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(Stock Code: 2343)

**TERMINATION OF
DISCLOSEABLE TRANSACTIONS IN RELATION TO THE
CONSTRUCTION OF TWO DUAL-FUEL METHANOL
ULTRAMAX VESSELS
AND
ACQUISITION OF TWO CONVENTIONAL NEWBUILDING ULTRAMAX
VESSELS**

Reference is made to the announcement of Pacific Basin dated 28 November 2024 (the “**Announcement**”) with respect to the discloseable transactions in relation to the construction of two units of Dual-Fuel Methanol Ultramax vessels (the “**Dual-Fuel Methanol Vessels**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, two indirect wholly-owned subsidiaries of Pacific Basin, namely Buyer A and Buyer B, entered into two shipbuilding contracts on substantially the same terms with the Joint Sellers, as the builder, for the construction of the Dual-Fuel Methanol Vessels, for an aggregate consideration of approximately US\$93 million. On an aggregate basis, the shipbuilding contracts constituted discloseable transactions for the Company under Chapter 14 of the Listing Rules.

On 16 April 2026, having considered the reasons set out in the paragraph headed “Reasons for the Transactions” below, the Previous Buyers and the Joint Sellers have mutually agreed to terminate the two shipbuilding contracts for the construction of the Dual-Fuel Methanol Vessels (the “**Termination**”). At the same time, two indirect wholly-owned subsidiaries of Pacific Basin, namely Buyer C and Buyer D, entered into two ship purchase contracts on substantially the same terms with the New Joint Sellers, for the acquisition of two units of conventional ultramax vessels (“**Vessel A**” and “**Vessel B**”, collectively the “**Vessels**”), for an aggregate consideration of approximately US\$78.4 million (the “**Acquisitions**”). It is expected that the consideration of the Vessels will be funded by the cash reserves of the Group and/or by way of bank borrowings prior to the delivery of the Vessels. Estimated delivery of each of Vessel A and Vessel B from the New Joint Sellers is expected to take place by December 2028 and within the first half of 2029, respectively. The Termination and the Acquisitions are expected to reduce the Group’s near-term capital expenditure while maintaining fleet efficiency and competitiveness.

The Board is of the view that the Termination will not have any material adverse impact on the business and financial position of the Company and the interests of its shareholders as a whole.

THE ACQUISITIONS

Each of the ship purchase contracts for the Acquisitions are not inter-conditional with each other and the principal terms thereof are set out below.

Conventional Buk Carrier vessels with approximate deadweight capacity of 64,000 dwt	Vessel A	Vessel B	Aggregate Consideration
Buyer	Buyer C	Buyer D	
Seller	New Joint Sellers	New Joint Sellers	
Consideration	US\$39.2 million	US\$39.2 million	US\$78.4 million
Payment terms of each of the Vessels	US\$9.9 million (being the amount previously paid as the first instalment under each terminated shipbuilding contract) has been credited as the first instalment under each ship purchase contract. The remaining balance of the consideration is payable as to 10% one year before the expected delivery date, 10% payable upon launching, and the remaining balance of US\$21.46 million upon delivery.		
Expected Delivery Date	By December 2028	Within the first half of 2029	
Performance Guarantees	PBVH and PBVH SG have jointly guaranteed the performance of the respective New Buyers of their entire obligations, duties and liabilities under the relevant ship purchase contracts		

BASIS OF CONSIDERATION

The consideration for each of the Vessels was determined based on the Group's requirements relating to price, technical specification and delivery schedule, and with reference to, among others, (i) prices of similar vessels available for sale in the market; (ii) sale prices of recent transactions in second-hand vessels of similar type and size; and (iii) the reputation and quality of construction and services of the New Joint Sellers. The consideration for each of the Vessels was therefore determined after arm's length negotiations between the parties on normal commercial terms.

The Directors are of the view that the above key factors are relevant and appropriate for assessing the consideration of each of Vessel A and Vessel B and that the consideration for Vessel A and Vessel B are fair and reasonable.

FUNDING OF THE CONSIDERATION

It is currently expected that the consideration of the Vessels will be funded by the Group's cash reserves and/or by way of bank borrowings prior to the delivery of the Vessels.

RELATIONSHIP WITH THE NEW JOINT SELLERS AND THEIR ULTIMATE BENEFICIAL OWNERS

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries:

- (i) The New Joint Sellers, together with their respective ultimate beneficial owners, are not connected persons of the Company and are third parties independent of the Company and connected persons of the Company;

- (ii) The principal business activities of Joint Seller 1 are the design and sale of all types of commercial vessels and offshore floating structures. Joint Seller 1 is a joint venture owned as to 51% by Imabari and 49% by Japan Marine United Corporation, respectively. Japan Marine United Corporation is owned as to (i) 20% by JFE Holdings, Inc. (a company listed on the Tokyo Stock Exchange); (ii) 20% by IHI Corporation (a company listed on the Tokyo Stock Exchange); and (iii) 60% by Imabari, respectively;
- (iii) The principal business activity of New Joint Seller 2, a wholly owned subsidiary of Imabari, is the owning of shipping vessels;
- (iv) Imabari is one of the top shipbuilding companies in the world and a leading company in Japan known for its extensive facilities and capabilities in designing and constructing of various merchant ships, including bulk carriers, offshore engineering, ship repair and maintenance, and other related services. They are also involved in the manufacture and after-sales service of marine diesel engines, ship owning, managing, and leasing. Imabari is privately owned and is the largest shipbuilding company in Japan, accounting for approximately one-third of the Japanese shipbuilding market; and
- (v) Save for the Transactions disclosed in this announcement, there were no prior transactions between the Company and the Joint Sellers or the New Joint Sellers or parties connected or otherwise associated with one another that require aggregation under Rule 14.22 of the Listing Rules.

REASONS FOR THE TRANSACTIONS

In April 2025, the International Maritime Organisation (IMO) agreed on a Net-Zero Framework (NZF) featuring greenhouse-gas pricing and fuel-intensity measures to drive the shipping industry's transitioning to green fuels. However, political divisions between member states led to an October 2025 agreement to adjourn a decision on NZF adoption by one year. Protracted renegotiations are expected, and both the timing and final shape of the NZF are unclear.

In the absence of a global mechanism such as the NZF, the economics of investing in more expensive low emission vessels and fuels are significantly weakened – especially in the fragmented, highly competitive dry bulk sector, where cargo customers are generally unwilling or unable to absorb or share the additional costs of voluntary green shipping initiatives.

Additionally, the lack of a global measure may also delay the development and scaling of marine e-fuels, while increasing near-term availability and affordability of biofuels for compliance with regional regulatory schemes such as FuelEU.

While a NZF-type global mechanism is expected to be adopted eventually and the Company remains committed to playing its part in the industry's decarbonisation journey, the Board considers it financially prudent and in the best interests of the Company and its shareholders to limit the Company's near-term investment in more higher-cost dual-fuel vessels until new regulatory commitments are in place to support such investments.

Following the Termination, the New Buyers and the New Joint Sellers subsequently agreed to enter into new ship purchase contracts for the acquisition of two Vessels incorporating the latest fuel-efficient design to be built by Imabari. This adjustment is expected to reduce the Group's near-term capital expenditure while maintaining exposure to modern, efficient tonnage.

The Company will continue investing in energy-efficiency and fuel-saving technologies and measures, while positioning itself for priority access to alternative fuels in readiness for tightening and new GHG reduction regulations to come. This proactive approach allows the Company to navigate regulatory uncertainty prudently while remaining well-positioned to capture opportunities arising in the transition to green shipping.

Against these backgrounds, the Directors consider that the terms of the ship purchase contracts for the Vessels, which were determined after arm's length negotiation, are on normal commercial terms, are fair and reasonable, and are in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

This announcement is made by the Company pursuant to Rule 14.36 of the Listing Rules, as the Termination constitutes a termination of the transaction previously announced under the Announcement.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of each of the Acquisitions, on a standalone basis, is less than 5%, each of the Acquisitions, on a standalone basis, does not constitute a discloseable transaction under the Listing Rules.

As the ship purchase contracts for the acquisition of Vessel A and Vessel B are entered into by the Group with the same counterparty (i.e. the New Joint Sellers) and are expected to complete within a 12-month period of each other, while they are not inter-conditional with each other, the Acquisitions shall be aggregated pursuant to Rule 14.22 of the Listing Rules. As the highest of the applicable percentage ratios in respect of the Acquisitions on an aggregate basis is less than 5%, the Acquisitions on an aggregate basis do not constitute a discloseable transaction and are not subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. Nevertheless, for completeness and to ensure shareholders of the Company are fully informed of the Company's latest investment activities following the Termination, the Company has included details of the Acquisitions in this announcement.

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Pacific Basin is one of the world's leading owners and operators of modern Handysize and Supramax dry bulk vessels. The Company currently operates over 250 dry bulk vessels of which 107 are owned and the rest are chartered. The Company is listed in Hong Kong, and provides a quality service to over 600 customers, with 4,300 seafarers and 412 shore-based staff in 14 offices in key locations around the world.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"Board"	the board of Directors;
"Buyer A"	Engine Shipping Limited, an indirect wholly-owned subsidiary of the Company;
"Buyer B"	Hull Shipping Limited, an indirect wholly-owned subsidiary of the Company;
"Buyer C"	Hull Two Pte. Ltd., an indirect wholly-owned subsidiary of the Company;
"Buyer D"	Hull Four Pte. Ltd., an indirect wholly-owned subsidiary of the Company;
"Company" or "Pacific Basin"	Pacific Basin Shipping Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange;
"connected person"	has the same meaning ascribed thereto under the Listing Rules;
"deadweight tonnes" or "dwt"	the weight capacity of vessels, which is the total weight (usually in metric tonnes) the ship can carry, including cargo, bunkers, water, stores, spares, crew, etc. at a specified depth of the ship in the water;
"Directors"	the directors of the Company;
"Group"	the Company and its subsidiaries;

“Imabari”	Imabari Shipbuilding Co., Ltd., a privately owned company incorporated in Japan with limited liability;
“Joint Sellers”	collectively, Joint Seller 1 and Joint Seller 2;
“Joint Seller 1”	Nihon Shipyard Co., Ltd., a company incorporated in Japan with limited liability;
“Joint Seller 2”	Imabari Shipbuilding Co., Ltd., a privately owned company incorporated in Japan with limited liability;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“New Buyers”	collectively, Buyer C and Buyer D;
“New Joint Sellers”	collectively Joint Seller 1 and New Joint Seller 2;
“New Joint Seller 2”	Giant Line Inc., S.A., a corporation organised and existing under the laws of Panama and is a wholly owned subsidiary of Imabari;
“PBVH”	PB Vessels Holding Limited, a direct wholly-owned subsidiary of the Company;
“PBVH SG”	PB Vessels Holding SG Pte. Ltd., a direct wholly-owned subsidiary of the Company;
“Previous Buyers”	collectively, Buyer A and Buyer B;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transactions”	collectively, the Termination and the Acquisitions;
“US\$”	United States Dollars, the lawful currency of the United States; and
“%”	per cent.

By Order of the Board
Pacific Basin Shipping Limited
Mok Kit Ting Kitty
Company Secretary

Hong Kong, 16 April 2026

As at the date of this announcement, the Directors of the Company are:

Executive Directors:
Martin Fruergaard and Kristian Helt

Independent Non-executive Directors:
Irene Waage Basili, Stanley Hutter Ryan, Kirsi Kyllikki Tikka, John Mackay McCulloch Williamson, Kalpana Desai, Wang Xiaojun Heather and Mats Henrik Berglund

Non-executive Directors:
Harindarpal Singh Banga and Angad Banga