

2020 BULKERS

2020 Bulkers Ltd.
Q1 2023 Results presentation
May 10, 2023



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Highlights

Q1 2023 Highlights:

- Net profit of US\$0.8 million, EPS of US\$0.04
- Achieved time charter equivalent earnings of approximately US\$17,500 per day, gross
- Declared total cash distributions of US\$0.04 per share for the months of January – March 2023
- Entered into new index-linked time charters for Bulk Santos and Bulk Sao Paulo until Q2 2025
- Entered into a new time charter for Bulk Sydney at US\$19,000 until end May 2023, thereafter 9-15 month index-linked plus scrubber benefits
- Extended time charters for Bulk Shanghai and Bulk Seoul at US\$22,850 until September 30, thereafter 6 months index-linked plus scrubber benefits

Subsequent events:

- Achieved time charter equivalent earnings in April 2023 of approximately US\$24,400 per day, gross
- Declared a cash distribution of US\$0.07 per share for the month of April

Key Financials Q1 2023

Income Statement

USD million, except per share data	Q1 2023
Operating Revenues	12.6
Vessel operating expenses	(5.0)
Voyage expenses and commission	(0.2)
General and administrative expenses	(1.0)
Depreciation and amortization	(2.9)
Total operating expenses	(9.1)
Operating Profit	3.5
Interest expense	(2.7)
Total financial expense, net	(2.7)
Tax expense	-
Net profit	0.8
Earnings per share (USD/share)	0.04

Comments

- Net profit of US\$0.8 million
- Operating profit of US\$3.5 million
- EBITDA of US\$6.4 million
- Earnings per share of US\$0.04
- Operating revenues of US\$12.6 million. Average time charter equivalent earnings of approx. US\$17,500 per day, gross.
- Vessel operating expenses of US\$5.0 million. Average operating expenses of approx. US\$6,900 per day per vessel
- G&A was US\$1.0 million including US\$0.1 million in share option expenses. 2020 Bulkera charged Himalaya Shipping approx. US\$0.4 million in management fees for Q1 included in Operating revenues.
- Interest expense of US\$2.7 million.

Balance Sheet Summary

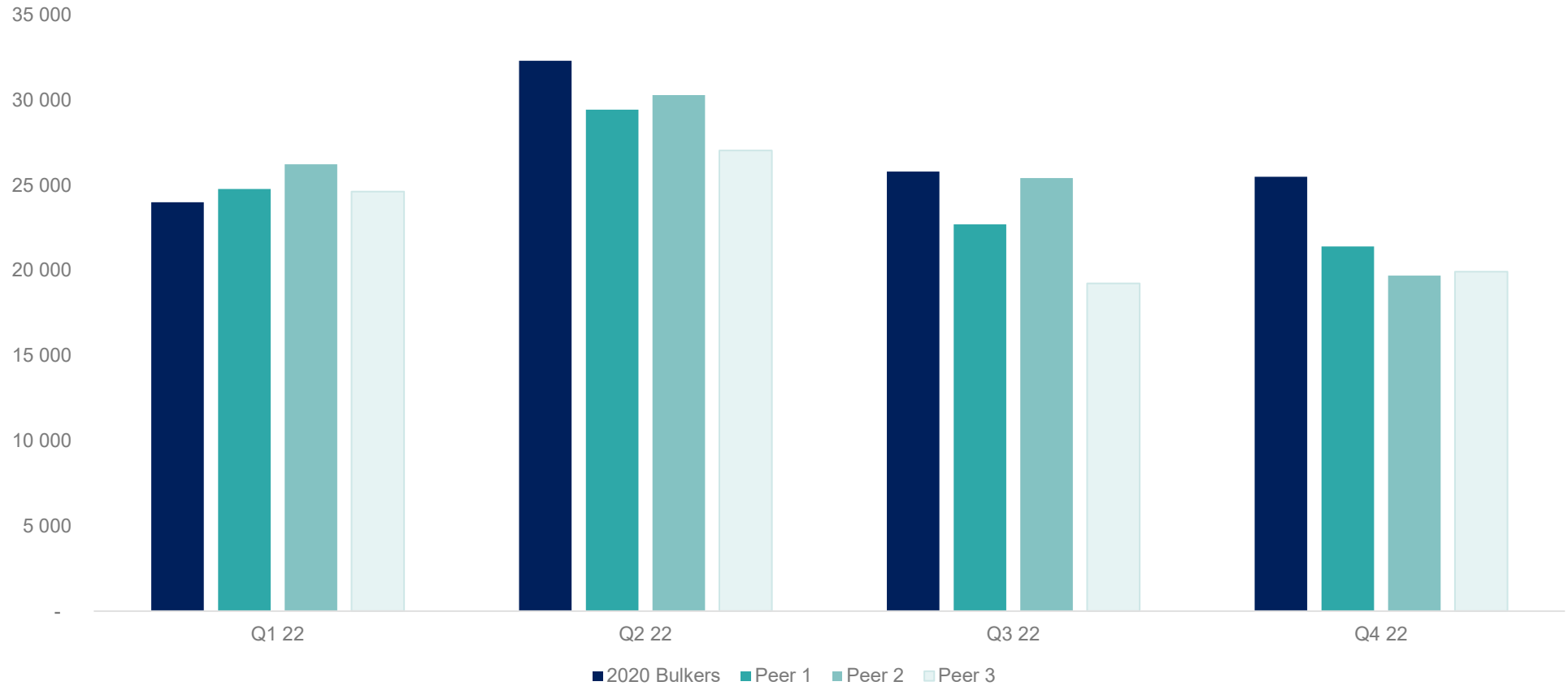
USD million	March 31, 2023
Total assets	374.4
Equity	154.7
Cash and cash equivalents	15.9
Interest bearing debt	217.6

Comments

- Shareholders' equity of US\$154.7 million
- Interest bearing debt decreased from US\$221.3 million to US\$217.6 million during the quarter reflecting scheduled repayments
- Cash flow from operations was US\$4.4 million in Q1 2023
- Cash distributions in total of US\$0.04 per share declared for the months of January, February and March
- Solid liquidity position with US\$15.9 million of cash.

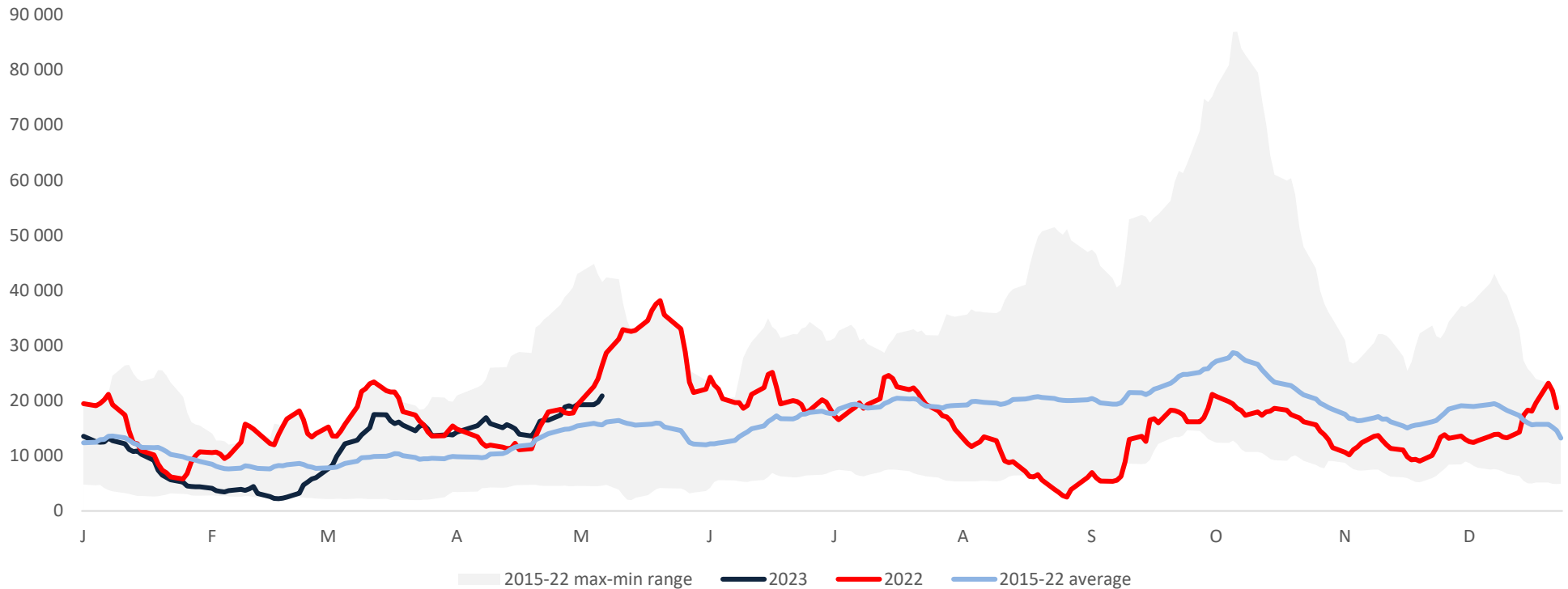
Continued strong commercial performance

Peer group Net TCE Capesize / Newcastlemax



Source: Company reports

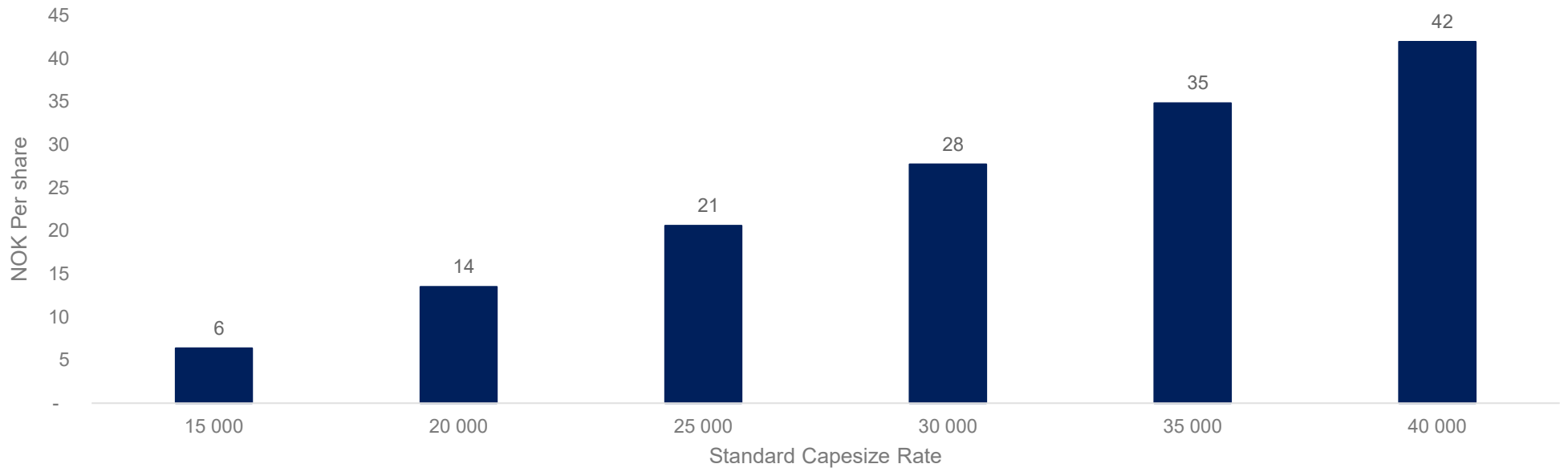
Market review



- Usual seasonal weakness in January and February exacerbated by first CNY in two years without Covid restrictions
- Recovery in rates since late February in large driven by strong Chinese iron ore and coal exports, as well as strong bauxite trade

Our dividend potential is significant

May – Dec 2023 Illustrative annualized FCF per share



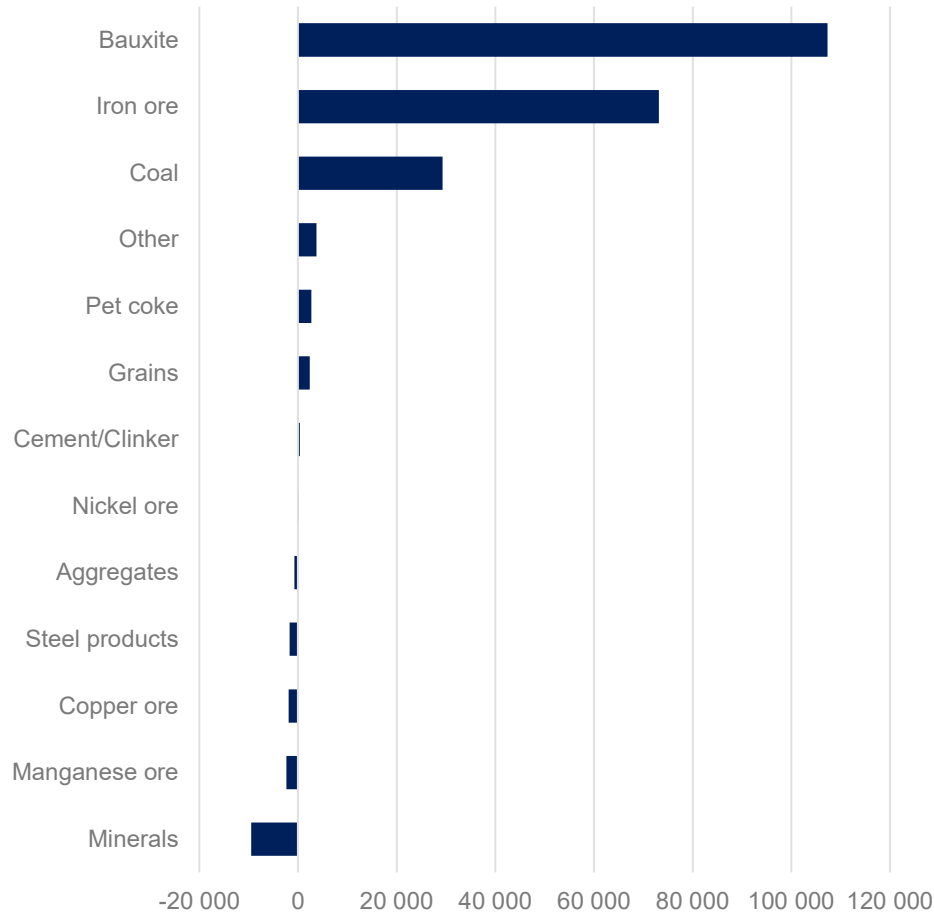
	Current Contract coverage							
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Average Fixed rate rate, gross	21 652	22 850	22 850	22 850	22 850	-	-	-
Fixed %	36 %	25 %	25 %	25 %	25 %	0 %	0 %	0 %

May – Dec 2023 FFA curve is US\$21,250 per day

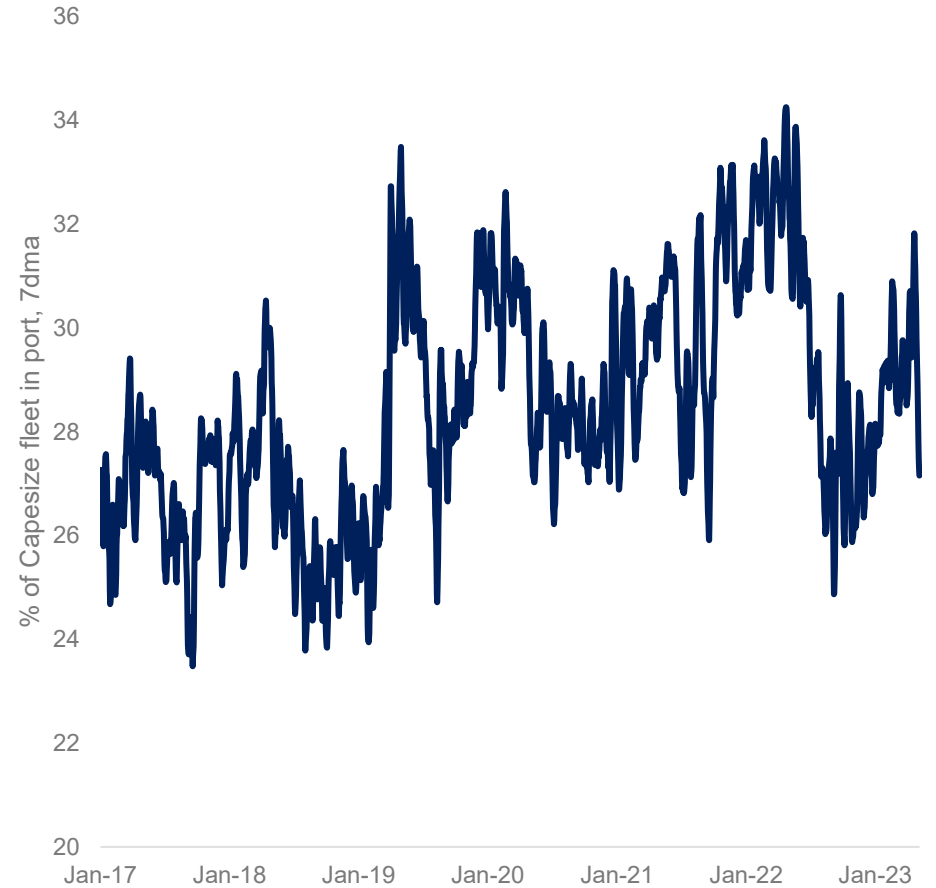
1) Indicative calculation based on current operating budgets, vessel employment, FX rates and fuel prices. Actual results may deviate.

Capesize trade growth and fleet productivity

Capesize ton-miles grew 5 % year to date



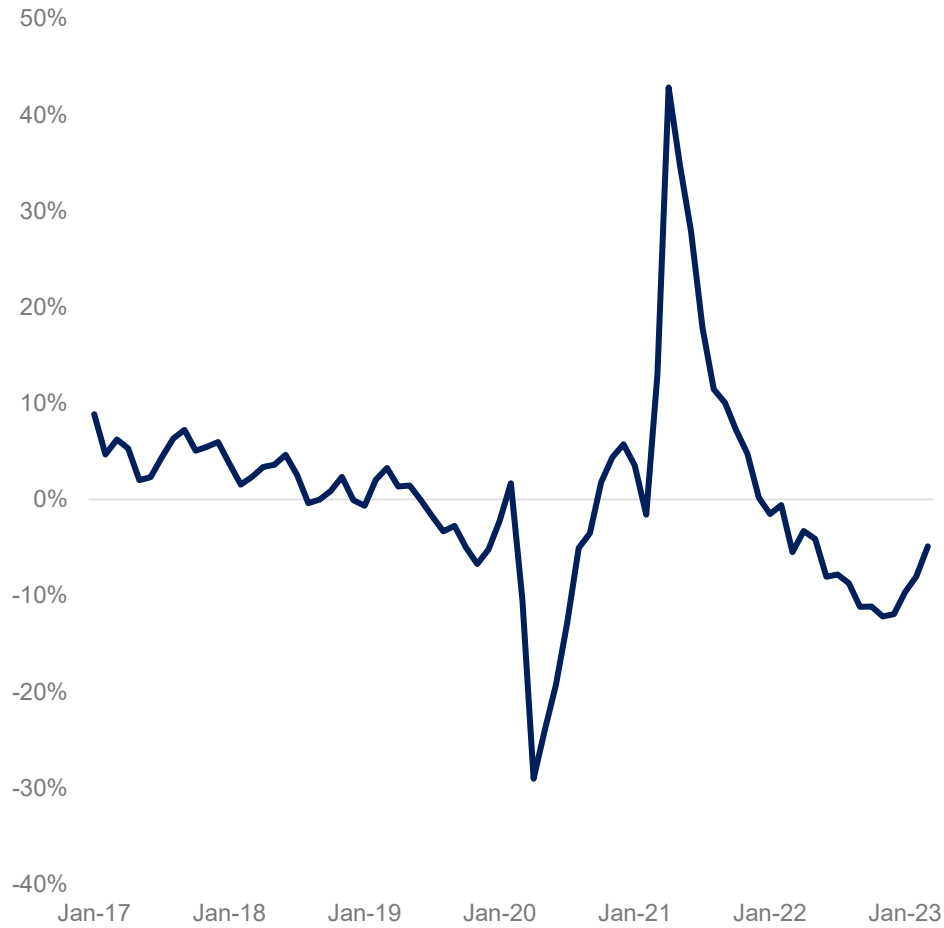
Fleet congestion back at normalized levels



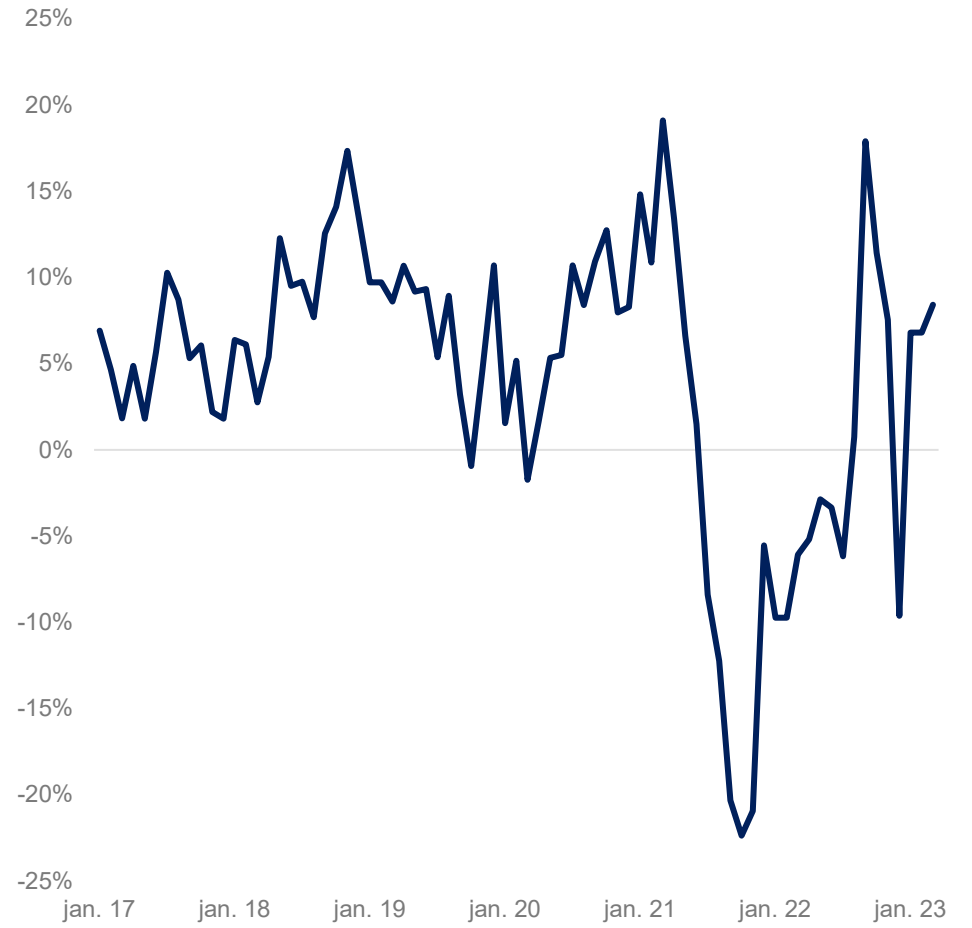
Source: Arrow Shipbroking, Shipping Intelligence Network

Steel market

World ex-China monthly steel output - YoY

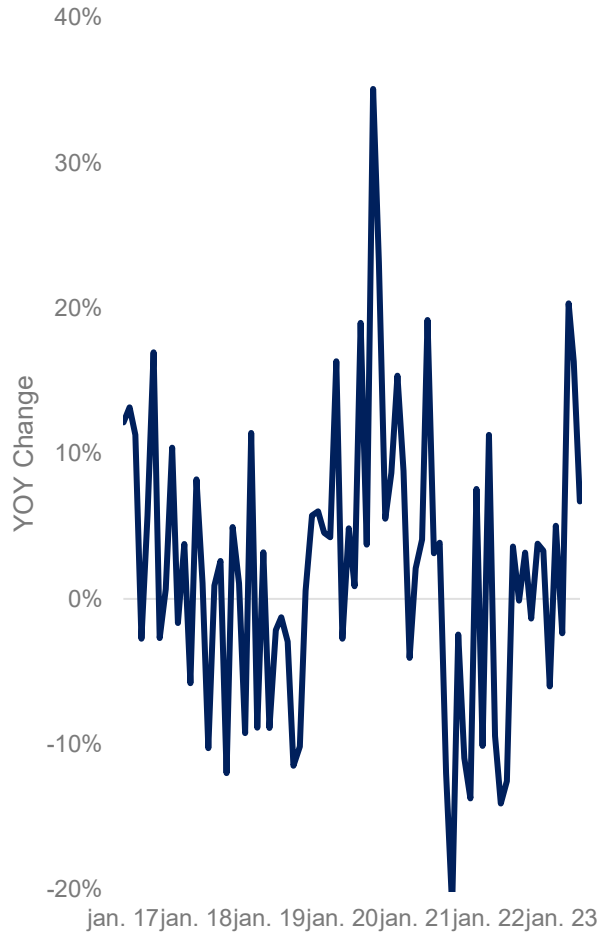


China monthly steel output - YoY

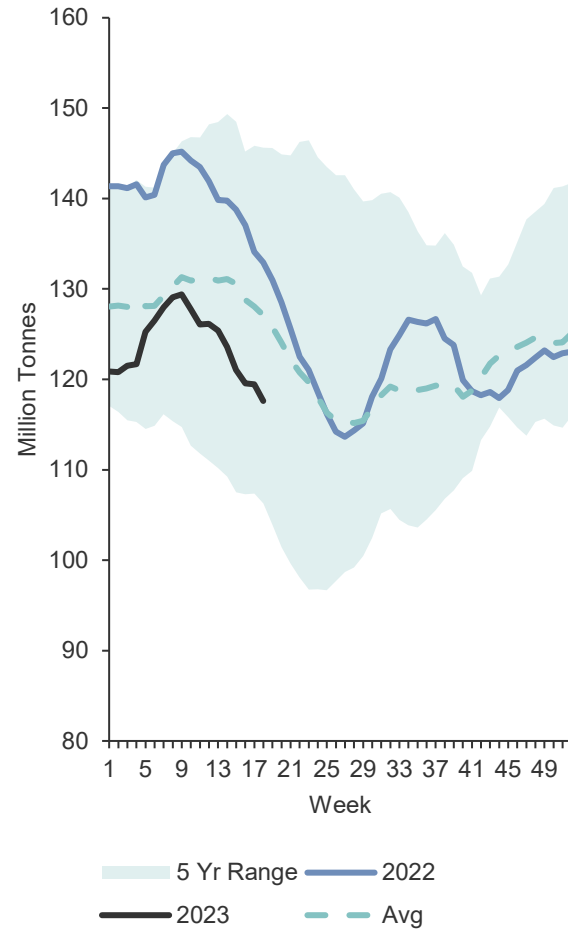


Source: Shipping Intelligence Network

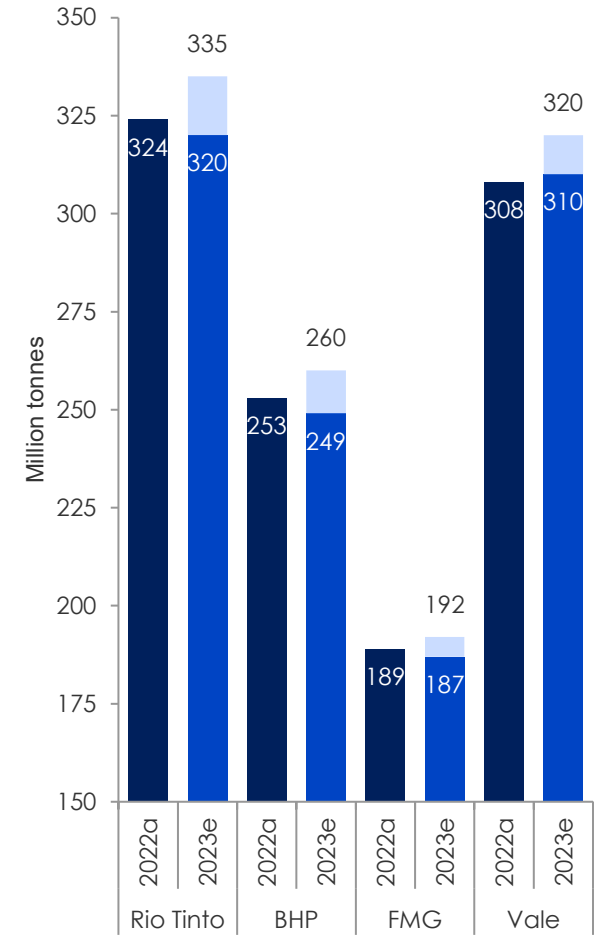
Chinese Iron Ore Imports



Chinese Iron Ore Inventories



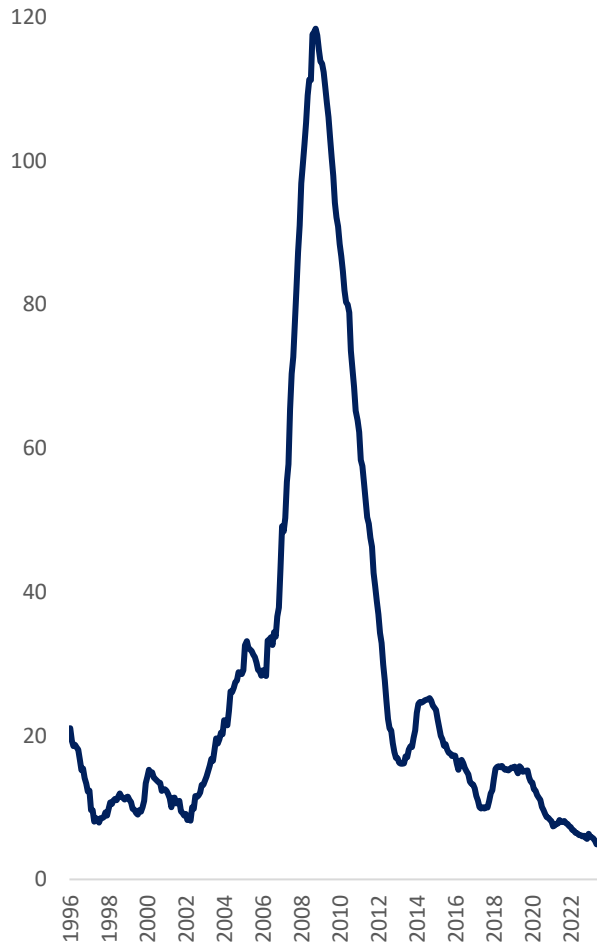
IO Majors' production guidance



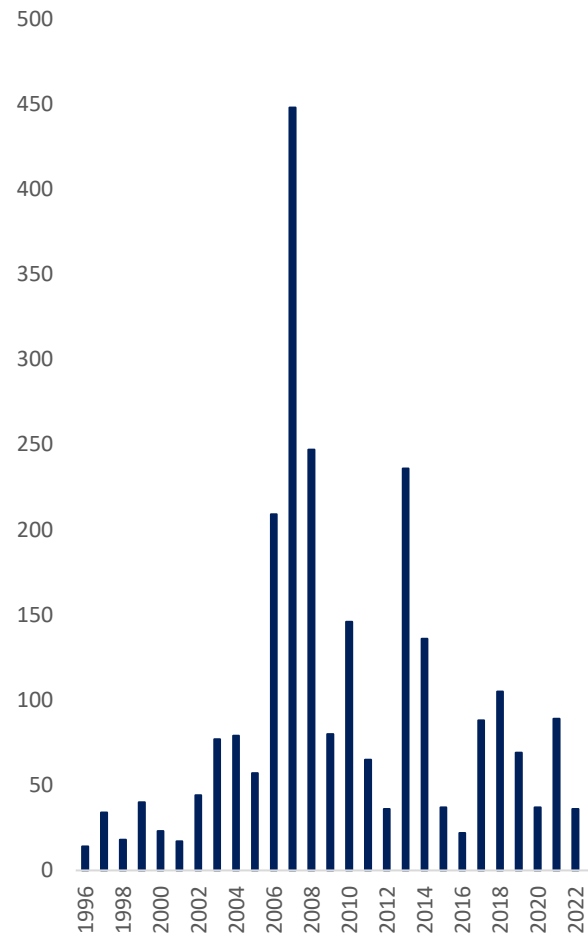
Source: Shipping Intelligence Network, Clarksons Securities

Most favorable supply side in decades

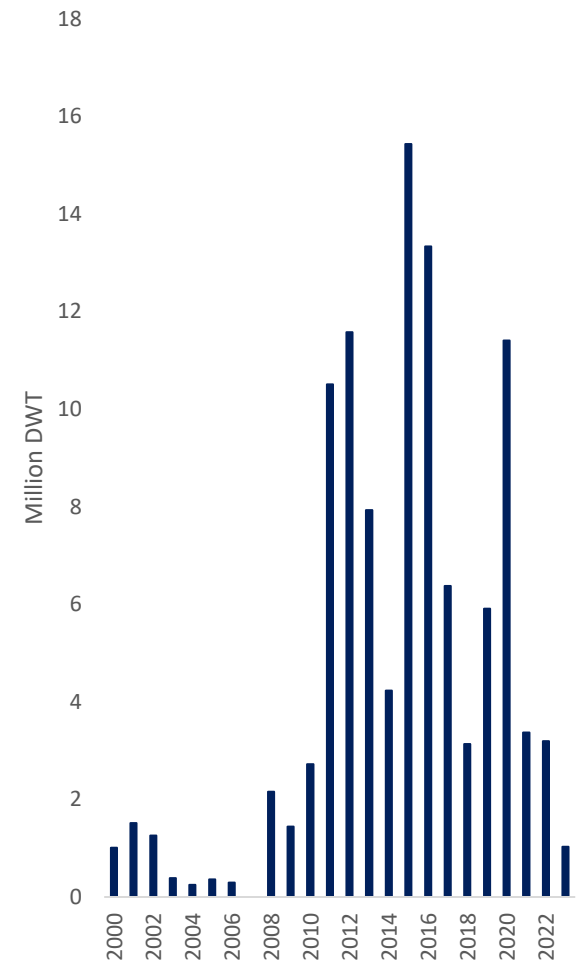
Capesize orderbook as % of fleet



Capesize newbuild contracts



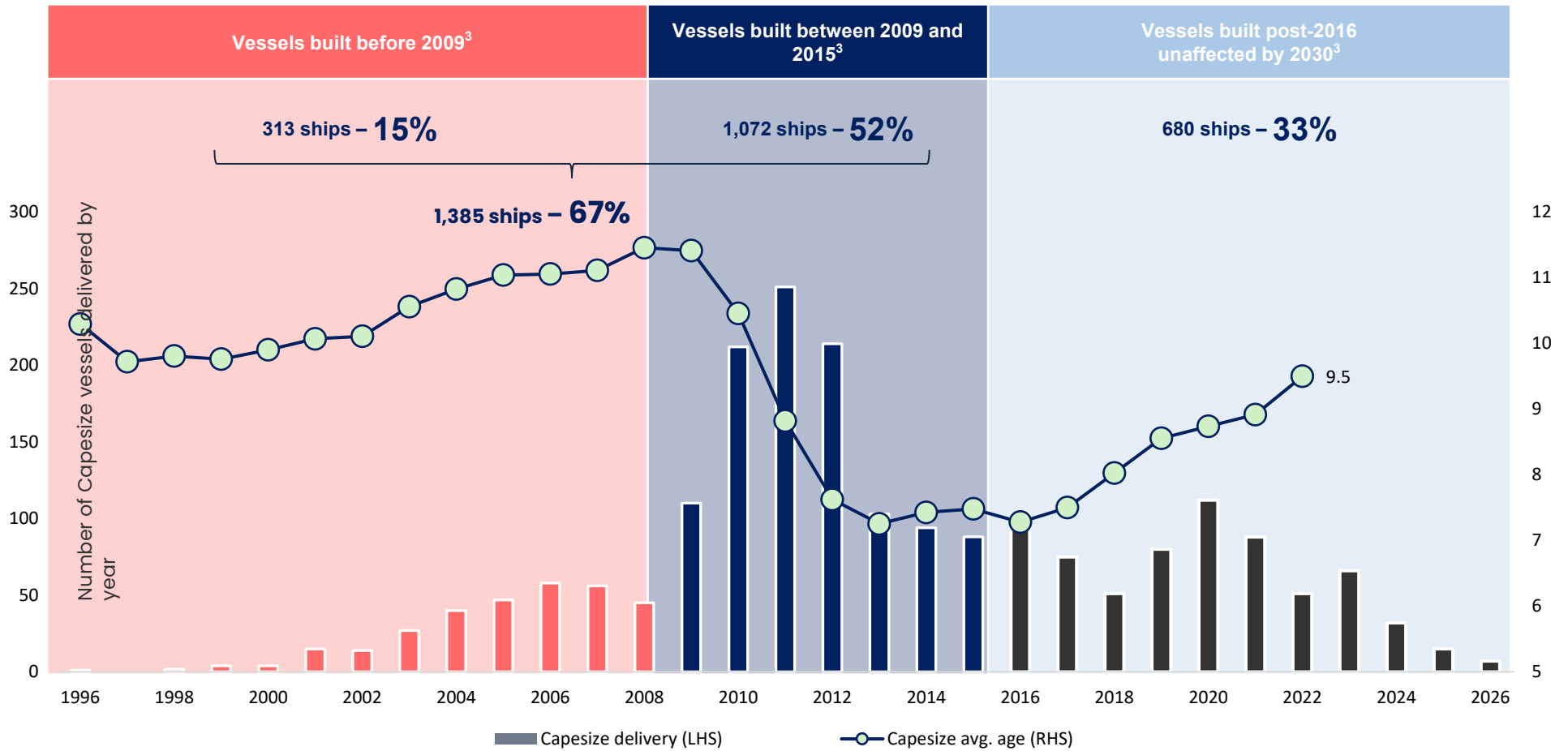
Capesize scrapping



Source: Shipping Intelligence Network

Meeting new regulations will be a challenge for the industry

67% of large bulk vessels facing non-compliance by 2030



Source: Clarksons