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Tufton Assets Limited
15 April 2026

Tufton Assets Limited

("SHIP" or the "Company")

Q1 2026 Update and Dividend

Quarterly dividend of 0.025 per share
NAV total return was 2.2% in Q1
NAV total return was 11.9% in the nine months to 31 March 2026

Tanker charter rates were already improving before the Iranian/US war and the closure of the Strait of Hormuz pushed them higher. At the same time the overall market value of the Company's product tankers and bulkers continued to gradually rise. The unrealised capital value component of the NAV movement was negative because of the increase in rates following the Hormuz closure[i] resulting in a NAV total return of only 2.2% for the quarter, and 11.9% for the nine months to the end of March (our financial year ends on 30 June). As time passes, we would expect this capital value component to become balanced or even turn positive in the future when shipping rates become less volatile.

Nicolas Tirogalas, Portfolio Manager, said:

"We continue to use SHIP's capital to improve income generation, adding fuel-efficient vessels and securing notably better charter rates for our ships. The portfolio is well suited to current market conditions and we are turning that strength into attractive shareholder returns."

Financial highlights

31 March 26	1Q26	Nine months to 31 March 26
Operating profit	11.1m 0.041/share	28.3m 0.106/share
NAV	373.1m 1.395/share	373.1m 1.395/share
NAV total return	2.2%	11.9%
Share price discount to NAV	15.4%	15.9%
Dividend	0.025	0.075

Highlights

- Agreed to acquire two fuel-efficient Handysize bulkers for a total of 33 million, at c.85% of depreciated replacement cost. These vessels have potential for capital appreciation and joined the fleet on initial charters with net yields of at least 12% based on acquisition price. The Company took delivery of one vessel earlier this week and expects to take delivery of the second vessel within days.
- There have been no adverse consequences to the fleet from the conflict in the Middle East. None of the Company's vessels are trading in or en-route to the Arabian Gulf, with all crew safe.
- Handysize[ii] product tankers[iii], Cocoa and Daffodil, secured 12-month charter extensions at rates 47% above their previous levels, increasing yield to c.26%, to 21,000 per day gross.
- Run rate yield on the portfolio was 14.2% (vs. 12.8% at the end of Dec 2025), basis conservative forecast rates for ships being re-chartered.
- Charter-free vessel values rose during the quarter. Operating profit improved quarter on quarter, supported by higher rates and fewer planned off-hire days.
- The market for Bulker[iv] ships remained resilient through the seasonally quieter Chinese New Year period, supported by more grain exports from the Americas, port congestion in Latin America and supply constraints.

Dividend

The Board is pleased to declare an interim dividend of 0.025 per ordinary share for the quarter ended 31 March 2026. The dividend will be paid on 20 May 2026 to shareholders on the register on 24 April 2026. The ex-dividend date is 23 April 2026.

The Company is forecast to have dividend cover of 1.8x over the next 18 months.

Outlook

The escalation of hostilities in the Middle East and the temporary closure of the Strait of Hormuz have effectively limited the supply of vessels and increased the distance travelled, (tonne-miles) for the types of vessel SHIP owns in a market where higher day rates were already being supported by geopolitical disruption, limited vessel supply, insufficient investment for fleet renewal requirements, and less efficient trading routes.

A prolonged and escalated conflict in Iran may begin to erode economic demand, due to limited cargo availability and lack of readily scalable alternatives for product tanker cargoes, while resulting in a more balanced impact on bulkers due to an expected energy shift from gas to coal. The longer the conflict continues, the more permanent the eventual trade pattern shifts become, adding inefficiencies to trade that tend to increase vessel demand.

Eight vessels are due for charter renewal this year. We will aim to secure stronger charter rates and charter lengths

Eight vessels are due for charter renewal this year. We will aim to secure stronger charter rates and charter lengths where possible to support future income generation.

The Company's quarterly factsheet as at 31 March 2026 will shortly be available in the Investor Relations section of its website at: www.tuftonassets.com/quarterly-reports.

- Ends -

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About the Company

Tufton Assets Limited, (LSE:SHIP) invests in a diversified portfolio of second-hand commercial sea-going vessels with the objective of delivering strong cash flow and capital gains to investors. The Company raised a total of approximately 316.5 million through its 20 December 2017 Initial Public Offering on the Specialist Fund Segment of the London Stock Exchange and via subsequent capital raises. Including the 1Q26 dividend due to be paid on 20 May 2026, the Company will have returned 205.1 million to investors since inception.

The Company's investment manager is Tufton Investment Management Ltd, a leading investment manager focused on the shipping and offshore industries, with more than 1.5 billion of mandated assets under management across several private and listed funds.

Dividend currency declaration

The default payment currency for dividends remains in US Dollars. However, dividends are capable of being paid in GBP Sterling, provided that the relevant shareholder has registered to receive their dividend in GBP Sterling under the Company's Dividend Currency Election. A copy of the Dividend Currency Election form, which should be sent to Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol, BS99 6BD no later than 6 May 2026, is available on the Company's website at http://www.tuftonassets.com/company-documents/.

The Dividend Currency Election Form should only be completed by shareholders who hold shares in certificated form. CREST shareholders must elect via CREST. Non-CREST shareholders wishing to receive Company dividends by electronic funds transfer directly to their bank accounts can register for Computershare's Global Payment Service at www.investorcentre.co.uk.

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[i] The market rates, especially for tankers, increased significantly following the Middle East conflict. This has the effect of reducing the capital value of ships on charter because their earnings are lower than the current market, with the reduction more pronounced on vessels with longer charter periods remaining.

[ii] Handysize tanker ships are 30,000-40,000 dead weight tonnage (DWT carrying capacity) which can access smaller ports with limited infrastructure and water depth.

[iii] Product tankers, including handysize tankers and Medium Range (MR) tankers (40-55,000 DWT), carry refined petroleum products such as petrol, diesel, aviation fuel and other chemicals, as well as crude oil.

[iv] Ships carrying loose dry cargo, such as grains, iron ore, steel, coal, cement, aggregates, and other minerals and ores.

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