



NASDAQ: SBLK

Financial Results Q1 2021



May 2021

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 2021 Financial Highlights



	Q1 2021	Q1 2020
TCE Revenues ⁽¹⁾	\$156.6m	\$100.3m
EBITDA	\$84.5m	\$57.6m
Adjusted EBITDA	\$84.7m	\$32.6m
Net Income	\$35.8m	\$2.8m
Adjusted Net Income	\$35.7m	\$(22.3)m
TCE	\$15,461	\$10,949
Average daily OPEX per vessel	\$4,410	\$4,047
Average daily OPEX per vessel ⁽²⁾	\$4,251	\$4,047
Average daily Net Cash G&A expenses per vessel	\$1,087	\$1,064
Average No. of Vessels	119.3	116.0
Adjusted EPS, basic	\$0.36	\$(0.23)
EPS GAAP, basic	\$0.36	\$0.03
Weighted average number of shares outstanding, basic	98,712,581	95,797,142

Cash & Debt Position⁽³⁾⁽⁴⁾

• Total Liquidity:	\$ 234.2m
• Total Debt & Capital lease obligations:	\$ 1,644.4 m

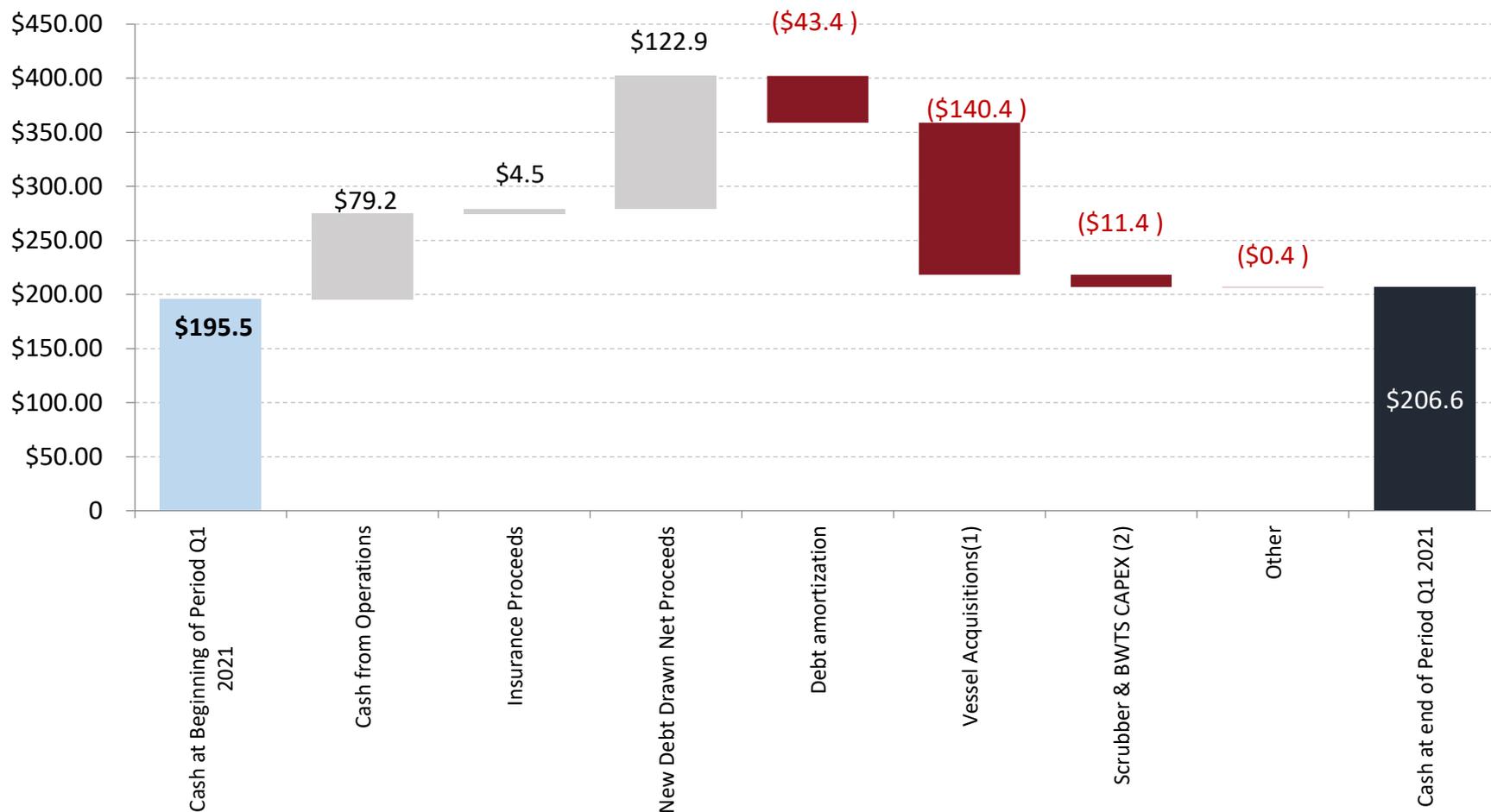
Notes:

- (1) TCE revenues = Total voyage revenues – Voyage expenses – Charter-in hire expenses+ Realized gain/(loss) from bunker and FFAs
- (2) Excludes predelivery and one-off expenses
- (3) As of May 19th 2021
- (4) The Cash and Debt figures do not include the \$30 million revolving debt facility which remains undrawn

Q1 2021 Cash Flow Generation



Q1 2021 Cash Flow Breakdown



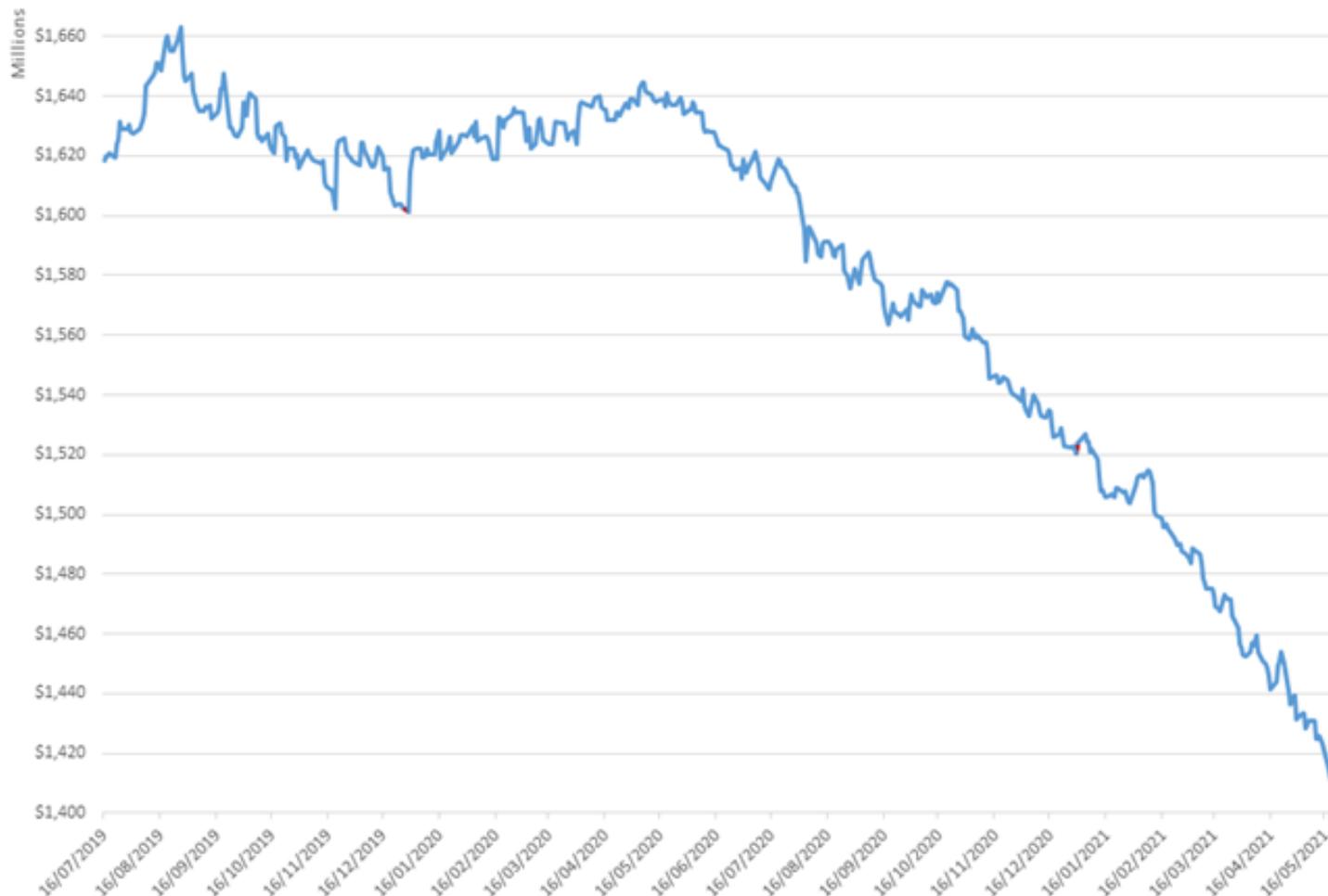
Notes:

- (1) Vessel acquisitions include the 6 SALT vessels , 3 ER vessels and deposit for the 2 Kamsarmax resales
- (2) Scrubber CAPEX refers to payment for works completed in Q4 2020

Evolution of Net Debt

- During the last 12 months we have been able to reduce our Net Debt by more than ~\$220 million due to strong cash flow from operations

SBLK (Adjusted) Net Debt Evolution



Notes:

The above graph figures are adjusted historically for any vessel acquisitions completed until 19th May 2021

Dividend Policy

Q1 2021 Dividend Declaration

- Dividend of \$0.30 per share declared with respect to Q1 2021, announced on 19th May 2021
 - **Payable** on or about June 14, 2021
 - **Record Date** as of May 31, 2021
 - The ex-dividend date is expected to be May 30, 2021

Dividend Policy

- Dividend (D) will be declared equal to:
$$D = \text{Total Cash Balance}^{(1)} - (\text{Minimum Cash Balance Per Vessel} * \text{Number of Vessels}^{(2)})$$
 - Minimum Cash Balance per Vessel is defined as follows:
 - a. \$1.40 million for March 31, 2021;
 - b. \$1.65 million for June 30, 2021
 - c. \$1.90 million for September 30, 2021
 - d. \$2.10 million for December 31, 2021 and thereafter
- As of March 31, 2021, we owned 125 vessels and our Total Cash Balance was at \$206.6 million. Adjusted for the Minimum Cash Balance per Vessel for March 31, 2021 of \$1.40 million, resulted in total declared dividend amount of approximately \$31 million or \$0.30 per share.

(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.

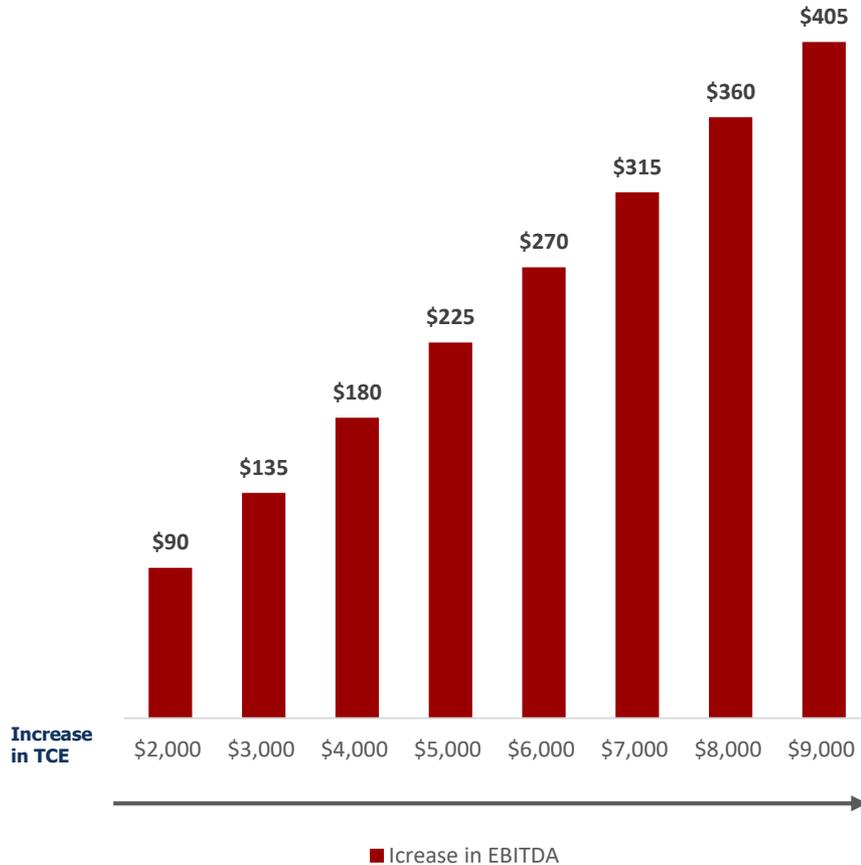
(2) “**Number of Vessels**” means the total number of vessels owned by the Company, including its subsidiaries, or that are subject to sale and leaseback transactions and finance leases, as of the last day of the quarter preceding the relevant dividend declaration date.

Freight and Bunker Operating Leverage



Additional annual EBITDA generation from freight increase

(in million)



Note: Based on 45,000 available days per annum

Additional annual EBITDA generation from fuels spread increase

(in million)



Note: Based on 800,000 tons bunker consumption per annum

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

Continued Operational Excellence

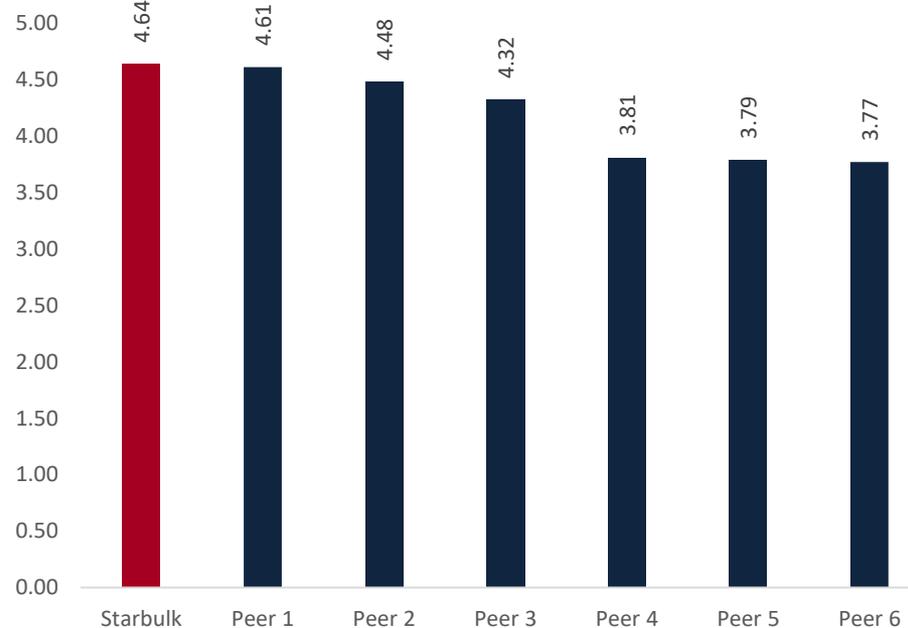
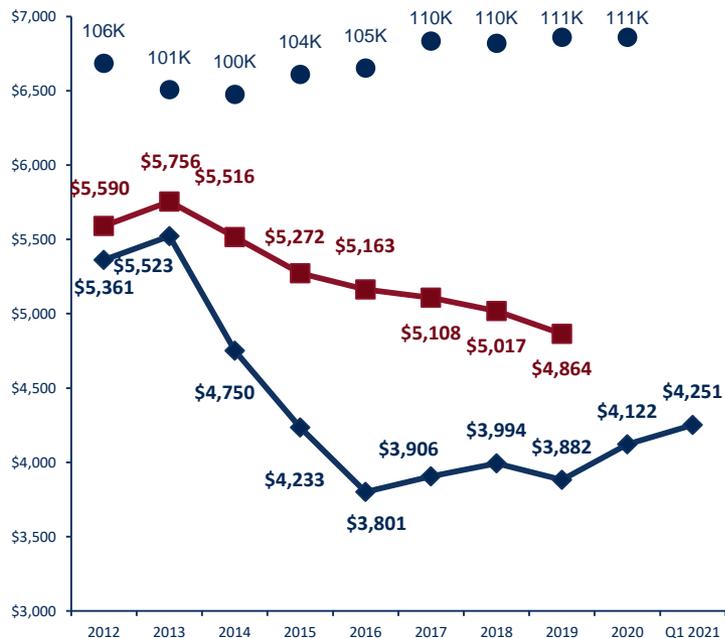
- For Q1 2020 vessel OPEX⁽¹⁾ were \$4,251 per vessel per day
- Net cash G&A⁽²⁾ expenses per vessel per day were \$1,087 for Q1 2021 and \$1,064 for Q1 2020
- We are consistently in the top 5 dry bulk operators amongst our peer group in Rightship Ratings

We operate a fleet with one of the lowest average daily OPEX...

...without compromising quality

Average Daily OPEX⁽¹⁾

May 2021 - Average Rightship risk rating status vs peer companies on dry sector



◆ Average Daily OPEX SBLK ■ Moore Stephens Industry Average ● Average Vessel Size SBLK

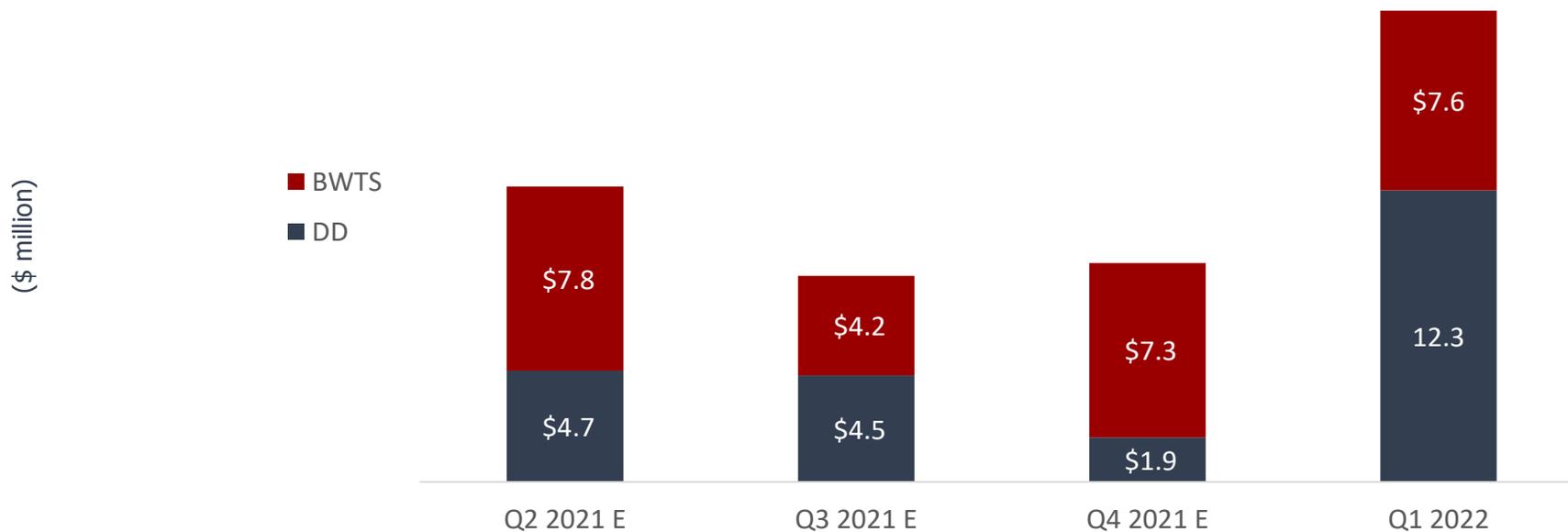
Source: Moore Stephens, Company Filings

(1) Figures exclude pre-delivery expenses
 (2) Excludes share incentive plans, includes management fees



Drydock & BWTS Schedule

Dry dock & BWTS Expense



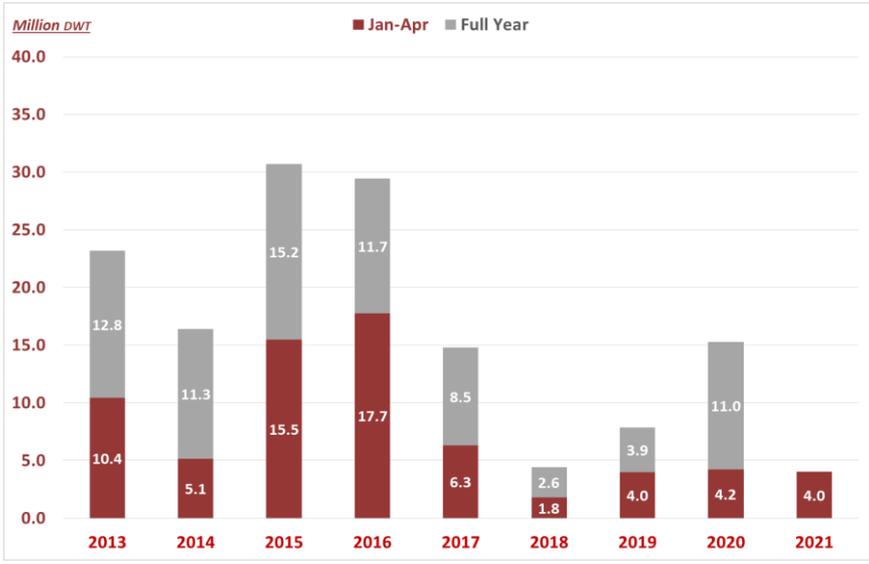
	Q2 2021 E	Q3 2021 E	Q4 2021 E	Q1 2022 E
Offhire days due to DD/BWTS	184	197	68	342

Dry Bulk Supply Update

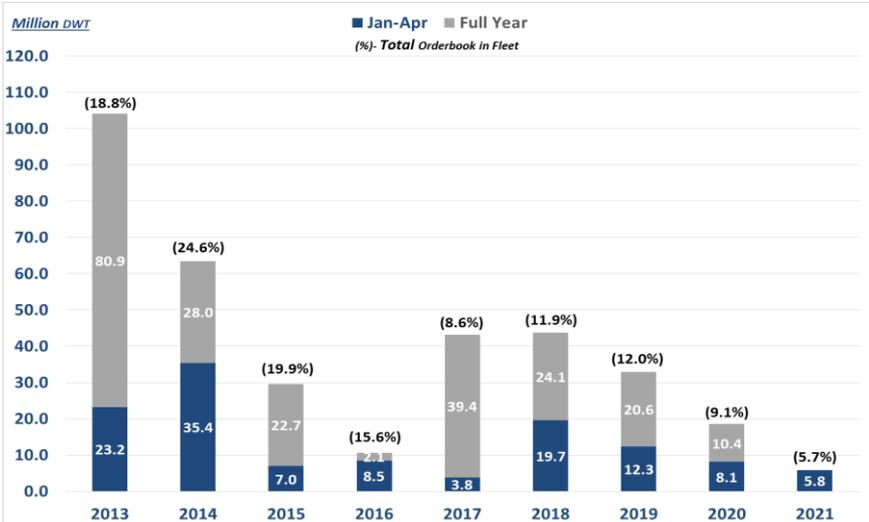


- **Dry bulk NET fleet growth running at +3.3% during the last 12 months**
 - Jan-Apr 2021 deliveries: 14.8 mil. dwt / Down from 18.8 mil. dwt
 - Jan-Apr 2021 demolition: 4.0 mil. dwt / Down from 4.2 mil. dwt
- **Orderbook at a record low of ~5.7% of the fleet (~52.7 mil. dwt)**
 - Jan-Apr 2021 contracting: 5.8 mil. dwt / Down from 8.1 mil. dwt
 - Environmental regulations keeping new orders under control
- **Vessels above 15 years of age at ~16.0% of the fleet (~148 mil. dwt)**
- **Average steaming speeds up only +3% to 11.8 knots** due to the increase in bunker costs (IMO2020).
 - Quarantines & political tension inflate inefficiencies (eg congestion)
- **NET fleet growth slowing down to +2.8% in 2021 and +1.0% in 2022**

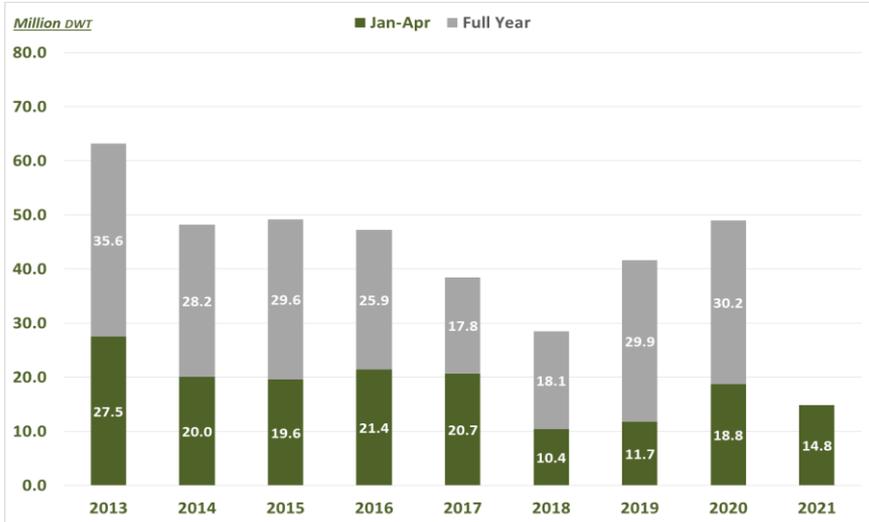
Dry Bulk Demolition



Dry Bulk New Orders



Dry Bulk Deliveries



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

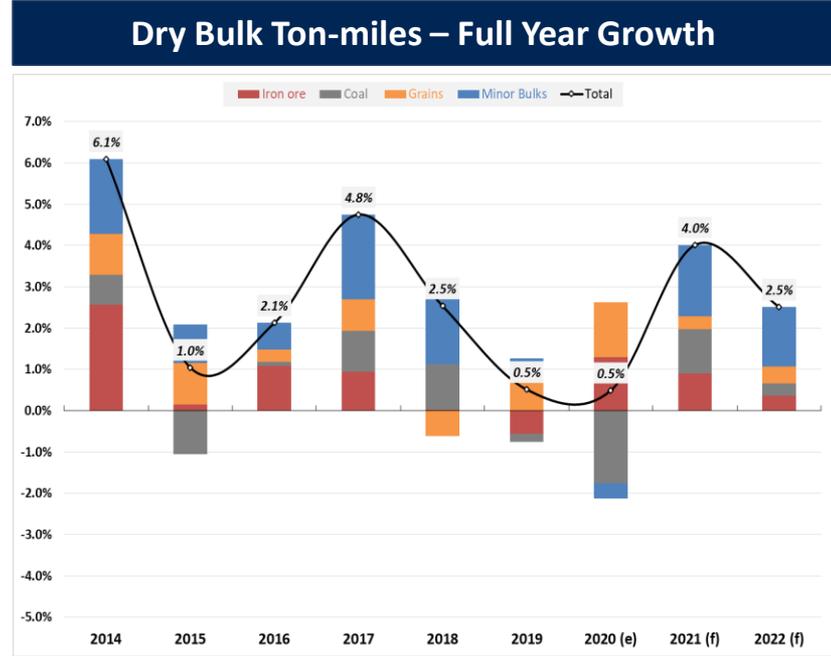
Dry Bulk Demand Update

- **TOTAL dry bulk trade in 2021, projected to expand +4.0% in ton-miles.**
 - Vaccination for COVID-19 supporting strong 2021-22 global economic rebound.
 - Synchronized global economic stimulus focused on the construction sector.
 - Record high commodity prices to incentivize further expansion in production.
 - New Atlantic export projects and political tensions between China-Australia expected to inflate ton-miles growth.

Key Dry bulk cargoes 2021 breakdown:

- **Iron ore trade growth projected at +3.1% y-o-y in tons & +3.1% in ton-miles**
 - China steel production at record high levels, +15.1% y-o-y in Q1. Rest of the world production +1.5% during Q1. Brazil production recovering from 2019 accident with Jan-Apr exports +14.4%. Vale end 2022 production target between 400 - 450MT.
- **Coal trade growth projected at +5.6% y-o-y in tons & +6.4% in ton-miles**
 - Global coal consumption and trade steadily recovering. China and India thermal electricity production outpaced coal output during Q1, resulting a drop of stockpiles. Political tension supports longer hauls and enhances inefficiencies.
- **Grains trade growth projected at +2.7% y-o-y in tons & +2.3% in ton-miles**
 - US soybean & corn exports are experiencing a record high season. Brazil soybean season started with delays. China demand has fully recovered from African Swine fever. 5-year plan focus on food security expected to support dry ton-miles.
- **Minor bulk growth projected at +3.6% y-o-y in tons & +1.2% in ton-miles**
 - Minor bulk trade is highly correlated with global GDP growth and has been benefiting from the simultaneous economic recovery. Shortages of steel incentivizing Pacific exports and benefiting smaller sizes. Bauxite exports from West Africa to China will support ton-miles for Capesize vessels.

Dry Bulk Trade (Million tons)	2015	2016	2017	2018	2019	2020 (e)	2021 (f)	2022 (f)
Iron ore	1,364	1,418	1,473	1,476	1,456	1,503	1,550	1,559
Coal	1,138	1,141	1,203	1,264	1,286	1,165	1,231	1,247
Grains	430	450	476	475	478	512	525	542
Minor Bulks	1,891	1,880	1,936	2,010	2,029	1,985	2,058	2,116
Total Dry	4,822	4,889	5,087	5,225	5,249	5,166	5,363	5,463
Annual Growth (tons)	9	67	198	137	24	-83	198	100
Annual Growth (%)	0.2%	1.4%	4.1%	2.7%	0.5%	-1.6%	3.8%	1.9%
Ton-miles growth	1.0%	2.1%	4.8%	2.5%	0.5%	0.5%	4.0%	2.5%



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
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
www.capitallink.com

