

# 2020 BULKERS



2020 Bulkera Ltd.

Q3 2024 Results presentation  
November 13, 2024

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# Highlights

## Q3 2024 Highlights:

- Net profit of US\$11.6 million, EPS of US\$0.50
- Achieved time charter equivalent earnings of approximately US\$36,600 per day, gross
- Declared total dividends of US\$0.57 per share for the months of July - September, 2024

## Subsequent events:

- Achieved time charter equivalent earnings for October 2024 of approximately US\$31,400 per day, gross
- Declared a dividend of US\$0.15 per share for the month of October 2024

## Key Financials Q3 2024

## Income Statement

USD million, except per share data	Q3 2024
<b>Operating Revenues</b>	<b>19.9</b>
Vessel operating expenses	(3.9)
Voyage expenses and commission	(0.3)
General and administrative expenses	(1.0)
Depreciation and amortization	(2.2)
<b>Total operating expenses</b>	<b>(7.4)</b>
<b>Operating Profit</b>	<b>12.5</b>
Interest expense	(1.1)
Other financial income (expense)	0.4
<b>Total financial expense, net</b>	<b>(0.7)</b>
<b>Net income before income taxes</b>	<b>11.8</b>
<b>Tax expense</b>	<b>(0.2)</b>
<b>Net profit</b>	<b>11.6</b>
Earnings per share (USD/share)	0.50

## Comments

- Net profit of US\$11.6 million
- Operating profit of US\$12.5 million
- EBITDA of US\$14.7 million
- Earnings per share of US\$0.50
- Operating revenues of US\$19.9 million. Average time charter equivalent earnings of approx. US\$36,600 per day, gross.
- Vessel operating expenses of US\$3.9 million. Average operating expenses of approx. US\$7,000 per day per vessel
- G&A was US\$1.0 million. 2020 Bulkera charged Himalaya Shipping approx. US\$0.4 million in management fees for Q3 included in Operating revenues.
- Interest expense of US\$1.1 million, net of US\$1.2 million in amortization of realized interest rate swap gain.

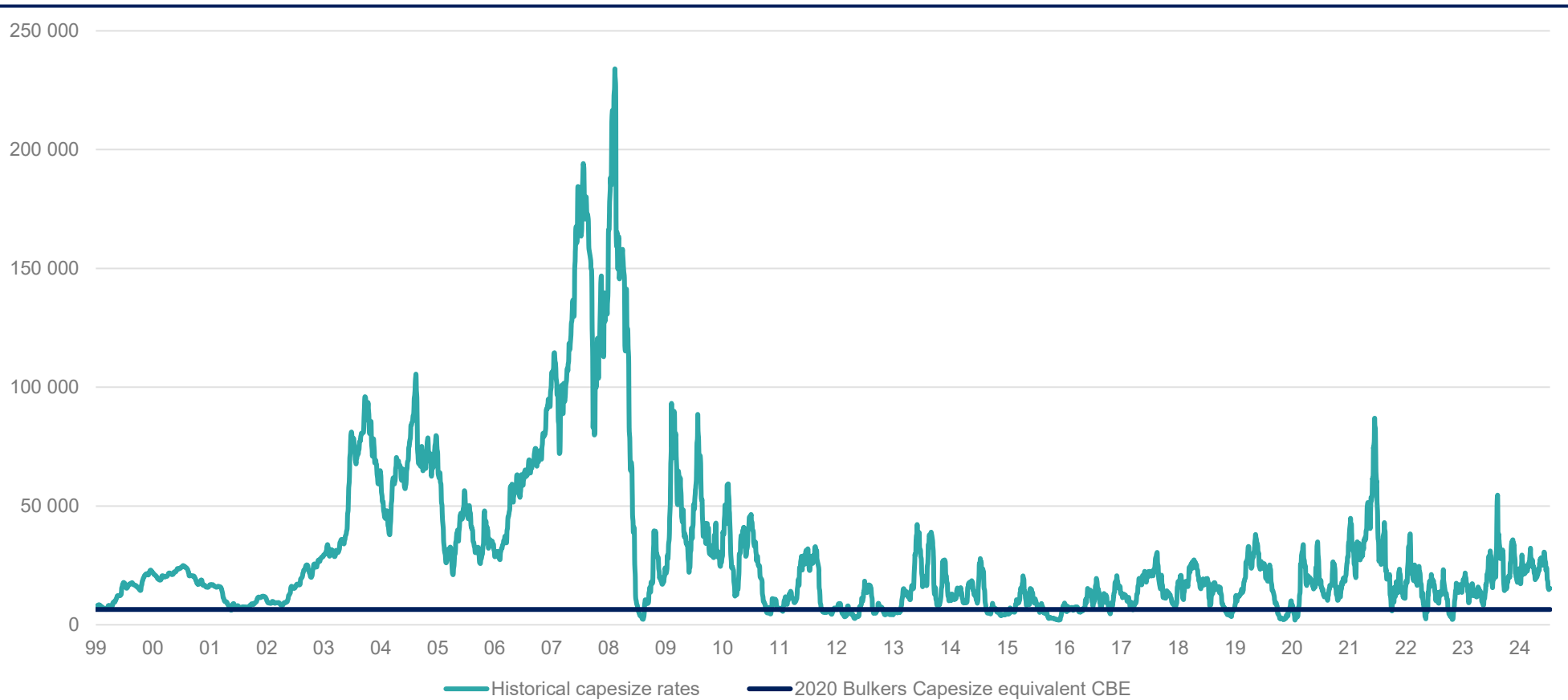
## Balance Sheet Summary

USD million	September 30, 2024
<b>Total assets</b>	<b>274.1</b>
<b>Equity</b>	<b>157.9</b>
<b>Cash and cash equivalents</b>	<b>21.2</b>
<b>Interest bearing debt</b>	<b>112.5</b>

## Comments

- Shareholders' equity of US\$157.9 million
- Interest bearing debt of US\$112.5 million. No amortization until maturity in April 2029.
- Cash flow from operations was US\$14.8 million in Q3 2024
- Dividends in total of US\$0.57 per share declared for the months of July, August and September 2024.
- Solid liquidity position with US\$21.2 million of cash.

# Robust cash breakeven

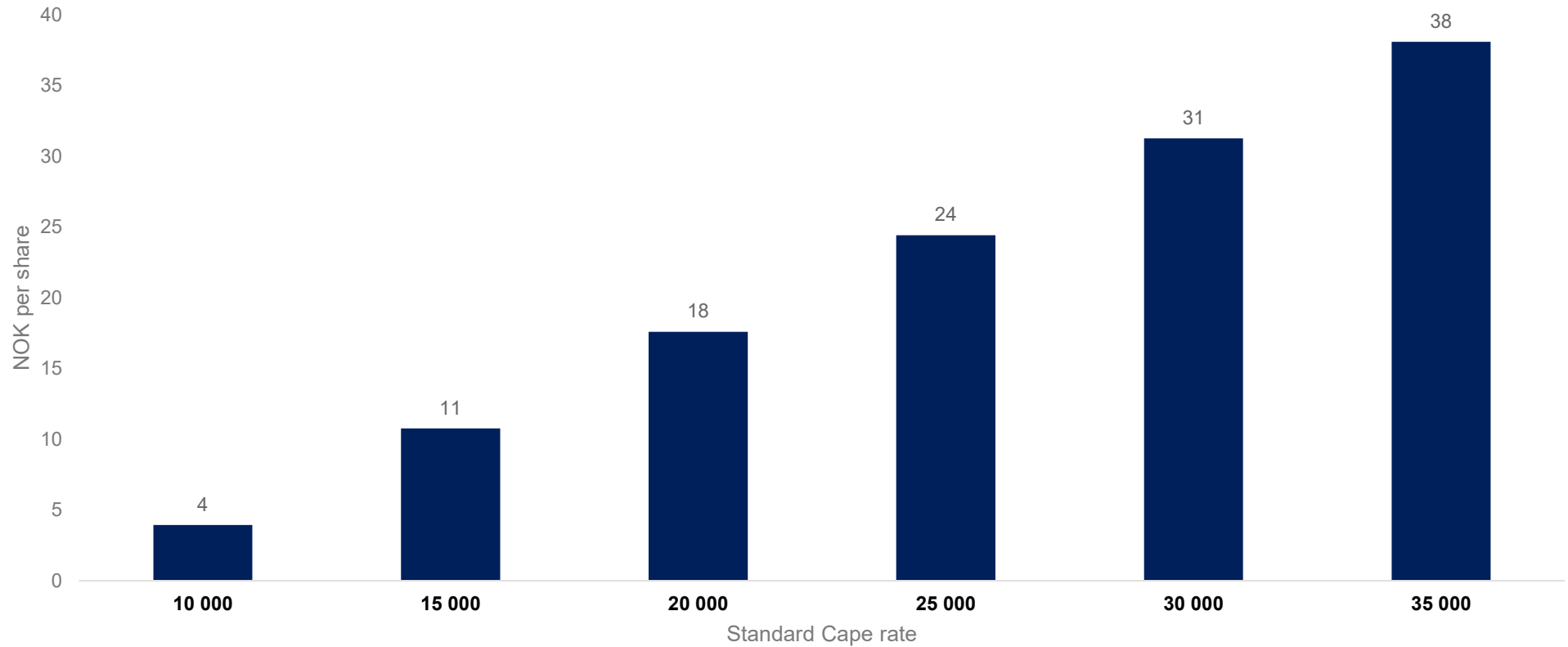


- Cash breakeven of US\$11,700 per day, requires Capesize rates of US\$6,900 per day

Source: Shipping Intelligence Network. Illustrative Capesize equivalent CBE calculated by the Company

# Our dividend potential is significant

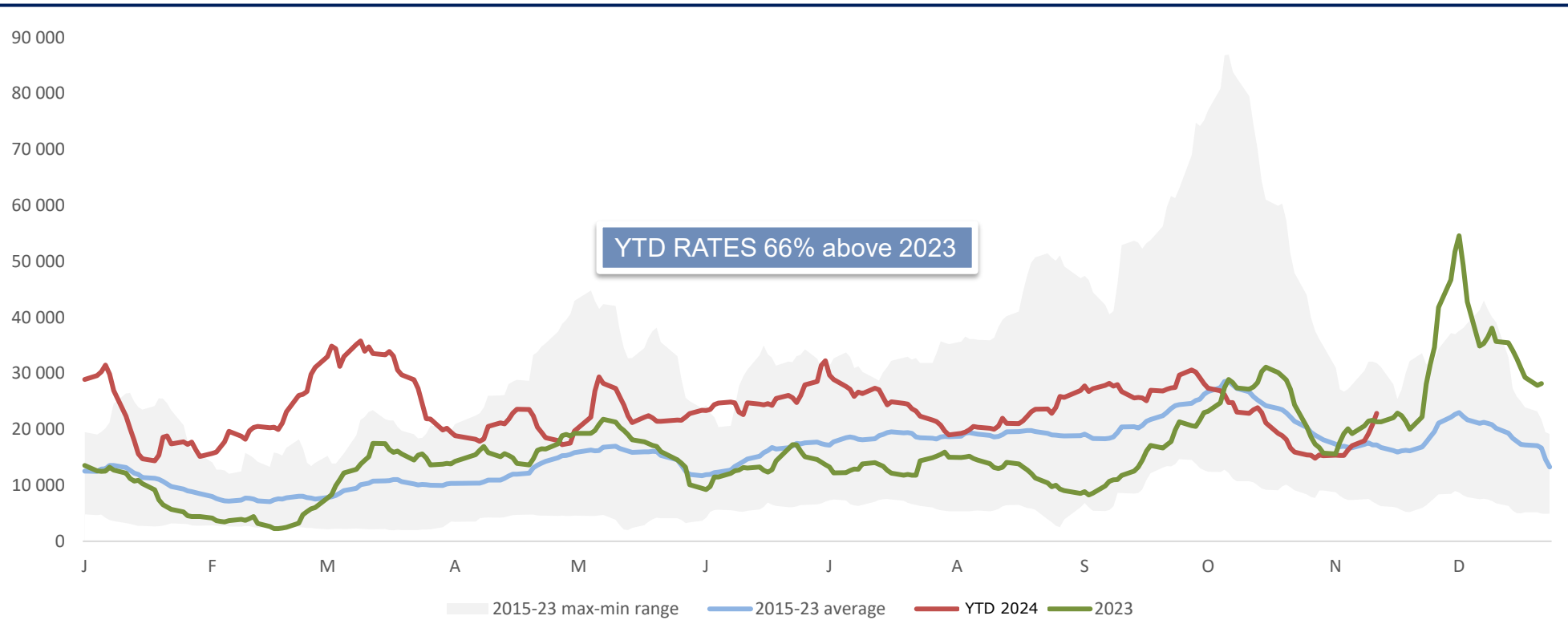
Illustrative annualized FCF per share



December 2024 FFA curve is US\$27,000

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

# Market review



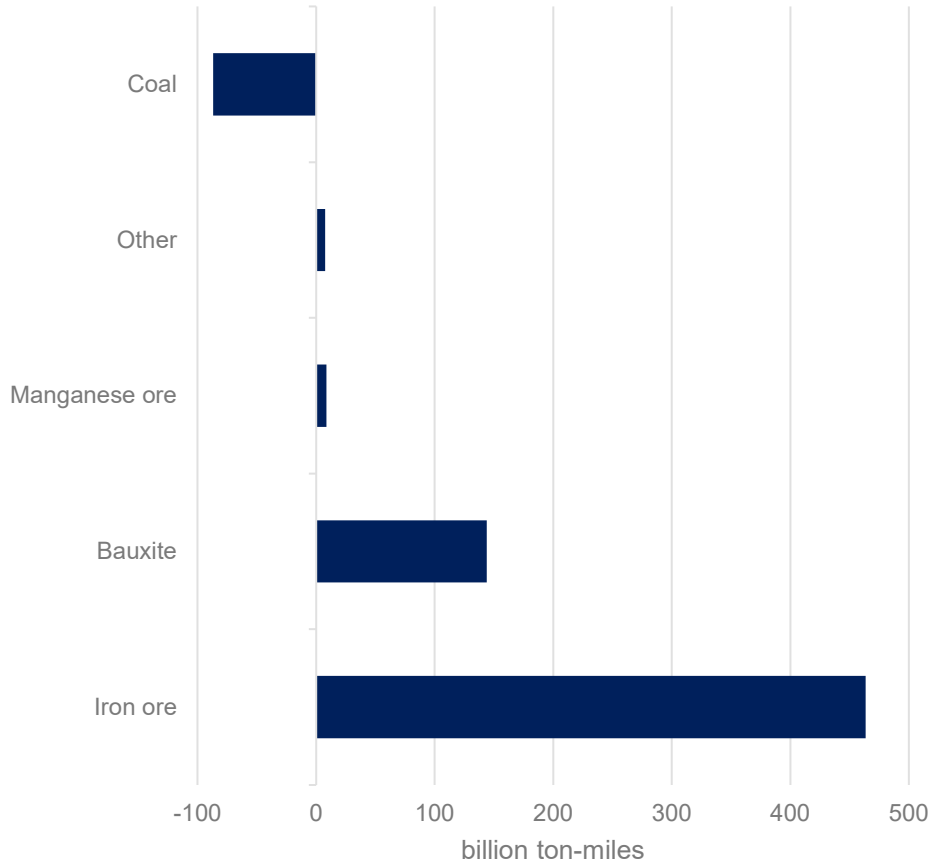
- Capesize ton-miles grew 5.4% YTD 2024
- Brazilian Iron Ore shipments up 18% YTD
- Bauxite ton miles 15% above YTD 2023

Source: Shipping Intelligence Network

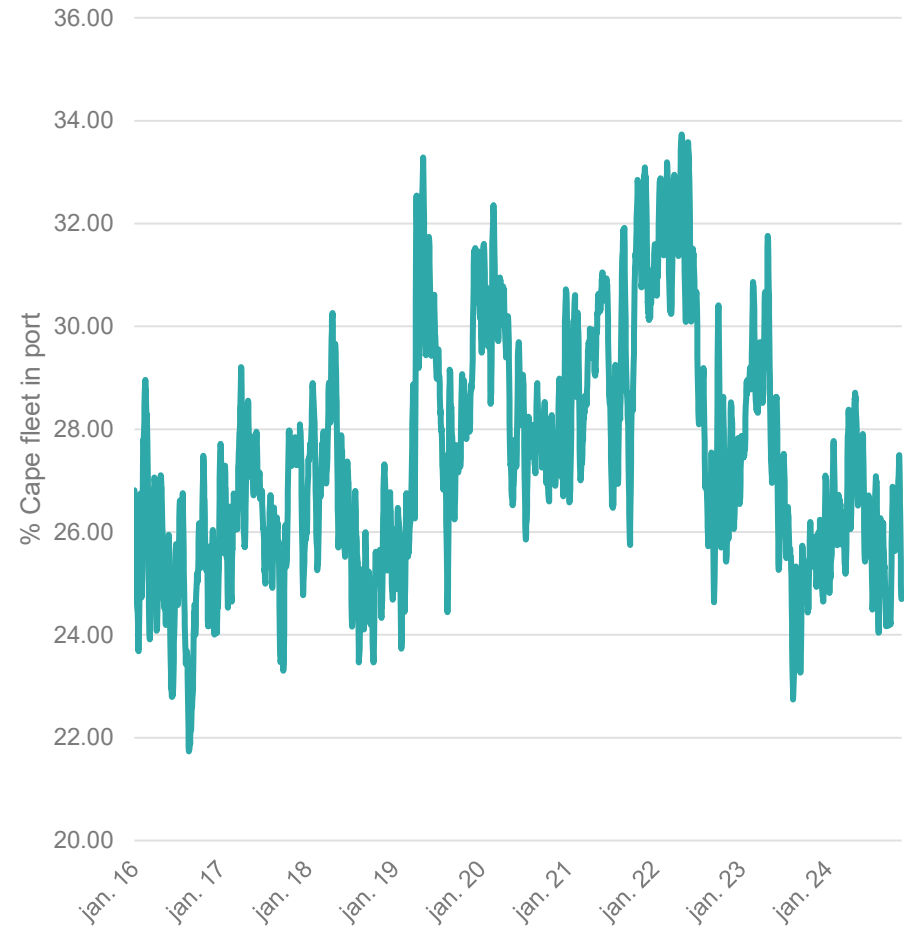


# Capesize trade growth and fleet productivity

**Capesize ton-miles grew 5.4% YTD**

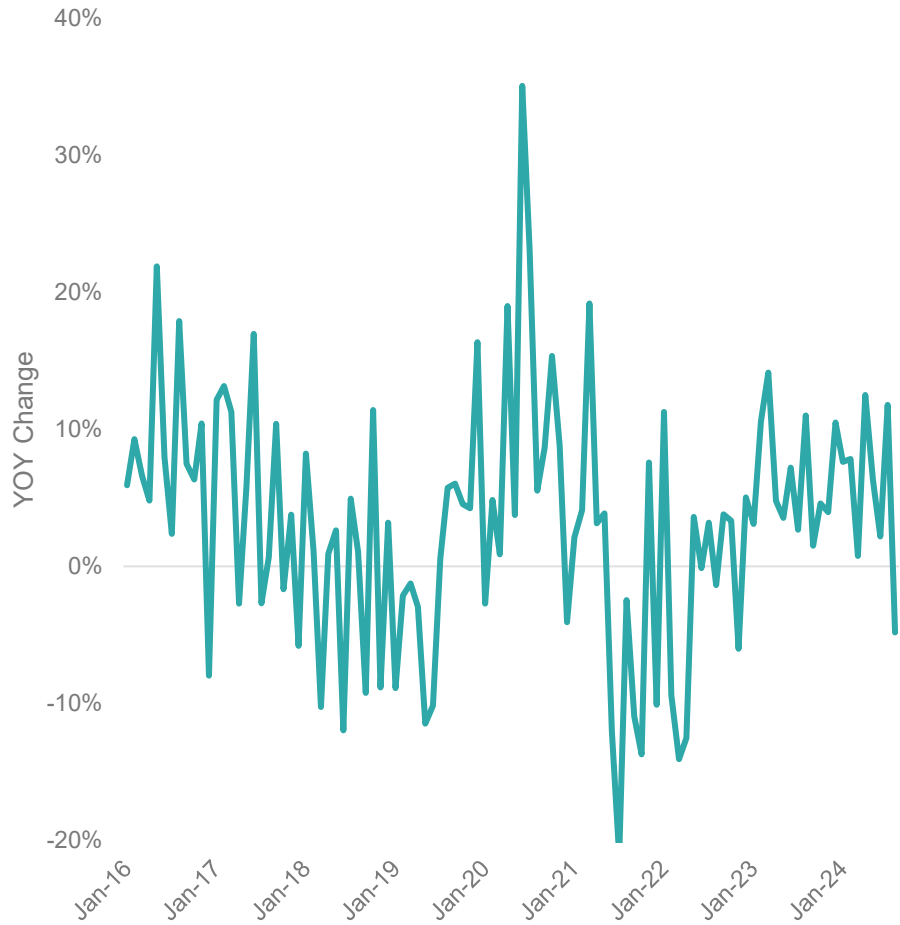


**Fleet congestion in "mid-range"**

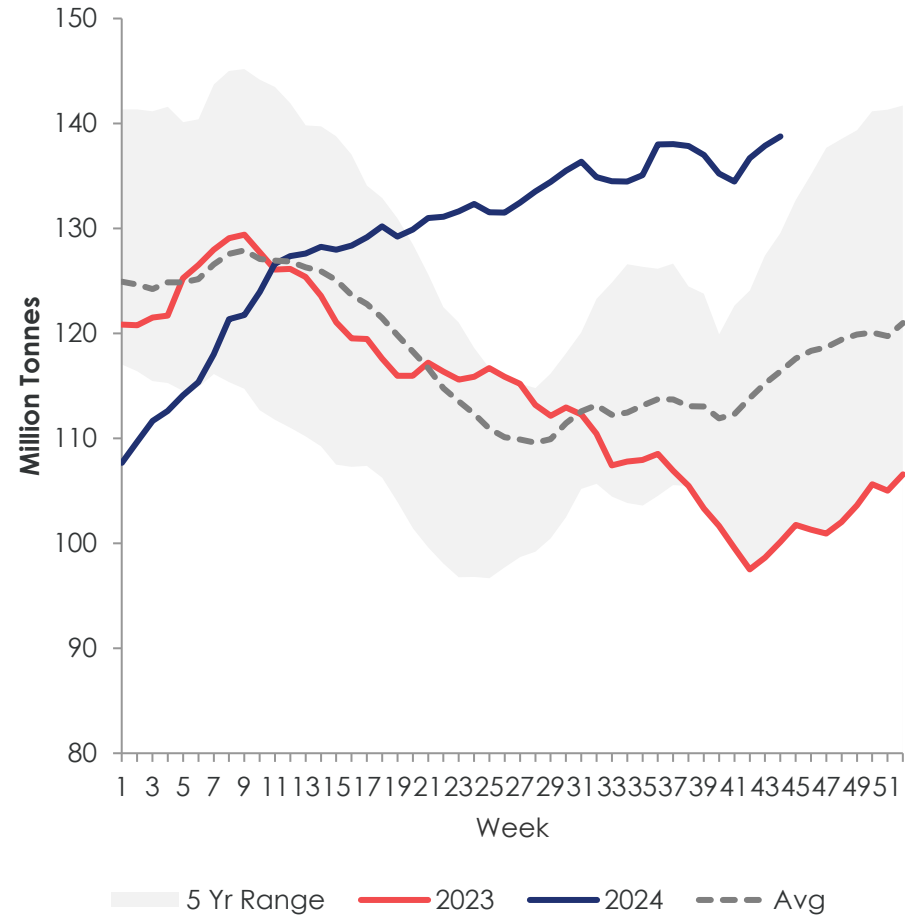


Source: Arrow Shipbroking, Shipping Intelligence Network

### China Iron Ore Imports up 5% in 2024 YTD



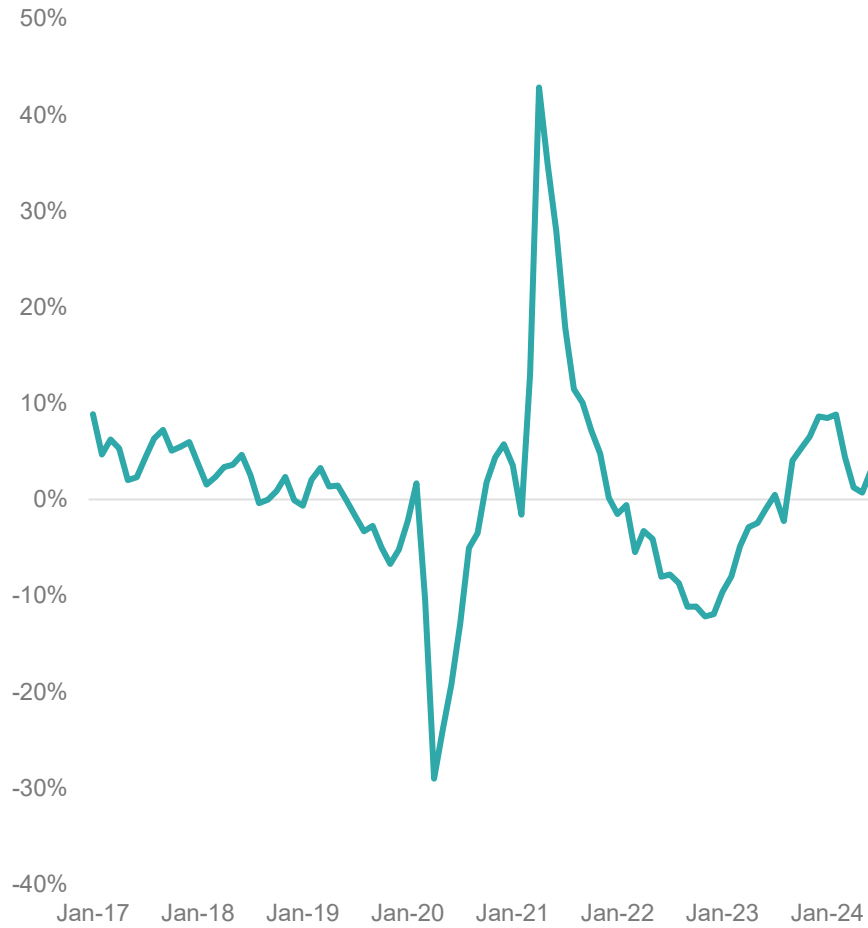
### Iron Ore inventories in China have risen



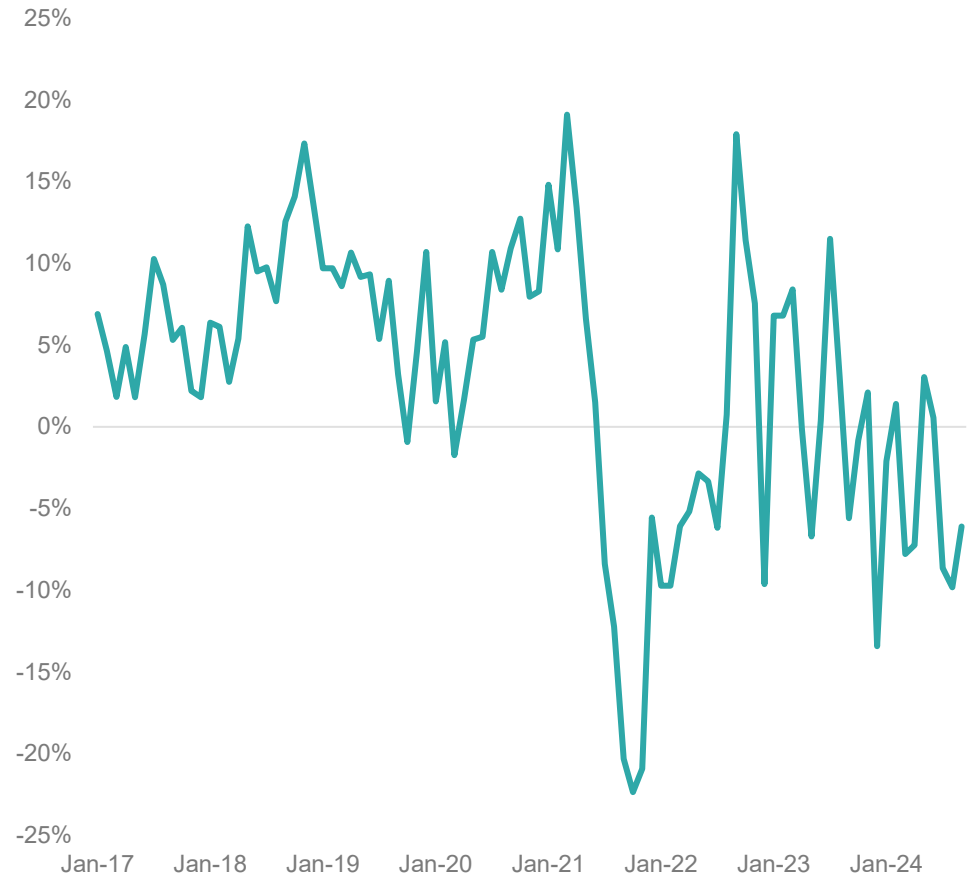
Sources: Shipping Intelligence Network, Clarksons Securities

# Steel market

**World ex-China monthly steel output - YoY**

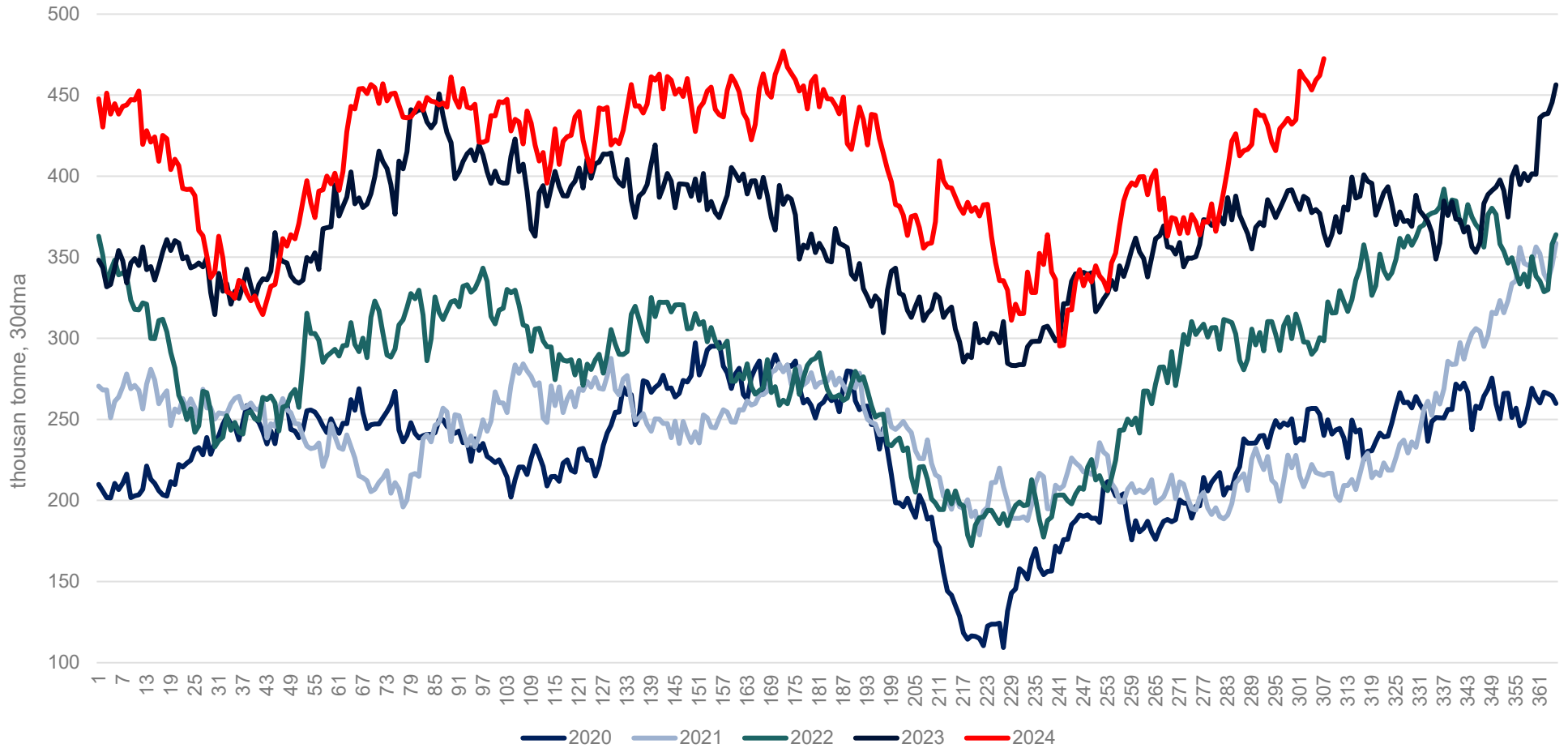


**China monthly steel output - YoY**



Source: Shipping Intelligence Network

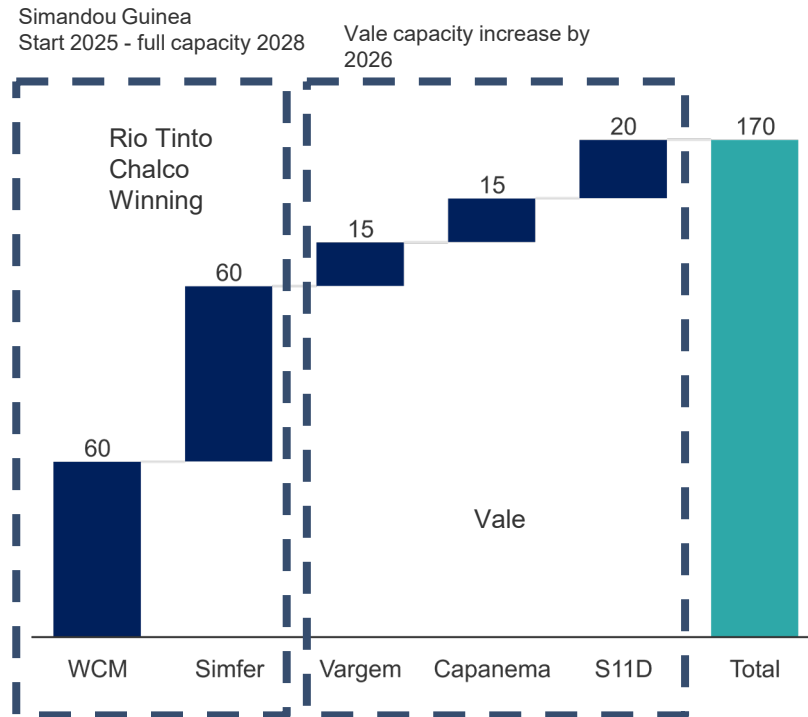
## Bauxite exports from Guinea



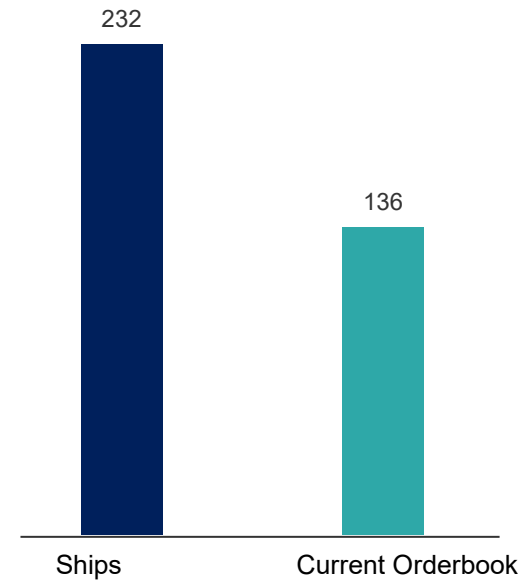
Source: Arrow Shipbroking

# Tonne-mile demand to rocket on more iron ore from Atlantic

## Atlantic volumes increasing



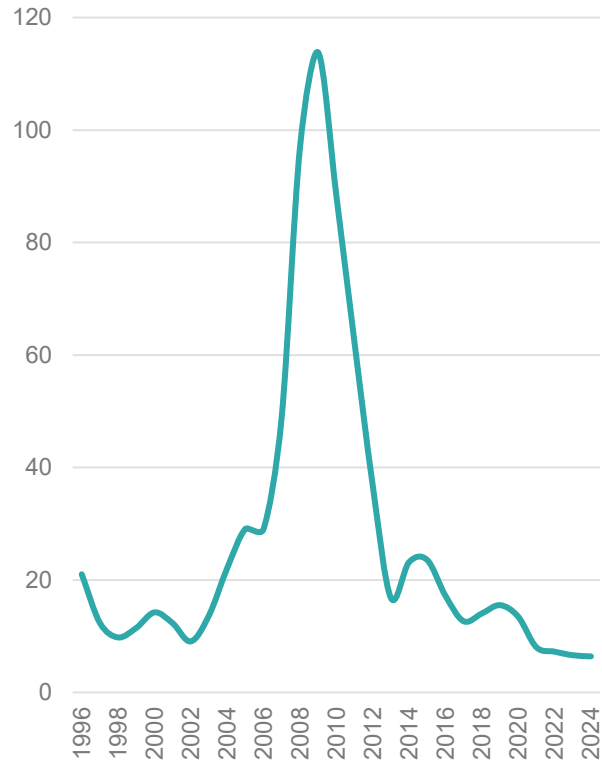
## Will require 150% of the orderbook\*



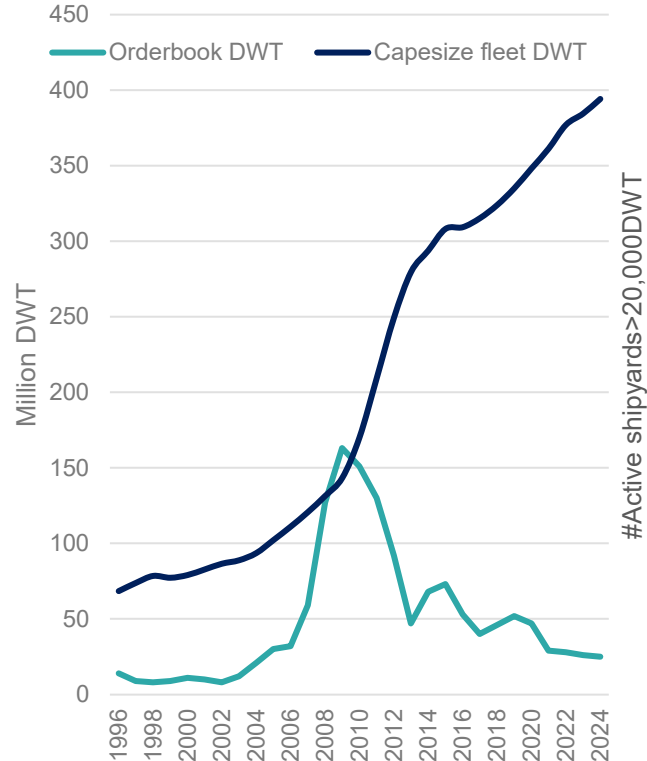
Sources: Rio Tinto, Vale, Clarkson's, Himalaya Shipping \*) Assumed 170MT per year carried on a 210 DWT Newcastlemax (Fully laden). Each ship able to do 3.65 RV's pr year

## Favorable supply side dynamics

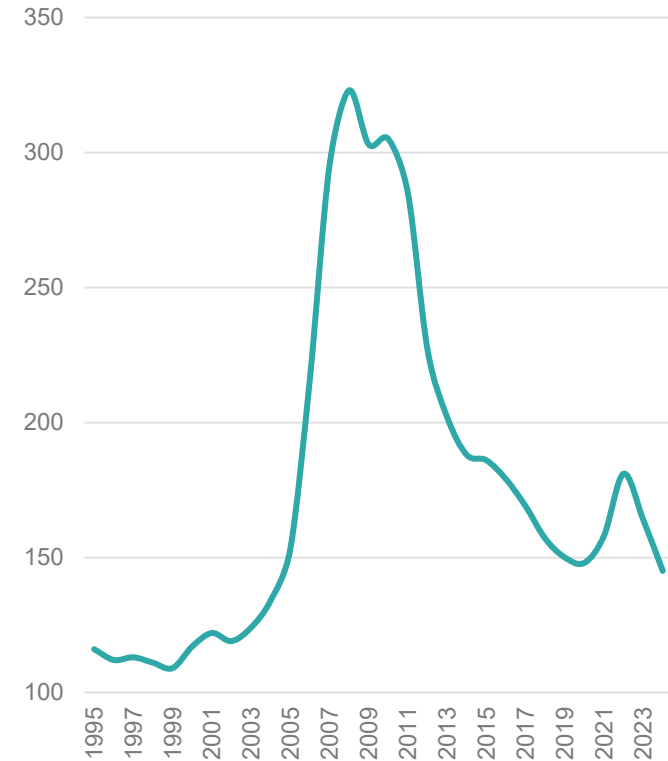
### % of Capesize fleet on order



### Nominal orderbook vs existing fleet



### Active shipyards down 50% from peak

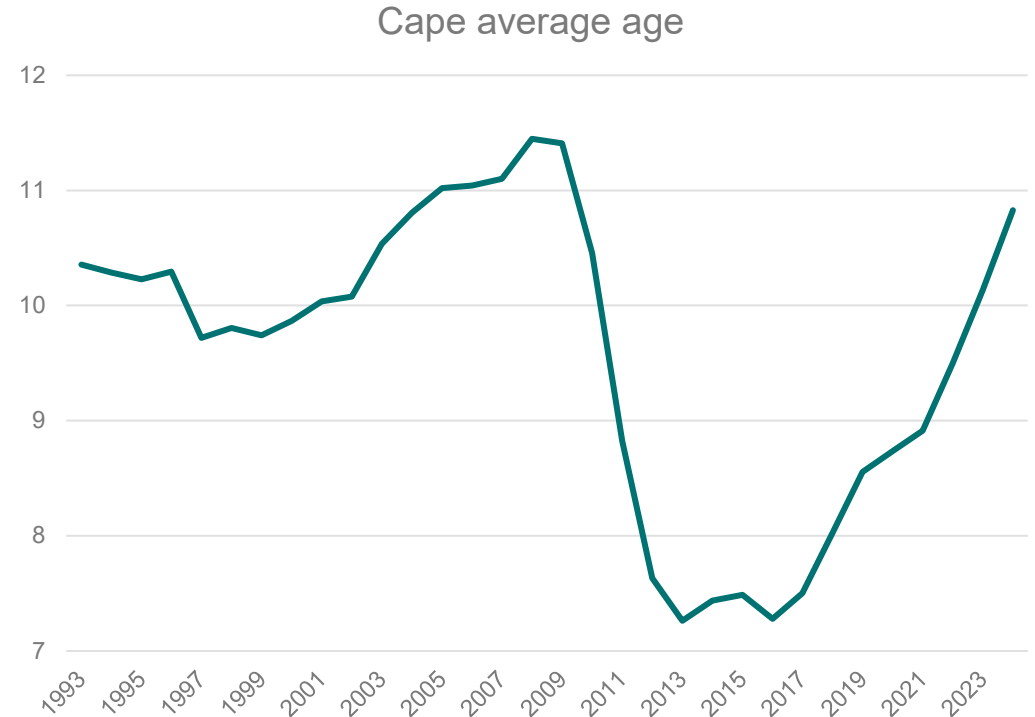
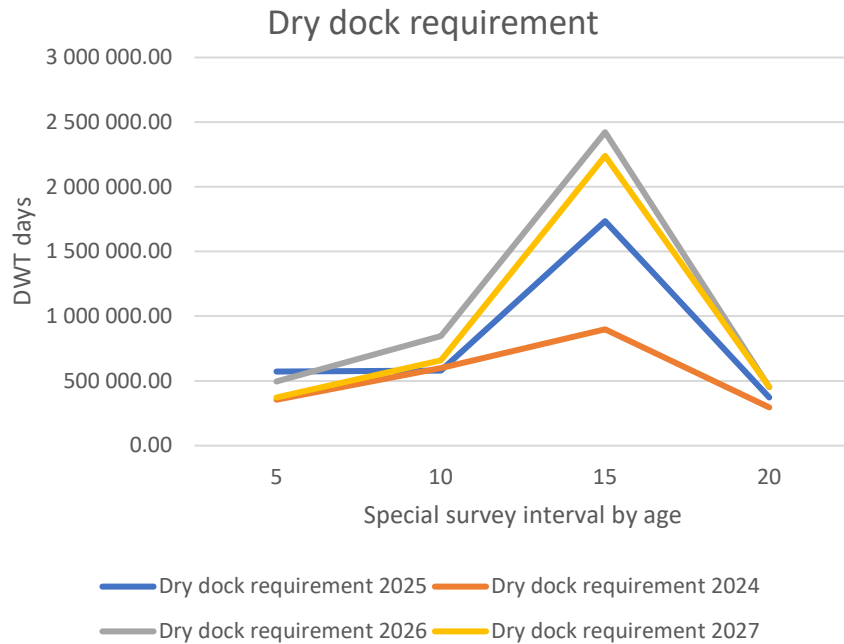


Limited yard capacity before 2028 for Capesize / Newcastlemax  
Pricing \$78-80 mill for a Newcastlemax with scrubber

Source: Shipping Intelligence Network

# Mandatory dry docking to increase significantly in 2025 - 2027

Drydock data implies up to 2-3% further supply restrictions fleet-wide over the next 3 years

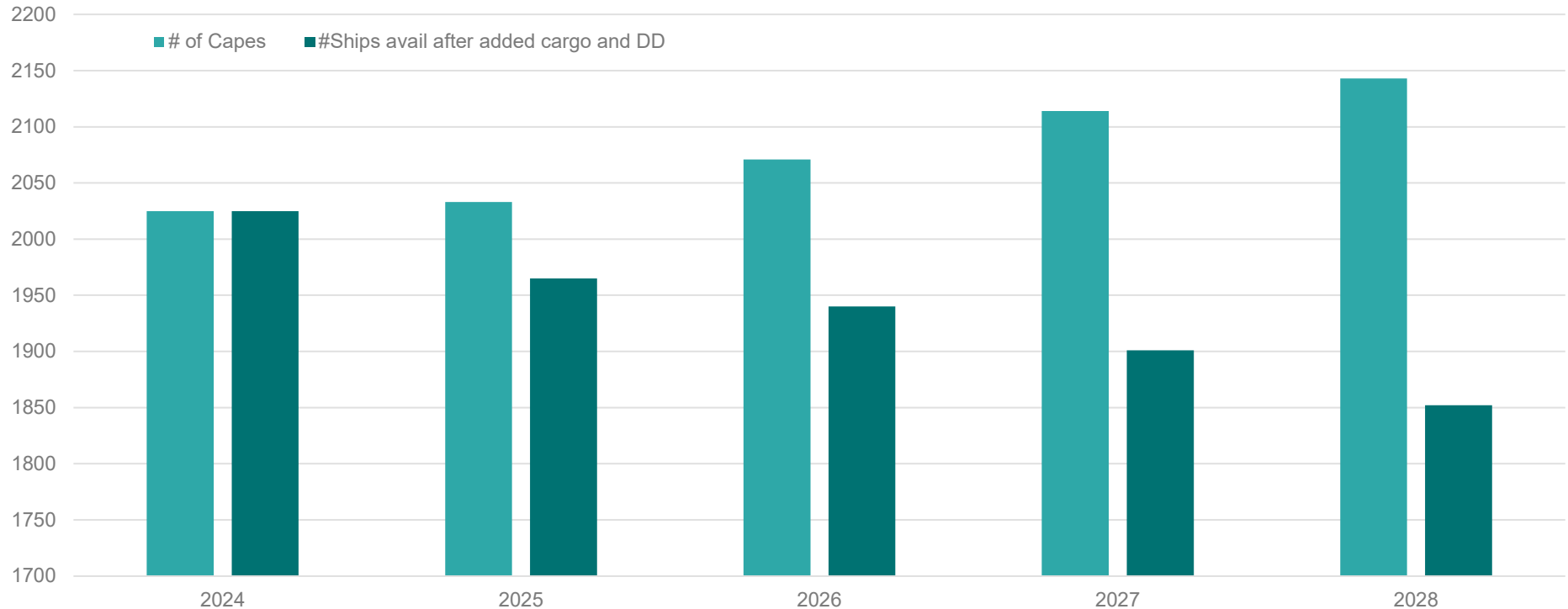


- 52% increase in est. supply outtake due to DD '24->'25
- 2010 was a big delivery year - hence over 10% of the fleet will engage in 15 year SS in 2025 (23% of the Cape fleet will need dry dock in total during 2025)

- 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: Shipping Intelligence Network. Arrow Shipbroking. Illustrative Capesize DD requirement calculated by the Company

## Net fleet availability next four years



- *Net effect of new volumes from Simandou and additional DD and new deliveries is anticipated to have a significant positive effect on the market.*
- *Reduction of 6.5% available tonnage days in 2028 compared to 2025*
- *Combined net effect of 290 Capes, which does NOT include inevitable scrapping.*

Source: Shipping Intelligence Network. Arrow shipbroking. Illustrative Capesize equivalent DWT-days calculated by the Company, using required time for DD 16 days and 100 days round voyage for Wafr volumes - 170mMT/year



Thank you

