2020 BULKERS LTD

RESULTS FOR THE SECOND QUARTER AND FIRST HALF OF 2020

Hamilton, Bermuda, August 13, 2020

2020 Bulkers Ltd (2020) ("2020 Bulkers" or the "Company"), today announced its unaudited financial and operating results for the three and six months ended June 30, 2020.

Key events during the second quarter of 2020

- The Company reported net profit of US$2.4 million and EBITDA of US$6.9 million for the second quarter of 2020.

- Achieved average time charter equivalent earnings of approximately US$19,100, per day, gross.

- Entered into interest swap arrangements for a notional amount of approximately US$177 million, effectively securing an all-in interest rate of 3% for the outstanding loan amount under the term loan facility

- In May 2020, the Company converted the index-linked charter hire for Bulk Sandefjord and Bulk Sydney into fixed rate charter hire at US$14,378 per day, gross and US$14,002 per day, gross, respectively, for the remainder of 2020. The vessels will in addition earn a profit share based on the fuel cost saving generated by the scrubbers.

- On June 4, 2020, the Company took delivery of the 208,000 dwt Newcastlemax, Bulk Sao Paulo. Upon departing New Times Shipyard, the Bulk Sao Paulo commenced a 35-37 month time charter with ST Shipping, a 100% owned subsidiary of Glencore.

- On June 16, 2020, the Company took delivery of the 208,000 dwt Newcastlemax, Bulk Santos. Upon departing New Times Shipyard, the Bulk Santos commenced a 35-37 month index-linked time charter with ST Shipping, a 100% owned subsidiary of Glencore.

Subsequent Events

- Achieved average time charter equivalent earnings so far in the third quarter of approximately US$23,100, per day, gross.

- Declared dividend of US$0.01 per share for the month of July, payable on or about September 5, 2020.

Management discussion and analysis

Consolidated Statements of Operations

Three months ended June 30, 2020

Operating revenues were US$10.8 million for the three months ended June 30, 2020 (US$ nil in Q2 2019). The increase compared to the three months ended June 30, 2019 is driven by the vessels Bulk Sandefjord, Bulk Santiago, Bulk Seoul, Bulk Shanghai, Bulk Shenzhen and Bulk Sydney being in operation for the full quarter and Bulk Sao Paulo and Bulk Santos commencing their first time charter contracts in June 2020.

Total operating expenses were US$6.1 million for the three months ended June 30, 2020 (US$1.0 million in Q2 2019). Total operating expenses consists of vessel operating expenses, voyage expenses, general and administrative expenses and depreciation and amortization.

Vessel operating expenses were US$2.9 million and US$nil for the three months ended June 30, 2020 and 2019, respectively. The increase compared to the three months ended June 30, 2019 is due to six vessels in operation for the full quarter and two vessels commencing operations in June 2020.

Voyage expenses were US$0.5 million for the three months ended June 30, 2020 (US$ nil for Q2, 2019). The increase compared to the three months ended June 30, 2019 is due to commission and expenses incurred between delivery of Bulk Sao Paulo and Bulk Santos from the yard and delivery on time charter.

General and administrative expenses were US$0.5 million for the three months ended June 30, 2020 (US$1.0 million in Q2 2019). The decrease is primarily due to higher non-cash share option costs during the three months ended June 30, 2019.

Depreciation and amortization were US$2.2 million for the three months ended June 30, 2020 (US$ nil in Q2 2019). The increase compared to the three months ended June 30, 2019 relates to depreciation on vessels delivered during Q3 and Q4, 2019, and Q1 2020.

Total financial expenses, net, were US$2.3 million for the three months ended June 30, 2020 (US$ nil for Q2 2019). The principal items in the second quarter were:

- Interest expense of US$2.1 million, net of US$0.4 million capitalized
- Other financial expense of US$0.2 million

Six months ended June 30, 2020

Operating revenues were US$18.6 million for the six months ended June 30, 2020 (US$ nil for the six months ended June 30, 2019). The increase compared to the six months ended June 30, 2019 is driven by the four vessels being in operation for the full six months, Bulk Shenzhen and Bulk Sydney commencing their first time charter contracts in January 2020 and Bulk Sao Paulo and Bulk Santos commencing their first time charter contracts in June 2020.

Total operating expenses were US$11.4 million for the six months ended June 30, 2020 (US$2.4 million for the six months ended June 30, 2019). Total operating expenses consists of vessel operating expenses, voyage expenses, general and administrative expenses and depreciation and amortization.

Vessel operating expenses were US$5.3 million and US$nil for the six months ended June 30, 2020 and 2019, respectively. The increase compared to the six months ended June 30, 2019 is driven by four vessels being in operation for the full six months, Bulk Shenzhen and Bulk Sydney commencing their first contracts in January 2020 and Bulk Sao Paulo and Bulk Santos commencing their first time charter contracts in June 2020.

Voyage expenses were US$0.7 million for the six months ended June 30, 2020 (US$ nil for the six months ended June 30, 2019). The increase compared to the six months ended June 30, 2019 is due to commission and expenses incurred between delivery of Bulk Shenzhen, Bulk Sao Paulo and Bulk Santos from the yard and delivery on time charter.

General and administrative expenses were US$1.3 million for the six months ended June 30, 2020 (US$2.4 million for the six months ended June 30, 2019). The decrease is due to costs incurred in connection with listing of the Company's shares on Oslo Axess as well as higher non-cash share option costs during the six months ended June 30, 2019.

Depreciation and amortization were US$4.1 million for the six months ended June 30, 2020 (US$ nil for the six months ended June 30, 2019). Please see analysis for the second quarter of 2020 which is also valid for the six months ended June 30, 2020.

Total financial expenses, net, were US$4.5 million for the six months ended June 30, 2020 (US$ nil for the six months ended June 30, 2019). Please see analysis for the second quarter of 2020 which is also valid for the six months ended June 30, 2020.

Consolidated Balance Sheet

The Company had total assets of US$398.6 million as of June 30, 2020, (December 31, 2019: US$283.1 million). The increase in total assets of the Company is primarily driven by financing and delivery of four vessels from New Times Shipyard during the six months ended June 30, 2020.

As of June 30, 2020, equity was US$137.9 million which corresponds to an equity ratio of 34.6%. As of December 31, 2019, equity was US$138.1 million which corresponds to an equity ratio of 48.8%.

Total liabilities as of June 30, 2020, were US$260.7 million (December 31, 2019: US$145.0 million). The increase is primarily attributable to four draw-downs on the term loan facility during the six months ended June 30, 2020.

Consolidated Statement of Cash Flows

Three months ended June 30, 2020

Net cash provided by (used in) operating activities was US$6.0 million for the three months ended June 30, 2020 (US$(0.4) million for the three months ended June 30, 2019). The improved cash flow compared to the three months ended June 30, 2019 is due to earnings from six vessels in operations for the full quarter and two vessels commencing operations in June 2020.

Net cash used in investing activities was US$61.6 million for the three months ended June 30, 2020 (US$66.9 million in Q2 2019). The Company paid delivery instalments of US$60.8 million for Bulk Sao Paulo and Bulk Santos during Q2 2020. In Q2 2019 the Company paid instalments of US$65.6 million on the Company's newbuildings.

Net cash provided by financing activities was US$56.7 million during the three months ended June 30, 2020 (US$67.1 million in Q2 2019). The Company drew US$60.0 million on the term loan facility when the Company paid the delivery instalments for Bulk Sao Paulo and Bulk Santos in June 2020. In Q2 2019 the Company received net proceeds from a private placement of US$59.7 million.

Six months ended June 30, 2020

Net cash provided by (used in) operating activities was US$7.5 million for the six months ended June 30, 2020 (US$(1.1) million for the six months ended June 30, 2019). The increase compared to the six months ended June 30, 2019 is driven by four vessels being in operation for the full six months, Bulk Shenzhen and Bulk Sydney commencing their first contracts in January 2020 and Bulk Sao Paulo and Bulk Santos commencing their first time charter contracts in June 2020.

Net cash used in investing activities was US$123.8 million for the six months ended June 30, 2020 (US$67.2 million for the six months ended June 30, 2019). The Company paid delivery instalments of US$121.6 million for Bulk Shenzhen, Bulk Sydney, Bulk Sao Paulo and Bulk Santos during the six months ended June 30, 2020. During the six months ended June 30, 2019 the Company paid instalments of US$65.6 million on the Company's newbuildings.

Net cash provided by financing activities was US$112.5 million during the six months ended June 30, 2020 (US$68.5 million for the six months ended June 30, 2019). The Company drew US$120.0 million on the term loan facility when the Company paid the delivery instalments for Bulk Shenzhen, Bulk Sydney, Bulk Sao Paulo and Bulk Santos during the six months ended June 30, 2020. The Company completed two private placements during the six months ended June 30, 2019 raising net proceeds of US$62.7 million.

Corporate Development and Financing

The Board is pleased that the Company remained profitable during the second quarter of 2020, in spite of the challenging market conditions during the quarter. 2020 Bulkers has been profitable each quarter following the delivery of its first vessel during Q3 2019.

The Company has a solid funding situation with a cash position of approximately US$17.7 million as of August 1, 2020.

As of August 1, 2020, the Company has firm backlog for six ships for the remainder of the year of USD 16,6 million. This backlog covers 98% of the budgeted opex, g&a and debt service until the end of 2020. In addition, the Company will earn an index linked rate plus a scrubber premium for Bulk Santos and Bulk Sao Paulo, as well as a scrubber premium for Bulk Sandefjord and Bulk Sydney. For 2021, operating cash breakeven, which includes opex, g&a and debt service, is estimated at approximately US$14,000 per day.

The Company has now re-instated its monthly dividend payments and remains committed to pay out the majority of operational free cash flow generated on a monthly basis. Based on current spot rates, the Board, in line with its stated dividend policy, expect to regularly pay out the majority of any monthly operating free cash flow as dividends, from October 2020 onwards, based on earnings from September 2020 onwards. The timing and amount of dividends, if any, is at the discretion of the Board.

The Company currently has around US$240 million of net debt, corresponding to approximately US$30 million per ship. Based on the amortization profile of the debt and lease financing, debt will be repaid by approximately US$15 million per year, corresponding to an annual average debt reduction of US$1.85 million per ship.

Newbuilding program

Following the successful delivery of Bulk Santos and Bulk Sao Paulo in June 2020, the Company has no further vessels under construction. The Company is very satisfied with the quality and performance of our eight vessels.

Commercial update

The Company achieved average time charter equivalent earnings of approximately US$19,100 per day, gross, in the second quarter of 2020. The Company's vessels trading on index-linked time charter earned approximately US$14,800 per day, gross, including average daily scrubber benefits of approximately US$1,300 per day and the Company's vessels on fixed time charter earned approximately US$20,700 per day including average daily scrubber benefits of approximately US$1,100 per day for two of the vessels.

The Baltic 5TC Capesize Index averaged US$9,932 per day in Q2 2020.

So far in the third quarter, the Company has achieved time charter equivalent earnings of approximately US$23,100 per day. The Baltic 5TC Capesize Index has averaged US$23,400 per day in the same period.

Chartering update

As of today all eight vessels are on time charter contracts to strong counterparties. The Company has fixed employment for approximately 100% of its total 1,128 operating days for the remainder of the year, of which 846 days are fixed at an average TCE rate of US$19,125 per day and 282 days linked to the development in the Capesize spot market, giving the Company significant exposure to the ongoing recovery in the capesize market.

The company has outperformed the Baltic 5TC index since delivery of the first vessel.

The current delivery chartering status is summarized in the table below:

Ship name	Delivery	Charterer	Rate US$	Charter expiry
Bulk Sandefjord	Aug-19	Koch	14,378 until Dec 2020, index linked thereafter	Aug-22
Bulk Santiago	Sep-19	Koch	19,525 until Dec 2020, index linked thereafter	Nov-21 – Jan-22
Bulk Seoul	Oct-19	Koch	22,250 until Dec 2020, index linked thereafter	Dec-21 – Feb-22
Bulk Shanghai	Nov-19	Glencore	22,673	Dec-20
Bulk Shenzhen	Jan-20	Glencore	21,919	Dec-20
Bulk Sydney	Jan-20	Koch	14,002 until Dec 2020, index linked thereafter	Jan-23
Bulk Sao Paulo	Jun-20	Glencore	Index linked	May – Jul-23
Bulk Santos	Jun-20	Glencore	Index linked	May – Jul-23

Market commentary

The Baltic Capesize index today stands at US$19,339 per day having averaged US$23,332 per day so far in the third quarter and US$10,395 year to date.

The main driver behind the recovery in Capesize rates has been the gradual increase in Brazilian iron ore exports following lower than usual export volumes from January through May, which was negatively impacted by a severe rainy season, as well as maintenance and repairs on Vale's infrastructure. Vale, Brazil's largest iron ore producer, has recently re-iterated its full year production guidance, implying that Brazilian iron ore exports may need to raise to a weekly average of around 8 million tons for the balance of the year, compared to average exports of 5.6 million tons per week year to date. This potential increase would represent incremental demand for approximately 165 standard Capesize vessels, representing approximately 10% of the current Capesize fleet. There has been a strong correlation between Brazilian iron ore exports and Capesize earnings historically, and thus a further recovery in Capesize rates may be expected assuming Vale meets its most recent production guidance.

Australia, the world's largest iron ore producer, has year to date delivered an increase in export volumes of 3.7% compared to 2019. The Covid-19 related export disruptions seen in Columbia, South Africa and Canada during the second quarter largely seem to have normalized.

The Chinese steel industry remains the most important demand driver for seaborne iron ore, with an estimated 70% share of total imports. Chinese iron ore imports have been strong recently with all time high monthly imports for July 2020. For the period January to July 2020 iron ore imports were 8.75% above the same period in 2019. Chinese iron ore port inventories currently stand at around 114 million tons, 3% below the levels seen at the same time last year. During Q2, Chinese iron ore inventories measured as days of consumption hit a 10 year low of 24 days. The last times iron ore inventories hit similar levels in 2013 and 2015 a period of restocking activity subsequently followed. Chinese steel production has continued to run at a high utilization rate with year to date production levels up 2.25% year over year.

The Chinese stimulus efforts announced following the Covid-19 outbreak are expected to continue to drive infrastructure investments and steel demand in the quarters ahead.

Dry bulk fleet development

The global dry bulk fleet stands at 902 million dwt as of August 1, 2020, up from 863 million dwt on August 1, 2019.

The current orderbook for dry bulk vessels currently stands at 7.0% of the existing fleet, down from 11.2% in August 2019.

A total of 6.05 million dwt has been ordered year to date (July-20), significantly less than the 17.2 million dwt ordered during the same period in 2019 (July-19).

A total of 8.75 million dwt has been scrapped year to date (July-20), compared to 4.84 million dwt for the same period in 2019 (Jul-19).

Vale earlier this year announced that they will remove older 25 VLOCs from their fleet under a new risk management approach. It is assumed that these vessels that are over 20 years old and have been trading dedicated for Vale will be sold for scrap. Based on the average size of the current trading VLOC fleet, this could represent a removal of approximately 2% of the current fleet of dry bulk vessels above 160,000 dwt.

Impact of Covid-19

Port restrictions, including immigration restrictions and quarantine measures related to Covid-19, are creating challenges for crew changes on regular intervals. Therefore, crews are having to stay onboard longer than planned and some off-hire may be incurred in conjunction with crew changes. The Company did not record any Covid-19 specific costs or off-hire during the second quarter, but has incurred 72 hours of Covid-19 related off-hire so far in the third quarter. We are working closely with our technical managers to protect the safety and wellbeing of our crews while minimizing potential off-hire related to crew changes.

The economic setback caused by the Covid-19 outbreak has instigated government stimulus efforts in China and other countries that are large importers of iron ore. It may be expected that these stimulus efforts will lead to increased infrastructure investments, which can have a positive impact on iron ore demand.

Australia and Brazil, The world's two largest producers of iron ore, are so far not seeing any major negative impact on their mining operations as a consequence of Covid-19.

Outlook

2020 Bulkers has a robust financial structure with moderate financial leverage and a solid cash position. Our operating cash breakeven, which is covered by fixed timecharter coverage for the balance of the year and estimated at approximately US$14,000 per day for 2021 is significantly lower than the current 12 month charter assessment for a scrubber fitted Newcastlemax, which is currently estimated at US$22,000 per day.

The Company will continue its strong capital discipline, and will remain focused on returning the majority of free cash flow to shareholders as dividends.

Invitation to webcast and conference call Q2 2020 results

2020 Bulkers Ltd. will release its financial results for the second quarter of 2020 on Thursday, August 13, 2020. A conference call and webcast will be held at 3:00 PM CET. The earnings report and presentation will be available from the Investor Relations section on www.2020bulkers.com on the same day.

In order to listen to the presentation, you may do one of the following:

Listen-only webcast (including the slide presentation): https://edge.media-server.com/mmc/p/yen3k5id

or you can click the "Webcast" link on www.2020bulkers.com/investor-relations/

Telephone conference

Dial in details, Participants:

In the 10 minutes prior to call start time, please call the appropriate participant dial-in number and enter the Event Plus Passcode stated below. Please leave any information requested after the tone.

Event Plus Passcode: 9884557

Standard International: +44 (0) 2071 928338

Norway (local): 21 56 30 15

Norway (toll free): 800 568 65

UK (local): 0844 481 9752

UK (toll free): 0800 279 6619

US (local): 1646 741 3167

US (toll free): 1877 870 9135

Participants will be asked for their full name & Conference ID.

There will be a Q&A session after the presentation.

Forward-Looking Statements

This announcement includes forward looking statements. Forward looking statements are, typically, statements that do not reflect historical facts and may be identified by words such as "anticipate", "believe", "continue", "estimate", "expect", "intends", "may", "should", "will" and similar expressions. The forward-looking statements in this announcement are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although 2020 Bulkers Ltd. believes that these assumptions are reasonable, they are, by their nature, uncertain and subject to significant known and unknown risks, contingencies and other factors which are difficult or impossible to predict and which are beyond our control. Such risks, uncertainties, contingencies and other factors could cause actual events to differ materially from the expectations expressed or implied by the forward-looking statements included herein.

The information, opinions and forward-looking statements contained in this announcement speak only as of the date hereof and are subject to change without notice.

Responsibility statement

We confirm that, to the best of our knowledge, the interim condensed consolidated financial statements for the first half year of 2020, which have been prepared in accordance with USGAAP, give a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations, and that the first half 2020 report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

About 2020 Bulkers Ltd.

2020 Bulkers Limited is a limited liability company incorporated in Bermuda on 26 September 2017. The Company's shares are traded on Oslo Axess under the ticker "2020".

2020 Bulkers is an international owner and operator of large dry bulk vessels. The Company has eight Newcastlemax dry bulk vessels in operation.

August 13, 2020

Board of Directors

2020 Bulkers Ltd.

Hamilton, Bermuda