



NASDAQ: SBLK

Financial Results Q3 2021



November 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.

Q3 2021 Company Highlights



Financial highlights

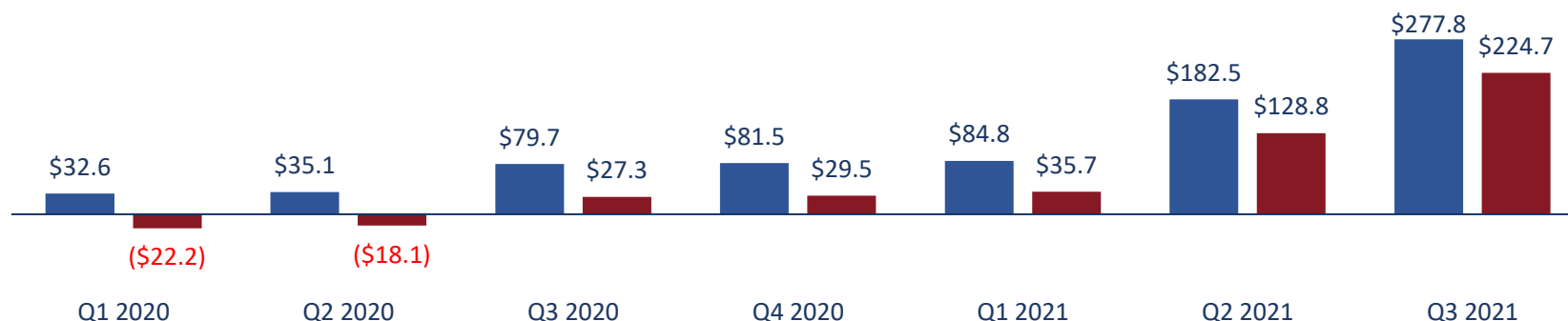
Record historical performance on a quarterly basis

- Net Income of \$220.4 million and Adjusted Net Income⁽¹⁾ of \$224.7, or \$2.20 per basic share
- Adjusted EBITDA⁽²⁾ of \$277.8 million
- Declared dividend of \$1.25 per share payable on or about December 22, 2021

Significant developments

- Prepaid 8.3% Senior Notes of \$50 million due in 2022
- Repurchased 466,268 common shares at an average price of \$22.01, total shares outstanding in December 102,288,448
- Hedged 75,000 tons for Q1 2022 of the VLSFO -HSFO spread at an average price of \$134.8 per ton
- Released our third consecutive ESG report for 2020

Adjusted Net Income & Adjusted EBITDA Performance



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

Daily Figures

TCE per vessel⁽³⁾ **\$30,626**

Avg. daily OPEX per vessel⁽⁴⁾ **\$4,304**

Avg. daily net cash G&A expenses per vessel **\$987**

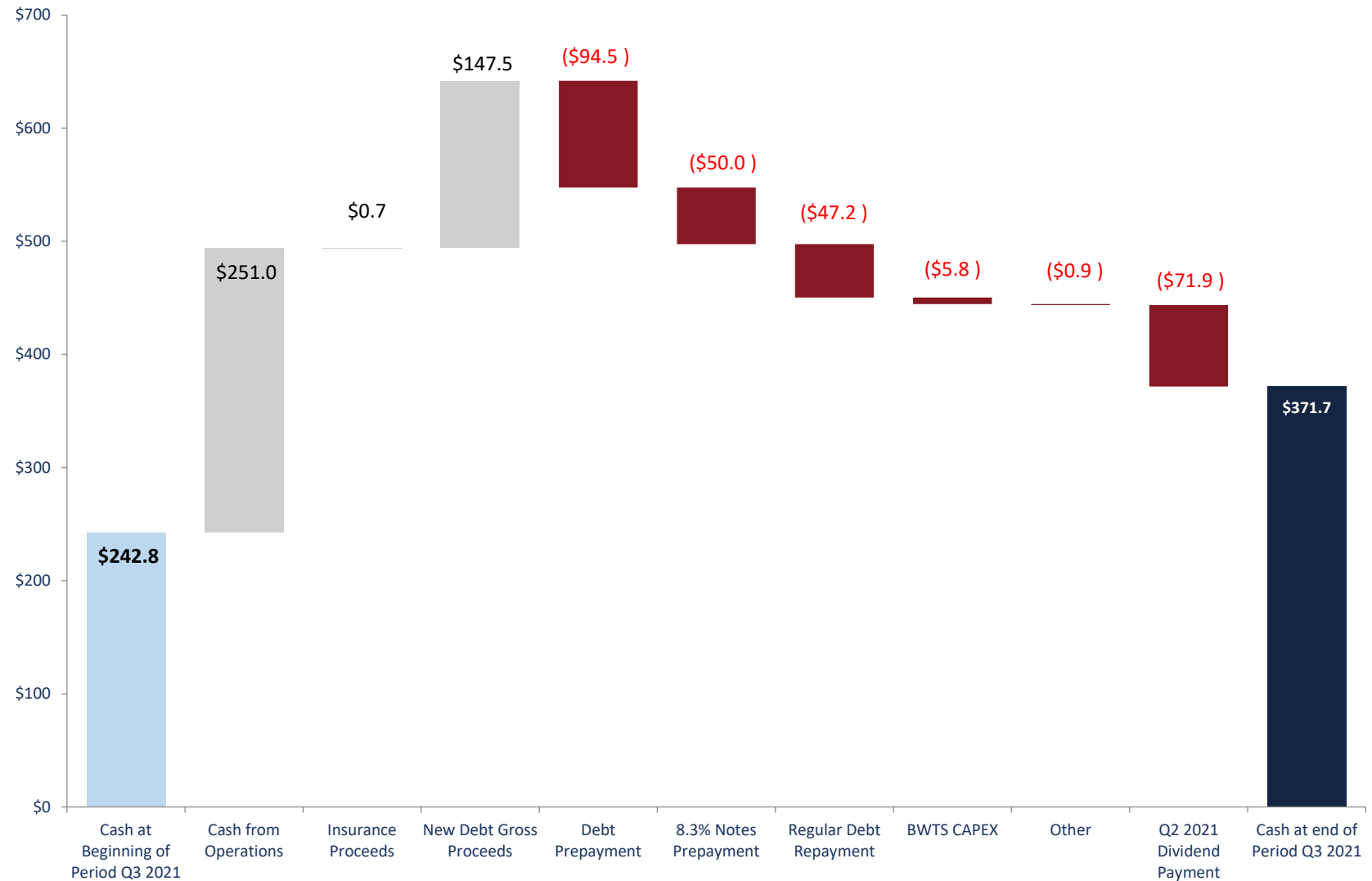
TCE less OPEX less G&A expenses **\$25,335**

Booked 71% of available days for Q4 2021 at a daily rate of \$38,250

Significant Cash from Operations in Q3 2021



Q3 2021 Cash Flow Bridge



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



Q3 2021 Dividend Calculation

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

(A)	Total Cash Balance (\$ millions)	\$371.7
	Minimum Cash Balance Per Vessel	\$1.9
	Number of Owned Vessels	128
(B)	Total Minimum Cash Threshold	<u>\$243.2</u>
(A - B)	Declared Dividend	\$128.5
(C)	Number of Shares	102.288
<u>(A - B)</u> (C)	Dividend per Share	\$1.25

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⁽¹⁾

less

(B) A Minimum Cash Balance equal to the Number of Vessels⁽²⁾ multiplied by

- i. \$1.40 million for Q1 2021;
- ii. \$1.65 million for Q2 2021;
- iii. \$1.90 million for Q3, 2021; or
- iv. \$2.10 million for Q4 2021 and thereafter

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

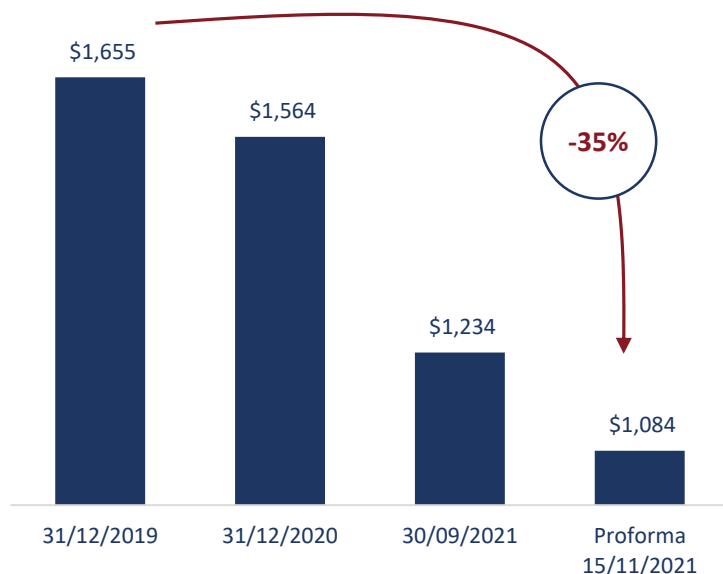
Healthy liquidity and competitive financing

- Proforma total liquidity⁽¹⁾ of \$531.7 million, including \$30 million undrawn working capital facility
- Total debt and lease obligations⁽¹⁾ of \$1,604.8 million
- Working Capital of \$80.0 million as Q3 2021
- Annual amortization of \$207 million
- Five unlevered vessels⁽²⁾ and no debt maturities until Q3 2023

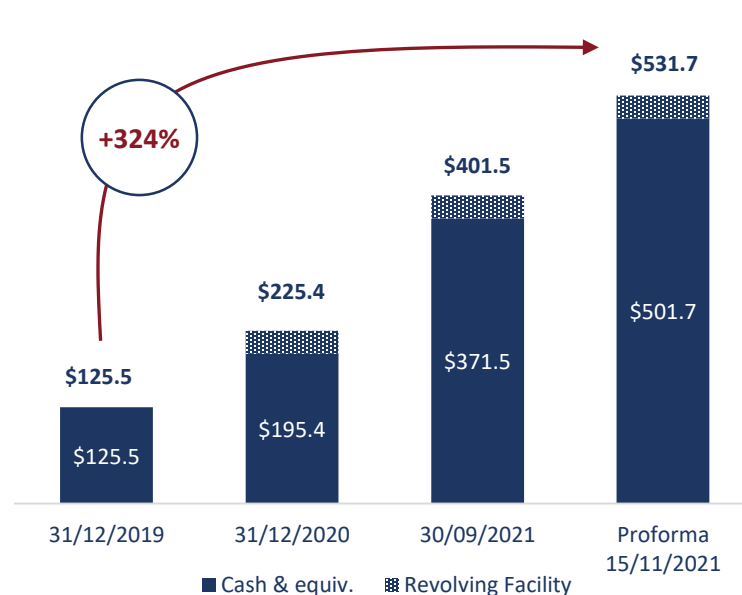
Recent Developments

- Year-to-date dividends per share of \$2.25
- Completed four refinancings, which raised ~\$400 million in senior debt and resulted in interest savings of ~\$5 million per annum
- Proforma average margin of ~2.4%

Adjusted Net Debt⁽³⁾



Cash & Liquidity



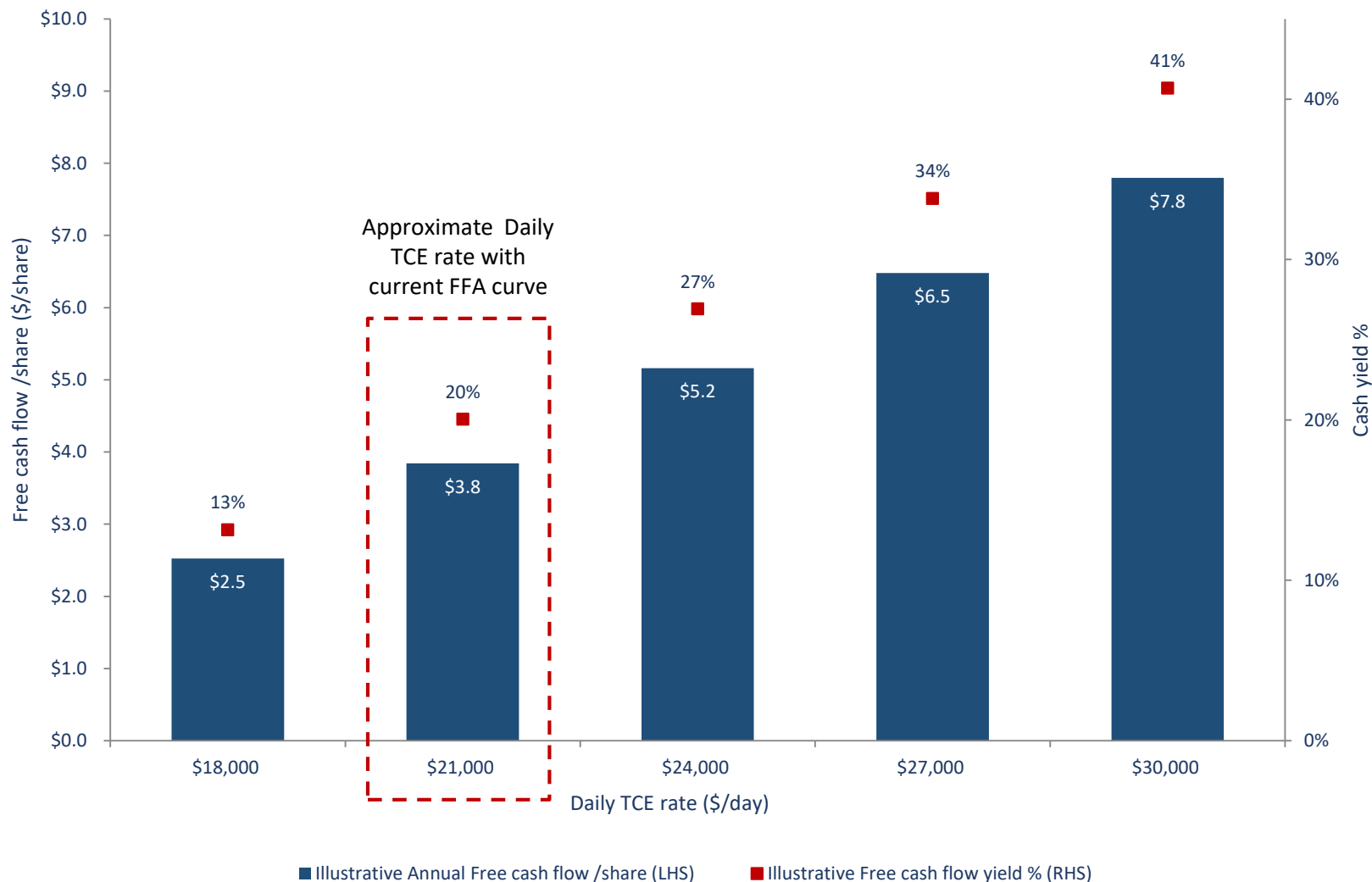
(1) As of November 15th, 2021

(2) As of December 31st, 2021

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

Operating Leverage and Cash Flow potential

Illustrative 2022 Free Cash Flow Yield at Various Daily TCE Levels^{(1), (2), (3)}



(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 and other CAPEX

(3) Based on (i) on FFA curve and VLSFO – HSFO spread forward curve as of November 12, 2021; (ii) 128 owned vessels; (iii) 102.288 fully diluted shares; and (iv) SBLK closing share price of \$19.2 as of November 12, 2021

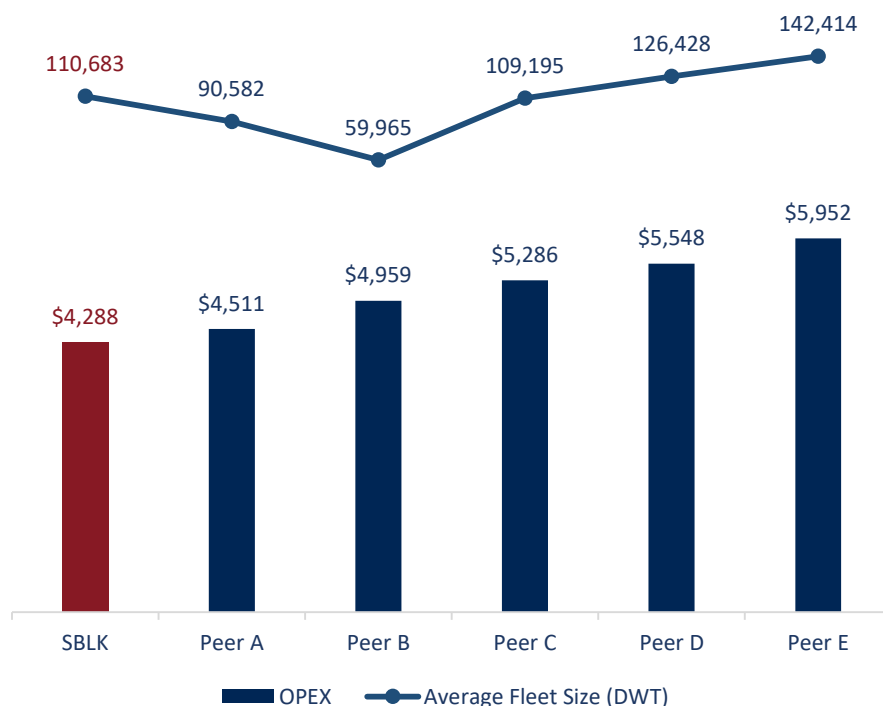
Continued Operational Excellence



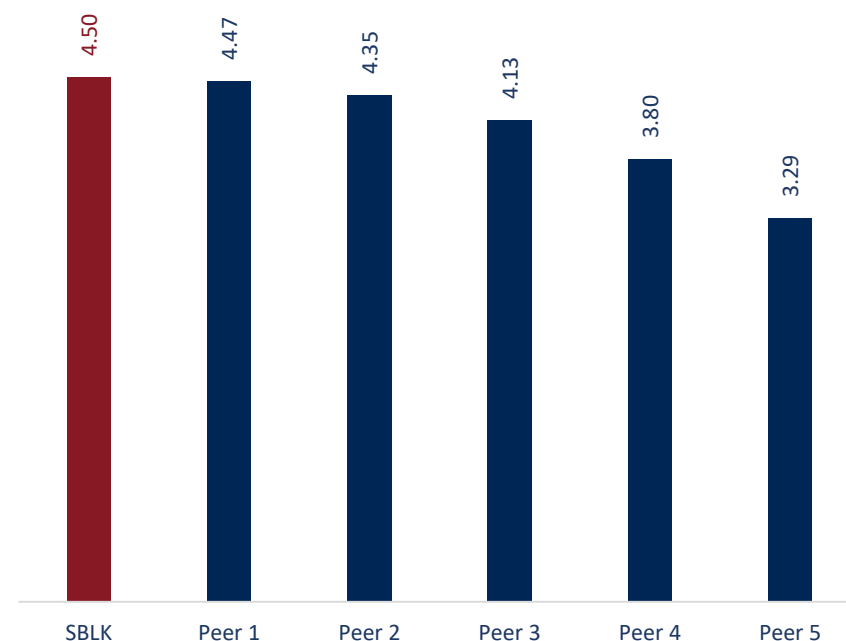
We operate a fleet with one of the lowest average daily OPEX among our peers without compromising quality

- For 9M 2021 vessel OPEX⁽¹⁾ were \$4,288 per vessel per day
- Net cash G&A⁽²⁾ expenses per vessel per day were \$1,053 for 9M 2021
- We are consistently in the top 5 dry bulk operators amongst our peer group in Rightship Ratings

Average Daily OPEX⁽¹⁾



Average Rightship risk rating (September 2021)



(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

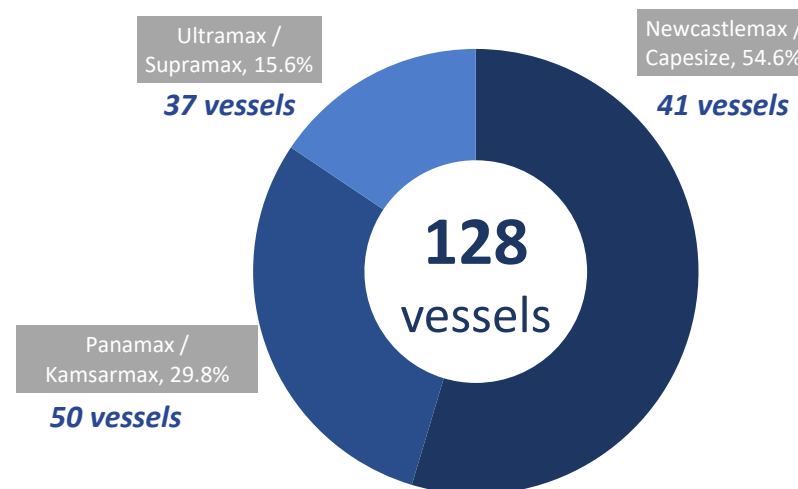


Fleet Snapshot

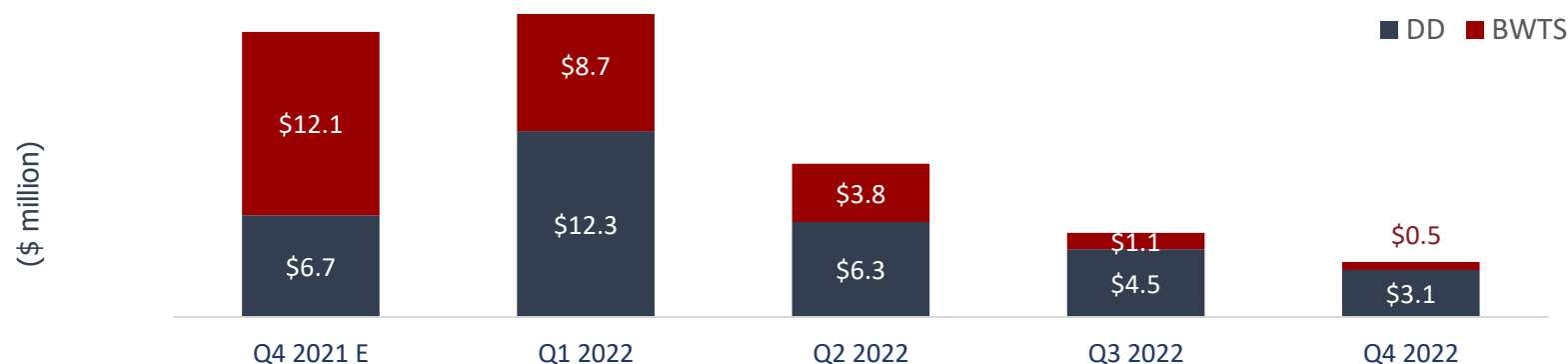
Leverage to market strength and fuel spreads

- Largest dry bulk fleet among U.S. and European listed peers with 128 vessels with an average age of ~9.7 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



	Q4 2021 E	Q1 2022 E	Q2 2022 E	Q3 2022 E	Q4 2022 E
Offhire days due to DD/BWTS	194	342	176	129	97

Update on Star Bulk ESG Activities



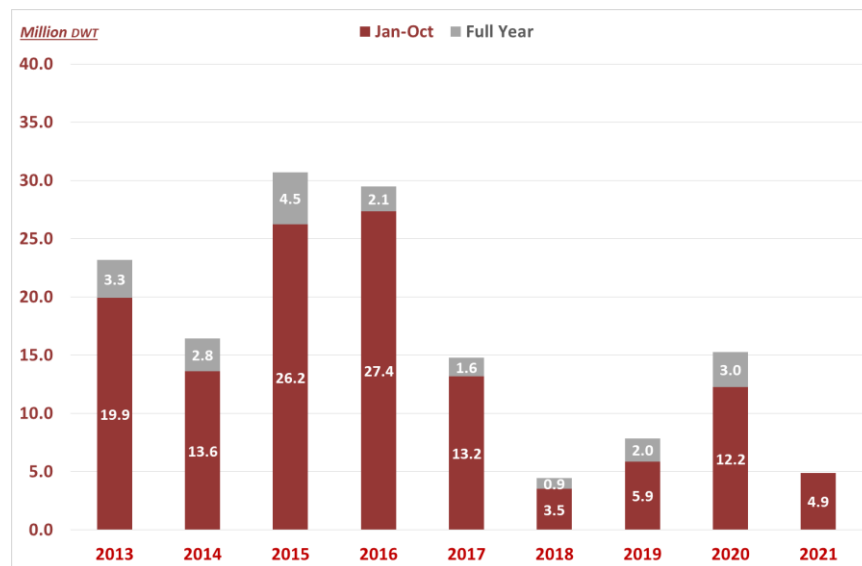
1. We published our third annual **Environmental, Social and Governance (ESG) Report**, assured by EY's Climate Change and Sustainability Services.
2. We joined the **Maritime Anti-Corruption Network (MACN)**, a global business network with more than 160 companies globally which works with governments, NGOs and civil society to eliminate maritime corruption.
3. We participated actively in and sponsored the **Next Wave: Green Corridors report**, a project which analyzes the feasibility of specific trade routes between major port hubs where zero-emission solutions could be demonstrated and supported.
4. We participated in the drafting of the **Poseidon Principles for Marine Insurance**, an initiative by the Global Maritime Forum which serve as a framework to better align Hull & Machinery portfolios with responsible environmental impacts.
5. We became a signatory to the **Call to Action for Shipping Decarbonization**, an initiative by the Getting to Zero Coalition which publicly calls on governments and international regulators to take decisive action in support of shipping decarbonization. The Call also captures the climate actions of the signatories, the following being Star Bulk's commitments:

International collaboration on GHG transparency	<ol style="list-style-type: none"> 1. Publish an annual ESG Report where the carbon footprint and carbon intensity of the company's fleet is disclosed and analyzed. 2. Share the carbon intensity data of our vessels with our stakeholders through the Poseidon Principles and the Sea Cargo Charter.
Other GHG emissions transparency actions	<ol style="list-style-type: none"> 3. Participate in the Carbon Disclosure Project to further assess and continuously improve the company's path to decarbonization. 4. Engage in sustainability linked loan facilities with our banks with the commitment to comply with specific carbon intensity targets. 5. Employ telemetry across our fleet to monitor accurately and real-time the energy efficiency and CO2 emissions of our vessels.
Pilot and demonstration projects (RD&D)	<ol style="list-style-type: none"> 6. Employ a dedicated in-house R&D team to scout for and examine new technologies on energy efficiency and green fuels. 7. Participate in R&D consortiums which pilot new technical solutions on energy efficiency and zero-emission fuels. 8. Pilot and invest in the use of new software technologies on voyage optimization to improve the carbon intensity of the fleet. 10. Participate in industry Alliances to help develop strategies that drive the take-off of alternative fuels for the shipping industry.

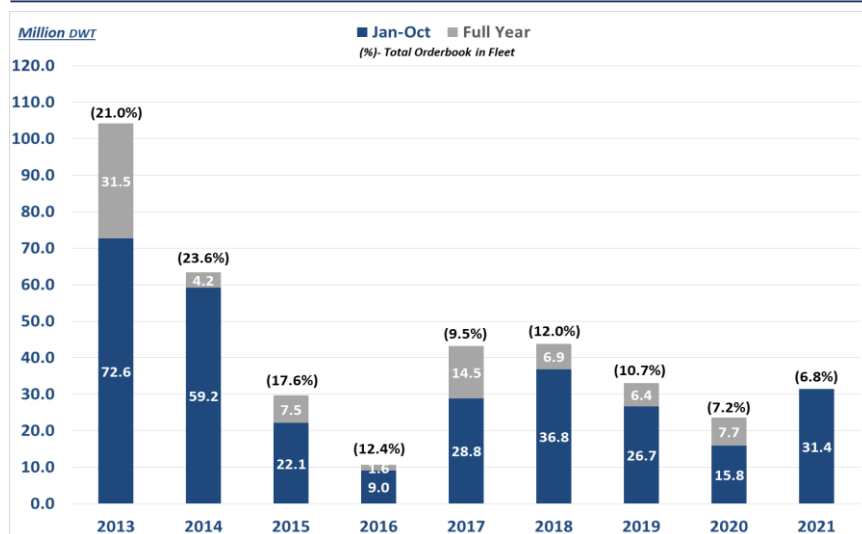
Dry Bulk Supply Update

- Dry bulk NET fleet growth running at +3.5% during the last 12 months
 - Jan-Oct 2021 deliveries: 32.9 mil. dwt / Down from 42.3 mil. dwt
 - Jan-Oct 2021 demolition: 4.9 mil. dwt / Down from 12.2 mil. dwt
- Orderbook at ~6.8% of the fleet (~63.8 mil. dwt) close to record low
 - Jan-Oct 2021 contracting: 31.4 mil. dwt / Up from 15.8 mil. dwt
 - Environmental regulations, increased shipbuilding cost and limited shipyard capacity are keeping new orders under control
- Vessels above 15 years of age at ~17.0% of the fleet (~160 mil. dwt)
- Av. steaming speeds up +2.5% y-o-y to 11.9 knots despite higher freight due to the recovery of oil and bunker prices and increased inefficiencies
- Congestion during Q3 increased to record highs due to quarantines and bottlenecks
- NET fleet growth will slow down below +1.5% per annum during 2022-23

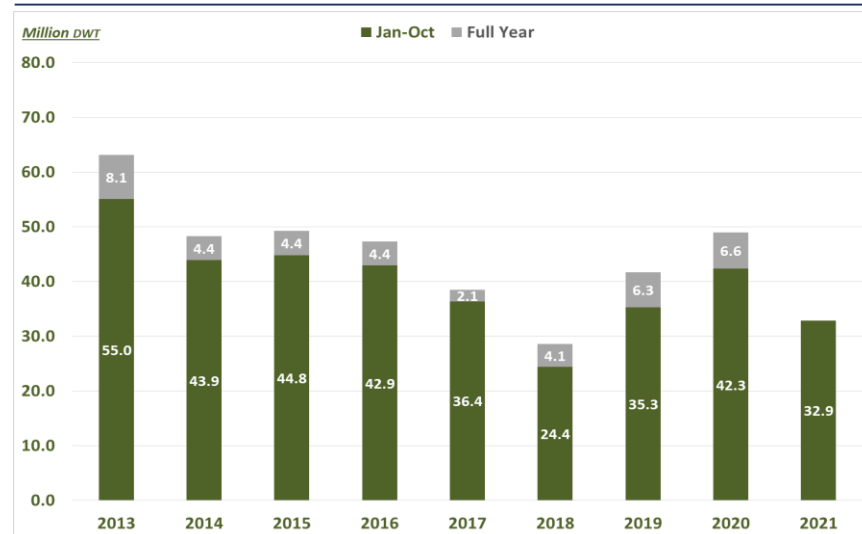
Dry Bulk Demolition



Dry Bulk New Orders



Dry Bulk Deliveries



Dry Bulk Demand Update

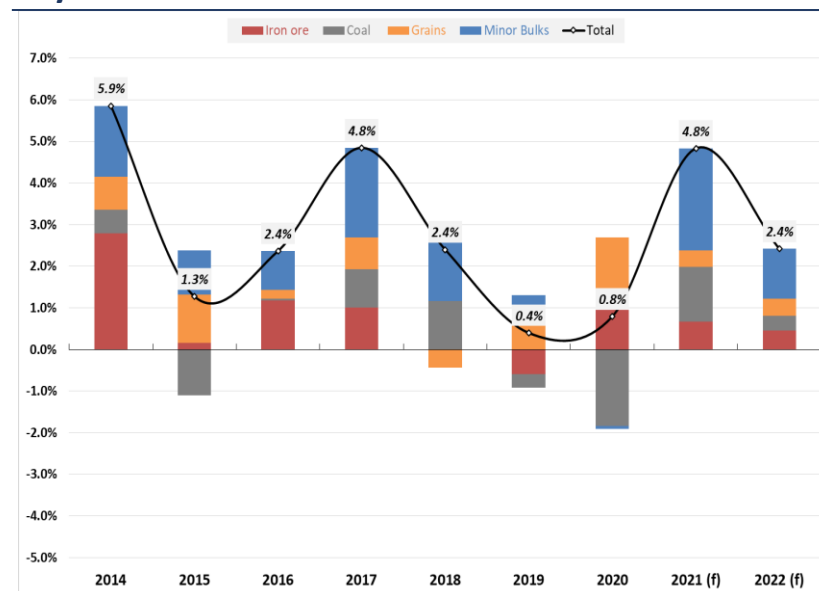
- During 2021, TOTAL dry bulk ton-miles projected to rebound +4.8%
 - Strong global economic recovery supported by global vaccination against COVID19 and synchronized global economic stimulus.
 - China slowdown taking place during the second half of the year related to energy and raw material shortages and stricter lending requirements for real estate.
- During 2022, TOTAL dry bulk ton-miles projected to increase +2.4%
 - We are at the early stages of the recovery with high restocking needs across all dry bulk cargoes. IMF projecting global GDP growth of +4.9% in 2022.
 - Record high commodity prices during 2021 have provided a strong incentive to expand production and exports during 2022.
 - Political tensions between China-Australia and increased Atlantic exports to support ton-miles growth in the medium term.

Key Dry bulk cargoes breakdown:

- Iron ore ton-miles growth projected at +2.2% for 2021 and +1.5% for 2022
 - China steel production curbs to last until March 2022. Output from the rest of the world has increased 16.6% ytd and has tightened iron ore availability.
- Coal ton-miles growth projected at +7.8% for 2021 and +2.0% for 2022
 - Global coal consumption and trade experiencing strong recovery. Expectations of colder than average winter and global LNG shortages are expected to support coal trade, while political tension between Australia and China enhances inefficiencies.
- Grains (incl. soybeans) ton-miles projected at +2.9% for 2021 and +3.0% for 2022
 - US soybean & corn exports experienced record high seasons, while sales for current season also running at a high pace. China demand fully recovered from African Swine fever while focus on food security expected to support ton-miles.
- Minor bulk ton-miles growth projected at +6.4% for 2021 and + 3.1% for 2022
 - Minor bulks benefiting from economic recovery. Atlantic steel shortages and price arbitrage incentivized Pacific exports and benefited smaller sizes. Container sector strength providing strong support through cascade. Bauxite exports from West Africa to China supporting ton-miles for Capesize vessels.

Dry Bulk Trade (Million tons)	2016	2017	2018	2019	2020	2021 (f)	2022 (f)
Iron ore	1,418	1,472	1,475	1,455	1,502	1,526	1,539
Coal	1,141	1,203	1,264	1,284	1,165	1,236	1,255
Grains	450	476	475	478	512	527	541
Minor Bulks	1,880	1,936	2,011	2,034	1,989	2,089	2,140
Total Dry	4,889	5,087	5,225	5,252	5,168	5,379	5,475
Annual Growth (tons)	67	198	137	27	-84	211	96
Annual Growth (%)	1.4%	4.1%	2.7%	0.5%	-1.6%	4.1%	1.8%
Ton-miles growth	2.4%	4.8%	2.4%	0.4%	0.8%	4.8%	2.4%

Dry Bulk Ton-miles Growth



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

THANK YOU

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