



**FINANCIAL RESULTS Q1 2022**

MAY 2022

# Forward-Looking Statements

Except for the historical information contained herein, this presentation contains among other things, certain forward-looking statements that involve risks and uncertainties. Such statements may include, without limitation, statements with respect to the Company's plans, objectives, expectations and intentions and other statements identified by words such as "may", "could", "would", "should", "believes", "expects", "anticipates", "estimates", "intends", "plans" or similar expressions. These statements are based upon the current beliefs and expectations of the Company's management and are subject to significant risks and uncertainties, including those detailed in the Company's filings with the Securities and Exchange Commission. Actual results, including, without limitation, operating or financial results, if any, may differ from those set forth in the forward-looking statements. These forward-looking statements involve certain risks and uncertainties that are subject to change based on various factors (many of which are beyond the Company's control).

In addition to these important factors, other important factors that, in the Company's view, could cause actual results to differ materially from those discussed in the forward-looking statements include (i) general dry bulk shipping market conditions, including fluctuations in charterhire rates and vessel values (ii) the strength of world economies, the stability of Europe and the Euro, fluctuations in interest rates and foreign exchange rates (iii) changes in demand in the dry bulk shipping industry, including the market for our vessels (iv) changes in our operating expenses, including bunker prices, dry docking and insurance costs (v) changes in governmental rules and regulations or actions taken by regulatory authorities (vi) the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, including the impact of IMO's MARPOL ANNEX VI and IMO 2020 regulations and any changes thereof (vii) potential liability from pending or future litigation (viii) general domestic and international political conditions and potential disruption of shipping routes due to accidents or political events (ix) the availability of financing and refinancing (x) potential conflicts of interest involving our Chief Executive Officer, his family and other members of our senior management, (xi) vessel breakdowns and instances of off-hire, risks associated with vessel construction and potential exposure or loss from investment in derivative instrument (xii) our ability to have scrubbers installed within the price range and time frame anticipated (xiii) our ability to obtain any additional financing we may seek for scrubbers on acceptable terms (xiv) the relative cost and availability of low sulfur and high sulfur fuel (xv) our ability to realize the economic benefits or recover the cost of the scrubbers we plan to install. Our ability to pay dividends in any period will depend upon various factors, including the limitations under any credit agreements to which we may be a party, applicable provisions of Marshall Islands law and the final determination by the Board of Directors each quarter after its review of our financial performance. The timing and amount of dividends, if any, could also be affected by factors affecting cash flows, results of operations, required capital expenditures, or reserves. As a result, the amount of dividends actually paid may vary.

Please see our filings with the Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties. The information set forth herein speaks only as of the date hereof, and the Company disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this communication.

Certain financial information and data contained in this presentation is unaudited and does not conform to generally accepted accounting principles ("GAAP") or to Securities and Exchange Commission Regulations. We may also from time to time make forward-looking statements in our periodic reports that we will furnish to or file with the Securities and Exchange Commission, in other information sent to our security holders, and in other written materials. We caution that assumptions, expectations, projections, intentions and beliefs about future events may and often do vary from actual results and the differences can be material. This presentation includes certain estimated financial information and forecasts that are not derived in accordance with GAAP. The Company believes that the presentation of these non-GAAP measures provides information that is useful to the Company's shareholders as they indicate the ability of Star Bulk, to meet capital expenditures, working capital requirements and other obligations. The estimations of daily TCE rates are provided using the discharge-to-discharge method of accounting, while as per US GAAP we recognize revenues in our books using the load-to-discharge method of accounting. Both methods recognize the same total TCE revenues over the completion of a voyage, however discharge-to-discharge method recognizes revenues over more days, resulting in lower daily TCE rates. Under the load-to discharge method of accounting, increased ballast days at the end of the quarter will reduce the revenues that can be booked, following the accounting cut-off, in the relevant quarter, resulting in reduced daily TCE rates for the respective period.

We undertake no obligation to publicly update or revise any forward-looking statement contained in this presentation, whether as a result of new information, future events or otherwise, except as required by law. In light of the risks, uncertainties and assumptions, the forward-looking events discussed in this presentation might not occur, and our actual results could differ materially from those anticipated in these forward-looking statements.

This presentation is strictly confidential. This presentation is not an offer to sell any securities and it is not soliciting an offer to buy any securities in any jurisdiction where the offer or sale is not permitted.

# Q1 2022 Company Highlights



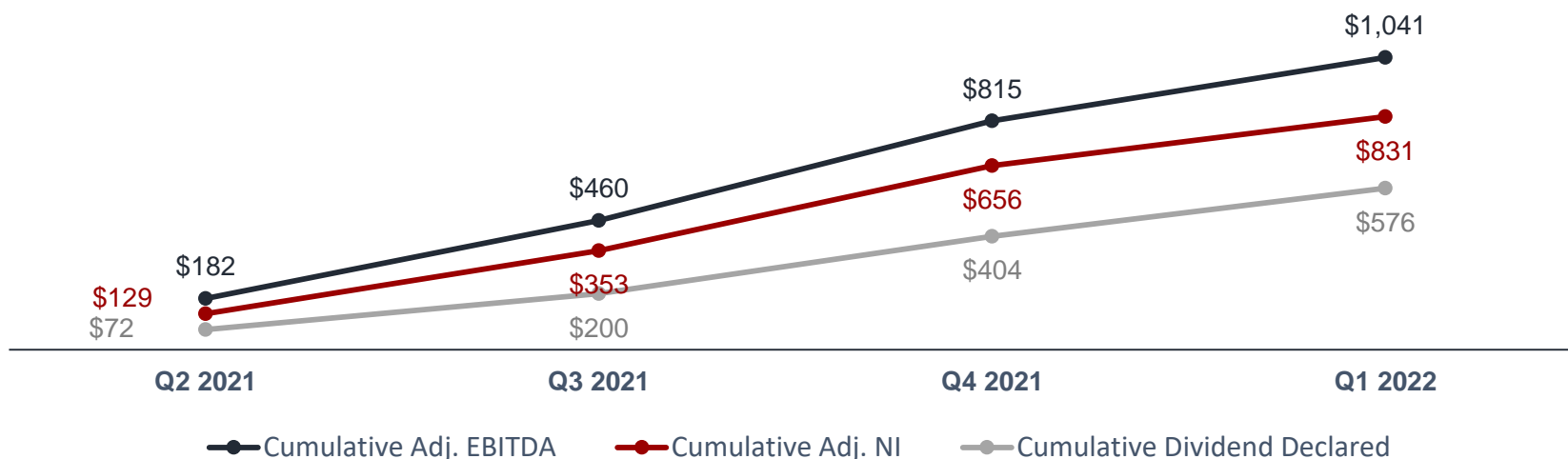
## Financial highlights

### Strongest Q1 results in SBLK history

- Net Income of \$170.4 million and Adjusted Net Income<sup>(1)</sup> of \$175.6, or \$1.72 per basic share
- Adjusted EBITDA<sup>(2)</sup> of \$225.9 million
- Declared dividend of \$1.65 per share payable on or about June 16, 2022
- Our LTM Adjusted EBITDA is \$1.04 billion and Adjusted Net Income is \$831 million

**Booked 74.3% of available days for Q2 2022 at a daily rate of ~\$29,759**

## LTM Cumulative Adjusted EBITDA, Adjusted Net Income & Dividend Performance (USD million)



## Daily Figures

TCE per vessel <sup>(3)</sup>	\$27,405
Avg. daily OPEX per vessel <sup>(4)</sup>	\$4,747
Avg. daily net cash G&A expenses per vessel	\$1,065
<b>TCE less OPEX less G&amp;A expenses</b>	<b>\$21,593</b>

### Notes:

(1) Adjusted Net Income excludes certain non-cash items

(2) Adjusted EBITDA excludes certain non-cash items

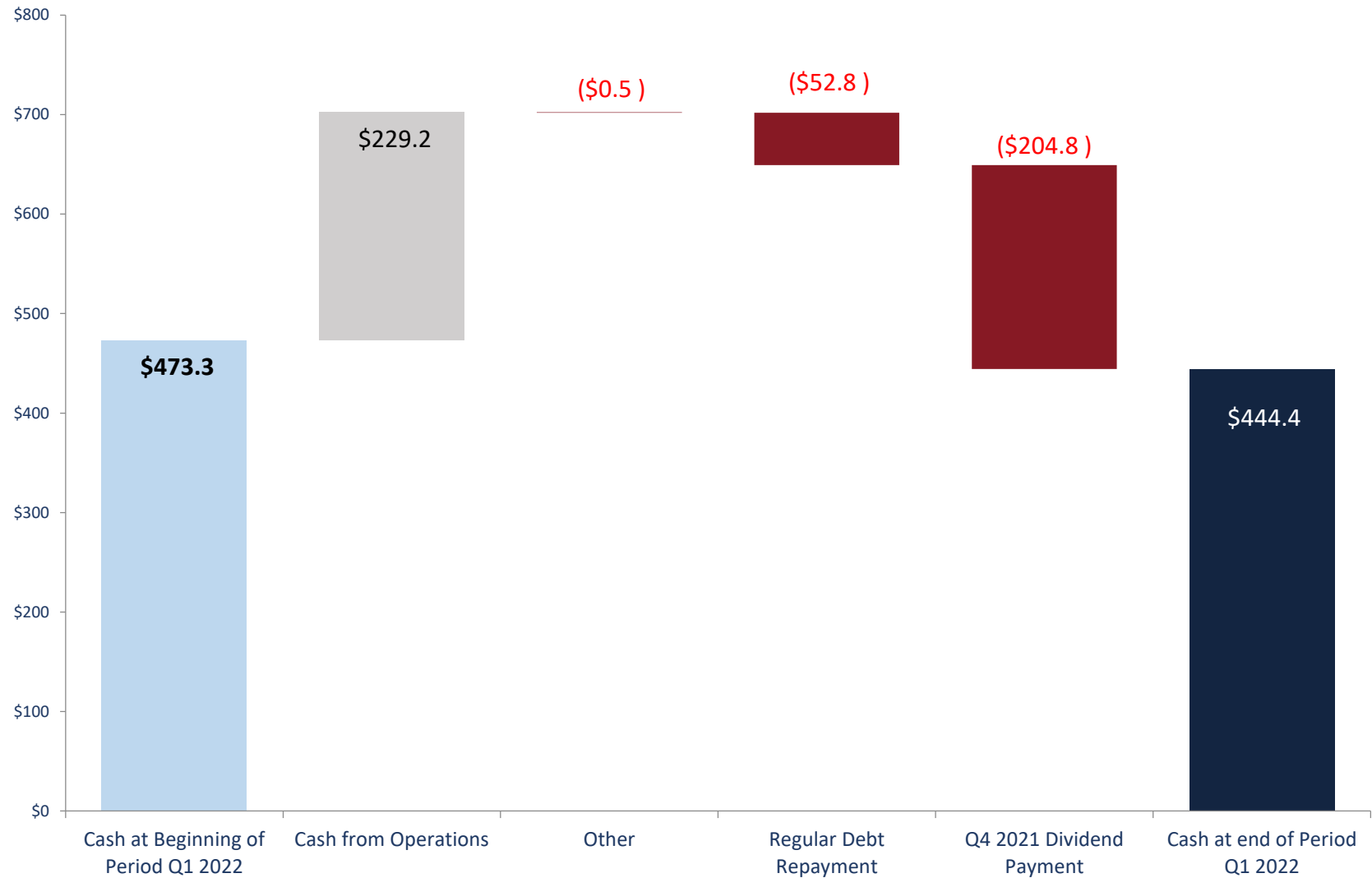
(3) TCE = (Total voyage revenues – Voyage expenses – Charter-in hire expenses+ Realized gain/(loss) from bunker and FFAs) / Available Days

(4) Excludes predelivery and one-off expenses

# Record Cash from Operations in Q1 2022



Q1 2022 Cash Flow Bridge (USD million)



# Simple, Transparent Dividend Policy: (A-B) / C



## Q1 2022 Dividend Calculation

All figures in \$ millions except for Number of Owned Vessels and per share figures

<b>(A)</b>	<b>Total Cash Balance (million)</b>	<b>\$440.1</b>
	Minimum Cash Balance Per Vessel (million)	\$2.1
	Number of Owned Vessels	128
<b>(B)</b>	<b>Total Minimum Cash Threshold (million)</b>	<b>\$268.8</b>
<b>(A - B)</b>	<b>Declared Dividend (million)</b>	<b>\$171.3</b>
<b>(C)</b>	<b>Number of Shares (million)</b>	<b>103.3</b>
<b><math>\frac{A - B}{C}</math></b>	<b>Dividend per Share</b>	<b>\$1.65</b>

## Summary Dividend Policy

### Dividend Policy

On November 20, 2019, the Company's Board of Directors authorized a dividend policy whereby each quarter, an aggregate dividend will be declared equal to:

**(A)** The Total Cash Balance<sup>(1)</sup>

less

**(B)** A Minimum Cash Balance equal to the Number of Vessels<sup>(2)</sup> multiplied by \$2.10 million

divided by

**(C)** Number of shares outstanding

(1) "Total Cash Balance" means (a) the aggregate amount of cash on Star Bulk's balance sheet as of the last day of the quarter preceding the relevant dividend declaration date minus (b) any proceeds received by Star Bulk, including its subsidiaries, from vessel sales, or additional proceeds from vessel refinancings, or securities offerings in the last 12 months that have been earmarked for share repurchases, debt prepayment, vessel acquisitions and general corporate purposes.

(2) "Number of Vessels" means the total number of vessels owned by the Company, including its subsidiaries, or that are subject to sale and leaseback transactions and finance leases, as of the last day of the quarter preceding the relevant dividend declaration date.)

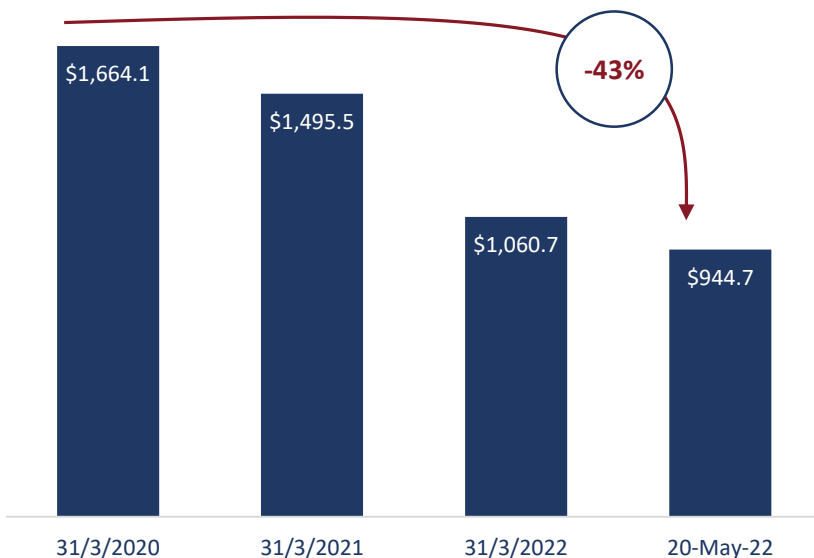
# Continued Improvement of Balance Sheet

## Balance Sheet Snapshot

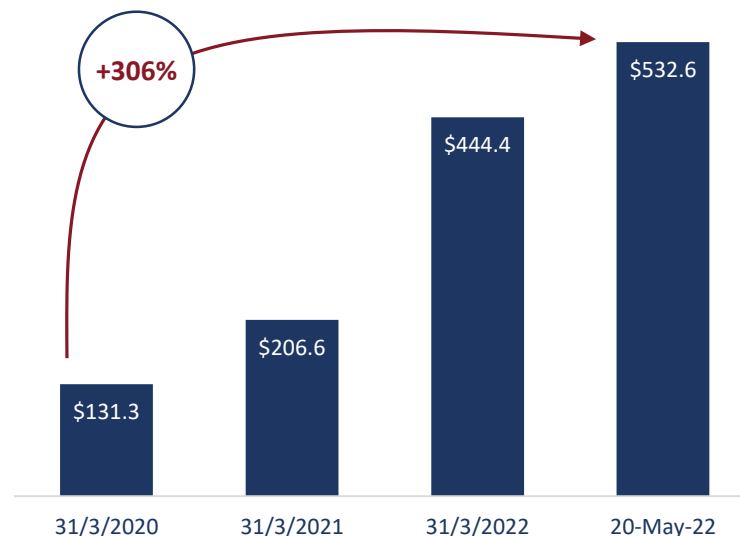
### Healthy liquidity and competitive financing

- Proforma total liquidity<sup>(1)</sup> of ~\$533 million
  - Total debt and lease obligations<sup>(1)</sup> of \$1,477 million
  - Next twelve months amortization of ~\$200 million
- Six unlevered vessels and no debt maturities until Q3 2023
  - We have fixed ~55% of floating interest rate exposure to LIBOR at an average rate of 45bps.

## Adjusted Net Debt<sup>(2)</sup>



## Cash & Liquidity

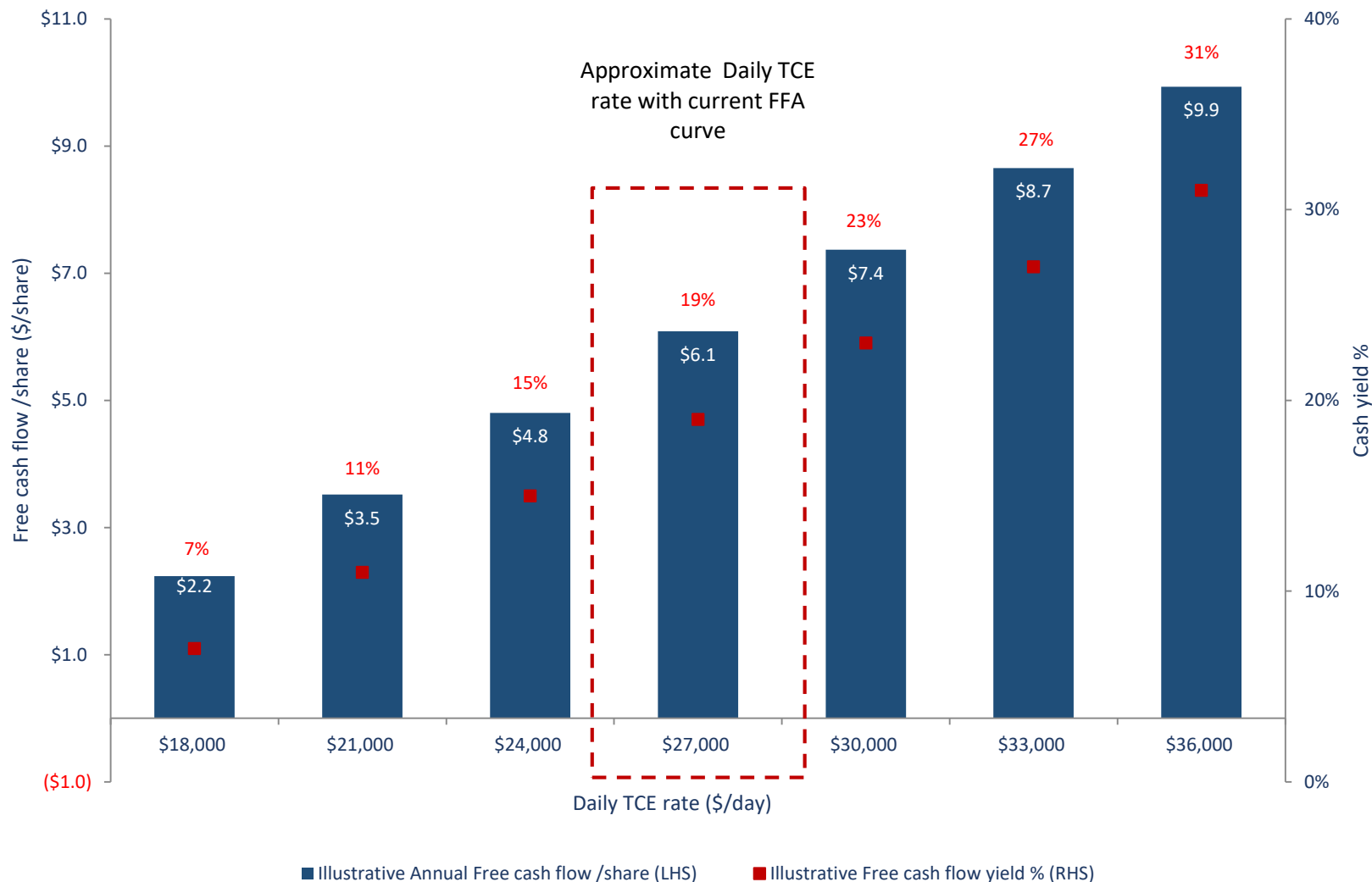


(1) As of May 20<sup>th</sup>, 2022

(2) Adjusted for the vessel acquisitions completed during the period

# Operating Leverage and Cash Flow potential

## Illustrative Annual Free Cash Flow Yield at Various Daily TCE Levels<sup>(1), (2), (3)</sup>



(1) Please refer to our Financial Statements for a reconciliation regarding Daily TCE rate and Adjusted EBITDA to the closest comparable GAAP metric

(2) Free cash flow is defined as : Adjusted EBITDA less the aggregate of a) cash interest expense, b) scheduled debt amortization and c) BWTS, ESD and other CAPEX

(3) Based on (i) on FFA curve and VLSFO – HSFO spread forward curve as of May 17, 2022; (ii) 128 owned vessels; (iii) 102,499,682 shares outstanding; and (iv) SBLK closing share price of \$32.03 as of May 20, 2022

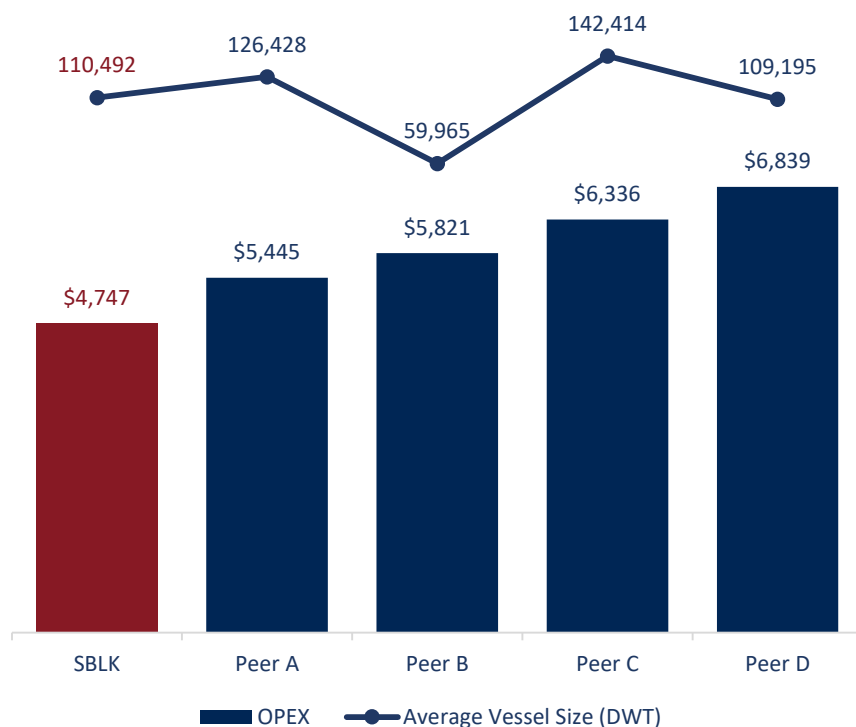
# Continued Operational Excellence



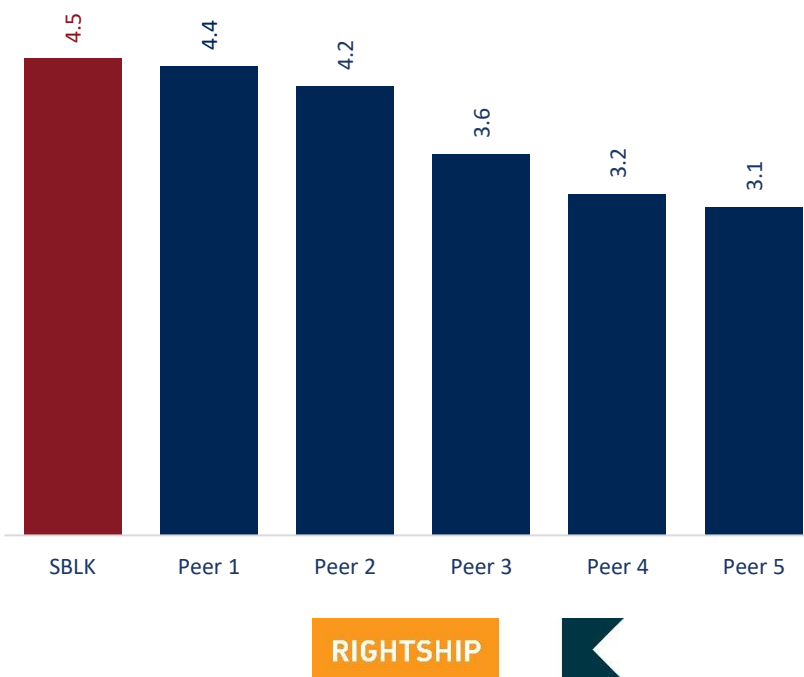
We operate a fleet with one of the lowest average daily OPEX among our peers without compromising quality

- For Q1 2022 vessel OPEX<sup>(1)</sup> were \$4,747 per vessel per day
- Net cash G&A<sup>(2)</sup> expenses per vessel per day were \$1,065 for Q1 2022
- We are consistently in the top 5 dry bulk operators amongst our peer group in Rightship Ratings

### Average Daily OPEX<sup>(1)</sup>



### Average Rightship risk rating (May 2022)



(1) Figures exclude pre-delivery and COVID -19 related expenses

(2) Excludes share incentive plans, includes management fees

Source: Company filings



# Scaled Fleet with Significant Operating Leverage

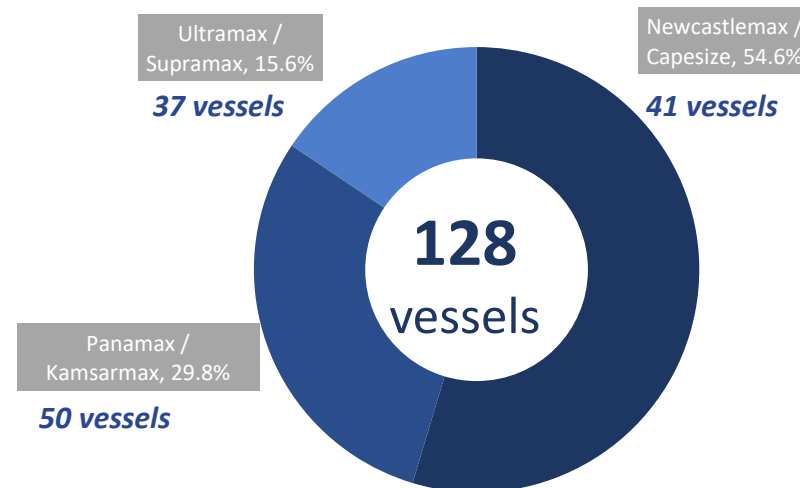


## Fleet Snapshot

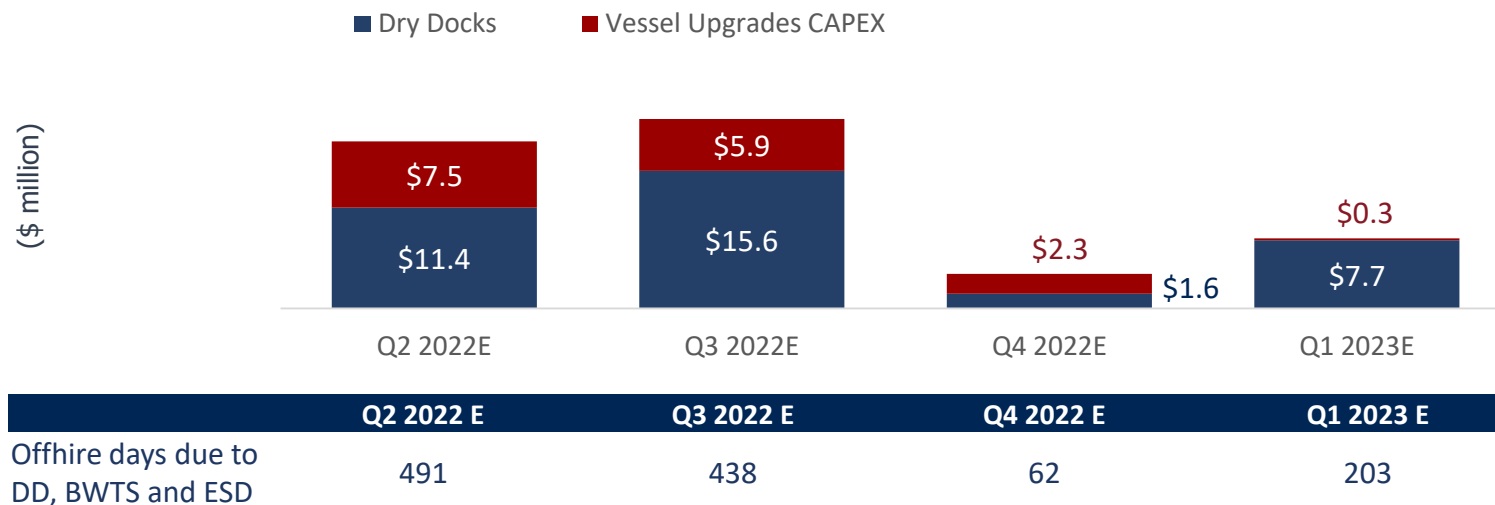
### Leverage to market strength and fuel spreads

- Largest dry bulk fleet among U.S. and European listed peers with 128 vessels with an average age of ~10.1 years
- Fleet geared towards larger vessel sizes (i.e. Newcastlemax and Capesize), which offer the best exposure to a strong market
- 94% of vessels are fitted with scrubbers, providing significant leverage to fuel price spreads
- 97% of the fleet will be fitted with BWTS by the end of 2022
- Operating leverage with ~46,700 ownership days in 2022

## Fleet Breakdown (by DWT)



## Upcoming Dry Docks and BWTS Installations



# Leading in the industry's ESG efforts

## Green Corridor for the iron ore trade between Australia and East Asia

---

- Consistent with the Star Bulk decarbonization strategy to lead in the industry's efforts to phase out GHG emissions, we have signed and announced the company's participation in an **Iron Ore Consortium**, along with three of our major charterers, BHP, Rio Tinto and Oldendorff.
- Led by the Global Maritime Forum, this partnership will create a framework for the development of a **Green Corridor for the iron ore trade between Australia and East Asia**, a route that accounts for more than 22 million tons of CO2 equivalents each year, or more than 2.5% of global shipping emissions.
- The parties in the consortium will jointly assess the economics, infrastructure, and logistics for the supply and bunkering of **green ammonia**, as well as the necessary commercial agreements and first mover support mechanisms, to enable a viable Australia to East Asia iron ore Green Corridor.
- Through this work and with inputs from the wider value chain and the public sector, we aim to set the foundation and accelerate the **real-world implementation of zero-emission shipping** in this specific trade route, and to catalyze green corridor developments also in other parts of the world.

## Iron Ore Consortium members

---



GLOBAL  
MARITIME  
FORUM

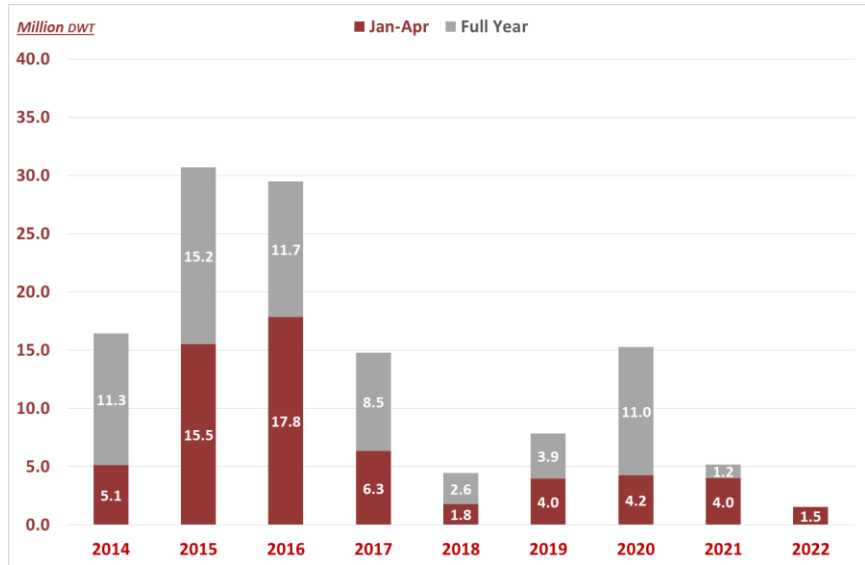


# Dry Bulk Supply Update

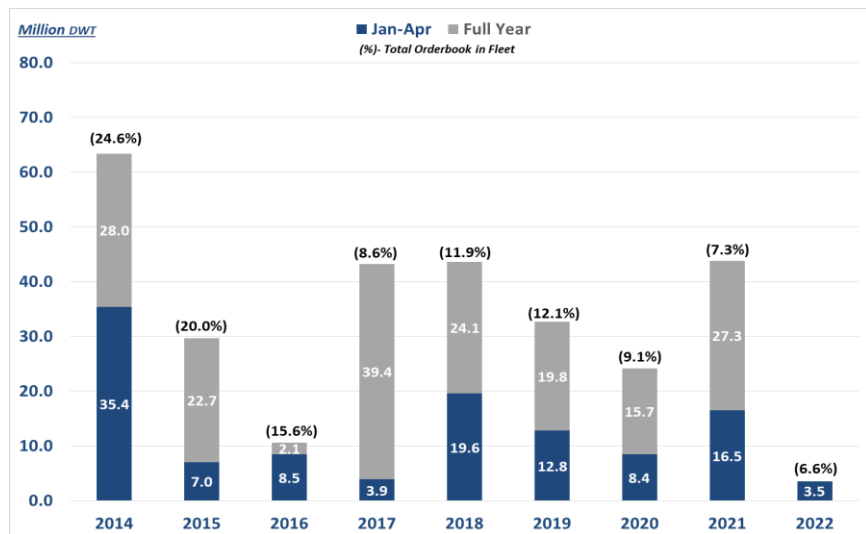


- **Dry bulk NET fleet growth running at +3.4% during the last 12 months**
  - Jan-Apr 2022 deliveries: 11.0 mil. dwt / Down from 15.3 mil. dwt
  - Jan-Apr 2022 demolition: 1.5 mil. dwt / Down from 4.0 mil. dwt
- **Orderbook at a record low of ~6.6% of the fleet (~63.0 mil. dwt)**
  - Jan-Apr 2022 contracting: 3.5 mil. dwt / Down from 16.5 mil. dwt
  - Environmental regulations keeping new orders under control. Shipbuilding capacity filling up with more profitable vessels.
- **Vessels above 15 years of age at ~17.9% of the fleet (~171 mil. dwt)**
- Steaming speeds experiencing downward pressures as a result of the strong increase in bunker costs and inefficiencies
- Global congestion stands near record highs as a result of bottlenecks, increased political tension and quarantines.
- **NET fleet growth unlikely to exceed 2% p.a. during 2022-2024**

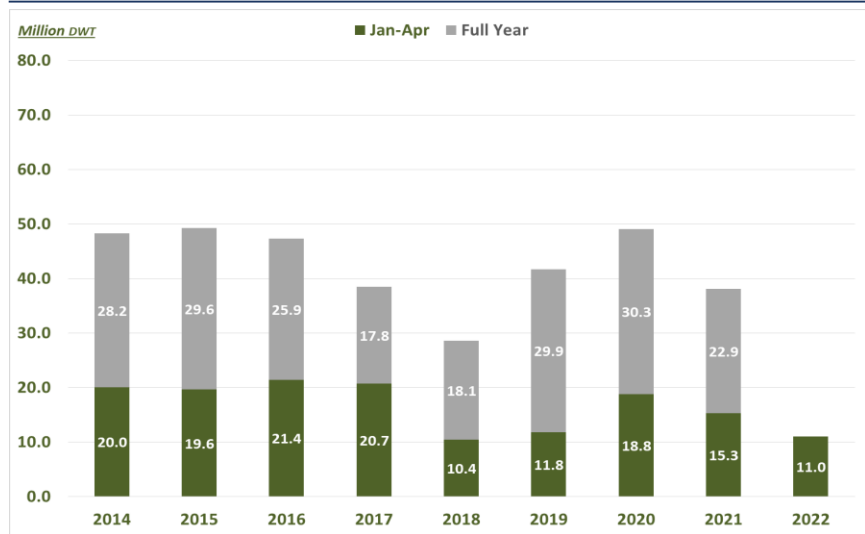
## Dry Bulk Demolition



## Dry Bulk New Orders



## Dry Bulk Deliveries



Source: Clarkson Research Services Ltd. (Shipping Intelligence Network, database)

# Dry Bulk Demand Update

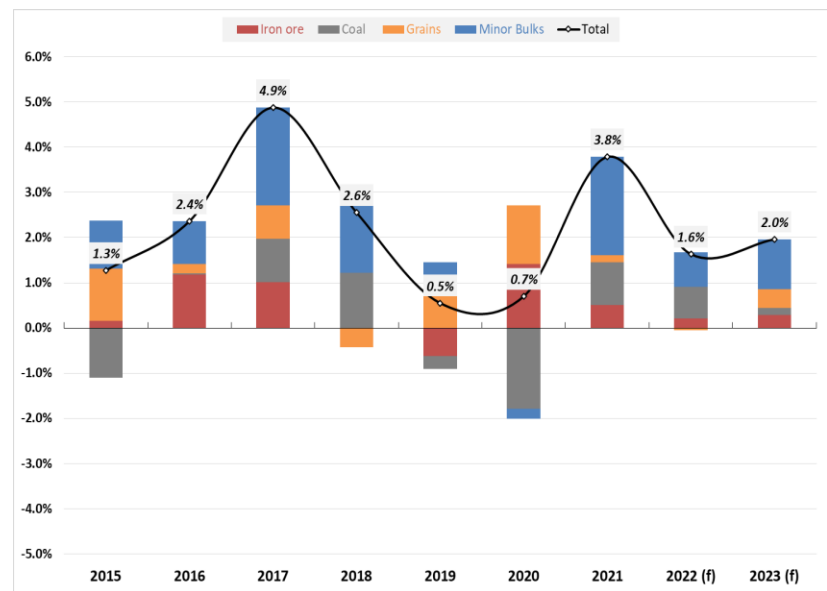
- **Dry bulk trade in 2022, projected to expand +0.3% & +1.6% in tons & ton-miles.**
  - First half 2022 trade volumes affected from the Indonesia export ban on coal, China winter Olympics and zero COVID policy, poor weather conditions in Brazil and the war in Ukraine.
  - Gradual shifts in coal, grains and minor bulks trade patterns to longer-haul routes are inflating ton-miles and helped moderate the effect of volumes slowdown.
  - Stronger shipments are expected during the rest of the year, supported by global restocking needs across all dry bulk cargoes and a recovery of Chinese industrial production.
  - IMF global GDP growth projection downgraded to 3.6% both for 2022 and 2023. Record high commodity prices affecting end-users demand in some regions while COVID-19 related risks remain.
- **Dry bulk trade in 2023, projected to expand +1.7% & +2.0% in tons & ton-miles.**

### Key Dry bulk cargoes 2022 breakdown:

- **Iron ore trade growth projected at +0.7% y-o-y in tons & +0.7% in ton-miles**
  - China steel production declined 8.5% y-o-y in Q1 due to winter restrictions and a new round of COVID lockdowns. Pig Iron output experiencing a recovery with infrastructure stimulus and rate cuts indicating further improvement. Brazilian exports are down 8.5% in Jan-Apr. Vale end of year guidance indicating stronger exports over the next quarters.
- **Coal trade growth projected at +0.5% y-o-y in tons & +4.0% in ton-miles**
  - European buyers seeking cargoes from Australia and Indonesia to replace Russian coal with a strong positive effect on ton miles. Atlantic producers have limited capacity to boost exports. China increasing domestic output. Strong demand and low stockpiles ahead of monsoon season in India increasing import needs.
- **Grains trade growth projected at -3.8% y-o-y in tons & -0.4% in ton-miles**
  - Ukraine exports represented 10% of global grain trade and have stopped since the invasion. Importers have turned to US, Australia and Europe for additional quantities. US outstanding sales at record levels for this time of the year. China's five-year plan focus on food security and inventory building expected to support ton-miles over the next years.
- **Minor bulk growth projected at +1.0% y-o-y in tons & +2.0% in ton-miles**
  - Minor bulk trade is highly correlated with global GDP growth and receiving support from strong containership market. Atlantic steel shortages incentivizing Pacific exports and geared backhaul trades. Bauxite exports from West Africa to China supporting ton-miles for Capesize vessels.

Dry Bulk Trade (Million tons)	2017	2018	2019	2020	2021	2022 (f)	2023 (f)
<b>Iron ore</b>	1,472	1,475	1,454	1,502	1,517	1,527	1,538
<b>Coal</b>	1,206	1,270	1,293	1,175	1,231	1,236	1,250
<b>Grains</b>	475	474	479	515	523	503	521
<b>Minor Bulks</b>	1,937	2,016	2,046	1,990	2,097	2,117	2,168
<b>Total Dry</b>	<b>5,089</b>	<b>5,235</b>	<b>5,272</b>	<b>5,183</b>	<b>5,367</b>	<b>5,384</b>	<b>5,477</b>
<i>Annual Growth (tons)</i>	200	146	37	-89	184	17	93
<i>Annual Growth (%)</i>	4.1%	2.9%	0.7%	-1.7%	3.5%	0.3%	1.7%
<i>Ton-miles growth</i>	4.9%	2.6%	0.5%	0.7%	3.8%	1.6%	2.0%

### Dry Bulk Ton-miles – Full Year Growth



Source: Clarkson Research Services Ltd. (Shipping Intelligence Network, database)

# THANK YOU

## **Contacts**

### **Company:**

Simos Spyrou, Christos Begleris  
Co - Chief Financial Officers  
Star Bulk Carriers Corp.  
c/o Star Bulk Management Inc.  
40 Ag. Konstantinou Av.  
Maroussi 15124  
Athens, Greece  
Tel. +30 (210) 617-8400  
Email: [info@starbulk.com](mailto:info@starbulk.com)  
[www.starbulk.com](http://www.starbulk.com)

### **Investor Relations / Financial Media:**

Nicolas Bornozis  
President  
Capital Link, Inc.  
230 Park Avenue, Suite 1536  
New York, NY 10169  
Tel. (212) 661-7566  
E-mail: [starbulk@capitallink.com](mailto:starbulk@capitallink.com)  
[www.capitallink.com](http://www.capitallink.com)

