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Tufton Assets Limited
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2Q26 NAV, Target Dividend Increase and Market Update

NAV total return of 14.7% for 2Q26, the strongest quarter since 3Q21

Tufton Assets Limited (LSE: SHIP), the London-listed investment company that invests in a diversified portfolio of sea-going vessels, announces its unaudited 2Q26 net asset value (NAV) update for the quarter ended 30 June 2026.

Nicolas Tirogalas, Portfolio Manager, said:

"This is our strongest quarterly NAV total return in almost five years, driven by rising charter rates and higher vessel values. It is concrete proof of a well-composed portfolio and diversification strategy, enhanced by outperformance from our recently purchased ships.

"In an evolving macroeconomic landscape, we believe our fleet is positioned to deliver attractive returns to shareholders over the short and medium term."

Financial highlights

30 June 2026	2Q26	2Q25
Operating profit	13.5m 0.051/share	9.4m 0.035/share
NAV	421.3m 1.576/share	352.0m 1.316/share
NAV total return	14.7%	-4.3%
Dividend	0.025	0.025

SHIP NAV total return was 14.7% for the quarter, marking the company's strongest quarter since September 2021. NAV total return for the financial year ended 30 June 2026 was 28.3%, with NAV amounting to 421.3m.

Operating profit was 13.5m for the quarter, a 22% quarter-on-quarter increase (1Q26: 11.1m), as charter rates continued to rise. The dry bulk market strengthened with demand for grain and long-haul iron ore and bauxite imports into Asia whereas the tanker market was largely boosted by trade route reconfiguration following the closure of the Strait of Hormuz.

2Q26 Dividend and Target Dividend Increase

The company has declared a dividend of 0.025 per ordinary share for the quarter ended 30 June 2026. The dividend will be paid on 19 August 2026 to shareholders on the register as at the close of business on 24 July 2026. The ex-dividend date is 23 July 2026.

SHIP's dividend yield currently stands at 7.7%.

Encouraged by the strong financial results and market outlook, the company has decided to raise its target annual dividend by 10%, from 0.10 per share to 0.11 per share, starting 3Q26. The company therefore expects to recommend a 3Q26 dividend of 0.0275 per share, payable on 25 November 2026. After this increase, the forecast dividend cover is 1.9x over the next 18 months.

Portfolio highlights

The charter-free value[1] of our product tankers and dry bulk vessels rose as both markets improved. Portfolio negative charter value[2] was 12m at quarter end (1Q26: 31.6m). The market charter rate for product tankers, generally, reduced after the spike in March 2026, while tanker asset values rose during the quarter. The charterer of *Octane*, one of SHIP's medium range[3] product tankers, exercised their option to extend the vessel's charter for another year from mid-July at a higher rate, resulting in a net yield of ~15%.

SHIP took delivery of the two dry bulk vessels - *Wholesome* and *Steadfast* - in April. The value of these two ships has increased ~10% compared to the purchase price paid. Steadfast, which is on an indexed-linked charter (as opposed to a fixed rate time charter) is currently yielding ~17% in a strong spot market for Handysize dry bulk vessels.

Market highlights

Product tankers (which carry diesel, petrol, aviation fuel, chemicals, etc) rates spiked to record highs in March following the start of the US-Iran war. Rates pulled back slightly during the period but remain above pre-conflict levels.

Separately the dry bulk market strengthened as demand for grain, iron ore and bauxite grew. This strength is expected to continue into the second half of 2026 because of an intensifying *El Niño* and the disruption of LNG/LPG flows through the Strait of Hormuz causing countries to diversify energy sources, leading to increased tonne-mile demand for shipping.

Outlook

The Investment Manager's view is that a diversified fleet and conservative leverage remain the optimal approach, giving income visibility through market cycles, with market inefficiencies creating upside potential as demonstrated by this

income flexibility through market cycles, with market inefficiencies creating upside potential as demonstrated by this quarter's results.

We remain optimistic and will seek to maximise the yield from the company's eleven vessels expected to come up for charter renewal this year.

Our patient strategy is bearing fruit as expected. We are optimistic about the midterm outlook beyond the end of this decade and will continue to implement our opportunistic fleet management strategy.

Factsheet
Our quarterly factsheet will shortly be available in the Investor Relations section of our website at: www.tuftonassets.com/quarterly-reports.

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About Tufton Assets Limited
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 2Q26 dividend due to be paid on 19 August 2026, the company will have returned 211.8 million to investors since inception.

The company's investment manager is Tufton Investment Management Ltd, a leading FCA-authorised alternative investment manager, with a focus on maritime, world trade, raw materials and energy-related investments. Tufton has managed more than 1 billion in drawn capital for institutional investors including major UK pension funds and has launched publicly listed investment vehicles. Tufton was established in 1985 and operates from offices in London, Geneva, Cyprus, and the Isle of Man.

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[1] Charter-free value is the estimated open-market price of a vessel assuming it is currently free of any active charters.

[2] Negative charter value is the difference between the rates the company's ships are (time) chartered on and the rate at which they could have been chartered on if available today, expressed as a net present value. A negative charter value figure indicates the ship could be re-chartered at a higher rate in the current market; a positive figure indicates the ship would be re-chartered at a lower rate in the current market. In both cases as ships approach the end of their time charter the figure reduces to zero.

[3] Medium Range (MR) product tankers typically range from 40,000 to 55,000 deadweight tonnage (DWT), larger than Handysize which range from 20,000 DWT to 40,000 DWT.

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