

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of August 2021

Commission File Number: 001-33869

STAR BULK CARRIERS CORP.

(Translation of registrant's name into English)

**Star Bulk Carriers Corp.
c/o Star Bulk Management Inc.
40 Agiou Konstantinou Street,
15124 Maroussi,
Athens, Greece**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached as Exhibit 99.1 to this Form 6-K is a Management's Discussion and Analysis of Financial Condition and Results of Operations and the unaudited interim condensed consolidated financial statements of Star Bulk Carriers Corp. (the "Company") as of and for the six months ended June 30, 2020 and 2021.

Attached as Exhibit 99.2 to this Form 6-K is a copy of the Company's press release (the "Press Release") announcing its unaudited financial and operating results for the Company's second quarter of 2021, which was issued on August 5, 2021.

The information contained in Exhibit 99.1 of this Form 6-K is hereby incorporated by reference into the registrant's Registration Statements on Form F-3 (File Nos. 333-230687, 333-232765, 333-234125 and 333-252808) and Registration Statement on Form S-8 (File No. 333-176922), to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING INFORMATION

This Form 6-K, and the documents to which the Company refers in this Form 6-K, as well as information included in oral statements or other written statements made or to be made by the Company, contain "forward-looking statements," within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Exchange Act, with respect to our financial condition, results of operations and business and our expectations or beliefs concerning future events. Words such as, but not limited to, "believe," "expect," "anticipate," "estimate," "intend," "plan," "targets," "projects," "likely," "would," "could" and similar expressions or phrases may identify forward-looking statements.

All forward-looking statements involve risks and uncertainties. The occurrence of the events described, and the achievement of the expected results, depend on many events, some or all of which are not predictable or within our control. Actual results may differ materially from expected results.

In addition, important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include:

- general dry bulk shipping market conditions, including fluctuations in charter rates and vessel values;
- the strength of world economies;
- the stability of Europe and the Euro;
- fluctuations in interest rates and foreign exchange rates;
- the impact of the expected discontinuance of the London Interbank Offered Rate, or LIBOR, after 2021 on interest rates of our debt that reference LIBOR;
- business disruptions due to natural disasters or other disasters outside our control, such as the ongoing global outbreak of the novel coronavirus ("COVID-19");
- the length and severity of epidemics and pandemics, including COVID-19 and its impact on the demand for seaborne transportation in the dry bulk sector;
- changes in supply and demand in the dry bulk shipping industry, including the market for our vessels and the number of newbuildings under construction;
- the potential for technological innovation in the sector in which we operate and any corresponding reduction in the value of our vessels or the charter income derived therefrom;

- changes in our operating expenses, including bunker prices, dry docking, crewing and insurance costs;
- changes in governmental rules and regulations or actions taken by regulatory authorities;
- potential liability from pending or future litigation and potential costs due to environmental damage and vessel collisions;
- the impact of increasing scrutiny and changing expectations from investors, lenders, charterers and other market participants with respect to our Environmental, Social and Governance ("ESG") policies;
- general domestic and international political conditions or events, including "trade wars";
- the impact on our common shares and reputation if our vessels were to call on ports located in countries that are subject to restrictions imposed by the U.S. or other governments;
- potential disruption of shipping routes due to accidents or political events;
- the availability of financing and refinancing;
- the failure of our contract counterparties to meet their obligations
- our ability to meet requirements for additional capital and financing to grow our business;
- the impact of our indebtedness and the compliance with the covenants included in our debt agreements;
- vessel breakdowns and instances of off-hire;
- potential exposure or loss from investment in derivative instruments;
- potential conflicts of interest involving our Chief Executive Officer, his family and other members of our senior management;
- our ability to complete acquisition transactions as and when planned; and
- the risk factors and other factors referred to in the Company's reports filed with or furnished to the SEC.

Consequently, all of the forward-looking statements we make in this document are qualified by the information contained or referred to herein, including, but not limited to, (i) the information contained under this heading and (ii) the information disclosed in the Company's annual report on Form 20-F for the fiscal year ended 2020, filed with the SEC on April 1, 2021, as amended on April 2, 2021.

You should carefully consider the cautionary statements contained or referred to in this section in connection with any subsequent written or oral forward-looking statements that may be issued by us or persons acting on our behalf. Except as required by law, the Company undertakes no obligation to update any of these forward-looking statements.

SIGNATURE

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, thereunto duly authorized.

Dated: August 5, 2021

COMPANY NAME

By: /s/ Simos Spyrou
 Name: Simos Spyrou
 Title: Co-Chief Financial Officer

Exhibit Number	Description
99.1	Management's Discussion and Analysis of Financial Condition and Results of Operations and our unaudited interim condensed consolidated financial statements of the Company as of and for the six months ended June 30, 2020 and 2021.
99.2	Press Release dated August 5, 2021.

The following is a discussion of the financial condition and results of operations of Star Bulk Carriers Corp. ("Star Bulk") for the six-month periods ended June 30, 2020 and 2021. Unless otherwise specified herein, references to the "Company," "we," "us" or "our" shall include Star Bulk and its subsidiaries. You should read the following discussion and analysis together with the unaudited interim condensed consolidated financial statements and related notes included elsewhere herein. For additional information relating to our management's discussion and analysis of financial conditions and results of operations, please see our Annual Report on Form 20-F for the year ended December 31, 2020, which was filed with the U.S. Securities and Exchange Commission (the "Commission") on April 1, 2021, as amended on April 2, 2021 (the "2020 Annual Report"). Unless otherwise defined herein, capitalized words and expressions used herein shall have the same meanings ascribed to them in the 2020 Annual Report. This discussion includes forward-looking statements which, although based on assumptions that we consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those currently anticipated and expressed or implied by such forward-looking statements.

Overview

We are a global shipping company providing worldwide seaborne transportation solutions in the dry bulk sector. Our vessels transport major bulks, which include iron ore, coal and grain, and minor bulks which include bauxite, fertilizers and steel products. We were incorporated in the Marshall Islands on December 13, 2006 and, on December 3, 2007, we commenced operations when we took delivery of our first vessel. We maintain offices in Athens, Oslo, New York, Limassol, Singapore and Germany. Our common shares trade on the Nasdaq Global Select Market under the symbol "SBLK."

Our Fleet

As of August 5, 2021, our owned fleet consisted of 128 operating vessels with an aggregate carrying capacity of approximately 14.1 million dwt, consisting of Newcastlemax, Capesize, Post Panamax, Kamsarmax, Panamax, Ultramax and Supramax vessels. We believe our Company is the largest US listed dry bulk operator in terms of number of vessels and deadweight tonnage.

The following tables present summary information relating to our fleet as of August 5, 2021:

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Operating Fleet:

	Wholly Owned Subsidiaries	Vessel Name	DWT	Date Delivered to Star Bulk	Year Built
1	Pearl Shiptrade LLC	<i>Gargantua (1)</i>	209,529	April 2, 2015	2015
2	Star Ennea LLC	<i>Star Gina 2GR</i>	209,475	February 26, 2016	2016
3	Coral Cape Shipping LLC	<i>Maharaj (1)</i>	209,472	July 15, 2015	2015
4	Sea Diamond Shipping LLC	<i>Goliath (1)</i>	207,999	July 15, 2015	2015
5	Star Castle II LLC	<i>Star Leo</i>	207,939	May 14, 2018	2018
6	ABY Eleven Ltd	<i>Star Laetitia</i>	207,896	August 3, 2018	2017
7	Domus Shipping LLC	<i>Star Ariadne</i>	207,812	March 28, 2017	2017
8	Star Breezer LLC	<i>Star Virgo</i>	207,810	March 1, 2017	2017
9	Star Seeker LLC	<i>Star Libra (1)</i>	207,765	June 6, 2016	2016
10	ABY Nine Ltd	<i>Star Sienna</i>	207,721	August 3, 2018	2017
11	Clearwater Shipping LLC	<i>Star Marisa</i>	207,709	March 11 2016	2016
12	ABY Ten Ltd	<i>Star Karlie</i>	207,566	August 3, 2018	2016
13	Star Castle I LLC	<i>Star Eleni</i>	207,555	January 3, 2018	2018
14	Festive Shipping LLC	<i>Star Magnanimus</i>	207,490	March 26, 2018	2018
15	New Era II Shipping LLC	<i>Debbie H</i>	206,861	May 28, 2019	2019
16	New Era III Shipping LLC	<i>Star Ayesha</i>	206,852	July 15, 2019	2019
17	New Era I Shipping LLC	<i>Katie K</i>	206,839	April 16, 2019	2019
18	Cape Ocean Maritime LLC	<i>Leviathan</i>	182,511	September 19, 2014	2014
19	Cape Horizon Shipping LLC	<i>Peloreus</i>	182,496	July 22, 2014	2014
20	Star Nor I LLC	<i>Star Claudine</i>	181,258	July 6, 2018	2011
21	Star Nor II LLC	<i>Star Ophelia</i>	180,716	July 6, 2018	2010
22	Christine Shipco LLC	<i>Star Martha</i>	180,274	October 31, 2014	2010
23	Sandra Shipco LLC	<i>Star Pauline</i>	180,233	December 29, 2014	2008
24	Pacific Cape Shipping LLC	<i>Pantagruel</i>	180,181	July 11, 2014	2004
25	Star Borealis LLC	<i>Star Borealis</i>	179,678	September 9, 2011	2011
26	Star Polaris LLC	<i>Star Polaris</i>	179,546	November 14, 2011	2011
27	Star Nor III LLC	<i>Star Lyra</i>	179,147	July 6, 2018	2009
28	Star Regg V LLC	<i>Star Borneo</i>	178,978	January 26, 2021	2010
29	Star Regg VI LLC	<i>Star Buenos Aires</i>	178,978	January 26, 2021	2010
30	Star Regg II LLC	<i>Star Janni</i>	178,978	January 7, 2019	2010
31	Star Regg IV LLC	<i>Star Bayonne</i>	178,977	January 26, 2021	2010
32	Star Regg I LLC	<i>Star Marianne</i>	178,906	January 14, 2019	2010
33	Star Trident V LLC	<i>Star Angie</i>	177,931	October 29, 2014	2007
34	Sky Cape Shipping LLC	<i>Big Fish</i>	177,662	July 11, 2014	2004
35	Global Cape Shipping LLC	<i>Kymopolia</i>	176,990	July 11, 2014	2006
36	Star Trident XXV Ltd.	<i>Star Triumph</i>	176,343	December 8, 2017	2004
37	ABY Fourteen Ltd	<i>Star Scarlett</i>	175,800	August 3, 2018	2014
38	ABY Fifteen Ltd	<i>Star Audrey</i>	175,125	August 3, 2018	2011
39	Sea Cape Shipping LLC	<i>Big Bang</i>	174,109	July 11, 2014	2007
40	ABY I LLC	<i>Star Paola</i>	115,259	August 3, 2018	2011

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	Wholly Owned Subsidiaries	Vessel Name	DWT	Date Delivered to Star Bulk	Year Built
41	ABM One Ltd	<i>Star Eva</i>	106,659	August 3, 2018	2012

42	Nautical Shipping LLC	<i>Amami</i>	98,681	July 11, 2014	2011
43	Majestic Shipping LLC	<i>Madredeus</i>	98,681	July 11, 2014	2011
44	Star Sirius LLC	<i>Star Sirius (1)</i>	98,681	March 7, 2014	2011
45	Star Vega LLC	<i>Star Vega (1)</i>	98,681	February 13, 2014	2011
46	ABY II LLC	<i>Star Aphrodite</i>	92,006	August 3, 2018	2011
47	Augustea Bulk Carrier Ltd	<i>Star Piera</i>	91,952	August 3, 2018	2010
48	Augustea Bulk Carrier Ltd	<i>Star Despoina</i>	91,945	August 3, 2018	2010
49	Star Nor IV LLC	<i>Star Electra</i>	83,494	July 6, 2018	2011
50	Star Alta I LLC	<i>Star Angelina</i>	82,981	December 5, 2014	2006
51	Star Alta II LLC	<i>Star Gwyneth</i>	82,790	December 5, 2014	2006
52	Star Trident I LLC	<i>Star Kamila</i>	82,769	September 3, 2014	2005
53	Star Nor VI LLC	<i>Star Luna</i>	82,687	July 6, 2018	2008
54	Star Nor V LLC	<i>Star Bianca</i>	82,672	July 6, 2018	2008
55	Grain Shipping LLC	<i>Pendulum</i>	82,619	July 11, 2014	2006
56	Star Trident XIX LLC	<i>Star Maria</i>	82,598	November 5, 2014	2007
57	Star Trident XII LLC	<i>Star Markella</i>	82,594	September 29, 2014	2007
58	Star Trident IX LLC	<i>Star Danai</i>	82,574	October 21, 2014	2006
59	ABY Seven Ltd	<i>Star Jeanette</i>	82,567	August 3, 2018	2014
60	Star Sun I LLC	<i>Star Elizabeth</i>	82,430	May 25, 2021	2021
61	Star Sun II LLC	<i>Star Pavlina</i>	82,361	June 16, 2021	2021
62	Star Trident XI LLC	<i>Star Georgia</i>	82,298	October 14, 2014	2006
63	Star Trident VIII LLC	<i>Star Sophia</i>	82,269	October 31, 2014	2007
64	Star Trident XVI LLC	<i>Star Mariella</i>	82,266	September 19, 2014	2006
65	Star Trident XIV LLC	<i>Star Moira</i>	82,257	November 19, 2014	2006
66	Star Trident XVIII LLC	<i>Star Nina</i>	82,224	January 5, 2015	2006
67	Star Trident X LLC	<i>Star Renee</i>	82,221	December 18, 2014	2006
68	Star Trident II LLC	<i>Star Nasia</i>	82,220	August 29, 2014	2006
69	Star Trident XIII LLC	<i>Star Laura</i>	82,209	December 8, 2014	2006
70	Star Trident XV LLC	<i>Star Jennifer</i>	82,209	April 15, 2015	2006
71	Star Nor VIII LLC	<i>Star Mona</i>	82,188	July 6, 2018	2012
72	Star Trident XVII LLC	<i>Star Helena</i>	82,187	December 29, 2014	2006
73	Star Nor VII LLC	<i>Star Astrid</i>	82,158	July 6, 2018	2012
74	Waterfront Two Ltd	<i>Star Alessia</i>	81,944	August 3, 2018	2017
75	Star Nor IX LLC	<i>Star Calypso</i>	81,918	July 6, 2018	2014
76	Star Gaia LLC	<i>Star Charis</i>	81,711	March 22, 2017	2013
77	Star Elpis LLC	<i>Star Suzanna</i>	81,711	May 15, 2017	2013
78	Mineral Shipping LLC	<i>Mercurial Virgo</i>	81,545	July 11, 2014	2013
79	Star Nor X LLC	<i>Stardust</i>	81,502	July 6, 2018	2011
80	Star Nor XI LLC	<i>Star Sky</i>	81,466	July 6, 2018	2010
81	Star Zeus VI LLC	<i>Star Lambada (1)</i>	81,272	March 16, 2021	2016
82	Star Zeus I LLC	<i>Star Capoeira (1)</i>	81,253	March 16, 2021	2015
83	Star Zeus II LLC	<i>Star Carioca (1)</i>	81,199	March 16, 2021	2015
84	Star Zeus VII LLC	<i>Star Macarena (1)</i>	81,199	March 6, 2021	2016
85	ABY III LLC	<i>Star Lydia</i>	81,187	August 3, 2018	2013
86	ABY IV LLC	<i>Star Nicole</i>	81,120	August 3, 2018	2013
87	ABY Three Ltd	<i>Star Virginia</i>	81,061	August 3, 2018	2015
88	Star Nor XII LLC	<i>Star Genesis</i>	80,705	July 6, 2018	2010
89	Star Nor XIII LLC	<i>Star Flame</i>	80,448	July 6, 2018	2011

	Wholly Owned Subsidiaries	Vessel Name	DWT	Date	
				Delivered to Star Bulk	Year Built
90	Star Trident III LLC	<i>Star Iris</i>	76,466	September 8, 2014	2004
91	Star Trident XX LLC	<i>Star Emily</i>	76,417	September 16, 2014	2004
92	Orion Maritime LLC	<i>Idee Fixe (1)</i>	63,458	March 25, 2015	2015
93	Primavera Shipping LLC	<i>Roberta (1)</i>	63,426	March 31, 2015	2015
94	Success Maritime LLC	<i>Laura (1)</i>	63,399	April 7, 2015	2015
95	Star Zeus III LLC	<i>Star Athena (1)</i>	63,371	May 19, 2021	2015
96	Ultra Shipping LLC	<i>Kaley (1)</i>	63,283	June 26, 2015	2015
97	Blooming Navigation LLC	<i>Kennadi (1)</i>	63,262	January 8, 2016	2016
98	Jasmine Shipping LLC	<i>Mackenzie (1)</i>	63,226	March 2, 2016	2016
99	Star Lida I Shipping LLC	<i>Star Apus (1)</i>	63,123	July 16, 2019	2014
100	Star Zeus V LLC	<i>Star Bovarius (1)</i>	61,571	March 16, 2021	2015
101	Star Zeus IV LLC	<i>Star Subaru (1)</i>	61,521	March 16, 2021	2015
102	Star Nor XV LLC	<i>Star Wave</i>	61,491	July 6, 2018	2017
103	Star Challenger I LLC	<i>Star Challenger (1)</i>	61,462	December 12, 2013	2012
104	Star Challenger II LLC	<i>Star Fighter (1)</i>	61,455	December 30, 2013	2013
105	Star Axe II LLC	<i>Star Lutas (1)</i>	61,347	January 6, 2016	2016
106	Aurelia Shipping LLC	<i>Honey Badger (1)</i>	61,320	February 27, 2015	2015
107	Rainbow Maritime LLC	<i>Wolverine (1)</i>	61,292	February 27, 2015	2015
108	Star Axe I LLC	<i>Star Antares (1)</i>	61,258	October 9, 2015	2015
109	ABY Five Ltd	<i>Star Monica</i>	60,935	August 3, 2018	2015
110	Star Asia I LLC	<i>Star Aquarius</i>	60,916	July 22, 2015	2015
111	Star Asia II LLC	<i>Star Pisces (1)</i>	60,916	August 7, 2015	2015
112	Star Nor XIV LLC	<i>Star Glory</i>	58,680	July 6, 2018	2012
113	Star Lida XI Shipping LLC	<i>Star Pyxis (1)</i>	56,615	August 19, 2019	2013
114	Star Lida VIII Shipping LLC	<i>Star Hydrus (1)</i>	56,604	August 8, 2019	2013
115	Star Lida IX Shipping LLC	<i>Star Cleo (1)</i>	56,582	July 15, 2019	2013

116	Star Trident VII LLC	<i>Diva (1)</i>	56,582	July 24, 2017	2011
117	Star Lida VI Shipping LLC	<i>Star Centaurus (1)</i>	56,559	September 18, 2019	2012
118	Star Lida VII Shipping LLC	<i>Star Hercules (1)</i>	56,545	July 16, 2019	2012
119	Star Lida X Shipping LLC	<i>Star Pegasus (1)</i>	56,540	July 15, 2019	2013
120	Star Lida III Shipping LLC	<i>Star Cepheus (1)</i>	56,539	July 16, 2019	2012
121	Star Lida IV Shipping LLC	<i>Star Columba (1)</i>	56,530	July 23, 2019	2012
122	Star Lida V Shipping LLC	<i>Star Dorado (1)</i>	56,507	July 16, 2019	2013
123	Star Lida II Shipping LLC	<i>Star Aquila (1)</i>	56,506	July 15, 2019	2012
124	Star Regg III LLC	<i>Star Bright</i>	55,783	October 10, 2018	2010
125	Glory Supra Shipping LLC	<i>Strange Attractor</i>	55,742	July 11, 2014	2006
126	Star Omicron LLC	<i>Star Omicron</i>	53,489	April 17, 2008	2005
127	Star Zeta LLC	<i>Star Zeta</i>	52,994	January 2, 2008	2003
128	Star Theta LLC	<i>Star Theta</i>	52,425	December 6, 2007	2003
Total dwt			14,070,872		

(1) Subject to a sale and leaseback financing transaction as further described in Note 6 to our consolidated financial statements included elsewhere herein.

Liquidity and Capital Resources

Our principal sources of funds have been cash from operations, equity offerings, borrowings under secured credit facilities, debt securities or bareboat lease financings and proceeds from vessel sales. Our principal uses of funds have been capital expenditures to establish, grow our fleet, maintain the quality of our dry bulk carriers and comply with international shipping standards, environmental laws and regulations, fund working capital requirements, make principal and interest payments on outstanding indebtedness and make dividend payments when approved by the Board of Directors.

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Our short-term liquidity requirements include paying operating costs, funding working capital requirements and the short-term equity portion of the cost of vessel acquisitions and vessel upgrades, interest and principal payments on outstanding indebtedness and maintaining cash reserves to strengthen our position against adverse fluctuations in operating cash flows. Our primary source of short-term liquidity is cash generated from operating activities, available cash balances, funds received from new debt and refinancings, as well as equity financings.

Our medium- and long-term liquidity requirements are funding the equity portion of any newbuilding vessel installments and second hand vessel acquisitions, funding required payments under our vessel financing and other financing agreements and paying cash dividends when declared. Sources of funding for our medium- and long-term liquidity requirements include cash flows from operations, new debt and refinancings, or bareboat lease financings, sale and lease back arrangements, equity issuances and vessel sales.

As of August 4, 2021, we had total cash of \$280.3 million and \$1,616.2 million of outstanding borrowings (including bareboat lease financing). In addition, following a number of interest rates swaps that we entered into during 2020 and 2021, we have converted a total of \$979.3 million of such debt from floating to an average fixed rate of 44 bps with average maturity of 3.0 years.

Our debt agreements contain financial covenants and undertakings requiring us to maintain various ratios, a summary of these terms included in Note 9 of the Company's consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report.

We believe that our current cash balance, together with the \$30.0 million available under our HSBC Working Capital Facility, as defined in our 2020 Annual Report, and our operating cash flows to be generated over the short-term period will be sufficient to meet our liquidity needs for the foreseeable future (and at least through the end of the third quarter of 2022), including funding the operations of our fleet, capital expenditure requirements and any other present financial requirements. However, we may seek additional indebtedness to finance future vessel acquisitions in order to maintain our cash position or to refinance our existing debt on more favorable terms. Our practice has been to fund the cash portion of the acquisition of dry bulk carriers using a combination of funds from operations and bank debt or lease financing secured by mortgages or title of ownership on our dry bulk carriers held by the relevant lenders, respectively. Our business is capital-intensive and its future success will depend on our ability to maintain a high-quality fleet through the acquisition of newer dry bulk carriers and the selective sale of older dry bulk carriers. These acquisitions will be principally subject to management's expectation of future market conditions as well as our ability to acquire dry bulk carriers on favorable terms. However our ability to obtain bank or lease financing, to refinance our existing debt or to access the capital markets for offerings in the future, may be limited by our financial condition at the time of any such financing or offering, including the market value of our fleet, as well as by adverse market conditions resulting from, among other things, general economic conditions, weakness in the financial and equity markets and contingencies and uncertainties, that are beyond our control.

On March 11, 2020, the World Health Organization declared the 2019 Novel Coronavirus (the "Covid-19") outbreak a pandemic. In response to the outbreak, many countries, ports and organizations, including those where we conduct a large part of our operations, have implemented measures to combat the outbreak, such as quarantines and travel restrictions. These measures have resulted in a significant reduction in global economic activity and extreme volatility in the global financial markets. There continues to be a high level of uncertainty relating to how the pandemic will evolve, including the new Delta variant of COVID-19, which appears to be the most transmissible variant to date, the availability of vaccines and their global deployment, the development of effective treatments, the imposition of effective public safety and other protective measures and the public's and government's responses to such measures. At present, it is not possible to ascertain any future impact of Covid-19 on the Company's operational and financial performance, which may take some time to materialize and may not be fully reflected in the Company's results for 2020 and 2021. During the first six months of 2021, the reopening of the global economy and consequent increased demand across all key dry bulk commodities has positively affected our revenues. On the other hand, as a result of COVID-19 restrictions imposed during 2020, additional crew expenses were incurred as further described below. However, an increase in the severity or duration or a resurgence of the Covid-19 pandemic and the timing of wide-scale vaccine distribution could have a material adverse effect on the Company's business, results of operations, cash flows, financial condition, the carrying value of the Company's assets, the fair values of the Company's vessels, and the Company's ability to pay dividends.

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Dividend Policy

In November 2019, our Board of Directors established a dividend policy, which was updated on May 19, 2021, pursuant to which our Board of Directors intends to declare a dividend in each of February, May, August and November in an amount equal to (a) our Total Cash Balance minus (b) the product of (i) the Minimum Cash Balance per Vessel and (ii) the Number of Vessels.

"Total Cash Balance" means (a) the aggregate amount of cash on our balance sheet as of the last day of the quarter preceding the relevant dividend declaration date minus (b) any proceeds received by us, including our 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.

"Minimum Cash Balance per Vessel" means:

- 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

“Number of Vessels” means the total number of vessels owned by us, 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.

As of March 31, 2021, we owned 125 vessels and our Total Cash Balance was \$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 \$30.7 million or \$0.30 per share.

As of June 30, 2021, we owned 128 vessels and our Total Cash Balance was \$242.8 million (or \$282.8 million pro forma for the expected financing of the last delivered vessels *Star Elizabeth* and *Star Pavlina*, the acquisition of which was fully financed by internal funds, as further described in Note 7 to our consolidated financial statements included elsewhere herein). Taking into account the Minimum Cash Balance per Vessel as of June 30, 2021 of \$1.65 million, on August 5, 2021, pursuant to our dividend policy, our Board of Directors declared a quarterly cash dividend of \$0.70 per share, payable on or about September 8, 2021 to all shareholders of record as of August 23, 2021. The ex-dividend date is expected to be August 19, 2021.

Since Star Bulk is a holding company with no material assets other than the shares of its subsidiaries through which it conducts its operations, Star Bulk’s ability to pay dividends will depend on its subsidiaries distributing their earnings and cash flow to it. Any future dividends declared will be at the discretion and remain subject to approval of our Board of Directors each quarter after its review of our financial condition and other factors, including but not limited to our earnings, the prevailing charter market conditions, capital requirements, limitations under our debt agreements and applicable provisions of Marshall Islands law, which generally prohibits the payment of dividends other than from operating surplus or while a company is insolvent or would be rendered insolvent upon the payment of such dividend. Star Bulk’s dividend policy and declaration and payment of dividends may be changed at any time and are subject to legally available funds and our Board of Directors’ determination that each declaration and payment is at the time in the best interests of Star Bulk and its shareholders after its review of our financial performance.

There can be no assurance that our Board of Directors will declare or pay any dividend in the future.

Other Recent Developments

Please refer to Note 14 to our unaudited interim condensed consolidated financial statements, included elsewhere herein, for developments that took place after June 30, 2021.

Operating Results

Factors Affecting Our Results of Operations

We deploy our vessels on a mix of short to medium time charters or voyage charters, contracts of affreightment or in dry bulk carrier pools, according to our assessment of market conditions. We adjust the mix of these charters to take advantage of the relatively stable cash flow and high utilization rates associated with medium to long-term time charters, or to profit from attractive spot charter rates during periods of strong charter market conditions, or to maintain employment flexibility that the spot market offers during periods of weak charter market conditions. The following table reflects certain operating data of our fleet, including our ownership days and TCE rates, which we believe are important measures for analyzing trends in our results of operations, for the periods indicated:

(TCE rates expressed in U.S. Dollars)	Six-month period ended June 30,	
	2020	2021
Average number of vessels (1)	116.0	122.7
Number of vessels (2)	116	128
Average age of operational fleet (in years) (3)	8.7	9.4
Ownership days (4)	21,112	22,207
Available days (5)	19,426	21,234
Charter-in days (6)	726	327
Time Charter Equivalent Rate (TCE rate) (7)	\$ 10,128	\$ 19,371

- (1) Average number of vessels is the number of vessels that constituted our owned fleet for the relevant period, as measured by the sum of the number of days each operating vessel was a part of our owned fleet during the period divided by the number of calendar days in that period.
- (2) As of the last day of the periods reported.
- (3) Average age of our operational fleet is calculated as of the end of each period.
- (4) Ownership days are the total calendar days each vessel in the fleet was owned by us for the relevant period, including vessels subject to sale and leaseback transactions and finance leases.
- (5) Available days for the fleet are the Ownership days after subtracting off-hire days for major repairs, dry docking or special or intermediate surveys and scrubber/ Ballast Water Treatment System (“BWTS”) installation. The available days for the first six months of 2021 were also decreased by off-hire days relating to disruptions in connection with crew changes as a result of COVID-19. Available Days as presented above may not necessarily be comparable to Available Days of other companies due to differences in methods of calculation.
- (6) Charter-in days are the total days that we charter-in vessels not owned by us.
- (7) Time charter equivalent rate represents the weighted average daily TCE rates of our operating fleet (including owned fleet and fleet under charter-in arrangements). TCE rate is a measure of the average daily net revenue performance of our vessels. Our method of calculating TCE rate is determined by dividing (a) TCE Revenues, which consists of: voyage revenues (net of voyage expenses, charter-in hire expense, amortization of fair value of above/below market acquired time charter agreements, as well as adjusted for the impact of realized gain/(loss) on forward freight agreements (“FFAs”) and bunker swaps) by (b) Available days for the relevant time period. Available days do not include the Charter-in days as per the relevant definitions provided above. Voyage expenses primarily consist of port, canal and fuel costs that are unique to a particular voyage, which would otherwise be paid by the charterer under a time charter contract, as well as commissions. In the calculation of TCE Revenues, we also include the realized gain/(loss) on FFAs and bunker swaps as we believe that this method better reflects the chartering result of our fleet and is more comparable to the method used by our peers. TCE Revenues and TCE rate, which are non-GAAP measures, provide additional meaningful information in conjunction with voyage revenues, the most directly comparable GAAP measure, because they assist our management in making decisions regarding the deployment and use of our vessels and because we believe that they provide useful information to investors regarding our financial performance. TCE rate is a standard shipping industry performance measure used primarily to compare period-to-period changes in a shipping company’s performance despite changes in the mix of charter types (i.e., voyage charters, time charters, bareboat charters and pool arrangements) under which its vessels may be employed between the periods. TCE Revenues and TCE rate, as presented above, may not necessarily be comparable to those of other companies due to differences in methods of calculation.

The following table reflects the calculation of our TCE rates as discussed in footnote (7) above. The table presents reconciliation of TCE Revenues to voyage revenues as reflected in the unaudited interim condensed consolidated statement of operations.

<i>(In thousands of U.S. Dollars, except as otherwise stated)</i>	Six-month period ended June 30,	
	2020	2021
Voyage revenues	\$ 306,996	\$ 511,878
Less:		
Voyage expenses	(115,072)	(93,045)
Charter-in hire expenses	(14,053)	(7,342)
Realized gain/(loss) on FFAs/bunker swaps	19,592	19
Amortization of fair value of below/above market acquired time charter agreements, net	(718)	(187)
Time charter equivalent revenues	\$ 196,745	\$ 411,323
Available days	19,426	21,234
Daily time charter equivalent rate ("TCE")	\$ 10,128	\$ 19,371

Voyage Revenues

Voyage revenues are driven primarily by the number of vessels in our operating fleet, the duration of our charters, the number of charter-in days, the amount of daily charter hire or freight rates that our vessels earn under time and voyage charters, respectively, which, in turn, are affected by a number of factors, including our decisions relating to vessel acquisitions and disposals, the number of vessels chartered-in, the amount of time that we spend positioning our vessels, the amount of time that our vessels spend in dry dock undergoing repairs, maintenance and upgrade work, the age, condition and specifications of our vessels, levels of supply and demand in the seaborne transportation market.

Vessels operating on time charters for a certain period of time provide more predictable cash flows over that period of time, but can yield lower profit margins than vessels operating in the spot charter market during periods characterized by favorable market conditions. Vessels operating in the spot charter market generate revenues that are less predictable, but may enable us to capture increased profit margins during periods of improved charter rates, although we would be exposed to the risk of declining vessel rates, which may have a materially adverse impact on our financial performance. If we employ vessels on period time charters, future spot market rates may be higher or lower than the rates at which we have employed our vessels on period time charters.

Voyage Expenses

Voyage expenses may include port and canal charges, agency fees, fuel (bunker) expenses and brokerage commissions payable to related and third parties. Voyage expenses are incurred for our owned and chartered-in vessels during voyage charters or when the vessel is unemployed. Bunker expenses, port and canal charges primarily increase in periods during which vessels are employed on voyage charters because these expenses are paid by the owners. Our voyage expenses primarily consist of bunkers cost, port expenses and commissions paid in connection with the chartering of our vessels.

Charter-in hire expenses

Charter-in hire expenses represent hire expenses for chartering-in third and related party vessels, either under time charters or voyage charters.

Vessel Operating Expenses

Vessel operating expenses include crew wages and related costs, the cost of insurance and vessel registry, expenses relating to repairs and maintenance, the cost of spares and consumable stores, tonnage taxes, regulatory fees, vessel scrubbers and BWTS maintenance expenses, lubricants and other miscellaneous expenses. Other factors beyond our control, some of which may affect the shipping industry in general, including for instance, developments relating to market prices for crew wages, lubricants and insurance, may also cause these expenses to increase.

Dry Docking Expenses

Dry docking expenses relate to regularly scheduled intermediate survey or special survey dry docking necessary to preserve the quality of our vessels as well as to comply with international shipping standards and environmental laws and regulations. Dry docking expenses can vary according to the age of the vessel and its condition, the location where the dry docking takes place, shipyard availability and the number of days the vessel is under dry-dock. We utilize the direct expense method, under which we expense all dry docking costs as incurred.

Depreciation

We depreciate our vessels on a straight-line basis over their estimated useful lives, which is determined to be 25 years from the date of their initial delivery from the shipyard. Depreciation is calculated based on a vessel's cost less the estimated residual value.

General and Administrative Expenses

We incur general and administrative expenses, including our onshore personnel related expenses, directors and executives' compensation, share based compensation, legal, consulting, audit and accounting expenses.

Management Fees

Management fees include fees paid to third parties as well as related parties providing certain procurement services to our fleet.

(Gain) / Loss on Forward Freight Agreements and Bunker Swaps, net

From time to time, we take positions in freight derivatives, including freight forward agreements (the "FFAs") and freight options, with an objective to utilize those instruments as economic hedges to reduce the risk arising from the volatility in vessel charter rates for vessels trading in the spot market and to take advantage of short term fluctuations in the market prices. Upon the settlement of the applicable FFA, if the contracted charter rate is less than the average of the rates, as reported by an identified index, for the specified route and time period, the seller of the FFA is required to pay the buyer the settlement sum, which is an amount equal to the difference between the contracted rate and the settlement rate, multiplied by the number of days in the specified period covered by the FFA. Conversely, if the contracted rate is greater than the settlement rate, the buyer is required to pay the seller the settlement sum. Our FFAs are settled on a daily basis mainly through reputable exchanges such as London Clearing House (LCH) or Singapore Exchange (SGX) so as to limit our exposure in over-the-counter transactions. Customary requirements for trading in FFAs include the maintenance of initial and variation margins based on expected volatility, open position and mark to market of the contracts. The fair value of the FFAs or freight options is treated as asset or liability until they are settled. Any such settlements by us or settlements

to us under FFAs or freight options, if any, are recorded under (Gain)/Loss on forward freight agreements and bunker swaps, net.

Also, from time to time, we may enter into bunker swap contracts to manage our exposure to fluctuations of bunker prices associated with the consumption of bunkers by our vessels. Bunker swaps are agreements between two parties to exchange cash flows at a fixed price on bunkers, where volume, time period and price are agreed in advance. Our bunker swaps are settled through reputable clearing houses. Bunker price differentials paid or received under the swap agreements are recognized under (Gain)/Loss on forward freight agreements and bunker swaps, net.

The fair value of freight derivatives and bunker swaps is determined through Level 1 inputs of the fair value hierarchy (quoted prices from the applicable exchanges such as the London Clearing House (LCH) or the Singapore Exchange (SGX)). Our FFAs and bunker swaps do not qualify for hedge accounting and therefore unrealized gains or losses are recognized under (Gain)/Loss on forward freight agreements and bunker swaps, net.

Interest and Finance Costs

We incur interest expense and financing costs in connection with our outstanding indebtedness under our existing loan facilities (including sale and leaseback financing transactions) and the 2022 Notes. We also incur financing costs in connection with establishing those facilities, which are presented as a direct deduction from the carrying amount of that debt liability and amortize them to interest and financing costs over the term of the underlying obligation using the effective interest method.

Interest Income

We earn interest income on our cash deposits with our lenders and other financial institutions.

Gain / (Loss) on interest rate swaps, net

We enter into interest rate swap transactions to manage interest costs and risk associated with changing interest rates with respect to our variable interest loans and credit facilities. Interest rate swaps are recorded in the balance sheet as either assets or liabilities, measured at their fair value (Level 2), with changes in such fair value recognized in earnings under (gain)/loss on interest rate swaps, net, unless specific hedge accounting criteria are met. When interest rate swaps are designated and qualify as cash flow hedges, the effective portion of the unrealized gains/losses from those swaps is recorded in Other Comprehensive Income / (Loss) while any ineffective portion is recorded as Gain/(loss) on interest rate swaps, net.

Inflation

Inflation does not have a material effect on our expenses given current economic conditions. In the event that significant global inflationary pressures appear, these pressures would increase our operating, voyage, administrative and financing costs.

Results of Operations

The six-month period ended June 30, 2021 compared to the six-month period ended June 30, 2020

Voyage revenues net of Voyage expenses: Voyage revenues for the six months ended June 30, 2021 increased to \$511.9 million from \$307.0 million in the corresponding period in 2020. Time charter equivalent revenues ("TCE Revenues") (as defined above) were \$411.3 million compared to \$196.7 million for the corresponding period in 2020, which is indicative of improved market conditions prevailing during the six month period ended June 30, 2021 compared to the corresponding period in 2020. As a result, the TCE rate for the first six months of 2021 was \$19,371 compared to \$10,128 for the corresponding period in 2020. Please refer to the table above for the calculation of the TCE Revenues and TCE and their reconciliation with Voyage Revenues, which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.

Charter-in hire expenses: Charter-in hire expenses for the six months ended June 30, 2021 and 2020 were \$7.3 million and \$14.1 million, respectively. This decrease is attributable to the decrease in charter-in days from 726 in the first six months of 2020 to 327 in the corresponding period in 2021.

Vessel operating expenses: For the six months ended June 30, 2021 and 2020, vessel operating expenses were \$100.3 million and \$85.2 million, respectively. Vessel operating expenses for the first six months of 2021 included pre-delivery and pre-joining expenses of \$2.3 million and additional crew expenses related to the increased number of crew changes performed during the period as a result of COVID-19 restrictions imposed during 2020 estimated to be \$3.0 million. The average number of our vessels also increased to 122.7 from 116.0.

Dry docking expenses: During the first six months of 2021, we incurred \$18.9 million dry docking expenses mainly attributable to 20 of our vessels that completed their periodic dry docking surveys within such period. During the first six months of 2020, we incurred \$20.9 million dry-docking expenses mainly attributable to 25 of our vessels that completed their periodic dry docking surveys within such period.

Depreciation: Depreciation expense increased to \$74.3 million for the six month period ended June 30, 2021, compared to \$70.0 million for the corresponding period in 2020. The increase was mainly driven by the higher average number of vessels in 2021 compared to 2020 as discussed above.

Management fees: Management fees for the six month periods ended June 30, 2021 and 2020 were \$9.6 million and \$9.2 million, respectively. The increase is attributable to the management agreements entered into in connection with the fleet we acquired during the first six months of 2021.

General and administrative expenses: General and administrative expenses for the six month period ended June 30, 2021 were \$17.4 million compared to \$15.0 million in the corresponding period in 2020. The increase is primarily attributable to the reversal in the first quarter of 2020, of previously recognized stock based compensation expenses of \$1.2 million, following the reassessment of the probability of achieving the performance conditions for some of our outstanding awards.

(Gain)/Loss on forward freight agreements and bunker swaps, net: For the six month period ended June 30, 2021, we incurred a loss on FFAs and bunker swaps of \$1.5 million, consisting primarily of an unrealized loss of \$1.6 million. For the six month period ended June 30, 2020, (Gain)/Loss on FFAs and bunker swaps amounted to a \$19.5 million gain, consisting primarily of realized gain of \$19.6 million.

(Gain)/Loss on time charter agreement termination: Within the first quarter of 2021 the time charter agreement assumed on the acquisition of the vessel *Star Karlie* was early terminated. As a result the unamortized balance, at the time of termination, of the corresponding fair value of below market acquired time charters, amounting to \$1.1 million, was written off to earnings as a gain and separately presented under (Gain)/Loss on time charter agreement termination.

Interest and finance costs net of interest and other income/(loss): Interest and finance costs net of interest and other income/(loss) for the first six month periods of 2021 and 2020 were \$27.8 million and \$37.9 million, respectively. Despite the increase in the weighted average balance of our outstanding indebtedness to \$1,624.5 million during the first six months of 2021, from \$1,597.3 million for the same period in 2020, the interest and finance costs net of interest and other income/ (loss) decreased due to the decrease in the average interest rate on our outstanding indebtedness, mainly driven by the refinancing of certain of our debt agreements, the interest rate swap agreements that we entered into in 2020 and

2021 and the lower LIBOR rates during the first six months of 2021 compared to the same period in 2020.

Loss on debt extinguishment: During the six months ended June 30, 2021 and 2020, we recorded a \$2.4 million and \$0.6 million loss on debt extinguishment representing expenses and the non-cash write-off of unamortized deferred finance charges in connection with the refinancing of certain credit facilities and lease financings.

Cash Flows

Net cash provided by operating activities for the first six months of 2021 and 2020 was \$219.7 million and \$55.5 million, respectively. This increase was primarily driven by the higher charter rates due to the reopening of the global economy as well as a decrease in our interest payments due to our recent loan refinancing arrangements.

Net cash used in investing activities for the first six months of 2021 and 2020 was \$108.3 million and \$48.2 million, respectively. The increase was primarily attributable to cash paid in 2021 in connection with the acquisition of vessels as opposed to no vessel acquisitions in 2020 partly offset by lower capital expenditures for BWTS and Scrubbers paid in 2021 compared to relevant payments in 2020.

Net cash used in financing activities for the first six months of 2021 was \$64.2 million compared to net cash used in financing activities of \$25.9 million in the first six months of 2020. The increase was primarily driven by higher debt repayments and prepayments compared to debt proceeds in 2021 as compared to 2020 as well as the higher dividend payments made in the first six months of 2021 compared to the corresponding period in 2020.

Significant Accounting Policies and Critical Accounting Policies

For a description of our critical accounting policies and all of our significant accounting policies, see Note 2 to our audited financial statements and “Item 5 - Operating and Financial Review and Prospects,” included in our 2020 Annual Report. There have been no material changes from the “Critical Accounting Policies” previously disclosed in our 2020 Annual Report.

STAR BULK CARRIERS CORP.

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STAR BULK CARRIERS CORP.

Consolidated Balance Sheets

As of December 31, 2020 and June 30, 2021 (unaudited)

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

	December 31, 2020	June 30, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 183,211	\$ 225,473
Restricted cash, current (Notes 7 and 12)	7,299	12,283
Trade accounts receivable, net	38,090	65,563
Inventories (Note 4)	47,294	62,437
Due from managers	358	218
Due from related parties (Note 3)	481	466
Prepaid expenses and other receivables	17,687	21,122
Derivatives, current asset portion (Note 12)	0	335
Other current assets (Note 13)	12,991	12,529
Total Current Assets	307,411	400,426
FIXED ASSETS		
Vessels and other fixed assets, net (Note 5)	2,877,119	3,077,899
Total Fixed Assets	2,877,119	3,077,899
OTHER NON-CURRENT ASSETS		
Long term investment (Note 3)	1,321	1,434
Restricted cash, non-current (Notes 7 and 12)	5,021	5,021
Leased buildings, right-of-use assets	886	718
Derivatives, non-current asset portion (Note 12)	0	3,397
Other non-current assets (Note 3)	35	60
TOTAL ASSETS	\$ 3,191,793	\$ 3,488,955
LIABILITIES & SHAREHOLDERS' EQUITY		

CURRENT LIABILITIES			
8.30% 2022 Notes, net of unamortized notes issuance costs of \$564 as of June 30, 2021 (Note 7)	\$	0	\$ 49,436
Current portion of long-term bank loans (Note 7)		144,900	\$ 153,930
Lease financing short term (Note 6)		44,873	54,723
Accounts payable		32,853	33,436
Due to managers		7,813	10,425
Due to related parties (Note 3)		1,439	3,171
Accrued liabilities		20,940	25,953
Derivatives, current liability portion (Note 12)		1,939	3,711
Deferred revenue		11,675	21,268
Total Current Liabilities		<u>266,432</u>	<u>356,053</u>
NON-CURRENT LIABILITIES			
8.30% 2022 Notes, net of unamortized notes issuance costs of \$768 as of December 31, 2020 (Note 7)		49,232	0
Long-term bank loans, net of current portion and unamortized loan issuance costs of \$13,761 and \$10,789, as of December 31, 2020 and June 30, 2021, respectively (Note 7)		938,699	930,217
Lease financing long term, net of unamortized lease issuance costs of \$6,181 and \$6,194, as of December 31, 2020 and June 30, 2021, respectively (Note 6)		382,417	443,537
Derivatives, non-current liability portion (Note 12)		2,265	603
Fair value of below market time charters acquired		1,289	0
Leased buildings, operating lease liabilities		886	718
Other non-current liabilities		1,046	1,006
TOTAL LIABILITIES		<u>1,642,266</u>	<u>1,732,134</u>
COMMITMENTS & CONTINGENCIES (Note 11)			
SHAREHOLDERS' EQUITY			
Preferred Shares; \$0.01 par value, authorized 25,000,000 shares; none issued or outstanding at December 31, 2020 and June 30, 2021, respectively (Note 8)		0	0
Common Shares, \$0.01 par value, 300,000,000 shares authorized; 97,146,687 shares issued and 97,139,716 shares (net of treasury shares) outstanding as of December 31, 2020; 102,239,716 shares issued and outstanding as of June 30, 2021 (Note 8)		971	1,022
Additional paid in capital		2,548,956	2,621,126
Treasury shares (6,971 and 0 shares at December 31, 2020 and June 30, 2021, respectively) (Note 8)		(93)	0
Accumulated other comprehensive income/(loss)		(3,993)	1,687
Accumulated deficit		(996,314)	(867,014)
Total Shareholders' Equity		<u>1,549,527</u>	<u>1,756,821</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$	<u>3,191,793</u>	\$ <u>3,488,955</u>

The accompanying notes are integral part of these unaudited interim condensed consolidated financial statements.

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STAR BULK CARRIERS CORP.

Unaudited Interim Condensed Consolidated Statements of Operations

For the six-month periods ended June 30, 2020 and 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

	Six months ended June 30,	
	2020	2021
Revenues:		
Voyage revenues (Note 13)	\$ 306,996	\$ 511,878
Expenses		
Voyage expenses (Note 3)	115,072	93,045
Charter-in hire expenses (Note 3)	14,053	7,342
Vessel operating expenses	85,223	100,326
Dry docking expenses	20,883	18,869
Depreciation (Note 5)	69,958	74,336
Management fees (Notes 3)	9,202	9,605
General and administrative expenses (Note 3)	14,991	17,427
(Gain)/Loss on time charter agreement termination	0	(1,102)
Other operational loss	610	1,555
Other operational gain	(654)	(1,197)
(Gain)/Loss on forward freight agreements and bunker swaps, net (Note 12)	(19,532)	1,537
Total operating expenses	<u>309,806</u>	<u>321,743</u>
Operating income / (loss)	<u>(2,810)</u>	<u>190,135</u>
Other Income/ (Expenses):		
Interest and finance costs (Note 7)	(38,381)	(29,459)
Interest and other income/(loss)	432	1,662
Loss on debt extinguishment (Note 7)	(618)	(2,353)
Total other expenses, net	<u>(38,567)</u>	<u>(30,150)</u>
Income / (loss) before taxes and equity in income of investee	<u>\$ (41,377)</u>	<u>\$ 159,985</u>
Income taxes	(27)	0
Income/(Loss) before equity in income of investee	<u>(41,404)</u>	<u>159,985</u>
Equity in income / (loss) of investee	39	(13)
Net income/(loss)	<u>(41,365)</u>	<u>159,972</u>
Earnings / (Loss) per share, basic	\$ (0.43)	\$ 1.60
Earnings / (Loss) per share, diluted	\$ (0.43)	\$ 1.59
Weighted average number of shares outstanding, basic (Note 9)	95,797,142	100,256,417
Weighted average number of shares outstanding, diluted (Note 9)	95,797,142	100,537,897

The accompanying notes are integral part of these unaudited interim condensed consolidated financial statements.

STAR BULK CARRIERS CORP.

Unaudited Interim Condensed Consolidated Statements of Comprehensive Income / (Loss)

For the six-month periods ended June 30, 2020 and 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

	Six months ended June 30, 2020	Six months ended June 30, 2021
Net income / (loss)	\$ (41,365)	\$ 159,972
Other comprehensive income / (loss):		
Unrealized gains / losses from cash flow hedges:		
Unrealized gain / (loss) from hedging interest rate swaps recognized in Other comprehensive income/(loss) before reclassifications	(4,792)	4,682
Less:		
Reclassification adjustments of interest rate swap gain/(loss)	(492)	998
Other comprehensive income / (loss)	(5,284)	5,680
Total comprehensive income / (loss)	\$ (46,649)	\$ 165,552

The accompanying notes are integral part of these unaudited interim condensed consolidated financial statements.

STAR BULK CARRIERS CORP.

Unaudited Interim Condensed Consolidated Statements of Stockholders' Equity

For the six-month periods ended June 30, 2020 and 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

	Common Stock			Accumulated Other Comprehensive income/(loss)	Accumulated deficit	Treasury stock	Total Shareholders' Equity
	# of Shares	Par Value	Additional Paid-in Capital				
Balance, January 1, 2020	96,073,197	\$ 961	\$ 2,544,342	\$ -	\$ (1,001,170)	\$ (93)	\$ 1,544,400
Net income / (loss)	-	-	-	-	(41,365)	-	(41,365)
Other comprehensive income / (loss)	-	-	-	(5,284)	-	-	(5,284)
Issuance of vested and non-vested shares and amortization of share-based compensation (Note 10)	1,300	-	1,216	-	-	-	1,216
Dividend declared and paid (\$0.05 per share), (Note 8)	-	-	-	-	(4,804)	-	(4,804)
Balance, June 30, 2020	96,074,497	\$ 961	\$ 2,545,558	\$ (5,284)	\$ (1,047,339)	\$ (93)	\$ 1,493,803
Balance, January 1, 2021	97,146,687	\$ 971	\$ 2,548,956	\$ (3,993)	\$ (996,314)	\$ (93)	\$ 1,549,527
Net income / (loss)	-	-	-	-	159,972	-	159,972
Other comprehensive income / (loss)	-	-	-	5,680	-	-	5,680
Amortization of share-based compensation (Note 10)	-	-	2,571	-	-	-	2,571
Acquisition of Eneti vessels (Note 8)	3,000,000	30	47,545	-	-	-	47,575
Acquisition of ER vessels (Note 8)	2,100,000	21	22,147	-	-	-	22,168
Cancellation of treasury stock (Note 8)	(6,971)	-	(93)	-	-	93	-
Dividend declared and paid (\$0.30 per share), (Note 8)	-	-	-	-	(30,672)	-	(30,672)
Balance, June 30, 2021	102,239,716	\$ 1,022	\$ 2,621,126	\$ 1,687	\$ (867,014)	\$ -	\$ 1,756,821

The accompanying notes are integral part of these unaudited interim condensed consolidated financial statements.

STAR BULK CARRIERS CORP.

Unaudited Interim Condensed Consolidated Statements of Cash Flows

For the six-month periods ended June 30, 2020 and 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

	Six months ended June 30, 2020	2021
Cash Flows from Operating Activities:		
Net income / (loss)	\$ (41,365)	\$ 159,972
Adjustments to reconcile net income/(loss) to net cash provided by/(used in) operating activities:		
Depreciation (Note 5)	69,958	74,336
Amortisation of fair value of below market time charters	(718)	(187)
Amortization of debt (loan, lease & notes) issuance costs (Note 7)	3,663	3,606

Loss on debt extinguishment (Note 7)	618	2,353
Share-based compensation (Note 10)	1,216	2,571
(Gain)/Loss on time charter agreement termination	-	(1,102)
Change in fair value of forward freight derivatives and bunker swaps (Note 12)	60	1,556
Other non-cash charges	64	(166)
Gain on hull and machinery claims	(91)	(141)
Equity in income / (loss) of investee	(39)	13
Changes in operating assets and liabilities:		
(Increase)/Decrease in:		
Trade accounts receivable	26,563	(27,473)
Inventories	3,981	(15,143)
Prepaid expenses and other receivables	1,831	(8,502)
Derivatives asset	(726)	502
Due from related parties	450	15
Due from managers	899	140
Increase/(Decrease) in:		
Accounts payable	92	5,089
Due to related parties	(2,045)	1,732
Accrued liabilities	(18,042)	8,291
Due to managers	5,314	2,612
Deferred revenue	3,777	9,593
Net cash provided by / (used in) Operating Activities	55,460	219,667
Cash Flows from Investing Activities:		
Advances for vessels & vessel upgrades and other fixed assets	(51,297)	(116,434)
Hull and machinery insurance proceeds	3,113	8,178
Net cash provided by / (used in) Investing Activities	(48,184)	(108,256)
Cash Flows from Financing Activities:		
Proceeds from bank loans, leases and notes	149,135	164,000
Loan and lease prepayments and repayments	(169,229)	(195,043)
Financing and debt extinguishment fees paid	(1,020)	(3,212)
Dividends paid	(4,804)	(30,672)
Offering expenses paid related to the issuance of common stock	-	(141)
Refund of financing premia	-	903
Net cash provided by / (used in) Financing Activities	(25,918)	(64,165)
Net increase/(decrease) in cash and cash equivalents and restricted cash	(18,642)	47,246
Cash and cash equivalents and restricted cash at beginning of period	126,262	195,531
Cash and cash equivalents and restricted cash at end of period	\$ 107,620	\$ 242,777

SUPPLEMENTAL CASH FLOW INFORMATION:

Cash paid during the period for:			
Interest	\$	35,070	\$ 26,100
Non-cash investing and financing activities:			
Shares issued in connection with vessel acquisitions	-		69,884
Vessel upgrades	20,360		-
Assumed debt upon acquisition	-		99,601

Reconciliation of (a) cash and cash equivalents, and restricted cash reported within the consolidated balance sheets to (b) the total amount of such items reported in the statements of cash flows:

Cash and cash equivalents	\$	77,506	\$ 225,473
Restricted cash, current (Notes 7 and 12)		29,094	12,283
Restricted cash, non-current (Notes 7 and 12)		1,020	5,021
Cash and cash equivalents and restricted cash at end of period shown in the statement of cash flows	\$	107,620	\$ 242,777

The accompanying notes are integral part of these unaudited interim condensed consolidated financial statements.

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STAR BULK CARRIERS CORP.

Notes to Unaudited Interim Condensed Consolidated Financial Statements June 30, 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

1. Basis of Presentation and General Information:

Star Bulk Carriers Corp. (“Star Bulk”) is a global shipping company providing worldwide seaborne transportation solutions in the dry bulk sector. Star Bulk was incorporated in the Marshall Islands on December 13, 2006 and maintains offices in Athens, Oslo, New York, Limassol, Singapore and Germany. Star Bulk’s common shares trade on the NASDAQ Global Select Market under the ticker symbol “SBLK”.

The unaudited interim condensed consolidated financial statements include the accounts of Star Bulk and its wholly owned subsidiaries (collectively, the “Company”) and have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and applicable rules and regulations of the U.S. Securities and Exchange Commission (the “SEC”) for interim financial information. Accordingly, they do not include all the information and notes required by U.S. GAAP for annual financial statements.

These unaudited interim condensed consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements for the year ended December 31, 2020 and, in the opinion of management, reflect all normal recurring adjustments considered necessary for a fair presentation of the Company’s financial position, results of operations and cash flows for the periods presented. Operating results for the six-month period ended June 30, 2021 are not necessarily indicative of the results that might be expected for the fiscal year ending December 31, 2021.

The unaudited interim condensed consolidated financial statements presented in this report should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2020 included in the Company’s Annual Report on Form 20-F for the year ended December 31, 2020 (the “2020 Annual Report”). The balance sheet as of December 31, 2020 has been derived from the audited consolidated financial statements as of that date, but, pursuant to the requirements for interim financial information, does not include all of the information and footnotes required by U.S. GAAP for complete financial statements.

Unless otherwise defined herein, capitalized words and expressions used herein shall have the same meanings ascribed to them in the 2020 Annual Report.

On March 11, 2020, the World Health Organization declared the 2019 Novel Coronavirus (the “x-19”) outbreak a pandemic. In response to the outbreak, many countries, ports and organizations, including those where the Company conducts a large part of its operations, have implemented measures to combat the outbreak, such as quarantines and travel restrictions. These measures have resulted in a significant reduction in global economic activity and extreme volatility in the global financial markets. There continues to be a high level of uncertainty relating to how the pandemic will evolve, including the availability of vaccines and their global deployment, the development of effective treatments, the imposition of effective public safety and other protective measures and the public's and government's responses to such measures. At present, it is not possible to ascertain any future impact of Covid-19 on the Company's operational and financial performance, which may take some time to materialize and may not be fully reflected in the Company's results for 2020 and 2021. However, an increase in the severity or duration or a resurgence of the Covid-19 pandemic and the timing of wide-scale vaccine distribution could have a material adverse effect on the Company's business, results of operations, cash flows, financial condition, the carrying value of the Company's assets, the fair values of the Company's vessels, and the Company's ability to pay dividends.

As of June 30, 2021, the Company owned a modern fleet of 128 dry bulk vessels consisting of Newcastlemax, Capesize, Post Panamax, Kamsarmax, Panamax, Ultramax and Supramax vessels with a carrying capacity between 52,000 deadweight tonnage (“dwt”) and 210,000 dwt, a combined carrying capacity of 14.1 million dwt and an average age of 9.4 years.

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STAR BULK CARRIERS CORP.

Notes to Unaudited Interim Condensed Consolidated Financial Statements June 30, 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

2. Significant accounting policies and recent accounting pronouncements:

A summary of the Company's significant accounting policies and recent accounting pronouncements is included in Note 2 to the Company's consolidated financial statements included in the 2020 Annual Report. There have been no changes to the Company's significant accounting policies and recent accounting pronouncements in the six-month period ended June 30, 2021.

3. Transactions with Related Parties:

Except for what is described below, details of the Company's transactions with related parties did not change in the six-month period ended June 30, 2021 and are discussed in Note 3 of the Company's consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report.

During the six month period ended June 30, 2021 the Company acquired bunkers from Hartree Partners, LP, an entity controlled by Oaktree Capital Management LP, the Company's largest shareholder.

Transactions and balances with related parties are analyzed as follows:

Balance Sheets

	December 31, 2020	June 30, 2021
Due from related parties		
Oceanbulk Maritime and its affiliates	\$ 426	\$ 334
Interchart	3	3
AOM	-	74
Starocean	34	34
Coromel Maritime Limited	1	-
Product Shipping & Trading S.A.	17	21
Due from related parties	\$ 481	\$ 466
Due to related parties		
Management and Directors Fees	\$ 252	\$ 91
Hartree Marine Fuels LLC	-	931
Augustea Technoservices Ltd. and affiliates	1,187	2,149
Due to related parties	\$ 1,439	\$ 3,171

Statements of Operations

	Six months ended June 30,	
	2020	2021
Voyage expenses:		
Voyage expenses-Interchart	(1,890)	(1,890)
Voyage expenses- Augustea Technoservices Ltd. and affiliates	-	(165)
Voyage expenses - Hartree Marine Fuels LLC	-	(4,576)
General and administrative expenses:		
Consultancy fees	(327)	(267)
Directors compensation	(87)	(91)
Office rent - Combine Marine Ltd. & Alma Properties	(19)	(21)
General and administrative expenses - Oceanbulk Maritime and its affiliates	(143)	(101)
Management fees:		
Management fees- Augustea Technoservices Ltd. and affiliates	(3,276)	(3,258)
Charter-in hire expenses:		
Charter - in hire expenses - AOM	(1,654)	(4,054)
Charter - in hire expenses - Sydelle	(540)	-
Charter - in hire expenses - Coromel	(249)	-

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STAR BULK CARRIERS CORP.

Notes to Unaudited Interim Condensed Consolidated Financial Statements June 30, 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

4. Inventories:

The amounts shown in the consolidated balance sheets are analyzed as follows:

	December 31, 2020		June 30, 2021
Lubricants	\$ 11,877	\$	12,855
Bunkers	35,417		49,582
Total	\$ 47,294	\$	62,437

5. Vessels and other fixed assets, net:

The amounts in the consolidated balance sheets are analyzed as follows:

	Cost		Accumulated depreciation		Net Book Value
Balance, December 31, 2020	\$ 3,464,808	\$	(587,689)	\$	2,877,119
- Acquisitions, improvements and other vessel costs	275,116		-		275,116
- Depreciation for the period	-		(74,336)		(74,336)
Balance, June 30, 2021	\$ 3,739,924	\$	(662,025)	\$	3,077,899

As of June 30, 2021, 88 of the Company's 128 vessels, having a net carrying value of \$2,150,769, serve as collateral under certain of the Company's loan facilities and were subject to first-priority mortgages (Note 7). Title of ownership is held by the relevant lenders for another 38 vessels with a carrying value of \$871,933 to secure the relevant sale and lease back financing transactions (Note 6). In addition, certain of the Company's vessels having a net carrying value of \$668,947 are subject to second-priority mortgages and serve as collateral under certain of the Company's loan facilities (Note 7).

Vessels acquired / delivered / disposed of during the six-month period ended June 30, 2021

As further discussed in Notes 5 and 21(a) of the Company's consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report, on December 17, 2020, the Company entered into a definitive agreement with entities affiliated with E.R. Capital Holding GmbH & Cie. KG, pursuant to which the Company agreed to acquire three Capesize drybulk vessels, the *Star Marilena* (ex- *E.R. Bayonne*), the *Star Bueno* (ex- *E.R. Buenos Aires*) and the *Star Borneo* (ex- *E.R. Borneo*), ("E.R. Acquisition Vessels"). The E.R. Acquisition Vessels are retrofitted with exhaust gas cleaning systems. The acquisition was concluded with the delivery of the vessels to the Company on January 26, 2021. Consideration for the acquisition was payable in the form of \$39,000 in cash, which was financed by SEB \$39,000 Facility (Note 7) and 2,100,000 of the Company's common shares, which shares were issued on January 26, 2021 to E.R. Schiffahrt GmbH & Cie. KG.

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STAR BULK CARRIERS CORP.

Notes to Unaudited Interim Condensed Consolidated Financial Statements June 30, 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

In addition, as further discussed in Note 21 (b) of the Company's consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report, on February 2, 2021, the Company entered into an agreement with Eneti Inc. (NYSE: NETI), formerly known as Scorpio Bulk Inc., and certain other parties to acquire seven vessels, consisting of three Ultramax vessels, the *Star Athena* (ex- *SBI Pegasus*), the *Star Bovarius* (ex- *SBI Ursa*) and the *Star Subaru* (ex- *SBI Subaru*), and four Kamsarmax vessels, the *Star Capoeira* (ex- *SBI Capoeira*), the *Star Carioca* (ex- *SBI Carioca*), the *Star Lambda* (ex- *SBI Lambda*) and the *Star Macarena* (ex- *SBI Macarena*), (the "Eneti Acquisition Vessels") by assuming the outstanding lease obligations of the Eneti Acquisition Vessels (Note 6). As consideration for this transaction the Company agreed to issue to Eneti Inc. 3,000,000 newly issued common shares of the Company. To facilitate the issuance of these common shares, the Company issued to Eneti Inc. a warrant to purchase up to 3,000,000 of the Company's common shares (the "Eneti Warrant"). The Eneti Warrant was issued on February 2, 2021 and, subject to its terms and conditions, was agreed to be exercised at an exercise price of \$0.01 per share in connection with the delivery date of each of the Eneti Acquisition Vessels. Six out of seven vessels were delivered to the Company on March 16, 2021 on which date the warrant was partially exercised with the Company issuing 2,649,203 of its common shares and assuming the outstanding lease obligations attributable to these six vessels (Note 6). The seventh and final vessel, the *Star Athena* (ex- *SBI Pegasus*), was delivered to the Company on May 19, 2021, upon which the remaining 350,797 common shares were issued and the Company assumed the vessel's then outstanding lease obligations (Note 6).

As further discussed in Note 21(d) of the Company's consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report, on March 3, 2021 the Company entered into a definitive agreement with a third party to acquire two ECO type resale 82,000 dwt Kamsarmax vessels (the "Kamsarmax Resale Vessels") at a price of \$55,000 in aggregate. On May 25, 2021 and June 16, 2021, the *Star Elizabeth* and the *Star Pavlina*, respectively, the two Kamsarmax Resale Vessels, were delivered to the Company directly from YAMIC yard (a joint venture between Mitsui and New Yangzijiang).

In addition, during the six months ended June 30, 2021 the Company installed ballast water management system to certain of its vessels.

6. Lease financing:

Details of the Company's lease financings are discussed in Note 7 of the Company's consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report and the only new activity during the six-month period ended June 30, 2021, is the assumption of the lease obligations of the seven Eneti Acquisition Vessels upon their delivery to the Company. The first six Eneti Acquisition Vessels were delivered to the Company on March 16, 2021 and the seventh and last vessel on May 19, 2021 (Note 5).

On the delivery date of each Eneti Acquisition Vessel to the Company, a tripartite novation agreement between China Merchants Bank Leasing ("CMBL"), Eneti Inc. and the Company was executed, which resulted in an increase of the Company's lease financing obligations by \$96,101 during the six months ended June 30, 2021, taking into account an amount of \$500 per vessel that was paid by the Company to the lessors as security for its obligations which amount will progressively be released until March 2025. Pursuant to the terms of each bareboat charter, the Company pays CMBL a fixed bareboat charter hire rate in quarterly installments plus interest and has options to purchase each vessel starting on May 2022, at a pre-determined, amortizing purchase price which is considered to be at significantly lower level compared to the expected fair value of each vessel at any date between May 2022 and

the expiration of the bareboat charter term, on May 2026.

All of the Company's lease financings bear interest at LIBOR plus a margin. The corresponding interest expense of the Company's bareboat lease financing activities is included within "Interest and finance costs" in the unaudited interim condensed consolidated statements of operations (Note 7).

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STAR BULK CARRIERS CORP.

Notes to Unaudited Interim Condensed Consolidated Financial Statements June 30, 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

Some of the Company's lease financings contain financial and other covenants similar to those included in its credit facilities described in Note 7, with which as further discussed in the same Note, as of June 30, 2021, the Company was in compliance.

The principal payments required to be made after June 30, 2021, for the Company's outstanding bareboat lease obligations recognized on the balance sheet, as of that date, are as follows:

Twelve month periods ending		Amount
June 30, 2022	\$	54,723
June 30, 2023		54,723
June 30, 2024		49,950
June 30, 2025		49,723
June 30, 2026		124,318
June 30, 2027 and thereafter		171,017
Total bareboat lease minimum payments	\$	504,454
Unamortized lease issuance costs		(6,194)
Total bareboat lease minimum payments, net	\$	498,260
Lease financing short term		54,723
Lease financing long term, net of unamortized lease issuance costs		443,537

7. Long-term bank loans and 2022 Notes:

Details of the Company's credit facilities and debt securities are discussed in Note 9 of the Company's consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report and are supplemented by the below new activities.

New Financing Activities

(i) SEB \$39,000 Facility:

On January 22, 2021, the Company entered into a loan agreement with Skandinaviska Enskilda Banken AB (SEB), (the "SEB \$39,000 Facility"), for the financing of an amount of \$39,000. The amount was drawn on January 25, 2021 and used to finance the cash consideration for the E.R. Acquisition Vessels (Note 5), which were delivered to the Company on January 26, 2021. The facility is repayable in 20 equal quarterly principal payments of \$1,950 with the last installment due in January 2026. The SEB \$39,000 Facility is secured by a first priority mortgage on the E.R. Acquisition Vessels.

(ii) NBG \$125,000 Facility:

On June 24, 2021, the Company entered into an agreement with the National Bank of Greece for a term loan with one drawing in an amount of up to \$125,000 (the "NBG \$125,000 Facility"). On June 28, 2021, the amount of \$125,000 was drawn under the NBG \$125,000 Facility to refinance the outstanding amount of \$98,505 under the DNB \$310,000 Facility. The facility is repayable in 20 equal quarterly principal payments of \$3,750 and a balloon payment of \$50,000

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STAR BULK CARRIERS CORP.

Notes to Unaudited Interim Condensed Consolidated Financial Statements June 30, 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

payable together with the last installment due in June 2026. The NBG \$125,000 Facility is secured by first priority mortgages on the same 17 vessels financed under the DNB \$310,000 Facility.

(iii) ING \$170,600 Facility:

In June 2021, the Company received credit committee approval from ING Bank N.V., London Branch, in order to increase the financing by \$40,000 and to include additional borrowers under the existing ING \$170,600 Facility. The additional financing amount of \$40,000 is available in two tranches which will be used to finance the recently delivered vessels *Star Elizabeth* and *Star Pavlina* (Note 5) which was financed by internal funds. The two additional tranches will mature 5 years after their drawdown. The amended and restated ING \$170,600 Facility, the "ING \$210,600 Facility", will be secured also by a first priority mortgage on the two additional vessels. The facility is subject to customary conditions precedent and the execution of definitive documentation.

(iv) ABN AMRO \$97,150 Facility:

In June 2021, the Company received credit committee approval from ABN AMRO Bank N.V. and the relevant term sheet signed in August 2021, for a loan facility of up to \$97,150 (the "ABN AMRO \$97,150 Facility"), which will refinance in full the outstanding amount under the Citibank \$130,000 Facility, which amounted to \$93,500 as of June 30, 2021. The ABN AMRO \$97,150 Facility is available in two tranches, one of \$68,950 maturing no later than August 2026 ("Advance A") and one of \$28,200 maturing no later than August 2024

“Advance B”). Advance A is repayable in 20 equal consecutive quarterly instalments of \$2,250, commencing three months from its drawdown and a final balloon payment of \$23,950 which will be payable together with the final instalment. Advance B is repayable in 12 equal consecutive quarterly instalments of \$2,350, commencing three months from its drawdown. The ABN AMRO \$97,150 Facility will be secured by a first priority mortgage on the same vessels currently securing the Citibank \$130,000 Facility. The facility is subject to customary conditions precedent and the execution of definitive documentation.

The Company’s credit facilities contain financial covenants and undertakings, a summary of which is included in Note 9 of the Company’s consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report. The financial covenants and undertakings included in the above mentioned new loan agreements are substantially similar to those contained in the Company’s other credit facilities.

As of December 31, 2020 and June 30, 2021, the Company was required to maintain minimum liquidity, not legally restricted, of \$58,000 and \$64,000, respectively which is included within “Cash and cash equivalents” in the consolidated balance sheets. In addition, as of December 31, 2020 and June 30, 2021, the Company was required to maintain a minimum liquidity, legally restricted, of \$12,320 and \$17,304, respectively, which is included within “Restricted cash, current and non-current” in the consolidated balance sheets. The increase in restricted cash is attributable to the increase in collateral required under certain of the Company’s financial instruments (Note 12).

As of June 30, 2021, the Company was in compliance with the applicable financial and other covenants contained in its debt agreements, including the 2022 Notes and lease financings described in Note 6.

The principal payments required to be made after June 30, 2021 for all of the then-outstanding bank debt, are as follows:

Twelve month periods ending	Amount
June 30, 2022	\$ 153,930
June 30, 2023	162,204
June 30, 2024	346,208
June 30, 2025	147,703
June 30, 2026	199,155
June 30, 2027 and thereafter	85,736
Total Long-term bank loans	\$ 1,094,936
Unamortized loan issuance costs	(10,789)
Total Long-term bank loans, net	\$ 1,084,147
Current portion of long-term bank loans	153,930
Long-term bank loans, net of current portion and unamortized loan issuance costs	930,217

The 2022 Notes mature in November 2022 and are presented in the consolidated balance sheets as of June 30, 2021 net of unamortized debt issuance costs of \$564. In June 2021, the Company delivered to the holders of the 2022 Notes a notice of redemption of all of the Company’s outstanding 2022 Notes (Note 14). In this respect, the 2022 Notes are classified within current liabilities in the consolidated balance sheet as of June 30, 2021.

All of the Company’s bank loans and applicable lease financings bear interest at LIBOR plus a margin, except for the DSF \$55,000 Facility (Note 12). The weighted average interest rate (including the margin) related to the Company’s existing bank loans, 2022 Notes and lease financings for the six-month periods ended June 30, 2020 and 2021 was 4.13% and 3.06%, respectively.

The commitment fees incurred during the six-month periods ended June 30, 2020 and 2021 with regards to the Company’s unused amounts under its credit facilities were \$75 and \$3, respectively. There are no undrawn portions as of June 30, 2021, other than the available amount of \$30,000 under the HSBC Working Capital Facility.

The amounts of “Interest and finance costs” included in the unaudited interim condensed consolidated statements of operations are analyzed as follows:

	Six months ended June 30,	
	2020	2021
Interest on financing agreements	\$ 33,818	\$ 24,028
Reclassification adjustments of interest rate swap loss/(gain) transferred to Interest and finance costs from Other Comprehensive Income (Note 12)	(492)	998
Amortization of debt (loan, lease & notes) issuance costs	3,663	3,606
Other bank and finance charges	1,392	827
Interest and finance costs	\$ 38,381	\$ 29,459

During the six-month periods ended June 30, 2020 and 2021, the Company incurred finance expenses of \$77 and \$0, respectively and during the respective periods the Company wrote-off an amount of \$541 and \$1,859, respectively of unamortized debt issuance costs. The above mentioned amounts were incurred in connection with the refinancing of certain credit facilities and lease financings and are included under “Loss on debt extinguishment” in the unaudited interim condensed consolidated statements of operations.

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STAR BULK CARRIERS CORP.

Notes to Unaudited Interim Condensed Consolidated Financial Statements June 30, 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

8. Preferred and Common Shares and Additional Paid-in Capital:

Details of the Company’s Preferred and Common Shares are discussed in Note 10 of the Company’s consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report.

During the six months ended June 30, 2021, and as further discussed in Note 5, the Company issued 2,100,000 and 3,000,000 of its common shares in connection with the delivery of the three E.R. Acquisition Vessels and the seven Eneti Acquisition Vessels, respectively. In addition, during the six months ended June 30, 2021, the Company cancelled its 6,971 treasury shares.

On June 24, 2021, OCM XL Holdings, L.P., a special purpose holding vehicle owned indirectly by certain funds and accounts managed by Oaktree Capital Management, L.P., the Company’s largest shareholder, completed an underwritten secondary sale of 2,382,775 common shares of the Company at a price of \$22.00 per share. The Company did not sell any common shares and did not receive any proceeds as a result of this secondary sale. In connection with this secondary offering the Company incurred expenses of approximately \$110, utilizing existing provision made in previous years as part of the registration of these shares.

Pursuant to the dividend policy prevailing at each period during the six months ended June 30, 2020 and 2021, the Company paid a cash dividend of \$ 4,804 (or \$0.05 per common share) for the fourth quarter of 2019 and \$30,672 (or \$0.30 per common share) for the first quarter of 2021, respectively.

9. Earnings / (Loss) per Share:

The computation of basic earnings/(loss) per share is based on the weighted average number of common shares outstanding for the six-month periods ended June 30, 2020 and 2021. The calculation of basic earnings per share does not consider the non-vested shares as outstanding until the time-based vesting restriction has lapsed. Diluted earnings/(loss) per share gives effect to stock awards, stock options and restricted stock units using the treasury stock method, unless the impact is anti-dilutive. For the six months ended June 30, 2020, the Company incurred losses and the effect of 1,371,038 non-vested shares outstanding as of that date, would be anti-dilutive. Hence for the six months ended June 30, 2020 “Basic loss per share” equals “Diluted loss per share.”

The Company calculates basic and diluted earnings / (loss) per share as follows:

	Six months ended June 30,	
	2020	2021
Income / (Loss) :		
Net income / (loss)	\$ (41,365)	\$ 159,972
Basic earnings / (loss) per share:		
Weighted average common shares outstanding, basic	95,797,142	100,256,417
Basic earnings / (loss) per share	\$ (0.43)	\$ 1.60
Effect of dilutive securities:		
Dilutive effect of non vested shares	-	281,480
Weighted average common shares outstanding, diluted	95,797,142	100,537,897
Diluted earnings / (loss) per share	\$ (0.43)	\$ 1.59

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STAR BULK CARRIERS CORP.

Notes to Unaudited Interim Condensed Consolidated Financial Statements June 30, 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

10. Equity Incentive Plans:

Details of the Company’s Equity Incentive Plans and share awards granted through December 31, 2020 are discussed in Note 13 of the Company’s consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report.

On June 7, 2021, the Company’s Board of Directors adopted the 2021 Equity Incentive Plan (the “2021 Plan”) and reserved for issuance 515,000 common shares thereunder. The terms and conditions of the 2021 Plan are substantially similar to the terms and conditions of the Company’s previous equity incentive plans. On the same date, the Company granted all of the 515,000 restricted common shares to certain directors, officers and employees, of which 401,750 restricted common shares vest in September 2021, 56,625 restricted common shares vest in June 2022 and the remaining 56,625 restricted common shares vest in June 2024. The fair value of each restricted share was \$18.88, based on the latest closing price of the Company’s common shares on the grant date.

For the six-month periods ended June 30, 2020 and 2021, the share-based compensation cost recognized was \$2,451 and \$2,571, respectively. In addition, as of December 31, 2019, the Company had recognized compensation cost of \$1,235 for the 400,000 RSUs, which at that time were considered probable to vest. During the six-month period ended June 30, 2020, the Company determined that the then likelihood of vesting for any of the 4,000,000 RSUs did not meet the “more likely than not” threshold under US GAAP and as a result, the previously recognized expense of \$1,235 was reversed during this period. These amounts are included under “General and administrative expenses” in the unaudited interim condensed consolidated statements of operations. On June 7, 2021, the Company’s Board of Directors amended the previously announced incentive program which provided for the issuance of RSUs to key employees when certain performance conditions were met related to the Company’s fleet outperforming relevant dry bulk charter rate indices as reported by the Baltic Exchange (the “Indices”) during 2020 and 2021. The test metrics for the calculation of the underlying shares of the RSUs that would have been issued, the tranches and the vesting variables were eliminated. Instead, the incentive program provides for the issuance of shares and links this management performance incentive scheme with the savings from the price differential between High Sulfur Fuel Oil / Low Sulfur Fuel Oil gained on the scrubber fitted vessels of the Company’s fleet and will be calculated on an annual basis (“Bunker benefit”). In particular, the threshold requirement above which the amended program is triggered is increased to \$250 million of cumulative Bunker benefit (instead of the previous threshold of \$120 million Index outperformance). Upon the satisfaction of the above new threshold, the Board of Directors shall award a percentage ranging between 5%-10%, at its discretion, of the annual Bunker Benefit, the value of which will be reflected in actual shares to key employees. The duration of the program was also extended from April 2022 to the end of 2024. No provision with respect to this program has been made in the Company’s financial statements as of and for the six month period ended June 30, 2021 since a reliable estimate of the value of the underlying shares to be awarded cannot yet be made.

A summary of the status of the Company’s non-vested restricted shares as of June 30, 2021 and the movement during the six-month period ended June 30, 2021 is presented below.

	Number of shares	Weighted Average Grant Date Fair Value
Unvested as at January 1, 2021	415,889	\$ 7.09
Granted	515,000	18.88
Vested	(193,810)	7.82
Unvested as at June 30, 2021	737,079	\$ 15.14

As of June 30, 2021 the estimated compensation cost relating to non-vested restricted share awards not yet recognized is \$8,352 and is expected to be recognized over the weighted average period of 0.74 years.

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STAR BULK CARRIERS CORP.

11. Commitments and Contingencies:

a) Commitments:

The following tables set forth inflows and outflows related to the Company's charter party arrangements and other commitments, as at June 30, 2021.

Charter party arrangements:

	Six month periods ending June 30,						
+ inflows/ - outflows	Total	2022	2023	2024	2025	2026	2027 and thereafter
Future, minimum, non-cancellable charter revenue (1)	\$ 68,256	\$ 68,256	\$ -	\$ -	\$ -	\$ -	\$ -
Future, minimum, charter-in hire payments (2)	(2,040)	(2,040)	-	-	-	-	-
Total	\$ 66,216	\$ 66,216	\$ -	\$ -	\$ -	\$ -	\$ -

- (1) The amounts represent the minimum contractual charter revenues to be generated from the existing, as of June 30, 2021, non-cancellable time charter agreements, until their expiration, net of address commission, assuming no off-hire days other than those related to scheduled interim and special surveys of the vessels.
- (2) The amounts represent the Company's commitments under the existing, as of June 30, 2021, time charter-in arrangements for third party vessels.

Other commitments:

	Six month periods ending June 30,						
+ inflows/ - outflows	Total	2022	2023	2024	2025	2026	2027 and thereafter
Vessel BWTS (1)	(25,584)	(25,584)	-	-	-	-	-
Office rent (2)	(762)	(762)	-	-	-	-	-
Total	\$ (26,346)	\$ (26,346)	\$ -	\$ -	\$ -	\$ -	\$ -

- (1) The amounts represent the Company's commitments as of June 30, 2021, for installation of Ballast Water Treatment System ("BWTS") on its vessels so as to comply with environmental regulations.
- (2) The amount reflects the minimum rental payments under the office rental agreements that the Company is party to as of June 30, 2021.

b) Legal proceedings

Various claims, suits, and complaints, including those involving government regulations and product liability, arise in the ordinary course of the shipping business. In addition, losses may arise from disputes with charterers, agents, insurance and other claims with suppliers relating to the operations of the Company's vessels. The Company accrues for the cost of environmental liabilities when management becomes aware that a liability is probable and is able to reasonably estimate the probable exposure. Currently, management is not aware of, and has not accrued for, any such claims or contingent liabilities requiring disclosure in the unaudited interim condensed consolidated financial statements.

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STAR BULK CARRIERS CORP.

Notes to Unaudited Interim Condensed Consolidated Financial Statements June 30, 2021
(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

12. Fair value measurements and Hedging:

Fair value measurements

The Company recognizes all derivative instruments as either assets or liabilities at fair value on its consolidated balance sheets in accordance with ASC Topic 815, "Derivatives and Hedging".

Interest rate swaps

The Company from time to time enters into interest rate derivative contracts to manage interest costs and risks associated with changing interest rates with respect to certain of its credit facilities. Details of the Company's interest rate swaps are discussed in Note 20 and 21(c) of the Company's consolidated financial statements for the year ended December 31, 2020, included in the 2020 Annual Report and are supplemented by the below new activity.

Following the repayment of the DNB \$310,000 Facility (Note 7), the Company early terminated the then existing interest rate swap agreements with DNB Bank ASA and Skandinaviska Enskilda Banken AB originally maturing in September 2023 that were hedging the variable interest payments under the DNB \$310,000 Facility, and entered into a new interest rate swap agreement with the National Bank of Greece with a notional amount of \$125,000 and a fixed rate at 0.65% which is effective from June 28, 2021 to June 28, 2023. In connection with the termination of the aforementioned interest rate swaps, the Company paid an amount of \$494 which is included under "Loss on debt extinguishment" in the unaudited interim condensed consolidated statement of operations.

The Company's interest rate swaps were designated and qualified as cash flow hedges. The effective portion of the unrealized gains/losses from those swaps is recorded in Other Comprehensive Income / (Loss). No portion of the cash flow hedges was ineffective during the six-month periods ended June 30, 2020 and 2021.

A loss of approximately \$1,385 in connection with the interest rate swaps is expected to be reclassified into earnings during the following 12-month period when realized.

Freight Derivatives and Bunker Swaps

During the year ended December 31, 2020 and the six-month period ended June 30, 2021, the Company entered into a certain number of freight derivatives, including freight forward agreements ("FFAs"), freight options and bunker swaps, the results of which for the six-month periods ended June 30, 2020 and 2021 and the valuation of their open positions as at December 31, 2020 and June 30, 2021 are presented in the tables below.

The amounts of Gain / (Loss) on interest rate swaps, freight derivatives and bunker swaps recognized in the unaudited interim condensed consolidated statements of operations, are analyzed as follows:

		Six months ended June 30,	
		2020	2021
Consolidated Statement of Operations			
Interest and finance costs			
Reclassification adjustments of interest rate swap loss/(gain) transferred to Interest and finance costs from Other comprehensive income/(loss) (Note 7)		492	(998)
Total Gain/(loss) recognized	\$	492	\$ (998)
Gain/(loss) on forward freight agreements and bunker swaps, net			
Realized gain/(loss) on forward freight agreements and freight options		11,635	(39)
Realized gain/(loss) on bunker swaps		7,957	58
Unrealized gain/(loss) on forward freight agreements and freight options		(12,555)	(1,560)
Unrealized gain/(loss) on bunker swaps		12,495	4
Total Gain/(loss) recognized	\$	19,532	\$ (1,537)

The guidance for fair value measurements applies to all assets and liabilities that are being measured and reported on a fair value basis. This guidance enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data

Level 3: Unobservable inputs that are not corroborated by market data

The following table summarizes the valuation of the Company's financial instruments as of December 31, 2020 and June 30, 2021. The fair value of freight derivatives and bunker swaps was determined through Level 1 inputs of the fair value hierarchy (quoted prices from the applicable exchanges such as London Clearing House (LCH) or Singapore Exchange (SGX)), while the fair value of the interest rate swaps was determined through Level 2 inputs of the fair value hierarchy (such as interest rate curves).

Significant Other Observable Inputs (Level 2)					
		December 31, 2020	June 30, 2021		
	Balance Location	Sheet (not designated as cash flow hedges)	(designated as cash flow hedges)	(not designated as cash flow hedges)	(designated as cash flow hedges)
ASSETS					
Interest rate swaps - current	Derivatives, asset portion	current	\$ —	\$ —	\$ — 335
Interest rate swaps - non-current	Derivatives, non-current asset portion		—	—	— 3,397
Total			\$ —	—	\$ — 3,732
LIABILITIES					
Interest rate swaps - current	Derivatives, liability portion	current	\$ —	1,727	\$ — 2,010
Interest rate swaps - non-current	Derivatives, non-current liability portion		\$ —	2,265	\$ — 535
Total			\$ —	3,992	\$ — 2,545

Quoted Prices in Active Markets for Identical Assets (Level 1)					
		December 31, 2020	June 30, 2021		
	Balance Sheet Location	(not designated as cash flow hedges)	(designated as cash flow hedges)	(not designated as cash flow hedges)	(designated as cash flow hedges)
ASSETS					
Freight derivatives - current	Derivatives, current asset portion	\$ -	-	\$ -	-
Total		\$ -	-	\$ -	-
LIABILITIES					
Freight derivatives - current	Derivatives, current liability portion	\$ 212	-	\$ 1,701	-
Freight derivatives - non-current	Derivatives, non-current liability portion	-	-	\$ 68	-
Total		\$ 212	-	\$ 1,769	-

Certain of the Company's financial instruments discussed above require the Company to periodically post additional collateral depending on the level of any open position under such financial instruments, which as of December 31, 2020 and June 30, 2021 amounted to \$895 and \$4,720, respectively, and are included within "Restricted cash, current" in the consolidated balance sheets (Note 7).

The carrying values of temporary cash investments, restricted cash, accounts receivable and accounts payable approximate their fair value due to the short-term nature of these financial instruments. The fair value of long-term bank loans and financing under bareboat leases (Level 2), bearing interest at variable interest rates, approximates their recorded values as of June 30, 2021, due to the variable interest rate nature thereof. The fair value of the DSF \$55,000 Facility (Note 7), measured through level 2 inputs (such as interest rate curves) is \$51,464, which is \$695 higher than the loan's book value of \$50,769. The 2022 Notes have a fixed rate, and their estimated fair value, determined through Level 1 inputs of the fair value

hierarchy (quoted price on NASDAQ under the ticker symbol SBLKZ) was \$50,780 as of June 30, 2021.

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STAR BULK CARRIERS CORP.

Notes to Unaudited Interim Condensed Consolidated Financial Statements June 30, 2021

(Expressed in thousands of U.S. dollars except for share and per share data, unless otherwise stated)

13. Voyage revenues:

The following table shows the voyage revenues earned from time charters, voyage charters and pool agreements for the six-month periods ended June 30, 2020 and 2021, as presented in the consolidated statement of operation:

	Six months ended June 30,	
	2020	2021
Time charters	\$ 125,619	\$ 248,067
Voyage charters	181,781	268,191
Pool revenues	(404)	(4,380)
	\$ 306,996	\$ 511,878

As of June 30, 2021, trade accounts receivable, net increased by \$27,473, and deferred revenue increased by \$9,593 compared to December 31, 2020. These changes were mainly attributable to the timing of collections along with the significant improvement in charter hire rates during the six months ended June 30, 2021.

Further, as of June 30, 2021, deferred assets related to revenue contracts (included within “Other current assets”) decreased by \$417 compared to December 31, 2020, from \$2,187 to \$1,770. This change was mainly attributable to the timing of commencement of revenue recognition.

Under ASC 606, unearned voyage charter revenue represents the consideration received for undelivered performance obligations. The Company recorded \$11,675 as unearned revenue related to voyages in progress as of December 31, 2020, which were recognized in earnings in the six month period ended June 30, 2021 as the performance obligations were satisfied in that period. In addition, the Company recorded \$21,268 as unearned revenue related to voyages in progress as of June 30, 2021, which will be recognized in earnings during the remaining of the year ending December 31, 2021 as the performance obligations will be satisfied in that period.

The adjustment to Company’s revenues from the vessels operating in the CCL Pool, deriving from the allocated pool result for those vessels as determined in accordance with the agreed-upon formula, for the six-month periods ended June 30, 2020 and 2021 was (\$1,953) and (\$4,497), respectively, and is included within “Pool Revenues” in the table above, while the corresponding adjustment to Company’s revenues from the Short Pool for the six-month periods ended June 30, 2020 and 2021 was \$1,108 and (\$352) and is included within “Pool Revenues” in the table above. Pool Revenues also include other minor participation adjustments.

14. Subsequent Events:

On July 1, 2021, the Company entered into two “at the market” offering programs one with Jefferies LLC (“Jefferies”) and one with Deutsche Bank Securities Inc. (“Deutsche Bank” and together with Jefferies, the “Sales Agents”). In accordance with the terms of each at-the-market sale agreement with Jefferies and Deutsche Bank, the Company may offer and sell a number of its common shares, having an aggregate offering price of up to \$75,000 at any time and from time to time through each of the Sales Agents, as agent or principal. The Company intends to use the net proceeds from any sales under the two “at the market” offering programs for capital expenditures, working capital, debt repayment, funding for vessel and other asset or share acquisitions or for other general corporate purposes, or a combination thereof. As of the date of these unaudited interim condensed consolidated financial statements, no shares have been sold from the Company under either of the two offering programs.

On July 30, 2021, the Company redeemed all of its outstanding 8.30% Senior Notes due in 2022 for 100% of the outstanding principal amount, or \$50,000, plus accrued and unpaid interest up to but not including the redemption date.

In August 2021 the Company received credit committee approval for a new loan syndicated facility led by DNB Bank ASA of up to \$107,500 (the “DNB \$107,500 Facility”), which will refinance the existing debt of eight of its vessels amounting to \$88,148 as of June 30, 2021 spread across three different existing facilities. Once drawdown is effected, the excess funds will cover part of the funds used for the redemption of the 8.30% Senior Notes due in 2022, as discussed above. The DNB \$107,500 Facility will mature five years from its drawdown and will be secured by a first priority mortgage on the eight financed vessels (*Star Polaris*, *Star Borealis*, *Star Electra*, *Star Luna*, *Star Astrid*, *Star Genesis*, *Star Monica* & *Star Glory*).

In August 2021, the Company received credit committee approval from Crédit Agricole Corporate and Investment Bank for a new loan facility of up to \$62,000 (the “Credit Agricole \$62,000 Facility”), which will refinance the existing debt of five of the Company’s vessels amounting to \$53,390 as of June 30, 2021. The Credit Agricole \$62,000 Facility will mature five years from its drawdown and will be secured by a first priority mortgage on the five financed vessels (*Star Despoina*, *Star Piera*, *Stardust*, *Star Sky* and *Star Martha*).

On August 5, 2021, pursuant to the Company’s dividend policy, the Company’s Board of Directors declared a quarterly cash dividend of \$0.70 per share payable on or about September 8, 2021 to all shareholders of record as of August 23, 2021. The ex-dividend date is expected to be August 19, 2021.

On August 5, 2021, the Company’s Board of Directors authorized a share repurchase program of up to an aggregate of \$50.0 million. The timing and amount of any repurchases will be in the sole discretion of the Company’s management team, and will depend on legal requirements, market conditions, stock price, alternative uses of capital and other factors. The Company is not obligated under the terms of the program to repurchase any of its common shares. The repurchase program has no expiration date and may be suspended or terminated by the Company at any time without prior notice. Common shares purchased as part of this program will be cancelled by the Company.

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STAR BULK CARRIERS CORP. REPORTS NET PROFIT OF \$124.2 MILLION
FOR THE SECOND QUARTER OF 2021
DECLARES QUARTERLY DIVIDEND OF \$0.70 PER SHARE
AND ANNOUNCES SHARE REPURCHASE PROGRAM OF UP TO \$50.0 MILLION

ATHENS, GREECE, August 5, 2021 – Star Bulk Carriers Corp. (the "Company" or "Star Bulk") (Nasdaq: SBLK), a global shipping company focusing on the transportation of dry bulk cargoes, today announced its unaudited financial and operating results for the second quarter of 2021. Unless otherwise indicated or unless the context requires otherwise, all references in this press release to "we," "us," "our," or similar references, mean Star Bulk Carriers Corp. and, where applicable, its consolidated subsidiaries.

Financial Highlights

(Expressed in thousands of U.S. dollars, except for daily rates and per share data)

	Second quarter 2021	Second quarter 2020	Six months ended June 30, 2021	Six months ended June 30, 2020
Voyage Revenues	\$311,411	\$146,134	\$511,878	\$306,996
Net income/(loss)	\$124,209	(\$44,120)	\$159,972	(\$41,365)
Adjusted Net income / (loss) ⁽¹⁾	\$128,772	(\$17,990)	\$164,643	(\$40,241)
Net cash provided by operating activities	\$140,491	\$23,363	\$219,667	\$55,460
EBITDA ⁽²⁾	\$179,772	\$8,872	\$264,271	\$66,468
Adjusted EBITDA ⁽²⁾	\$182,476	\$35,204	\$267,270	\$67,769
Earnings / (loss) per share basic	\$1.22	(\$0.46)	\$1.60	(\$0.43)
Earnings / (loss) per share diluted	\$1.22	(\$0.46)	\$1.59	(\$0.43)
Adjusted earnings / (loss) per share basic ⁽¹⁾	\$1.27	(\$0.19)	\$1.64	(\$0.42)
Adjusted earnings / (loss) per share diluted ⁽¹⁾	\$1.26	(\$0.19)	\$1.64	(\$0.42)
Average Number of Vessels	126.0	116.0	122.7	116.0
TCE Revenues ⁽³⁾	\$254,929	\$96,909	\$411,323	\$196,745
Daily Time Charter Equivalent Rate ("TCE") ⁽³⁾	\$22,927	\$9,402	\$19,371	\$10,128
Daily OPEX per vessel ⁽⁴⁾	\$4,618	\$4,027	\$4,518	\$4,037
Daily OPEX per vessel (excl. non recurring expenses) ⁽⁴⁾	\$4,307	\$4,027	\$4,280	\$4,037
Daily Net Cash G&A expenses per vessel ⁽⁵⁾	\$1,099	\$1,035	\$1,087	\$1,049

(1) Adjusted Net income / (loss) and Adjusted earnings / (loss) per share basic and diluted are non-GAAP measures. Please see the table at the end of this release for a reconciliation to Net income / (loss), which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, as well as for the definition of each measure.

(2) EBITDA and Adjusted EBITDA are non-GAAP measures. Please see the table at the end of this release for a reconciliation of EBITDA and Adjusted EBITDA to Net Cash Provided by / (Used in) Operating Activities, which is the most directly comparable financial measure calculated and presented in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") as well as for the definition of each measure. To derive Adjusted EBITDA from EBITDA, we exclude non-cash gains / (losses).

(3) Daily Time Charter Equivalent Rate ("TCE") and TCE Revenues are non-GAAP measures. Please see the table at the end of this release for a reconciliation to Voyage Revenues, which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, as well as for the definition of each measure.

(4) Daily OPEX per vessel is calculated by dividing vessel operating expenses by Ownership days. Daily OPEX per vessel (which excludes non-recurring expenses) is calculated by dividing vessel operating expenses minus any non-recurring items (such as, increased costs due to the COVID-19 pandemic or pre-delivery expenses for each vessel at acquisition, if any) by Ownership days. In the future we may incur expenses that are the same as or similar to some of the adjustments.

(5) Daily Net Cash G&A expenses per vessel is calculated by (1) deducting the Management fee Income (if any), from, and (2) adding the Management fee expense to, the General and Administrative expenses (net of stock-based compensation expense and other non-cash charges) and (3) then dividing the result by the sum of Ownership days and Charter-in days. Please see the table at the end of this release for a reconciliation to General and administrative expenses, which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.

Petros Pappas, Chief Executive Officer of Star Bulk, commented:

"We are pleased to report a record quarter in profitability for Starbulk, with Q2 2021 Net Income of \$124.2 million and daily TCE per vessel across the fleet of \$22,927. Our chartering coverage for Q3 is at \$28,345 for 65.7% of Q3 available days but as we continue to expect a strong market for Q4, we have kept our fleet mostly spot trading.

Star Bulk continued to generate significant operating cash flow during the quarter, producing \$140.5 million, a significant part of which will be returned to shareholders via a \$0.70 per share dividend payment. In addition, we continue to strengthen and delever our balance sheet, with net debt decreasing a further \$36.2 million after having taken delivery of 3 new vessels and having paid a \$30.7 million dividend with respect to Q1 during the quarter.

The record low orderbook, combined with the lack of yard space and future vessel propulsion uncertainty combined with covid related inefficiencies, create a very favorable supply side picture for our industry. Increased government spending due to the synchronized pandemic stimulus programs has led to strong commodity demand globally with robust volumes of iron ore, coal, grains and minor bulks being transported, a trend which we expect will continue, supporting our optimistic view on the future prospects of the dry bulk market."

Recent Developments

Declaration of Dividend

As of June 30, 2021, we owned 128 vessels and our Total Cash Balance was \$242.8 million (or \$282.8 million pro forma for the expected financing of the last delivered vessels *Star Elizabeth* and *Star Pavlina*, as described below, the acquisition of which was fully financed by internal funds). Taking into account the Minimum Cash Balance per Vessel as of June 30, 2021 of \$1.65 million, on August 5, 2021, pursuant to our dividend policy, as reported in our press release dated May 19, 2021, our Board of Directors declared a quarterly cash dividend of \$0.70 per share payable on or about September 8, 2021 to all shareholders of record as of August 23, 2021. The ex-dividend date is expected to be August 19, 2021.

Share Repurchase Program

On August 5, 2021 our Board of Directors authorized a share repurchase program of up to an aggregate of \$50.0 million. The timing and amount of any repurchases will be in the sole discretion of the Company's management team, and will depend on legal requirements, market conditions, stock price, alternative uses of capital and other factors. Repurchases of common shares may take place in privately negotiated transactions, in open market transactions, including pursuant to Rule 10b-18 of the Exchange Act and/or pursuant to a trading plan adopted in accordance with Rule 10b5-1 of the Exchange Act. The Company is not obligated under the terms of the program to repurchase any of its common shares. The repurchase program has no expiration date and may be suspended or terminated by the Company at any time without prior notice. Common shares purchased as part of this program will be cancelled by the Company.

Notes Redemption:

On July 30, 2021, we redeemed all of our outstanding 8.30% Senior Notes due in 2022 for 100% of the outstanding principal amount, or \$50.0 million, plus accrued and unpaid interest up to but not including the redemption date.

Financing Activities:

On June 24, 2021, we entered into an agreement with the National Bank of Greece for a term loan with one drawing in an amount of up to \$125.0 million (the "NBG \$125.0 million Facility"). On June 28, 2021, we drew down \$125.0 million under the NBG \$125.0 million Facility to refinance the outstanding amount of \$98.5 million under the DNB \$310.0 million Facility, as defined in our Annual Report on Form 20-F in respect of the fiscal year ended December 31, 2020 (the "2020 20-F"). The NBG \$125.0 million Facility will mature on June 28, 2026 and is secured by first priority mortgages on the same 17 vessels financed under the DNB \$310.0 million Facility. Following the repayment of the DNB \$310.0 million Facility, we terminated early the existing interest rate swap agreements with DNB Bank ASA and Skandinaviska Enskilda Banken AB, which interest rate swap agreements were originally set to mature in September 2023 and which were hedging the variable interest payments under the DNB \$310.0 million Facility, and we entered into a new interest rate swap agreement with the National Bank of Greece with a notional amount of \$125.0 million and a fixed rate at 0.65%, which is effective from June 28, 2021 to June 28, 2023.

In June 2021, we received credit committee approval from ING Bank N.V., London Branch, to increase the financing by \$40.0 million and to include additional borrowers under the existing ING \$170.6 million Facility, as defined in the 2020 20-F (the "ING \$210.6 million Facility"). The additional financing amount of \$40.0 million is available in two tranches, which will be used to finance the recently delivered vessels *Star Elizabeth* and *Star Pavlina*, as further described below, the acquisition of which was fully financed by internal funds. The two additional tranches will mature five years after their respective drawdowns. The ING \$210.6 million Facility will be secured also by a first priority mortgage on the two additional vessels.

In August 2021 we signed a committed term-sheet with ABN AMRO Bank N.V. for a new loan facility of up to \$97.15 million (the "ABN AMRO New Facility"), which will refinance an existing facility provided by Citibank with outstanding amount of \$93.5 million as of June 30, 2021. The ABN AMRO New Facility includes a margin over Libor which is 105bps lower than the margin of the existing Citibank facility, thereby saving approx. \$0.8 million per year in interest cost and further increasing our average loan maturity.

In August 2021, we received credit committee approval for a new loan syndicated facility led by DNB Bank ASA of up to \$107.5 million (the "DNB \$107.5 million Facility"), which will refinance the existing debt of eight of our vessels amounting to \$88.1 million as of June 30, 2021 spread across three different existing facilities. Once the drawdown is effected, the excess funds will cover part of the funds used for the redemption of the 8.30% Senior Notes due in 2022. The DNB \$107.5 million Facility will mature five years from its drawdown and will be secured by a first priority mortgage on the eight financed vessels (*Star Polaris*, *Star Borealis*, *Star Electra*, *Star Luna*, *Star Astrid*, *Star Genesis*, *Star Monica* and *Star Glory*). The DNB \$107.5 million Facility includes a margin over U.S. LIBOR which is on average approximately 109bps lower than the average margin of the existing facilities, thereby saving approximately \$0.6 million per year in interest cost and further increasing the average loan maturity of the financing of these eight vessels by approximately two years.

In August 2021, we received credit committee approval from Crédit Agricole Corporate and Investment Bank for a new loan facility of up to \$62.0 million (the "Credit Agricole \$62.0 million Facility"), which will refinance the existing debt of five of our vessels amounting to \$53.4 million as of June 30, 2021. The Credit Agricole \$62.0 million Facility will mature five years from its drawdown and will be secured by a first priority mortgage on the five financed vessels (*Star Despoina*, *Star Piera*, *Stardust*, *Star Sky* and *Star Martha*). The Credit Agricole \$62.0 million Facility includes a margin over U.S. LIBOR which is on average approximately 102bps lower than the average margin of the existing facilities, thereby saving approximately \$0.35 million per year in interest cost and further increasing the average loan maturity of the financing of these five vessels by approximately two years.

The above mentioned savings in annual interest costs are in addition to the \$4.15 million savings in annual interest costs from the redemption of the 8.30% Senior Notes.

Fleet Update:

On May 25, 2021 and June 16, 2021, we took delivery of the *Star Elizabeth* (ex-YZJ2015-2263) and the *Star Pavlina* (ex-YZJ2015-2264), respectively, or the Kamsarmax Resale Vessels.

Shares Outstanding Update:

As of August 5, 2021, we have not sold any common shares under our recently launched at-the-market (ATM) Programs and our outstanding number of shares is 102,239,716.

COVID-19 and Our Proactive Measures

Despite the global gradual recovery from COVID-19, we continue to take proactive measures to ensure the health and wellness of our crew and onshore employees while maintaining effective business continuity and uninterrupted service to our customers. The overall impact of COVID-19 on our business, and the efficacy of any measures we take in response to the challenges presented by the COVID-19 pandemic, will depend on how the outbreak further develops, including the new Delta variant of COVID-19, which appears to be the most transmissible variant to date, the duration and extent of the restrictive measures that are associated with the pandemic and their impact on global economy and trade, which is still uncertain.

Vessel Employment Overview

For the second quarter of 2021 our TCE rate was:

Capesize / Newcastlemax Vessels: \$30,106 per day.

Post Panamax / Kamsarmax / Panamax Vessels: \$20,930 per day.

Ultramax / Supramax Vessels: \$17,469 per day.

For the first half of 2021 our TCE rate was:

Capesize / Newcastlemax Vessels: \$24,281 per day.

Post Panamax / Kamsarmax / Panamax Vessels: \$17,987 per day.

Ultramax / Supramax Vessels: \$15,675 per day.

Amounts shown throughout the press release and variations in period-on-period comparisons are derived from the actual unaudited numbers in our books and records. Reference to per share figures below are based on 102,038,883 and 95,797,142 weighted average diluted shares for the second quarter of 2021 and 2020, respectively.

Second Quarter 2021 and 2020 Results

For the second quarter of 2021, we had a net income of \$124.2 million, or \$1.22 earnings per share, compared to a net loss for the second quarter of 2020 of \$44.1 million, or \$0.46 loss per share.

Adjusted net income, which excludes certain non-cash items, was \$128.8 million, or \$1.26 earnings per share, for the second quarter of 2021, compared to an adjusted net loss for the second quarter of 2020 of \$18.0 million, or \$0.19 loss per share.

Net cash provided by operating activities for the second quarter of 2021 was \$140.5 million, compared to net cash provided by operating activities of \$23.4 million for the second quarter of 2020. Adjusted EBITDA, which excludes certain non-cash items, was \$182.5 million for the second quarter of 2021, compared to adjusted EBITDA of \$35.2 million for the second quarter of 2020.

Voyage revenues for the second quarter of 2021 increased to \$311.4 million from \$146.1 million in the second quarter of 2020 which is indicative of the improved market conditions prevailing during the current period. Time charter equivalent revenues ("TCE Revenues") (please see the table at the end of this release for the calculation of the TCE Revenues) were \$254.9 million for the second quarter of 2021, compared to \$96.9 million for the second quarter of 2020. TCE rate for the second quarter of 2021 was \$22,927 compared to \$9,402 for the second quarter of 2020.

For the second quarters of 2021 and 2020, vessel operating expenses were \$53.0 million and \$42.5 million, respectively. Vessel operating expenses for the second quarter of 2021 included pre-delivery and pre-joining expenses of \$1.9 million and additional crew expenses related to the increased number of crew changes performed during the period as a result of COVID-19 restrictions imposed during 2020 estimated to be \$1.7 million. Our daily operating expenses per vessel for the second quarters of 2021 and 2020 were \$4,618 and \$4,027, respectively. Excluding non-recurring expenses such as pre-delivery and pre-joining expenses and the increased costs due to the COVID-19 pandemic in 2021 (nil in 2020), our daily operating expenses per vessel for the second quarter of 2021 were \$4,307.

General and administrative expenses for the second quarters of 2021 and 2020 were \$10.1 million and \$9.0 million, respectively. Vessel management fees for the second quarters of 2021 and 2020 were \$4.9 million and \$4.6 million, respectively. Our daily net cash general and administrative expenses per vessel (including management fees and excluding stock-based compensation and other non-cash charges) for the second quarters of 2021 and 2020 were \$1,099 and \$1,035, respectively.

Interest and finance costs net of interest and other income/(loss) for the second quarters of 2021 and 2020 were \$15.1 million and \$17.8 million, respectively. Despite the increase in the weighted average balance of our outstanding indebtedness to \$1,644.3 million during the second quarter of 2021, from \$1,601.4 million for the same period in 2020, the interest and finance costs net of interest and other income/ (loss) decreased due to the decrease in the average interest rate on our outstanding indebtedness, mainly driven by the refinancing of certain of our debt agreements, the interest rate swap agreements that we entered into in 2020 and 2021 and the lower LIBOR rates during the second quarter of 2021 compared to the same period in 2020.

Unaudited Consolidated Statement of Operations

(Expressed in thousands of U.S. dollars except for share and per share data)

	Second quarter 2021	Second quarter 2020	Six months ended June 30, 2021	Six months ended June 30, 2020
Revenues:				
Voyage revenues	\$ 311,411	\$ 146,134	\$ 511,878	\$ 306,996
Total revenues	<u>311,411</u>	<u>146,134</u>	<u>511,878</u>	<u>306,996</u>
Expenses:				
Voyage expenses	(52,993)	(59,762)	(93,045)	(115,072)
Charter-in hire expense	(4,399)	(5,279)	(7,342)	(14,053)
Vessel operating expenses	(52,972)	(42,506)	(100,326)	(85,223)
Dry docking expenses	(6,678)	(7,522)	(18,869)	(20,883)
Depreciation	(38,103)	(35,321)	(74,336)	(69,958)
Management fees	(4,938)	(4,596)	(9,605)	(9,202)
General and administrative expenses	(10,130)	(8,958)	(17,427)	(14,991)
Gain/(Loss) on forward freight agreements and bunker swaps	548	(8,054)	(1,537)	19,532
Other operational loss	(215)	(559)	(1,555)	(610)
Other operational gain	180	177	1,197	654
Gain on time charter agreement termination	-	-	1,102	-
Operating income/(loss)	<u>141,711</u>	<u>(26,246)</u>	<u>190,135</u>	<u>(2,810)</u>
Interest and finance costs	(15,019)	(17,828)	(29,459)	(38,381)
Interest and other income/(loss)	(88)	(14)	1,662	432
Loss on debt extinguishment	(2,353)	(76)	(2,353)	(618)
Total other expenses, net	<u>(17,460)</u>	<u>(17,918)</u>	<u>(30,150)</u>	<u>(38,567)</u>
Income/(Loss) before equity in investee	124,251	(44,164)	159,985	(41,377)
Equity in income/(loss) of investee	(42)	28	(13)	39
Income/(Loss) before taxes	<u>\$ 124,209</u>	<u>\$ (44,136)</u>	<u>\$ 159,972</u>	<u>\$ (41,338)</u>
Income taxes	-	16	-	(27)
Net income/(loss)	<u>\$ 124,209</u>	<u>\$ (44,120)</u>	<u>\$ 159,972</u>	<u>\$ (41,365)</u>

Earnings/(loss) per share, basic	\$	1.22	\$	(0.46)	\$	1.60	\$	(0.43)
Earnings/(loss) per share, diluted	\$	1.22	\$	(0.46)	\$	1.59	\$	(0.43)
Weighted average number of shares outstanding, basic		101,783,287		95,797,142		100,256,417		95,797,142
Weighted average number of shares outstanding, diluted		102,038,883		95,797,142		100,537,897		95,797,142

Unaudited Consolidated Condensed Balance Sheet Data

(Expressed in thousands of U.S. dollars)

ASSETS	June 30, 2021	December 31, 2020
Cash and cash equivalents and restricted cash, current	\$ 237,756	190,510
Other current assets	162,670	116,901
TOTAL CURRENT ASSETS	400,426	307,411
Vessels and other fixed assets, net	3,077,899	2,877,119
Restricted cash, non current	5,021	5,021
Other non-current assets	5,609	2,242
TOTAL ASSETS	\$ 3,488,955	\$ 3,191,793
Current portion of long-term bank loans and lease financing	\$ 208,653	\$ 189,773
Senior Notes (net of unamortized deferred finance fees of \$564)	49,436	-
Other current liabilities	97,964	76,659
TOTAL CURRENT LIABILITIES	356,053	266,432
Long-term bank loans and lease financing non-current (net of unamortized deferred finance fees of \$16,983 and \$19,942, respectively)	1,373,754	1,321,116
Senior Notes (net of unamortized deferred finance fees of \$768)	-	49,232
Other non-current liabilities	2,327	5,486
TOTAL LIABILITIES	\$ 1,732,134	\$ 1,642,266
SHAREHOLDERS' EQUITY	1,756,821	1,549,527
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 3,488,955	\$ 3,191,793

Unaudited Consolidated Condensed Cash Flow Data

(Expressed in thousands of U.S. dollars)

	Six months ended June 30, 2021	Six months ended June 30, 2020
Net cash provided by / (used in) operating activities	\$ 219,667	\$ 55,460
Vessel acquisitions	(97,663)	-
Capital expenditures for vessel modifications/upgrades	(18,771)	(51,297)
Insurance Proceeds	8,178	3,113
Net cash provided by / (used in) investing activities	(108,256)	(48,184)
Proceeds from vessels' new debt	164,000	149,135
Scheduled vessels' debt repayment	(96,537)	(117,617)
Debt prepayment due to sale or refinancing	(98,506)	(51,612)
Financing fees	(3,212)	(1,020)
Offering expenses	(141)	-
Refund of financing premia	903	-
Dividend payments	(30,672)	(4,804)
Net cash provided by / (used in) financing activities	(64,165)	(25,918)

Summary of Selected Data

	Second quarter 2021	Second quarter 2020	Six months ended June 30, 2021	Six months ended June 30, 2020
Average number of vessels (1)	126.0	116.0	122.7	116.0
Number of vessels (2)	128	116	128	116
Average age of operational fleet (in years) (3)	9.4	8.7	9.4	8.7
Ownership days (4)	11,470	10,556	22,207	21,112
Available days (5)	11,119	10,307	21,234	19,426
Charter-in days (6)	152	360	327	726
Daily Time Charter Equivalent Rate (7)	\$22,927	\$9,402	\$19,371	\$10,128
Daily OPEX per vessel (8)	\$4,618	\$4,027	\$4,518	\$4,037
Daily OPEX per vessel (excl. non recurring expenses) (8)	\$4,307	\$4,027	\$4,280	\$4,037
Daily Net Cash G&A expenses per vessel (9)	\$1,099	\$1,035	\$1,087	\$1,049

(1) Average number of vessels is the number of vessels that constituted our owned fleet for the relevant period, as measured by the sum of the number of days each operating vessel was a part of our owned fleet during the period divided by the number of calendar days in that period.

(2) As of the last day of the periods reported.

(3) Average age of our operational fleet is calculated as of the end of each period.

(4) Ownership days are the total calendar days each vessel in the fleet was owned by us for the relevant period, including vessels subject to sale and leaseback transactions and finance leases.

(5) Available days for the fleet are the Ownership days after subtracting off-hire days for major repairs, dry docking or special or intermediate surveys and scrubber/Ballast Water Treatment System installation. The available days for the second quarter and the first six months of 2021 were also decreased by off-hire days relating to disruptions in connection with crew changes as a result of COVID-19. Our method of computing Available Days may not necessarily be comparable to Available Days of other companies due to differences in methods of calculation.

(6) Charter-in days are the total days that we charter-in vessels not owned by us.

(7) Time charter equivalent rate represents the weighted average daily TCE rates of our operating fleet (including owned fleet and fleet under charter-in arrangements). TCE rate is a measure of the average daily net revenue performance of our vessels. Our method of calculating TCE rate is determined by dividing (a) TCE Revenues, which consists of voyage revenues (net of voyage expenses, charter-in hire expense, amortization of fair value of above/below market acquired time charter agreements, if any, as well as adjusted for the impact of realized gain/(loss) on forward freight agreements ("FFAs") and bunker swaps) by (b) Available days for the relevant time period. Available days do not include the Charter-in days as per the relevant definitions provided above. Voyage expenses primarily consist of port, canal and fuel costs that are unique to a particular voyage, which would otherwise be paid by the charterer under a time charter contract, as well as commissions. In the calculation of TCE Revenues, we also include the realized gain/(loss) on FFAs and bunker swaps as we believe that this method better reflects the chartering result of our fleet and is more comparable to the method used by our peers. TCE Revenues and TCE rate, which are non-GAAP measures, provide additional meaningful information in conjunction with voyage revenues, the most directly comparable GAAP measure, because they assist our management in making decisions regarding the deployment and use of our vessels and because we believe that they provide useful information to investors regarding our financial performance. TCE rate is a standard shipping industry performance measure used primarily to compare period-to-period changes in a shipping company's performance despite changes in the mix of charter types (i.e., voyage charters, time charters, bareboat charters and pool arrangements) under which its vessels may be employed between the periods. Our method of computing TCE Revenues and TCE rate may not necessarily be comparable to those of other companies due to differences in methods of calculation. For a detailed calculation please see the table at the end of this release with the reconciliation of Voyage Revenues to TCE.

(8) Daily OPEX per vessel is calculated by dividing vessel operating expenses by Ownership days. Daily OPEX per vessel (excluding non-recurring expenses) is calculated by dividing vessel operating expenses minus any non-recurring expenses (such as increased costs due to the COVID-19 pandemic or pre-delivery expenses for each vessel at acquisition, if any) by Ownership days. We exclude non-recurring expenses that may occur occasionally from our Daily OPEX per vessel, since these generally represent items that we would not anticipate occurring as part of our normal business on a regular basis. We believe that Daily OPEX per vessel (excluding non-recurring expenses) is a useful measure for our management and investors for period to period comparison with respect to our operating cost performance since such measure eliminates the effects of non-recurring items which may vary from period to period, are not part of our daily business and derive from reasons unrelated to overall operating performance. In the future we may incur expenses that are the same as or similar to some of the adjustments. Vessel operating expenses for the three and six month period ended June 30, 2021 included additional crew expenses related to the increased number of crew changes performed during the period as a result of COVID-19 restrictions imposed in 2020 estimated to be \$1.7 million and \$3.0 million, respectively, while vessel operating expenses for the six month period ended June 30, 2021 included pre-delivery and pre-joining expenses of \$2.3 million.

(9) Please see the table at the end of this release for the reconciliation to General and administrative expenses, the most directly comparable GAAP measure. We believe that Daily Net Cash G&A expenses per vessel is a useful measure for our management and investors for period to period comparison with respect to our financial performance since such measure eliminates the effects of non-cash items which may vary from period to period, are not part of our daily business and derive from reasons unrelated to overall operating performance.

EBITDA and Adjusted EBITDA Reconciliation

We include EBITDA herein since it is a basis upon which we assess our liquidity position. It is also used by our lenders as a measure of our compliance with certain loan covenants and we believe that it presents useful information to investors regarding our ability to service and/or incur indebtedness.

To derive Adjusted EBITDA from EBITDA, we exclude non-cash gains/(losses) such as those related to sale of vessels, stock-based compensation expense, the write-off of the unamortized fair value of above/below market acquired time charters, impairment losses, loss from bad debt, change in fair value of forward freight agreements and bunker swaps and the equity in income/(loss) of investee and other non-cash charges, if any, which may vary from period to period and for different companies and because these items do not reflect operational cash inflows and outflows of our fleet.

EBITDA and Adjusted EBITDA do not represent and should not be considered as alternatives to cash flow from operating activities or net income, as determined by United States generally accepted accounting principles, or U.S. GAAP. Our method of computing EBITDA and Adjusted EBITDA may not necessarily be comparable to other similarly titled captions of other companies due to differences in methods of calculation.

The following table reconciles net cash provided by operating activities to EBITDA and Adjusted EBITDA:

(Expressed in thousands of U.S. dollars)	Second quarter 2021	Second quarter 2020	Six months ended June 30, 2021	Six months ended June 30, 2020
Net cash provided by/(used in) operating activities	\$ 140,491	\$ 23,363	\$ 219,667	\$ 55,460
Net decrease / (increase) in current assets	23,838	(31,607)	50,461	(32,998)
Net increase / (decrease) in operating liabilities, excluding current portion of long term debt	4,648	27,337	(27,151)	10,840
Loss on debt extinguishment	(2,353)	(76)	(2,353)	(618)
Stock – based compensation	(2,258)	(2,118)	(2,571)	(1,216)
Amortization of deferred finance charges	(1,791)	(1,938)	(3,606)	(3,663)
Unrealized gain / (loss) on forward freight agreements and bunker swaps	(362)	(24,101)	(1,556)	(60)
Total other expenses, net	17,460	17,918	30,150	38,566
Gain on time charter agreement termination	-	-	1,102	-
Gain/(Loss) on hull and machinery claims	141	82	141	91
Income tax	-	(16)	-	27
Equity in income/(loss) of investee	(42)	28	(13)	39
EBITDA	<u>\$ 179,772</u>	<u>\$ 8,872</u>	<u>\$ 264,271</u>	<u>\$ 66,468</u>
Equity in (income)/loss of investee	42	(28)	13	(39)
Gain on time charter agreement termination	-	-	(1,102)	-
Unrealized (gain)/loss on forward freight agreements and bunker swaps	362	24,101	1,556	60
Stock-based compensation	2,258	2,118	2,571	1,216
Other non-cash charges	42	141	(39)	64
Adjusted EBITDA	<u>\$ 182,476</u>	<u>\$ 35,204</u>	<u>\$ 267,270</u>	<u>\$ 67,769</u>

Net income/(Loss) and Adjusted Net income/(Loss) Reconciliation and calculation of Adjusted Earnings/(Loss) Per Share

To derive Adjusted Net Income/(Loss) and Adjusted Earnings/(Loss) Per Share from Net Income/(Loss), we exclude non-cash items, as provided in the table below. We believe that Adjusted Net Income/(Loss) and Adjusted Earnings/(Loss) Per Share assist our management and investors by increasing the comparability of our performance from period to period since each such measure eliminates the effects of such non-cash items as gain/(loss) on sale of assets, unrealized gain/(loss) on derivatives, impairment losses and other items which may vary from year to year, for reasons unrelated to overall operating performance. In addition, we believe that the presentation of the respective measure provides investors with supplemental data relating to our results of operations, and therefore, with a more complete understanding of factors affecting our business than with GAAP measures alone. Our method of computing Adjusted Net Income/(Loss) and Adjusted Earnings/ (Loss) Per Share may not necessarily be comparable to other similarly titled captions of other companies due to differences in methods of calculation.

The following table reconciles Net income / (loss) to Adjusted Net income / (loss):

(Expressed in thousands of U.S. dollars except for share and per share data)	Second quarter 2021	Second quarter 2020	Six months ended June 30, 2021	Six months ended June 30, 2020
Net income / (loss)	\$ 124,209	\$ (44,120)	\$ 159,972	\$ (41,365)
Amortization of fair value of above/below market acquired time charter agreements, net	-	(231)	(187)	(718)
Stock – based compensation	2,258	2,118	2,571	1,216
Other non-cash charges	42	141	(39)	64
Unrealized (gain) / loss on forward freight agreements and bunker swaps	362	24,101	1,556	60
Loss on debt extinguishment (non-cash)	1,859	29	1,859	541

Equity in income/(loss) of investee	42	(28)	13	(39)
Gain on time charter agreement termination	0	-	(1,102)	-
Adjusted Net income / (loss)	<u>\$ 128,772</u>	<u>\$ (17,990)</u>	<u>\$ 164,643</u>	<u>\$ (40,241)</u>
Weighted average number of shares outstanding, basic	101,783,287	95,797,142	100,256,417	95,797,142
Weighted average number of shares outstanding, diluted	102,038,883	95,797,142	100,537,897	95,797,142
Adjusted Earnings / (Loss) Per Share, basic	\$ 1.27	\$ (0.19)	\$ 1.64	\$ (0.42)
Adjusted Diluted Earnings / (Loss) Per Share	\$ 1.26	\$ (0.19)	\$ 1.64	\$ (0.42)

Voyage Revenues to Daily Time Charter Equivalent ("TCE") Reconciliation

(In thousands of U.S. Dollars, except for TCE rates)

	Second quarter 2021	Second quarter 2020	Six months ended June 30, 2021	Six months ended June 30, 2020
Voyage revenues	\$ 311,411	\$ 146,134	\$ 511,878	\$ 306,996
Less:				
Voyage expenses	(52,993)	(59,762)	(93,045)	(115,072)
Charter-in hire expense	(4,399)	(5,279)	(7,342)	(14,053)
Realized gain/(loss) on FFAs/bunker swaps	910	16,047	19	19,592
Amortization of fair value of below/above market acquired time charter agreements, net	-	(231)	(187)	(718)
Time Charter equivalent revenues	<u>\$ 254,929</u>	<u>\$ 96,909</u>	<u>\$ 411,323</u>	<u>\$ 196,745</u>
Available days	11,119	10,307	21,234	19,426
Daily Time Charter Equivalent Rate ("TCE")	<u>\$ 22,927</u>	<u>\$ 9,402</u>	<u>\$ 19,371</u>	<u>\$ 10,128</u>

Daily Net Cash G&A expenses per vessel Reconciliation

(In thousands of U.S. Dollars, except for daily rates)

	Second quarter 2021	Second quarter 2020	Six months ended June 30, 2021	Six months ended June 30, 2020
General and administrative expenses	\$ 10,130	\$ 8,958	17,427	\$ 14,991
Plus:				
Management fees	4,938	4,596	9,605	9,202
Less:				
Stock – based compensation	(2,258)	(2,118)	(2,571)	(1,216)
Other non-cash charges	(42)	(141)	39	(64)
Net Cash G&As expenses	<u>\$ 12,768</u>	<u>\$ 11,295</u>	<u>\$ 24,500</u>	<u>\$ 22,913</u>
Ownership days	11,470	10,556	22,207	21,112
Charter-in days	152	360	327	726
Daily Net Cash G&A expenses per vessel	<u>\$ 1,099</u>	<u>\$ 1,035</u>	<u>\$ 1,087</u>	<u>\$ 1,049</u>

Conference Call details:

Our management team will host a conference call to discuss our financial results on Friday, August 6, 2021 at 11:00 a.m., Eastern Time (ET).

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 1(877) 553-9962 (from the US), 0(808) 238-0669 (from the UK) or + (44) (0) 2071 928 592 (Standard International Dial In). Please quote "Star Bulk."

A replay of the conference call will be available until Friday, August 13, 2021. The United States replay number is 1(866) 331-1332; from the UK 0(808) 238-0667; the standard international replay number is (+44) (0) 3333 009 785 and the access code required for the replay is: 3128607#.

Slides and audio webcast:

There will also be a simultaneous live webcast over the Internet through the Star Bulk website (www.starbulk.com). Participants to the live webcast should register on the website approximately 10 minutes prior to the start of the webcast. The content on our website is not incorporated by reference into this release.

About Star Bulk

Star Bulk is a global shipping company providing worldwide seaborne transportation solutions in the dry bulk sector. Star Bulk's vessels transport major bulks, which include iron ore, minerals and grain, and minor bulks, which include bauxite, fertilizers and steel products. Star Bulk was incorporated in the Marshall Islands on December 13, 2006 and maintains executive offices in Athens, Oslo, New York, Limassol and Singapore. Its common stock trades on the Nasdaq Global Select Market under the symbol "SBLK". Star Bulk operates a fleet of 128 vessels, with an aggregate capacity of 14.1 million dwt, consisting of 17 Newcastlemax, 22 Capesize, 2 Mini Capesize, 7 Post Panamax, 41 Kamsarmax, 2 Panamax, 20 Ultramax and 17 Supramax vessels with carrying capacities between 52,425 dwt and 209,529 dwt.

Forward-Looking Statements

Matters discussed in this press release may constitute forward looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

We desire to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. Words such as, but not limited to, "believe," "expect," "anticipate," "estimate," "intend," "plan," "targets," "projects," "likely," "would," "could," "should," "may," "forecasts," "potential," "continue," "possible" and similar expressions or phrases may identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, examination by our management of historical operating trends, data contained in our records and other data available from third parties. Although we believe 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, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include general dry bulk shipping market conditions, including fluctuations in charter rates and vessel values; the strength of world economies; the stability of Europe and the Euro; fluctuations in interest rates and foreign exchange rates; the impact of the expected discontinuance of the London Interbank Offered Rate, or LIBOR, after 2021 on interest rates of our debt that reference LIBOR; business disruptions due to natural disasters or other disasters outside our control, such as the ongoing global outbreak of the novel coronavirus ("COVID-19"); the length and severity of epidemics and pandemics, including COVID-19 and its impact on the demand for seaborne transportation in the dry bulk sector; changes in supply and demand in the dry bulk shipping industry, including the market for our vessels and the number of newbuildings under construction; the potential for technological innovation in the sector in which we operate and any corresponding reduction in the value of our vessels or the charter income derived therefrom; changes in our operating expenses, including bunker prices, dry docking, crewing and insurance costs; changes in governmental rules and regulations or actions taken by regulatory authorities; potential liability from pending or future litigation and potential costs due to environmental damage and vessel collisions; the impact of increasing scrutiny and changing expectations from investors, lenders, charterers and other market participants with respect to our Environmental, Social and Governance ("ESG") policies; general domestic and international political conditions or events, including "trade wars"; the impact on our common shares and reputation if our vessels were to call on ports located in countries that are subject to restrictions imposed by the U.S. or other governments; potential disruption of shipping routes due to accidents or political events; the availability of financing and refinancing; the failure of our contract counterparties to meet their obligations; our ability to meet requirements for additional capital and financing to grow our business; the impact of our indebtedness and the compliance with the covenants included in our debt agreements; vessel breakdowns and instances of off-hire; potential exposure or loss from investment

in derivative instruments; potential conflicts of interest involving our Chief Executive Officer, his family and other members of our senior management and our ability to complete acquisition transactions as and when planned. 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.

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