



INTERIM FINANCIAL INFORMATION

FIRST QUARTER 2026

Himalaya Shipping Ltd.
Unaudited Consolidated Statements of Operations
(In \$ millions except share and per share data)

	Notes	Three months ended March 31, 2026	Three months ended March 31, 2025
Operating revenues			
Time charter revenues	7	33.6	22.0
Total operating revenues		33.6	22.0
Operating expenses			
Vessel operating expenses		(7.4)	(6.9)
Voyage expenses and commissions		(0.5)	(0.2)
General and administrative expenses		(1.2)	(1.1)
Depreciation	10	(7.3)	(7.3)
Total operating expenses		(16.4)	(15.5)
Operating income		17.2	6.5
Income (loss) from equity method investment	9	—	—
Financial income (expenses), net			
Interest income		0.2	0.2
Interest expense		(12.4)	(13.1)
Total financial expenses, net		(12.2)	(12.9)
Net income (loss) before income tax		5.0	(6.4)
Income tax (expense) / credit	5	—	—
Net income (loss) attributable to shareholders of Himalaya Shipping Ltd.		5.0	(6.4)
Total comprehensive income (loss) attributable to shareholders of Himalaya Shipping Ltd.		5.0	(6.4)
Basic and diluted earnings (loss) per share	6	0.11	(0.14)

Himalaya Shipping Ltd.
Unaudited Consolidated Balance Sheets
(In \$ millions except share and per share data)

	Notes	March 31, 2026	December 31, 2025
ASSETS			
Current assets			
Cash and cash equivalents		24.5	32.4
Trade receivables		1.0	0.7
Prepaid expenses and other current assets	8	7.2	6.6
Total current assets		32.7	39.7
Non-current assets			
Equity method investments	9	0.4	0.4
Vessels and equipment, net	10	816.5	823.8
Total non-current assets		816.9	824.2
Total assets		849.6	863.9
LIABILITIES AND SHAREHOLDER'S EQUITY			
Current liabilities			
Current portion of long-term debt	12	23.7	23.6
Trade payables	15	1.8	1.3
Accrued expenses	11	6.1	6.4
Unearned income		2.6	4.8
Other current liabilities		0.1	0.5
Total current liabilities		34.3	36.6
Non-current liabilities			
Long-term debt	12	659.5	665.6
Total non-current liabilities		659.5	665.6
Total liabilities		693.8	702.2
Commitment and contingencies	14		
Shareholders' Equity			
Common shares of par value \$1.00 per share: authorized 140,010,000 (2025: 140,010,000) shares, issued and outstanding 46,750,000 (2025: 46,650,000) shares	16	46.8	46.7
Additional paid-in capital	16	28.1	27.4
Contributed surplus	16	38.6	50.3
Retained earnings		42.3	37.3
Total shareholders' equity		155.8	161.7
Total liabilities and shareholders' equity		849.6	863.9

Himalaya Shipping Ltd.
Unaudited Consolidated Statements of Cash Flows
(In \$ millions except share and per share data)

	Note	Three months ended March 31, 2026	Three months ended March 31, 2025
Cash Flows from Operating Activities			
Net income (loss)		5.0	(6.4)
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>			
Non-cash compensation expense related to stock options		0.1	—
Depreciation of vessels	10	7.3	7.3
Amortization of deferred finance charges	12	0.7	0.7
Change in assets and liabilities:			
Accounts receivable		(0.3)	0.5
Accounts payable		0.5	1.1
Accrued expenses	11	(0.3)	(0.3)
Other current assets		(0.6)	(1.2)
Unearned income and other current liabilities		(2.6)	(1.4)
Net cash provided by operating activities		9.8	0.3
Cash Flows from Financing Activities			
Proceeds from issuance of common shares, net of paid issuance costs	16	0.7	14.8
Proceeds from short-term debt from related party	15	—	6.0
Repayment of short-term debt from related party	15	—	(6.0)
Repayment of long-term debt	12	(6.7)	(6.6)
Payment of cash distributions	16	(11.7)	(0.9)
Net cash provided by (used in) financing activities		(17.7)	7.3
Net increase (decrease) in cash and cash equivalents		(7.9)	7.6
Cash and cash equivalents at the beginning of the period		32.4	19.4
Cash and cash equivalents at the end of the period		24.5	27.0
Supplementary disclosure of cash flow information			
Interest paid		(11.9)	(12.4)

Himalaya Shipping Ltd.
Unaudited Consolidated Statements of Changes in Shareholders' Equity
(In \$ millions except share and per share data)

	Number of outstanding shares	Common shares	Additional paid in capital	Contributed surplus	Retained earnings	Total equity
Balance as of December 31, 2024	43,900,000	43.9	14.4	76.8	19.6	154.7
Issuance of common shares	2,650,000	2.7	12.4	—	—	15.1
Equity issuance costs		—	(0.3)	—	—	(0.3)
Share based compensation		—	0.1	—	—	0.1
Cash distributions to shareholders		—	—	(0.7)	—	(0.7)
Total comprehensive loss		—	—	—	(6.4)	(6.4)
Balance as of March 31, 2025	46,550,000	46.6	26.6	76.1	13.2	162.5

	Number of outstanding shares	Common shares	Additional paid in capital	Contributed surplus	Retained earnings	Total equity
Balance as of December 31, 2025	46,650,000	46.7	27.4	50.3	37.3	161.7
Issuance of common shares	100,000	0.1	0.6	—	—	0.7
Share based compensation		—	0.1	—	—	0.1
Cash distributions to shareholders		—	—	(11.7)	—	(11.7)
Total comprehensive income		—	—	—	5.0	5.0
Balance as of March 31, 2026	46,750,000	46.8	28.1	38.6	42.3	155.8

Himalaya Shipping Ltd.

Condensed Notes to the Unaudited Consolidated Financial Statements

Note 1 - General Information

Himalaya Shipping Ltd. was incorporated in Bermuda on March 17, 2021. We are listed on the New York Stock Exchange and on the Euronext Oslo Bors under the ticker HSHP. Our shares started trading on Euronext Oslo Bors on June 3, 2025, following the transfer of our listing from Euronext Expand. Himalaya Shipping Ltd. was founded for the purpose of owning high-quality Newcastlemax dry bulk vessels, each with capacity in the range of 210,000 dead weight tonnes (“dwt”) which are equipped with the latest generation dual fuel LNG technology. As of March 31, 2026, we have a total of twelve vessels in operation. The Company has entered into sale and leaseback financing arrangements for its vessels which are described in Note 12.

As used herein, and unless otherwise required by the context, the term “Himalaya Shipping” refers to Himalaya Shipping Ltd. and the terms “Company”, “we”, “Group”, “our” and words of similar import refer to Himalaya Shipping and its consolidated companies. The use herein of such terms as “group”, “organization”, “we”, “us”, “our” and “its” or references to specific entities, is not intended to be a precise description of corporate relationships.

Going Concern

The unaudited consolidated financial statements have been prepared on a going concern basis.

Note 2 - Basis of Preparation and Accounting Policies

Basis of preparation

The unaudited consolidated financial statements are stated in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). The unaudited consolidated financial statements do not include all of the disclosures required under U.S. GAAP in the annual consolidated financial statements and should be read in conjunction with our audited annual financial statements for the year ended December 31, 2025, which are included in our Annual Report on Form 20-F, filed with the U.S. Securities and Exchange Commission (“SEC”) on March 12, 2026. The Unaudited Consolidated Balance Sheet data for December 31, 2025 was derived from our audited annual financial statements. The amounts in the unaudited consolidated financial statements are presented in millions (with one decimal) of United States dollars (“U.S. dollar” or “\$”), unless otherwise stated. The unaudited consolidated financial statements have been prepared on a going concern basis and in management’s opinion, the accompanying unaudited consolidated financial statements contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of its financial position as of March 31, 2026, and its results of operations and cash flows for the three months ended March 31, 2026 and 2025.

Significant accounting policies

The accounting policies adopted in the preparation of the unaudited consolidated financial statements for the three months ended March 31, 2026 are consistent with those followed in preparation of our annual audited consolidated financial statements for the year ended December 31, 2025.

Note 3 - Recently Issued Accounting Standards

Adoption of new accounting standards

In July 2025, the Financial Accounting Standards Board (“FASB”) issued ASU 2025-05 Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. The amendments provide all entities with a practical expedient when estimating expected credit losses for current accounts receivable and current contract assets arising from transaction accounted for under Topic 606. The practical expedient assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset. The amendments have no impact on our unaudited consolidated financial statements for the three months ended March 31, 2026. Effect of the adoption on our annual consolidated financial statements are currently under evaluation.

Accounting pronouncements that have been issued but not yet adopted

The following table provides a brief description of other recent accounting standards that have been issued but not yet adopted as of March 31, 2026:

Standard	Description	Date of adoption	Expected Effect on our Consolidated Financial Statements or Other Significant Matters
ASU 2024-03 Income Statement - Reporting comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses	<p>The amendments require disclosure of the amounts of below 5 categories included in each relevant expense caption:</p> <p>(a) purchase of inventory; (b) employee compensation; (c) depreciation; (d) intangible asset amortization; and (e) depreciation, depletion, and amortization recognized as part of oil and gas producing activities.</p> <p>The amendment also requires disclosure of the qualitative description of the amounts remaining in the relevant expense captions that are not separately disaggregated quantitatively. In addition, disclosure of the entity's definition of selling expenses and its total amount are required.</p>	January 1, 2027	Under evaluation
ASU 2025-01 Income Statement - Reporting comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date	The amendment in this Update amends the effective date of Update 2024-03 to clarify that all public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027.	January 1, 2027	Under evaluation
ASU 2025-03 Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity	The amendments in this Update require an entity involved in an acquisition transaction effected primarily by exchanging equity interests when the legal acquiree is a variable interest entity that meets the definition of a business to consider the factors in paragraphs 805-10-55-12 through 55-15 to determine which entity is the accounting acquirer. Entities are required to adopt the Update in annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods.	January 1, 2027	Under evaluation
ASU 2025-11 Interim Reporting (Topic 270): Narrow-Scope Improvements	<p>The amendments in this update provide clarity about current requirements, the types of interim reporting, and the form and content of interim financial statements in accordance with GAAP.</p> <p>The amendments also include a disclosure principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity.</p>	January 1, 2028	Under evaluation
ASU 2025-12 Codification Improvements	The amendments represent changes to the Codification that clarify, correct errors, or make minor improvements to make the Codification easier to understand and apply.	January 1, 2027	Under evaluation

The FASB have issued further updates not included above as we do not believe that these are applicable to the Company.

Note 4 - Segment

We have one reportable segment as our chief operating decision maker ("CODM"), being our Board of Directors, measures performance based on our overall return to shareholders based on consolidated net income as reported in our Unaudited Consolidated Statements of Operations. The CODM does not review a measure of operating result at a lower level than the consolidated group. The measure of segment assets is reported on the Unaudited Consolidated Balance Sheets as total consolidated assets. The CODM reviews quarterly variances of consolidated net income and total consolidated assets, short-term and long-term market trends and cash flow forecasts in making resource allocation decisions.

Segment revenue, profit and significant segment expenses are as follows:

(in millions of \$)	Three months ended March 31, 2026	Three months ended March 31, 2025
Total operating revenues	33.6	22.0
Less:		
Crew costs	(4.0)	(3.8)
Other vessel operating expenses ⁽¹⁾	(3.4)	(3.1)
Voyage expenses and commissions	(0.5)	(0.2)
General and administrative expenses ⁽²⁾	(1.2)	(1.1)
Depreciation	(7.3)	(7.3)
Interest income	0.2	0.2
Interest expense	(12.4)	(13.1)
Income tax (expenses)	—	—
Segment and consolidated net income (loss)	5.0	(6.4)

⁽¹⁾ Other vessel operating expenses include repairs and maintenance, spares, stores and consumables, lubricating oil, vessel insurance, services and subscriptions, and vessel management fees.

⁽²⁾ General and administrative expenses include directors and officers' insurance, management fees, audit and accounting fees, administrative salaries, directors' fees, legal fees, listing fees, share based compensation costs, and other administrative expenses.

Note 5 - Income Taxes

Bermuda

Himalaya Shipping Ltd. is incorporated in Bermuda. Himalaya Shipping Ltd. has received written assurance from the Minister of Finance in Bermuda that the Company will be exempted from taxation until March 31, 2035.

On December 27, 2023, Bermuda enacted the Corporate Income Tax Act (the "CIT Act"). Entities subject to tax under the CIT Act are the Bermuda constituent entities of multi-national groups. A multi-national group is defined under the CIT Act as a group with entities in more than one jurisdiction with consolidated revenues of at least €750 million for two out of the last four fiscal years. If Bermuda constituent entities of a multi-national group are subject to tax under the CIT Act, for taxable years beginning on or after January 1, 2025, Bermuda will impose a 15% corporate income tax, as determined in accordance with and subject to the adjustments set out in the CIT Act (including in respect of foreign tax credits applicable to the Bermuda constituent entities).

While we have a tax-exempt status in Bermuda until March 31, 2035, Bermuda specifically provided that the CIT Act applies notwithstanding any assurance given pursuant to the Exempted Undertakings Tax Protection Act 1966 (the "EUTP Act"). Based on a number of operational, economic and regulatory assumptions, we do not expect to have consolidated revenue sufficient for us to fall within scope of the CIT Act in the near future. We will monitor the developments on the Bermuda internal regulations with regard to the CIT Act implementation. To the extent our consolidated revenue is sufficient for us to be within the CIT Act thresholds, we may be subject to taxation in Bermuda. If we are subject to taxation in Bermuda under the CIT act, our international shipping income may be excluded from taxation if we can demonstrate either strategic or commercial management in Bermuda.

Liberia

The companies operating the vessels are not subject to tax in Liberia on international shipping income.

United Kingdom

Taxable income in the United Kingdom is generated by our UK subsidiary. The statutory tax rate in the United Kingdom as of March 31, 2026 was 25%.

Note 6 - Earnings Per Share

The computation of basic earnings per share (“EPS”) is based on the weighted average number of shares outstanding during the period. Dilutive impact of the assumed conversion of potentially dilutive instruments which are 800,000 share options outstanding as at March 31, 2026, is shown in the table below:

<i>(in \$ millions except share and per share data)</i>	Three months ended March 31, 2026	Three months ended March 31, 2025
Basic earnings (loss) per share	0.11	(0.14)
Diluted earnings (loss) per share	0.11	(0.14)
Net income (loss)	5.0	(6.4)
Issued common shares at the end of the period	46,750,000	46,550,000
Weighted average number of shares outstanding for the period, basic	46,688,889	44,223,889
Dilutive impact of share options	295,983	—
Weighted average number of shares outstanding for the period, diluted	46,984,872	44,223,889

Diluted loss per share in the three months ended March 31, 2025 excludes the potential effect of conversion of the 800,000 share options outstanding as of March 31, 2025 as the share options were anti-dilutive.

Note 7 - Operating Leases

Rental income

The components of operating lease income are as follows:

<i>(in \$ millions)</i>	Three months ended March 31, 2026	Three months ended March 31, 2025
Time charter revenues	33.6	22.0

Time charter revenues on our index-linked charters were \$23.6 million and \$20.2 million in the three months ended March 31, 2026 and 2025, respectively.

Note 8 - Prepaid expenses and other current assets

<i>(in \$ millions)</i>	March 31, 2026	December 31, 2025
Prepaid interest ⁽¹⁾	2.2	2.2
Other prepaid expenses ⁽²⁾	2.0	1.4
Inventory	1.7	1.7
Other current assets ⁽³⁾	1.3	1.3
Total	7.2	6.6

⁽¹⁾ Prepaid interest pertains to interest paid in advance for “Mount Norefjell”, “Mount Ita”, “Mount Etna” and “Mount Blanc”. Bareboat payments on the lease for these vessels were paid in advance.

(2) Other prepaid expenses are primarily comprised of prepaid operating expenses, prepaid insurance and cash advance to crew for the vessels.

(3) Other current assets mainly relate to funding advanced to vessel managers.

Note 9 - Equity method investment

In August 2024, we acquired 12,000 shares in 2020 Bulkers Management AS (“2020 Bulkers Management”) for a total consideration of \$0.3 million (NOK 3.2 million). The acquired shares represent 40% of the issued shares of 2020 Bulkers Management. As the Company has the ability to exercise significant influence, we have accounted for our investment in 2020 Bulkers Management as an equity method investment.

The table below sets forth the carrying value of our equity method investment:

	March 31, 2026	December 31, 2025
<i>(in \$ millions)</i>		
At January 1	0.4	0.3
Share options expense to employees of acquiree ⁽¹⁾	—	0.1
Equity in net income (loss) ⁽²⁾	—	—
Closing balance	0.4	0.4

(1) This pertains to 40% of the share options granted by the Company to employees of 2020 Bulkers Management.

(2) Equity in net loss on equity method investment for the three months ended March 31, 2026 amounted to \$6,000.

On February 9, 2026, the Company entered into a contract with 2020 Bulkers Ltd. to purchase an additional 4,200 shares for NOK1.1 million, which will be effective on April 1, 2026. This will increase the Company’s total ownership in 2020 Bulkers Management to 54%.

Note 10 - Vessels and Equipment, net

	March 31, 2026	December 31, 2025
<i>(in \$ millions)</i>		
Cost		
At January 1	888.6	888.6
At end of the period	888.6	888.6
<i>(in \$ millions)</i>		
Depreciation		
At January 1	(64.8)	(35.6)
Charge for the period	(7.3)	(29.2)
At end of the period	(72.1)	(64.8)
Net book value at end of the period	816.5	823.8

During the three months ended March 31, 2026, we considered whether indicators of impairment existed that could indicate that the carrying amounts of our vessels may not be recoverable as of March 31, 2026, and concluded that no such events occurred.

Note 11 - Accrued expenses

Accrued expenses comprise of:

	March 31, 2026	December 31, 2025
<i>(in \$ millions)</i>		
Accrued interest ⁽¹⁾	4.5	4.6
Accrued operating expenses	1.0	0.8
Other accrued expenses ⁽²⁾	0.6	1.0
Total	6.1	6.4

⁽¹⁾ Accrued interest pertains to unpaid interest on the sale and leaseback financing for “Mount Bandeira”, “Mount Elbrus”, “Mount Hua”, “Mount Matterhorn”, “Mount Neblina”, “Mount Denali”, “Mount Aconcagua” and “Mount Emai”. Bareboat payments on the leases for these vessels are paid in arrears.

⁽²⁾ Other accrued expenses include accruals for commissions, audit fees, legal fees and management fees.

Note 12 - Debt

	Financing company	March 31, 2026	December 31, 2025
<i>(in \$ millions)</i>			
Vessel financing (Mount Norefjell)	AVIC	55.7	56.2
Vessel financing (Mount Ita)	AVIC	55.7	56.2
Vessel financing (Mount Etna)	AVIC	56.1	56.8
Vessel financing (Mount Blanc)	AVIC	56.0	56.7
Vessel financing (Mount Matterhorn)	CCBFL	57.8	58.3
Vessel financing (Mount Neblina)	CCBFL	57.8	58.3
Vessel financing (Mount Hua)	Jiangsu	58.9	59.5
Vessel financing (Mount Bandeira)	Jiangsu	58.9	59.5
Vessel financing (Mount Elbrus)	CCBFL	58.7	59.3
Vessel financing (Mount Denali)	CCBFL	59.3	59.8
Vessel financing (Mount Aconcagua)	CCBFL	59.5	60.0
Vessel financing (Mount Emai)	CCBFL	59.5	60.0
Total debt, gross		693.9	700.6
Less: Deferred finance charges		(10.7)	(11.4)
Total debt, net of deferred finance charges		683.2	689.2
Less: Current portion of long-term debt, net of deferred finance charges		(23.7)	(23.6)
Long-term debt, net of deferred finance charges		659.5	665.6

The total debt, gross of deferred finance charges, as of March 31, 2026, is repayable as follows:

Year ending December 31	
<i>(in \$ millions)</i>	
2026 (remaining nine months)	19.4
2027 ⁽¹⁾	27.6
2028	29.6
2029	31.5
2030	303.6
Thereafter	282.2
Total debt, gross	693.9

⁽¹⁾ \$6.7 million repayable in the three months ended March 31, 2027.

AVIC International Leasing Co., Ltd. (“AVIC”) – Sale and leaseback financing arrangements

The Company has seven-year sale and leaseback arrangements with AVIC for “Mount Norefjell”, “Mount Ita”, “Mount Etna”, and “Mount Blanc”, which are accounted for as financing transactions due to the fixed price purchase options and the cash penalty of \$25.0 million per vessel for not exercising any of the purchase options. The arrangements include purchase options each year from year 3 of \$56.9 million and then declines to \$47.2 million after year 7.

In addition, AVIC partially financed the cost of installing scrubbers on the above vessels amounting to \$2.2 million for each vessel which was repayable in advance in 12 quarterly installments plus interest calculated as Overnight SOFR plus a margin of 4.5% and credit adjustment spread of 0.26161% from July 1, 2023. The last installment on the scrubber financing was paid in the first quarter of 2026.

Under the relevant financing agreements, payment of dividends or making of other distributions from each relevant subsidiary to the Company will only be allowed if immediately following such payment or distribution there will be maintained in the bank account an amount no less than the higher of (a) \$3.6 million and (b) the aggregate of the bareboat rate under the facility and the operating expenses for the vessel that are payable within the next six months.

CCB Financial Leasing Co., Ltd. (“CCBFL”) – Sale and leaseback financing arrangements

The Company has seven-year sale and leaseback arrangements with CCBFL for “Mount Matterhorn”, “Mount Neblina”, “Mount Elbrus”, “Mount Denali”, “Mount Aconcagua” and “Mount Emai”, which are accounted for as financing transactions due to the fixed price purchase options. The arrangements include purchase options each year from year 3 of \$56.0 million, declining to \$46.0 million after year 7.

Jiangsu Financial Leasing Co. Ltd (“Jiangsu”) – Sale and leaseback financing arrangements

The Company has seven-year sale and leaseback arrangements with Jiangsu for “Mount Bandeira” and “Mount Hua” accounted for as financing transactions due to the fixed price purchase options. The arrangements include purchase options each year from year 3 of \$56.0 million, declining to \$46.0 million after year 7.

Each of our eight subsidiaries under our sale and leaseback arrangements with CCBFL and Jiangsu has been required to maintain a minimum cash balance equivalent to the bareboat hire payable within the next three months which amounts to approximately \$1.5 million per vessel.

As of March 31, 2026, the Company is required to maintain a total minimum cash balance of \$12.3 million, which are included in cash and cash equivalents as there are no legal restrictions on the bank account.

The bareboat rate per day under the sale and leaseback arrangements is fixed for the bareboat period and the average bareboat rate per day for the sale and leaseback arrangements with AVIC, CCBFL and Jiangsu is \$16,567. The Company has classified the estimated amortization of the bareboat payments due within twelve

months from March 31, 2026 as “Current portion of long-term debt” on the Unaudited Consolidated Balance Sheet.

Drew Holdings Limited. (“Drew”) – Revolving Credit Facility

The Company has a \$10.0 million Revolving Credit Facility agreement with Drew, who is a significant shareholder in the Company. Refer to Note 15 - Related Party Transactions for details on the terms of the agreement with Drew.

As of March 31, 2026 and December 31, 2025, we were in compliance with all applicable covenants in each of our financing arrangements.

Note 13 - Financial Instruments

We recognize our fair value estimates using a fair value hierarchy based on the inputs used to measure fair value. The fair value hierarchy has three levels based on reliability of inputs used to determine fair values as follows:

Level 1: Quoted market prices in active markets for identical assets and 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 carrying value and estimated fair value of our financial instruments as of March 31, 2026 and December 31, 2025 were as follows:

<i>(in \$ millions)</i>	Hierarchy	March 31, 2026		December 31, 2025	
		Fair Value	Carrying Value	Fair Value	Carrying Value
Assets					
Cash and cash equivalents ⁽¹⁾	Level 1	24.5	24.5	32.4	32.4
Liabilities					
Current portion of long-term debt ⁽²⁾⁽³⁾	Level 2	26.1	26.1	26.1	26.1
Long-term debt ⁽²⁾⁽³⁾	Level 2	712.5	667.8	716.3	674.5

⁽¹⁾ All demand and time deposits and highly liquid, low risk investments with original maturities of three months or less at the date of purchase are considered equivalent to cash. Thus, carrying value is a reasonable estimate of fair value.

⁽²⁾ Fair value of current portion of long-term debt and long-term debt have been corroborated using discounted cash flow model and market interest rates as of March 31, 2026 and December 31, 2025.

⁽³⁾ Our debt obligations are recorded at amortized cost in the Unaudited Consolidated Balance Sheets. The amounts presented in the table are gross of deferred finance charges amounting to \$10.7 million and \$11.4 million as of March 31, 2026 and December 31, 2025, respectively.

The carrying amounts of accounts receivable, funding to vessel managers, accounts payable and accrued expenses approximated their fair values as of March 31, 2026 and December 31, 2025 because of their near term maturity and are classified as Level 1 within the fair value hierarchy.

There have been no transfers between different levels in the fair value hierarchy during the periods presented.

Note 14 - Commitments and Contingencies

	March 31, 2026	December 31, 2025
<i>(in \$ millions)</i>		
Book value of vessels and equipment, net secured against Total debt, gross ⁽¹⁾	816.5	823.8
Total	816.5	823.8

⁽¹⁾ Legal owner of the vessels are the respective leasing companies, see note 12.

Contingencies

We may, from time to time, be involved in legal proceedings and claims that arise in the ordinary course of business. A contingent liability will be recognized in the consolidated financial statements only where we believe that a liability will be probable and for which the amounts are reasonably estimable, based upon the facts known prior to the issuance of the financial statements.

Guarantee

We issued a performance guarantee to the vessel manager of the “Mount Elbrus” as security for the performance of its obligations under the European Union Emissions Trading System (“EU ETS”) Scheme up to a maximum liability of \$0.5 million. The vessel owner is responsible for providing such emission allowances to the vessel manager. The vessel manager is responsible for calculation of emission allowances and surrendering these to the administering authority of the EU ETS Scheme.

Note 15 - Related Party Transactions

Drew and Magni Partners (Bermuda) Ltd. (“Magni”)

Drew is considered a related party due to its significant ownership in the Company and Magni is considered a related party as a result of being an affiliate of Drew. As of March 31, 2026, Drew holds 29.1% of the Company’s outstanding common shares.

The Company has a \$10.0 million revolving credit facility with Drew. The facility includes a commitment fee of 1% per annum on any undrawn amount from January 1, 2026 to the end of the availability period, and charges interest at the Term Secured Overnight Financing Rate (“SOFR”) plus a 6.5% margin per annum. The facility is available to draw down until December 31, 2026, and the latest repayment date is December 31, 2027.

In the three months ended March 31, 2026, the Company has not drawn down from the revolving credit facility. As of March 31, 2026, the Company has \$10.0 million available to draw down from this facility.

Corporate support agreement

The Company entered into a corporate support agreement with Magni. As Magni indirectly held a controlling interest at the time the Corporate Support Agreement was entered into, the Company has treated the Corporate Support Agreement as a related party agreement.

2020 Bulkera Management

In February 2023, the Company signed an agreement with 2020 Bulkera Management, replacing a similar management agreement entered into in October 2021. Pursuant to the management agreement, 2020 Bulkera Management provides us with certain operational, commercial and management services. The Company is required to pay 2020 Bulkera Management a management fee subject to annual estimates and calculated, based on, among other things, expected activity level of the Company and the expected scope of services to be provided by 2020 Bulkera Management in relation to the Company in that year. The management fee is payable quarterly, in four equal tranches. Such management fee shall equal certain costs, based on the sum of (i) the direct payroll costs allocated to the performance of the services under the management agreement, marked-up by a margin of 13%, and (ii) certain shared costs corresponding to infrastructure costs in such year related to the performance of such services. The management fee will be adjusted annually to account for the difference between estimated and actual costs incurred in such year. The management agreement has an indefinite term and can be terminated by either party upon one month's notice.

Following the acquisition of 40% of the issued shares in 2020 Bulkera Management, 2020 Bulkera Management became a related party from August 29, 2024. Management fees paid to 2020 Bulkera Management of \$0.7 million and \$0.5 million were recognized under "General and administrative expenses" in the unaudited consolidated statement of operations in the three months ended March 31, 2026 and March 31, 2025, respectively.

As of March 31, 2026 and December 31, 2025, the Company had \$0.7 million and \$0.3 million payable to 2020 Bulkera Management presented under "Trade payables" in the unaudited consolidated balance sheets, respectively.

Note 16 - Equity

The authorized share capital of the Company as of March 31, 2026 and December 31, 2025 is \$140,010,000 represented by 140,010,000 authorized common shares of par value \$1.00 each.

In February 2026, in connection with the exercise of share options under the long-term incentive plan, the Company issued 100,000 common shares of par value \$1.00 each at the exercise price of \$6.76 per share.

The following cash distributions were declared in the three months ended March 31, 2026:

Relevant period	Declaration date	Amount per share (in \$)	Payment date
December 2025	January 8, 2026	0.13	January 27, 2026
January 2026	February 9, 2026	0.06	February 27, 2026
February 2026	March 5, 2026	0.06	March 25, 2026

The above cash distributions were made from the Company's Contributed Surplus account.

Note 17 - Subsequent Events

On April 7, 2026, the Board approved a cash distribution for March 2026 of \$0.06 per share for shareholders of record as of April 20, 2026.

In April 2026, in connection with the exercise of share options under the long-term incentive plan, the Company issued 220,000 common shares of par value \$1.00 each at the exercise price of \$6.70 per share.

On May 6, 2026, the Board approved a cash distribution for April 2026 of \$0.15 per share for shareholders of record as of May 19, 2026.