

2020 BULKERS

2020 Bulkera Ltd.
Presentation results Q4 2020
28 January 2021



This presentation (the "**Presentation**") has been prepared by 2020 Bulkera Ltd. (the "**Company**") and is made 28 January, 2021 solely for information purposes. The Presentation does not constitute any recommendation to buy, sell or otherwise transact with any securities issued by the Company.

No representation, warranty or undertaking, express or implied, is made by the Company and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. The Company shall have no responsibility or liability whatsoever (for negligence or otherwise) for any loss arising from the use by any person or entity of the information set forth in the Presentation. All information set forth in the Presentation may change materially and without notice. In making the Presentation public the Company undertakes no obligation to provide additional information or to make updates thereto. The information set forth in the Presentation should be considered in the context of the circumstances prevailing at the date hereof and has not been and will not be updated to reflect material developments which may occur after such date unless specifically stated in such update(s).

Matters discussed in the Presentation include "forward looking statements". "Forward looking statements" are statements that are not historical facts and are usually identified by words such as "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "continues", "should" etc. These "forward looking statements" reflect the Company's beliefs, intentions and current expectations concerning, among other things, the Company's results, financial condition, liquidity position, prospects, growth and strategies. "Forward looking statements" include statements regarding: objectives, goals, strategies, outlook and growth prospects, future plans, events or performance and potential for future growth, liquidity, capital resources and capital expenditures, economic outlook and industry trends, developments in the Company's market, the impact of regulatory initiatives and the strength of the Company's competitors. "Forward looking statements" involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The "forward looking statements" included herein are based upon various assumptions, many of which, in turn, are based upon further assumptions. This includes, without limitation, the Company's review of historical operating trends, data contained in the Company's records and data available from third parties. Although the Company believes that these assumptions were reasonable when the relevant statements were made, they are inherently subject to significant known and unknown risks, uncertainties, contingencies and other factors which are difficult or impossible to predict and which are beyond the Company's control. "Forward looking statements" are not guarantees of future performance and such risks, uncertainties, contingencies and other important factors which are inherent thereto could cause the actual results of operation, financial condition and liquidity position of the Company or the industry in which it operates to differ materially from those results which, expressed or implied, are contained herein. No representation to the effect that at any of the "forward looking statements" or forecasts will come to pass or that any forecasted result will be achieved are made.

The Presentation and the information contained herein does not constitute or form a part of and should not be construed as an offer for sale or subscription or of solicitation or invitation of any offer to subscribe for or purchase any securities issued by the Company.

Highlights

Key events during the fourth quarter of 2020:

- Net profit of US\$3.6 million, EPS of US\$0.16
- Achieved average time charter equivalent earnings of approximately US\$20,500 per day, gross
- Declared total cash distributions of US\$0.17 per share for the months of October - December
- Transferred from Oslo Axess to Oslo Børs on November 2, 2020

Subsequent events:

- Achieved time charter equivalent earnings quarter to date of approximately US\$28,500 per day
- Bulk Shenzhen fixed on voyage charter with estimated duration until mid-April 2021. Expected TCE of US\$18,500 per day, net

Key Financials Q4 2020

Income Statement

USD million, except per share data	Q4 2020
Operating Revenues	14.6
Vessel operating expenses	(4.0)
Voyage expenses	(0.2)
G&A	(1.3)
Depreciation	(2.9)
Total operating expenses	(8.4)
Operating Profit	6.2
Interest expense, net of cap. interest	(2.6)
Total financial expense, net	(2.6)
Tax expense	-
Net Profit	3.6
Earnings per share (USD/share)	0.16

Comments

- Net profit of US\$3.6 million
- Operating profit of US\$6.2 million
- EBITDA of US\$9.1 million
- Earnings per share of 16 cents
- Operating revenues of US\$14.6 million. Average time charter equivalent earnings of approx. US\$20.500 per day, gross.
- Vessel operating expenses of US\$4.0 million. Average operating expenses of approx. US\$5.400 per day per ship including Covid-19 related costs of approx. US\$300 per day per ship. 736 operational ship days for the quarter
- G&A includes full year 2020 directors fee and employee bonus and a non-cash share option cost of US\$0.1 million
- Interest expense of US\$2.6 million

Balance Sheet Summary

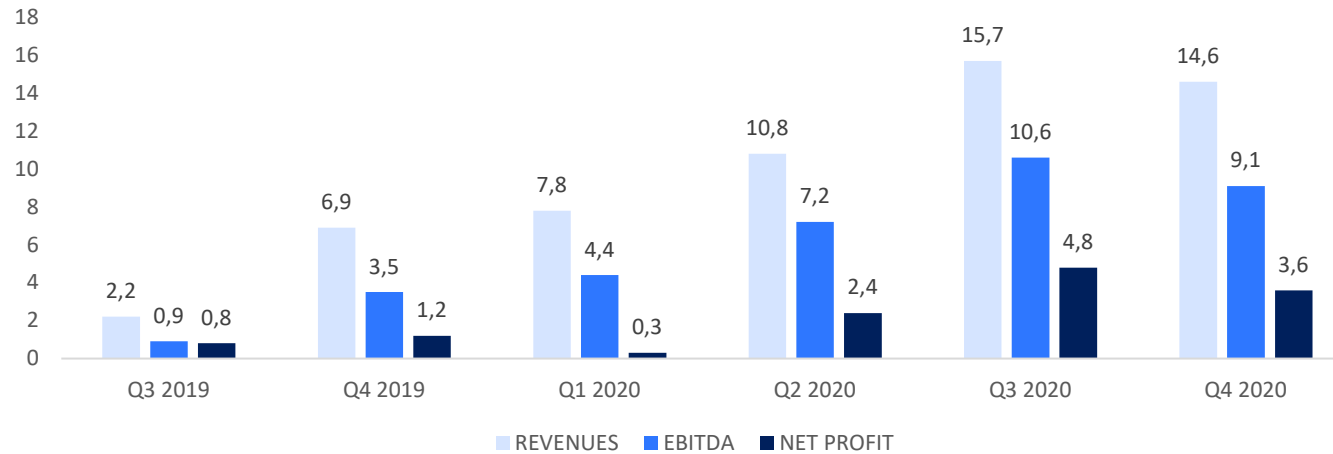
USD million	December 31, 2020
Total assets	395.7
Equity	142.1
Cash and cash equivalents	19.9
Interest bearing debt	250.0

Comments

- Shareholders' equity of US\$142.1 million
- Interest bearing debt decreased from US\$253.8 million to US\$250.0 million during the quarter reflecting scheduled repayments during the quarter
- Cash flow from operations was US\$7.0 million in Q4 2020
- Cash distributions in total of US\$17 cent per share declared for the months of October, November and December
- Solid liquidity position with US\$19.9 million of cash.

Profitable every quarter following delivery of our first vessel

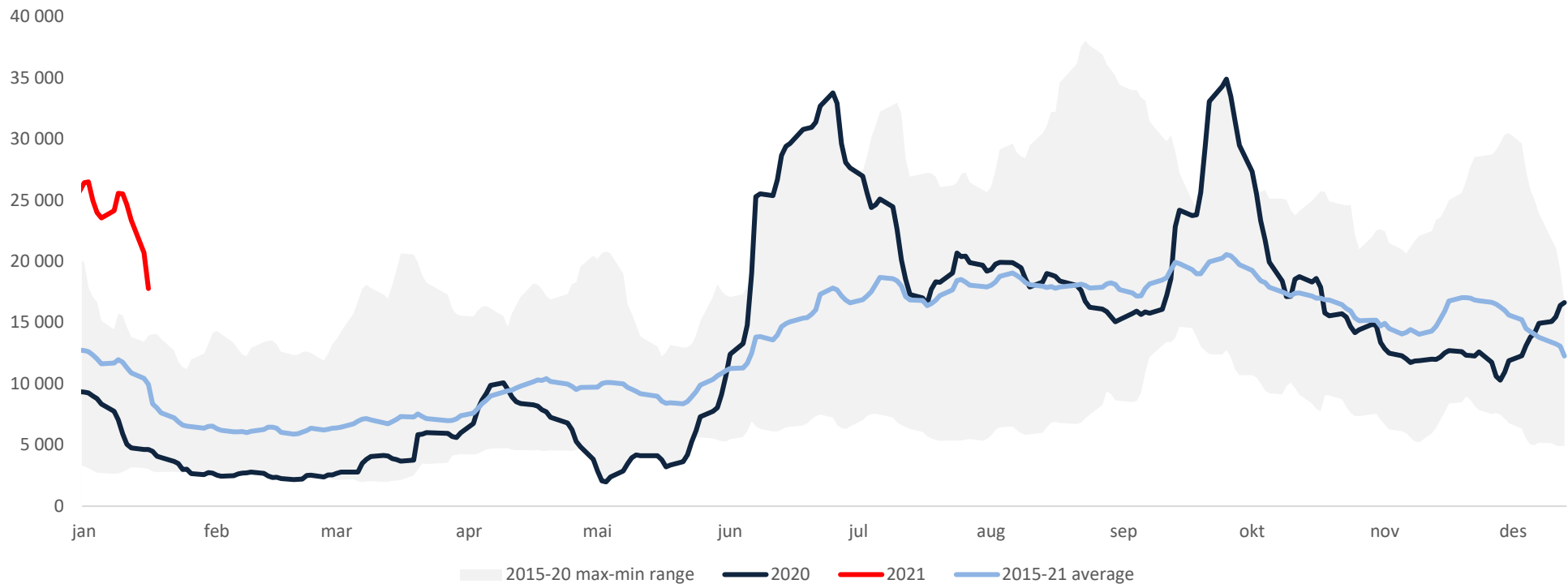
2020 Bulkers has been profitable every quarter since delivery of the first vessel in August 2019



Strong performance driven by

- Modern fleet of fuel efficient Newcastlemax vessels with scrubbers, earning a significant premium to standard Capesize vessels
- Low cash breakeven driven by attractive financing and low G&A costs
- Proactive risk management. We protected downside through adding fixed charter coverage in early 2020

The Capesize market is off to a strong start in 2021



- Year to date Capesize rates are the strongest seen since 2015, YTD rates 170% above 2020 levels
- Market is supported by strong iron ore volumes with YTD Brazilian exports +24% and Australian exports +5% YoY
- Increased coal trade, including some coal exports out of USG and USEC
- Staggered Lunar Holidays in China may contribute to a stronger than usual first quarter
- Lower fleet growth in 2021 with orderbook of 16 million DWT, compared to 25 million DWT delivered in 2020

We are positioned to take advantage of a stronger spot market

Ship name	Built	Charterer	Rate	Charter expiry
Bulk Sandefjord	Aug 19	Koch	Index linked + scrubber benefit	Aug 22
Bulk Santiago	Sep 19	Koch	Index linked + scrubber benefit	Nov 21 - Jan 22
Bulk Seoul	Oct 19	Koch	Index linked + scrubber benefit	Dec 21 - Feb 22
Bulk Shanghai	Nov 19	Glencore	18,000 gross + scrubber benefit	Mar-Jul 21
Bulk Shenzhen	Jan 20	Koch	Brazil Round Voyage, estimated TCE USD 18,500 net	Apr 21
Bulk Sydney	Jan 20	Koch	Index linked + scrubber benefit	Jan 23
Bulk Sao Paulo	May 20	Glencore	Index linked + scrubber benefit	May-Jul 23
Bulk Santos	Jun 20	Glencore	Index linked + scrubber benefit	May-Jul 23

Q1 2021

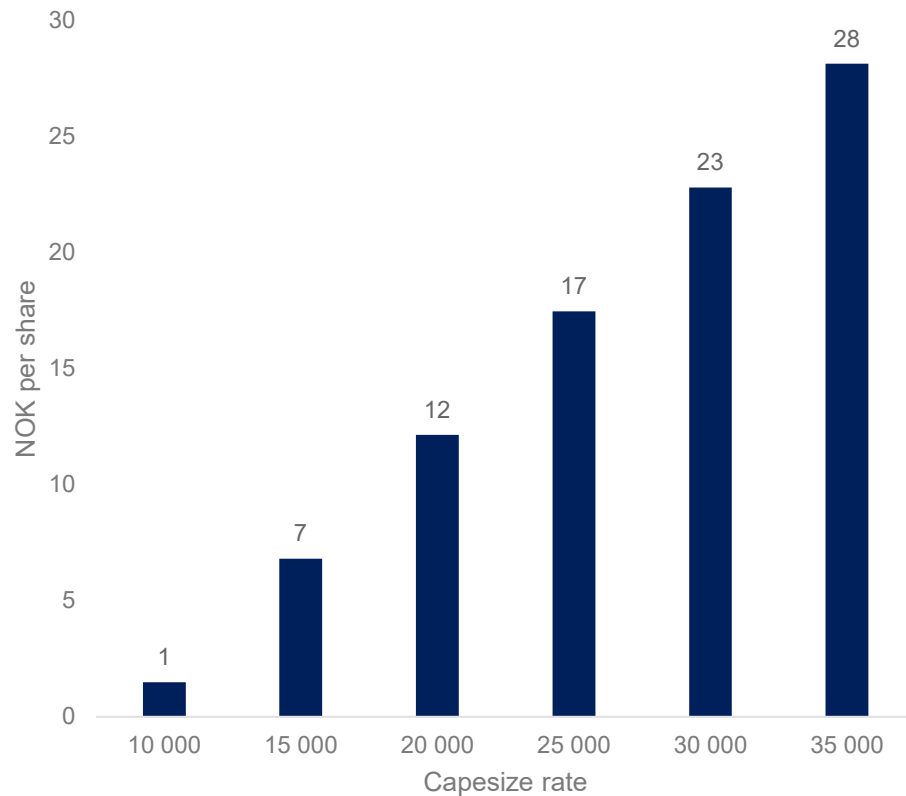
- 6 vessels on index linked time charters with scrubber profit share
- 2 vessels fixed at approximately US\$18,500 and US\$18,000 per day, with additional scrubber share for one ship
- Operating cash breakeven estimated at US\$12,900 per day for vessels trading on index linked charters

Q2 - Q4 2021

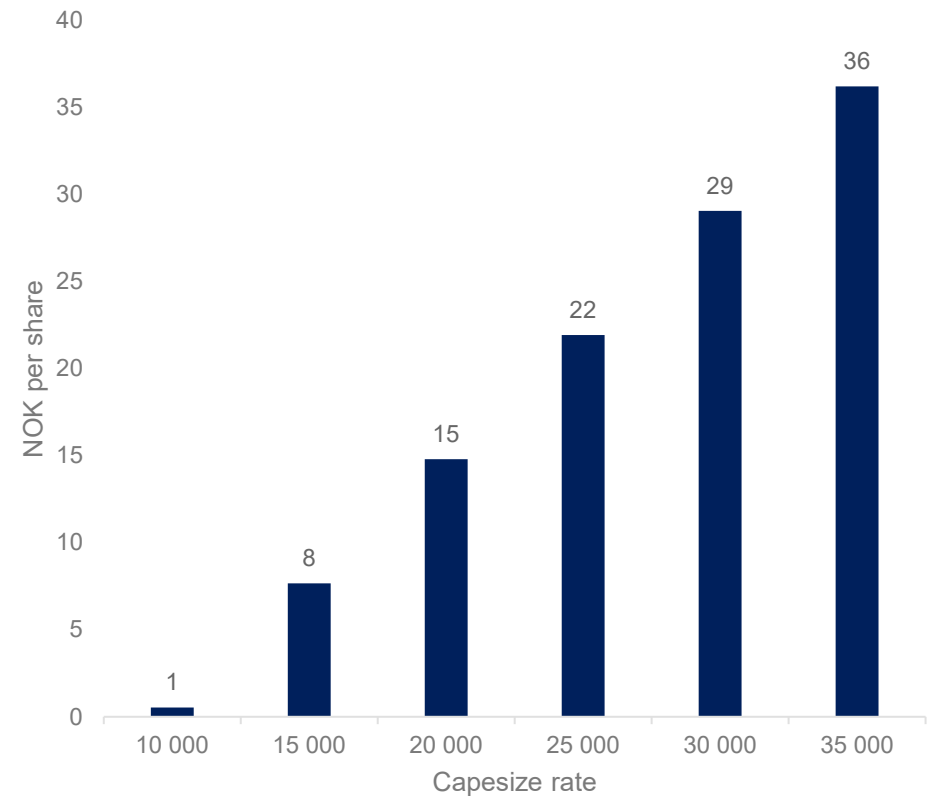
- All 8 vessels exposed to the spot market from April-July
- Estimated cash breakeven of US\$14,400 per day with all vessels trading spot

Our dividend potential is significant

Q1 2021 Indicative dividend capacity (annual run rate)



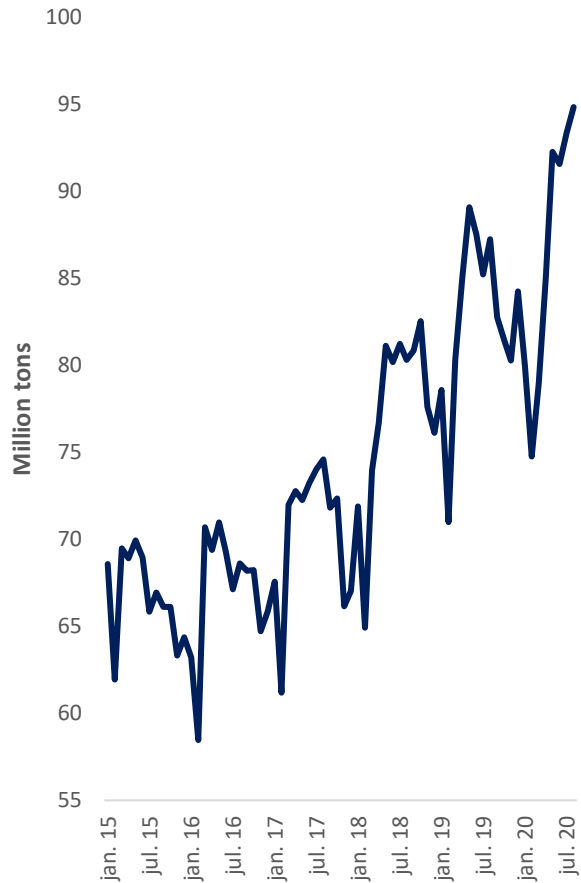
Q2-Q4 2021 Indicative dividend capacity (annual run-rate)



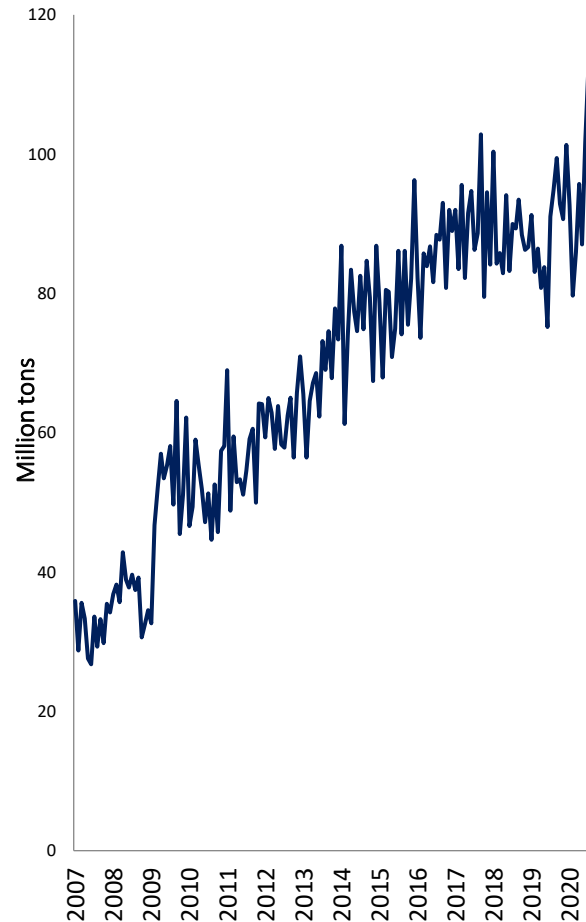
Indicative calculations. Actual results may vary

Chinese demand is strong, inventories are low

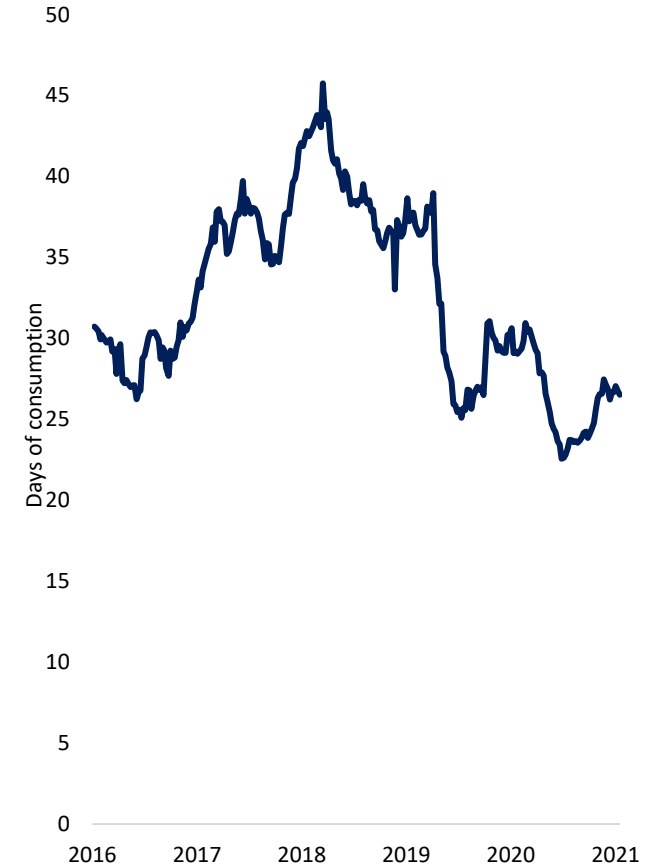
China steel production



China iron ore imports



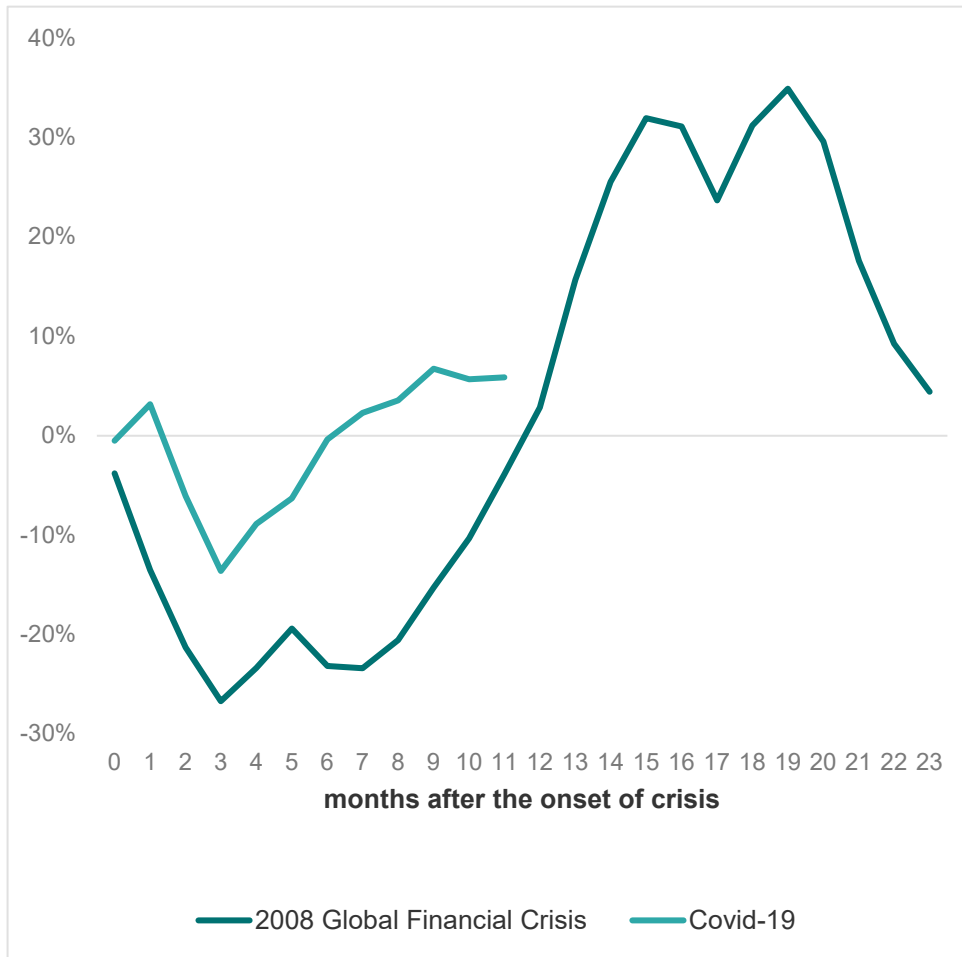
China Iron ore inventories



Sources: Shipping intelligence network, Arrow shipbroking group

Steel production is recovering to pre Covid-19 levels

Global steel production is back above pre Covid-19 levels

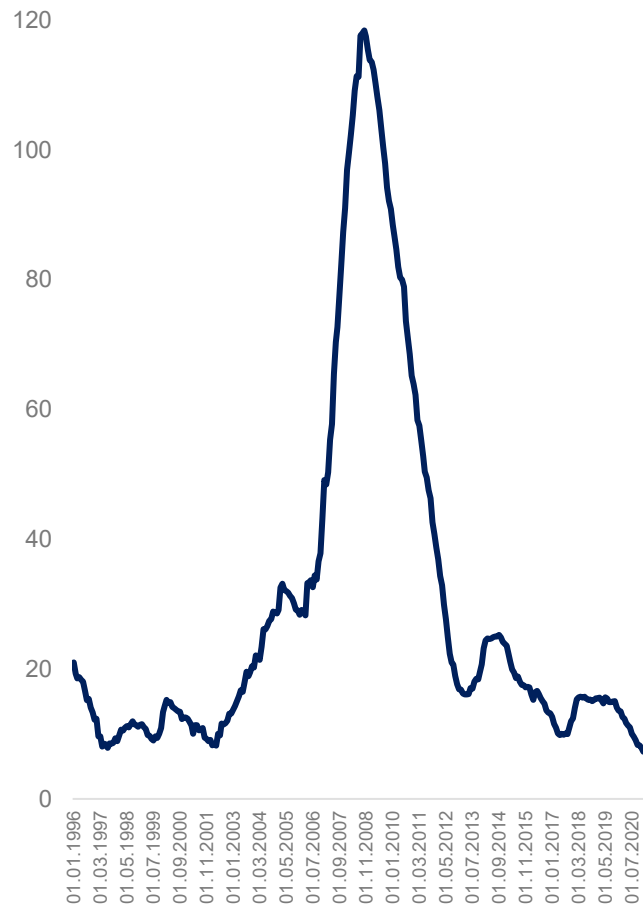
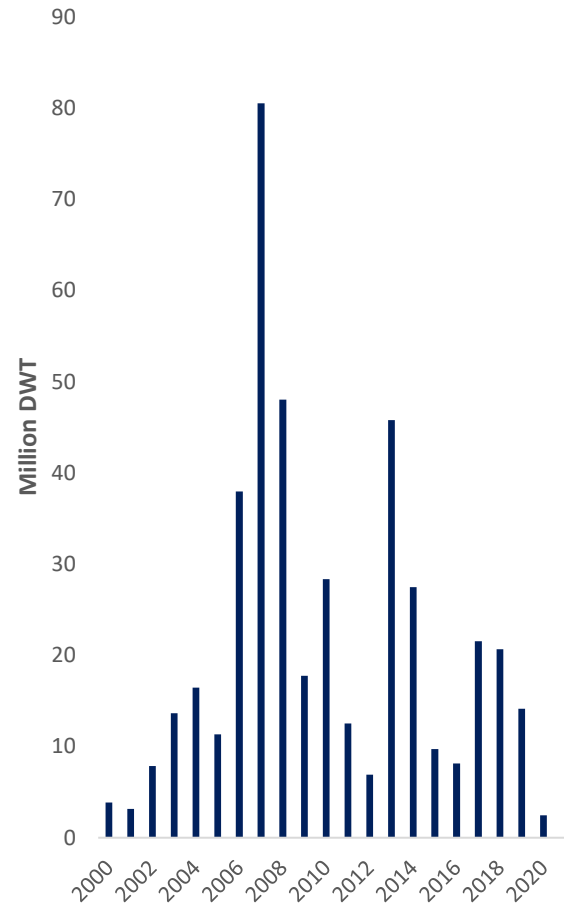
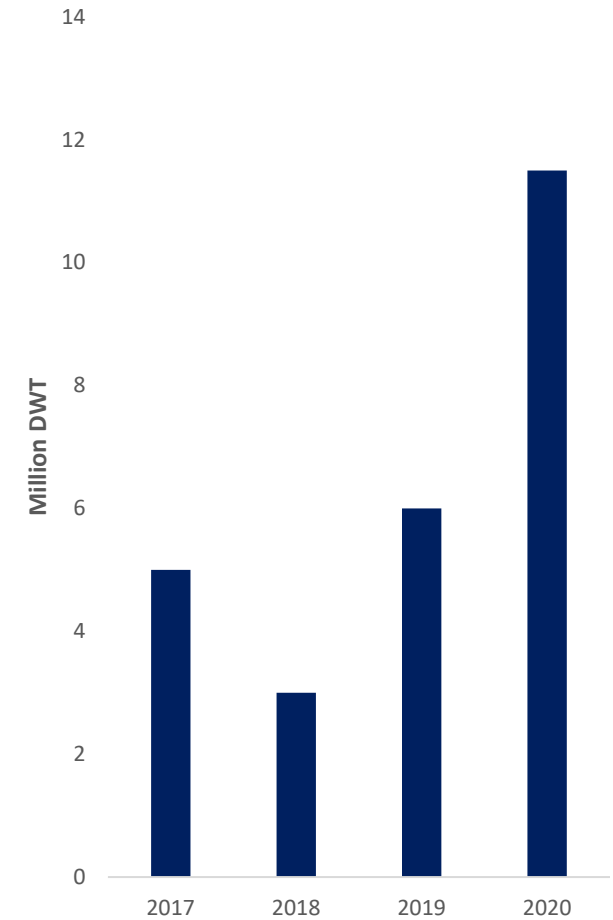


China leading the recovery, rest of world is accelerating



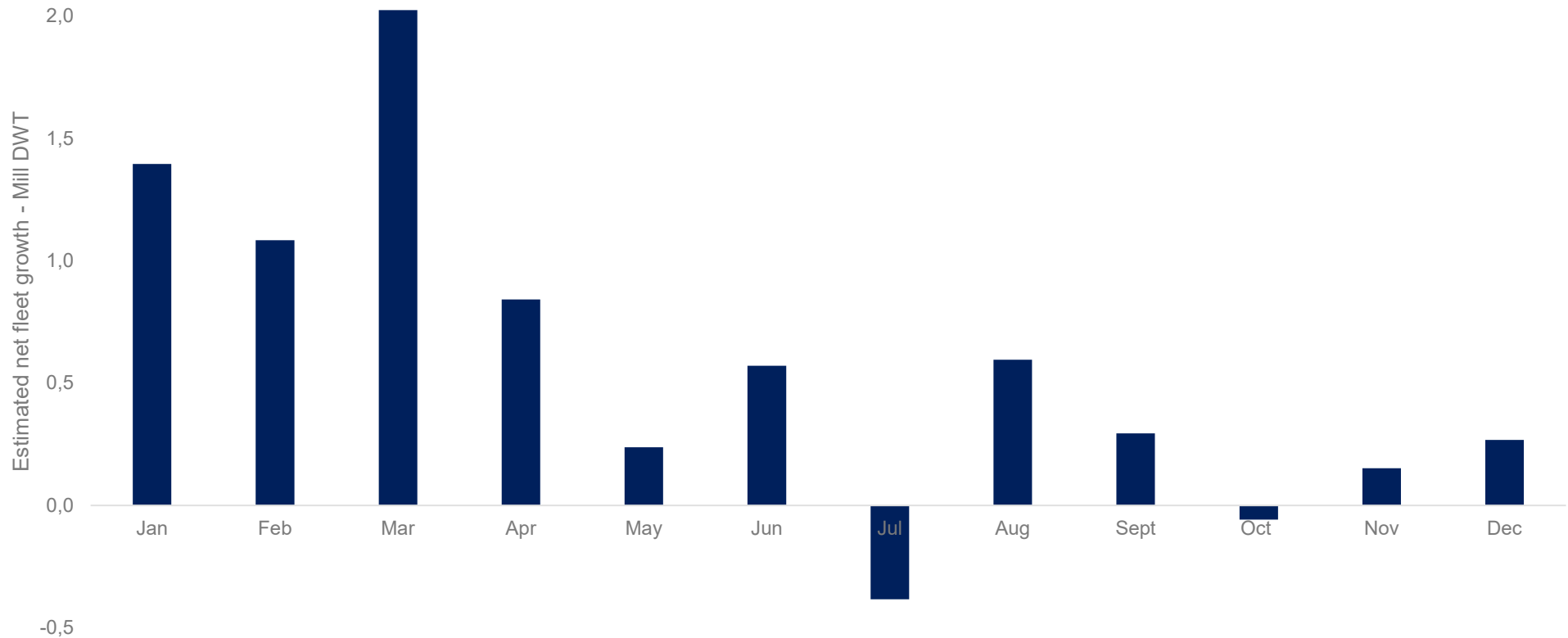
Source: Arrow shipbroking group

Limited supply growth on the horizon and high scrapping activity

Capesize orderbook as % of fleet**Capesize bulk newbuild contracts****Capesize scrapping**

Fleet growth could turn negative during 2H 2021

Capesize – 2021 expected monthly net fleet growth



Source: Clarksons Research Services. Scrapping assumed by at same levels as 2020

Less hidden supply with % of fleet in drydock down from 2020 levels²⁰²⁰ BULKERS

Share of Capesize fleet (DWT) in drydock



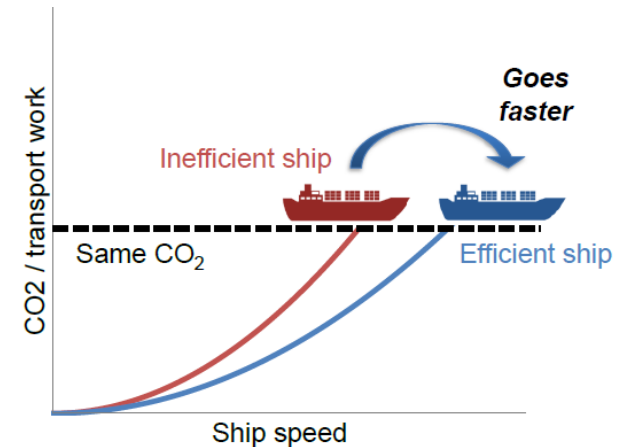
Source: Oceanbolt

EEXI – New IMO regulations to reduce CO₂ emissions

Summary

- In 2018, the IMO adopted a target to reduce CO₂ intensity from international shipping by 40% from 2008 levels by 2030
- As a consequence, the EEXI (Energy Efficiency Existing Ship Index) is expected to be introduced in October 2022
- EEXI sets limits to the amount of CO₂ that can be emitted per ton of transport supply (DWT * nautical miles) and will be applied to all existing ships
- Non-compliant ships may comply by applying performance enhancing measures (requires a significant investment) and/or reducing the engine's power output.
- A significant part of the trading fleet may not be able to comply and may have to be retired
- The implementation of EEXI is expected to reduce the average sailing speed of the global fleet, particularly for older vessels
- Efficient ships may be favored by charterers and command a larger earnings premium following the implementation of EEXI

Emission reduction through goal-based measure



Alternatives for complying

