



providing optimized global
transportation of drybulk
commodities

Purchase of Oaktree Capital Stake

22 June 2023

EAGLE BULK

MISSION

Providing optimized global transportation of drybulk commodities; delivering superior results for our customers and stakeholders.

VISION

To be the leading integrated shipowner-operator through consistent outperformance and sustainable growth.

VALUES

Passion for excellence drives us

Empowerment of our people leads to better results

Integrity defines our culture

Responsibility to safety underpins every decision

Forward Thinking takes us to a more successful tomorrow



AMERICAS
Stamford



EUROPE
Copenhagen



ASIA
Singapore

EGLE
LISTED
NYSE

Disclaimer

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Private Securities Litigation Reform Act of 1995, and are intended to be covered by the safe harbor provided for under these sections. These statements may include words such as “believe,” “estimate,” “project,” “intend,” “expect,” “plan,” “anticipate,” and similar expressions in connection with any discussion of the timing or nature of future operating or financial performance or other events. Forward-looking statements reflect management’s current expectations and observations with respect to future events and financial performance.

Where we express an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, our forward-looking statements are subject to risks, uncertainties, and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by those forward-looking statements. The principal factors that affect our financial position, results of operations and cash flows include market freight rates, which fluctuate based on various economic and market conditions, periods of charter hire, vessel operating expenses and voyage costs, which are incurred primarily in U.S. dollars, depreciation expenses, which are a function of the purchase price of our vessels and our vessels’ estimated useful lives and scrap value, general and administrative expenses, and financing costs related to our indebtedness. The accuracy of the Company’s assumptions, expectations, beliefs and projections depends on events or conditions that change over time and are thus susceptible to change based on actual experience, new developments and known and unknown risks. The Company gives no assurance that the forward-looking statements will prove to be correct, does not undertake any duty to update them and disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors which could include the following: (i) volatility of freight rates driven by changes in demand for seaborne transportation of drybulk commodities and in supply of drybulk shipping capacity; (ii) changes in drybulk carrier capacity driven by levels of newbuilding orders, scrapping rates or fleet utilization; (iii) changes in rules and regulations applicable to the drybulk industry, including, without limitation, regulations of the International Maritime Organization and the European Union (the “EU”), requirements of the Environmental Protection Agency and other governmental and quasi-governmental agencies; (iv) changes in U.S., United Kingdom, United Nations and EU economic sanctions and trade embargo laws and regulations as well as equivalent economic sanctions laws of other relevant jurisdictions; (v) actions taken by regulatory authorities including, without limitation, the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”); (vi) changes in the typical seasonal variations in drybulk freight rates; (vii) changes in national and international economic and political conditions including, without limitation, the current conflict between Russia and Ukraine, the current economic and political environment in China and the environment in historically high-risk geographic areas such as the South China Sea, the Indian Ocean, the Gulf of Guinea and the Gulf of Aden; (viii) changes in the condition of the Company’s vessels or applicable maintenance or regulatory standards (which may affect, among other things, our anticipated drydocking costs); (ix) the duration and impact of the novel coronavirus (“COVID-19”) pandemic and measures implemented by governments of various countries in response to the COVID-19 pandemic; (x) volatility of the cost of fuel; (xi) volatility of costs of labor and materials needed to operate our business due to inflation; (xii) any legal proceedings which we may be involved from time to time; and (xiii) other factors listed from time to time in our filings with the Securities and Exchange Commission (the “SEC”).

We have based these statements on assumptions and analyses formed by applying our experience and perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate in the circumstances. The Company’s future results may be impacted by adverse economic conditions, such as inflation, deflation, or lack of liquidity in the capital markets, that may negatively affect it or parties with whom it does business. Should one or more of the foregoing risks or uncertainties materialize in a way that negatively impacts the Company, or should the Company’s underlying assumptions prove incorrect, the Company’s actual results may vary materially from those anticipated in its forward-looking statements, and its business, financial condition and results of operations could be materially and adversely affected. Risks and uncertainties are further described in our Annual Report on Form 10-K for the year ended December 31, 2022, as filed within the SEC on March 10, 2023 (the “Annual Report”).

Certain numerical information in this presentation is presented on a rounded basis using actual amounts. Minor differences in totals or percentages may exist due to rounding.

Non-GAAP Measures. *This presentation includes various financial measures that are non-GAAP financial measures as defined under SEC rules. Please see the Appendix to this presentation for a reconciliation of these non-GAAP measures to their most directly comparable GAAP measures.*

Repurchase of Oaktree Capital Shareholding in Eagle Bulk

Transaction Details

- ❑ Repurchased ~3.8 million shares of Eagle common stock from Oaktree Capital
- ❑ Represents Oaktree's entire ~28% stock ownership
- ❑ Aggregate purchase price of ~\$219 million, or \$58 per share
- ❑ Represents discount of ~\$11 per share, or 16% to NAV per share of ~\$69
- ❑ Outstanding common stock post transaction of ~9.3 million shares

Board unanimously approved transaction in consultation with outside financial and legal advisors

Financial & Strategic Rationale

- ❑ Believe the transaction will be significantly accretive to NAV per share and EPS in future periods based on historically strong supply-side fundamentals
- ❑ It ensures that shareholders maintain the opportunity to realize the value of their investment in Eagle Bulk
- ❑ Actions eliminate any potential disruption resulting from the sale of a very significant interest in the Company

Board and management will continue to act in the best interest of all shareholders

Strong Balance Sheet

- ❑ Loan-to-value of approximately 34% subsequent to transaction
- ❑ To maintain current dividend policy of 30% of net income
- ❑ Dividend policy expected to be positively impacted by transaction in future periods
- ❑ Continued focus on repayment of term debt
- ❑ Transaction to be funded by cash-on-hand and drawing under Company's credit facility

Committed to balanced capital allocation strategy

Eagle remains focused on our growth and renewal strategy while acting opportunistically to create value for all shareholders

Liquidity Totals ~\$188 Million, as Adjusted

31 March 2023 Actual and As Adjusted Cash/Liquidity + Debt Position

	Actual	Subsequent Activity				As Adjusted
		Vessel Purchases	Vessel Sales	Financing	Share Repurchase	
Fleet	53.0	2.0	(3.0)	-	-	52.0
<i>Encumbered</i>	49.0		(3.0)	6.0	-	52.0
<i>Unencumbered</i>	4.0	2.0		(6.0)	-	-
Cash	\$ 155,855	\$ (54,180)	\$ 48,555	\$ 71,700	\$ (94,331)	\$ 127,599
RCF Availability	\$ 100,000		\$ (15,000)	\$ 100,000	\$ (125,000)	\$ 60,000
Total Liquidity	\$ 255,855	\$ (54,180)	\$ 33,555	\$ 171,700	\$ (219,331)	\$ 187,599
Term Loan	\$ 225,300			\$ 75,000		\$ 300,300
RCF	\$ -				\$ 125,000	\$ 125,000
Convertible Bond	\$ 104,119					\$ 104,119
Total Debt	\$ 329,419			\$ 75,000	\$ 125,000	\$ 529,419
LTV- Net Debt / Fleet Value	14.7%					33.6%
Common Stock Outstanding- basic	13,065.060				(3,781.561)	9,283.499
Common Stock Outstanding- diluted	16,618.945				(3,781.561)	12,837.384

Debt Summary Terms

PARENT		Eagle Bulk Shipping Inc. (NYSE: EGLE)		
ISSUER		Parent	Eagle Bulk Ultraco LLC	CONSOLIDATED
TYPE		Convertible Bond	Bank Debt	All
DEBT OUTSTANDING	FIXED	USD 104.1 million	USD 300.3 million	USD 404.4 million
	RCF	-	USD 125.0 million	USD 125.0 million
	TOTAL	USD 104.1 million	USD 425.3 million	USD 529.4 million
RCF AVAILABILITY		-	USD 60.0 million	USD 60 million
RANK		Senior Unsecured	Senior Secured	
INTEREST RATE		5.0% fixed	Adj. Term SOFR + 205 to 275 bps ¹	
INTEREST SWAPS		-	USD 225.3 million of term loan fixed at 87 bps ²	
SUSTAINABILITY TARGET		-	1) Fleetwide EEOI ³ aligned with IMO trajectory 2) Green spend >= USD 38k per vessel per year	
MATURITY		August 2024	September 2028	
TERM LOAN AMORTIZATION, RCF AVAILABILITY REDUCTION		n/a	Term Loan: USD 49.8 million per year RCF: USD 21.8 million per year	T/L: USD 49.8 million RCF: USD 21.8 million
CONVERSION FEATURE	Strike	Convertible at strike of USD ~32.11/share ⁴	-	
	Shares	~3.242 million shares if converted ³	-	
LENDERS		-	CA, DB, DNB, DSF, ING, Nordea, & SEB	

- Debt amounts outstanding as of 31 March 2023, as adjusted for subsequent draw downs
- 1 – Adjusted Term SOFR equals the SOFR rate two business days prior to the start of each interest period plus 26.161 basis points. This rate is applicable for new borrowing subsequent to May 11, 2023, and for all amounts outstanding after June 15, 2023. The applicable margin rate after June 15 will be set based on meeting the required leverage and sustainability performance targets. The current interest rate for the outstanding balance as of March 31, 2023 is LIBOR + 210 bps through June 15, 2023.
- 2 – The interest rate swap is based on 100% of the outstanding amount of the original term loan. The swap contract expires in December 2025.
- 3 – EEOI is a carbon-intensity metric, measured in terms of emissions per cargo ton-mile
- 4 – Conversion price and if-converted share count as of May 16, 2023. These figures will adjust based on future dividends declared and the last reported sale price of Eagle stock on the trading day immediately preceding the ex-dividend date. Please refer to Investor Relations section on our website for more details: <https://ir.eagleships.com/debt>

Net Asset Value Equates to ~\$69 per Share

NAV Reconciliation Table		
(Amounts in thousands, other than per share data)	As of March 31, 2023	Footnote Reference
Total stockholders' equity (GAAP)	\$811,709	
Vessels Fair Market Value Adjustments (Non-GAAP)	277,591	A
Advances for BWTS and other assets	(2,507)	B
Deferred drydock costs, net	(43,268)	B
Other fixed assets, net of accumulated depreciation	(295)	B
Operating lease right-of-use assets	(24,129)	B
Current portion of operating lease liabilities	21,778	B
Net Debt Discount and Issuance Costs for Global Ultraco Debt Facility (Non-GAAP)	(6,346)	C
Convertible Bond Debt, net of debt discount and debt issuance costs	103,595	D
Noncurrent portion of operating lease liabilities	3,583	B
Net Asset Value (March 31, 2023) (Non-GAAP)	\$1,141,711	
Common stock outstanding – diluted	16,618.945	
Net Asset Value/Share – diluted	\$68.70	
Net Asset Value (March 31, 2023) (Non-GAAP)	\$1,141,711	
Cash and cash equivalents	(5,625)	E
Vessels Fair Market Value Adjustments (Non-GAAP)	16,000	F
Advances for vessel purchases	(6,020)	F
Net Asset Value (March 31, 2023), as adjusted (Non-GAAP)	\$1,146,066	
Common stock outstanding - diluted	16,618.945	
Net Asset Value/Share- diluted	\$68.96	

Non-GAAP Financial Measures

Footnotes to NAV Reconciliation Table

- A. This Non-GAAP value is the Vessels' book value adjusted to fair market value as per the average of two third-party broker valuations as of June 12, 2023. The Vessels GAAP amount is \$900,659 and the as adjusted amount is \$1,178,250.
- B. GAAP Balance Sheet line item excluded from Stockholders Equity for the purpose of calculating Net Asset Value.
- C. This is a Non-GAAP number that represents the difference between \$169,154.0 of Long-term debt - Global Ultraco Facility, net debt discount and debt issuance as of March 31, 2023 and \$175,500, which represents Long-term debt for Ultraco debt facility without netting out debt discount and issuance costs associated with such long-term debt as of March 31, 2023.
- D. Convertible Bond Debt, net of debt discount and debt issuance costs is added back to Stockholders Equity for the purpose of calculating Net Asset Value.
- E. Adjusted for cash related solely to Vessel Sales and Purchases activity after March 31, 2023
- F. Adjusted for Vessel Sales and Purchases after March 31, 2023.

Net Asset Value per share-diluted is a non-GAAP financial measure as defined under the rules of the SEC. We believe non-GAAP measures provide important supplemental information to investors regarding the information discussed in this release. However, you should not rely on any non-GAAP financial measure alone as a measure of our performance. We believe that non-GAAP financial measures reflect an additional way of viewing our business that, when taken together with GAAP results and the reconciliations to corresponding GAAP financial measures that we also provide, give a more complete understanding of factors and trends affecting our business. We strongly encourage you to review all of our financial statements and publicly-filed reports in their entirety and to not solely rely on any single non-GAAP financial measure. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures, even if they have similar names.

