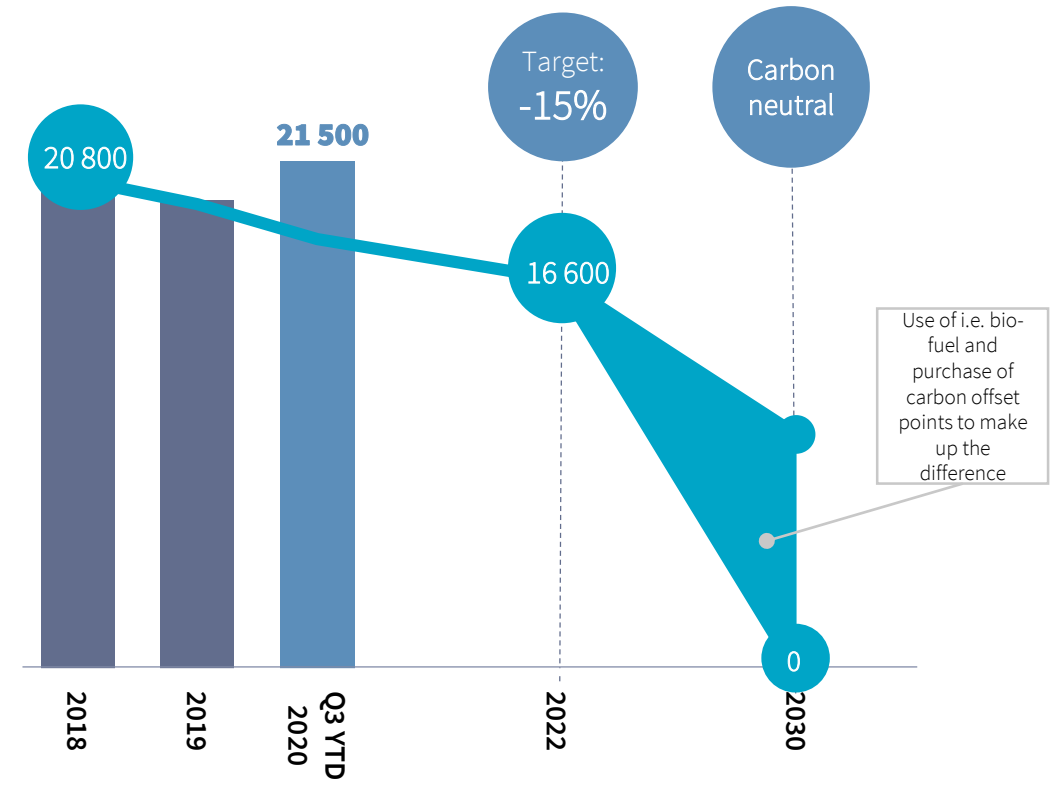
Carbon intensity targets

CO2 emission per ton cargo per NM (EEOI)



CO2 emission targets

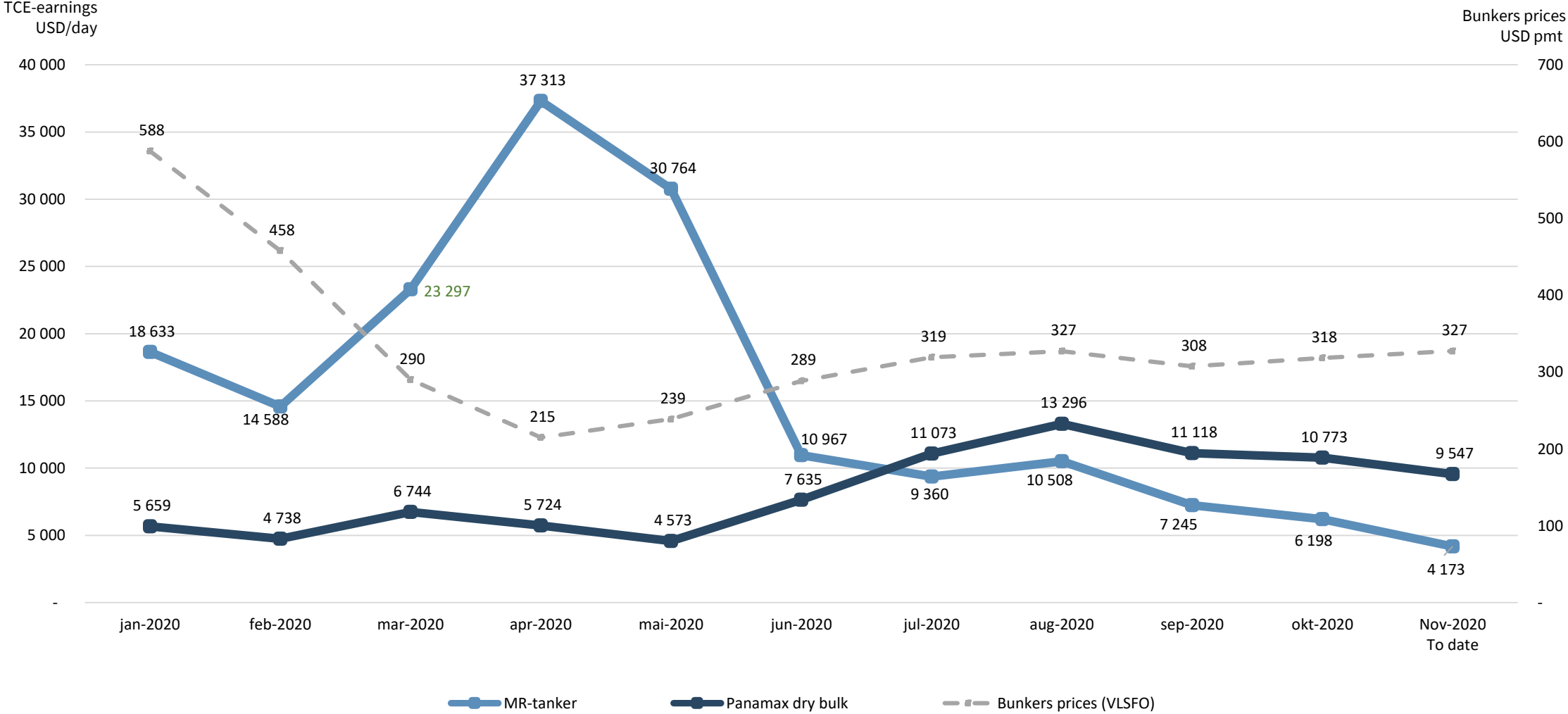
Average CO2 emission per vessel (mt/vessel)



Actual KCC Trajectory

- ① The most carbon efficient deep-sea shipping solution
- ② Diversified market exposure and COA portfolio reduce earnings volatility
- ③ Premium earnings vs. standard vessels

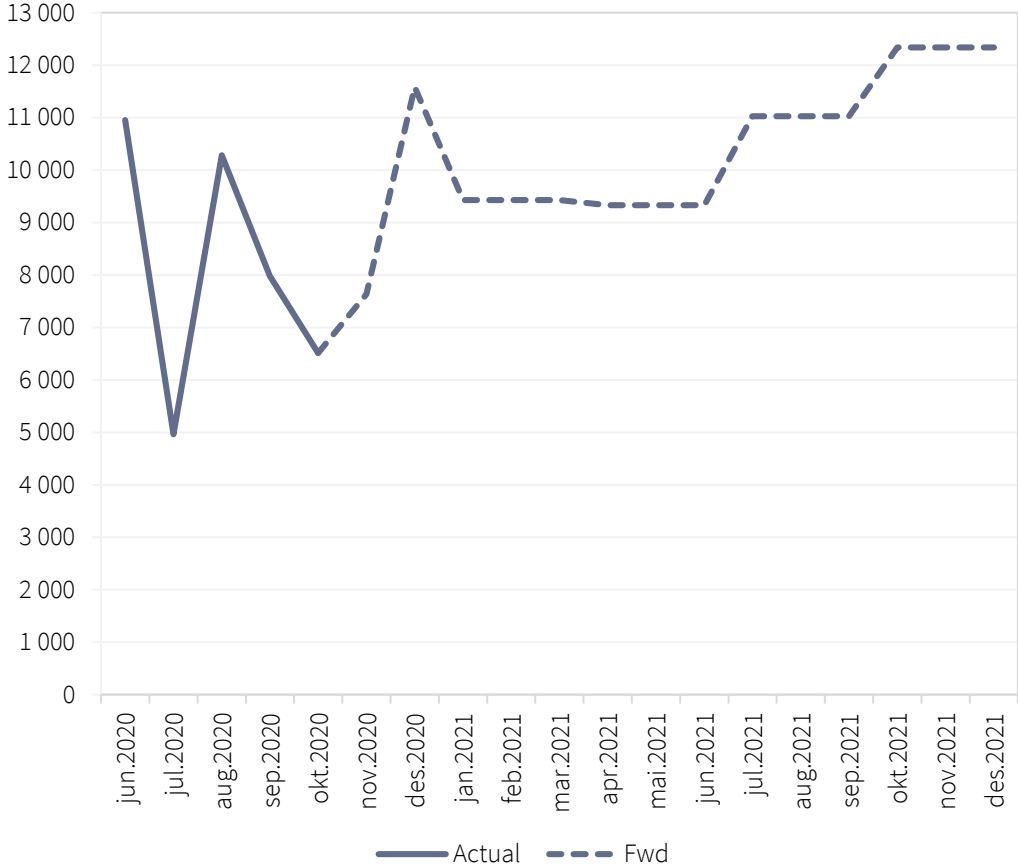
Market development YTD 2020 demonstrates the value of diversification¹



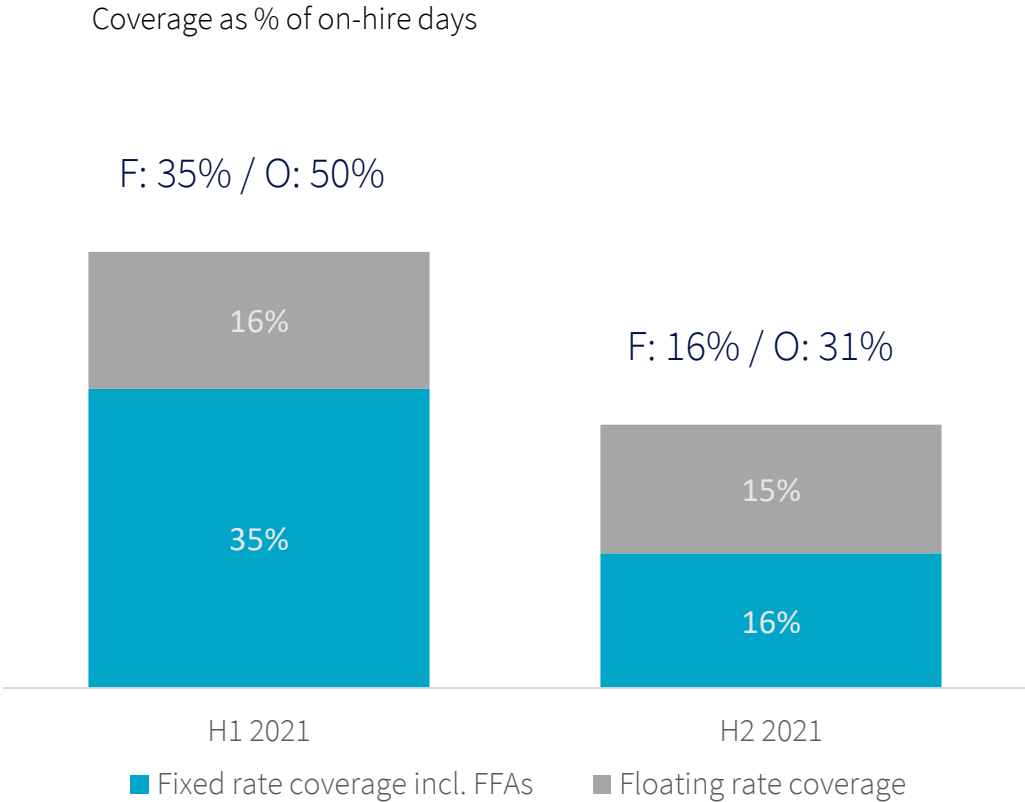
1) Source: Shipping Intelligence Network

Considerable and growing tanker market coverage for 2021

Tanker forward curve¹



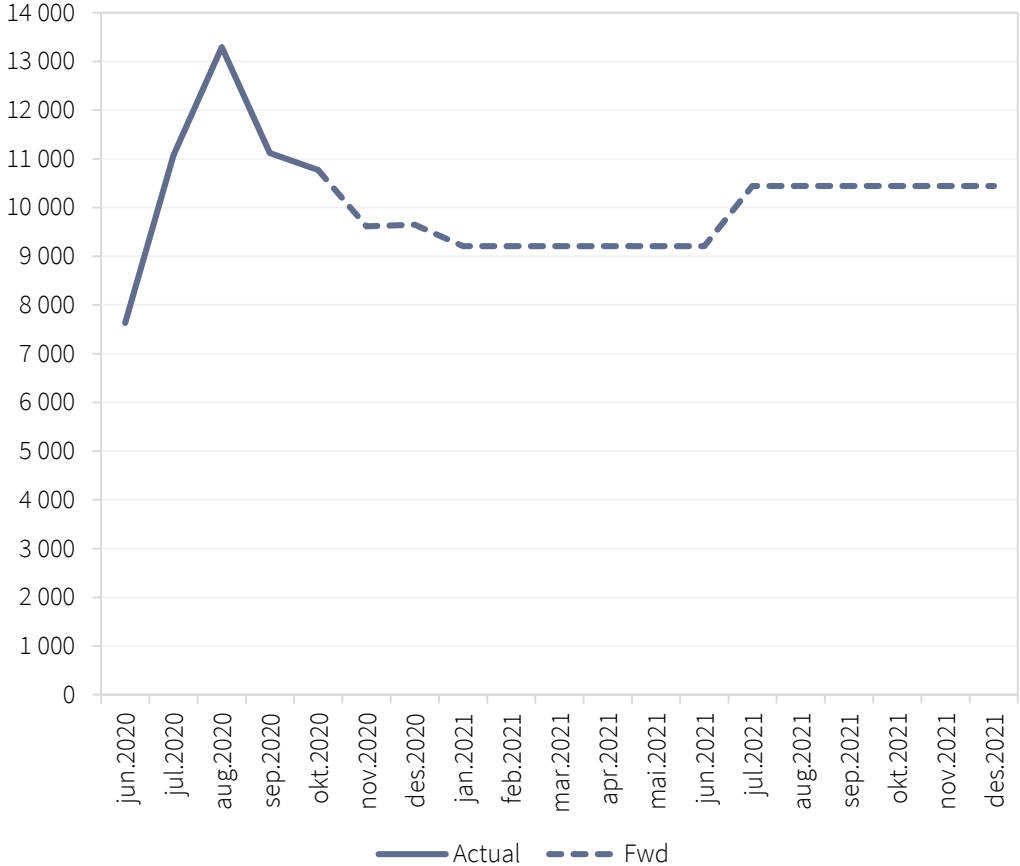
Tanker market coverage²



1) Source: Baltic exchange
 2) Coverage for total fleet as per end of October 2020, F = fixed rate coverage (fixed rate contracts/cargoes + FFAs), O = Operational coverage (fixed rate and index linked contracts/cargoes)

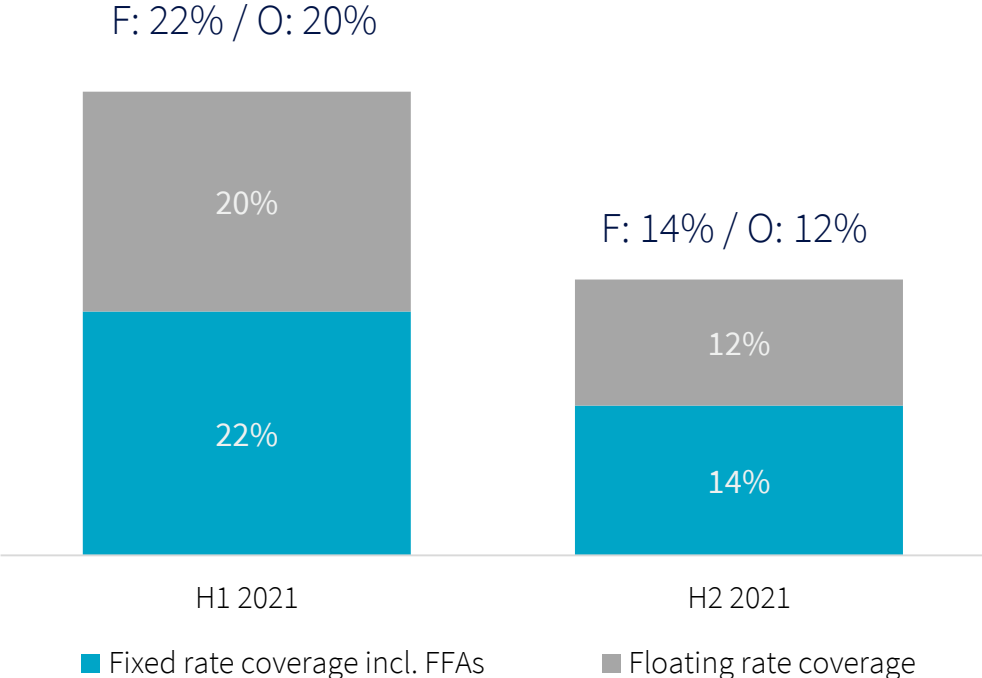
Taking more dry bulk market exposure, but 2021 coverage likely to grow..

Dry bulk forward curve¹



Dry bulk market coverage²

Coverage as % of on-hire days

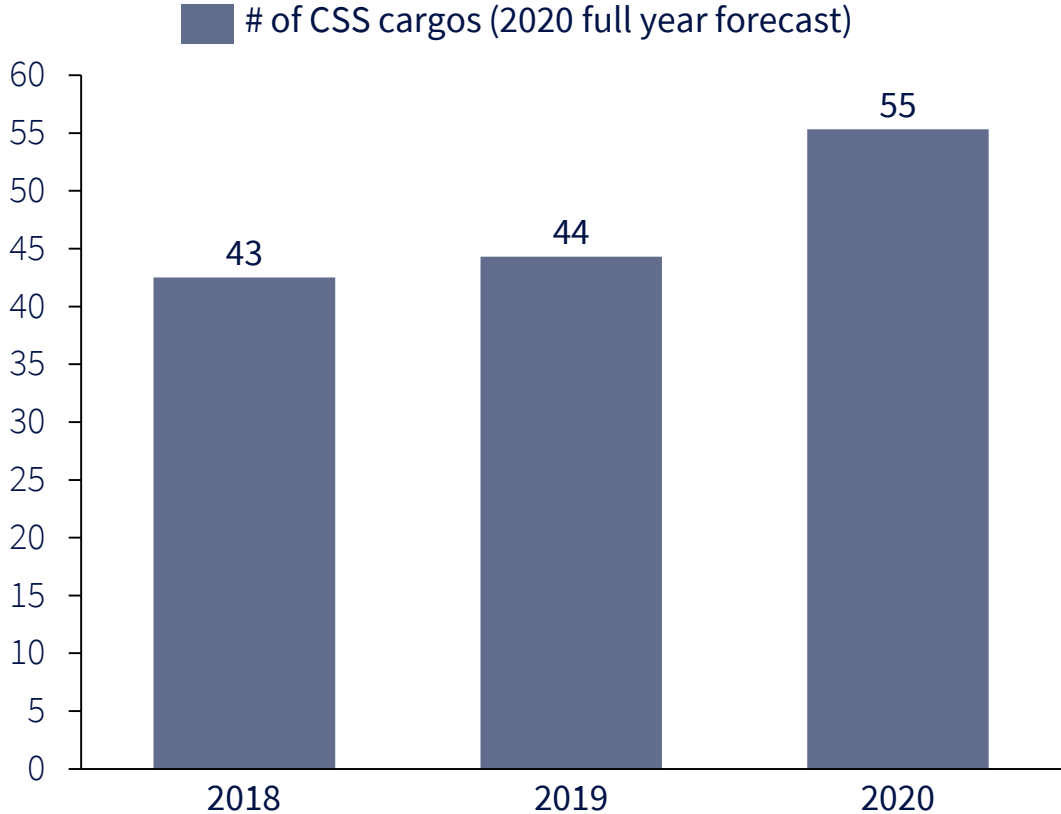


1) Source: Baltic exchange
 2) Coverage for total fleet as per end of October 2020, F = fixed rate coverage (fixed rate contracts/cargoes + FFAs), O = Operational coverage (fixed rate and index linked contracts/cargoes)

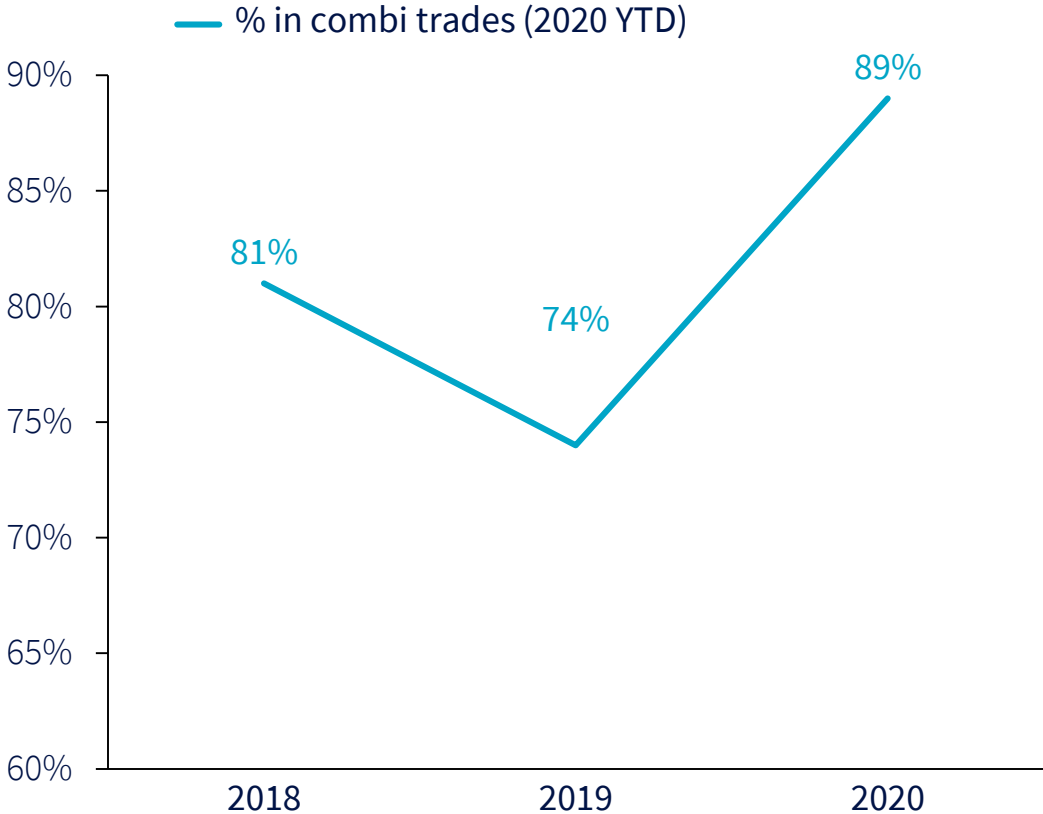
- ① The most carbon efficient deep-sea shipping solution
- ② Diversified market exposure and COA portfolio reduce earnings volatility
- ③ Premium earnings vs. standard vessels

Strong CABU earnings driven by high CSS volumes and combi trading

Substantially higher caustic soda cargo bookings in 2020...

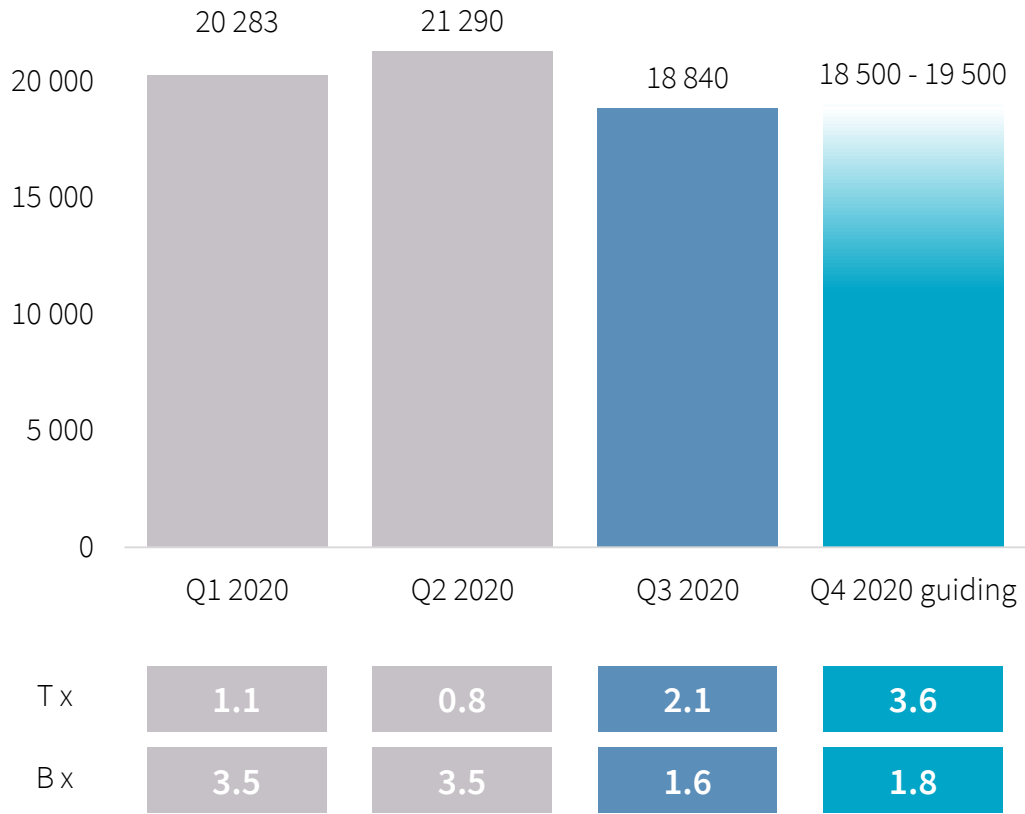


... improves combi-trading efficiency

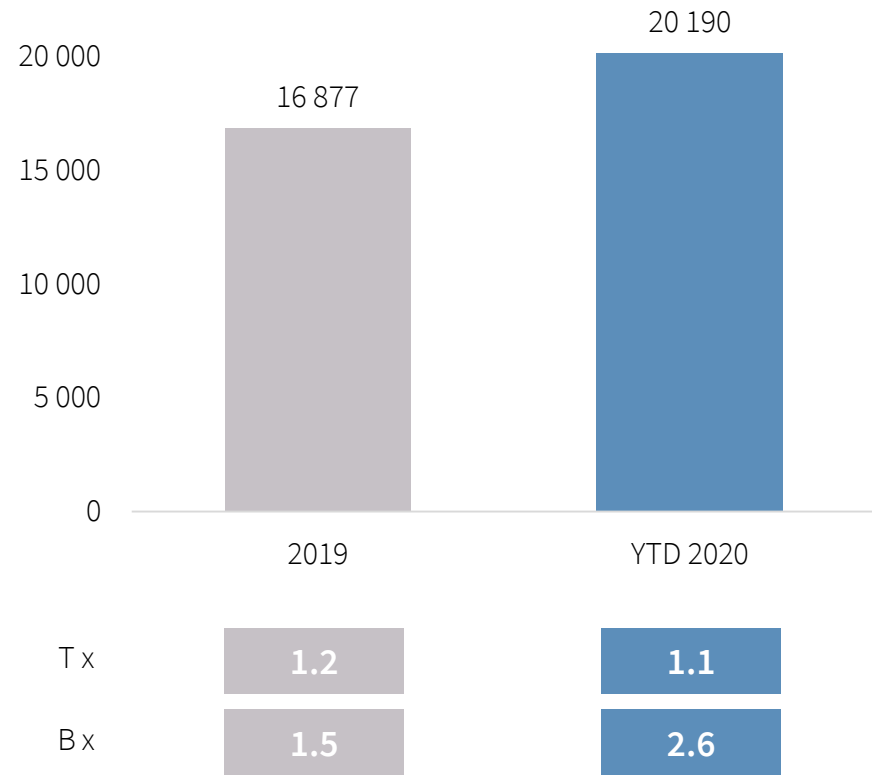


CABU Q3 TCE earnings outperforming standard markets

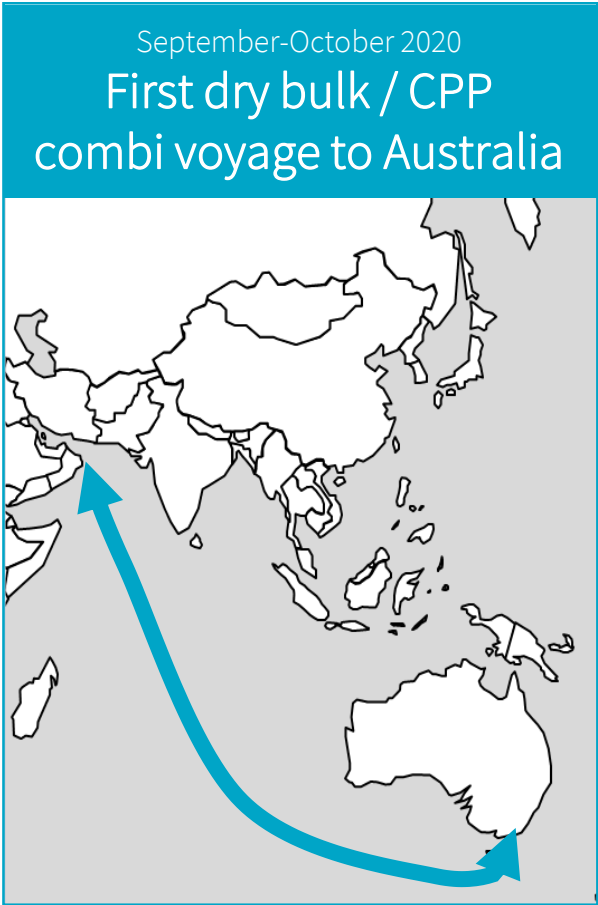
Quarterly CABU TCE Earnings USD per on-hire day



Annual CABU TCE Earnings USD per on-hire day

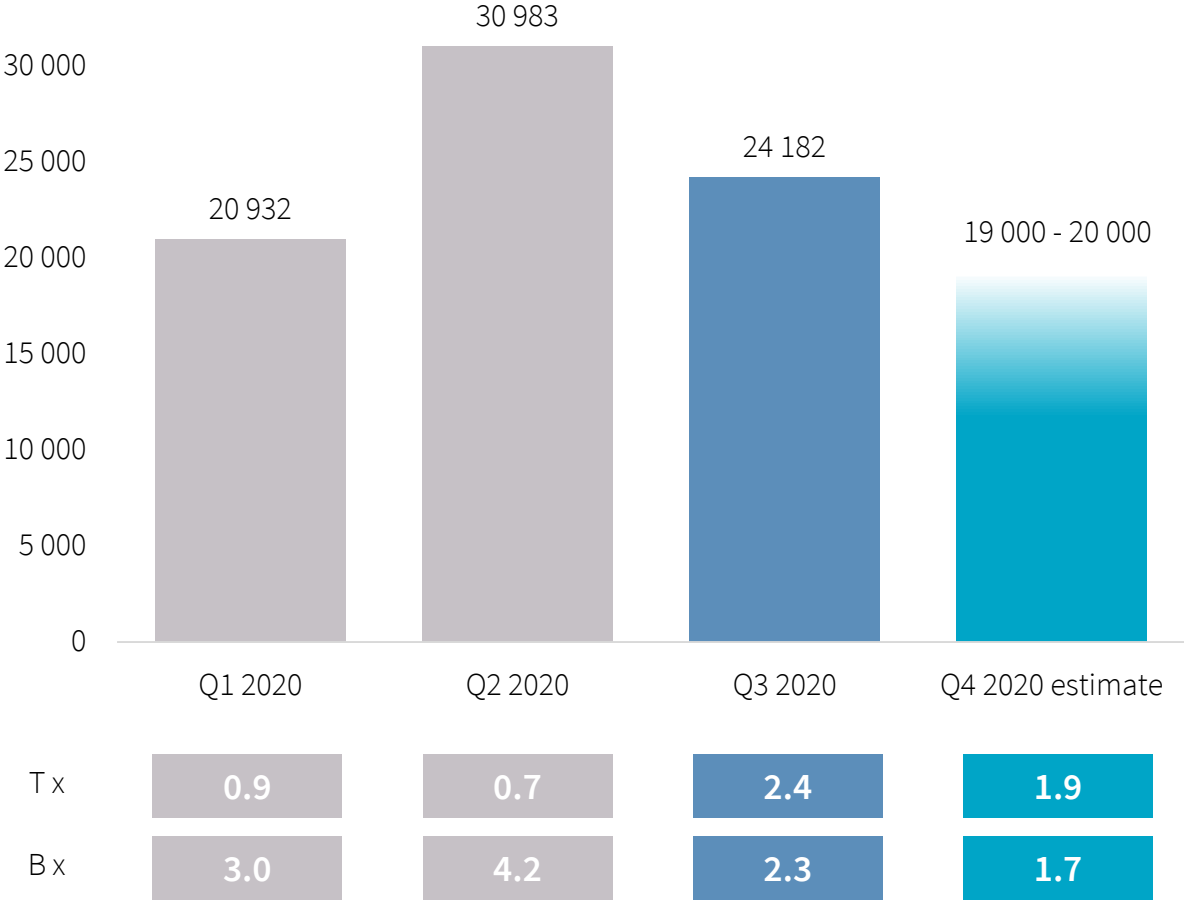


Expanding CLEANBU combi trading

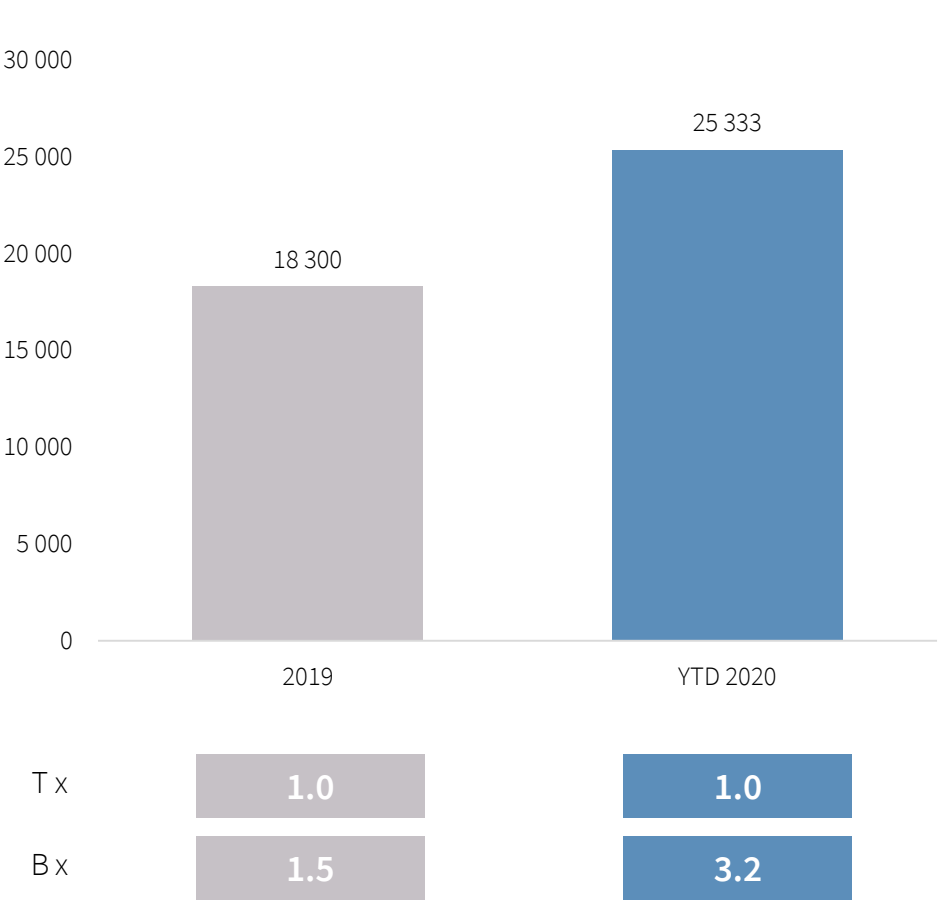


Strong CLEANBU TCE earnings in a weak tanker market

Quarterly CLEANBU TCE earnings USD per on-hire day



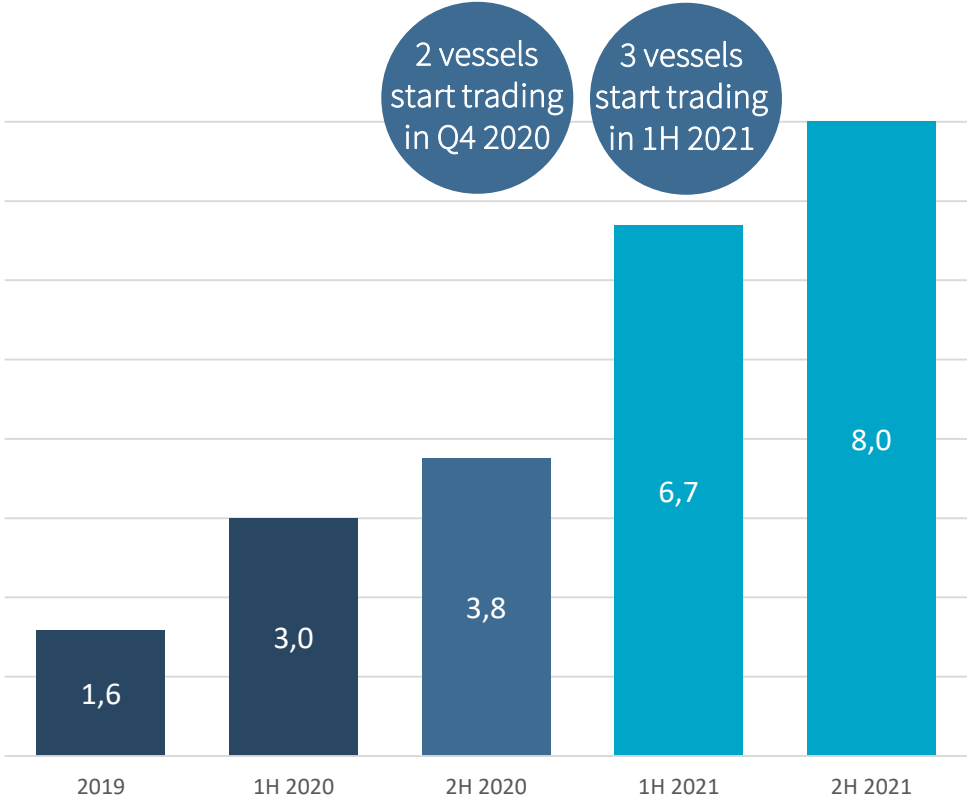
Annual CLEANBU TCE earnings USD per on-hire day



Short time to full fleet on water

All 8 CLEANBUs in service within Q2 2021

of CLEANBU vessels in operation
(bss. calendar days)



Optimizing newbuild take-over in difficult COVID-19 environment

Reducing time from delivery to start of trading from CLEANBU # 4 to CLEANBU # 5 by

35%
(20 days)

Profitable Q3 despite weaker tanker markets and off-hire

Income Statement ('000 USD)	Q3 2020	Q2 2020	Q3 2019	YTD Q3 2020	YTD Q3 2019
Net revenue	20 358	25 506	16 571	68 267	42 503
Operating expenses, vsls	(9 794)	(8 541)	(7 587)	(26 597)	(21 499)
SG&A	(1 307)	(1 245)	(1 220)	(3 869)	(4 279)
EBITDA	9 257	15 720	7 764	37 802	16 726
EBITDA adjusted¹	9 847	15 860	8 411	38 563	18 295
Depreciation	(4 821)	(4 358)	(3 621)	(13 532)	(9 541)
EBIT	4 436	11 362	4 143	24 269	7 185
Net financial items	(3 125)	(3 003)	(2 598)	(10 286)	(8 324)
Profit before tax (EBT)	1 311	8 359	1 545	13 983	(1 139)
Tax	-	-	-	-	-
Profit after tax	1 311	8 359	1 545	13 983	(1 139)
EPS	0.03	0.17	0.03	0.29	(0.03)

1

Off-hire due to scheduled dockings and COVID-19

2

Increased CABU OPEX due to one-offs/COVID-19

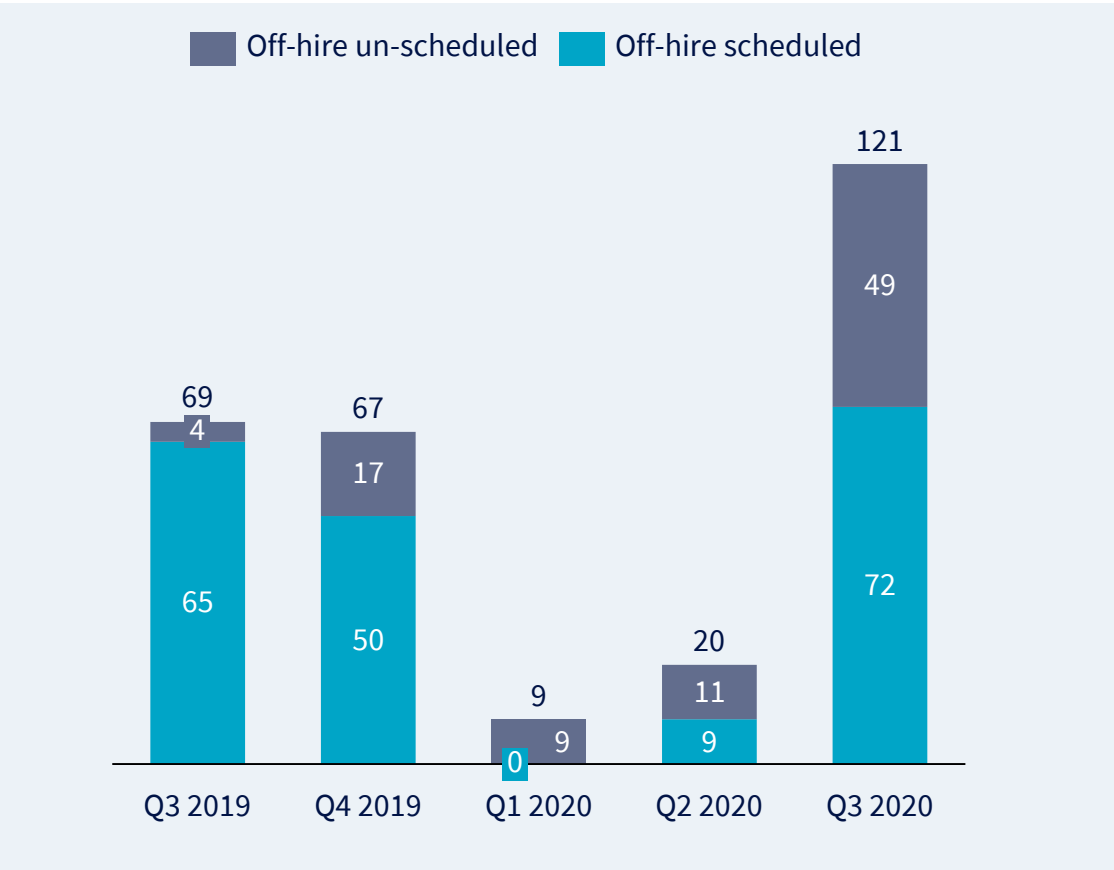
3

Delivery of CLEANBU #4

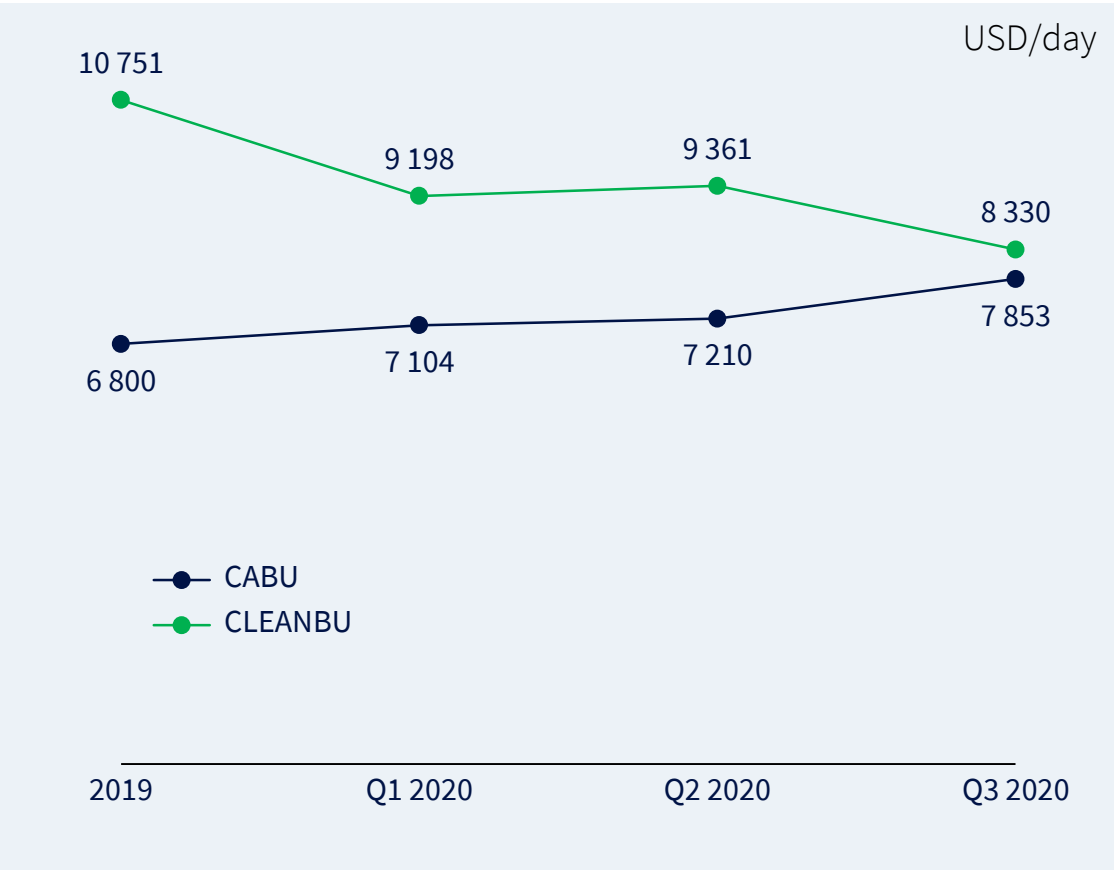
¹) Adjusted EBITDA is an alternative performance measure (please see slide 39 in enclosures for more details)

Q3 impacted by off-hire and increased CABU OPEX

On-hire and off-hire days five last quarters



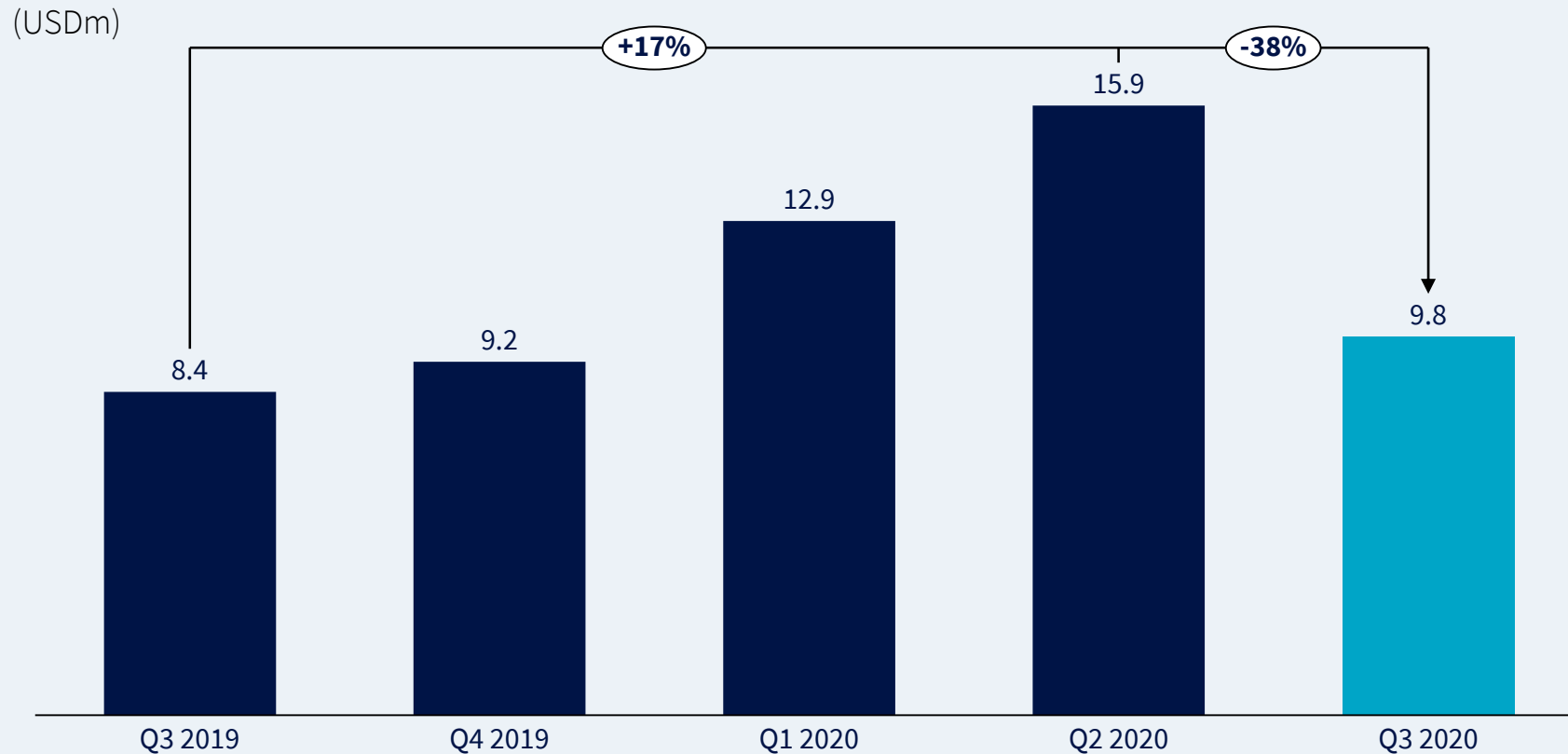
OPEX/day



1) CABU/CLEANBU OPEX/day is an alternative performance measure (please see slide 39 in enclosures for more details)

Adjusted EBITDA down 38% QoQ and up 17% YoY

Adjusted EBITDA last five quarters

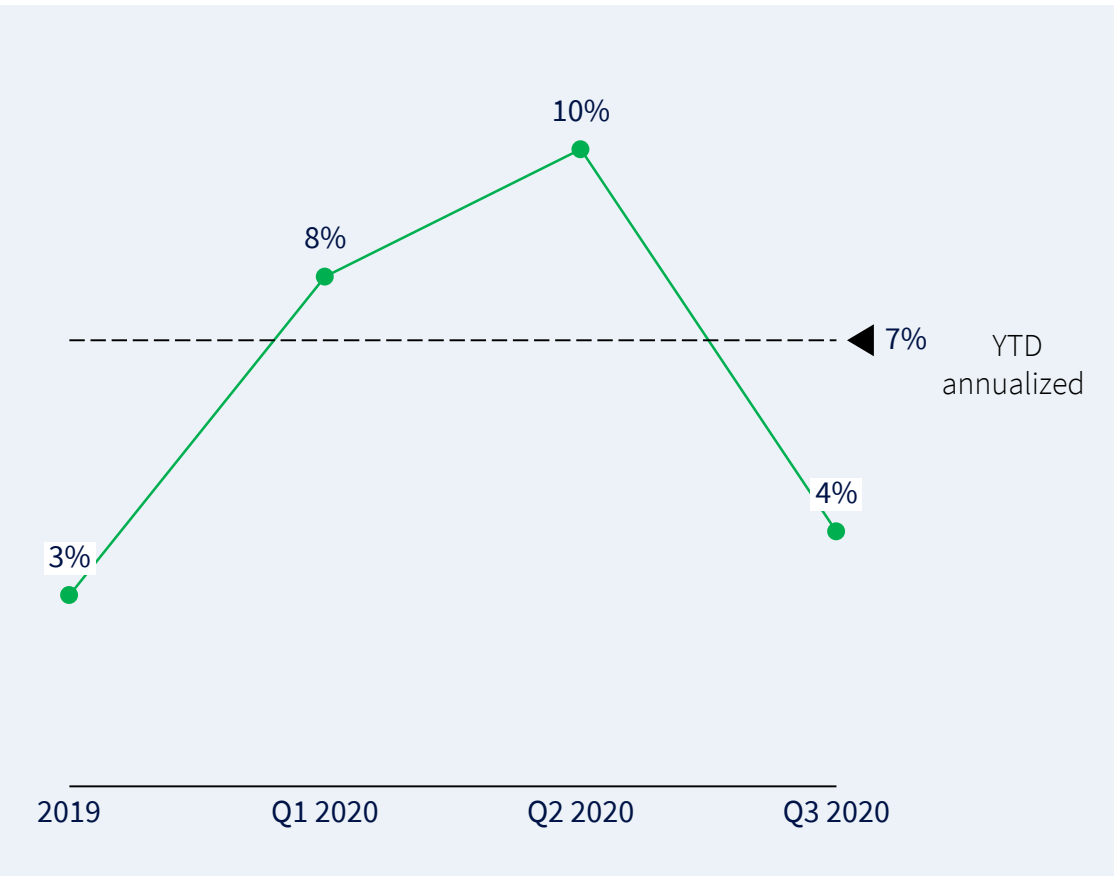


Q3 COVID-19 impact

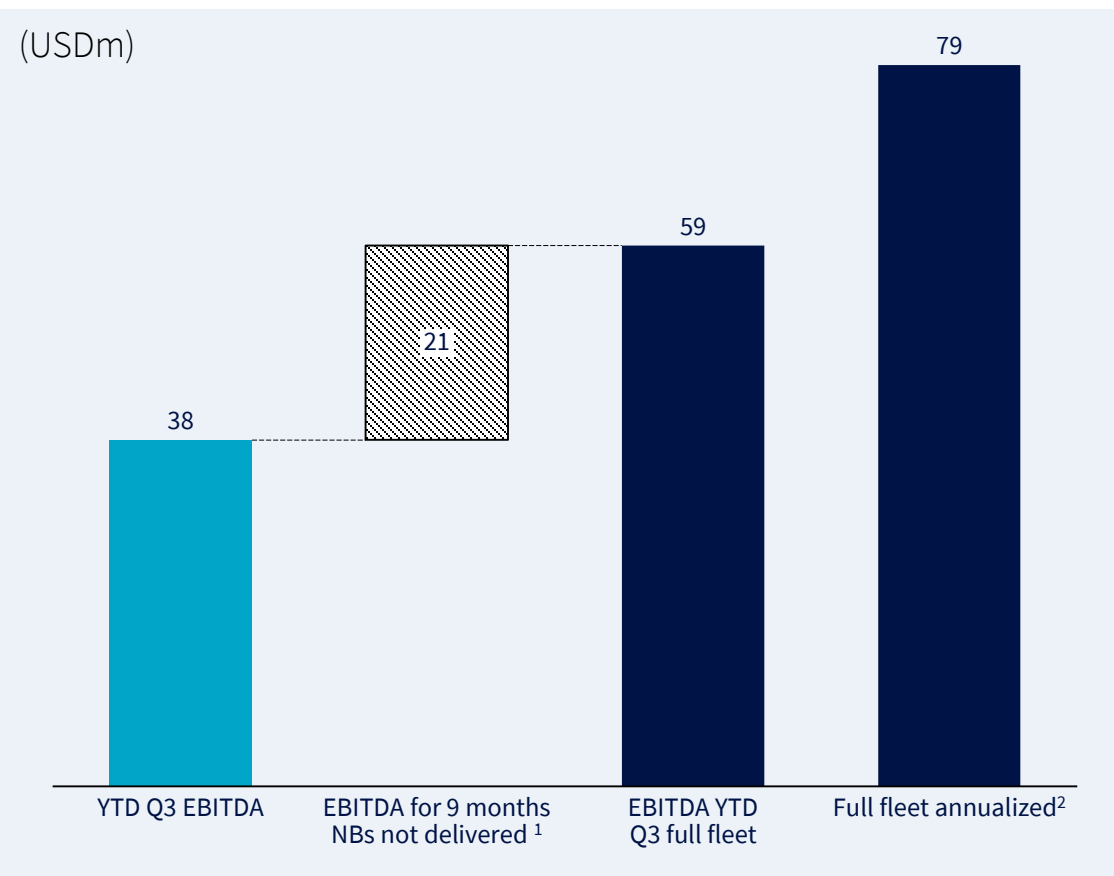
Approximately
-2.5
USDmn
(costs and lost earnings)

ROCE impacted by fleet under construction

ROCE YTD Q3 at 7%

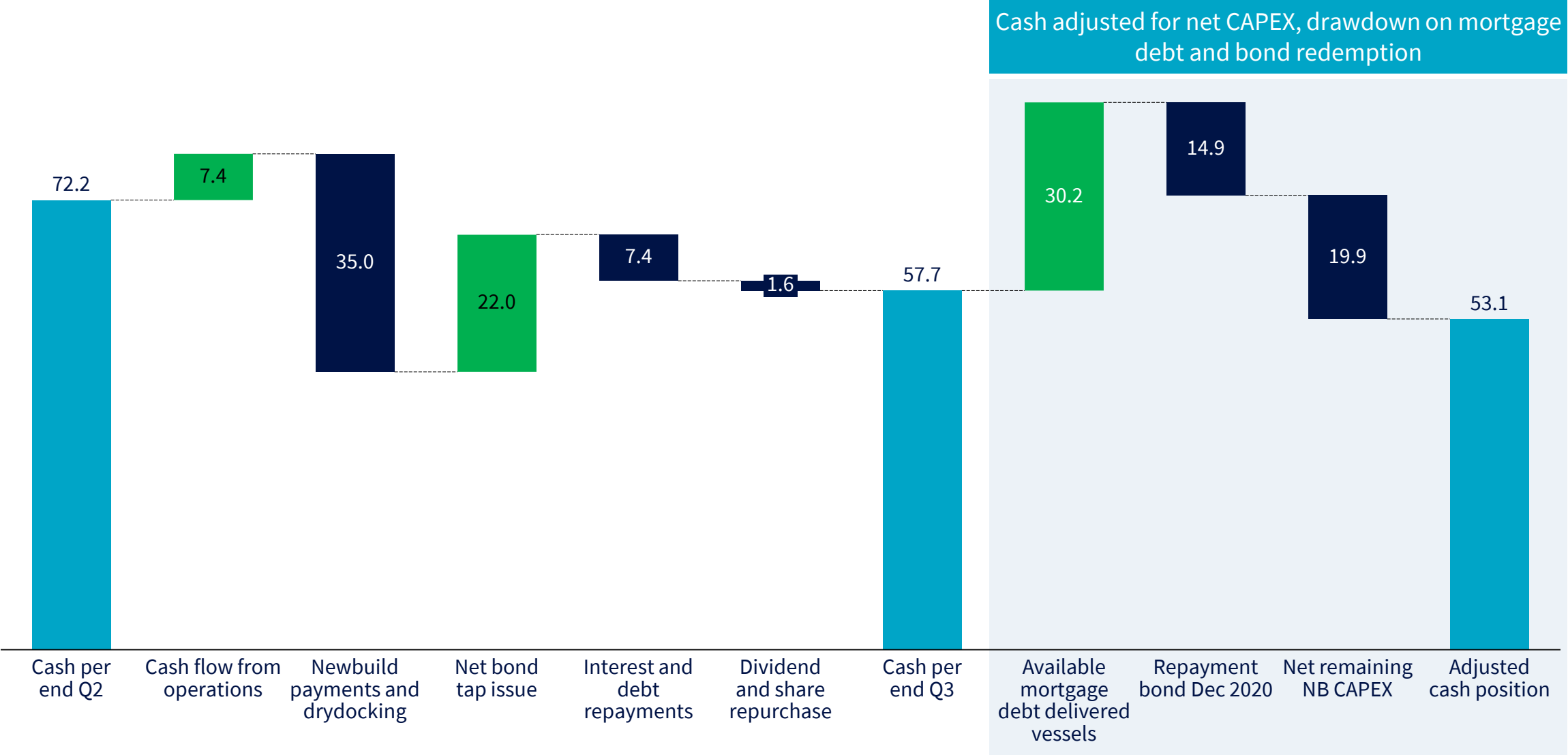


EBITDA adjusted to reflect full fleet of eight CLEANBU vessels



1) EBITDA for vessels under construction based on YTD Q3 CLEANBU TCE earnings/day and OPEX/day of \$25,333/d and \$8,920/d respectively
 2) YTD full fleet EBITDA of USD 59 million annualized
 Note: ROCE and EBITDA adjusted to reflect full fleet of eight CLEANBUs are alternative performance measures (please see slide 39 and 40 in enclosures for more details)

Cash position to cater for newbuild program and market uncertainty



Q3 2020 financials in brief

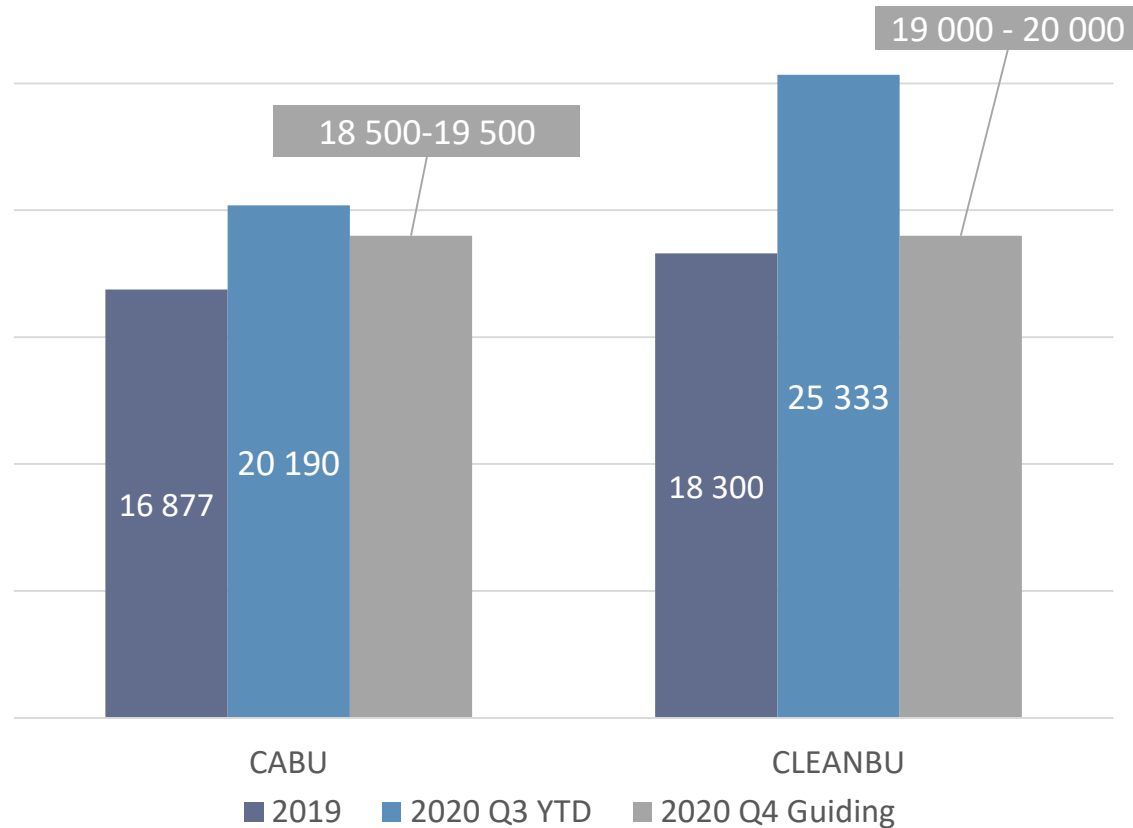
ROCE	Adjusted EBITDA	CASH	EQUITY RATIO	DIVIDENDS
4%	9.8 USDmn	57.7 USDmn	43%	3 Cents/ share

1) ROCE, adjusted EBITDA and equity ratio are alternative performance measures (please see slide 39 in enclosures for more details)

Summary & Outlook

Summary & outlook

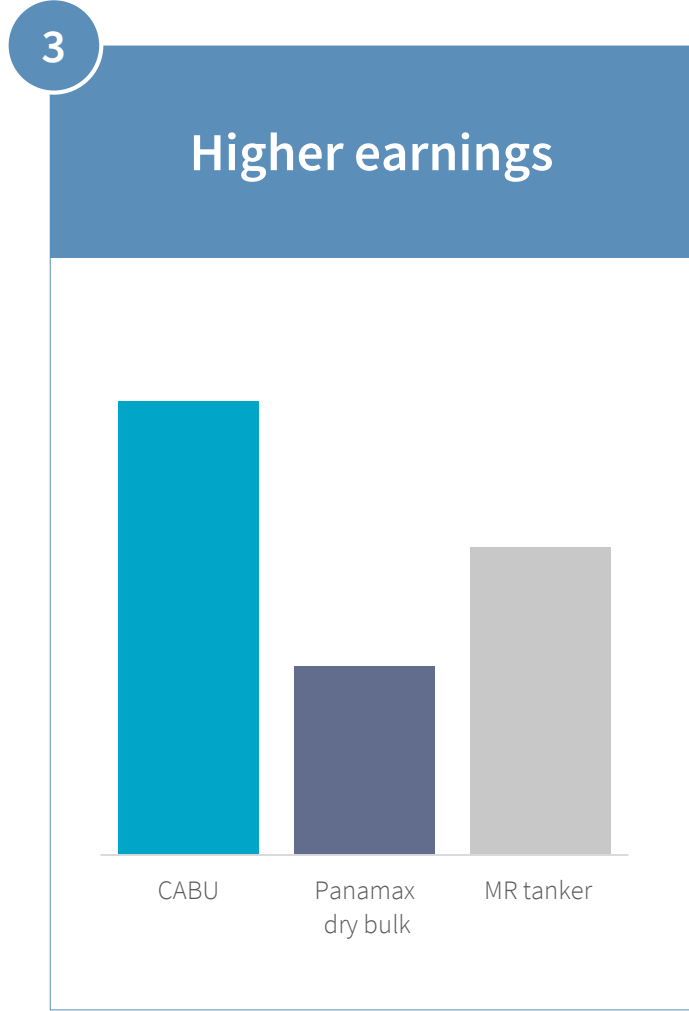
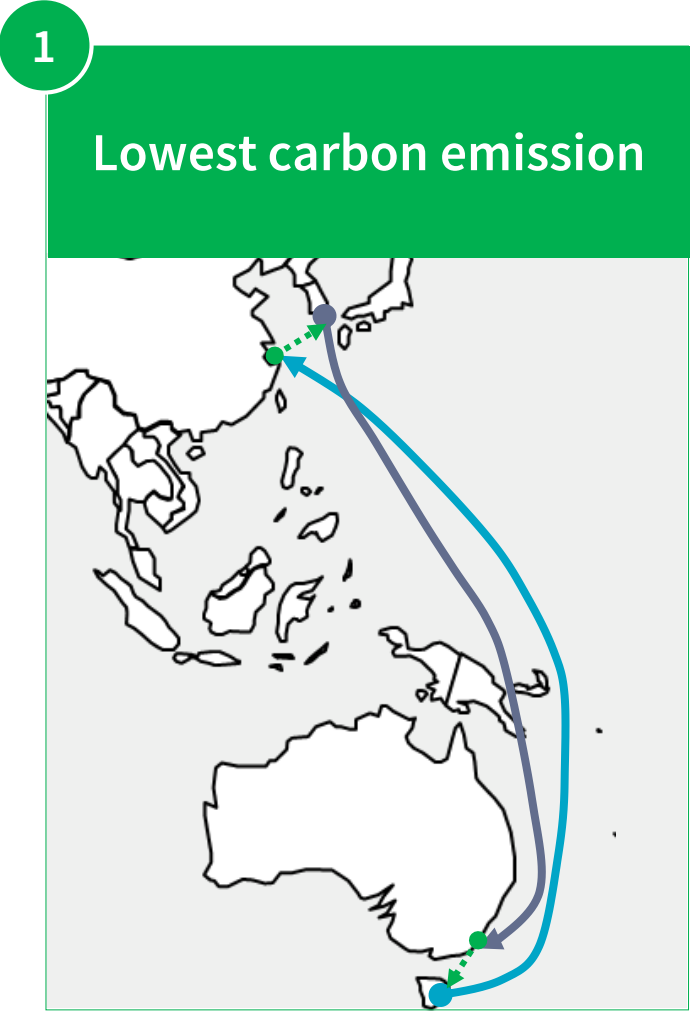
Positive earnings guiding and lower off-hire in Q4 2020 vs. Q3 2020



2021 outlook

- Tanker market upside in 2nd half
- Moderately positive dry bulk outlook
- High and growing tanker contract coverage
- Full fleet on water by Q2
- Advancing CLEANBU phase-in

Future proof and profitable business model





FUTURE BOUND

Enclosures

Detailed Q4 2020 to 1H 2021 coverage

Contract coverage

CABU: CSS contract coverage

# of days	Q4 2020	1H 2021
Fixed rate COA/Spot	290	424
Floating rate COA	45	150
Total contract days	335	574
FFA coverage	-	-
Available wet days	335	670

Dry bulk contract coverage

# of days	Q4 2020	1H 2021
Fixed rate COA/Spot	470	93
Floating rate COA	30	180
Total contract days	500	273
FFA coverage	120	210
Available dry days	596	1 355

CLEANBU: CPP contract coverage

# of days	Q4 2020	1H 2021
Fixed rate COA/Spot	178	38
Floating rate COA	-	72
Total contract days	178	110
FFA coverage	58	23
Available wet days	267	697

Alternative performance measures used in the quarterly presentation

Definitions and reconciliation

- Alternative Performance Measures (APMs) are defined on the company's homepage: <https://www.combinationcarriers.com/alternative-performance-measures> <https://www.combinationcarriers.com/investor-relations/#alternative-performance-measures>. All reports and presentations referred to below are published on the company's homepage: <https://www.combinationcarriers.com/investor-relations/#reports-presentation>.
- CABU and CLEANBU TCE earnings per on-hire day for Q3 2020 and Q3 2020YTD are reconciled in the quarterly report for Q3 2020, note 2 (page 16-17).
- CABU and CLEANBU TCE earnings per on-hire day for Q2 2020 are reconciled in the quarterly report for Q2 2020, note 2 (page 16-17).
- CABU and CLEANBU TCE earnings per on-hire day for Q1 2020 are reconciled in the quarterly report for Q1 2020, note 2 (page 16-17).
- CABU and CLEANBU TCE earnings per on-hire day for 2019 total are reconciled in the quarterly report for Q4 2019, note 2 (page 16-17).
- CABU and CLEANBU OPEX/day (\$/day) for Q3 2020 are reconciled in the quarterly report for Q3 2020, note 2 (page 16-17).
- CABU and CLEANBU OPEX/day (\$/day) for Q2 2020 and Q1 2020 are reconciled in the quarterly report for respectively Q2 2020 and Q1 2020, note 2 (page 16).
- CABU and CLEANBU OPEX/day (\$/day) for 2019 are reconciled in the quarterly report for Q4 2020, note 2 (page 17).
- Adjusted EBITDA for Q3 2020, Q3 2019, Q3 2020YTD and Q3 2019 YTD are reconciled in Note 11 (page 24) in Q3 2020 report published.
- Adjusted EBITDA for Q1 2020 and Q2 2020 are reconciled in Note 11 (page 24) in respectively the Q1 2020 and Q2 2020 report published.
- Adjusted EBITDA for Q4 2019 is reconciled in Note 11 (page 24) in the Q4 2019 report published.
- Equity ratio for 30 September 2020 is reconciled in the quarterly report for Q3 2020, note 11 (page 25).
- ROCE adjusted for Q3 2020 and Q3 2020 YTD - see reconciliation in Note 11 (page 24) in Q3 2020 report published. ROCE adjusted for Q2 2020 – see reconciliation in Note 11 (page 25) in Q2 2020 report published. ROCE adjusted for Q1 2020 and 2019 is reconciled in note 11 respectively in Q1 2020 and Q4 report 2019 (page 24).
- Reconciliation of EBITDA adjusted to reflect full fleet of eight CLEANBU Vessel (slide 30) – see reconciliation on next slide.

Alternative performance measures used in the quarterly presentation

Reconciliation of EBITDA adjusted to reflect full fleet of eight CLEANBU vessels

Newbuildings	Delivery date	Vessel days Q3YTD	Vessel days Q3 YTD if delivered 01.01
MV Baleen (NB#4)	04.08.2020	57	213
MV Bangus (NB#5)		-	270
MV Bangus (NB#6)		-	270
MV Bangus (NB#7)		-	270
MV Bangus (NB#8)		-	270
Total additional vessel days full fleet			1 293

CLEANBU TCE Earnings Q3YTD	\$/d	25 333
CLEANBU Opex/day Q3 YTD	\$/d	8 920

	USD million
EBITDA Q3 YTD	38
EBITDA for 9 months NBs not delivered	21
EBITDA Q3 YTD full fleet	59
Estimated Q4 (average Q3YTD full fleet)	20
Full fleet annualized	79