Safe Bulkers More Than Doubles Third-Quarter Net Income to $39.0 Million, Raises Dividend 20% as Fleet Renewal Advances

Q&A with Dr. Loukas Barmparis, President of Safe Bulkers

Safe Bulkers, Inc. (NYSE/Euronext Athens: SB), an international provider of marine drybulk transportation services, reported net income of $39.0 million for the third quarter ended September 30, 2026, more than double the $17.8 million earned a year earlier, as improved charter market conditions drove higher revenues.

Net revenues rose 25% to $91.0 million from $73.1 million, and the average daily time charter equivalent (TCE) rate climbed to $21,235 from $15,507. Adjusted EBITDA increased to $53.8 million from $36.1 million, and adjusted earnings per share more than doubled to $0.31 from $0.12. For the first nine months of 2026, net income reached $96.3 million, compared with $26.7 million a year earlier, and adjusted earnings per share were $0.77, compared with $0.18.

The Board of Directors declared a quarterly common dividend of $0.09 per share, a 20% increase from $0.075 in the prior quarter, payable on December 9, 2026 to shareholders of record on November 25, 2026. As of October 30, 2026, Safe Bulkers operated 46 vessels with an average age of 9.8 years and had eight newbuildings on order for delivery through 2029.

Below is a Q&A with Dr. Loukas Barmparis, President of Safe Bulkers, on the company's financial performance, capital returns, fleet strategy, balance sheet and market outlook.

Third Quarter 2026 Press Release
Third Quarter 2026 Presentation
Third Quarter 2026 Webcast

1. Net income more than doubled in the third quarter. What drove the improvement?

The charter market improved, and our fleet was positioned to benefit. Our average daily TCE rate rose 37% to $21,235 from $15,507, net revenues increased 25% to $91.0 million and adjusted EBITDA reached $53.8 million, up from $36.1 million. Scrubber-fitted vessels added to earnings, and our Phase 3 newbuildings and environmentally upgraded vessels command a premium to the index.

Financing costs also came down. Interest expense fell to $5.9 million from $7.6 million as our weighted average interest rate declined to 5.10% from 5.65%. Daily vessel operating expenses excluding dry-docking and pre-delivery costs were $5,256, up 4% from a year earlier. Net income rose to $39.0 million, and adjusted EPS rose to $0.31 from $0.12.

2. You raised the dividend to $0.09 per share. How do you balance shareholder returns with investment in the fleet?

We do both. This is our 20th consecutive quarterly dividend, and the increase to $0.09 from $0.075 is supported by operating cash flow. Since 2022, we have paid $109 million in common dividends and $78 million to repurchase our shares, and our 10-million-share repurchase program remains active.

At the same time, our free cash flow continues to fund our newbuilding program, and we remain committed to directing a substantial portion of our cash flow to it. Future dividends remain at the Board's

discretion and will depend on earnings, fleet employment, liquidity, capital requirements, fleet renewal and market conditions.

3. How are you approaching fleet renewal and expansion?

We renew with purpose. Since 2021, we have ordered 24 IMO Phase 3 newbuildings and taken delivery of 16, most recently Kypros Island, our first methanol dual-fuel vessel, in October. These deliveries have allowed us to sell 19 older vessels, including three in 2026. Eight newbuildings remain on order through 2029.

We have the liquidity to act on secondhand vessels when the price makes sense, and we are in no hurry to pay today's newbuilding prices..

4. Your fleet averages 9.8 years. What does that mean for operating performance?

At 9.8 years, our fleet is more than two years younger than the 12.5-year global dry bulk average. Our 16 Phase 3 newbuildings are about 30% more efficient, which lowers fuel consumption. Meanwhile, about 30% of the global fleet is more than 15 years old and faces higher repair and maintenance costs, additional inspections and restrictions.

Dry-docking timing still moves our quarterly costs. The third quarter included three fully completed dry-dockings, and we expect 66 downtime days in the fourth quarter and 86 in the first quarter of 2027 for scheduled repairs and upgrades.

5. What makes your eight newbuildings attractive, and how do you view current prices?

The orderbook consists of seven Kamsarmax vessels, one of them a methanol dual-fuel ship due in the first quarter of 2027, and one Capesize. Two Kamsarmaxes deliver in 2027, one in 2028 and four in 2029, with the Capesize delivering in 2029. The Kamsarmaxes are sister vessels to ships already in our fleet.

We ordered all eight at prices well below what shipyards ask today, and new orders now deliver only in 2030 or 2031 at very high prices. As of October 30, we had paid $61.2 million and had $219.8 million of remaining capital expenditure for the Kamsarmaxes. The Capesize is financed through a finance lease.

6. At September 30, Safe Bulkers reported $318.9 million in total cash. How will you use your financial flexibility?

At September 30, we held $318.9 million in cash, time deposits and restricted cash and had $195.8 million of undrawn revolving credit capacity, for combined cash and undrawn borrowing capacity of $514.7 million. Together with $183.0 million of contracted revenue, our combined liquidity resources and contracted revenue totaled approximately $698 million, providing us with firepower and visibility of cash flows. Consolidated leverage was approximately 29%, and net debt per vessel was $5.3 million, compared with $8.0 million at the end of the second quarter.

We are keeping a good part of our liquidity for newbuilding installments while retaining flexibility around future financing decisions, secondhand acquisitions and shareholder returns. By October 30, consolidated debt had declined to $526.0 million before deferred financing costs. In the coming months, we will decide

whether to refinance our €100 million, 2.95% unsecured bond, which matures in February 2027, or rely on ordinary bank financing.

7. How do your environmental investments benefit operations and profitability?

Efficiency is a commercial advantage as well as an environmental one. Our fleet's Carbon Intensity Indicator (CII) has improved 22% since 2021; none of our vessels received an E rating in the reported 2023–2025 CII assessments, and environmental upgrades have improved the efficiency of existing vessels by about 10%.

We also operate 19 scrubber-fitted vessels, including all seven of our Capesizes, which earn additional income under charters that pay variable consideration based on bunker consumption. On the financing side, our two new sustainability-linked facilities, $60 million in July and $50 million in October, adjust loan interest margins based on independently verified fleet carbon intensity performance against annual targets.

8. What is your outlook for the dry bulk market heading into 2027?

The market is healthy today, and we are optimistic for the following months. Capesize spot rates are about $38k per day and Kamsarmax rates about $19k per day. Capesizes are fixing well over $30k for 2027, and in September we fixed a vessel opening in January 2027 at $37,500 per day, plus a scrubber premium, for 12 to 15 months. For our Kamsarmaxes the charter market currently pays more than the longer employment periods, so we prefer fixing for a few months to a year.

Beyond the next few quarters, visibility is limited, and we stay measured. The BIMCO scenarios forecast 2027 fleet supply growth of 3% to 4% if the Strait of Hormuz remains closed and 4% to 5% if it reopens, against demand growth of 0.5% to 2.5% and 1.5% to 3.5%, respectively. The orderbook is about 15.4% of the fleet, and only about 10% of it can use alternative fuels. China, with GDP growth forecast at 4.5% in 2026 and 4% in 2027, remains the swing factor, while India, forecast at 7%, is the fastest-growing major economy.

Our seven Capesizes are on period charters at an average of $24,692 per day with 1.4 years remaining. With about 19% of our 2027 ownership days contracted, most of next year remains open to the market.

9. Safe Bulkers is the first shipping company with common stock on both the NYSE and Euronext Athens. What has the listing delivered?

We listed on Euronext Athens in June 2026 and remain primarily listed on the NYSE. In September, we placed 12 million new shares with selected European institutional investors through an accelerated bookbuilding at €6.70 per share, raising €80.4 million in gross proceeds. The placement targets a gradual diversification of our investor base, strengthened our balance sheet and liquidity, and supports our goal of gradually improving liquidity in our shares in Europe.

We had 113.8 million shares outstanding as of October 30, and management ownership of about 44% keeps our interests aligned with those of our public shareholders. Dividends are declared in U.S. dollars with the same record date on both exchanges. For the current dividend, the record date is November 25, with an ex-dividend date of November 25 on the NYSE and November 24 on Euronext Athens.

10. What should investors watch over the next several quarters?

Our priorities are straightforward: execute on our fleet renewal plan, protect the balance sheet, build resiliency in our business operations and long-term value for our shareholders. We follow closely the market and the underlying supply-demand balance, developments in China, fleet growth and the orderbook. Equally important is our focus on lean operations, in our effort to translate market conditions into operational performance and free cash flow, while maintaining disciplined capital allocation and supporting long-term competitiveness.

About Safe Bulkers, Inc.

The Company is an international provider of marine drybulk transportation services, transporting bulk cargoes, particularly coal, grain and iron ore, along worldwide shipping routes for some of the world's largest users of marine drybulk transportation services. The Company's common stock is dual-listed on the NYSE and Euronext Athens, trading under the symbol "SB". The Company's Series C and Series D preferred shares are listed on the NYSE under the symbols "SB.PR.C" and "SB.PR.D", respectively.

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