Unaudited Condensed Consolidated Financial Statements for the three and six months ended June 30, 2019.

2020 Bulkers Limited and subsidiaries

Unaudited Condensed Consolidated Statements of Operations

(in thousands of US$ except per share data)

	3 months to June 30, 2019	3 months to June 30, 2018	6 months to June 30, 2019	6 months to June 30, 2018
Operating expenses				
General and administrative expenses	(997.5)	(47.7)	(2,349.8)	(122.4)
Depreciation and amortization	(12.6)	—	(25.2)	—
Total operating expenses	**(1,010.1)**	**(47.7)**	**(2,375.0)**	**(122.4)**
Net operating loss	**(1,010.1)**	**(47.7)**	**(2,375.0)**	**(122.4)**
Other income (expenses)				
Other financial items	(9.7)	0.8	(14.1)	(0.5)
Net other (expenses) income	**(9.7)**	**0.8**	**(14.1)**	**(0.5)**
Net (loss) income before income taxes	**(1,019.8)**	**(46.9)**	**(2,389.1)**	**(122.9)**
Income tax expense (credit)	6.0	—	11.4	—
Net loss	**(1,025.8)**	**(46.9)**	**(2,400.5)**	**(122.9)**
Per share information:				
Loss per share: basic and diluted	**$ (0.061)**	**$ (0.005)**	**$ (0.154)**	**$ (0.015)**

Consolidated Statements of Comprehensive loss

Net loss	**(1,025.8)**	**(46.9)**	**(2,400.5)**	**(122.9)**
Other comprehensive income	**0.5**	**—**	**3.4**	—
Comprehensive loss, net	**(1,025.3)**	**(46.9)**	**(2,397.1)**	**(122.9)**

The accompanying notes are an integral part of these consolidated financial statements.

2020 Bulkers Limited and subsidiaries

Unaudited Condensed Consolidated Balance Sheets

(in thousands of US$ except per share data)

ASSETS	June 30, 2019	December 31, 2018
Current assets		
Cash and cash equivalents	343.1	262.9
Restricted cash	97.8	19.8
Other current assets	1,934.2	104.5
Total current assets	**2,375.1**	**387.2**
Long term assets		
Newbuildings	134,663.0	68,383.6
Other long term assets	2,394.2	—
Total long term assets	**137,057.2**	**68,383.6**
Total assets	**139,432.3**	**68,770.8**
LIABILITIES AND EQUITY		
Current liabilities		
Trade accounts payables	203.4	169.1
Accrued expenses	236.6	248.5
Other current liabilities	271.8	59.6
Total current liabilities	**712.1**	**477.2**
Long term liabilities		
Other long term liabilities	181.4	—
Total long term liabilities	**181.4**	—
Total liabilities	**893.5**	**477.2**
Commitments and contingencies		
Equity		
Share capital (June 30, 2019: 22,170,906 shares. December 31, 2018:14,070,906 shares. Issued/outstanding at par value US$1)	22,170.9	14,070.9
Additional paid in capital	119,644.9	55,102.6
Accumulated other comprehensive income	3.4	—
Retained deficit	(3,280.4)	(879.9)
Total equity	**138,538.8**	**68,293.6**
Total liabilities and equity	**139,432.3**	**68,770.8**

The accompanying notes are an integral part of these consolidated financial statements.

2020 Bulkers Limited and subsidiaries

Unaudited Condensed Consolidated Statement of Cash Flows

(in thousands of US$)

	3 months to June 30, 2019	3 months to June 30, 2018	6 months to June 30, 2019	6 months to June 30, 2018
Net loss	**(1,025.8)**	**(46.9)**	**(2,400.5)**	**(122.9)**
Adjustments to reconcile net loss to net cash used in operating activities:				
Changes in operating assets and liabilities:				
Employee benefit plans	513.1	—	1,025.5	—
Depreciation and amortization	12.6	—	25.2	—
Other receivables	15.8	—	61.9	9.9
Trade accounts payables	(57.0)	(37.4)	34.7	(48.7)
Accrued expenses	34.2	—	(11.4)	—
Other current liabilities	107.0	(9.9)	212.2	(50.0)
Other long term assets and long term liabilities	(17.3)	—	(64.1)	—
Net cash used in operating activities	**(417.4)**	**(94.2)**	**(1,116.6)**	**(211.7)**
Investing activities				
Short term loan	(945.8)	—	(945.8)	—
Additions to newbuildings	(66,000.8)	(9,059.7)	(66,279.4)	(27,119.2)
Net cash used in investing activities	**(66,946.6)**	**(9,059.7)**	**(67,225.2)**	**(27,119.2)**
Financing activities				
Proceeds, net of deferred loan costs, from issuance of debt	7,398.5	—	5,829.0	—
Net proceeds from share issuances	59,677.6	9,000.0	62,671.0	22,000.0
Net cash provided by financing activities	**67,076.1**	**9,000.0**	**68,500.0**	**22,000.0**
Net change in cash, cash equivalents and restricted cash	**(287.9)**	**(153.9)**	**158.2**	**(5,330.9)**
Cash, cash equivalents and restricted cash at the beginning of the period	**728.8**	**971.0**	**282.7**	**6,148.0**
Cash, cash equivalents and restricted cash at end of the period	**440.9**	**817.1**	**440.9**	**817.1**
Supplemental disclosure of cash flow information:				
Non-cash settlement of convertible debt	(8,000.0)			
Non-cash share issuance	8,000.0			
Interest paid, net of capitalized interest	—	—	—	—
Income taxes paid	—	—	—	—

The accompanying notes are an integral part of these consolidated financial statements.

2020 Bulkers Limited and subsidiaries

Unaudited Condensed Consolidated Statements of Changes in Equity

(in thousands of US$, except number of shares)

	Number of shares	**Share capital**	**Additional paid in capital**	**Other Comprehensive Income**	**Retained Deficit**	**Total equity**
Consolidated balance at December 31, 2017	**6,151,000**	**6,151.0**	**8,852.5**	—	**(104.6)**	**14,898.9**
Issue of common shares	4,243,590	4,243.6	17,756.4	—	—	**22,000.0**
Equity issuance cost	—	—	—	—	—	—
Other transactions:						
Total comprehensive loss for the period	—	—	—	—	(122.9)	**(122.9)**
Consolidated balance at June 30, 2018	**10,394,590**	**10,394.6**	**26,608.9**	—	**(227.5)**	**36,776.0**
Issue of common shares	3,676,316	3,676.3	28,523.7	—	—	**32,200.0**
Equity issuance costs	—	—	(30.0)	—	—	**(30.0)**
Other transactions:						
Total comprehensive loss for the period	—	—	—	—	(652.4)	**(652,4)**
Consolidated balance at December 31, 2018	**14,070,906**	**14,070.9**	**55,102.6**	—	**(879.9)**	**68,293.6**
Issue of common shares	8,100,000	8,100.0	65,100.0	—	—	**73,200.0**
Equity issuance costs	—	—	(1,582.5)	—	—	**(1,582.5)**
Other transactions:						
Employee benefit plans	—	—	1,024.8	—	—	**1,024.8**
Total	—	—	—	3.4	(2,400.5)	**(2,397.1)**
Consolidated balance at June 30, 2019	**22,170,906**	**22,170.9**	**119,644.9**	**3.4**	**(3,280.4)**	**138,538.8**

The accompanying notes are an integral part of these consolidated financial statements.

2020 Bulkers Limited and subsidiaries
Notes to Consolidated Financial Statements

1. GENERAL INFORMATION

2020 Bulkers Limited (the "Company" and , together with its subsidiaries, the "Group" or "2020 Bulkers") 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 of large drybulk newbuildings. The Group has eight Newcastlemax drybulk vessels under construction at New Times Shipyard in China. The Vessels are expected to be delivered from the Yard between August 2019 and May 2020.

Basis of presentation
Our condensed consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The consolidated financial statements include the assets and liabilities of the parent company and wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated upon consolidation. Subsequent events have been reviewed from period end to issuance of the condensed consolidated financial statement on August 13, 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Company's consolidated financial statements for the year ended December 31, 2018.

3. RECENTLY ISSUED ACCOUNTING STANDARDS

In July 2017, the FASB issued ASU No. 2017-11, Earnings Per Share, Distinguishing Liabilities from Equity, and Derivatives and Hedging, which changes the classification of certain equity-linked financial instruments with down round features. As a result, a free standing equity-linked financial instrument or an embedded conversion option would not be accounted for as a derivative liability at fair value as a result of existence of a down round feature. For freestanding equity classified financial instruments, the amendment requires the entities to recognize the effect of the down round feature when triggered in its earnings per share calculations. The standard is effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2018. The adoption did not have a material impact on the Consolidated Financial Statements and related disclosures.

In June 2018, the FASB issued ASU No. 2018-07, Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share Based-Payment Accounting. This ASU intends to improve the usefulness of information provided and reducing the cost and complexity of financial reporting. A main objective of this ASU is to substantially align the accounting for share-based payments to employees and non-employees. The guidance is effective for annual reporting periods beginning after December 15, 2018 for public entities, including interim periods within that period, with early adoption permitted. The adoption did not have a material impact on the Consolidated Financial Statements and related disclosures.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which revises guidance for the accounting for credit losses on financial instruments within its scope. The new standard introduces an approach, based on expected losses, to estimate credit losses on certain types of financial instruments and modifies the impairment model for available-for-sale debt securities. The guidance will be effective January 1, 2020, with early adoption permitted. Entities are required to apply the standard's provisions as a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is adopted. We are in the process of evaluating the impact of this standard update on our consolidated financial statements and related disclosures.

4. INCOME TAXES

Bermuda

We are incorporated in Bermuda. Under current Bermuda law, we are not required to pay taxes in Bermuda on either income or capital gains. We have received written assurance from the Minister of Finance in Bermuda that, in the event of any such taxes being imposed, we will be exempted from taxation until March 31, 2035.

Other jurisdictions

Our subsidiary in Norway is subject to income tax. The estimate income tax expense for the six months ended 30 June, 2019 is US$11.4 thousand. We do not have any unrecognized tax benefits, accrued interest or penalties relating to income taxes. Based upon review of applicable laws and regulations, and after consultation with counsel, we do not believe we are subject to material income taxes in any jurisdiction.

5. SEGMENT INFORMATION

Our chief operating decision maker, or the CODM, measures performance based on our overall return to shareholders based on consolidated net income. The CODM does not review a measure of operating result at a lower level than the consolidated group and we only have one reportable segment. Our vessels will operate worldwide and therefore management will not evaluate performance by geographical region as this information is not meaningful.

6. EARNINGS PER SHARE

The computation of basic loss per share ("EPS") is based on the weighted average number of shares outstanding during the period. Diluted EPS includes the effect of the assumed conversion of potentially dilutive instruments.

	6 months to June 30, 2019	3 months to June 30, 2019	12 months to December 31, 2018
Basic loss per share	(0.154)	(0.061)	(0.075)
Diluted loss per share	(0.154)	(0.061)	(0.075)
Issued ordinary shares at the end of the period	22,170,906	22,170,906	14,070,906
Weighted average number of shares outstanding - basic	15,612,573	16,942,335	10,323,725

7. LEASES

Lessor

As of June 30, 2019, the Company had no vessels classified as a finance lease. The company will have the following vessels on operating lease contracts when delivered from the shipyard:

In June 2018, the Group entered into a three-year, index linked, time charter with Koch Supply and Trading for one of its vessels, at a rate reflecting a 31% premium to the Baltic Capesize index, as well as a profit sharing mechanism for the fuel cost savings generated by the scrubber. The charterparty has a laycan date between January and March 2020 at the Company's option.

In early April 2019, the Company entered into a 12-15 months time charter agreement for Bulk Sandefjord with Koch Supply and Trading, at a fixed rate of US$19,525 per day, gross. Scheduled delivery from shipyard is August 2019.

Late in April 2019, the Company entered into a 12-16 months time charter agreement for Bulk Santiago with Koch Supply and Trading, at a fixed rate of US$22,250 per day, gross. Scheduled delivery from the shipyard is September 2019.

Lessee
Effective January 1, 2019, the Company entered into a long term lease contract for an office in Oslo. This resulted in the recognition of a right-to-use asset of US$248.5 thousand classified as other long term assets, a short term liability of US$49.8 thousand classified as other current liabilities and a other long term liability of US$198.7 thousand.

The amortization of right of use assets relating to office lease is presented under Depreciation and Amortization in the statement of operations.

8. NEWBUILDINGS

The carrying value of newbuildings represents the accumulated costs we have paid in instalments and other capital expenditures. The carrying value of newbuildings at June 30, 2019 relates to eight Newcastlemax dry bulk newbuildings (December 31, 2018: Eight Newcastlemax dry bulk newbuildings).

Movements are summarized as follows:
(in thousands of US$)

Balance at December 31, 2017	8,849.4
Instalments and newbuilding supervision fees paid	59,534.2
Balance at December 31, 2018	68,383.6
Instalments and newbuilding supervision fees paid	66,279.4
Balance at June 30, 2019	**134,663.0**

During 2018 the Company declared its option to build four additional vessels at New Times Shipyard in China, taking the total to eight newbuilding contracts with the yard. The average contract price for the eight vessels is approximately US$46.9 million. All contract prices include scrubber installation. The vessels are scheduled for delivery from the yard from August 2019 until May 2020. During 2018, we paid and capitalized in aggregate pre-delivery installments of US$58.8 million and other capitalized costs of US$0.7 million.

During the six months ended June 30, 2019 we paid and capitalized other costs of US$66.3 million.

9. OTHER LONG TERM ASSETS

(in thousands of US$)	**June 30, 2019**	**December 31, 2018**
Deferred loan costs	2,170.9	—
Right-to-use asset	223.2	—
	2,394.2	**—**

10. SHARE CAPITAL

Authorized share capital: *(number of shares of US$1.00 par value each)*	**June 30, 2019**	**December 31, 2018**
Common shares of $1.00 par value	75,000,000	75,000,000

Issued and fully paid share capital: *(number of shares of US$1.00 each)*	**June 30, 2019**	**December 31, 2018**
Balance at start of year	14,070,906	6,151,000
Private placements	8,100,000	7,919,906
Balance	**22,170,906**	**14,070,906**

During 2018 the Company issued 7,919,906 shares for gross proceeds of US$54.170 million. During the six months ended 30 June, 2019 the Company issued 8,100,000 shares for gross proceeds of US$73.2 million.

11. RELATED PARTY TRANSACTIONS

2020 Bulkers entered into a US$250,000 revolving credit facility with Magni Partners, a related party, on October 31, 2017. As of December 31, 2017 US$50,000 was drawn under the facility. No interest was accrued. The revolving credit facility was repaid and subsequently cancelled early in 2018.

MH Capital AS, a company wholly owned by Magnus Halvorsen (CEO in 2020 Bulkers Management AS effective January 1, 2019) and a large shareholder in 2020 Bulkers Ltd., provided the group with management services amounting to US$166,667 during 2018.

In April 2019, the Company entered into a short term convertible debt agreement of US$8.0 million with the shareholders Drew Holdings Ltd.,Ubon AS, Titan Credit Master Fund and MH Capital AS. The convertible debt was converted to shares in the private placement completed on May 23, 2019.

In May 2019, the Company entered into a short term loan agreement of US$360.0 thousand with MH Capital AS, a company wholly owned by Magnus Halvorsen and a large shareholder in 2020 Bulkers Ltd. The short term loan was settled as part of MH Capital AS subscription of shares in the private placement completed on May 23, 2019.

In June 2019, the Company provided Magnus Halvorsen a short term loan of US$945.827 classified as other current assets.

12. LONG TERM DEBT

In January, 2019, the Company signed a term loan facility agreement for US$240 million of bank financing for its newbuilding program. The term loan facility carries an interest of Libor+250 bps, has an 18-year repayment profile for the principle amount and a balloon repayment after five years. The term loan facility contains financial covenants for the Group (i) value adjusted equity shall be equal to or higher than 30% of value adjusted total assets, working capital (defined as consolidated current assets minus consolidated current liabilities (excluding current portion of long term debt and subordinated shareholder loans)) shall at all times be no less than US$0 and free and available cash shall at all times be higher of (a) US$1,25 million per delivered vessel and (b) 5% of total debt.

13. FINANCIAL ASSETS AND LIABILITIES

Foreign currency risk

The majority of our transactions, assets and liabilities are denominated in United States dollars, our functional currency. However, we incur expenditure in currencies other than the functional currency, mainly in Norwegian Kroner. There is a risk that currency fluctuations in transactions incurred in currencies other than the functional currency will have a negative effect of the value of our cash flows. We are then exposed to currency fluctuations and we may enter into foreign currency swaps to mitigate such risk exposures.

Fair values

The guidance for fair value measurements applies to all assets and liabilities that are being measured and reported on a fair value basis. This guidance enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The same guidance requires that assets and liabilities carried at fair value should be classified and disclosed in one of the following three categories based on the inputs used to determine its fair value:

Level 1: Quoted market prices in active markets for identical assets or liabilities;
Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data;
Level 3: Unobservable inputs that are not corroborated by market data.

The carrying value and estimated fair value of our cash and financial instruments are as follows:

(in thousands of $)	**June 30, 2019**	**December 31, 2018**
Assets		
Cash and cash equivalents (Level 1)	343.1	262.9
Restricted cash	97.8	19.8

There have been no transfers between different levels in the fair value hierarchy during the periods presented.

Concentrations of risk
There is a concentration of credit risk with respect to cash and cash equivalents to the extent that nearly all of the amounts are carried with Danske Bank. However, we believe this risk is remote, as Danske Bank is an established financial institution.

Guarantees
The Bank of China, Jiangsu Branch has given letters of guarantee to six, and the Agricultural Bank of China, Jiangsu Branch to two, of the eight Liberian subsidiaries of the group for payments made prior to delivery of the vessels under each of their respective newbuilding contracts. The guarantees cover all milestone payments under the Novation Agreements between the subsidiaries and New Times Shipbuilding Co., Ltd. including interest at the rate of 5%.

The Company has issued guarantees to New Times Shipyard for payment of instalments on all the newbuilding contracts.

14. SHARE BASED PAYMENT COMPENSATION

In January 2019, the Board of Directors established a long-term incentive plan (the "LTI Plan") and approved a grant of 740,000 options to employees and directors. Further, 740,000 of the Company's authorized but unissued share capital was allocated to this purpose. The share options will have a five-year term and will vest equally one quarter every six months commencing on June 30, 2019 over a two year vesting period. The exercise price is US$10.0 and will be reduced with any dividends paid. The total estimated cost is approximately US$2.1 million and will be expensed over the requisite service period.

15. COMMITMENTS AND CONTINGENCIES

As of June 30, 2019, we had eight vessels under construction. The outstanding commitments for the eight newbuildings amounted to US$241.7 million of which US$120.6 million and US$121.1 million are due in 2019 and 2020, respectively.

To the best of our knowledge, there are no legal or arbitration proceedings existing or pending which have had or may have significant effects on our financial position or profitability and no such proceedings are pending or known to be contemplated.

16. SUBSEQUENT EVENTS

Revolving credit facility
On July 1, 2019 the Company signed a Revolving Credit Facility Agreement of US$5.5 million with Drew Holdings Limited (a trust established for the benefit of Tor Olav Trøim). The Revolving Credit Facility Agreement will be available for working capital purposes.

Listing of the Company's shares
The shares of 2020 Bulkers Ltd. was listed on Oslo Axess on July 12, 2019.

New contract
In early July, 2019 the Company entered into a 36 months timecharter at an index linked rate, reflecting a premium to the Baltic 5TC index for Bulk Sandefjord. The timecharter also includes a profit sharing of any economic benefit derived from operating the vessel´s scrubber. The 36 months timecharter replaces the previous 12-15 months timecharter at a TCE rate of US$19,525 per day, gross. Bulk Santiago will serve the charter party originally entered into for Bulk Sandefjord for 12-15 months employment at a fixed rate of US$19,525 per day, gross. Bulk Seoul will serve the charter party originally entered into for Bulk Santiago for 12-16 months employment at a fixed rate of US$22,250 per day, gross. All three timecharters will commence directly after delivery of the newbuildings from New Times Shipyard.

Delivery of Bulk Sandefjord
The newbuilding Bulk Sandefjord was delivered from New Times Shipyard on August 7, 2019. The Company accepted yard financing of US$2.6 million and drew US$30 million on the term loan facility.