



## Pioneer Marine Inc. Announces Financial Results for the Year Ended December 31, 2021

MAJURO, MARSHALL ISLANDS -- (GlobeNewswire – August 3, 2022) – Pioneer Marine Inc. and its subsidiaries (OSLO-OTC: PNRM) ("Pioneer Marine," or the "Company") a global drybulk handysize transportation service provider announced its financial and operating results for the year ended December 31, 2021.

### Financial Highlights at a glance:

	Year ended 2021	Year ended 2020
Net Income / (loss)	\$2.7 million	(\$14.5) million
Adjusted Net Income / (loss)	\$3.4 million	(\$2.8) million
EBITDA	\$7.6 million	(\$3.3) million
Adjusted EBITDA*	\$8.5 million	\$8.4 million

**Executive Management commented:** “2021 up to early 2022 was a transformative year for Pioneer Marine. We worked diligently to give effect of the Company’s shareholders decision to dispose the owned fleet together with the management companies of the Group. Despite the adverse circumstances and difficulties presented from the COVID pandemic, we managed to successfully complete this project while at the same time protecting shareholders’ interest.

“Going forward, the Company leads to a new era as we are focusing on available opportunities of expansion in maintaining high environmental standards. Green and sustainable shipping is our main area of interest. “

### Developments throughout the Year ended December 31, 2021, to date:

On June 23, 2021, a special meeting of the shareholders was held where it was resolved that all or substantially all of the assets of the Company will be disposed – the assets consisting of the vessels and/or their vessel owning subsidiaries.

On September 30, 2021, the Company signed a share purchase agreement with Pioneer Shipholding Co. for the sale of 100% of the shares of its wholly owned management subsidiaries, namely Pioneer Marine Hellas S.A., Pioneer Chartering S.A. and Pioneer Marine Advisers Pte Ltd. Pioneer Shipholding Co. is a related company controlled by Mr. Papoulis (CEO of Pioneer Marine Inc.) and Mrs. Tapaktsoglou (CFO/Director of Pioneer Marine Inc).

\*For reconciliation and definition of EBITDA/Adjusted EBITDA refer to “Summary of Operating Data (unaudited)” section within this press release.

**Developments throughout the Year ended December 31, 2021, to date - continued:**

Further, on March 14, 2022, Mr. Papoulis and Mrs. Tapaktoglou, through an entity owned by them, acquired the majority stake of Pioneer Marine (i.e., 21,015,384 shares) from the controlling shareholder of the Company.

The Company successfully completed thirteen vessels' disposals during the year ended December 31, 2021, resulting in total net proceeds of \$126.4 million. Finally, on February 22, 2022, the disposal of M/V Resolute Bay, the last vessel of the fleet, was completed, providing additional liquidity to the Company of \$13.8 million.

Following the M/V Resolute Bay disposal, the Board of directors of the Company declared a final cash dividend of \$0.641 per share of common stock paid on March 4, 2022.

**Dividends Distribution historical data:**

Following relevant declarations, by the Board of Directors of the Company below dividends were distributed up to Q1 2022:

<b><u>Declaration date</u></b>	<b><u>US\$ per share</u></b>	<b><u>'000 US\$- total</u></b>
September 2018	\$0.91	\$24,854
December 2019	\$0.40	\$10,185
March 2020	\$0.30	\$7,639
April 14, 2021	\$0.98	\$24,954
May 24, 2021	\$0.31	\$7,894
June 29, 2021	\$0.35	\$8,912
July 30, 2021	\$0.75	\$19,098
November 1, 2021	\$1.40	\$35,649
March 2022	\$0.64	\$16,296
<b><u>Total Dividend Distributions</u></b>	<b><u>\$6.04</u></b>	<b><u>\$155,478</u></b>

**Cash Flow Review: Year ended December 31, 2021.**

Cash and cash equivalent, decreased by \$22.8 million as of December 31, 2021, and amounted to \$2.6 million as compared to \$25.4 million as of December 31, 2020.

The decrease is attributable to cash used in financing activities of \$157.6 million partially offset with \$8.7 million by cash provided by operating activities and \$126.1 million cash provided by investing activities.

Cash flow activities highlights during the year include:

- \$126.4 million cash inflow from vessels disposal completed within the year.
- \$61.2 million repayments and prepayments due to vessels sale of loans and
- \$96.5 million dividend distribution to Company's shareholders

### Summary of Operating Data (unaudited)

	Year ended December 31, 2021	Year ended December 31, 2020
Revenue, net	27,200	40,466
Voyage expenses	(920)	(4,234)
<b>Time charter equivalent revenue</b>	<b>26,280</b>	<b>36,232</b>
Commercial revenue fee	416	418
<b>Total</b>	<b>26,696</b>	<b>36,650</b>
Vessel operating expense	(12,251)	(24,303)
Drydock expense	(708)	(31)
Charter hire expenses	(2,218)	-
Depreciation expense	(3,550)	(7,848)
General and administration expense	(2,880)	(3,436)
Gain on contract termination	-	1,000
Gain / (loss) on vessel disposal	8,888	(956)
Gain on disposed subsidiaries	63	-
Impairment charge	(9,028)	(11,496)
Write off inventory	-	(257)
Interest expense and finance cost	(1,308)	(3,205)
Interest income	1	41
Other expenses and taxes, net	(1,050)	(689)
<b>Net Income / (loss)</b>	<b>2,655</b>	<b>(14,530)</b>
Add / Less: Loss / (Gain) on vessel disposition	(8,888)	956
Add: Drydock expense	708	31
Add: Write off inventory	-	257
Add: impairment loss	9,028	11,496
Less: Gain on disposed subsidiaries	(63)	-
Less: Gain on contract termination	-	(1,000)
<b>Adjusted net Income/(loss) <sup>(2)</sup></b>	<b>3,440</b>	<b>(2,790)</b>
<b>Net Income / (loss) per share, basic and diluted</b>	<b>0.10</b>	<b>(0.57)</b>
<b>Adjusted net income/ (loss) per share, basic and diluted <sup>(2)</sup></b>	<b>0.14</b>	<b>(0.11)</b>
Net (loss) / Income	2,655	(14,530)
Depreciation expense	3,550	7,848
Interest expense and finance cost, net	1,308	3,205
Other taxes	170	223
Interest income	(1)	(41)
<b>EBITDA <sup>(1)</sup></b>	<b>7,682</b>	<b>(3,295)</b>
Gain / (loss) on vessel disposal	(8,888)	956
Gain on disposed subsidiaries	(63)	-
Gain on contract termination	-	(1,000)
Write off inventory	-	257
Impairment charge	9,028	11,496
Drydock expense	708	31
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>8,467</b>	<b>8,445</b>

(1) Adjusted EBITDA represents net income/(loss) before interest, other taxes, depreciation and amortization, drydock expense, gain/(loss) on vessel disposition, impairment and loss on debt extinguishment and is used as a supplemental financial measure by management to assess our financial and operating performance. We believe that Adjusted EBITDA assists our management and investors by increasing the comparability of our performance from period to period. We believe that including Adjusted EBITDA as a financial and operating measure benefits investor in selecting between investing in us and other investment alternatives. Adjusted EBITDA does not represent and should not be considered as an alternative to net income/(loss) or cash flow from operations, as determined by United States generally accepted accounting principles, or U.S. GAAP, and our calculation of Adjusted EBITDA may not be comparable to that reported by other companies.

(2) Adjusted net income/(loss) and related per share amounts is not a measure prepared in accordance with U.S. GAAP and should not be used in isolation or substitution of Company's results

**Condensed Consolidated Balance Sheets (Unaudited)**

(In thousands of U.S. Dollars)

<b>As at</b>	<b>December 31, 2021</b>	<b>December 31, 2020</b>
<b>ASSETS</b>		
Cash & cash equivalents	2,576	16,662
Restricted cash (current and noncurrent)	-	8,771
Vessels, net	7,020	137,233
Other fixed assets	-	33
Other receivables	1,170	6,087
<b>Total assets</b>	<b>10,766</b>	<b>168,786</b>
<b>LIABILITIES AND EQUITY</b>		
Accounts payable and accrued liabilities	841	3,336
Other liabilities (current and noncurrent)	-	218
Deferred revenue	69	783
Total debt, net of deferred finance costs	-	60,741
<b>Total liabilities</b>	<b>910</b>	<b>65,078</b>
Shareholders' equity	9,856	103,708
<b>Total liabilities and shareholders' equity</b>	<b>10,766</b>	<b>168,786</b>

**Condensed Consolidated Statement of Cash Flows (Unaudited)**

(In thousands of U.S. Dollars)

	Year Ended December 31, 2021	Year Ended December 31, 2020
<b>Cash flows from operating activities</b>		
Net Income/(loss)	2,655	(14,530)
Adjustments to reconcile net income / (loss) to net cash provided by operating activities:		
Depreciation expense	3,550	7,848
Amortization of deferred finance fees	421	436
Gain on contract termination	-	(1,000)
Gain on disposed subsidiaries	(63)	-
Write off of other receivable	52	-
Write off inventory	-	257
(Gain)/loss on vessel disposal	(8,888)	956
Impairment charge	9,028	11,496
Changes in operating assets and liabilities	1,939	(948)
<b>Net cash provided by operating activities</b>	<b>8,694</b>	<b>4,515</b>
<b>Cash flows from investing activities</b>		
Payments for vessel acquisition and improvements	(146)	(143)
Cash proceed from vessel sale	126,437	24,861
Cash received on contract termination	-	1,000
Deconsolidation of subsidiaries	(159)	-
Cash proceeds from disposal of subsidiaries	1	-
Purchase of other fixed assets	(14)	(12)
<b>Net cash provided by investing activities</b>	<b>126,119</b>	<b>25,706</b>
<b>Cash flows from financing activities</b>		
Loan repayments and prepayments	(61,163)	(24,418)
Payment of deferred finance fees and other loan fees	-	(50)
Dividends paid	(96,507)	(7,639)
<b>Net cash used in financing activities</b>	<b>(157,670)</b>	<b>(32,107)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(22,857)</b>	<b>(1,886)</b>
Cash and cash equivalents and Restricted cash at the beginning of the year	25,433	27,319
<b>Cash and cash equivalents and Restricted cash at year end</b>	<b>2,576</b>	<b>25,433</b>

## **About Pioneer Marine Inc.**

Pioneer Marine is a global drybulk handysize transportation service provider.

## **Forward-Looking Statements**

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intends," "estimate," "forecast," "project," "plan," "potential," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the failure of counterparties to fully perform their contracts with us, the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand for dry bulk vessel capacity, changes in our operating expenses, including bunker prices, drydock and insurance costs, the market for our vessels, availability of financing and refinancing, charter counterparty performance, ability to obtain financing and comply with covenants in such financing arrangements, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, vessels breakdowns and instances of off-hires and other factors.

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