

2020 BULKERS

2020 Bulkera Ltd.
Q3 2021 Results presentation
October 27, 2021



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Key events during the third quarter of 2021:

- Net profit of US\$21.6 million, EPS of US\$0.98
- Achieved average time charter equivalent earnings of approximately US\$46,000 per day, gross
- Declared total cash distributions of US\$0.97 per share for the months of July – September 2021
- Increased fixed time charter rate coverage for Q4: 490 days fixed at US\$45,680 per day + scrubber benefit

Subsequent events:

- Achieved time charter equivalent earnings quarter to date in the fourth quarter of approximately US\$65,500 per day, gross
- Declared a cash distribution of US\$0.39 per share for the month of September
- Bulk Shenzhen back on hire on October 9, following repairs after collision in August

Key Financials Q3 2021

Income Statement

USD million, except per share data	Q3 2021
Operating Revenues	32.8
Vessel operating expenses	(4.5)
Voyage expenses and commission	(0.4)
General and administrative expenses	(0.8)
Depreciation and amortization	(3.0)
Total operating expenses	(8.7)
Operating Profit	24.1
Interest expense	(2.4)
Other financial expense	(0.1)
Total financial expense, net	(2.5)
Tax expense	-
Net Profit	21.6
Earnings per share (USD/share)	0.98

Comments

- Net profit of US\$21.6 million
- Operating profit of US\$24.1 million
- EBITDA of US\$27.1 million
- Earnings per share of US\$0.98
- Operating revenues of US\$32.8 million. Average time charter equivalent earnings of approx. US\$46,000 per day, gross.
- Vessel operating expenses of US\$4.5 million which includes US\$0.3 million in repair related costs and approximately US\$0.2 million in Covid-19 related costs. Average operating expenses of approx. US\$6,100 per day per vessel
- G&A was US\$0.8 million
- Interest expense of US\$2.4 million.

Balance Sheet Summary

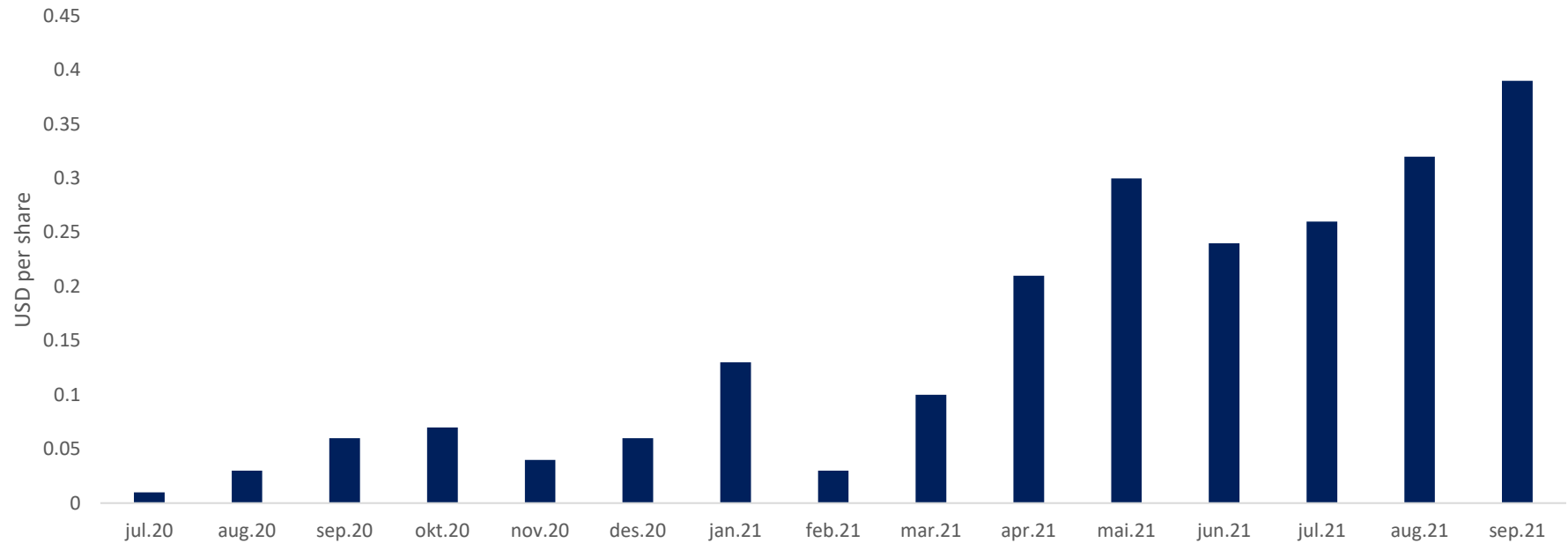
USD million	September 30, 2021
Total assets	396.6
Equity	152.2
Cash and cash equivalents	28.4
Interest bearing debt	239.0

Comments

- Shareholders' equity of US\$152.2 million
- Interest bearing debt decreased from US\$242.7 million to US\$239.0 million during the quarter reflecting scheduled repayments during the quarter
- Cash flow from operations was US\$27.7 million in Q3 2021
- Cash distributions in total of US\$0.97 per share declared for the months of July, August and September
- Solid liquidity position with US\$28.4 million of cash.

Dividends and cash distributions

Monthly dividends and cash distributions

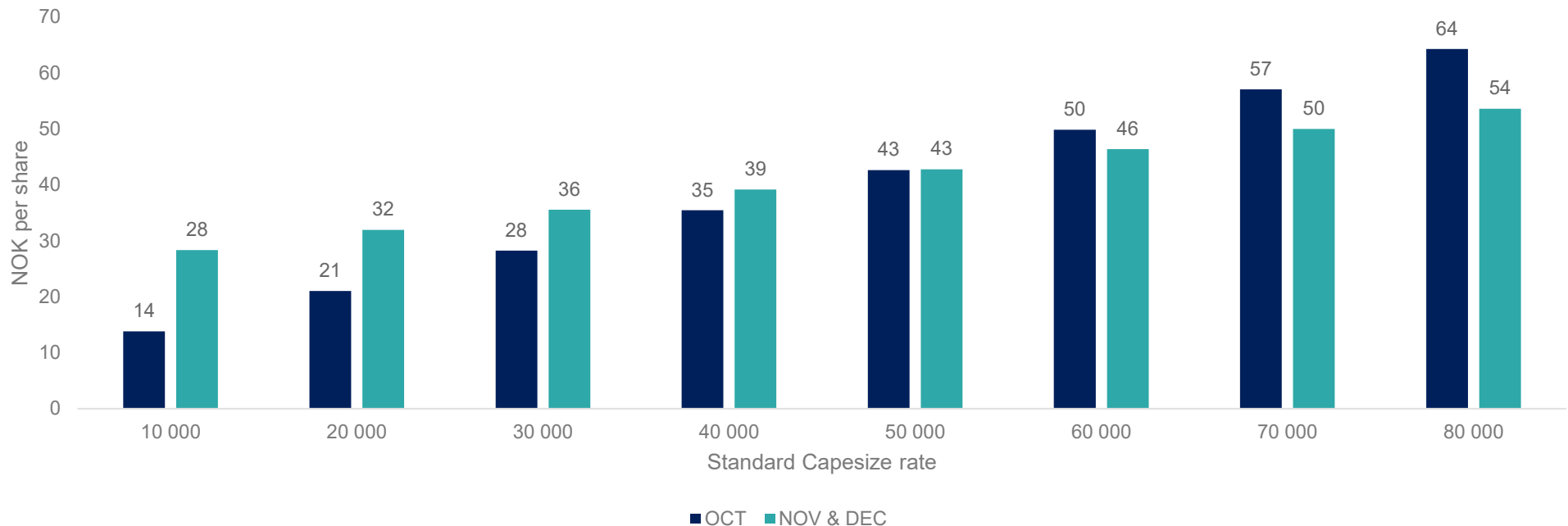


- 2020 Bulkera has returned free cash flow to shareholders on a monthly basis for 15 consecutive months
- Q3 cash distributions of US\$0.97 per share equals ~27% annualized yield*
- 2020 Bulkera has to date returned 38% of total paid-in equity to shareholders

* Based on closing price of NOK 122 as of October 26, 2021

Our dividend potential is significant

Balance of 2021 indicative dividend capacity (annual run-rate)¹⁾



4 vessels fixed at an average of US\$40,600, gross + scrubber profit share for October 2021

6 vessels fixed at an average of US\$47,400, gross + scrubber profit share for November & December 2021

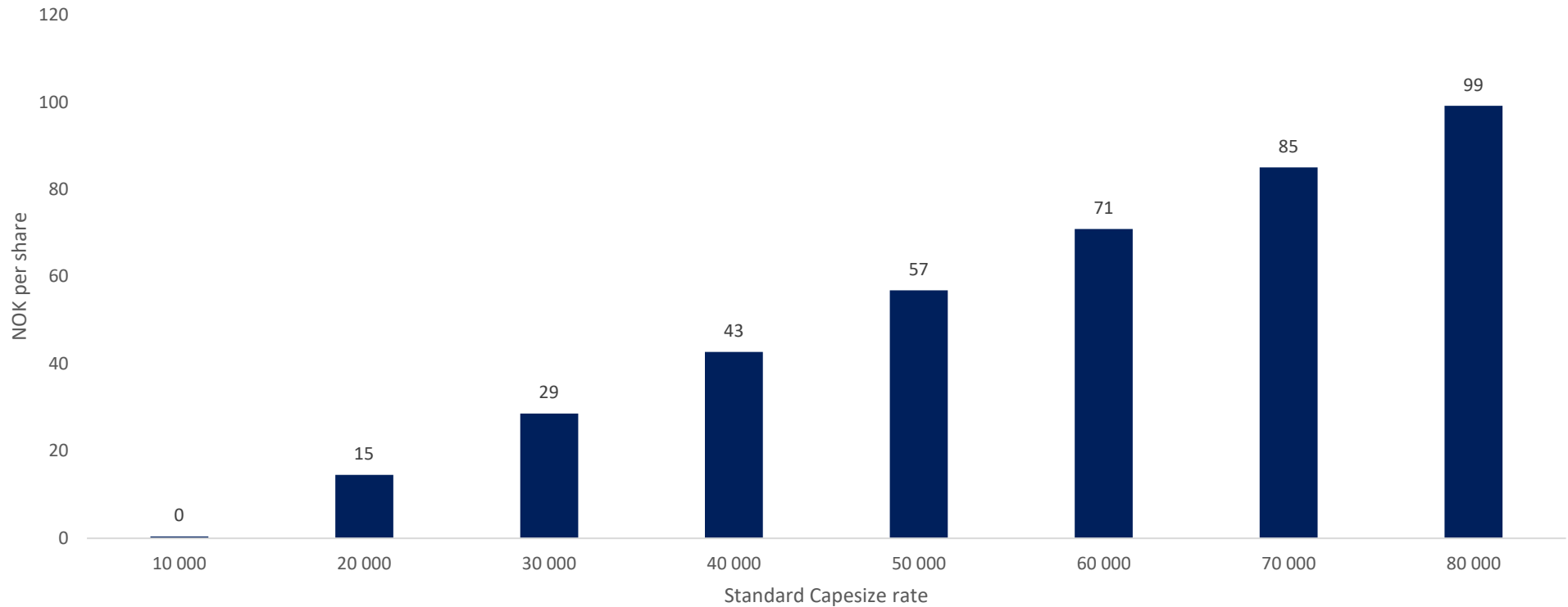
Remaining vessels on index-linked time charters with scrubber profit share

¹⁾ Indicative calculation based on current operating budgets, vessel employment, FX rates and fuel prices. Includes 9.6 days offhire insurance for Bulk Shenzhen in October. Actual results may deviate

²⁾ As of 26 October 2021

Our dividend potential is significant

2022 Indicative dividend capacity (annual run-rate)¹⁾



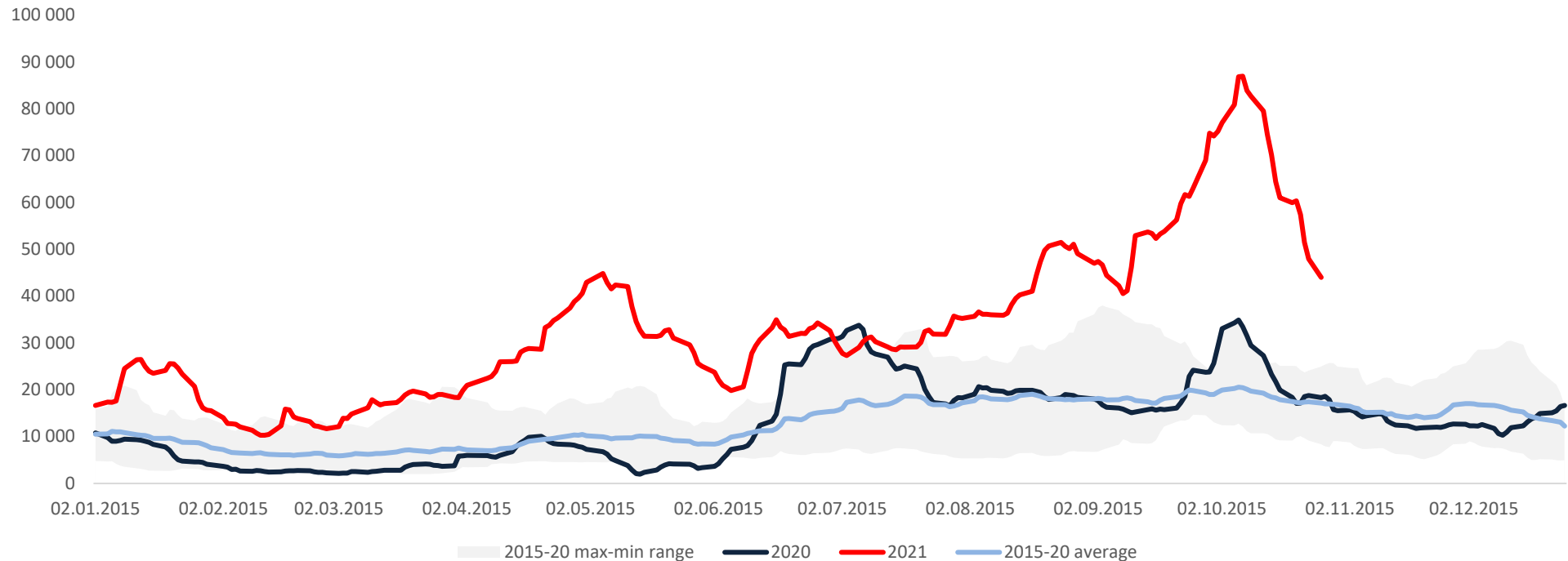
8 vessels on index linked time charters with scrubber profit share

2022 Capesize FFA curve is ~US\$ 22,800 per day²⁾

1) Indicative calculation based on current operating budgets, vessel employment, FX rates and fuel prices. Actual results may deviate.

2) As of 26 October 2021

Capesize rates year to date are the strongest in a decade



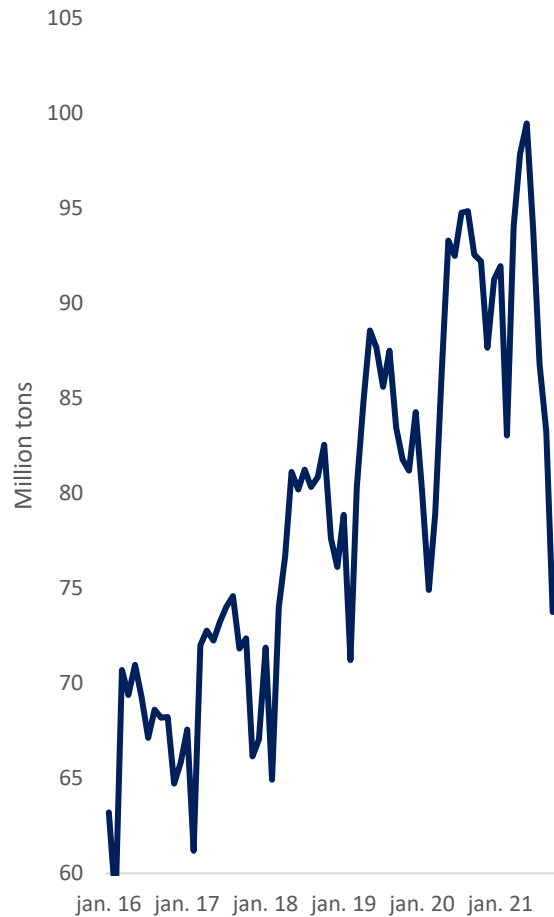
Key market drivers:

- Strong iron ore volumes with YTD Brazilian exports +8% while Australian exports are flat YoY
- Global coal exports + 8% YoY
- Modest fleet growth in 2021 with orderbook of 18 million DWT, compared to 25 million DWT delivered in 2020

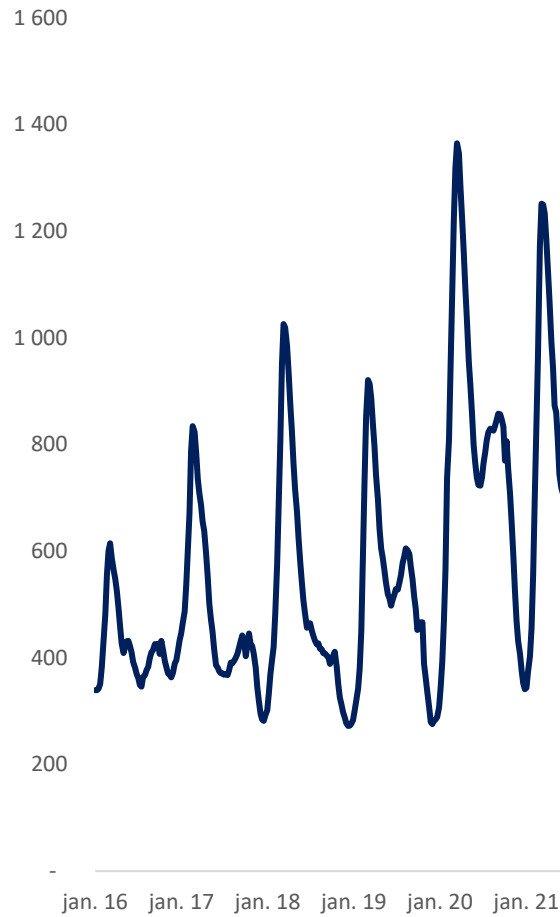
Chinese steel market

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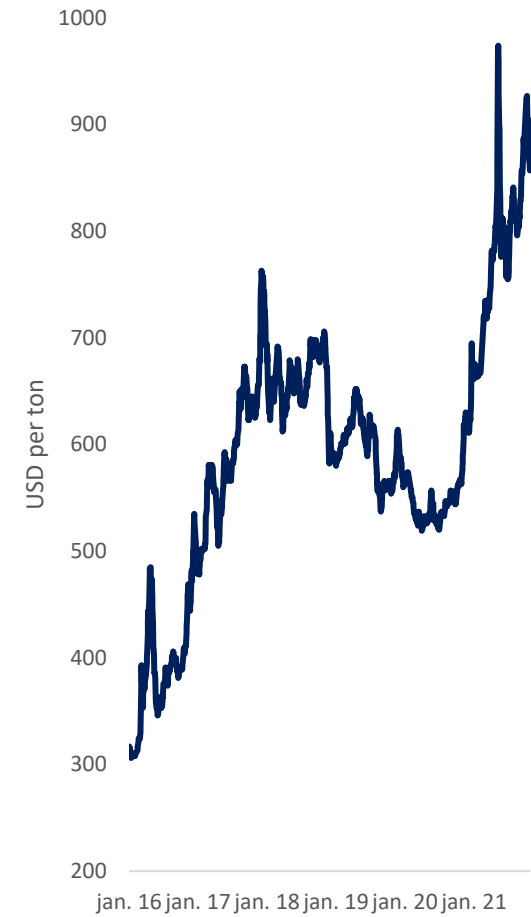
China monthly steel production



China rebar inventories

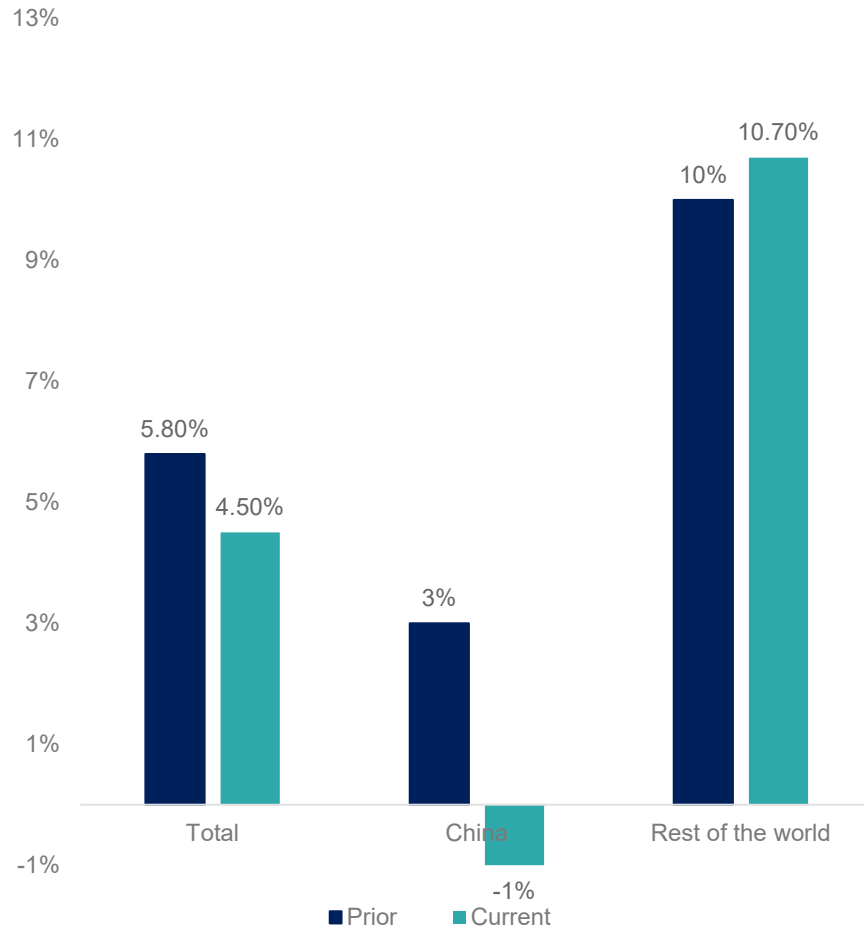


China rebar prices

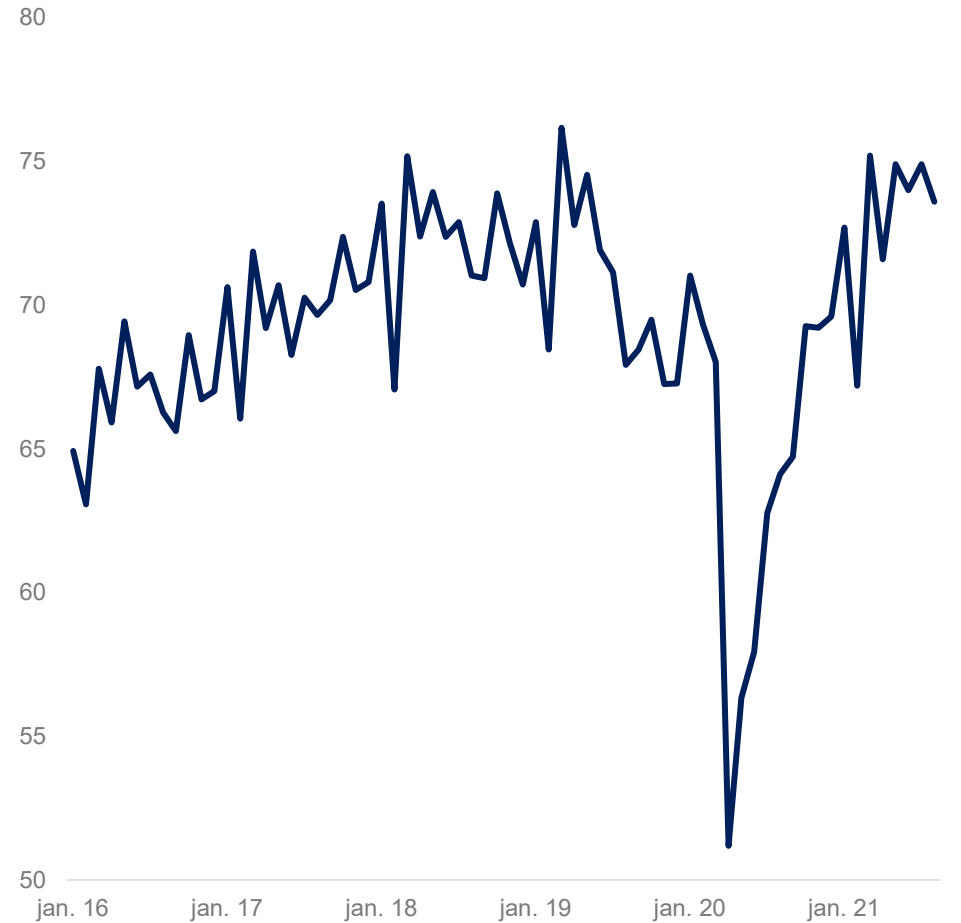


Sources: Arrow Shipbroking group, Bloomberg

2021 Expected growth in steel demand



World ex-China steel output

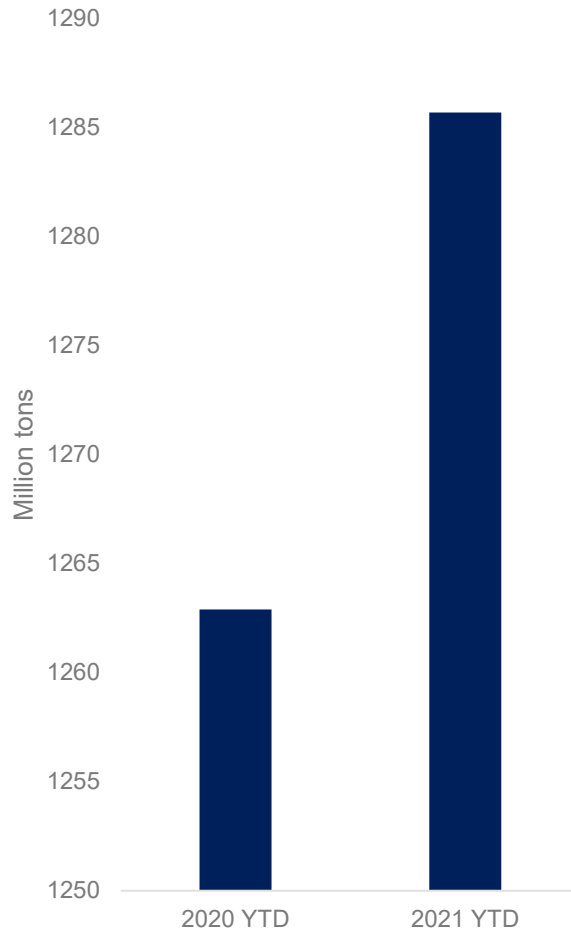


Source: World Steel Association, Arrow Shipbroking group

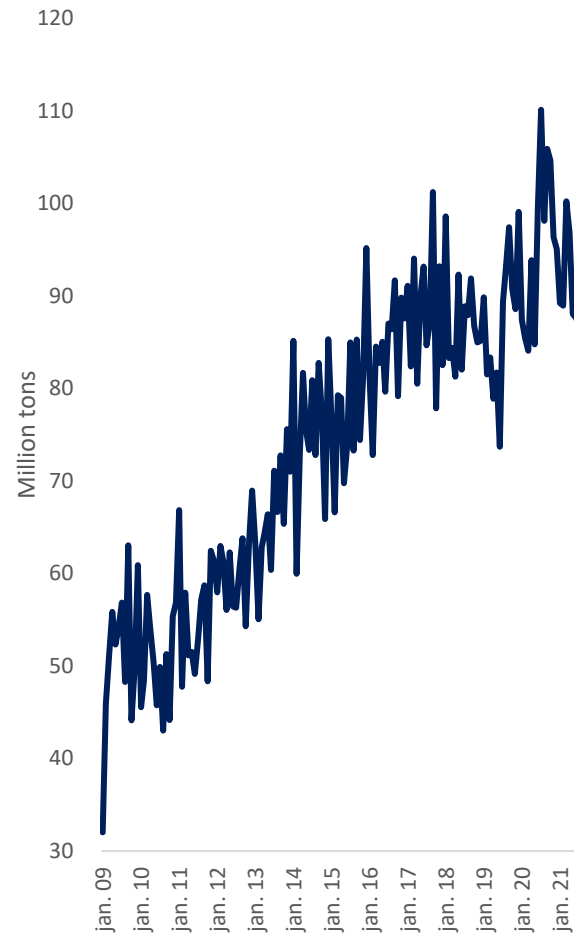
Iron ore

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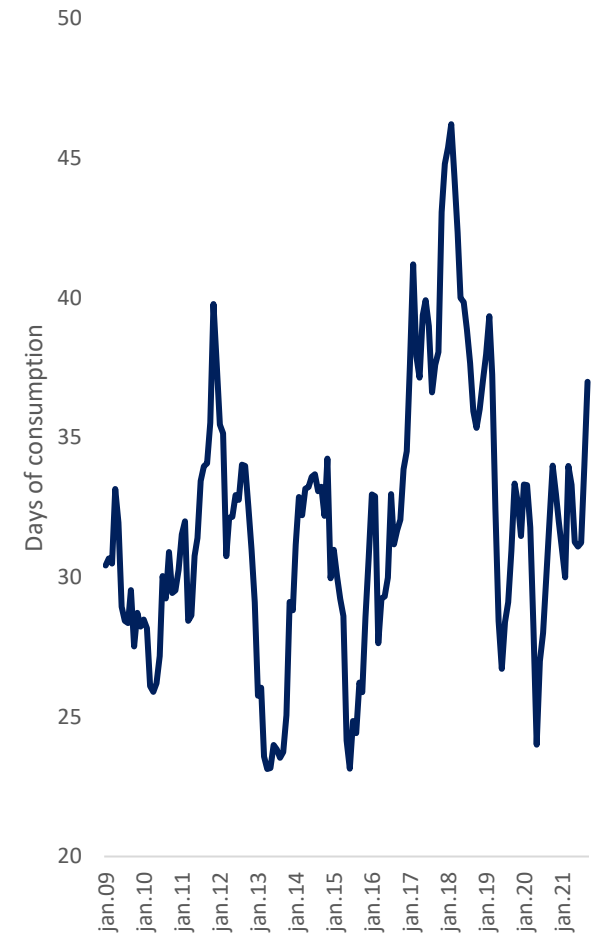
Global iron ore exports



Chinese iron ore imports

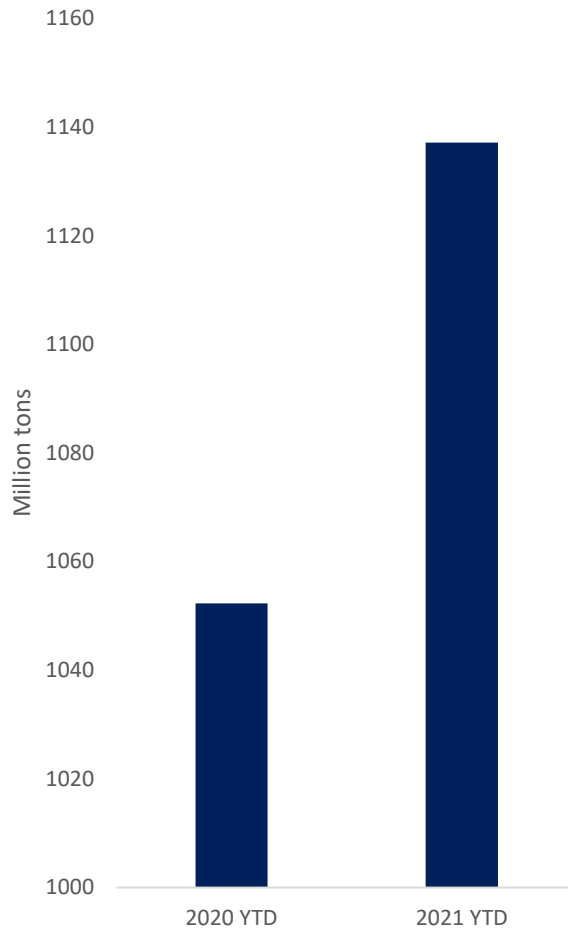


Chinese iron ore inventories

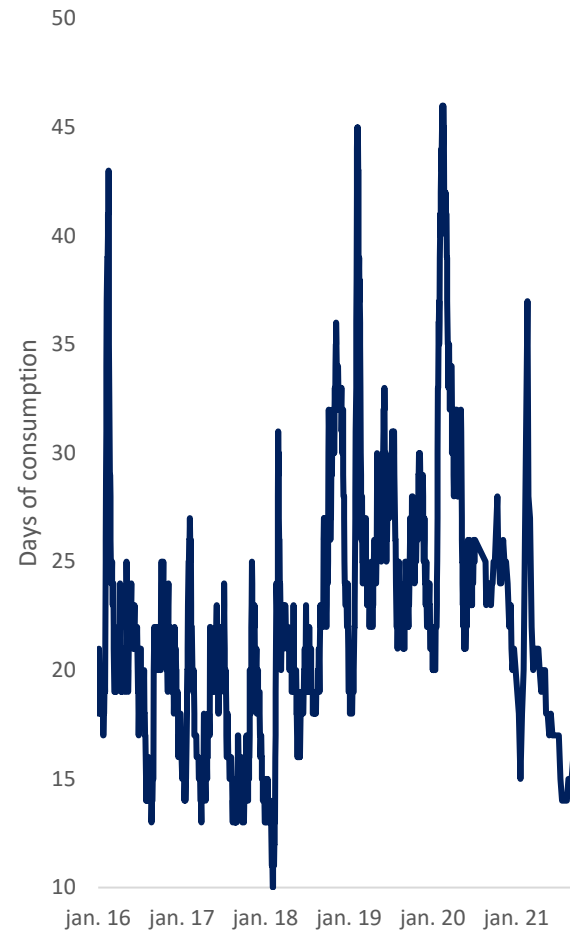


Source: Oceanbolt, Shipping Intelligence Network

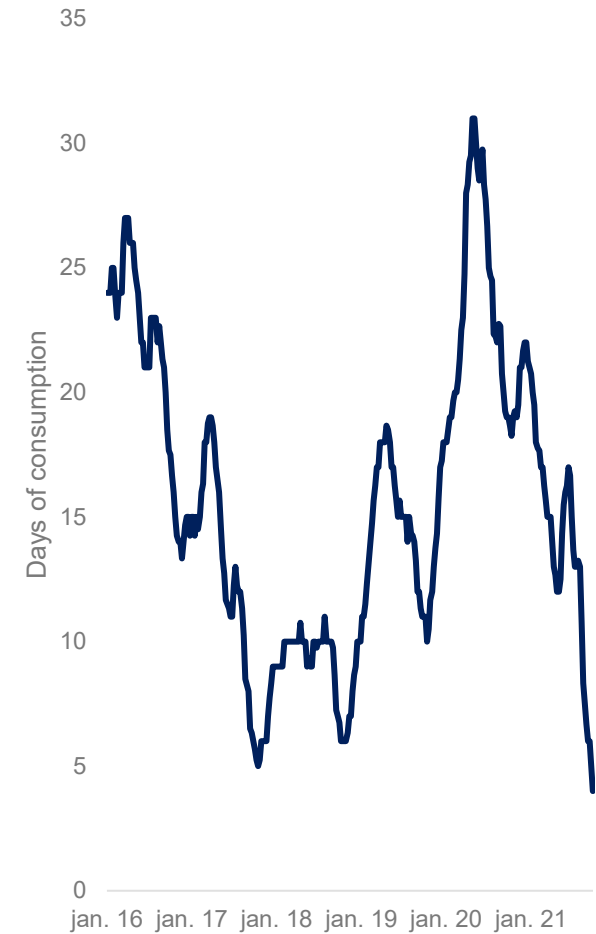
Global coal exports



China coal inventories



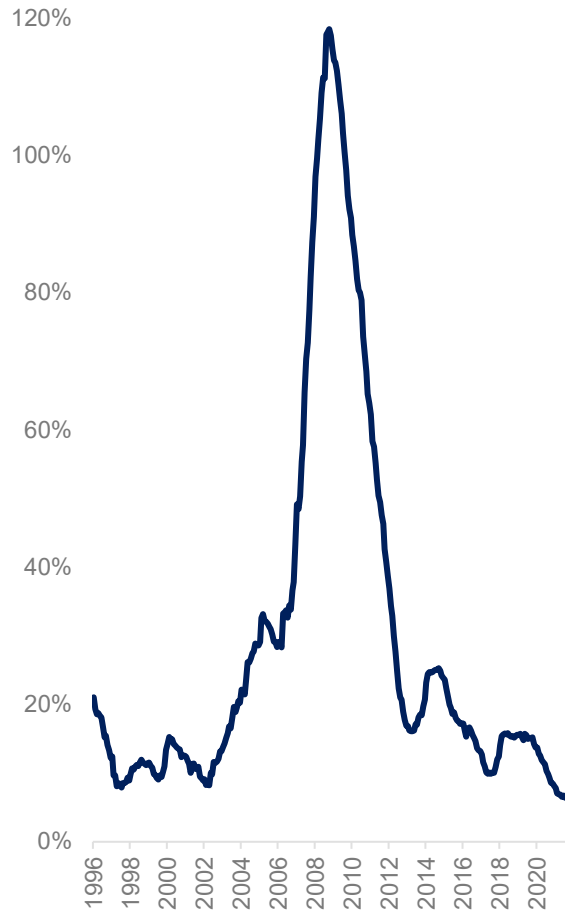
India coal inventories



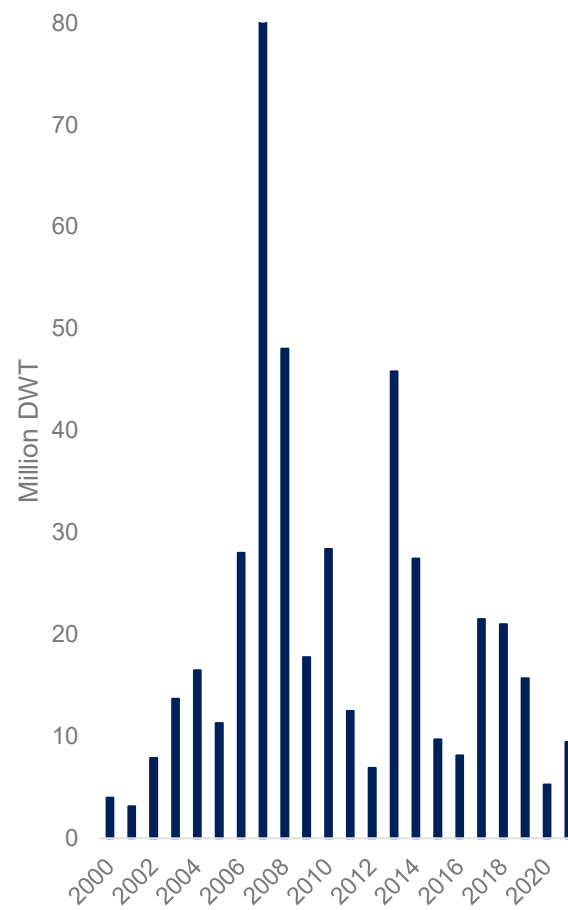
Source: Oceanbolt, Arrow Shipbroking group

Most favorable supply side in decades

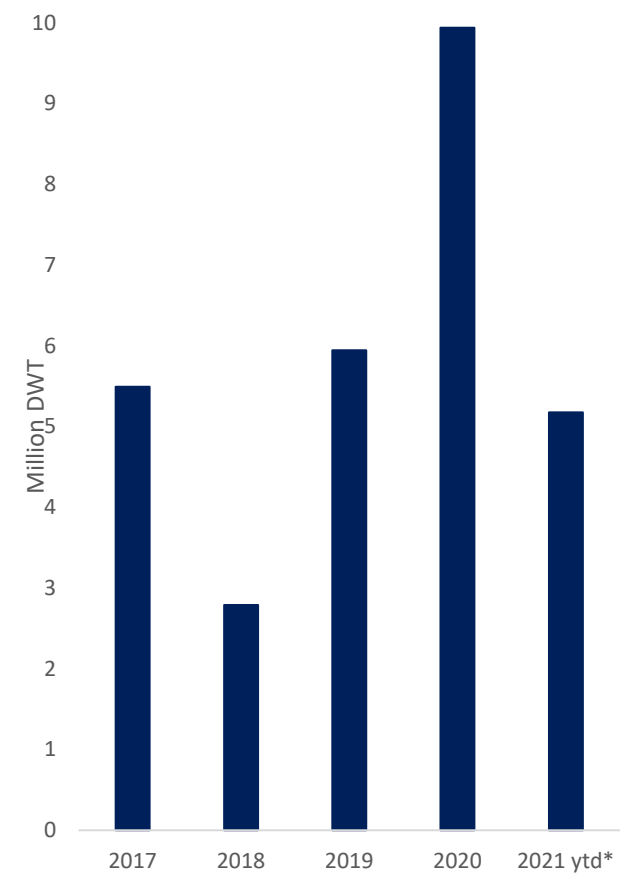
Capesize orderbook as % of fleet



Capesize bulk newbuild contracts



Capesize scrapping



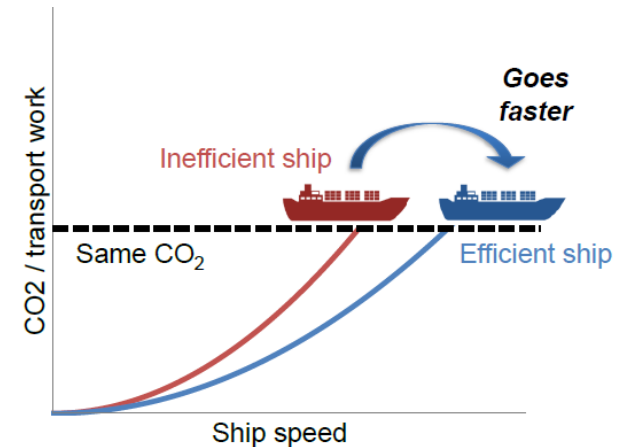
Source: Arrow Shipbroking Group, Shipping Intelligence Network

New IMO regulations to reduce CO₂ emissions

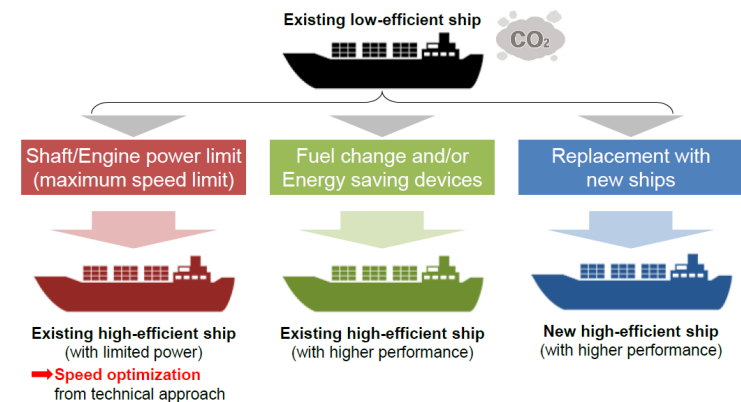
Summary

- The IMO targets reduction in CO₂ intensity from international shipping by 40% from 2008 levels by 2030 and will implement EEXI (Energy Efficiency Existing Ship Index) and CII (Carbon Intensity Indicator) by January 2023
- Non-compliant ships may apply performance enhancing measures and/or reducing the engine's power output.
- Part of the trading fleet may not be able to comply and may have to be retired
- The implementations of EEXI and CII are expected to reduce the average sailing speed of the global fleet, which may lead to efficient ships being favored by charterers and commanding a larger earnings premium
- ABS estimates more than 80% of bulk carriers require corrective action to become compliant
- Based on an assessment from ABS, 2020 Bulkera fleet is in the top 8% percentile of trading capesize vessels

Emission reduction through goal-based measure



Alternatives for complying



Fleet of 8 Newcastlemax vessels, average age 1,5 year, the most modern fleet among listed peers

*Our index vessels earn ~ US\$ 60,000 per day at today's spot rates**

2021 CBE budget of USD 14,500/ship/day

Six ships fixed for November & December at an average of US\$47,400 per day

*FFA curve implies TCE for a scrubber fitted Newcastlemax of ~US\$32,000 per day for 2022**

Free cash flow paid as monthly dividends

Most favorable supply side dynamics in more than 30 years