PANGAEA

# 1Q25

# Earnings Call Presentation

# Safe Harbor

1Q25 Earnings Call Presentation

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# 1Q25 Performance Highlights

## Strong execution, backed by COAs and flexible business model

- Consistent execution on long-term COAs, supported strong TCE rate returns during a seasonally soft quarter, with TCE rates outperforming benchmark Panamax, Supramax and Handysize indexes by 33%

- First quarter 2025 GAAP net loss of $2.0 million, or $0.03 per share and Adjusted net loss of $2.2 million, or $0.03 per share

- Adjusted EBITDA decreased to $14.8 million in 1Q25, due to an overall decrease in market rates and TCE earnings during the quarter

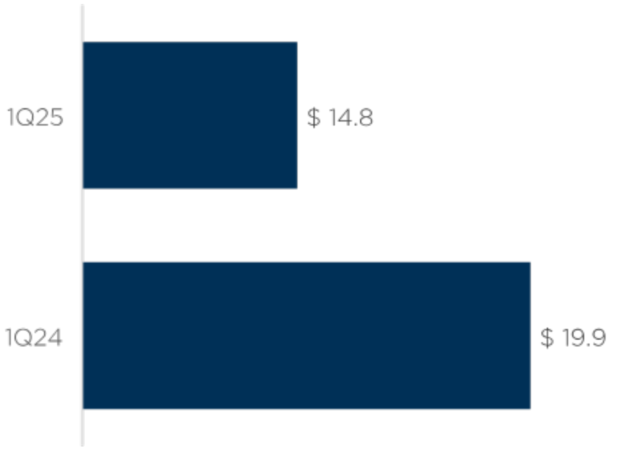
- Continued to successfully integrate Strategic Shipping Inc. ("SSI") dry bulk fleet in to our operating platform, unlocking operating efficiencies and enhancing returns across our broader fleet

- Entering the second quarter of 2025, market rates remain volatile and continue to reflect global macro and trade policy uncertainties. As of May 12, 2025, booked 4,275 days at an average of $12,524/day, a 25% premium to the benchmark indexes.

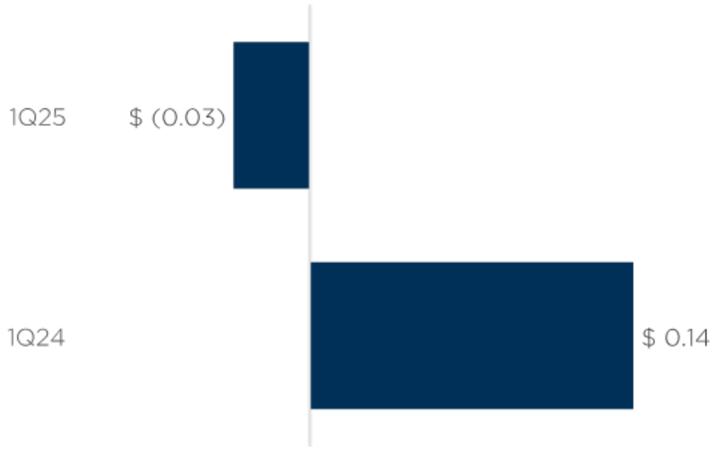
- Announced new share repurchase program of $15 million and declared $0.05 quarterly dividend, diversifying shareholder return of capital program to maximize long-term shareholder value

# 1Q 2025 Performance Summary

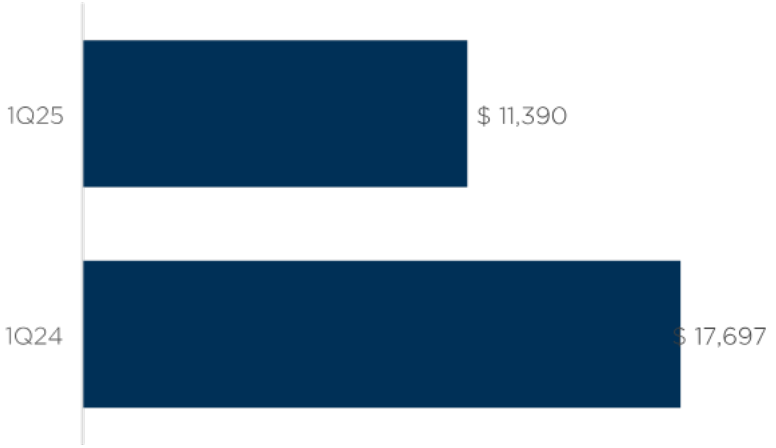
Adjusted EBITDA
$s in Millions



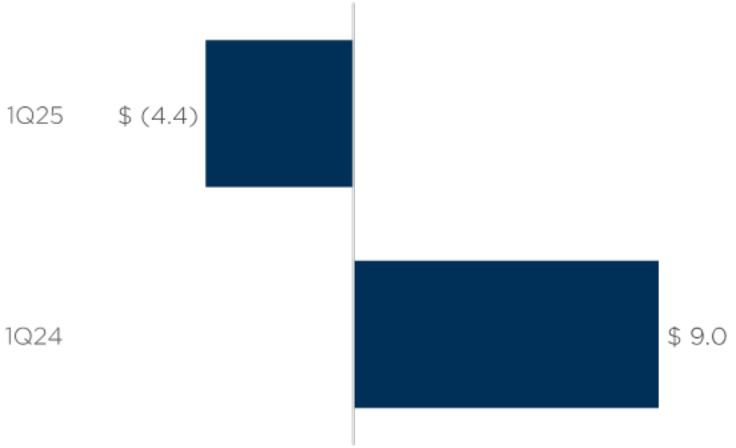

Adjusted EPS
$s per Share




TCE Rate
$s per
Shipping Day




Operating
Cash Flow
$s in Millions

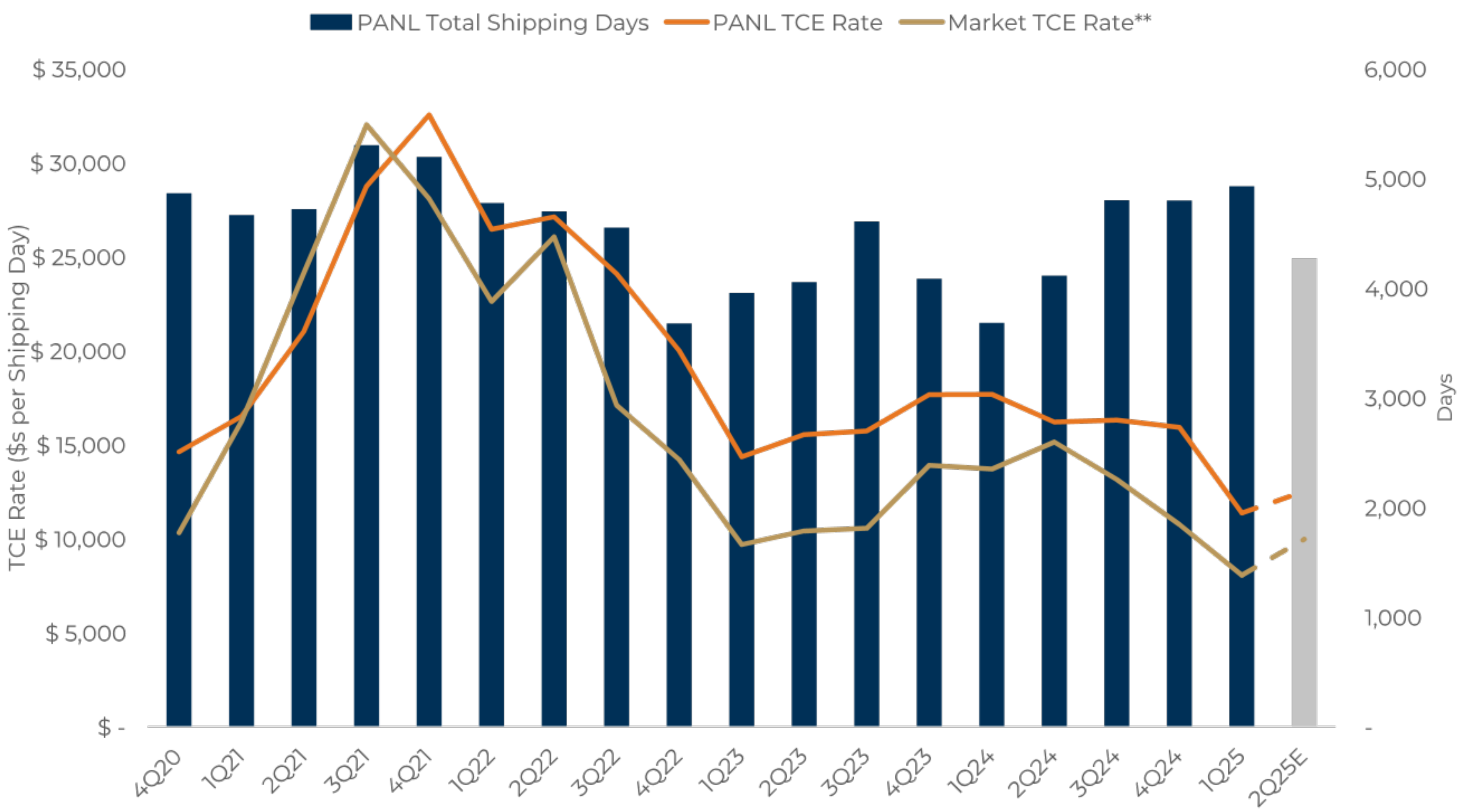


# Outperforming Industry Benchmark

Our TCE has exceeded the market** by an average of 29% on a trailing 5-year basis

## Cargo Focused Business Model Consistently Delivers Above-Market Performance

- Current 2Q25 booked TCE rate of $12,524, a 25% premium to the market average through the quarter.*
- Our niche, higher-margin trades, long-term COAs and charter-in strategy remain key areas of differentiation.




* Q2 25 estimated TCE performance based on shipping days booked as of May 12, 2025
**Average of the published Panamax, Supramax and Handysize indices, net of commission

# Recent Vessel Acquisitions

Disciplined acquiror of complementary assets

## 2021 & 2022

Purchased 7 vessels for $245 million


MV Bulk Courageous - Ultramax

MV Bulk Promise - Panamax


MV Bulk Valor - Supramax

MV Nordic Nuluujaak – Post Panamax[1]

MV Nordic Qinnqua – Post Panamax[1]

MV Nordic Sanngijug – Post Panamax[1]


MV Nordic Siku – Post Panamax[1]

MV Bulk Concord - Panamax

MV Bulk Sachuest - Supramax

## 2023 & 2024

Purchased 3 vessels for $83 million & Acquired 15 vessels for 18.06 million shares

MV Bulk Prudence - Ultramax

MV Bulk Brenton - Supramax

MV Bulk Patience - Supramax

Strategic Handysize Fleet of 15 vessels

(1) On November 6, 2024, the Company acquired the remaining 50% interest in NBP from a non-affiliate, resulting in full ownership of NBP's fleet of four Post Panamax Ice Class 1A dry bulk vessels.

# Return of Capital Program

Quarterly cash dividend and share repurchase program, support long-term shareholder value creation

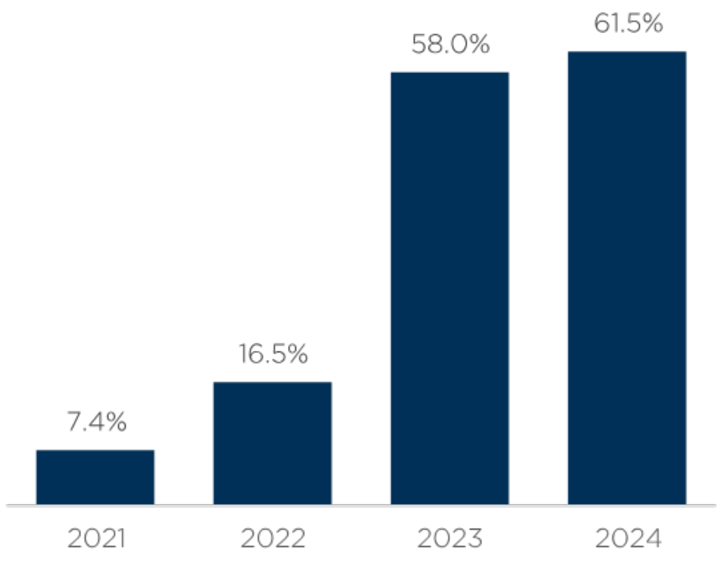
Targeted dividend policy is aimed toward sustainability through the cycle

Dividend payout has remained during various market conditions and strategic execution

$15 million repurchase authorization allows for flexible and opportunistic capital deployment

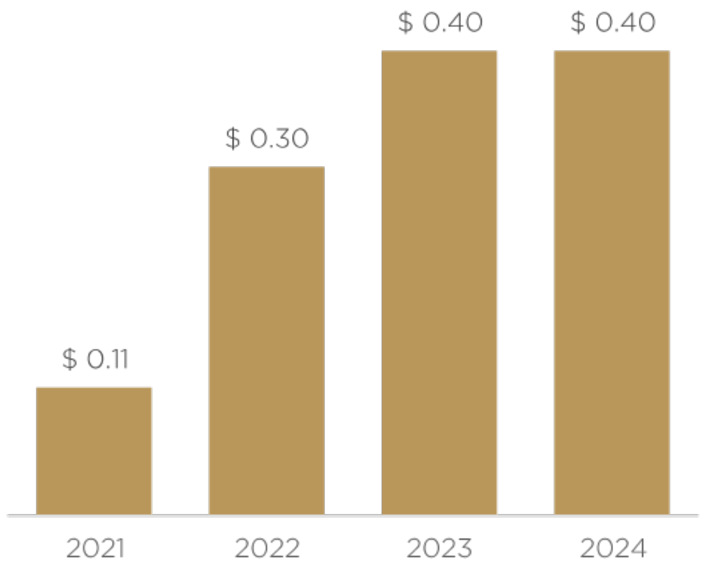
## Annual Dividend Payout Ratio

% of Adjusted Net Income



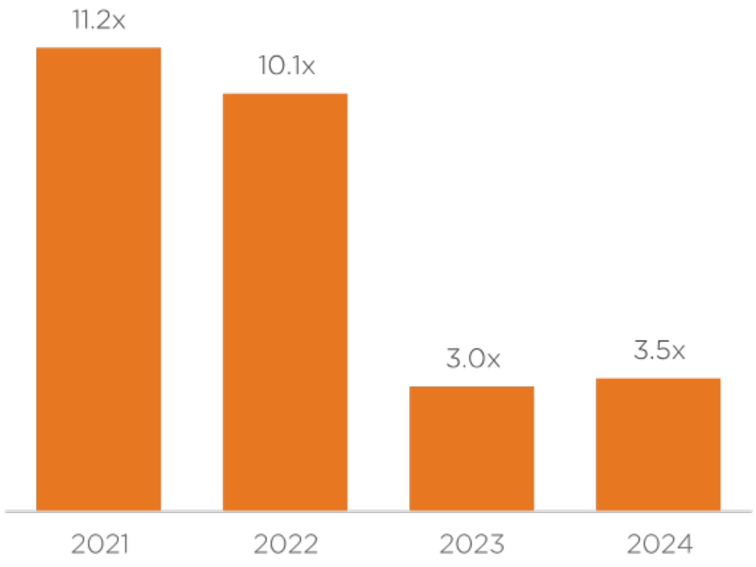

## Total Annual Cash Dividend Paid

$s per Share




## Annual Dividend Coverage Ratio

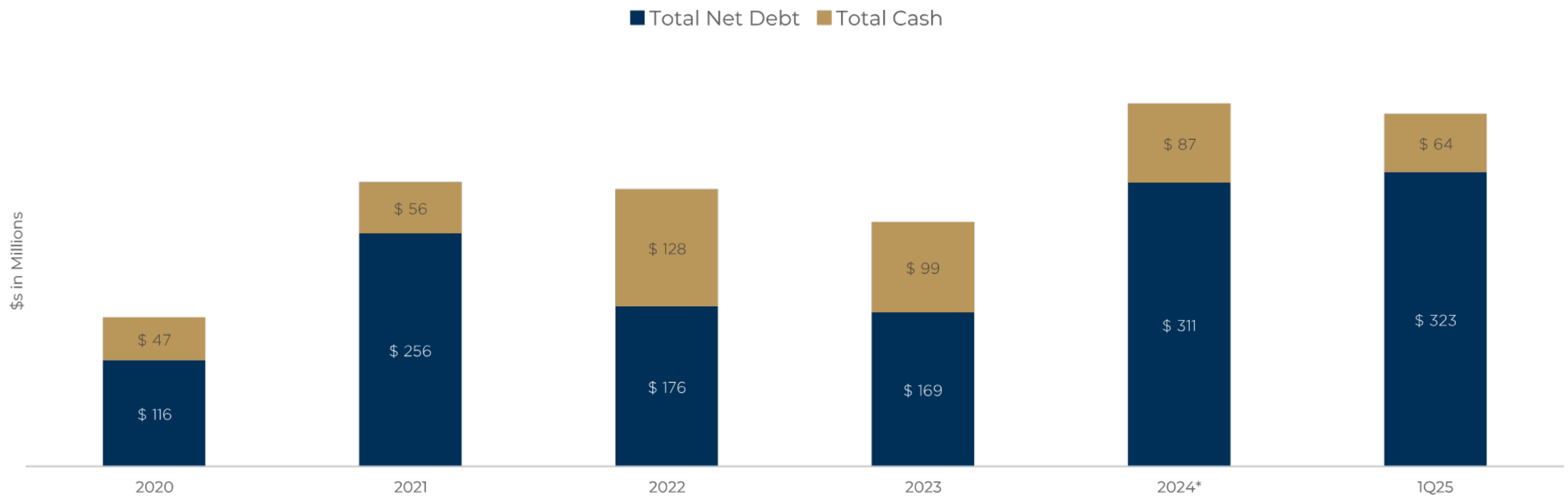
Ratio of Operating Cash Flow to Dividends Issued



# Balance Sheet Update

Ample liquidity to support ongoing growth of business

| | | |
|---|---|---|
| Opportunistically invested in owned ship fleet | Repaid over $11million in debt during 1Q25 through operating cash flow | Capital allocation priorities will be balanced between debt repayment, fleet investment, opportunistic M&A and shareholder returns |




***Note**: Total net debt as of 12/31/24 reflects $100mm in incremental finance lease obligations assumed as part of the SSI acquisition, which closed on 12/30/24.

# SSI Fleet Merger: Strategic Rationale

Commercially attractive handysize fleet will add scale and expand the foundation for growth across entire enterprise

### Expanding into handysize segment provides scale and diversification

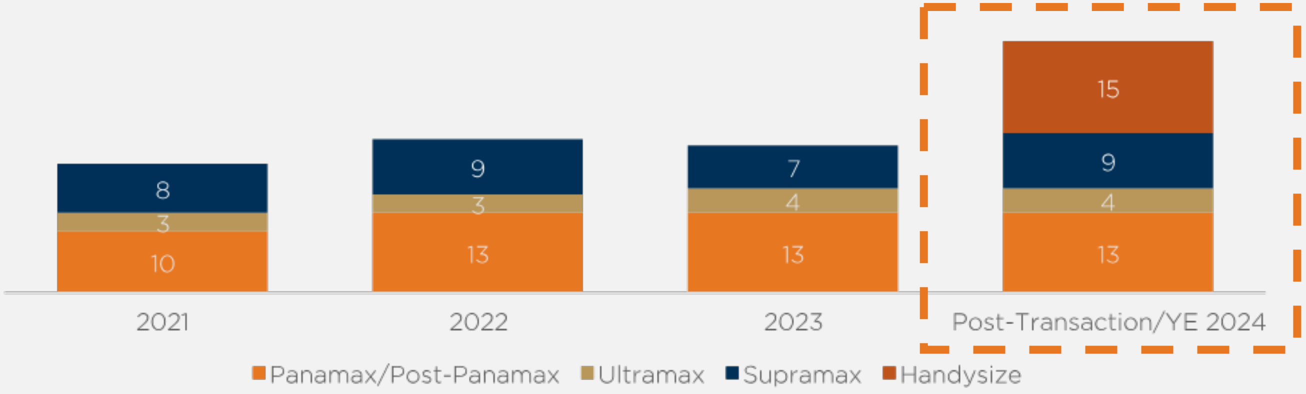
- Currently utilize handysize vessels to serve certain clients on a chartered-in basis
- Additional vessels will allow us to further leverage our differentiated business model to improve fleet utilization and TCE returns
- Expanded fleet will give us scale and capacity to grow presence with new and existing customers
- Additional opportunity for synergies within our Ports and Terminals division

### Strengthening dry bulk operations team

- Addition of highly experienced team of dry bulk professionals will provide experience and create platform for future growth

## Number of Owned Ships by Class

*Numbers of Ships*




## SSI Handymax Dry Bulk Fleet

| Vessel | DWT | Year | Vessel | DWT | Year |
|---|---|---|---|---|---|
| Strategic Fortitude | 37.829 | 2016 | Strategic Alliance | 39,850 | 2014 |
| Strategic Resolve | 38,853 | 2015 | Strategic Unity | 39,850 | 2014 |
| Strategic Entity | 39,856 | 2015 | Strategic Synergy | 39,865 | 2014 |
| Strategic Explorer | 39,856 | 2015 | Strategic Savannah | 35,542 | 2013 |
| Strategic Venture | 39,850 | 2014 | Strategic Tenacity | 36,851 | 2012 |
| Strategic Equity | 39,850 | 2014 | Strategic Spirit | 37,137 | 2012 |
| Strategic Harmony | 39,879 | 2014 | Strategic Vision | 37,137 | 2012 |
| Strategic Endeavor | 33,013 | 2010 | | | |

# SSI Fleet Merger: Executing differentiated value creation strategy

Fleet combination is consistent with key shareholder value creation objectives

| Integrated shipping-logistics model | High fleet utilization | Organic Investment | Inorganic investment | Return of capital | Balance sheet optionality |
|---|---|---|---|---|---|
| **Expands scale of cargo solutions to support customer supply chains in the handysize segment** | **Utilize chartered in fleet to arbitrage vessel positions and provide more revenue days** | Purchase vessels in support of existing long-term COA's to maximize returns | Expand capabilities to offer cargo movement beyond ocean transportation | **Sustain consistent dividend approach, not a payout formula** | **Promote historical lending relationships, sustainable business plan, and consistent performance to secure favorable lending terms** |
| **A fully integrated service offering from Handy to Post Panamax** | | **Expand owned fleet for growth using our unique business model** | Acquire logistics companies to grow in logistics sector | **Conserve capital for fleet renewal and opportunistic growth** | **Maintain low net leverage and substantial free cash generation to provide flexibility in financing growth projects** |
| **Additional volume and margin to ocean freight offerings** | | Apply consistent approach to expand and renew fleet | | **Compensate for volatility of dry bulk market by maintaining reasonable leverage** | |

Improved growth opportunities through scaled integration with shipping-logistics model

Improving breadth of owned fleet improves overall utilization and ability to arbitrage vessel positions

All-stock transaction protects consistent dividend program, preserves liquidity and minimizes financial leverage

Addressed through SSI fleet combination

# Macro Shipping Outlook

Focused on providing comprehensive logistics solutions with targeted dry bulks

## Near Term Outlook
(2Q25 & 3Q25)

- Significant US Infrastructure spending is expected to continue, creating favorable tailwinds for construction related raw materials.
- US trade policy uncertainty may create volatility in market prices and trade patterns for commodities but demand remains resilient.

## Medium Term Outlook
(Full-Year 2025)

- Global dry bulk fleet growth is expected to remain limited amid limited new-building activity
- Trade disruptions resulting from geopolitical tensions are expected to increase could create opportunities as trade looks to avoid regions of turmoil
- Current risk to medium-term rate improvement is a more pronounced global recession

## Long-Term Outlook
(2026 - 2027)

- Clarity in emissions free fuel alternatives creates opportunity for fleet renewal and niche offerings
- Supply chain reorganizations provide the opportunity for the Company to grow its logistics offerings with new and existing customers
- Emissions regulations will continue to put pressure on markets as fleets age amid limited new and compliant vessels are built

# Value Creation Strategy

Durable business model insulated from macro volatility – focused on deploying capital to drive above-sector growth

### Integrated shipping-logistics model

- Provide solutions to customer supply chain issues
- More efficient, lower total cost of delivery for customer
- Adds volume and margins to PANL ocean freight offerings

### High fleet utilization

- Utilize chartered in fleet to arbitrage vessel positions and provide more revenue days

### Organic investment

- Expand capabilities to offer cargo movement beyond ocean transportation
- Expand owned fleet for growth using our unique business plan
- Apply consistent approach to expand and renew fleet

### Inorganic investment

- Purchase vessels in support of existing long-term COAs, to maximize returns
- Acquire logistics companies to grow in logistics sector

### Return of capital

- Sustain consistent dividend approach, not a payout formula
- Conserve capital for fleet renewal and opportunistic growth
- Compensate for volatility of sector by maintaining reasonable liquidity

### Balance sheet optionality

- Promote historical lending relationships, sustainable business plan, and consistent performance to help provide favorable lending terms
- Maintain low net leverage and substantial free cash generation to provide flexibility in financing growth projects
- Consider joint ventures to help mitigate risks and create synergies

# Investment Conclusion

Small-cap growth play with stable return of capital program

- Integrated shipping-logistics model delivering consistent, above-market returns
- Positioned to benefit from tightening global supply of dry-bulk vessels amid continued demand growth
- Leading position within Ice-Class trades supports superior earned TCE rates
- Long-term cargo-based contracts provide multi-year demand visibility
- Focused on consistently high fleet utilization to drive operating leverage
- On-shore logistics offering provides significant, incremental revenue opportunities
- Disciplined capital allocation strategy
- Significant balance sheet optionality to pursue growth, low net leverage

# Appendix

# Selected Balance Sheet Data

*(in thousands,may not foot due to rounding)*

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| Current Assets | | |
| Cash and cash equivalents | $ 63,949 | $ 86,805 |
| Accounts receivable, net | 47,915 | 42,371 |
| Other current assets | 64,039 | 62,818 |
| Total current assets | $ 175,903 | $ 191,994 |
| | | |
| Fixed assets, including finance lease right of use assets, net | 733,692 | 736,598 |
| Goodwill | 3,105 | 3,105 |
| Other Non-current Assets | 5,290 | 4,761 |
| **Total assets** | $ 917,989 | $ 936,457 |
| | | |
| Current liabilities | | |
| Accounts payable, accrued expenses and other current liabilities | $ 43,847 | $ 47,763 |
| Current portion long-term debt and finance lease liabilities | 44,811 | 44,687 |
| Other current liabilities | 20,339 | 16,658 |
| **Total current liabilties** | 108,997 | 109,108 |
| | | |
| Secured long-term debt and finance lease liabilities, net | 341,839 | 352,685 |
| | | |
| Total Pangaea Logistics Solutions Ltd. equity | 420,803 | 427,822 |
| Non-controlling interests | 46,350 | 46,843 |
| Total stockholders' equity | 467,153 | 474,664 |
| **Total liabilities and stockholders' equity** | $ 917,989 | $ 936,457 |

# Selected Income Statement Data

| *(in thousands,may not foot due to rounding)* | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Revenues: | | |
| Voyage revenue | $ 109,660 | $ 87,291 |
| Charter revenue | 9,993 | 15,031 |
| Terminal & stevedore revenue | 3,149 | 2,427 |
| Total revenue | 122,802 | 104,749 |
| Expenses: | | |
| Voyage expense | 60,307 | 37,115 |
| Charter hire expense | 17,641 | 27,143 |
| Vessel operating expenses | 22,178 | 12,669 |
| Terminal Expenses | 2,551 | 2,079 |
| General and administrative | 7,274 | 7,278 |
| Depreciation and amortization | 9,923 | 7,436 |
| Total expenses | 119,875 | 93,720 |
| | | |
| Income from operations | 2,926 | 11,028 |
| | | |
| Total other expense, net | (5,125) | 1,638 |
| Net income | (2,199) | 12,666 |
| Income attributable to noncontrolling interests | 218 | (991) |
| Net income attributable to Pangaea Logistics Solutions Ltd. | $ (1,981) | $ 11,674 |
| | | |
| Adjusted EBITDA (1) | $ 14,774 | $ 19,947 |

Adjusted EBITDA represents net income (or loss), determined in accordance with U.S. GAAP, excluding interest expense, interest income, income taxes, depreciation and amortization, loss on impairment, loss on sale and leaseback of vessels, share-based compensation, other non-operating income and/or expense, and other non-recurring items, if any.

# Reconciliation of Non-GAAP Measures

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2024 |
|---|---|---|
| ***Net Transportation and Service Revenue*** | | |
| **Gross Profit** | **$ 10,228,418** | **$ 18,333,600** |
| Add: | | |
| Vessel Depreciation and amortization | 9,896,013 | 7,408,995 |
| **Net transportation and service revenue** | **$ 20,124,431** | **$ 25,742,595** |
| | | |
| ***Adjusted EBITDA*** | | |
| **Net (loss) income** | **$ (2,198,674)** | **$ 12,665,634** |
| Interest expense, net | 5,701,566 | 2,975,646 |
| Income (loss) attributable to Non-controlling interest recorded as long-term liability interest expense | — | 815,102 |
| Depreciation and amortization | 9,923,492 | 7,436,473 |
| **EBITDA** | **$ 13,426,384** | **$ 23,892,855** |
| Non-GAAP Adjustments: | | |
| Share-based compensation | 1,531,600 | 1,138,677 |
| Unrealized (gain) loss on derivative instruments, net | (183,540) | (5,084,339) |
| **Adjusted EBITDA** | **$ 14,774,444** | **$ 19,947,193** |

# Reconciliation of Non-GAAP Measures

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2024 |
|---|---|---|
| **Earnings Per Common Share** | | |
| **Net income attributable to Pangaea Logistics Solutions Ltd.** | $ (1,980,877) | $ 11,674,176 |
| | | |
| Weighted average number of common shares - basic | 63,851,090 | 45,214,519 |
| Weighted average number of common shares - diluted | 63,851,090 | 45,914,772 |
| | | |
| Earnings per common share - basic | (0.03) | 0.26 |
| Earnings per common share - diluted | (0.03) | 0.25 |
| | | |
| **Adjusted EPS** | | |
| **Net income attributable to Pangaea Logistics Solutions Ltd.** | **$ (1,980,877)** | **$ 11,674,176** |
| Non-GAAP | | |
| Add: | | |
| Unrealized (gain) loss on derivative instruments, net | (183,540) | (5,084,339) |
| **Non-GAAP adjusted net income attributable to Pangaea Logistics Solutions Ltd.** | (2,164,417) | 6,589,837 |
| | | |
| Weighted average number of common shares - basic | 63,851,090 | 45,214,519 |
| Weighted average number of common shares - diluted | 63,851,090 | 45,914,772 |
| | | |
| **Adjusted EPS - basic** | $ (0.03) | $ 0.15 |
| **Adjusted EPS - diluted** | $ (0.03) | $ 0.14 |