

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): August 7, 2020

Eagle Bulk Shipping Inc.

(Exact name of registrant as specified in its charter)

Republic of the Marshall Islands
(State or other jurisdiction of incorporation or organization)

001-33831
(Commission File Number)

98-0453513
(IRS employer identification no.)

300 First Stamford Place, 5th Floor
Stamford, CT 06902
(Address of principal executive offices, including zip code)
(Registrant's telephone number, including area code): **(203) 276-8100**

(Former Name or Former Address, if Changed Since Last Report): None

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	EGLE	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On August 7, 2020, Eagle Bulk Shipping Inc., a Republic of the Marshall Islands corporation (the “*Company*”), posted to its website a corporate presentation including certain financial results and other information for the quarter ended June 30, 2020. A copy of the corporate presentation is attached as Exhibit 99.1 hereto.

The information in this Item 2.02 of this Current Report on Form 8-K, including the exhibit, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), or otherwise subject to the liabilities of such section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing. By filing this Current Report on Form 8-K and furnishing this information, the Company makes no statement or admission as to the materiality of any information in this Item 2.02 or the exhibit attached hereto.

Additionally, Exhibit 99.1 contains various non-GAAP financial measures as defined by Regulation G. Reconciliations of each non-GAAP financial measure to its comparable GAAP financial measure can be found in the attached corporate presentation.

This Current Report on Form 8-K and Exhibit 99.1 hereto contain forward-looking statements within the meaning of the federal securities laws. These forward looking statements are based on current expectations and are not guarantees of future performance. Further, the forward-looking statements are subject to the limitations listed in Exhibit 99.1 and in the other reports of the Company filed with the Securities and Exchange Commission, including that actual events or results may differ materially from those in the forward-looking statements.

ITEM 7.01. REGULATION FD DISCLOSURE.

On August 7, 2020, the Company posted to its website a corporate presentation described above in Item 2.02 of this Current Report on Form 8-K. A copy of the corporate presentation is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Earnings presentation dated August 7, 2020

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EAGLE BULK SHIPPING INC.
(registrant)

Dated: August 7, 2020

By:	/s/ Frank De Costanzo
Name:	Frank De Costanzo
Title:	Chief Financial Officer



providing optimized global transportation
of drybulk commodities



Earnings Presentation
Second Quarter 2020
7 August 2020

Disclaimer

This presentation contains certain statements that may be deemed to be “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, 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 forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, examination of historical operating trends, data contained in our records and other data available from third parties. Although Eagle Bulk Shipping Inc. believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, Eagle Bulk Shipping Inc. cannot assure you that it will achieve or accomplish these expectations, beliefs or projections.

The principal factors that affect our financial position, results of operations and cash flows include, charter market rates, which have declined significantly from historic highs, 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 cost of our vessels, significant vessel improvement costs and our vessels’ estimated useful lives, and financing costs related to our indebtedness. 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) changes in demand in the drybulk market, including, without limitation, changes in production of, or demand for, commodities and bulk cargoes, generally or in particular regions; (ii) greater than anticipated levels of drybulk vessel newbuilding orders or lower than anticipated rates of drybulk vessel scrapping; (iii) changes in rules and regulations applicable to the drybulk industry, including, without limitation, legislation adopted by international bodies or organizations such as the International Maritime Organization and the European Union or by individual countries; (iv) actions taken by regulatory authorities including without limitation the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”); (v) changes in trading patterns significantly impacting overall drybulk tonnage requirements; (vi) changes in the typical seasonal variations in drybulk charter rates; (vii) changes in the cost of other modes of bulk commodity transportation; (viii) changes in general domestic and international political conditions; (ix) 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); (x) significant deterioration in charter hire rates from current levels or the inability of the Company to achieve its cost-cutting measures; (xi) the duration and impact of the novel coronavirus (“COVID-19”) pandemic; (xii) the relative cost and availability of low and high sulfur fuel oil; (xiii) our ability to realize the economic benefits or recover the cost of the scrubbers we have installed; (xiv) any legal proceedings which we may be involved from time to time; and other factors listed from time to time in our filings with the Securities and Exchange Commission.

This discussion also includes statistical data regarding world drybulk fleet and order book and fleet age. We generated some of this data internally, and some were obtained from independent industry publications and reports that we believe to be reliable sources. We have not independently verified this data nor sought the consent of any organizations to refer to their reports in this presentation. We disclaim 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.

Agenda

1 Highlights

2 Financial Summary

3 Industry Review

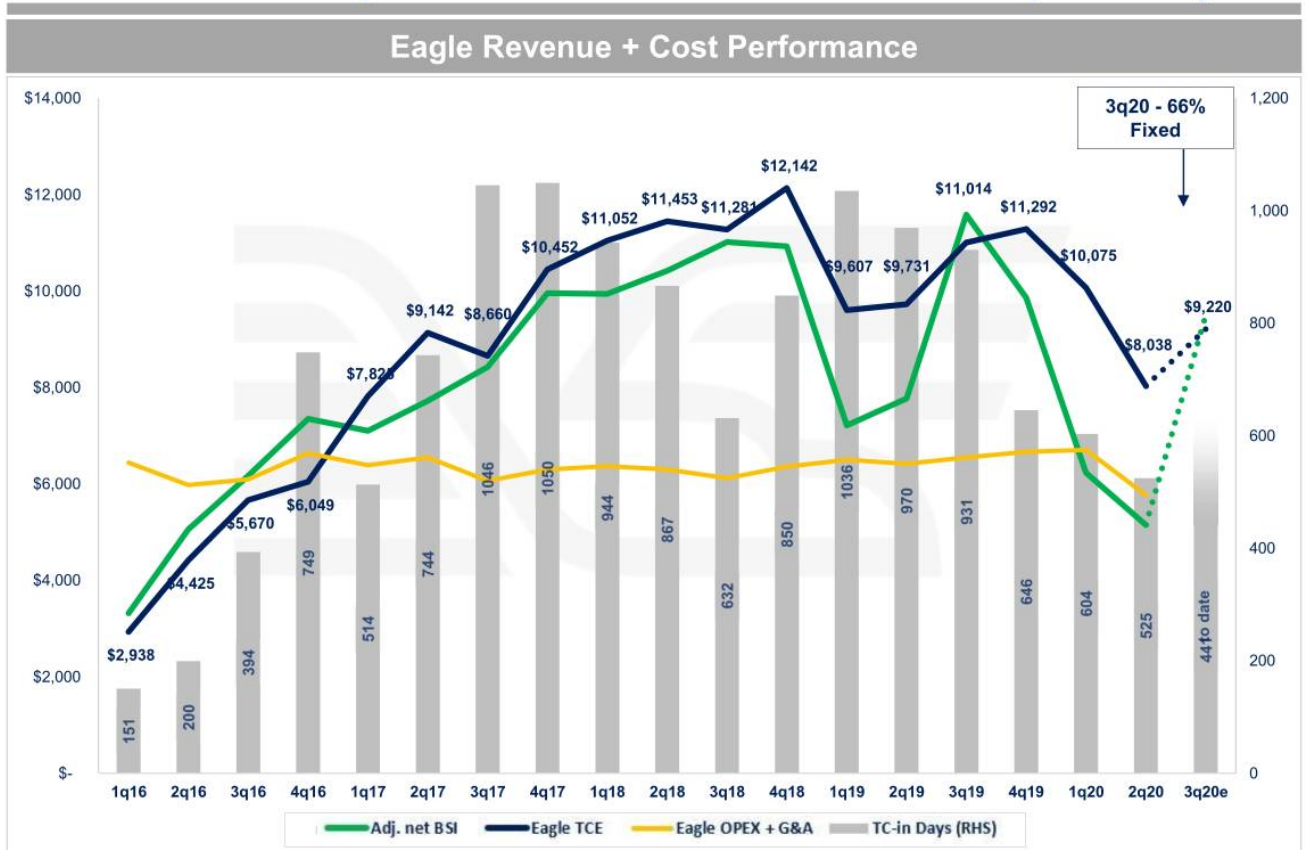
* Appendix



Highlights

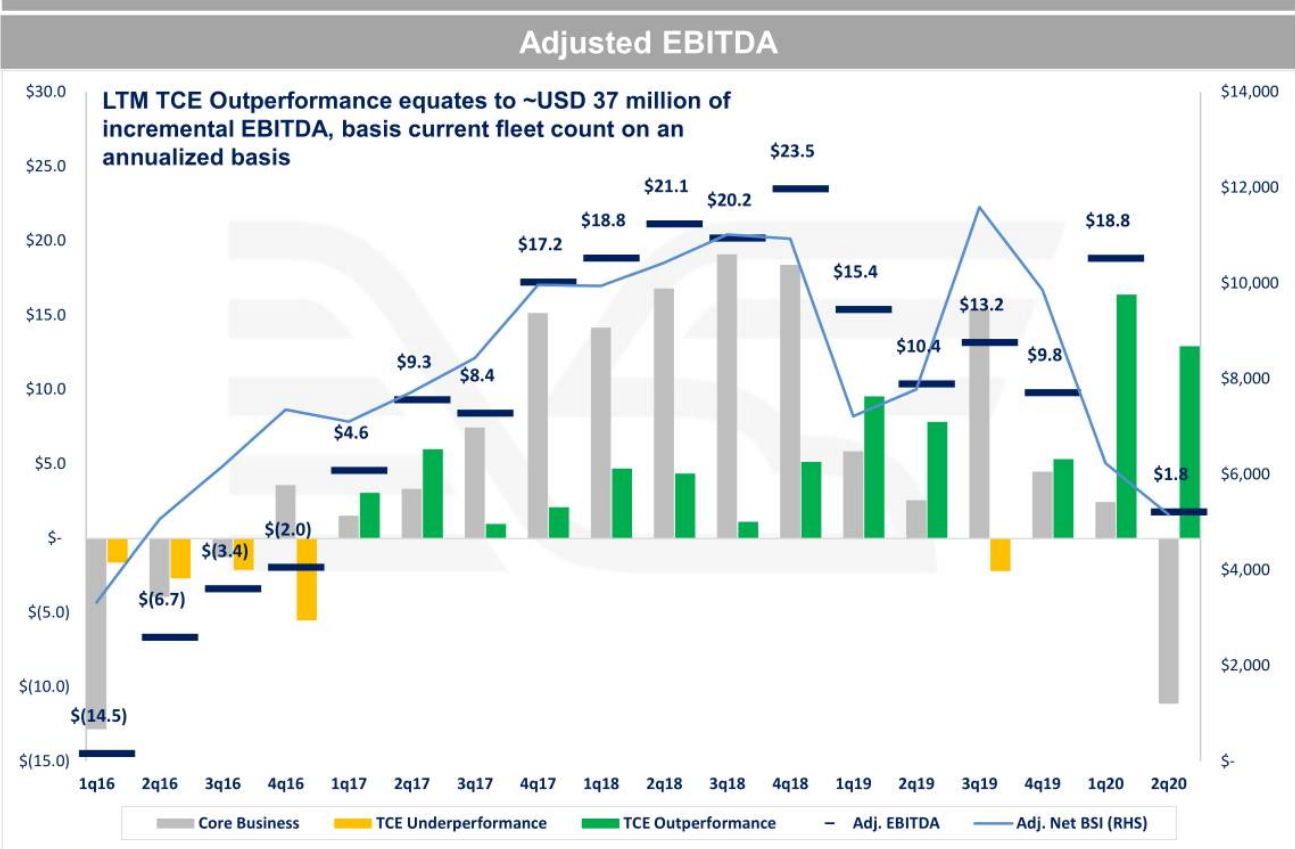


LTM TCE Outperformance of USD 1,985 per Day



TCE relative performance is benchmarked against Adj. net BSI = gross BSI net of commission, adjusted for owned-fleet makeup. BSI-52 index used up through 4q18, and BSI-58 index used as from 1q19. 3q20 EGLE TCE and TC-in days fixed to date as of August 4, 2020. 3q20 BSI includes July actual and August-September FFA curve as of August 4. G&A excludes stock-based compensation. Please refer to Appendix for TCE definition and reconciliation.

Historical EBITDA

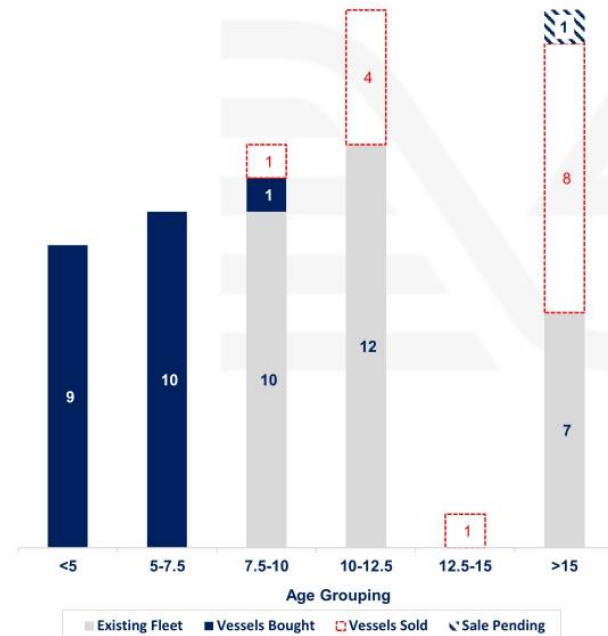


• Please refer to Appendix for definition of Adjusted EBITDA and reconciliation
• Please refer to Appendix for TCE definition and reconciliation
• Core Business reflects EBITDA generated by TCE performance at index level (i.e. no out/under-performance) less OPEX and cash G&A

S&P Activity Significantly Improving Fleet Makeup

Fleet Age Profile

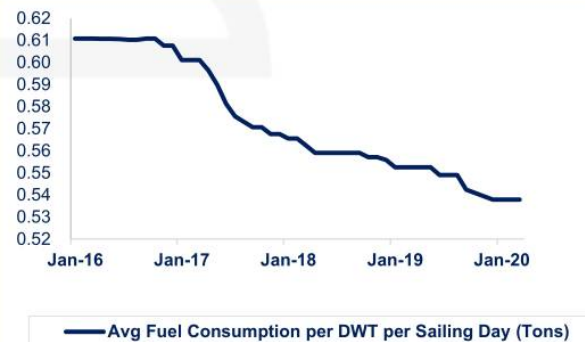
- Current fleet consists of 50 ships | ~9.2 yrs-old
- Thirty-four vessels bought and sold since 2016
- Twenty Ultramaxs acquired averaging ~3yrs old
- Fourteen Supramaxes sold averaging ~13yrs old



Fleet Count + Vessel Size Evolution



Eagle Fleet Fuel Efficiency



▪ Eagle fleet count and age as of June 30, 2020. Count of ships sold includes only completed transactions. We have reached an agreement to sell the Goldeneye. The transaction is expected to close in early August. Average age of vessels sold at time of sale was ~13yrs and includes completed sales only. Chart depicts current age of sold vessels. Fleet renewal/growth commenced in April 2016



Financial Summary



Earnings

USD in Thousands except EPS	2q20	1q20	2q19	YTD 2020	YTD 2019
Revenues, net of commissions	\$ 57,392	\$ 74,378	\$ 69,391	\$ 131,770	\$ 146,781
Operating expenses					
Voyage expenses	23,768	26,564	20,907	50,332	46,813
Charter hire expenses	4,719	6,041	11,179	10,760	22,671
Vessel expenses	20,232	23,700	19,958	43,932	40,052
Depreciation and amortization	12,503	12,466	9,761	24,970	19,168
General and administrative expenses	6,768	7,961	8,041	14,728	16,451
Gain on sale of vessels	-	-	(967)	-	(5,073)
Lease impairment	352	-	-	352	-
Total operating expenses	68,342	76,731	68,879	145,075	140,082
Operating income / (loss)	(10,950)	(2,353)	512	(13,305)	6,699
Other expenses					
Interest expense, net - cash	7,139	7,531	5,715	14,670	11,539
Interest expense - debt discount & deferred financing ¹	1,542	1,504	625	3,046	1,129
Loss/(Gain) on derivatives	860	(7,862)	163	(7,002)	(2,275)
Loss on debt extinguishment	-	-	-	-	2,268
Total other expenses, net	9,541	1,173	6,503	10,714	12,661
Net income / (loss)	\$ (20,491)	\$ (3,526)	\$ (5,991)	\$ (24,019)	\$ (5,962)
Weighted average shares outstanding (Basic)	71,946	71,869	71,034	71,907	71,316
EPS (Basic)	\$ (0.28)	\$ (0.05)	\$ (0.08)	\$ (0.33)	\$ (0.08)
Adjusted EBITDA²	\$ 1,768	\$ 18,810	\$ 10,370	\$ 20,578	\$ 25,741



1 – Includes non-cash interest expense related to the amortization of the equity component of the convertible bond of \$1.0 million for 2q20, \$0.9 million for 1q20, and \$1.9 million for YTD 2020.
2 – Please see the Definitions slide in the Appendix for an explanation of Adjusted EBITDA

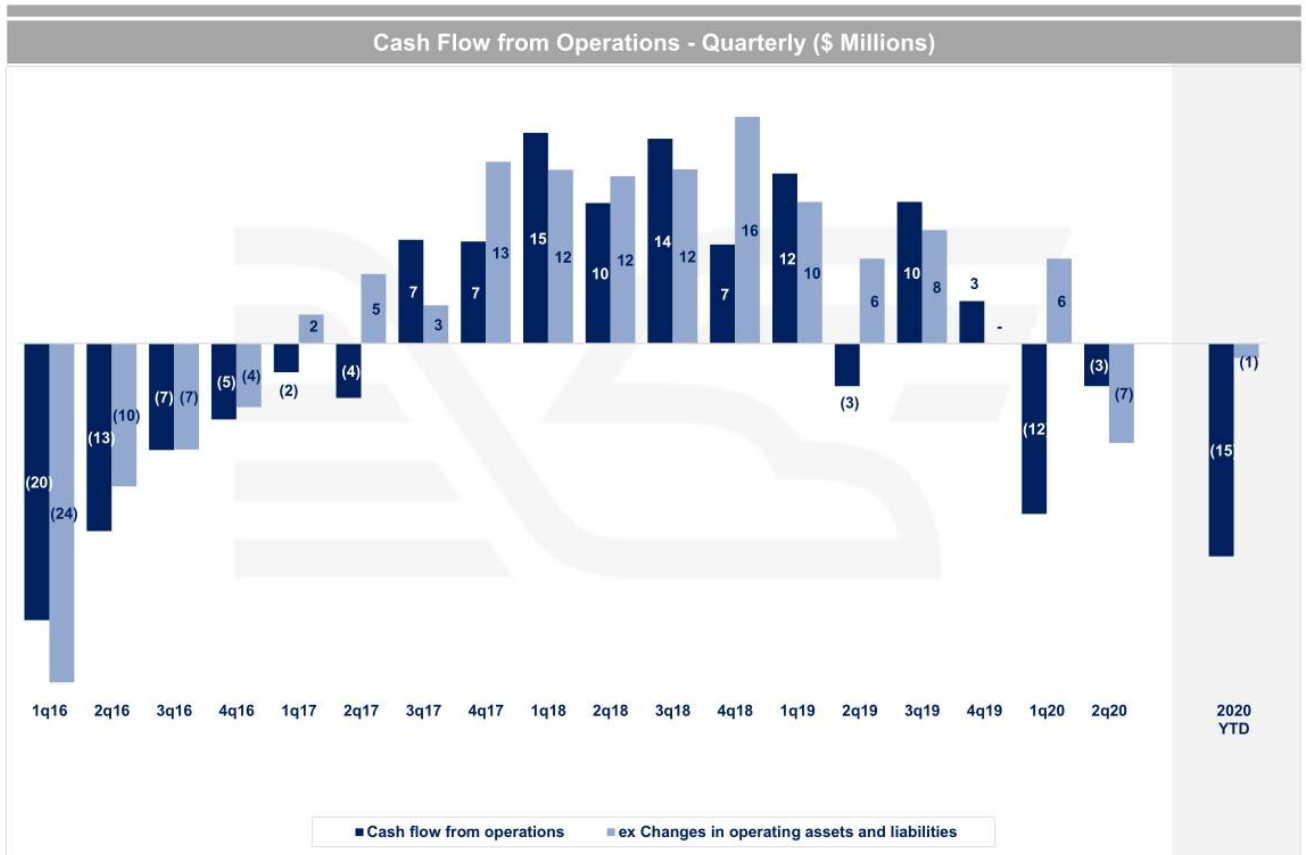
Balance Sheet + Liquidity

Balance Sheet (USD thousands)		Liquidity Trend (USD millions)	
Cash ¹	98,607		
Accounts receivable	18,968		
Inventory	10,105		
Other current assets	12,795		
Vessels, net	853,917		
Right of use assets - lease	13,785		
Other assets	23,921		
Total assets	1,032,097		
Accounts payable	15,311		
Current liabilities	20,767		
Debt (including \$39.2m current) ²	523,531		
Fair value of derivatives - LT	573		
Lease liability (\$12.5m current)	14,954		
Total liabilities	575,136	Liquidity Position (USD thousands)	
Stockholder's equity	456,961	Cash ¹	98,607
Total liabilities and stockholder's equity	1,032,097	Revolver undrawn availability	-
		Total liquidity	98,607

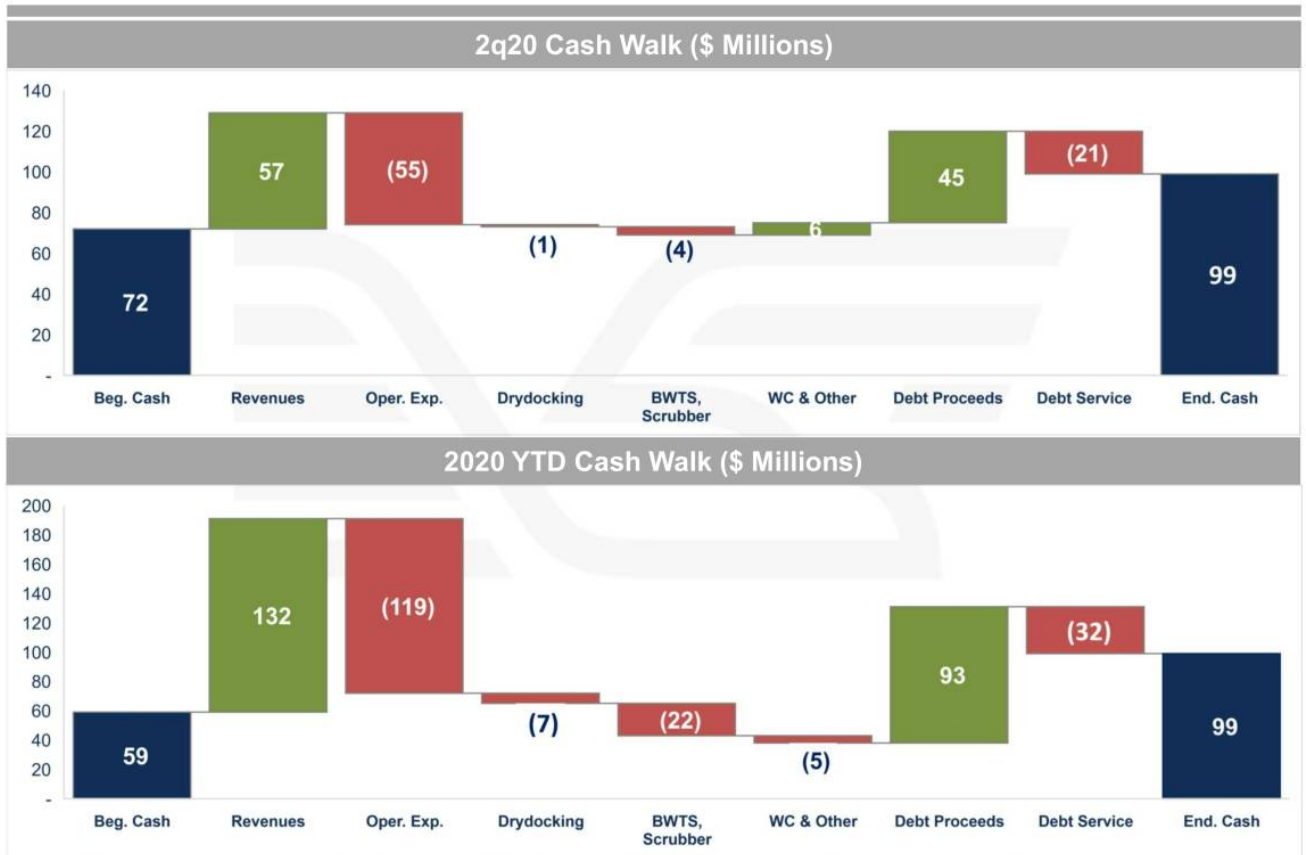


[1] – Cash balance includes cash, cash equivalents and restricted cash.
 [2] – Debt is net of \$26.6m of debt discount and deferred financing costs

Cash Flow



Cash Walk

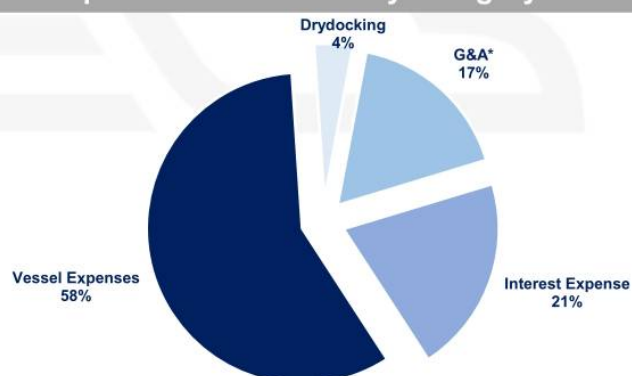


▪ Cash balances at beginning and end of period include 1) cash, 2) cash equivalents, and 3) restricted cash

Cash Breakeven per Vessel per Day

	2q20 YTD	2q20	1q20	FY 2019
Operating				
Vessel expenses	\$ 4,828	\$ 4,447	\$ 5,209	\$ 4,859
Drydocking	723	308	1,138	702
G&A*	1,417	1,328	1,505	1,681
Total operating	6,967	6,083	7,852	7,243
Debt Service				
Interest Expense	1,612	1,569	1,655	1,471
Debt Principal Repayment	1,880	2,483	1,278	1,366
Total Cash Breakeven	\$ 10,460	\$ 10,135	\$ 10,784	\$ 10,080

2q20 Cash Breakeven by Category

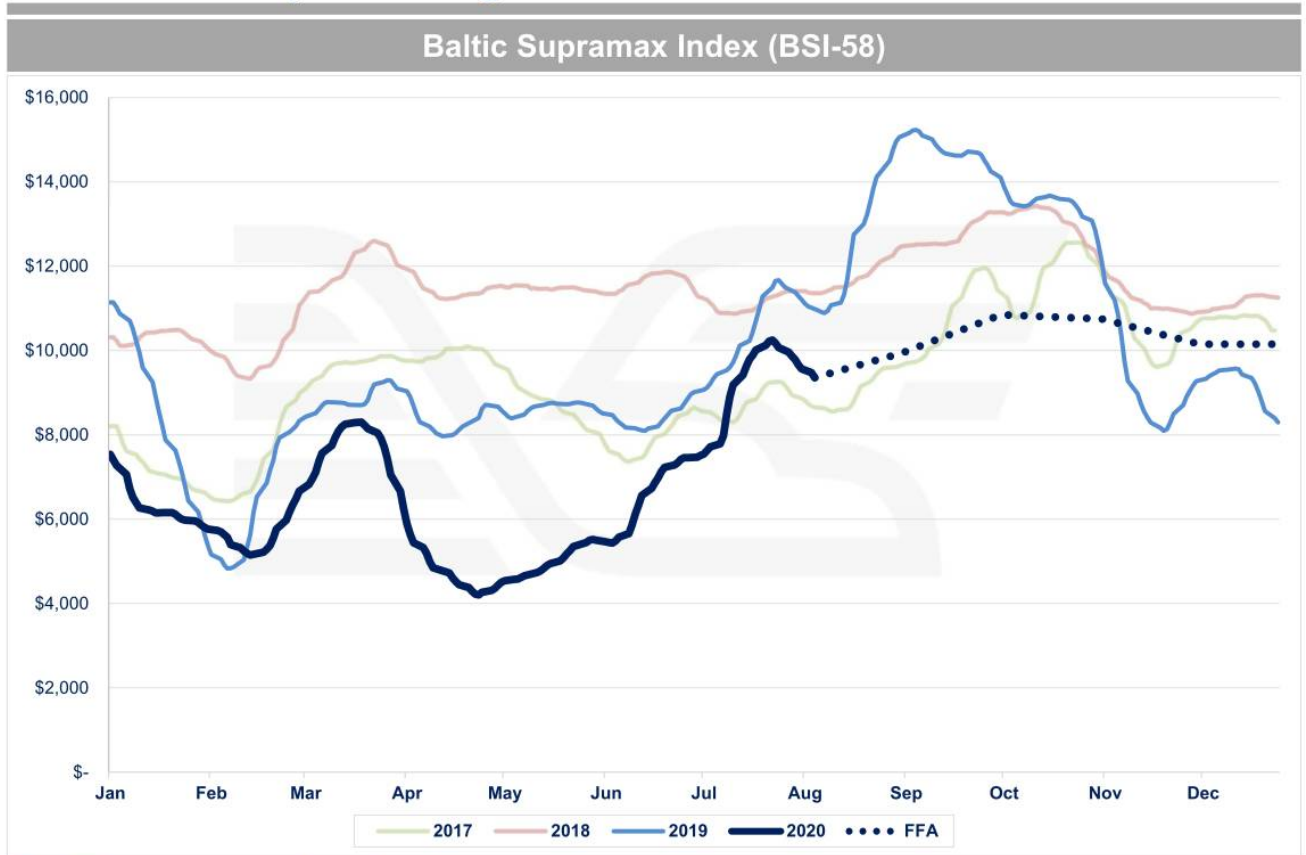


* G&A excludes stock-based compensation for all periods shown. G&A for 2q20 YTD, 1q20, and FY 2019 excludes certain non-recurring expenses.



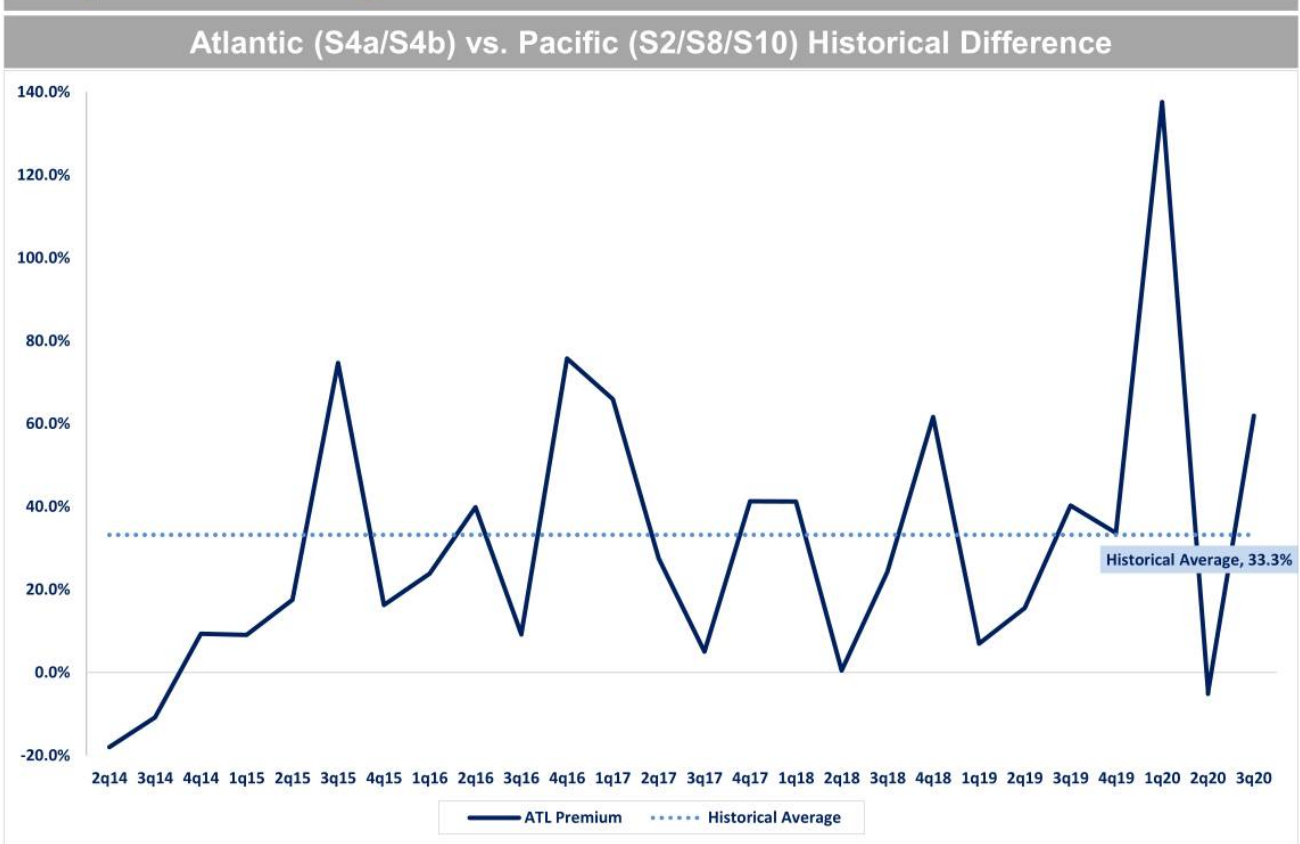
Industry Review

Historical Spot Freight Rates + Forward Curve



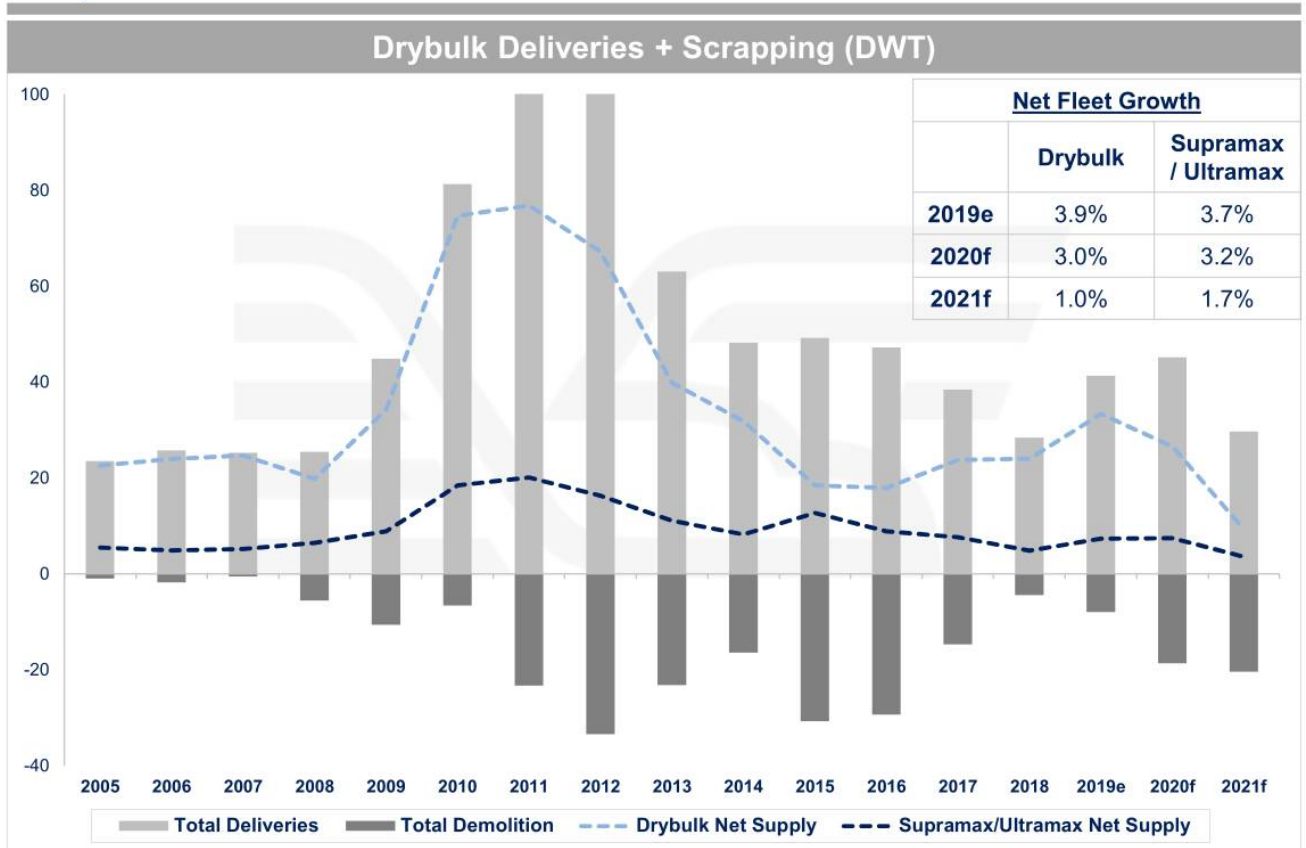
Source(s): Clarksons
FFA curve as of August 4, 2020

Supramax Regional Relative Market Performance



• Source(s): Clarksons SIN. Calculated using BSI-52 until 2q15 and BSI-58 starting 3q15 through present.
 • BSI-52: Atlantic based on routes S4A, S4B. Pacific based on route S2. BSI-58: Atlantic based on BSI routes S4A, S4B. Pacific based on routes S2, S8, and S10.
 • 3q20 estimated using rates through August 4, 2020

Supramax/Ultramax 2020f Net Fleet Growth ~3.2%



• Figures are in million DWT
 • Source(s): Clarksons (July 2020)

Demand Expected to Recover Strongly in 2021

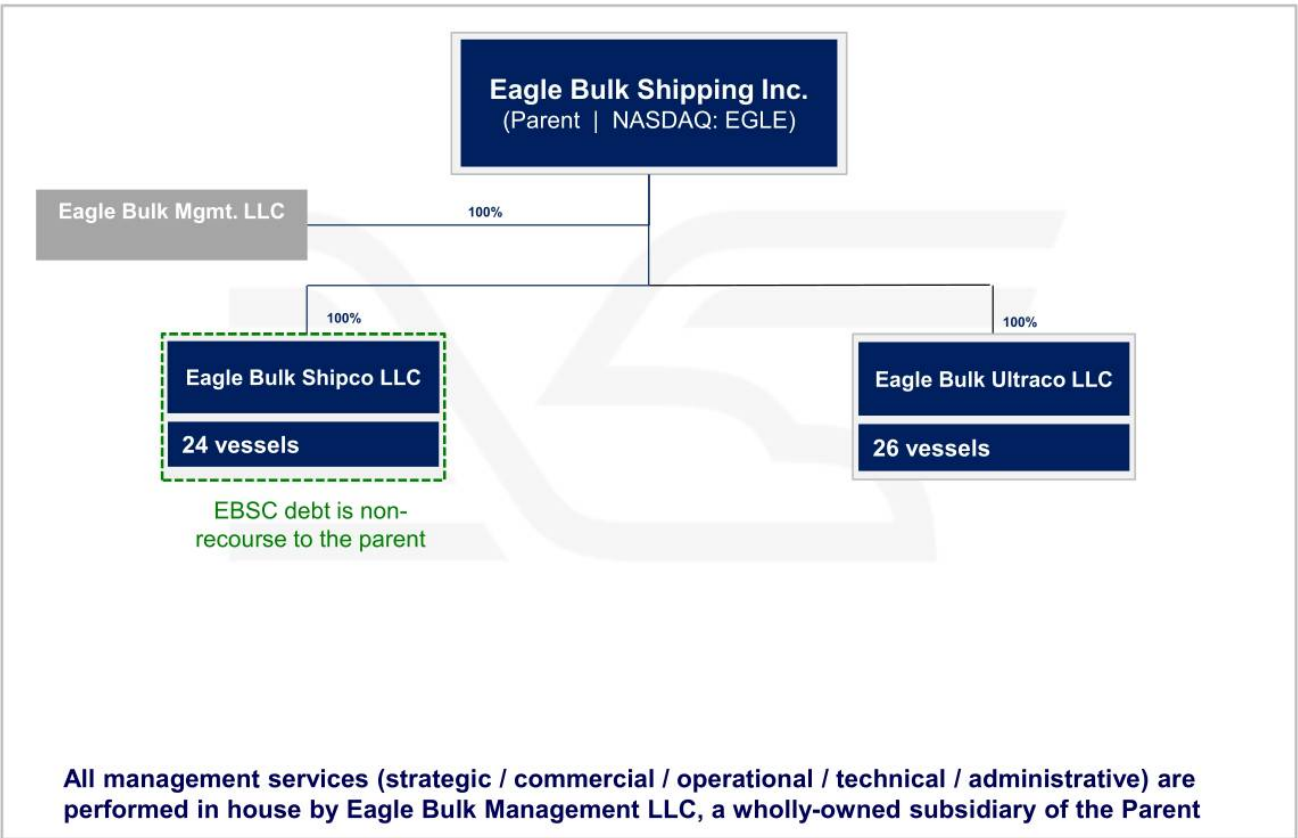
Drybulk Trade vs. Global GDP



Source(s): Clarksons (July 2020), IMF (June 2020), Bloomberg
Drybulk Trade growth is calculated basis ton-miles

APPENDIX

Corporate Structure



Figures as of June 30, 2020
Shipco vessel count includes the Goldeneye. We have reached an agreement to sell this vessel. The transaction is expected to close in early August.

Eagle Debt Terms

PARENT	Eagle Bulk Shipping Inc.				
ISSUER/ BORROWER	Eagle Bulk Shipping Inc.	Eagle Bulk Shipco LLC		Eagle Bulk Ultraco LLC	
LOAN TYPE	Convertible Note	Bond	RCF	Term Loan	RCF
AMOUNT	USD 114m	USD 200m	USD 15m	USD 210m	USD 55m
OUTSTANDING	USD 114m	USD 184m	USD 15m	USD 182m	USD 55m
SECURITY	Senior Unsecured	Senior Secured	Super Senior Secured	Senior Secured	
RECOURSE	Parent Guarantee	Ringfenced and non-recourse to the Parent		Parent Guarantee	
COLLATERAL	N/A	24 vessels + restricted cash		26 vessels	
INTEREST RATE	5.0% fixed	8.25% fixed	L+200bps	L+250bps	
INTEREST RATE SWAPS IN PLACE	N/A	N/A	N/A	100% of Outstanding Amount at 58bps	N/A
MATURITY	2024	2022		2024	
AMORTIZATION	N/A	USD 8m/year	N/A	USD 31.2m/year	
CONVERSION	178.1737 shares common stock per USD 1,000 principal (approx. share price of USD 5.61)	N/A		N/A	



▪ All figures as of June 30, 2020. Shipco vessel count includes Goldeneye. We have reached an agreement to sell this vessel. The transaction is expected to close in early August.

Owned Fleet

50 Ships 41 Vessels Scrubber-fitted 2946 DWT (MT, thousands) 9.2 yrs-old							
Eagle Bulk Shipco LLC				Eagle Bulk Ultraco LLC			
Vessel	Scrubber	Built	DWT	Vessel	Scrubber	Built	DWT
1 Singapore Eagle	1	2017	63.4	1 Hong Kong Eagle	1	2016	63.5
2 Shanghai Eagle	1	2016	63.4	2 Santos Eagle	1	2015	63.5
3 Stamford Eagle		2016	61.5	3 Copenhagen Eagle	1	2015	63.5
4 Sandpiper Bulker	1	2011	57.8	4 Sydney Eagle	1	2015	63.5
5 Roadrunner Bulker	1	2011	57.8	5 Dublin Eagle	1	2015	63.5
6 Puffin Bulker	1	2011	57.8	6 New London Eagle	1	2015	63.1
7 Petrel Bulker	1	2011	57.8	7 Cape Town Eagle	1	2015	63.7
8 Owl	1	2011	57.8	8 Westport Eagle	1	2015	63.3
9 Oriole	1	2011	57.8	9 Hamburg Eagle	1	2014	63.3
10 Egret Bulker	1	2010	57.8	10 Madison Eagle	1	2013	63.3
11 Crane	1	2010	57.8	11 Greenwich Eagle	1	2013	63.3
12 Canary	1	2009	57.8	12 Groton Eagle	1	2013	63.3
13 Bittern	1	2009	57.8	13 Fairfield Eagle	1	2013	63.3
14 Stellar Eagle	1	2009	56.0	14 Southport Eagle	1	2013	63.3
15 Crested Eagle	1	2009	56.0	15 Rowayton Eagle	1	2013	63.3
16 Crowned Eagle	1	2008	55.9	16 Mystic Eagle	1	2013	63.3
17 Jaeger		2004	52.5	17 Stonington Eagle	1	2012	63.3
18 Cardinal		2004	55.4	18 Nighthawk	1	2011	57.8
19 Skua		2003	53.4	19 Martin	1	2010	57.8
20 Shrike		2003	53.3	20 Kingfisher	1	2010	57.8
21 Tern		2003	50.2	21 Jay	1	2010	57.8
22 Osprey I		2002	50.2	22 Ibis Bulker	1	2010	57.8
23 Goldeneye		2002	52.4	23 Grebe Bulker	1	2010	57.8
24 Hawk I		2001	50.3	24 Gannet Bulker	1	2010	57.8
				25 Imperial Eagle	1	2010	56.0
				26 Golden Eagle	1	2010	56.0
24 Vessels			1,352	26 Vessels			1,594



- Eagle fleet as of June 30, 2020
- We have reached an agreement to sell the Goldeneye. The transaction is expected to close in early August.

TCE Reconciliation

\$ Thousands except TCE and days	1q16	2q16	3q16	4q16	1q17	2q17	3q17	4q17	1q18
Revenues, net	\$ 21,278	\$ 25,590	\$ 35,788	\$ 41,836	\$ 45,855	\$ 53,631	\$ 62,711	\$ 74,587	\$ 79,371
Less:									
Voyage expenses	(9,244)	(7,450)	(11,208)	(14,192)	(13,353)	(13,380)	(17,463)	(18,155)	(22,515)
Charter hire expenses	(1,489)	(1,668)	(3,822)	(5,866)	(3,873)	(6,446)	(9,652)	(11,312)	(10,268)
Reversal of one legacy time charter	1,045	793	670	432	(302)	584	329	426	(86)
Realized gain/(loss) - Derivatives	-	-	(449)	(113)	-	83	248	(349)	117
TCE revenue	\$ 11,590	\$ 17,265	\$ 20,979	\$ 22,097	\$ 28,326	\$ 34,473	\$ 36,173	\$ 45,197	\$ 46,619
Owned available days *	3,945	3,902	3,700	3,653	3,620	3,771	4,177	4,324	4,218
TCE	\$ 2,938	\$ 4,425	\$ 5,670	\$ 6,049	\$ 7,825	\$ 9,142	\$ 8,660	\$ 10,452	\$ 11,052

\$ Thousands except TCE and days	2q18	3q18	4q18	1q19	2q19	3q19	4q19	1q20	2q20
Revenues, net	\$ 74,939	\$ 69,093	\$ 86,692	\$ 77,390	\$ 69,391	\$ 74,110	\$ 71,486	\$ 74,378	\$ 57,392
Less:									
Voyage expenses	(17,205)	(15,126)	(24,721)	(25,906)	(20,907)	(19,446)	(21,442)	(26,564)	(23,768)
Charter hire expenses	(10,108)	(7,460)	(10,209)	(11,492)	(11,179)	(11,346)	(8,152)	(6,041)	(4,719)
Reversal of one legacy time charter	(404)	497	(226)	(414)	767	(120)	(270)	463	(42)
Realized gain/(loss) - Derivatives	345	284	(211)	(475)	861	(806)	294	756	7,164
TCE revenue	\$ 47,567	\$ 47,288	\$ 51,326	\$ 39,102	\$ 38,933	\$ 42,393	\$ 41,917	\$ 42,992	\$ 36,027
Owned available days *	4,153	4,192	4,227	4,070	4,001	3,849	3,712	4,267	4,482
TCE	\$ 11,453	\$ 11,281	\$ 12,142	\$ 9,607	\$ 9,731	\$ 11,014	\$ 11,292	\$ 10,075	\$ 8,038



▪ Please see the Definitions slide in the Appendix for an explanation of Owned Available Days

EBITDA Reconciliation

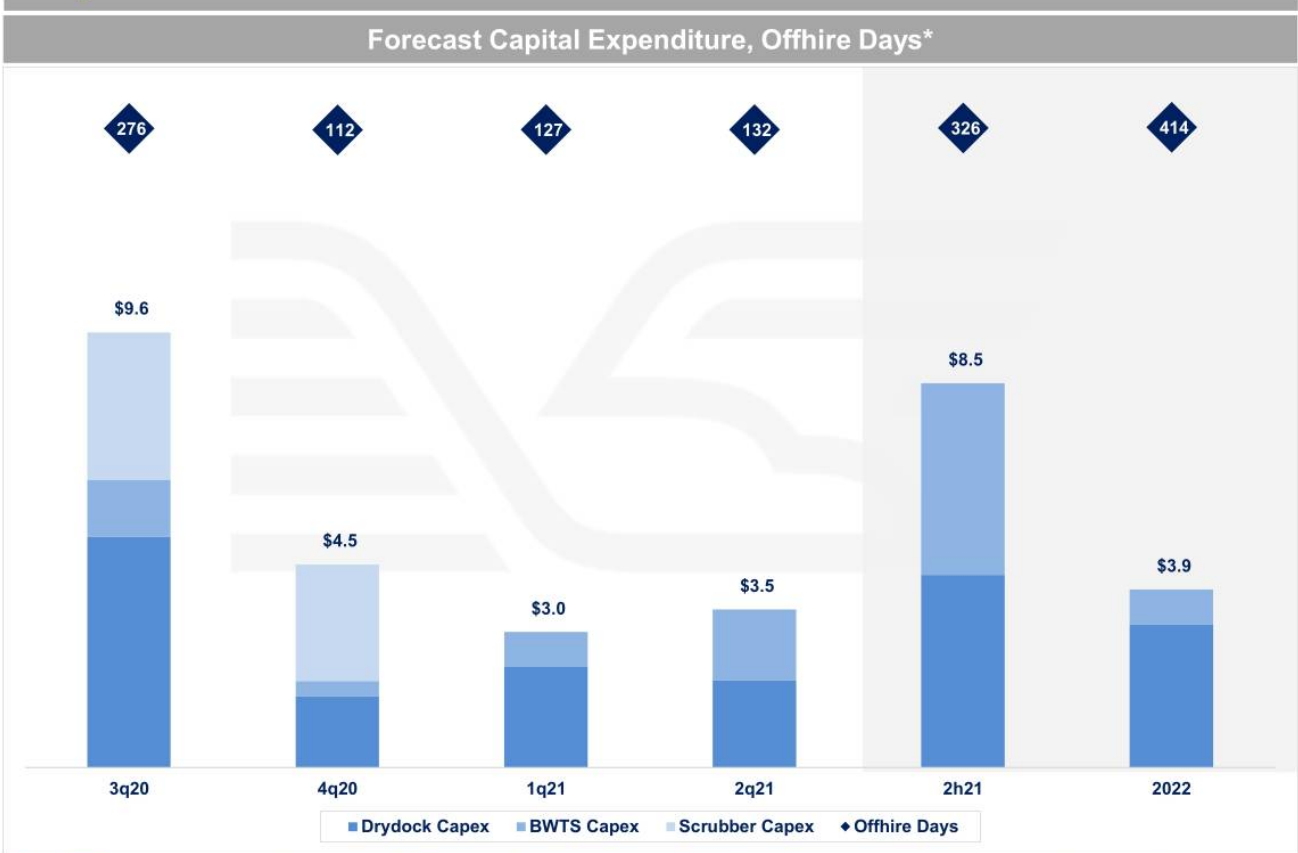
USD in Thousands	1q16	2q16	3q16	4q16	1q17	2q17	3q17	4q17	1q18
Net Income / (Loss)	\$ (39,279)	\$ (22,496)	\$ (19,359)	\$ (142,389)	\$ (11,068)	\$ (5,888)	\$ (10,255)	\$ (16,584)	\$ 53
Less adjustments to reconcile:									
Interest expense	2,818	4,903	7,434	6,644	6,445	6,859	7,837	8,236	6,261
Interest income	(3)	-	(88)	(124)	(190)	(186)	(143)	(133)	(95)
EBIT	(36,464)	(17,593)	(12,013)	(135,868)	(4,813)	785	(2,561)	(8,481)	6,219
Depreciation and amortization	9,397	9,654	9,854	9,979	7,493	8,021	8,981	9,196	9,276
EBITDA	(27,068)	(7,939)	(2,159)	(125,889)	2,680	8,805	6,420	715	15,495
Less adjustments to reconcile:									
Stock-based compensation	827	842	(735)	1,273	2,171	2,478	2,350	1,740	3,511
One-time and non-cash adjustments	11,756	436	(509)	122,656	(297)	(1,977)	(373)	14,764	(170)
Adjusted EBITDA*	\$ (14,486)	\$ (6,661)	\$ (3,403)	\$ (1,961)	\$ 4,553	\$ 9,307	\$ 8,397	\$ 17,219	\$ 18,835

USD in Thousands	2q18	3q18	4q18	1q19	2q19	3q19	4q19	1q20	2q20
Net Income / (Loss)	\$ 3,451	\$ 2,585	\$ 6,486	\$ 29	\$ (5,992)	\$ (4,563)	\$ (11,171)	\$ (3,528)	\$ (20,491)
Less adjustments to reconcile:									
Interest expense	6,387	6,574	6,521	6,762	6,733	8,117	8,965	9,192	8,737
Interest income	(112)	(129)	(248)	(434)	(393)	(640)	(400)	(157)	(56)
EBIT	9,726	9,030	12,759	6,357	348	2,914	(2,606)	5,507	(11,810)
Depreciation and amortization	9,272	9,460	9,708	9,407	9,761	10,056	11,322	12,466	12,503
EBITDA	18,998	18,490	22,467	15,764	10,109	12,970	8,715	17,974	693
Less adjustments to reconcile:									
Stock-based compensation	2,410	2,100	1,187	1,445	1,227	1,155	998	836	723
One-time and non-cash adjustments	(276)	(406)	(165)	(1,838)	(967)	(971)	66	-	352
Adjusted EBITDA*	\$ 21,132	\$ 20,184	\$ 23,489	\$ 15,372	\$ 10,370	\$ 13,154	\$ 9,780	\$ 18,810	\$ 1,768



▪ Please see the Definitions slide in the Appendix for an explanation of Adjusted EBITDA

Drydock and Scrubber Schedule



Actual duration of off-hire days will vary based on the condition of the vessel, yard schedules and other factors. Actual costs will vary based on various factors, including where the drydockings are actually performed. BWTS requires advance payments as per the contract terms. Scrubber amounts represent cash to be paid on amounts accrued as of June 30, 2020

Evaluating TCE Relative Performance

This page is meant to assist analysts/investors on how to potentially evaluate and forecast vessel/fleet TCE relative performance within the Supramax/Ultramax segment

- Since the Supramax/Ultramax segment is comprised of a number of different ship types / sizes / designs, TCE generation ability can differ significantly from the standard vessel used to calculate the BSI-58 benchmark
- For example, a 2013-built Chinese 60-65k DWT Ultramax should be expected to earn a significant premium to a 2013-built 55-60k Supramax, particularly given the incremental cost of the 60-65k DWT vessel
- Ultimately, it's about yield – the expected earnings ability of a vessel versus its cost

Supramax/Ultramax TCE Performance Matrix						
SHIP TYPE	SIZE (DWT)		VESSEL TYPE INDEX FACTOR (AS COMPARED TO THE BSI VESSEL)			
			JAPAN		CHINA	
	FROM	TO	FROM	TO	FROM	TO
BSI-58	58,000		100.0%			
1	50,000	55,000	86.0%	95.0%	81.0%	87.0%
2	55,000	60,000	96.0%	106.0%	88.0%	97.0%
3	60,000	65,000	106.0%	118.0%	102.0%	113.0%

For Illustrative Purposes Only

Matrix depicts the estimated TCE Earnings Performance range for a generic Supramax/Ultramax vessel type as compared to the BSI-58 ship

The BSI-58 is based on the 58k DWT Japanese TESS-58 design Supramax and is gross of commissions

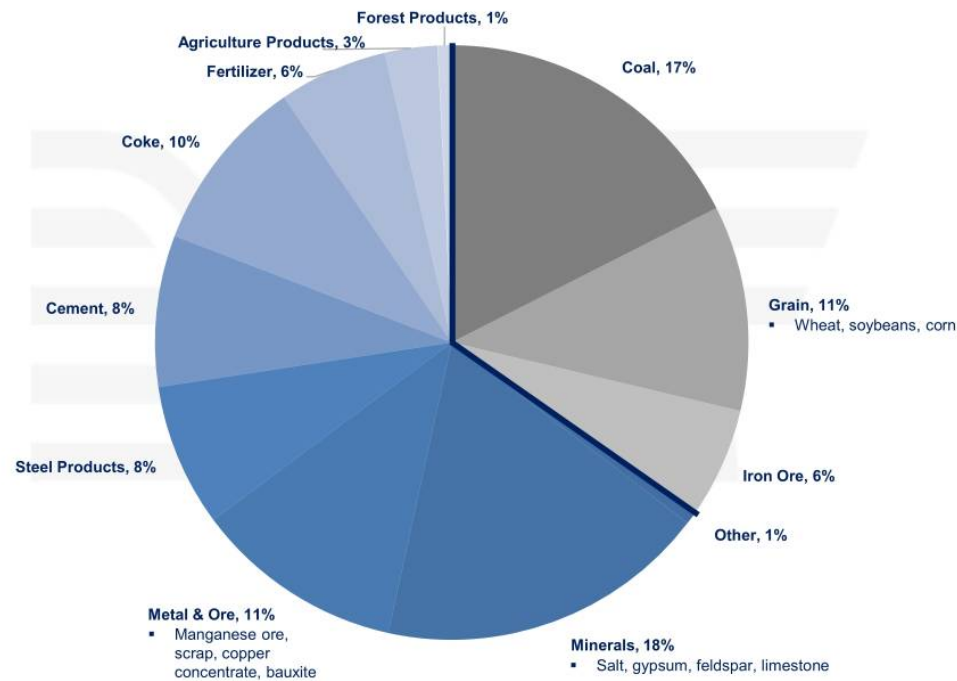
A Chinese 60-65k DWT Ultramax should earn a premium of 2-13% to the net BSI-58, depending on its specific design characteristics, due to cargo carrying capacity, speed, and fuel consumption differences



- The Matrix is meant to capture general ship types but there are likely some vessels which fall outside the stated figures. The index factors shown were calculated using a TCE of USD 10,000 per day and fuel cost of USD 400 per ton. The specific index factors can change somewhat with movements in both fuel prices and (spot) rate environment, but the relative relationships will remain similar to those shown.

Cargo Mix

Eagle Cargoes Carried



Minor Bulks ~66%

Major Bulks ~34%



▪ Cargoes loaded during the 12 months ended June 30, 2020

Drybulk Orderbook ~7.5% of Fleet, Ultramax ~5.7%

Drybulk Contracting (in DWT) vs BDI



Ultramax Contracting (in DWT) vs BSI



- Contracting figures are in million DWT
- BSI history is basis BSI-58 from 2015-present and BSI-52 for 2009-2014
- Source: Clarksons SIN (July 2020)

Definitions

Item	Description
Adjusted EBITDA	Adjusted EBITDA is a non-GAAP financial measure that is used as a supplemental financial measure by our management and by external users of our financial statements, such as investors, commercial banks and others, to assess our operating performance as compared to that of other companies in our industry, without regard to financing methods, capital structure or historical costs basis. Our Adjusted EBITDA should not be considered an alternative to net income/(loss), operating income/(loss), cash flows provided by/(used in) operating activities or any other measure of financial performance or liquidity presented in accordance with U.S. GAAP. Our Adjusted EBITDA may not be comparable to similarly titled measures of another company because all companies may not calculate Adjusted EBITDA in the same manner. Adjusted EBITDA represents EBITDA adjusted to exclude the items which represent certain non-cash, one-time and other items such as vessel impairment, lease impairment, gain/(loss) on sale of vessels, stock-based compensation, loss on debt extinguishment and restructuring expenses that the Company believes are not indicative of the ongoing performance of its core operations.
TCE	<p>Time charter equivalent ("TCE") is a non-GAAP financial measure that is commonly used in the shipping industry primarily to compare daily earnings generated by vessels on time charters with daily earnings generated by vessels on voyage charters, because charter hire rates for vessels on voyage charters are generally not expressed in per-day amounts while charter hire rates for vessels on time charters generally are expressed in such amounts. The Company defines TCE as shipping revenues less voyage expenses and charter hire expenses, adjusted for the impact of one legacy time charter and realized gains on FFAs and bunker swaps, divided by the number of owned available days. TCE provides additional meaningful information in conjunction with shipping revenues, the most directly comparable GAAP measure, because it assists Company management in making decisions regarding the deployment and use of its vessels and in evaluating their financial performance. The Company's calculation of TCE may not be comparable to that reported by other companies. The Company calculates relative performance by comparing TCE against the Baltic Supramax Index ("BSI") adjusted for commissions and fleet makeup. The BSI was initiated in 2006 based on the Tess 52 design. The index for the Tess 58 design has been published commencing on April 3, 2017, and transition was completed as of December 2018, when the Baltic stopped publishing a dynamic Tess 52 daily rate. The Company has now switched to the Tess 58 index for valuation modeling as of January 1, 2019. The change in the BSI may affect comparability of our TCE against BSI in periods prior to Company switching to the Tess 58 index.</p> <p>Owned available days is the aggregate number of days in a period during which each vessel in our fleet has been owned by us less the aggregate number of days that our vessels are off-hire due to vessel familiarization upon acquisition, repairs, vessel upgrades or special surveys. The shipping industry uses available days to measure the number of days in a period during which vessels should be capable of generating revenues.</p>



www.eagleships.com
