Himalaya Shipping – Q1 2025 Results Presentation

22 May 2025

HIMALAYA SHIPPING

Forward looking statements

This results presentation and any related discussions, including any related written or oral statements made by us, contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 that involve risks and uncertainties. Forward-looking statements are statements that do not reflect historical facts and may be identified by words such as “aim”, “believe,” “assuming,” “anticipate,” “could”, “expect”, “intend,” “estimate,” “forecast,” “project,” “likely to,” “due to,” “plan,” “potential,” “will,” “may,” “should,” "indicative," "illustrative," "potential" or other similar expressions and include statements about plans, objectives, goals, strategies, future events or performance, including outlook, prospects, expected cash break-even, illustrative free cash flow per share and earnings potential based on different scenarios and assumptions, the terms of our charters and chartering activity, dry bulk industry trends and market outlook, including market conditions and activity levels in the industry, expected demand for vessels and expected drivers of demand including projects and underlying assumptions, utilization of the global fleet and our fleet, including expected average rates and the information under “Chartering position” and “The supply situation,” fleet growth, vessel orders and order book, expected trends regarding iron ore demand, mandatory dry docking trends and impacts on expected supply of dry bulk vessels and yard capacity, including the information under “Mandatory dry docking to increase in 2025,” replacement needs, statements about our dividend objective and plans,, expectations on demand, and other non-historical statements. These forward-looking statements are not statements of historical fact and are based upon current estimates, expectations, beliefs, and various assumptions, many of which are based, in turn, upon further assumptions, and a number of such assumptions are beyond our control and are difficult to predict. These statements involve significant risks, uncertainties, contingencies and factors that are difficult or impossible to predict and are beyond our control, and that may cause our actual results, performance or achievements to be materially different from what is expressed, implied or forecasted in such forward-looking statements.

Numerous factors, risks and uncertainties that could cause our actual results, level of activity, performance or achievements to differ materially from those expressed, implied or forecasted in the forward-looking statements include but are not limited to: general economic, political and business conditions; general dry bulk market conditions, including fluctuations in charter hire rates and vessel values; our ability to achieve charter rates above our break-even rate; changes in demand in the dry bulk shipping industry, including the market for our vessels; demand for the products our vessels carry and the status of projects, and timing and number of production of projects that produce iron ore and other products we ship; changes in the supply of dry bulk vessels; our ability to successfully re-employ our dry bulk vessels at the end of their current charters and the terms of future charters; changes in our operating expenses, including fuel or bunker prices, dry docking and insurance costs; compliance with, and our liabilities under governmental, tax, environmental and safety laws and regulations; changes in governmental regulation, tax and trade matters and actions taken by regulatory authorities; potential disruption of shipping routes due to accidents or political events; our ability to refinance our debt as it falls due; fluctuations in foreign currency exchange rates; potential conflicts of interest involving members of our board and management and our significant shareholder; our ability to pay dividends and the amount of dividends we ultimately pay; risks related to climate change, including climate-change or greenhouse gas related legislation or regulations and the impact on our business from climate-change related physical changes or changes in weather patterns, and the potential impact of new regulations relating to climate change, as well as the performance of our vessels; other factors that may affect our financial condition, liquidity and results of operations; and other risks described under “Item 3. Key Information — D. Risk Factors” in our Annual Report on Form 20-F for the year ended December 31, 2024 filed with the U.S. Securities and Exchange Commission on March 26, 2025.

The foregoing factors that could cause our actual results to differ materially from those contemplated in any forward-looking statement included in this report should not be construed as exhaustive. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this investor presentation. Except as required by law, Himalaya Shipping undertakes no obligation to update publicly any forward-looking statements after the date of this investor presentation, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Measures

This presentation contains certain selected financial measures on a basis other than U.S. generally accepted accounting principles (“GAAP”), including Adjusted EBITDA, average TCE earnings, gross, and illustrative free cash flow. Adjusted EBITDA represents our net income plus depreciation of vessels and equipment; total financial expenses, net; (income) from equity method investment; and income tax expense. Adjusted EBITDA is presented here because the Company believes this measure increases comparability of total business performance from period to period and against the performance of other companies. Average TCE earnings, gross, as presented here, represents time charter revenues and voyage charter revenues adding back address commissions and divided by operational days. Average TCE earnings, gross, is presented here because the Company believes this measure provides additional meaningful information for investors to analyse our fleets’ daily income performance. For a reconciliation of Adjusted EBITDA and average TCE earnings, gross, to the most directly comparable financial measures prepared in accordance with US GAAP, please see the section of our preliminary results for the quarter ended March 31, 2025, Appendix entitled “Unaudited Non-GAAP Measures And Reconciliations”. For a discussion of illustrative free cash flow, see slide 10 including the footnotes thereto. We are unable to prepare a reconciliation of illustrative free cash flow without unreasonable efforts.

Highlights

Q1 2025 Highlights:

- Net loss of $6.4 million and Adjusted EBITDA of $13.8 million for the quarter ended March 31, 2025.
- Achieved time charter equivalent earnings of approximately $21,100 per day, gross
- Entered into a new time charter agreement for Mount Norefjell for 14 to 38 months. The vessel will earn an index linked rate, reflecting a premium to the Baltic 5TC index that is higher than the average premium on our current charters.
- Converted the index-linked time charters for Mount Norefjell and Mount Hua to fixed rate charters from April 1, 2025, to December 31, 2025, at $32,000 and $31,500, gross, respectively.
- Completed a private placement raising approximately $15 million, issuing 2,650,000 new shares at NOK 60.5 per share.
- Cash distributions of $0.005, $0.005 and $0.04 per common share for January, February and March 2025, respectively.

Subsequent Events:

- Achieved time charter equivalent earnings for April 2025 of approximately $25,800 per day, gross.
- Declared a cash distribution of $0.025 per share for April 2025.
- On May 20, 2025, the Company applied for an uplisting from Euronext Expand to Euronext Oslo Børs

Financial Update

Key Financials Q1 2025

Income statement

US$ millions, except per share data	Q1 2025	Q1 2024	Variance
Operating revenues	**22.0**	**23.6**	**(1.6)**
Vessel operating expenses	(6.9)	(4.9)	(2.0)
Voyage expenses and commission	(0.2)	(0.4)	0.2
General and administrative expenses	(1.1)	(1.5)	0.4
Depreciation	(7.3)	(5.4)	(1.9)
Total operating expenses	**(15.5)**	**(12.2)**	**(3.3)**
Operating profit	**6.5**	**11.4**	**(4.9)**
Income (loss) from equity method investment	-	-	-
Interest expense	(13.0)	(9.1)	(3.9)
Other financial items	0.1	0.2	(0.1)
Total financial expense, net	**(12.9)**	**(8.9)**	**(4.0)**
Tax expense	**-**	**-**	**-**
Net (loss) income	**(6.4)**	**2.5**	**(8.9)**
Earnings (loss) per share	(0.14)	0.06	
Adjusted EBITDA	13.8	16.8	(3.0)

Comments

- Net loss of $6.4 million in Q1 2025 compared to a net income of $2.5 million in Q1 2024.
- Operating profit of $6.5 million, a decrease in operating profit by $4.9 million compared to Q1 2024.
- Adjusted EBITDA of $13.8 million in Q1 2025, a decrease of $3.0 million compared to Q1 2024.
- Decrease in operating revenues of $1.6 million in Q1 2025 compared to Q1 2024 mainly as a result of reduced average TCE, gross from approx. US$30,600/day in Q1 2024 to US$21,100/day in Q1 2025, offset by more operational days, 1,080 in Q1 2025 vs 798 in Q1 2024, due to vessel deliveries in 2024.
- Vessel operating expenses of $6.9 million in Q1 2025 compared to $4.9 million in Q1 2024. Average operating expenses of approximately $6,400 per ship per day in Q1 2025 compared to $6,200 in Q1 2024 as well as more operational days in Q1 2025.
- Interest expense was $13 million in Q1 2025 reflecting a fixed interest rate of approximately 7% on the sale leaseback financing which matures seven years from each vessel delivery. The interest expense increased compared to Q1 2024 due to draw downs on the sale leaseback financing in connection with vessel deliveries during 2024.

Key Financials Q1 2025

HIMALAYA SHIPPING

Balance Sheet Summary

US$ millions	March 31, 2025	December 31, 2024	Variance
Cash and cash equivalents	27.0	19.4	7.6
Vessels and equipment	845.7	853.0	(7.3)
Total assets	881.1	880.1	1.0
Short-term and long-term debt	707.9	713.9	(6.0)
Total equity	162.5	154.7	7.8

Comments

- Cash of $27.0 million as of March 31, 2025 including minimum cash balance required under the sale leaseback financing of $12.3 million.
- Total debt, gross, was $721.3 million as of March 31, 2025 ($707.9 million net of deferred loan costs) down from $727.9 million as of December 31, 2024 ($713.9 million net of deferred loan costs).
- Drew facility fully repaid at the end of the first quarter.
- Shareholders equity of $162.5 million. The Company raised gross proceeds of approximately $15 million from the private placement completed in March 2025.
- Cash flow from operations of 0.3 million in Q1 2025
- Total cash distributions of $0.05 per share declared for January, February and March 2025.

Company update

Chartering position

Fleet status report – Current

Himalaya Shipping

Fleet Status Report

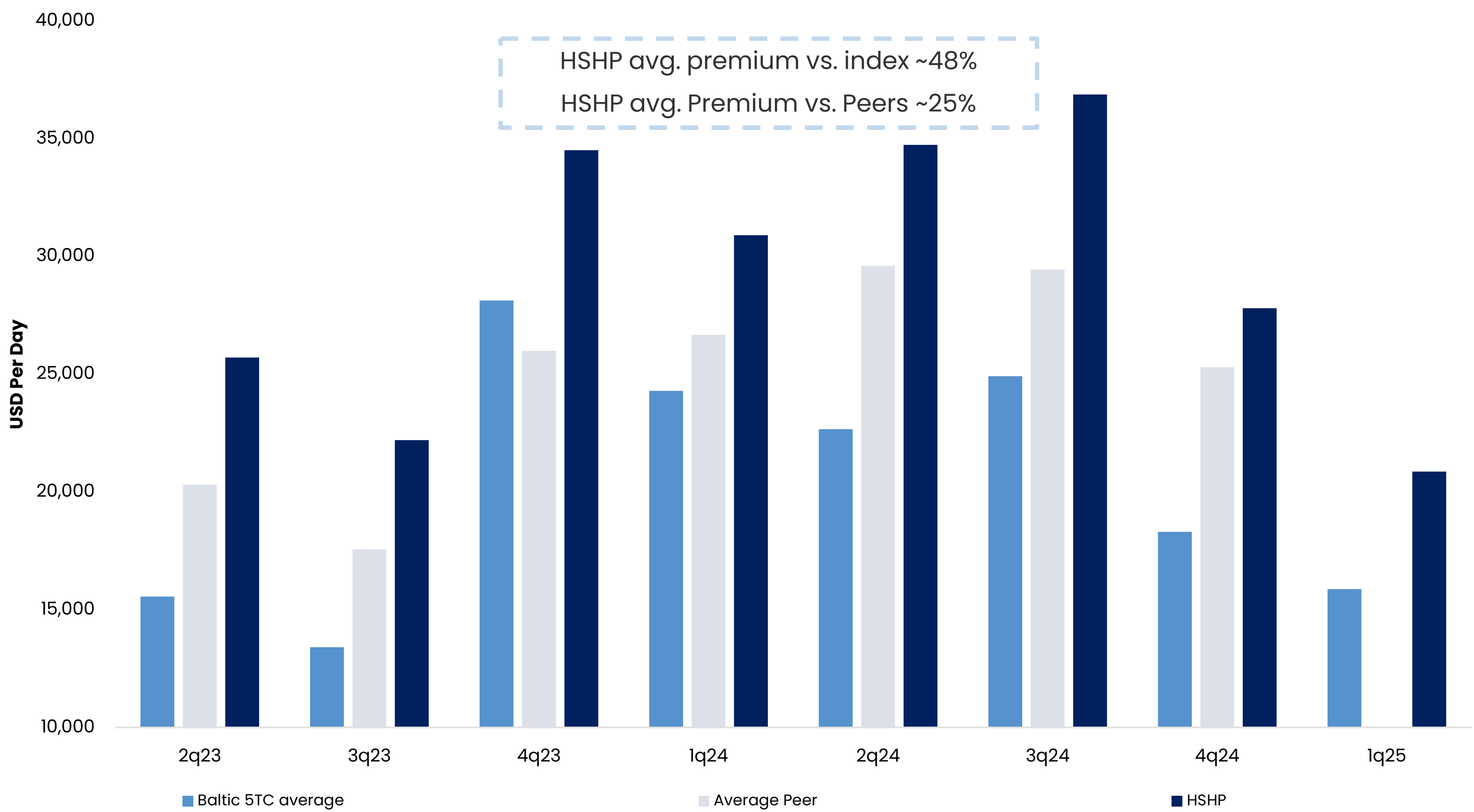
Vessel Name	Built	Type	2025 (Q2–Q4) – 2026 (Q1–Q4) – 2027 (Q1–Q4)
Dual Fuel Newcastlemax			
Mount Norefjell	2023	DF Newcastlemax	32,000* / Index
Mount Ita	2023	DF Newcastlemax	Index
Mount Etna	2023	DF Newcastlemax	Index
Mount Blanc	2023	DF Newcastlemax	Index
Mount Matterhorn	2023	DF Newcastlemax	Index
Mont Neblina	2023	DF Newcastlemax	Index
Mount Bandeira	2024	DF Newcastlemax	Index
Mount Hua	2024	DF Newcastlemax	31,500* / Index
Mount Elbrus	2024	DF Newcastlemax	Index
Mount Denali	2024	DF Newcastlemax	Index
Mount Acancagua	2024	DF Newcastlemax	Index
Mount Emai	2024	DF Newcastlemax	Index

Available Option Evergreen * + Scrubber

Source: Company Data

Proven Outperformance through Large and Modern Tonnage

HSHP TCE vs Peers and Index

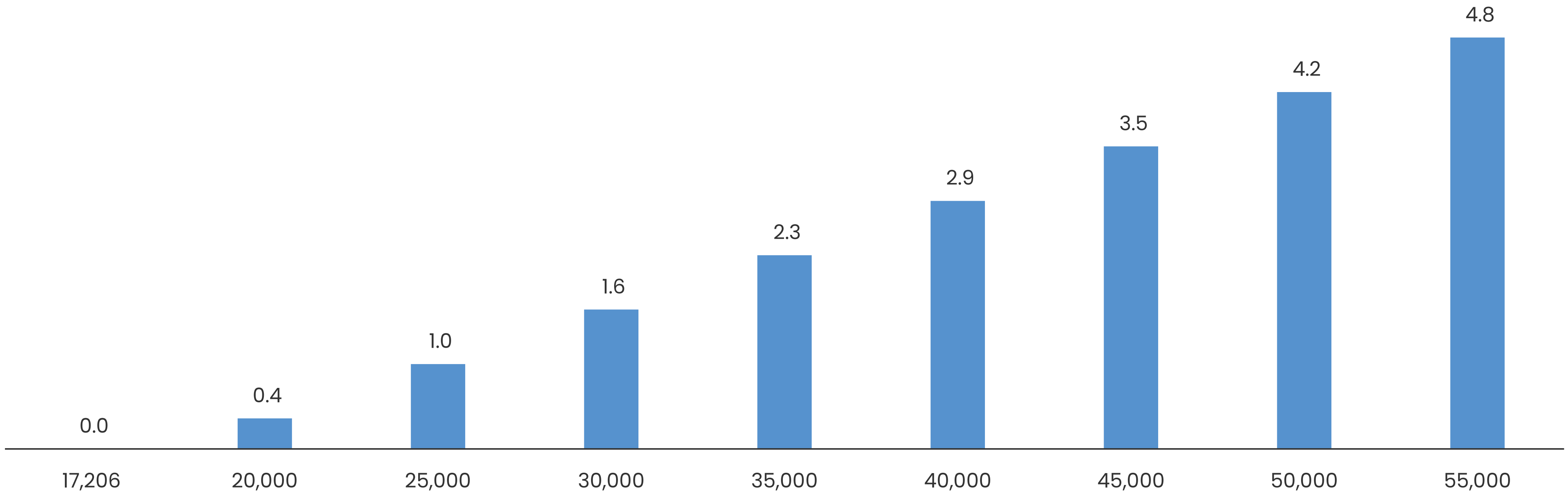


Source: Fearnleys, Company Data, Shipping Intelligence

Peers: GOGL, SBLK, SHIP, GNK, 2020 (reported Cape/Newcastlemax TCE)

Solid dividend capacity

Illustrative FCF $ per share based on Capesize index rate



1. This information has been prepared for illustrative purposes only and does not represent the Company's forecast. It is based, among other things, on industry data, internal data and estimates of the Company and is inherently subject to risk and uncertainties. Actual results may differ materially from the assumptions and circumstances reflected in the above illustrative financial information. 2. Assumes BCI5 Index rates + 42% premium (less 5%) commission) + $1,600 in scrubber benefit less $24,900/d in cash breakeven x 12 ships, divided on 46,550,000 shares outstanding

Capital allocation

Cash-break even of ~$17k/day on Capesize index equivalent vs BCI average 22k last four years

Full alignment between shareholders and management – board and sponsors own ~1/3 of the equity

No reinvestment plans – youngest fleet in the industry means limited capital needs

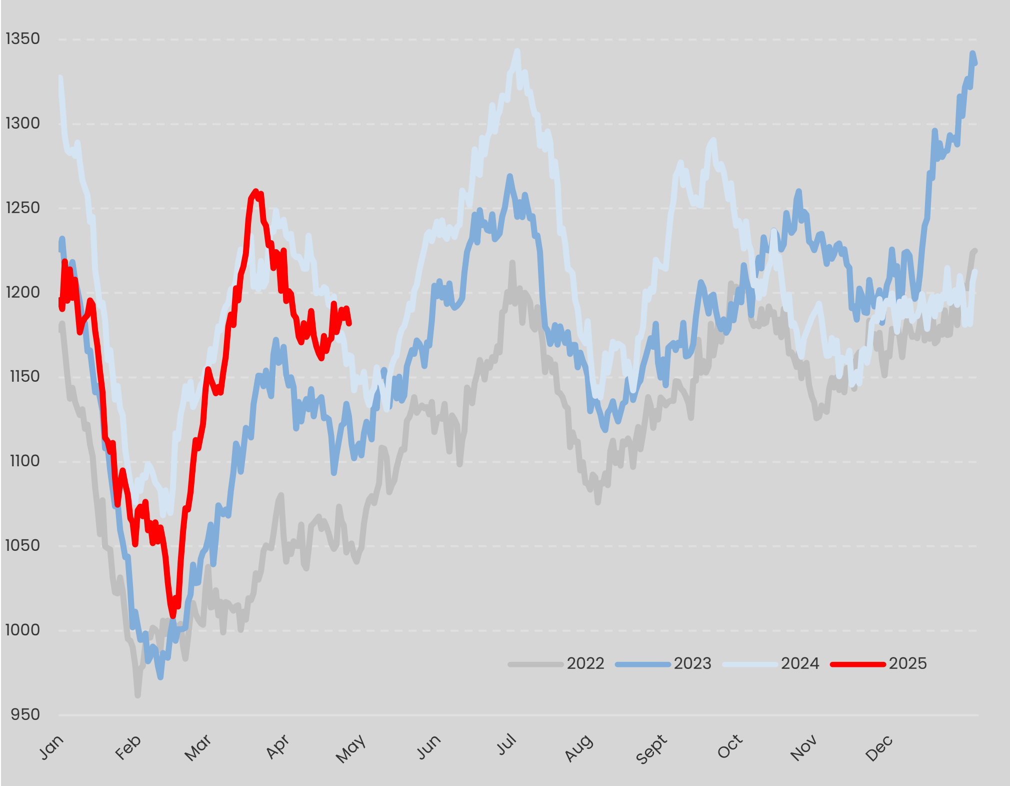
Free cash flow after debt service targets to be distributed in monthly dividends

16 consecutive monthly cash distributions

Market update

Capesize tonne-miles

Capesize Daily Billion Ton-mile Development (*30dms**)



Tonne-mile Growth	Q4 2024	Q1 2025	Q1 '25 vs 3 year average
Y/Y Capesize	-4.3%	-1.8%	+3.8%

Cape tonne-mile development year on year Q1

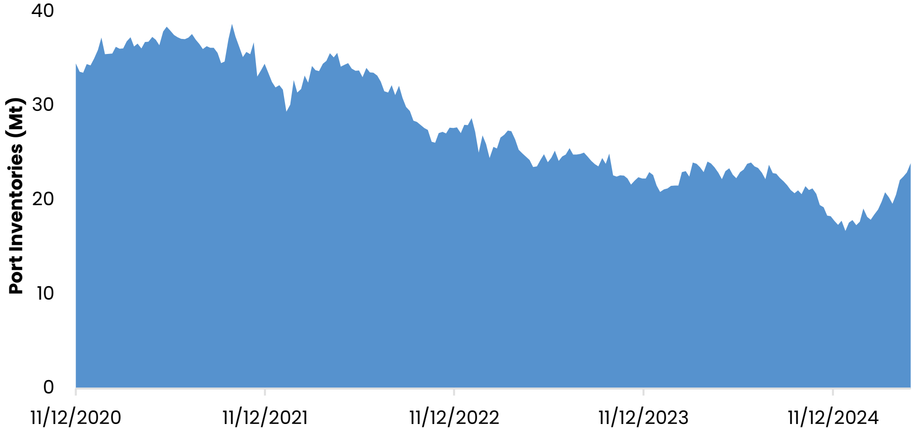
- Bauxite +43%
- Minor Cape bulk +69%
- Iron ore -2.8%
- Coal -30%
- Positive development vs Q4 2024
- Iron ore exports from Australia hit by weather disruptions (down 10% y-o-y)
- Iron ore exports from Brazil +3% y-o-y
- Q1 2024 exceptionally strong

*30-day moving sum

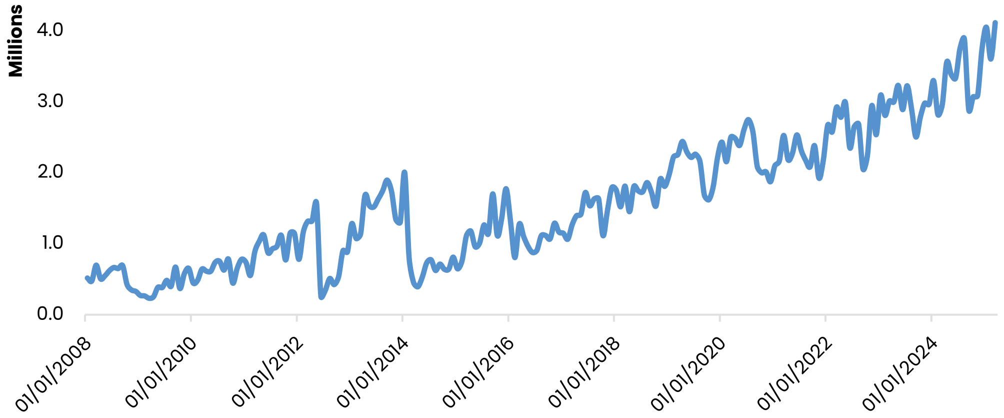
Source: Arrow

Bauxite market continue to flourish - Increasingly important for Capesize

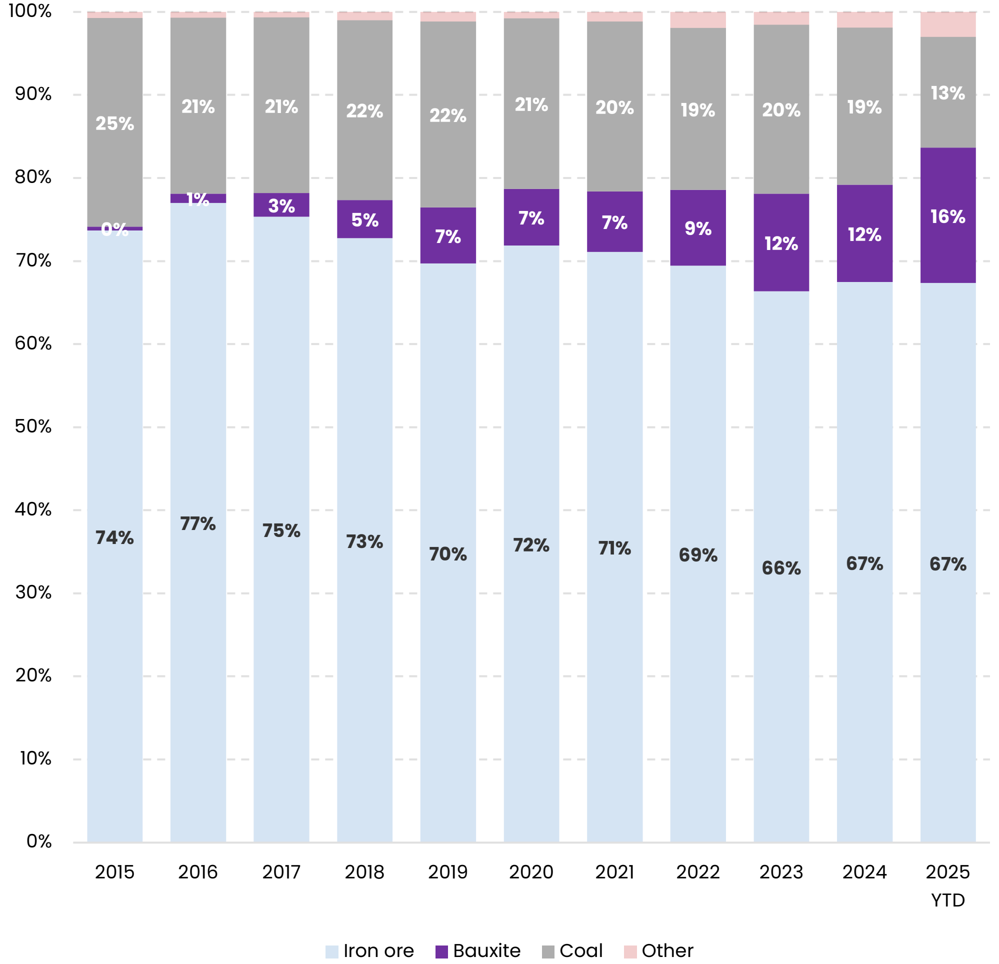
China Imported Bauxite Port Inventories (*Mt*)



China Bauxite Imports (*Mt/week*)



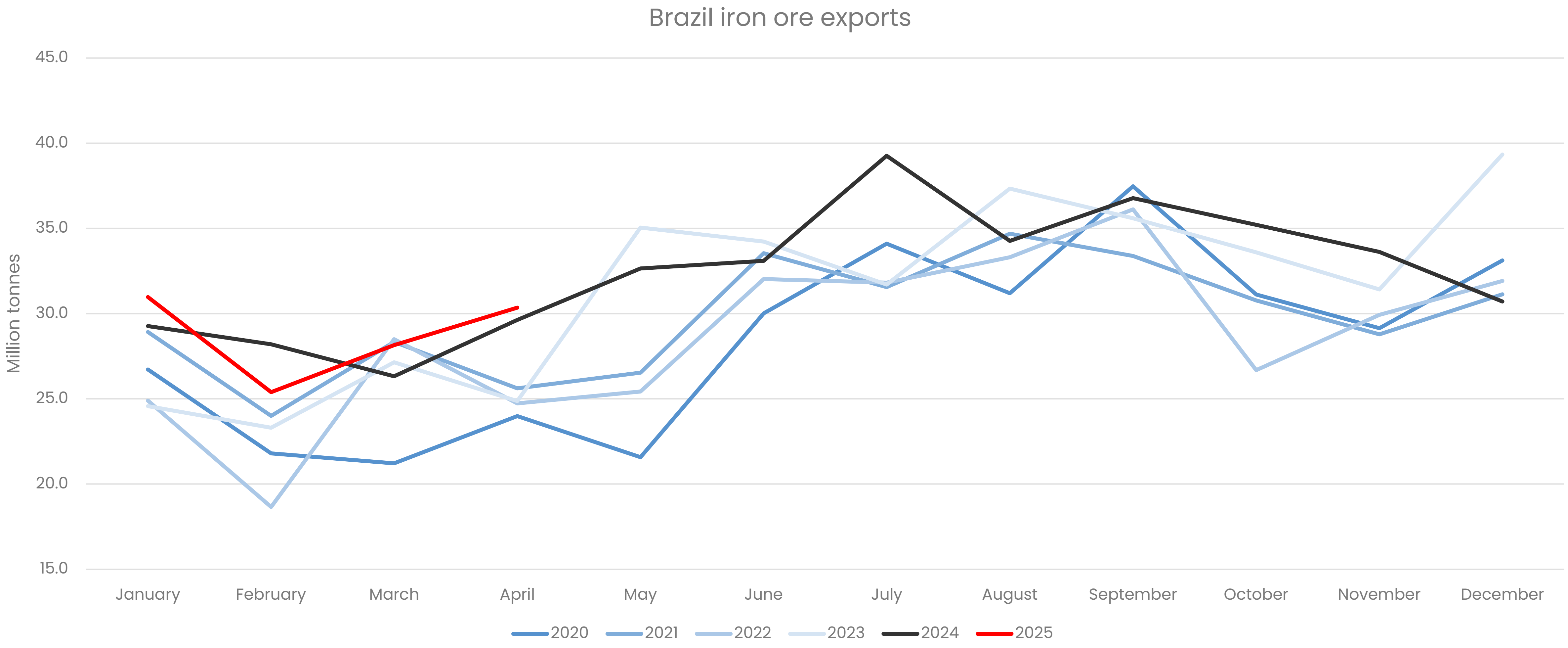
Capesize Fleet – Tonnemile Demand Split, Bauxite > Coal



Source: Arrow, Bloomberg

Iron ore

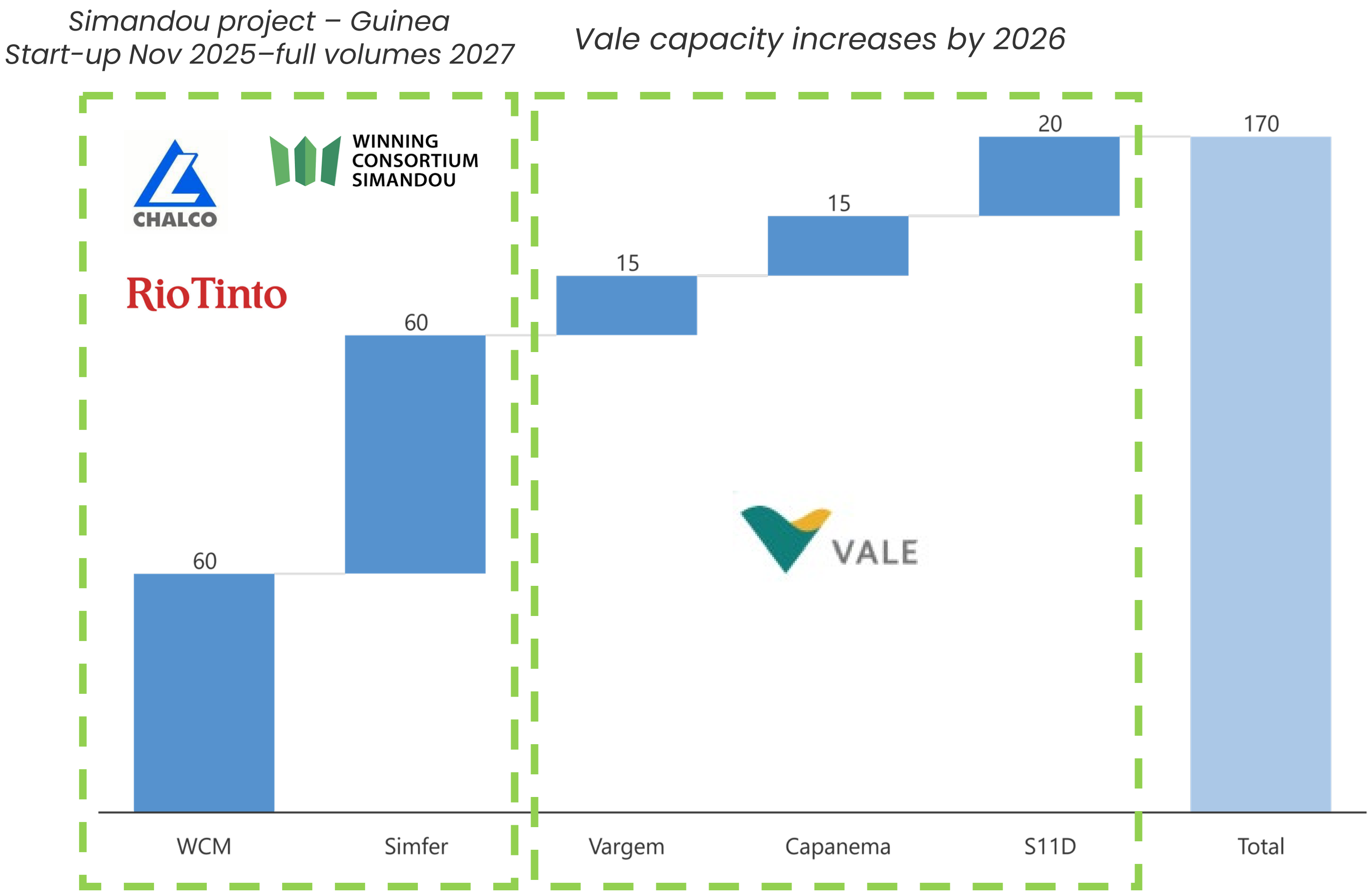
Brazil iron ore exports – Solid YTD and set for seasonal increase



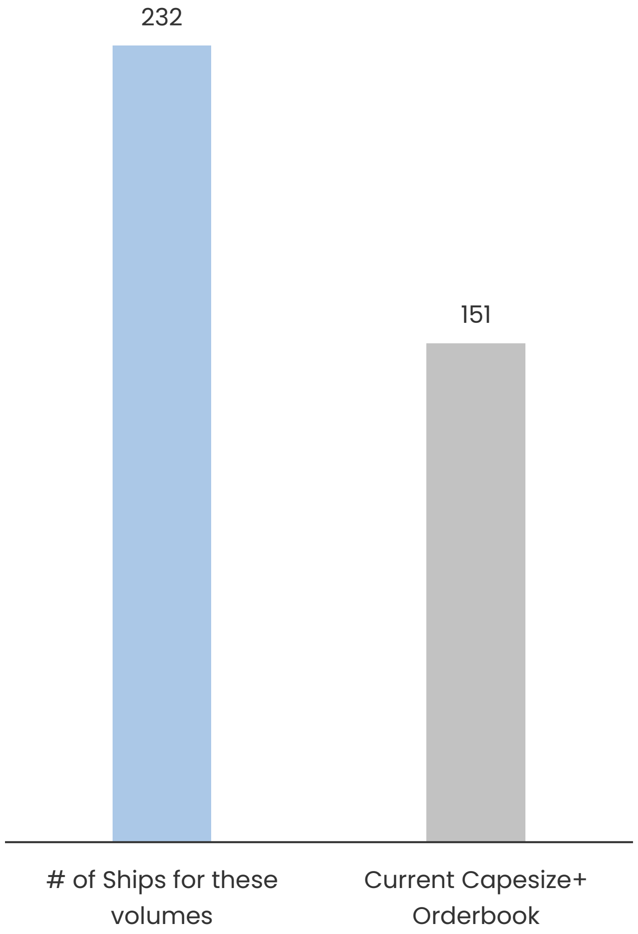
Source: Shipping Intelligence Network

Significant iron ore volumes coming – driving ton-mile demand

Addition iron ore volumes in Atlantic basin (MT/y) – 3x longer than from Australia



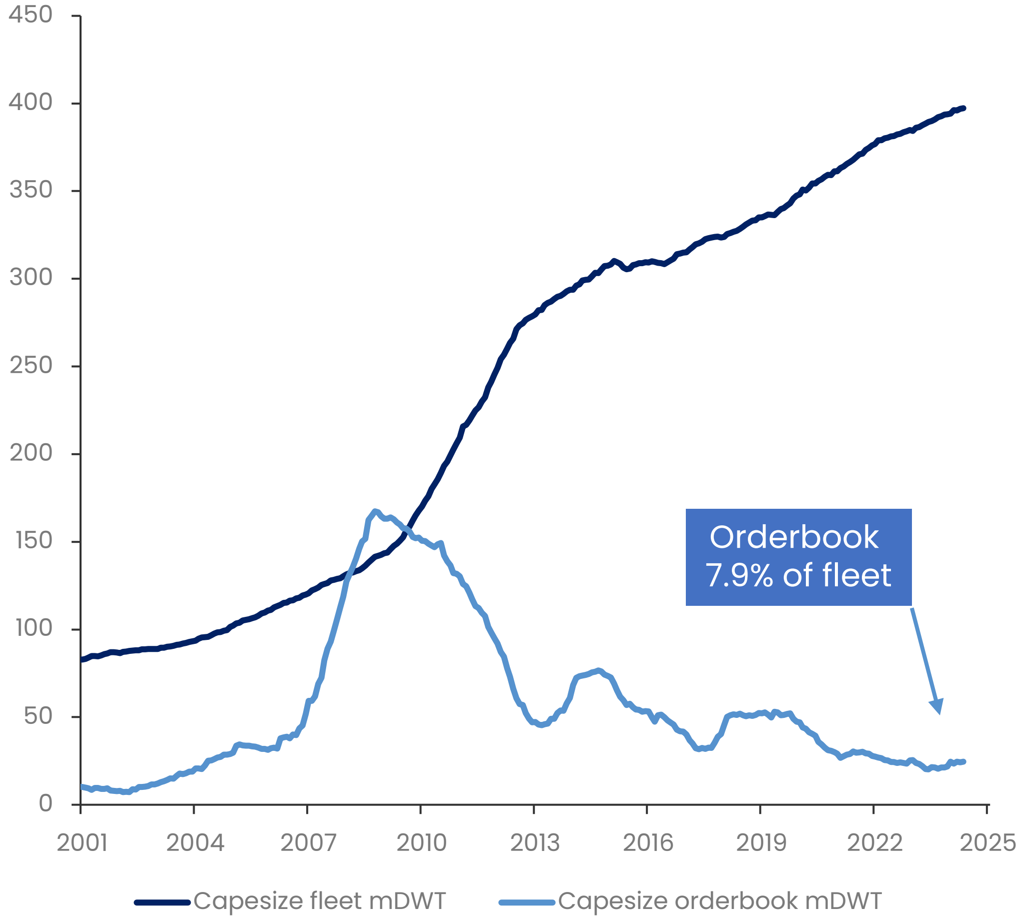
Required # ships > orderbook[1]



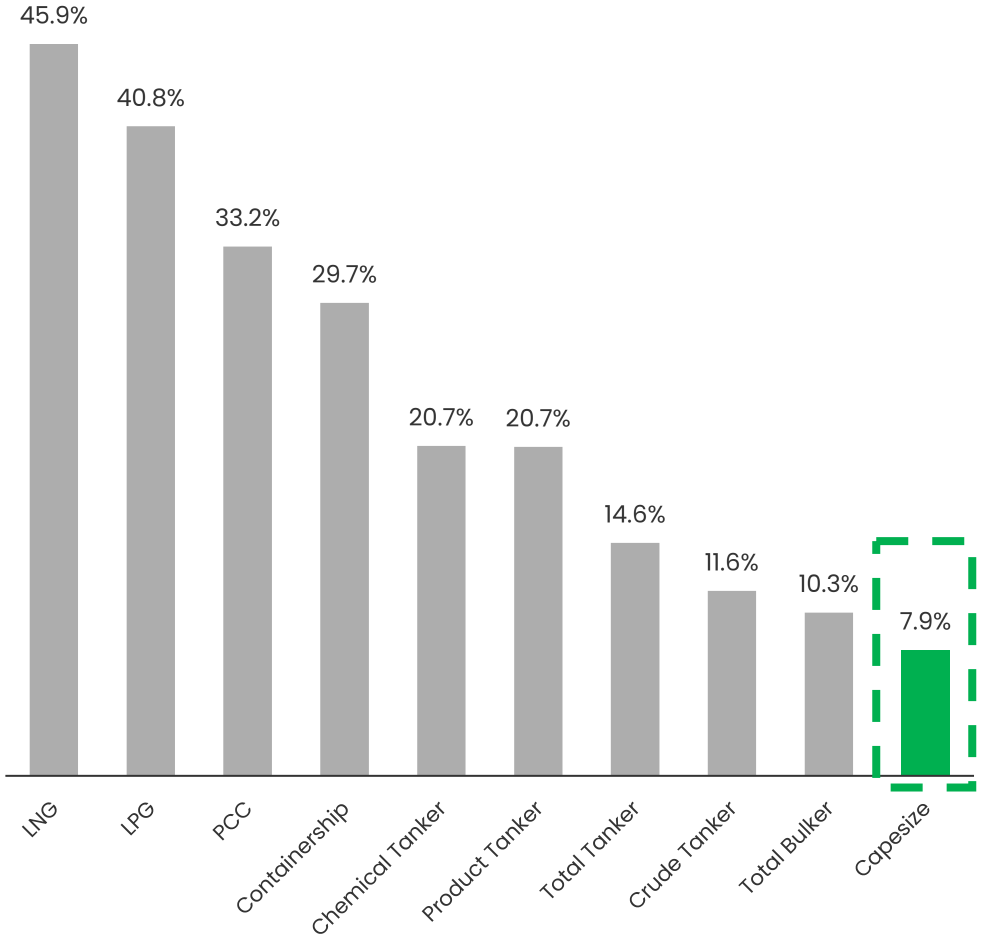
Source: Clarksons, Rio Tinto, Vale, Himalaya Shipping. 1) Assumed 170MT pr year carried on 210k DWT Newcastlemaxes (95% fully loaded). Each ship able to do 3.65 round voyages pr year

Limited supply of new ships

25-year low orderbook



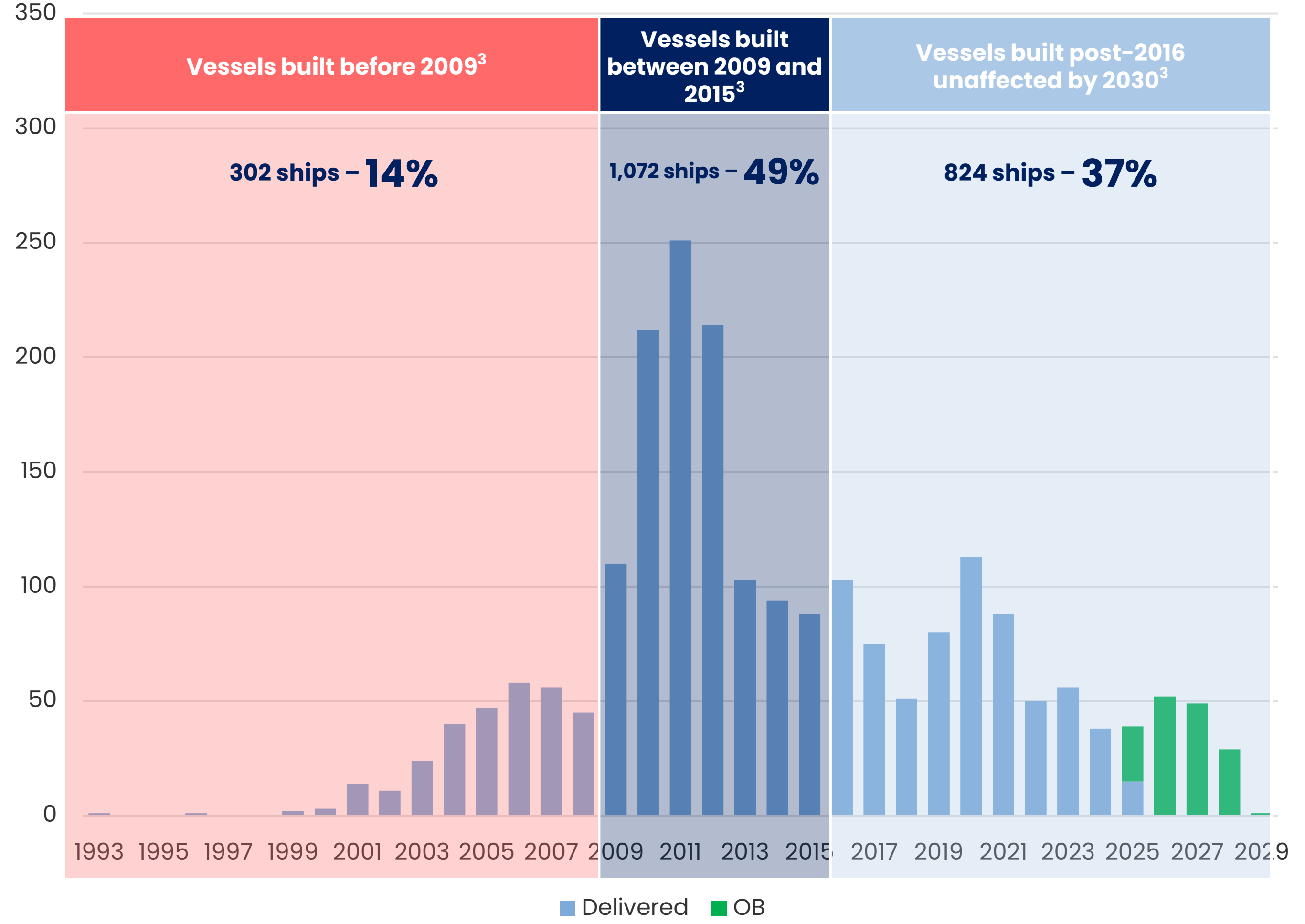
Highly supportive OB/Fleet Ratio



Source: Orderbook to Fleet Ratio as of May 2025, Clarksons Shipping Intelligence Network (https://sin.clarksons.net/)

The supply situation

Capesize+ fleet by delivery year in # ships



~60% of the fleet >20 years by 2034*

Year	# ships turning 20 years	# of Vessels Delivered	% of fleet >20 years (inc. OB)
2025	47	39	7%
2026	58	52	10%
2027	56	49	12%
2028	45	29	14%
2029	110	1	19%
2030	212	0	29%
2031	251	0	40%
2032	214	0	50%
2033	103	0	55%
2034	94	0	59%

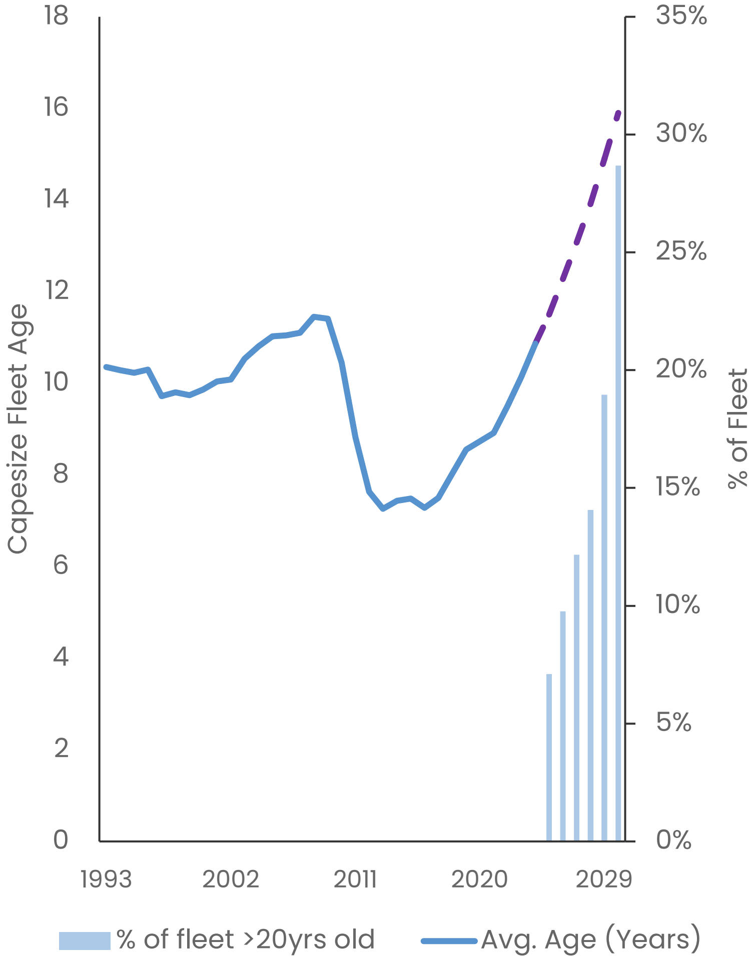
Unlikely to be able to build significant capacity before 2028

Source: Clarksons Shipping Intelligence Network (https://sin.clarksons.net/)

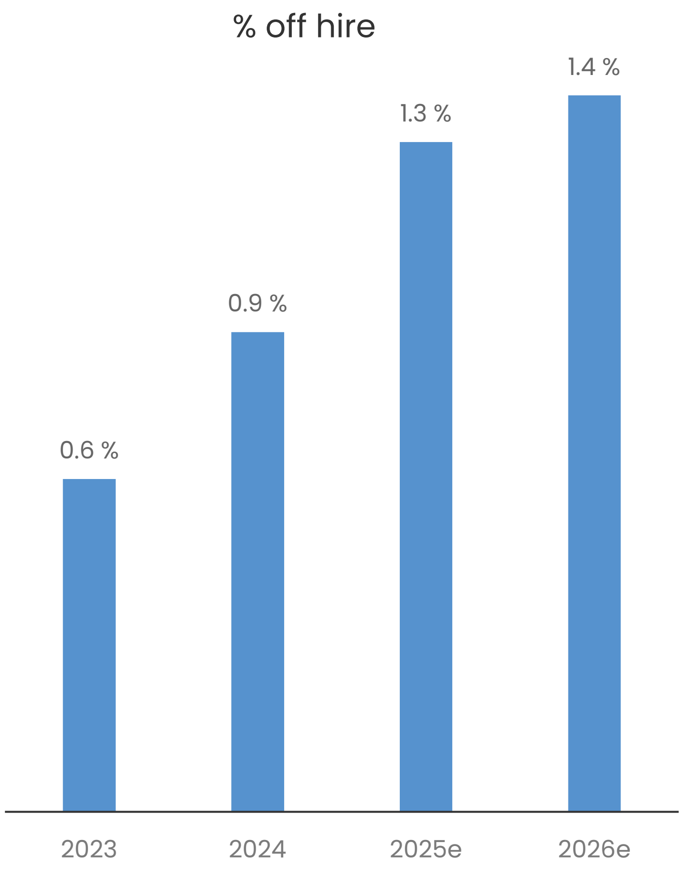
*Inclusive of current Orderbook

Mandatory dry docking to increase in 2025

Capesize average age



Off hire due to increase from docking schedule



Supply constraints

- *~50% y/y increase in estimated offhire days due to DD in '25*
- *2010 was a big delivery year - hence over 10% of the fleet will engage in 15 year SS in 2025 (23% of the cape fleet will need dry dock in total)*
- *With an aging fleet forced to drydock or be scrapped, this will be an additional positive impact on cape/newc freight rates*
- *The large number of dry dockings in 2025 may lead to yard congestion*

Source: Clarksons, Maritime Analytics

Fleet age development includes current Orderbook, assumes no scrapping

Thank you