



A CUSTOMER-FOCUSED PLATFORM FOR OUTPERFORMANCE & RESILIENCE



CORPORATE GOVERNANCE

Accountability

We conduct our business with high standards of corporate governance to ensure responsible direction and management of the Group and to achieve long-term sustainable value for our shareholders and other stakeholders

The Board is responsible for, among other things, the development of the Group's long-term corporate strategies and broad policies. In setting its standards, the Board considers the needs and requirements of the business, its stakeholders and the Corporate Governance Code (the "Code") as well as the Environmental, Social and Governance ("ESG") Reporting Code (the "ESG Code") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Throughout the year ended 31 December 2025, the Group has complied with all code provisions of the Code as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Group adopts all the recommended best practices under the Code except that the Group publishes a quarterly trading update, instead of quarterly financial results. The Board considers this format provides shareholders with the key information to assess the performance, financial position and prospects of the Group's business following on from the full year and interim results.

With regards to the Group's sustainability strategy and reporting, including identifying, evaluating and managing ESG-related risks, details can be found in the Company's 2025 Sustainability Report which will be available together with this Annual Report on the websites of both the Company and the Stock Exchange.

Corporate Strategy

The Company's purpose is to deliver by sea the dry bulk commodities that are essential to society in a safe and sustainable manner. Its vision is to be the leading ship owner/operator in dry bulk shipping and the first choice partner for its customers and other stakeholders. In order to achieve this long-term vision, the Company focuses on a number of strategic areas, including investment in its fleet and people, safeguarding the environment etc. More details of our strategic focus can be found in the "Strategy Delivery" section of this Annual Report.

During the year ended 31 December 2025, the Board has regularly reviewed the strategic focus of the Company. The Company ensures its staff members are well informed of its vision and strategies, its activities and performance by a number of means, including hosting town hall forums, inviting department heads or other colleagues to participate in Board meetings, regular management meetings, individual departmental meetings and internal communication via intranet.

Our ability to achieve our vision depends on the effectiveness of our people and we strive to ensure that at the point of recruitment, we select people who would most likely fit in and foster the Company's culture. In addition, the Company has developed a Code of Conduct which has to be abided by all staff. It aims to provide a psychologically and physically safe, inclusive, caring and supporting working environment, the necessary training, coaching and professional development to staff.

These forums are all important means for the Company to foster a corporate culture which aligns with the Company's strategy, purpose and value.

The Board of Directors

Board Composition and Responsibilities

As at the date of this Annual Report, the Board comprises eleven Directors, including four women. The Board consists of seven Independent Non-executive Directors (INEDs), one of whom serves as the Chairman, two Executive Directors, and two Non-executive Directors ("NEDs"). INEDs represent seven-elevenths (approximately 64%) of the Board, significantly exceeding the Listing Rules requirement that at least one-third of the Board must be independent. Biographical details of each Board member are available in the "Our Directors and Senior Management" section of this Annual Report. 

All Directors have disclosed to the Company the number and nature of offices they hold in Hong Kong or overseas listed companies or organisations, along with other significant commitments and the identity of such public companies or organisations. During the year ended 31 December 2025, all Directors dedicated sufficient time and attention to the Group's affairs. In accordance with the Company's Bye-laws, at each annual general meeting (AGM), one-third of the Directors (rounded up if the number is not a multiple of three) shall retire from office by rotation, ensuring that every Director retires at least once every three years and is eligible for re-election. In addition, any Director appointed by the Board shall hold office until the first AGM after his/her appointment and then be eligible for re-election at the AGM pursuant to the Company's Bye-laws.

An effective Board is crucial for setting the strategic direction and policies of the Company. It is achieved through a combination of fresh perspectives and a long-term understanding of shipping cycles. The following attributes are important for achieving an effective Board.

■ **Dynamic Board Composition**

A list of the Board members and their roles and functions is available on the websites of the Company and the Stock Exchange. Our Board members come from diverse business and professional backgrounds, bringing valuable experience to the Board for the best interests of the Company and its shareholders. As at the date of this Annual Report, the Board comprising eleven members

with expertise in accounting, commercial, commodities, corporate finance, merger and acquisition, financial services, legal, human resources, multi-national companies, marine technology, naval architect and shipping business. They are collectively responsible for directing and supervising the affairs of the Group.

■ **Board Nomination and Diversity**

The Nomination Committee follows the criteria and principles outlined in the Company’s Nomination Policy and the Board Diversity Policy to identify qualified candidates for Board membership. The Committee evaluates the scope and responsibility of the position and uses various channels to identify candidates, including recommendations from Board members, independent recruitment consultants and other appropriate means.

The selection criteria for Directors include, but are not limited to, the candidate’s education, qualifications, skills, knowledge, and experience that can benefit the Company’s business and development. Diversity in all aspects, such as cultural and educational background, ethnicity, gender and age, is also considered. The Nomination Committee assesses whether candidates can positively contribute to the Board’s performance. It conducts interviews with prospective candidates and makes recommendations to the Board on the individuals nominated for directorships.

During the year, the Nomination Committee engaged an independent recruitment consultant to assist in identifying and shortlisting qualified candidates for directorships. After reviewing the recommendations and conducting a comprehensive evaluation and interview process, the Nomination Committee recommended suitable candidates to the Board for consideration. Upon the Nomination Committee’s recommendation, the Board approved the appointments of Ms. Kalpana Desai and Ms. Wang Xiaojun Heather as INEDs, with both appointments became effective from 1 February 2025. Following these appointments, the Board currently comprises four women directors.

In February 2026, the Nomination Committee recommended the appointment of two NEDs following an assessment conducted in accordance with the Company’s Nomination Policy. In making the recommendation, the Committee considered the nominees’ skills, experience, independent judgement, integrity, expected time commitment, and their ability to complement the Board’s composition and diversity. The Board considered that the nomination and appointment process fair and transparent and concluded that the appointments were in the interests of the Company and its shareholders.

The Nomination Committee has reviewed the implementation and effectiveness of the Board Diversity Policy, and the Nomination Policy, and concluded that both policies are effective and appropriate for the Company.

More details on Board Diversity are also available in the Sustainability Report.

Board Skills and Experience

	Strategy & growth	International expertise	Commercial, Commodity risk management & Operations	Legal, Governance, Regulatory & Compliance	Corporate Finance, capital markets & Investor Relations	Accounting & financial management	Shipping Industry & Technology
Independent Non-executive Directors							
Irene Waage Basili	•	•	•				•
Mats H. Berglund	•	•	•		•	•	•
Stanley H. Ryan (Chairman)	•	•	•				•
Kirsi K. Tikka	•	•	•				•
John M.M. Williamson	•	•	•	•		•	
Kalpana Desai	•	•	•	•	•	•	
Wang, Xiaojun Heather	•	•	•	•			
Non-executive Directors							
Harindarpal S. Banga	•	•	•		•		•
Angad Banga	•	•	•		•		•
Executive Directors							
Martin Fruergaard (Chief Executive Officer)	•	•	•				
Kristian Helt	•	•	•				•

Board members continue to gain ESG experience through ongoing training and regular updates on ESG strategy, risks and opportunities, and are encouraged to actively participate in ESG-related discussions at Board meetings.

■ **Separate Formalised Roles for the Chairman and Chief Executive Officer (CEO)**

Our Chairman Mr. Stanley Hutter Ryan, an INED of the Company, oversees the executive team and meets regularly with the CEO to discuss the Group's operations. The Chairman is responsible for reviewing proposed plans for the Group before they are presented to the Board. His review focuses on long-term strategic matters such as capital structure and fleet growth, as well as Group operation and strategic financial matters such as effective internal control, risk assessment, levels of debt, cash flow, cash balances, capital expenditure, and accountable to shareholders.

The CEO Mr. Martin Fruergaard, an Executive Director of the Company, is responsible for the day-to-day management and execution of the Group's activities and strategic initiatives. He formulates and proposes Group strategy and policy to the Board and ensures the timely dissemination of appropriate information to the Board members, enabling their active contribution to the Group's development.

■ **Executive Directors Commitment to the Business Activities of the Group**

The Executive Directors are required to devote all of their contracted business time to the Group's business and affairs. They are not permitted to engage in any other business that competes with the Group.

■ **Role of the INEDs and NEDs**

The INEDs and NEDs play a crucial role in protecting shareholders' interests. They come from diverse business and professional backgrounds, bringing a broad range of financial, regulatory, technical and commercial expertise to the Board. Their independent, constructive and informed contributions enhance the strategic management of the Group. The INEDs and NEDs provide a long-term perspective on business development through economic and shipping cycles, offering insights that extend beyond short-term market movements.

■ **INEDs' and NED's Period of Office**

INEDs and NEDs are initially appointed for a term of three years and are subject to re-election at the annual general meeting in accordance with the Company's Bye-laws.

The Board selects INEDs based on their qualifications, experience and ability to contribute to the Group's affairs, with particular emphasis on their independent mindset and ability to constructively challenge management's view.

Although some INEDs may not have a shipping background, their familiarity with the business and the industry over the years has enabled them to manage risk effectively and bring diverse skills and perspectives to the Board. Independence from executive management is particularly crucial as the Group has no controlling shareholder.

The continuity of the INEDs provides stability to the Board's decision-making process and helps to compensate for turnover in the executive management team. The Board believes that long tenure does not compromise independence; rather, it brings significant positive qualities and enhances board dynamics, particularly for succession planning. At the same time, the Board recognises the need to balance deep knowledge with fresh ideas and perspectives. This approach is reflected in the appointment of two new INEDs in February 2025 and the redesignation of Mr. Mats Berglund as an INED in November 2025, following the Board's and Nomination Committee's assessment – confirmed by the Stock Exchange under Rule 3.13(7) – that he meets the independence criteria. The Board will continue to periodically seek new INEDs to sustain its source of independent views.

■ **Assessment of INEDs' Independence**

The Board considers that all existing INEDs provide strong independent oversight and continue to demonstrate independence. For the year ended 31 December 2025, the Company received an annual confirmation from each INED regarding their independence pursuant to Rule 3.13 of the Listing Rules. Based on these confirmations, the Board continues to consider all INEDs to be independent and to have met the independence guidelines as set out in Rule 3.13 of the Listing Rules.

Mrs. Irene Waage Basili has served the Company as an INED for over ten years since May 2014. She has confirmed her independence pursuant to Rule 3.13 of the Listing Rules. Mrs. Basili has held various executive and general management roles in shipping companies and has over 25 years of experience in the shipping industry. She possesses extensive commercial, strategic and operational experience in the dry bulk and other shipping sectors. The Board believes she can leverage her extensive shipping knowledge and experience for the Company's strategic development and provide independent views, and considers her suitably independent to carry out her duties as an INED.

Mr. Stanley H. Ryan has served the Company as an INED for over nine years since 5 July 2016. He has confirmed his independence pursuant to Rule 3.13 of the Listing Rules. Mr. Ryan has extensive executive and strategic management experience from his long career with multinational organisations, where he held senior leadership positions in global supply chain, food and agribusiness operations. He has also served in senior management and board roles in listed companies. The Board believes that Mr. Ryan can contribute his broad commercial and strategic experience to the Company and provide independent views, and considers him suitably independent to carry out his duties as an INED.

Dr. Kirsi Tikka holds a cross-directorship with Mr. Mats Berglund as they both serve on the Board and as non-executive directors at Ardmere Shipping Corporation. As each of Dr. Tikka and Mr. Berglund occupies a non-executive role in both companies and holds less than 1% of the total number of issued shares (excluding treasury shares (if any)) in both companies, the Board considers that such cross-directorship does not undermine the independence of Dr. Tikka or Mr. Berglund with respect to their directorships at the Company. Ardmere Shipping Corporation is a third party independent of the Company and its connected persons.

Directors' Continuous Professional Development

All Directors are encouraged to participate in continuous professional development to enhance their knowledge and skills as required by the Code. To assist them, the Company Secretary recommends relevant seminars, which the Company covers. The Company Secretary also identifies relevant reading materials. Each Board member has provided a record of their training, details on page 49 of this Annual Report.

All new Directors receive a comprehensive, formal and tailored induction upon their appointment to the Board. The key objective is to assist them in understanding their duties and responsibilities as Directors, the Company's business, risks, governance, and board and committee dynamics.

The Company appointed Ms. Kalpana Desai and Ms. Wang Xiaojun Heather as INEDs in February 2025. In accordance with Rule 3.09D of the Listing Rules, each of Ms. Desai and Ms. Wang had on 7 January 2025 obtained legal advice from a firm of solicitor qualified to advise on Hong Kong law as regards to the requirement under the Listing Rules that are applicable to them as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange. Each of them has confirmed that they understood their obligations as a director of a listed company.

In October 2025, the Company appointed Mr. Kristian Helt as an Executive Director. Prior to his appointment, Mr. Helt obtained legal advice on 13 October 2025 as required under Rule 3.09D of the Listing Rules and confirmed that he understood his obligations as a director of a listed company.

Dr. Harindarpal S. Banga and Mr. Angad Banga were appointed as NEDs on 16 February 2026. Each of Dr. Banga and Mr. Banga had on 13 February 2026 obtained the requisite legal advice in accordance with Rule 3.09D of the Listing Rules and confirmed that they understood the obligations as a director of a listed company.

Board Evaluation

During the year, the Board conducted a formal evaluation of its effectiveness, led by the Chairman with the support of the Company Secretary and facilitated by external provider on board effectiveness. The evaluation was conducted by way of a structured questionnaire completed confidentially by each Director with a series of workshops, with the aim of assessing the Board's performance and identifying opportunities for continuous improvement, thereby enhancing the Board's effectiveness.

The Board considers that it operated effectively during the year. Its composition, size and structure remain appropriate to the Group's business needs, reflecting a diversity of perspectives and a desirable combination of skills and experience. The evaluation further included an analysis of the effectiveness of board practices, and the Board's oversight of strategic direction, risk management, and ESG initiatives. The evaluation also covered the performance of the Board Committees and individual Directors. Areas identified for further enhancement are being followed up through agreed actions and will continue to be monitored as part of the Board's ongoing commitment to effective governance and continuous improvement.

The Board and its members' responsibilities

The Board is accountable to the shareholders of the Company, and its primary responsibilities are to:

- Develop the Group's long-term corporate strategies and broad policies
- Approve budgets and business plans
- Approve acquisition or disposal of investments and assets, in particular those that require shareholders' notification and/or approval under the Listing Rules
- Lead corporate governance and sustainability
- Oversee the management of the Group, including the design, implementation, and monitoring of the risk management, internal controls and sustainability management systems
- Prepare accounts and financial statements of the Group
- Monitor the Group's operating and financial performance
- Assess the achievement of targets set by the Board periodically
- Oversee matters that may involve a conflict of interest of a substantial shareholder or a Director
- Review and monitor the training and continuous professional development of the Board and senior management

The Board delegates certain responsibilities to Board Committees as outlined below. Executive Directors are authorised to oversee the Group's business operations, implement Board strategies and make day-to-day operating decisions.

The Company adopts a diverse approach to Board composition enhancing perspectives and independence. The Chairman meets with the INEDs at least once a year without the presence of other Directors or management to facilitate open expression of views. Directors are free to engage external independent professional advisers, at the Company's expense, to assist in discharging their duties, including identifying suitable director candidates. They may also invite staff members to attend meetings or engage with them directly for information as needed.

The Nomination Committee annually reviews the implementation and effectiveness of these mechanisms and make recommendations for changes to the Board, where appropriate.

Board Committees

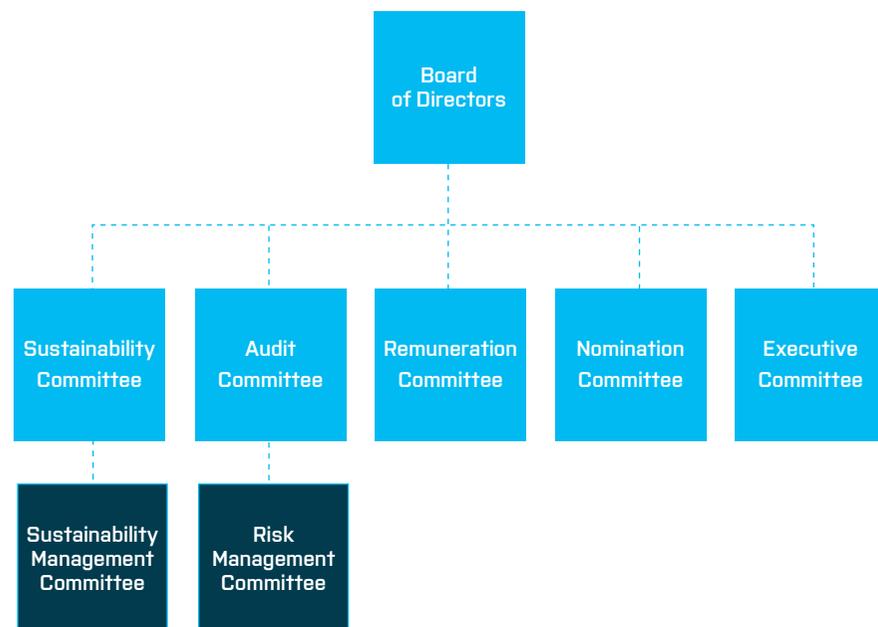
The Board has established the Audit, Remuneration and Nomination Committees in accordance with the Code. The terms of reference of these Board Committees are available on the Company’s website and the Stock Exchange’s website.

The Board elevated board-level oversight of sustainability from our Audit Committee to a Sustainability Committee established in January 2024, currently comprising Ms. Kalpana Desai, Mr. Mats Berglund and chaired by Dr. Kirsi Tikka. The Board also operates through an Executive Committee to streamline the decision-making process of the Company in certain circumstances.

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Sustainability > Board & Board Committees

Decisions made by the Board and the Board Committees are based on detailed analyses prepared by the management which include:

- (i) monthly operations performance analysis;
- (ii) periodic asset investment and divestment proposals;
- (iii) periodic proposals on financing and capital structure; and
- (iv) periodic Board meetings to evaluate management’s strategic priorities.



Board, Board Committee and General Meetings in 2025

The meetings schedule for the Directors and Board Committees is planned a year in advance to facilitate participation by all members. The Board holds five regular meetings annually, focusing on business strategy, operational issues and financial performance. Additional meetings are called as and when necessary.

The Board met in total on twelve occasions during the year which included seven additional meetings to address geopolitical issues, trade and tariffs regulations and Board composition. The attendance of each Director at Board meetings, Board Committee meetings and the general meeting is detailed below.

Meetings held in 2025

	Annual General Meeting	Board Meeting	Audit ⁷ Committee	Remuneration Committee	Nomination Committee	Sustainability Committee	Training [#]
Executive Directors							
Martin Fruergaard (Chief Executive Officer)	1	12/12					√
Kristian Helt ¹		3/3					
Non-executive Directors							
Alexander H.Y.K. Cheung ²	1	9/9	3/3	3/3			√
Mats H. Berglund ³	0	12/12			4/4	3/3	√
Independent Non-executive Directors							
Irene Waage Basili	0	12/12		4/4	4/4		√
Stanley H. Ryan (Chairman)	1	12/12		4/4	4/4		√
Kirsi K. Tikka ⁴	1	12/12	1/1		4/4	3/3	√
John M.M. Williamson ⁵	1	12/12	4/4				√
Kalpana Desai	0	12/12	4/4			3/3	√
Wang Xiaojun Heather ⁶	1	12/12		1/1		3/3	√
Total number of meetings held in 2025	1	12	4	4	4	3	

¹ Mr. Helt was appointed as Executive Director on 13 October 2025

² Mr. Cheung resigned as Non-executive Director and stepped down as a member of the Audit Committee and the Remuneration Committee on 13 October 2025

³ Mr. Berglund was redesignated from a Non-executive Director to an INED on 21 November 2025. Following the redesignation, Mr. Berglund remained as a member of the Nomination Committee and the Sustainability Committee. On 10 December 2025, he was appointed as a member of the Remuneration Committee and stepped down as a Nomination Committee member

⁴ Dr. Tikka was appointed a member of the Audit Committee on 13 October 2025 and stepped down as a Nomination Committee member on 10 December 2025

⁵ Mr. Williamson was appointed a member of the Nomination Committee on 10 December 2025

⁶ Ms. Wang was appointed a member of the Nomination Committee and stepped down as a Sustainability Committee member on 10 December 2025

⁷ Representatives of the external auditor participated in all four Audit Committee meetings

[#] Training includes (i) continuous professional development through attending expert briefings/seminars/conferences relevant to the Company’s business or directors’ duties arranged by the Company or external organisations, and reading regulatory/corporate governance or industry related updates, and (ii) induction and familiarisation programmes attended by Directors who are newly appointed or where there is a role change

The Audit Committee

Membership

Chairman: John M.M. Williamson (INED)

Members: Kalpana Desai (INED), Kirsi K. Tikka (INED, appointed in October 2025), Alexandre F.A. Emery (INED, stepped down in January 2025) and Alexander H.Y.K. Cheung (INED, stepped down in October 2025)

Main Responsibilities

1. Oversee the financial reporting process and review the financial statements to ensure the balance, transparency and integrity of published financial information.
2. Review the adequacy and effectiveness of the Group's financial controls, internal controls and risk management systems, and report to the Board on the conclusion of the review.
3. Review the work of the Risk Management Committee.
4. Review the significant accounting principles adopted by the Group and other financial reporting matters.
5. Review the Group's process of monitoring compliance with the laws and regulations affecting financial reporting.
6. Develop and review the Company's policies and practices on corporate governance in compliance with the Code and make recommendations to the Board.
7. Review the independent audit process and the effectiveness of the risk management and internal audit function.
8. Make recommendations to the Board on the appointment, reappointment and removal, remuneration and terms of engagement of the external auditors and other non-audit services.
9. Review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards.

Work Done in 2025

The Audit Committee held four meetings during the year, all of which were joined by representatives of the Company's external auditor, and the work undertaken included the following:

- review and discussion of the external auditor's Audit Committee Report in respect of the 2024 full year audit and the 2025 interim review and the audit strategy memorandum;
- review of the 2024 Annual Report and accounts and the 2025 interim report and accounts with a recommendation to the Board for approval;
- review of the Risk Management Committee reports including enterprise risk assessment, the internal audit work plan for 2025, the internal controls testing results and the effectiveness of the risk management and internal control systems and function of the Group;
- review of the adequacy of resources, staff qualifications and experience, training programmes and budget of the accounting, internal audit and financial reporting functions;
- review the Group's policies and procedures on corporate governance and make recommendations to the Board on compliance with the CG Code on disclosure requirements;
- review and discussion of external auditor appointment and remuneration matters, as well as its independence; and
- review of the adequacy of the Group's marine-related and other insurance coverages.

During the year, the Audit Committee met with the external auditor once in the absence of management.

The Remuneration Committee

Membership

Chairman: Irene Waage Basili (INED)

Members: Stanley H. Ryan (INED), Wang Xiaojun Heather (INED, appointed in February 2025), Mats H. Berglund (redesigned from NED to INED in November 2025 and appointed in December 2025), Alexandre F.A. Emery (INED, stepped down in January 2025) and Alexander H.Y.K. Cheung (INED, stepped down in October 2025)

Main Responsibilities

1. Make recommendations to the Board on the Company's remuneration policy and structure for Directors and certain higher paid employees, the desirability of performance-based remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy.
2. Determine, through authority delegated by the Board, the remuneration packages of the Executive Directors, certain selected members of management and any proposed new hire with an award of equity with reference to the Board's Corporate goals and objectives.
3. Review and make recommendations to the Board on the remuneration packages of individual Directors when considered necessary.
4. Make recommendations to the Board relating to fair (and not excessive) compensation payments and appropriate arrangements, taking into account contractual entitlements of the Directors, in the case of any loss or termination of office or appointment and dismissal or removal for misconduct.
5. Administer and oversee the Company's 2013 Share Award Scheme, 2023 Share Award Scheme and 2025 Share Award Scheme and other equity or cash-based incentive schemes of the Company in place from time to time, and review and approve the granting of share awards to any staff members of the Group.
6. Approve the disclosure statements of the Company's policy and remuneration for Directors in the Annual Report.

Work Done in 2025

The Remuneration Committee met four times during the year. Through these meetings, the work undertaken included the following:

- review and discussion of the Remuneration Policy and remuneration review cycle;
- review and approval of shareholding (holding) requirements for the CEO and CFO;
- review and discussion of the 2025 Share Award Scheme and related long-term incentive plan matters, including clawback clause, award method and vesting arrangement;
- review and discussion of the short-term incentive plan framework, benchmarking findings and the pilot scheme for senior managers, together with approval of the 2026 short-term incentive plan for the leadership team;
- review and discussion of staff feedback on 2024 bonus outcomes and the 2025 pay review;
- review and approval of the grant of restricted share awards to the Executive Director and certain staff members;
- review and discussion of the Remuneration Committee task list, including total compensation targets and INED fee benchmarking;
- review results of the 2024 Engagement Survey;
- review and discussion of the staff retention strategies;
- discussion of the 2025 Employee Survey result; and
- update on Trainee Programme.

The Nomination Committee

Membership

Chairman: Stanley H. Ryan (INED)

Members: Irene Waage Basili (INED), Wang Xiaojun Heather (INED, appointed in December 2025), John M.M. Williamson (INED, appointed in December 2025), Kirsi K. Tikka (INED, stepped down in December 2025) and Mats H. Berglund (redesignated from NED to INED in November 2025 and stepped down in December 2025)

Main Responsibilities

1. Review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board at least annually, assist the Board in maintaining a Board skills matrix, and make recommendations on any proposed changes to the Board to complement the Group's corporate strategy.
2. Report to the Board on compliance with the Stock Exchange's rules and guidelines on Board composition from time to time.
3. Review the implementation and effectiveness of the Board Diversity Policy on an annual basis and make recommendations to the Board where appropriate.
4. Identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship.
5. Assess the independence of the Company's INEDs.
6. Make recommendation to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive Officer.
7. Support the Company's regular evaluation of the Board's performance;
8. Review annually the implementation and effectiveness of mechanisms that ensures independent views and input are available to the Board, and make recommendations on proposed changes to the Board where appropriate.

Work Done in 2025

The Nomination Committee held four meetings during the year and together with e-mail communication, the work undertaken included the following:

- review of the structure, size and composition and tenure of the Board;
- recommendation to the Board for the appointment of Mr. Kristian Helt as an Executive Director;
- recommendation to the Board for the resignation of Mr. Alexander Cheung as a Non-executive Director and his appointment as an external strategic adviser to the Board;
- review of the composition of the Board Committees;
- review of the Board skills matrix and the implementation and effectiveness of the Board Diversity Policy;
- review and discussion of five-year succession and rotation plan and rotation schedule for the 2026 annual general meeting;
- review of the Board's succession plan and the strategy for INED renewal program including the redesignation of a NED as INED;
- assessment of the independence of the Company's INEDs; and
- review and consider the nomination of Board representative(s) based on nomination policy.

The Executive Committee

Membership

Chairman: Martin Fruergaard (Chief Executive Officer)

Members: Jimmy C.K. Ng (Chief Financial Officer, appointed in May 2025) and Kristian Helt (Executive Director, appointed in October 2025; formerly a senior executive)

Main Responsibilities

1. Identify and execute transactions within the parameters approved by the Board.
2. Identify and execute vessel purchase and sale transactions.
3. Identify and execute long-term charter contracts and cargo contracts with duration exceeding 5 years.
4. Identify and execute bunker physical contracts and bunker swap contracts with duration exceeding 5 years.
5. Identify and execute transactions for non-vessel marine fixed assets exceeding US\$5 million for any single unbudgeted investment/project and accumulated US\$10 million for the same investment/project over multiple vessels or multiple years.
6. Make decisions over financing and related guarantees.
7. Exercise the Company's general mandate to issue new shares or buy back shares in accordance with the parameters set by the Board and the limits approved by the shareholders.

Work Done in 2025

The Executive Committee approved and executed a range of business matters based on detailed analysis submitted by management, and the work undertaken included the following:

- execution of contracts relating to the disposal of five older smaller Handysize and three older Supramax vessels and exercise of options to purchase one Ultramax and three Handysize vessels;
- execution of a five-year Handysize vessel charter-in contract;
- execution of a new US\$250 million 7-year secured revolving credit facility offered by existing and new loan financiers;
- approval of the early repayment of two selected loan facilities to expedite vessel ownership transfer and reduce restructuring complexity and costs;
- publication of announcements related to the grant of share awards under the 2025 Share Award Scheme;
- approval of the exercise of redemption option for the convertible bonds due 2025 and the publication of the announcement on the completion of their redemption and conversion;
- publication of an announcement notifying the redesignation of Mr. Mats Berglund from the position of NED to INED with effect from 21 November 2025;
- approval of announcements notifying the adjustment to the conversion price of convertible bonds due 2025; and
- approvals of the changes in bank authorised signatories and signing authority for a cash equity bank account resulting from the resignation and subsequent appointment of the Chief Financial Officer.

Sustainability Governance

The Group's business draws on and impacts resources and relationships it relies on to create value. Its operations have an effect on the environment, its stakeholders and society, and have a bearing on the long-term sustainability of its business.

The Group's active approach to sustainability is rooted in its culture and, governed by policies and systems, is integrated into its daily business behaviour and operating practices. The Group believes that many of the responsible actions it takes – its commitment to sustainability – make it competitively stronger and enhance its financial performance, reputation and the longevity and future value of its business.

ESG metrics are increasingly used by stakeholders to analyse a business' environmental, health and safety, community and ethical impact and sustainability practices.

Sustainability is a Board Responsibility

The Board is responsible for the development of the Group's long-term corporate strategy and broad policies, taking into account the needs of the business and its stakeholders, as well as the Corporate Governance Code and the ESG Reporting Code set out in the Listing Rules of The Stock Exchange of Hong Kong Limited.

Accordingly, the Board has overall responsibility for the Group's sustainability strategy and reporting. This includes identifying, assessing and managing ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. Management provides regular confirmation to the Board on the effectiveness of these systems, and the Board reviews progress against ESG-related goals and targets on an ongoing basis.

The Board delegates more regular oversight of the Group's sustainability programme to the Sustainability Committee.

Dedicated Board-level Oversight

The Sustainability Committee comprises three Independent Non-executive Directors (INEDs) with diverse and relevant skills to provide effective oversight of ESG and climate-related risks and opportunities. Appointed by the Board, the Committee assists the Board by overseeing management's approach to sustainability, advising on matters material to the Company's long-term sustainability, monitoring progress against sustainability priorities and targets, and overseeing sustainability-related disclosures. The Sustainability Committee met three times during the year.

Sustainability Management Committee

The Group's Sustainability Management Committee (SMC) comprises the CEO, CFO, Director of Sustainability & Corporate Affairs, and senior executives from Chartering, Operations, Fleet Management, Human Resources & Administration, and Risk & Governance. Reporting to the Sustainability Committee at least twice a year, the SMC is responsible for reviewing and enhancing the Group's Sustainability strategy, policies, targets and performance, and for ensuring compliance with ESG requirements. This cross-functional structure ensures that sustainability considerations are embedded across the business and translated into meaningful outcomes.

Day-to-day Implementation

The Group has a dedicated sustainability team to help coordinate sustainable business practices and investments in sustainable assets. Day-to-day implementation is led by managers across the business, supported by the sustainability team, and most notably by the Fleet Director (with support from technical, personnel, marine & safety, and decarbonisation & environmental compliance managers), the Commercial Operations Director, and the Human Resources & Administration Director.



[Sustainability Report p.53](#)

Sustainability Committee work done in 2025

The Sustainability Committee

Membership

Chairman: Kirsi K. Tikka (INED)

Members: Mats H. Berglund (redesignated from NED to INED in November 2025), Kalpana Desai (INED, appointed in February 2025), Wang, Xiaojun Heather (INED, stepped down in December 2025), Stanley Ryan (INED, stepped down in February 2025)

Main Responsibilities

1. Monitor and review emerging ESG responsibility trends and issues, with a focus on those most relevant to the dry bulk shipping industry.
2. Oversee the Company's ESG management approach, strategy and the process used to identify, evaluate and manage material ESG-related issues including the risks and opportunities they represent for the Company and to recommend any improvements.
3. Oversee the development and execution of the Company's ESG policies and practices, provide direction to Management on the Company's ESG vision and objectives/priorities, ensure alignment with the Company strategy and make recommendations to the Board.
4. Review the internal procedures and system for the generation and maintenance of appropriate and accurate sustainability data.
5. Review Management's ESG performance reports, including progress made against material ESG-related goals and targets, steps taken to achieve these targets, and covering any other relevant ESG issues; such ESG reports to be submitted to the Board at least two times a year.
6. Consider ESG investments proposed by Management and make appropriate recommendations to the Board.
7. Review the annual "Sustainability Report" to ensure the balance, transparency and integrity of published information as well as proper disclosure and compliance with the ESG Code, and make appropriate recommendations to the Board.
8. Review the ESG-related performance of and work done by Management and the SMC.
9. Ensure that a sustainability culture is promoted across the Company, with sufficient resources and training provided to manage the Company's material ESG issues and the risks and opportunities they represent.
10. Conduct an annual review to ensure the adequacy of resources, staff qualifications and experience, training programmes and budget to manage the Company's ESG performance and reporting.

Work Done in 2025

The Sustainability Committee held three meetings in 2025 and, together with e-mail communication, the work undertaken included:

- review and approve the Sustainability Report 2024 for recommendation to the Board;
- review adequacy of ESG resources, key ESG programmes, performance metrics and targets;
- review compliance with recent and coming decarbonisation regulations and other ESG challenges; and
- endorse proposed strategies for managing some of our most material ESG priorities.

The Sustainability Management Committee

Membership

Chairman: Chief Executive Officer

Members: Chief Financial Officer, Director of Sustainability & Corporate Affairs, Director of Chartering, Director of Operations, Director of Fleet Management, Director of Group HR & Admin, Director of Risk, Group Company Secretary

Main Responsibilities

1. Oversee and execute the Company's sustainability strategy;
2. Review and ensure proper disclosure and compliance with the ESG Code;
3. Review the assessment of the Company's material ESG issues;
4. Ensure appropriate ESG KPI targets and steps taken to achieve them;
5. Review the internal procedures and system for the generation and maintenance of appropriate and accurate ESG KPI data;
6. Foster cross-functional collaboration and coordination on ESG issues;
7. Ensure strong ESG engagement and commitment, and ensure that ESG is treated as a strategic business issue, promoting a culture of sustainability across the Company;
8. Make recommendations to enhance sustainability strategies, practices and investment; and
9. Present and regularly report to the Sustainability Committee and the Board on the Group's sustainability performance.

Work Done in 2025

In 2025, the SMC met three times and reported to the Sustainability Committee on the Group's Sustainability programme, performance and work done. The work undertaken included:

- review the materiality of ESG topics and risks in the context of Company strategy and industry relevance;
- review progress in building ESG awareness across the Company and strategies for managing key ESG priorities;
- review adequacy of ESG resources, key ESG performance metrics, corporate ESG ratings, peer ESG benchmarking and proposed ESG targets, with recommendations to the Sustainability Committee for approval;
- review of noteworthy ESG initiatives and projects;
- review recent and coming decarbonisation regulations and industry measures; and
- review crew safety and wellbeing initiatives.

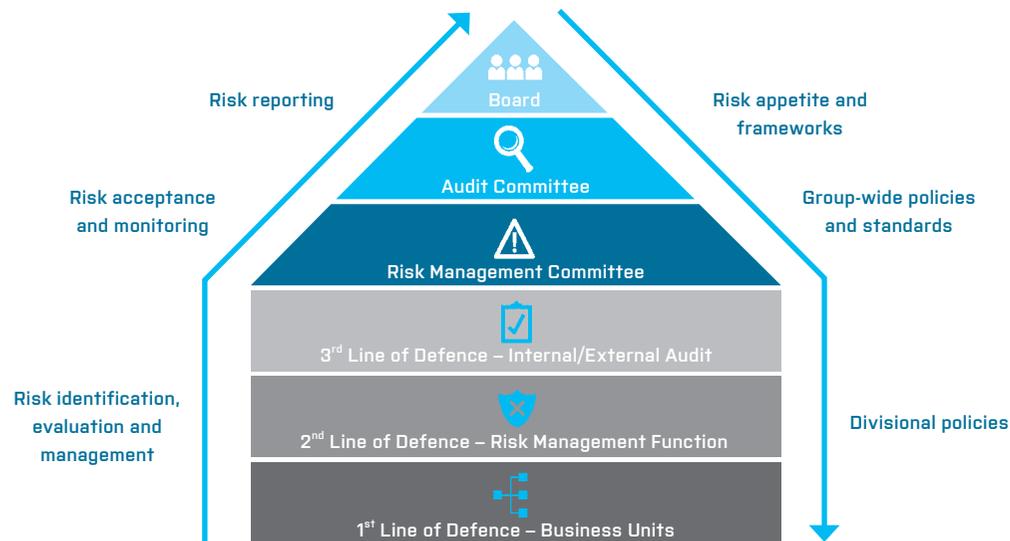


Board ESG Training

Board members continue to enhance their ESG expertise through ongoing training, regular updates on ESG strategy, risks and opportunities, and active participation in ESG-related Board discussions. Targeted training in May and July 2025 covered the challenges of latest developments around maritime decarbonisation regulations, IMO's global fuel standard, green fuels and our approach to voyage optimisation.

RISK MANAGEMENT

The Group’s risk governance structure is based on a “Three Lines of Defence” model, with oversight and directions from the Board and the Audit Committee.



Framework

The risk management and internal control systems are implemented to help the Group achieve its long-term vision and business principles and business sustainability by identifying and evaluating the Group’s risks (including ESG risks) and formulating appropriate mitigating controls to protect our business, stakeholders, assets and capital. Risk management and internal control systems are embedded in our business functions and we believe that they enhance long-term shareholder value. The risks of the Group are subject to and are directly linked to the Group’s strategy.

The Board has overall responsibility for evaluating and overseeing management in the design, implementation and monitoring of the risk management and internal control systems, which are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss. A review of their effectiveness is conducted annually by the Risk Management Committee (“RMC”) and reported to the Board through the Audit Committee. The primary responsibility for detailed risk identification and management lies with the respective business units.

As the first line of defence, individual business units are responsible for managing risks. They identify operational risks, develop and implement respective controls. These activities are monitored and evaluated by division heads and relevant staff managers. The risk management function engages fully to provide advisory support to business units which are overseen by the RMC as the second

line of defence. As the third line of defence, internal/external reviews are regularly conducted in order to assess the robustness of the controls maintained by the first and second lines of defence and reported to the Audit Committee charged with the role of ensuring that the enterprise risk management arrangements and structures are appropriate and effective.

The Group has in place a risk management and internal control framework that is consistent with the COSO (the Committee of Sponsoring Organisations of the Treadway Commission) Enterprise Risk Management (ERM) – Integrated Framework and has the following five components:

- **Governance and Culture**

The Group has reinforced enterprise risk management culture, including ethical values, transparency, desired behaviours and risk appetite. The Code of Conduct, together with the Anti-Bribery and Whistleblowing policies provide a comprehensive compliance framework and reporting channels for employees and other parties to raise concerns. Effective board oversight, with sound organisational structure is established to delegate business functions to respective business units within limits set by the Board or the head office management in the pursuit of the Group’s strategy and business objective.

- **Strategy and Objective-setting**

The Board meets on a regular basis to discuss and agree on business strategies within risk appetite, plans and budgets prepared by management. The Board considers business context and risk implications when establishing strategies to ensure that they align, support and integrate with the defined vision and business principles.

The RMC, reporting to the Audit Committee, is responsible for strengthening the Group’s risk management culture, ensuring the overall framework of risk management is comprehensive and responsive to changes in the business and market, and managing the internal audit function. It regularly reviews the completeness and accuracy of risk assessments, risk reporting and the adequacy of risk mitigation efforts.

- **Performance**

The Group identifies, assesses and prioritises the risks that are most relevant to the Group’s success according to their likelihood and impacts.

Based on the risk assessment, mitigation plans or controls enhancement are developed and implemented by individual business units. The result of this process is reported to the Board by the RMC annually.

- **Review and Revision**

The Group continuously reviews its risk framework in light of substantial changes and pursues improvements of enterprise risk management.

- **Information, Communication, and Reporting**

The Group encourages obtaining and sharing information, from both internal and external sources that flow up, down, and across the organisation and to the public. Information systems, channels and reporting tools are established and regularly upgraded to support enterprise risk management communications of the Group to ensure that information disseminated to the public is accurate, timely and complete in accordance with applicable laws and regulations.

The Risk Management Committee

Membership

Chairman: Chief Financial Officer (appointed in May 2025), Chief Executive Officer (acting until May 2025)

Members: Chief Executive Officer, Director of Chartering, Director of Risk, General Manager of Risk and Governance, Senior Manager of Risk

Main Responsibilities

1. Promote and strengthen the Group's risk management culture and improve awareness.
2. Facilitate the identification of significant risks of the Group and recommend and/or implement suitable policies and controls.
3. Review significant risks of the Group through an annual risk assessment with division heads.
4. Review and recommend appropriate internal controls and policies.
5. Develop and maintain risk management framework and internal audit plan.
6. Manage the annual risk assessment and testing of internal controls.

Work Done in 2025

The RMC met three times during the year and reported to the Audit Committee twice on the annual risk assessment and internal controls review. The work undertaken included the following:

- develop internal audit plan with appropriate emphasis on risk assessment results;
- audit and review internal controls based on the audit plan;
- implement, maintain and improve the risk management policy and risk management framework;
- perform annual risk assessment by way of an online questionnaire and executive workshop to review and discuss the input in collaboration with division heads and top management;
- review the Group's significant and emerging risks with division heads and recommend and implement new policies and controls;
- report to the Audit Committee on the management of the marine related and other insurances;
- report to the Audit Committee on the results of the IT security assessment and new finance systems post implementation review performed by external consultants;
- review the Group's key policies such as the authorisation matrix, trading restriction and FFA policies;
- report by way of a deep dive review to the Audit Committee regarding security priorities and security risk management;
- conduct anti-bribery training for seafarers and shore-based employees to further bolster the Group's anti-corruption culture;
- conduct training to new offices on the Group's key policies to improve staff knowledge and awareness;
- conduct orientation briefing to newly joined shore-based staff on the Group's corporate governance framework and culture; and
- conduct periodic business continuity drills at various offices or combined offices to simulate a situation of business disruption in the event of a shutdown of essential IT systems.

Annual Assessment of Risk and Internal Controls

The Group carries out an annual risk assessment using an integrated approach which combines top-down and bottom-up approaches by way of an online questionnaire completed by senior staff members and discussion during an executive risk workshop with the objective to identify and evaluate potential risks to business objectives and strategies, and also to improve the design and the effectiveness of the Group's internal controls. Any changes in the risk profile and related mitigating measures, new risks or other proposal in risk management are evaluated and documented in the Group's risk register. The impact of risks, mitigants and recommendations are communicated to the relevant business divisions and reported to the RMC and the Audit Committee.

The mitigating controls of the Group's risks are reviewed and tested periodically by the RMC and the internal audit function. The frequency of testing of individual internal controls is by reference to the ranking of the underlying risk areas and the strategy of the Group. The Group adopts a peer review format in its annual testing of internal controls by appointing appropriate staff members auditing selected controls of departments other than their own.

The criteria for assessing the effectiveness of internal controls are based on whether the mitigating controls have been operated and enforced throughout the period being reviewed. Findings and recommendations are communicated with the relevant division heads and staff to formulate appropriate measures to refine or enhance the controls, or rectify any control deficiency.

The RMC conducts regular meetings with division heads and managers at various offices so as to keep abreast of issues and new risks that are embedded in business operations and to refine or enhance existing procedures and controls in line with business needs and market changes. The Group has a robust mechanism of regular reporting of key business and operations performance to both management and the Board, which is a key element of a healthy risk management system.

The Group also conducts annual customer and investor surveys which generate feedback that we act on to further enhance the quality of our service and our investor relations and corporate governance practices.

 **p.13** The Year in Review

Risk Management and Internal Control Systems Effectiveness

The RMC reports at least twice a year to the Audit Committee which assesses the adequacy and effectiveness of the risk management and internal control systems (including those relating to ESG risks, performance and reporting) on an ongoing basis. Such systems are crucial for the fulfilment of the Group's business objectives. The Audit Committee assists the Board in reviewing how management designs, implements and monitors those systems, the findings, recommendations and the follow-up procedures of the annual risk assessment and internal controls testing, as well as the Group's risk register and management's confirmation on the effectiveness of the Group's risk management and internal control systems, and reports to the Board annually.

In respect of the year ended 31 December 2025, the Board, with confirmation from management, considers the risk management and internal control systems (covering all material controls such as financial, operational, ESG and compliance controls) to be effective and adequate. No significant areas of concern were identified.

OUR PRINCIPAL RISKS

The Group is faced with a number of risks that might derail our progress towards achieving our vision and impact shareholder value. This section sets out our key risks and their mitigating measures, arranged by our areas of key strategic focus. These key risks are by no means exhaustive or comprehensive, and there may be other risks that may not be known or material at this juncture, but could turn out to become material in the future. The risks, impacts and mitigating measures in this section are consistent with the Group’s risk register, taking into account the outcome of the annual risk assessment process in collaboration with division heads and executive management level including the Risk Management Committee. The Group remains vigilant in monitoring the evolving risk landscape and developing appropriate mitigating measures to address these areas of concern.

1. Investing in Our Fleet p.36-38 [Delivering on Our Strategy](#)

 [p.35 How We Create Value](#)

Risk/Impact

Market Risk A

Adverse financial and operational impacts include:

- Demand for seaborne transportation of dry bulk commodities;
- freight rate and market sentiment;
- cost volatility including fuel prices and other operating expenses;
- tightened sanctions regulations and other trade restrictions;
- uncertainty on environmental regulations; and
- complex geopolitical tensions, including regional conflicts, protectionist actions and broader geopolitical instability affecting global trade areas. Recent trade restrictions and tariffs could result in market disruption, higher trade costs and shifting trade flows.

Change from last year: 

Mitigating Measures

Our large fleet scale and uniformity enable us to achieve high laden utilisation and TCE earnings that outperform the market indices in our core business over the shipping cycle.

Our operating activity is able to generate a margin throughout the shipping cycle complementing our core business.

Earnings volatility is partially managed by securing contracts of affreightment of one year or longer. We remain focused on the Handysize and Supramax segments of the dry bulk sector which is where we have a strong competitive edge.

Continue to invest and utilise advanced technology to optimise route-planning, manage sanctions compliance, forward fleet and cargo exposure, optimise port calls and monitor operational and financial performance. Access to real-time data enables us to respond swiftly to any change in market dynamics.

Fuel costs for our long-term cargo contracts are passed to our customers through bunker price adjustment clauses or hedged with either bunker swap contracts or forward price agreements.

Physical procurement contracts linked to paper swap benchmarks to ensure alignment with the Group’s hedging policy.

Sanctions compliance, cargo volumes, seasonality and trends are closely monitored by a dedicated team. Forward freight agreements are used to hedge against the volatility of freight rates.

Constant monitoring of the development of the political landscape and keeping track of the sanctions and environmental regulatory development to ensure compliance.

 [p.106 Financial Statements Note 14 Derivative Assets and Liabilities](#)

Vessel Investment, Deployment and Operational Risk

Inappropriate vessel investment timing, deployment and operations may reduce the competitiveness of our cost structure and margins.

Vessel values vary significantly through shipping cycles, and we need competitively priced and high-quality vessels to provide our services to customers.

Furthermore, stricter decarbonisation and environmental regulations increase the uncertainty to the economic life of fossil-fuelled vessels and therefore the need to introduce alternative fuels and technologies.

Inadequate vessel maintenance could jeopardise crew safety and lead to vessel down-time and service disruptions.

Change from last year: 

The Group regularly evaluates potential vessel investments and divestments based on relevant market information, estimated future earnings and residual values. We adopt a flexible ownership/leasing strategy that is aligned with shipping cycles, and we pursue an active fleet growth and renewal programme by:

- contracting for four 40,000 dwt Handysize newbuilding vessels as part of the fleet renewal programme;
- contracting for four 64,000 dwt dual-fuel Ultramax newbuilding LEVs of the newest and most fuel-efficient design with dual-fuel engines;
- continuing to collaborate with our two Japanese partners Nihon Shipyard Co. and Mitsui & Co. on the design and development of an efficient dual-fuel methanol Ultramax ship design;
- partnering with Mitsui & Co. to give the Company access to green methanol;
- continuing to dispose of the older, fuel inefficient and smaller vessels;
- assessing environmental KPIs such as the EEXI and AER in our vessel purchase due diligence;
- monitoring the development of future LEVs that run on methanol or other green fuels; and
- chartering vessels from quality shipowners.

Our Technical team and crews operate and maintain our ships under our International Safety Management (ISM) Code-compliant “Pacific Basin Management System” to ensure safety and service reliability.

 [Sustainability Report p.33 Pacific Basin Management System](#)

2. Investing in Our People  p.36-38 Delivering on Our Strategy

Risk/Impact

Succession Risk

Inadequate succession planning may lead to prolonged executive searches, disruption to our strategic momentum and the Group's business, and undermine stakeholders' confidence within the Group.

Change from last year: 

Mitigating Measures

Our Group's dedicated HR department oversees the organisational design, talent management, recruitment and remuneration. Succession plans for senior management are regularly reviewed.

Revamp our Commercial Graduate Trainee programme to attract future talent and develop leaders for the Company.

The Nomination Committee closely monitors the Board succession planning process to ensure Board continuity and diversity.

Actively promote our brand and culture and proactive engagement among staff. The Group implemented measures to modernise our way of work, facilitate work flexibility and travel for staff members.

The Group has a clear vision, mission and business principles with which to equip any potential Board, management and staff successors to lead the business forward.

Employee Recruitment, Engagement, Retention Risk

We are only as good as our people and so our ability to achieve our vision depends on the effectiveness of our staff both ashore and at sea. Loss of key staff or an inability to attract, train or retain staff could affect our ability to grow our business and achieve our long-term goals.

Due to the nature of the profession, working at sea can be physically and emotionally demanding which brings challenges to recruit seafarers and to maintain their health and wellbeing as failure to do so may impact operational safety.

Change from last year: 

Our Group's HR and crewing departments are tasked with recruiting, developing and maximising engagement of staff ashore and at sea by:

- operating our own Pacific Basin crewing and training centres in Dalian, Manila and Hong Kong to ensure our seafarers benefit from our best shore-based support;
- implementing our refreshed Diversity, Equity & Inclusion (DEI) strategy to enhance engagement, teamwork, performance and success;
- maintaining regular contact with talent representing a wide cross-section of the shipping industry, and using diverse manning sources for seafarers to engage our diversified crew pools in several countries;
- reviewing salary structure regularly to ensure that it remains adequate and competitive to attract and retain the best talent;
- conducting staff and seafarer engagement surveys to enhance employee's and seafarer's engagement;
- providing in-person, interactive officer training and seminars to facilitate education and communication;
- offering regular training for staff ashore and at sea, not only to ensure that they are capable of performing their duties but also to help improve professional fulfilment;
- implementing annual staff performance appraisals, incentives and other initiatives to encourage, retain and otherwise engage staff;
- upgrading satellite data plans and wellbeing facilities on-board to offer our crews better internet access (Starlink) and entertainment facilities;
- providing 24/7 medical and specialist advice to our seafarers; and
- providing an employee wellness programme on a global basis including offering counselling services and wellness workshops to all employees.

3. Deepening Our Relationships  **p.36-38** Delivering on Our Strategy

Risk/Impact

Credit and Counterparty Risk A

Default or failure of counterparties to honour their contractual obligations may cause financial losses. Failure to comply with sanctions requirements may result in fines and reputational damage.

Counterparties include:

- our cargo customers;
- ship owners;
- ship builders, sellers and buyers;
- suppliers;
- derivatives counterparties; and
- banks and financial institutions.

Change from last year: 

Mitigating Measures

Our global office network enables us to know our counterparties better. We take measures to limit our credit exposure and eliminate our sanction risks to the extent possible by:

- transacting with a diverse range of counterparties with successful track records and sound credit ratings;
- actively assessing the creditworthiness of counterparties;
- establishing a due diligence team to perform on-boarding counterparties due diligence;
- improving our counterparty on-boarding procedures and evaluations continuously and adjusted as necessary;
- ensuring that a sound sanctions compliance culture is instilled in all parts of the organisation;
- ensuring that appropriate controls are implemented for all processes;
- deploying a comprehensive, automated and API-enabled sanctions compliance solution, supplemented by independent risk appraisal reports to perform sanction checks and full evaluation on all new counterparties and systematic daily screening of our active counterparties, to ensure the Group complies with international sanctions legislations;
- engaging with our counterparties on a regular basis to keep up to date with their financial situations and ethical sourcing; and
- obtaining refund guarantees from newbuilding shipyards.

 **p.110** Financial Statements Note 15
Trade and other receivables

Customer Satisfaction and Reputation Risk

Poor service may impair our brand value and reputation as a trusted counterparty, which could restrict our access to customers, cargoes, high-quality vessels, funding and talent.

Change from last year: 

Our global office network positions us closer to our customers enabling direct and frequent customer engagement, a clearer understanding of their needs and localised customer service. With 14 offices on 6 continents, we provide a localised global service for any customers on any route, anywhere, anytime.

Our fleet scale and uniformity, complemented by our comprehensive in-house technical operations, utilising an extensive and integrated marine online trading platform to enhance our ability to deliver a high-quality and reliable service.

Customer engagement includes surveys and regular telephone or face-to-face contact to gather feedback with a view to further improve customer satisfaction.

Banking Relationships Risk

Poor loan administration and relationships with banks may limit our funding sources.

Change from last year: 

Our Group's dedicated corporate finance function develops and maintains relationship with a diverse group of reputable banks worldwide through regular senior management contact. We also work on the diversification of our funding profile.

4. Safeguarding Health and Safety  p.36-38 Delivering on Our Strategy

Risk/Impact

Health, Safety and Security Risk

Inadequate safety maintenance and operational standards, increased risk of drug smuggling, piracy or other causes of accidents may lead to security issues, injuries, loss of life, severe damage to our third party and owned properties or vessels, affecting profitability and impacting the Group's reputation among seafarers, customers and other stakeholders.

Change from last year: 

Mitigating Measures

We nurture an empowered, risk and safety-focused organisation. Our commitment to the safe operation of our ships is manifested through a proactive and robust system ashore and at sea – the Pacific Basin Management System (“PBMS”) – which is reviewed and updated regularly. The PBMS is further enhanced by comprehensive risk assessment, well-conceived training and maintenance programmes, as well as innovative initiatives to ensure our vessels are in good condition and in all respects safe to trade.

We adopt comprehensive anti-drug smuggling measures and take appropriate precautions according to the level of risk. This year, the Group establishes a Global Security Operations Centre (GSOC) which adopts the intelligence-led security risk management framework to further assess security risks and advise mitigating measures on drug trafficking and emerging threats.

Our high-quality attention to safety is evidenced by an excellent safety record and our several safety-related awards in recent years.

We maintain high retention of senior officers and sufficient crews on board to ensure our crews are experienced in our trades with a good rest-to-work ratio. We focus on enhancing our seafarers' health, safety and wellbeing on board by providing comprehensive support including physical and mental wellbeing support with the latest in remote medical support services.

We provide training and development for our seafarers, adopting a well-designed and structured approach that boosts the overall health and safety performance of our seafarers and our fleet.

 **Sustainability Report p.34-41**
Safety, Security, Health & Wellbeing

Insurance Risk

Vessel incidents could endanger our crew, adversely affect the strength of our brand and reputation and result in service disruption and significant costs.

Change from last year: 

Despite best efforts to ensure safe operations, incidents do happen. We place insurance cover at competitive rates through marine insurance products both on our owned fleets and chartered fleets, including hull and machinery, war risk (including loss of hire), protection and indemnity, freight demurrage and defence cover. Sufficiency of insurance cover is regularly evaluated and adjusted in line with prevailing asset values and in compliance with loan covenants and internal policies.

5. Evolving Management & Governance Practices  p.36-38 [Delivering on Our Strategy](#)

Risk/Impact

IT Security Risk

Increasing reliance on digital infrastructure and artificial intelligence on daily communications ashore and at sea. Failure of a key IT system, targeted attacks on our system, or a breakdown of security systems could result in communications breakdown, business disruption and potential financial and/or reputational losses. Business disturbances due to cybersecurity risks can be significant.

Change from last year: 

Mitigating Measures

Our IT Steering Committee chaired by our CEO oversees the Group's IT policies and procedures and ensures the Group's IT strategies meet our business needs.

Our IT team works closely with the business departments to tailor appropriate and effective IT solutions, support, and preventive and contingency measures. All systems and data are backed up on a regular basis. In addition, we fix potential security vulnerabilities and protect system functionality by regular updating our software. We have a formalised business continuity plan ("BCP") system in place and arrange periodic company-wide drills and webinars to simulate a situation of essential IT systems shutdown.

Our system migrations to reputable cloud-based services had significantly enhanced the Group's data security and reduced the likelihood of cyber incidents. We regularly evaluate our vendors and cloud-service providers, ensuring that they have organisational controls in place to safeguard systems and data. We also verify if they are independently certified by international standard audits so as to comply with industry standards and our internal policies.

We continue to enhance our cyber security maturity by upgrading our IT infrastructure and enhancing employees' knowledge and awareness through ongoing training. We further protect our business against financial loss due to cyber-crimes by taking commercial crime insurance cover.

Corporate Governance Risk

Inadequate corporate governance measures may adversely impact the diligence, integrity and transparency of our risk assessment, decision-making and reporting processes and undermine stakeholders' confidence.

Change from last year: 

The Group is committed to good corporate governance to meet the requirements of our business and stakeholders. The Board has established the Audit (supported by the Risk Management Committee), Sustainability (supported by the Sustainability Management Committee), Remuneration and Nomination Committees, to proactively ensure the overall corporate governance, risk management framework and sustainability strategy of the Group are appropriate and effective.

The Group has put in place appropriate internal procedures to monitor changes in applicable laws and regulations, ensure compliance with all relevant local and international laws and regulations in the places we trade, including comprehensive regulations enacted by the International Maritime Organization (and enforced by its member countries) and international sanctions legislation. Our commitment to anti-bribery practices and high standards of corporate governance has been certified by TRACE, and is underscored by our admission as a member of the Maritime Anti-Corruption Network (MACN).

Regular anti-bribery trainings were organised to shore-based staff and seafarers.

The Board and relevant employees receive regular governance training to ensure a high standard of corporate governance.

 [p.45 Corporate Governance](#)

Investor Relations Risk

Lack of transparency or adequacy in our external communications could undermine stakeholders' confidence in our Group.

Change from last year: 

The Group has a dedicated investor relations function and has in place policies and guidelines on information disclosure and communication with the public. We review our implementation and effectiveness of our Shareholders Communication Policy annually.

We publish financial reports or trading updates quarterly, keeping the public informed of material developments of the Group and the market guided by the Corporate Governance Code's best practices. Our website and social media platforms are updated regularly with company news and financial information.

 [p.84 Investor Relations](#)

6. Safeguarding the Environment p.36-38 Delivering on Our Strategy

Risk/Impact

Environmental and Decarbonisation Risk

Achieving our industry's Paris aligned 2050 decarbonisation ambition will require both the maximum possible improvement in the fuel efficiency of existing and new conventionally fuelled ships, and a timely transition to new low emission vessels (LEVs) capable of operating on sustainable fuels such as green hydrogen, methanol or ammonia.

This transition presents significant and interrelated challenges. For conventional ships, many energy efficiency retrofits are either prohibitively expensive, unsupported by current freight earnings, or impractical on certain vessel types. For newbuilding LEVs, ship prices are significantly higher for designs with dual fuel capability than single-fuel conventional designs. In parallel, sustainable fuels are expected to be significantly more expensive than fossil fuels for some time, and their availability to shipping in adequate volumes remains uncertain.

There is also ongoing uncertainty about how and when the higher capital and operating costs associated with LEVs and green fuels can be passed along the supply chain, particularly in the highly competitive market for tramp shipping of low value dry bulk commodities.

Global and regional regulations are beginning to drive early decarbonisation efforts. In 2023, the International Maritime Organization (IMO) implemented the first global energy efficiency and carbon intensity measures for shipping through the Energy Efficiency Index for Existing Ships (EEXI) and the Carbon Intensity Indicator (CII).

At the regional level, shipping was included in the European Union Emissions Trading System (EU ETS) from 2024. In addition, the EU's FuelEU Maritime regulation took effect in January 2025, mandating a gradual uptake of green fuels (to achieve required reductions in the GHG intensity of fuels used) for vessels trading in, to and from the EU.

At the global level, IMO member states agreed in principle in April 2025 on elements of a Net-Zero Framework, including a carbon pricing mechanism intended to drive the industry's transition to green fuels. However, political differences subsequently emerged, and in October 2025 the adoption of the framework was postponed by one year. As a result, the details and timing of an effective global scheme remain uncertain.

Change from last year: 

 **Sustainability Report p.16**
Decarbonisation Challenges and the Role of Regulation

Mitigating Measures

Our fleet is in compliance with IMO's EEXI and CII requirements and is well positioned to continue to comply and trade for the foreseeable future. Under the EU ETS, we pass the cost of compliance through to our cargo customers by incorporating the cost of required EU Allowances into our freight rates for EU-related voyages.

We comply with FuelEU Maritime by using sufficient compliant biofuel on selected ships, combined with the pooling of EU-related emissions across our fleet engaged in EU trades.

In this evolving regulatory environment, Pacific Basin continues to invest in energy efficiency and fuel savings while positioning ourselves for priority access to alternative fuels. Our proactive and disciplined approach is designed to manage regulatory uncertainty, maintain competitiveness, and prepare the Company to navigate and capture opportunities as decarbonisation requirements tighten over time. We will continue to closely monitor and prepare for new and evolving GHG reduction measures applicable to international shipping.

We are in dialogue with several green fuel suppliers and producers to develop access to bio-methanol and e-methanol, as well as biofuel (biodiesel).

We are members of the Getting to Zero Coalition committed to exploring ways to decarbonise our industry.

All our vessels comply with regulations set out by the International Maritime Organization (IMO) and coastal states, including the Ballast Water Management (BWM) Convention, 2020 Global Sulphur Limits, EU MRV regulations, EEXI, CII, EU ETS and FuelEU Maritime etc.

We continue to take a proactive approach to exploring viable technological advancements and alternative fuels to achieve net-zero emissions shipping by 2050.

We promote a proactive safety culture by way of safety risk assessments to mitigate risk in critical tasks on board.

We invest in the professional development and wellbeing of our workforce, ensuring our office staff and seafarers are ready for the industry's green transition to a low-carbon future.

Through our investment in training, systems, procedures and technology, we seek to eradicate the risk of accidents that may lead to pollution and related penalties, costs and adverse publicity. We cover our risk of pollution liability through reputable Protection & Indemnity (P&I) clubs.

7. Maximising Efficiencies & Controlling Costs  **p.36-38** [Delivering on Our Strategy](#)

Risk/Impact

Operational Efficiency Risk

Poor internal systems, processes, communications and management could adversely impact our business and undermine our operational efficiency.

Change from last year: 

Mitigating Measures

The Group continues to build upon communication, data, digitalisation initiatives and fast feedback loops to minimise risk, promote value generation while bolstering efficiency.

Other key measures to bolster operational efficiency include:

- Digitalisation continued to be embedded within the Group’s strategy through the systematic evaluation procurement and implementation of new software and digital applications, applications and hardware to ensure alignment with the business environment and requirements and promote effective system integrations across our operations;
- new digital resources enabled integrated data to enhance transparency and accuracy, resulting in faster and reliable data access to drive better business decisions and ultimately business value;
- Strengthened documentation of business policies and procedures to ensure process consistency and best practices, using AI to improve visibility;
- proper vendor vetting procedures to ensure the stable and sustainable supply of services and goods; and
- outsource certain operational functions where appropriate to third party providers, allowing our own resources to be more effectively deployed.

Cost Management Risk

Failure to manage costs effectively and sensibly could result in financial losses, resources misallocation, safety issues, business disruption, customer dissatisfaction, supplier alienation or loss of opportunities.

Change from last year: 

Active resources planning and costs estimation are carried out by business departments to expedite their work scope and assess business opportunities. Our cost management measures are in line with our strategy to maximise efficiency and reduce cost without jeopardising our stakeholders’ satisfaction, corporate reputation and operational safety.

Approval mechanisms are in place across business departments to ensure expenditures are scrutinised and approved by authorised persons.

Monthly management reports including its costs and deviation from budget are scrutinised by the Board and management to ensure the proper performance of the Group. Variances from resources planning and cost estimations are regularly monitored to enable effective optimisation of business performance and cost efficiency.

8. Enhancing Corporate & Financial Profile  **p.36-38** [Delivering on Our Strategy](#)

Risk/Impact

Liquidity Risk A

Insufficient financial resources (such as bank borrowing facilities) may negatively impact the Group's ability to grow and to meet its payment obligations as they fall due.

Change from last year: 

Mitigating Measures

Our Group's Corporate Finance function actively manages the cash and borrowings of the Group to ensure:

- sufficient funds are available to meet our existing and future commitments;
- an appropriate level of liquidity is maintained during different stages of the shipping cycle;
- compliance with covenants relating to our borrowings and convertible bonds;
- regular and transparent dialogues with our relationship banks are maintained; and
- the right level of financial leverage and financial flexibility.

 **p.117** [Financial Statements Note 24](#)
[Financial Liabilities Summary](#)

 **p.30** [Cash and Borrowings](#)

Capital Management Risk A

Weakness in our financial management capability and insufficient capital could impact:

- our ability to operate as a going concern;
- our ability to provide adequate returns to shareholders; and
- other stakeholders' ability and willingness to support the Group.

Fluctuations in interest rate and exchange rate volatility in the currencies we use may increase uncertainty of funding cost and financial impact.

Change from last year: 

 **p.58** [Our Principal Risks](#)
[Deepening Our Relationships](#)

To achieve an optimal capital structure, the Group conducts regular reviews on:

- future capital requirements and capital efficiency;
- prevailing and projected profitability;
- projected operating cash flows; and
- projected capital expenditure and expectations for strategic investment opportunities.

Our distribution policy is to pay out 50% of annual net profits, excluding vessel disposal gains, with the remainder of the profits retained as capital for future use.

When the Company is in a net cash position at year end, the dividend will increase up to 100% of net profit (also excluding disposal gains). The Board may decide to make additional distributions in the form of special dividends and/or share buybacks.

Our exchange rate risk is limited by the general use of US dollars in our industry.

 **p.84** [Investor Relations](#)
[Shareholder Return and Dividend](#)

Interest rate volatility is managed by entering into interest rate swaps. Our Board monitors closely the ratio of interest cover, net borrowings to net book value of owned vessels, and the ratio of net borrowings to shareholders' equity.

 **p.3** [Financial Highlights](#)

 **p.106** [Financial Statements Note 14](#)
[Derivative Assets and Liabilities](#)

OTHER INFORMATION

Handling Inside Information

The Group adopts the following procedures and internal controls for the handling and dissemination of inside information:

- It conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the “Guidelines on Disclosure of Inside Information” published by the Securities and Futures Commission of Hong Kong
- The Group’s corporate communication policy governs communication with third parties and, in particular, procedures for responding to external enquiries about the Group’s affairs so that designated personnel are authorised to do so
- It has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and its website
- It stipulates in its Code of Conduct a strict prohibition on unauthorised use of confidential or inside information

Directors – Remuneration and Share Ownership

Details of the remuneration and share ownership of the Directors are contained in the “Remuneration Report” and “Report of the Directors” sections of this Annual Report. 

Directors’ Securities Transactions

The Board has adopted a Code of Conduct regarding Directors’ securities transactions on terms no less exacting than the required standard under the Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix C3 to the Listing Rules (the “Model Code”).

The Board confirms that, having made specific enquiry of all Directors, the Directors have fully complied with the required standards set out in the Model Code and its Code of Conduct regarding Directors’ securities transactions during the year.

Senior Management and Staff’s Securities Transactions

The Company has adopted rules for those senior managers and staff who are more likely to be in possession of unpublished inside information or other relevant Group’s information based on the Model Code (the “Dealing Rules”). These senior managers and staff have been individually notified and provided with a copy of the Dealing Rules.

The Board confirms that, having made specific enquiry, all senior managers and staff who have been notified and provided with the Dealing Rules have fully complied with the required standards as set out in the Dealing Rules during the year except that one senior manager who traded in the Company’s securities during an eligible period prior to the receipt of the written approval from the Company. The senior manager was given a letter explaining the gravity of such a breach of the Dealing Rules and was reminded that prior written approval must be received before such transactions can be proceeded.

Auditor’s Remuneration

Remuneration paid to the Group’s external auditor for services provided for the year ended 31 December 2025 is as follows:

		US\$’000
Audit	Non-audit	Total
892	17	909

Our Shareholders

Details of shareholder type and shareholding can be found on page 82 of this Annual Report.

 **p.82 Report of the Directors**
Substantial Shareholders’ Interests and Short Positions in the Shares and Underlying Shares of the Company

 **p.85 Investor Relations**
Our Shareholders

Shareholders Communication Policy

The Company has established a Shareholders Communication Policy with the objective of enabling shareholders to exercise their rights in an informed manner and to allow shareholders and the investment community to engage actively with the Company. Details of the Shareholders Communication Policy can be found on the Company’s website.

The Board has conducted a review of the implementation and effectiveness of the Shareholders Communication Policy and the related framework during the year. Its review was from three broad angles, namely (i) the specific policy on the means of communication with the shareholders and the channels available for them to access to the Company; (ii) the Company’s internal procedures on proper dissemination of information to the shareholders to ensure their proper understanding of the actions taken by the Company or other useful information of the Company; and (iii) the availability and quality of the two-way dialogue with shareholders such as conducting investor meetings by the Company’s designated investor relations personnel or Directors. The Board has been provided with information that the above have been properly in place or performed during the year. In addition, the Company has designated investor relations and company secretarial functions, staffed by appropriately qualified personnel who are charged with, among other things, communication with shareholders and compliance with relevant disclosure regulations.

These functions are well established and receive close scrutiny by the Chief Executive Officer and the Board. Taking into account of the above, the Board considers the current Shareholders Communication Policy has been appropriately implemented during the year and remains effective.



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Sustainability > Corporate Governance

Shareholders Meeting

The Company held one general meeting during the reporting year.

The annual general meeting was held on 25 April 2025 with the following resolutions passed and approved:

- receipt and adoption of the audited financial statements and the Reports of the Directors and Auditor for the year ended 31 December 2024;
- declaration of final dividend for the year ended 31 December 2024;
- re-election of Directors;
- authorising the Board to fix Directors' remuneration;
- re-appointment of Messrs. PricewaterhouseCoopers as auditors of the Company for the year ended 31 December 2025 and authorising the Board to fix their remuneration;
- granting a general mandate to issue shares;
- granting a general mandate to buy back shares; and
- adoption of a new share award scheme and granting the scheme mandate to the Directors to issue shares.

All resolutions tabled at the annual general meeting were voted on and approved by poll.



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Investors > News: Proxy Form

Media > FAQ: AGM and Shareholders' Questions

Shareholders' Rights

Shareholders may by written requisition or notice exercise certain rights. The following procedures are subject to the Company's Bye-laws, the Companies Act 1981 of Bermuda (as revised) and applicable legislation and regulations.

1. Procedures for Shareholders to require circulation of proposed resolution or statement in notice for next annual general meeting ("AGM")

- Pursuant to the Companies Act 1981 of Bermuda (as revised) and in relation to the Company's next AGM:
 - (a) Shareholder(s) holding not less than one-twentieth of the total voting rights of all Shareholders having at the date of requisition the right to vote at the AGM; or
 - (b) not less than 100 Shareholders,
 may by a written requisition require the Company to:
 - i. include in the notice for the next AGM any resolution which may properly be moved and is intended to be moved at that meeting;
 - ii. send a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.
- The written requisition must be signed by the Shareholder(s) concerned and deposited at the Company's registered office** and its principal office** for the attention of the Company Secretary within the specified time periods below:
 - (a) in the case of a requisition requiring notice of a resolution, not less than six weeks before the AGM; and
 - (b) in the case of any other requisition, not less than one week before the AGM.
- Generally speaking, the requisition should be deposited as early as possible to allow the Shareholders sufficient time to consider the matter.
- If the written requisition is in order, the Company Secretary will ask the Board to (i) include the relevant resolution in the agenda for the AGM; or (ii) circulate the statement for the general meeting, provided that the Shareholder(s) concerned have deposited or tendered a sum of money reasonably determined by the Board sufficient to meet the Company's expenses in giving effect thereto.



** [p.127 Corporate Information](#)
including the Company's registered office and principal office addresses

2. Procedures for Shareholders to convene a special general meeting ("SGM")

- Pursuant to the Company's Bye-laws, Shareholder(s) holding, at the date of deposit of the requisition, not less than one-tenth of the voting rights of the Company (on a one vote per share basis), may by a written requisition require an SGM to be convened by the Board to transact a specified business or resolution specified in the requisition; and such meeting shall be held in the form of a physical meeting only and within two months after the deposit of such requisition.
- The written requisition must state the purpose of the general meeting and may include the text of the proposed resolution; such request must be signed by the Shareholder(s) concerned and sent to the Board or the Company Secretary at the Company's registered office ** and principal office**.
- If the requisition is in order, the Company Secretary will ask the Board to convene an SGM in accordance with applicable legal and regulatory requirements. If the Board fails to proceed to convene the SGM within 21 days from the date of the deposit of requisition, the requisitionists, or any of them representing more than one half of the voting rights of all of them, may themselves convene such physical meeting, but any meeting so convened shall not held after the expiration of 3 months from the said date.

Shareholders to propose Directors

3. Procedures for Shareholders to propose a person for election as a Director

- In accordance with the procedures outlined in paragraph 2 above, Shareholder(s) may by a written requisition require an SGM to be convened for the appointment/election of proposed Directors.
- In addition, pursuant to the Company's Bye-laws and in relation to appointment/election of Directors at an AGM, a Shareholder duly qualified to attend and vote at the AGM may by written notice propose a candidate (other than that Shareholder) for the appointment/election as a Director at that meeting.
 - Shareholders who wish to nominate a person to stand for election as a Director shall send the following documents to the Company:
 - (i) a written notice of intention to propose a person for election duly signed by the proposing Shareholder;
 - (ii) a notice duly signed by the nominated candidate indicating his/her willingness to be elected as a Director;
 - (iii) written information of the nominee containing his/her biographical details as required under Rule 13.51(2) of the Listing Rules.

- The written notice must be lodged at the Company's principal office** for the attention of the Company Secretary. The written notice should be given within the period commencing on the day after despatch of the notice of the general meeting appointed for such election and ending no later than 7 days prior to the date of such general meeting and such period shall be at least 7 days (the "Specified Period"). Generally speaking, the notice should be deposited as early as possible to allow the Shareholders sufficient time to consider the matter.
- After receiving the aforementioned documents within the Specified Period, the Nomination Committee of the Company will review and make recommendations to the Board on the selection of the proposed nominee. The Board will then propose such nominee for election as a Director at the general meeting.

Shareholders who have enquires regarding the above procedures may write to the Company Secretary at 31/F, One Island South, 2 Heung Yip Road, Wong Chuk Hang, Hong Kong.

Note: The above is a summary for general reference only and does not serve as an exhaustive guide to the interpretation of the Companies Act 1981 of Bermuda (as revised), the Company's Bye-laws or the applicable legislation and regulation. Shareholders intending to exercise the above rights should not rely solely on the summary and are entitled to seek professional legal and other advice.



p.127 Corporate Information

including the Company's registered office and principal office addresses

Planned Financial Calendar in 2026

3 March	2025 annual results announcement
19 March	2025 Annual Report
16 April	First quarter 2026 trading update
17-22 April	Book closure for determining entitlement to attend and vote at the AGM
22 April	Annual General Meeting

Applicable if 2025 final dividend is payable:

27 April	Last day of dealings in shares with entitlement to 2025 final dividend
28 April	Ex-dividend date
29 April by 4:30 p.m. HK time	Deadline for lodging transfers for entitlement to 2025 final dividend
30 April	2025 Final dividend record date and book closure of the share register
12 May	2025 Final dividend payment date

6 August	2026 interim results announcement
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Applicable if 2026 interim dividend is payable:

19 August	Last day of dealings in shares with entitlement to 2026 interim dividend
20 August	Ex-dividend date
21 August by 4:30 p.m. HK time	Deadline for lodging transfers for entitlement to 2026 interim dividend
24 August	2026 Interim dividend record date and book closure of the share register
3 September	2026 interim dividend payment date

15 October	Third quarter 2026 trading update
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Closure of Register of Members

If the proposed final dividend is approved at the 2026 AGM, the register of members will be closed on 30 April 2026 when no transfer of shares will be effected. In order to qualify for the final dividend, all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 29 April 2026. The ex-dividend date for the 2025 final dividend will be on 28 April 2026.

OUR DIRECTORS AND SENIOR MANAGEMENT

Our Board comprises 11 Directors whose complementary expertise and shared commitment to responsible investment and management practices is harnessed in the overall interests of our diverse shareholders and other stakeholders

Executive Directors



Martin Fruergaard

Chief Executive Officer and Executive Director
(age 58)

Mr. Fruergaard joined Pacific Basin as an Executive Director in July 2021. He previously spent 26 years with A.P. Moller-Maersk A/S in Copenhagen and Houston, starting in 1989 at Maersk Tankers followed by the group's gas carrier operation until 1995, before occupying managerial and leadership positions including senior director of Maersk Bulk Carriers, senior vice president of Maersk Tankers, and chief commercial officer of Maersk Drilling. From 2015 to June 2021, he served as chief executive officer of gas tanker owner and operator Ultragas.

Education & qualifications:

International Institute for Management Development: EMBA degree

Various executive courses at IMD and Harvard Business School

Advanced Management Program at Harvard Business School

Term of office:

Appointed as Executive Director in July 2021

Current term expires at the 2027 AGM

External appointments:

Executive Committee member of the Hong Kong Shipowners Association

Committee membership:

Chairman of Executive Committee



Kristian Helt

Executive Director
(age 48)

Mr. Helt joined Pacific Basin as a chartering assistant in Hong Kong in November 2002, specialising in Handysize chartering and pool operations. He advanced to Chartering Manager in Vancouver in 2005, then General Manager, driving growth in Canada and the US West Coast. In 2011, he relocated to London as General Manager, Handysize Atlantic, and became Director, Chartering Atlantic in 2014, overseeing Atlantic offices and business development for Handysize and Supramax. He was appointed director of Pacific Basin's subsidiaries in the USA and UK, joined the Executive Committee in 2017, and became global Director, Chartering in 2022. Over many years with Pacific Basin, he has played a pivotal role in the Group's brand, business and strategy development.

Education & qualifications:

Svendborg Business College

Term of office:

Appointed as Executive Director in October 2025 for 1 year (subject to re-election at the 2026 AGM)

External appointments:

None

Committee membership:

Member of Executive Committee

Independent Non-executive Directors



Stanley Hutter Ryan

Chairman of the Board and Independent Non-executive Director
(age 64)

Mr. Ryan served with Cargill, Inc. for 25 years in executive and general management roles worldwide including as general manager of Cargill's oilseed operations, and Venezuela and Brazil refined oils businesses. He was president of Cargill's North American dressings, sauces and oils business, and managing director of Cargill's refined oils business in Europe and food ingredients business in Australasia. He was a global co-leader of Cargill's agricultural supply chain businesses and member of its global corporate centre. Mr. Ryan served as an independent director at Eagle Bulk Shipping Inc. from October 2014 to June 2016 and as Eagle Bulk's interim chief executive officer from March to September 2015. He also served as a chief executive officer and a president of Darigold, Inc. from February 2016 to March 2022.

Education & qualifications:

University of Notre Dame: Bachelor of Economics and Computer Applications degree

University of Chicago: MBA & Master of Arts degree in International Relations

Term of office:

Appointed as INED in July 2016

Current term expires at the 2027 AGM

External appointments:

Senior advisor of McKinsey & Company

Independent director of Toronto-listed Saputo Inc.

Committee membership:

Chairman of Nomination Committee

Member of Remuneration Committee

Independent Non-executive Directors



**Irene Waage
Basili**

**Independent
Non-executive Director**
(age 58)

Mrs. Basili held various managerial positions in the shipping industry, including Western Bulk Carriers Holding ASA. From 1999 to 2007 she held various positions in Wallenius Wilhelmsen Logistics, including as commercial director in 2004. From 2007 to 2011, she served as vice president, marine business unit of Petroleum Geo Services following its acquisition of Arrow Seismic ASA where she was the chief executive officer. She also served as a director of Odfjell SE from December 2008 to May 2014, the chief executive officer of GC Rieber Shipping from March 2011 to April 2017, a director and the deputy chairman of Kongsberg Gruppen ASA from May 2011 to May 2019 and a director of Wilh. Wilhelmsen Holding ASA from May 2016 to May 2020 (all listed on the Oslo Stock Exchange).

Education & qualifications:

Boston University: Bachelor of Business Administration degree

Term of office:

Appointed as INED in May 2014

Current term expires at the 2028 AGM

External appointments:

Chief executive officer of Shearwater Geoservices

Committee membership:

Member of Remuneration and Nomination Committees



**Kirsi Kyllikki
Tikka**

**Independent
Non-executive Director**
(age 69)

Dr. Tikka served with American Bureau of Shipping (“ABS”) for 18 years from 2001 to 2019, having started as vice president, engineering and then in a variety of specialist and leadership roles including as vice president, global technology, business development and special projects (2005-2011), vice president and chief engineer, global (2011-2012); president and chief operating officer, ABS Europe Division (2012-2016); executive vice president, global marine (2016-2018); and executive vice president and senior maritime advisor (2018-2019). Prior to joining ABS, Dr. Tikka was a professor of Naval Architecture at Webb Institute in New York (1996-2001) and she worked as a naval architect, operations planner and analyst at Wartsila Shipyards and Chevron Shipping.

Education & qualifications:

Webb Institute: Honorary degree Doctor of Science

University of California, Berkeley: PhD in Naval Architecture and Offshore Engineering

University of Technology, Helsinki: Master’s degree in Solid Mechanics and Naval Architecture

Harvard Business School: Executive Training Program, Management Development

Term of office:

Appointed as INED in September 2019

Current term expires at the 2028 AGM

External appointments:

INED of New York-listed Ardmore Shipping Corporation

Committee membership:

Chairman of Sustainability Committee
Member of Audit Committee



**John Mackay
McCulloch Williamson**

**Independent
Non-executive Director**
(aged 67)

Mr. Williamson served as independent non-executive director of Hong Kong Exchanges and Clearing Limited for 13 years (2008 to 2021) where he acted as chairman of the board risk committee and a member of several board governance committees. He was chief executive officer at SAIL Advisors Limited (2011 to 2018); senior managing director (2012 to 2018), chief financial officer (2007 to 2018), and managing director (2007 to 2011) at Search Investment Group; managing director and head of infrastructure & operational risk at Morgan Stanley Asia (1998 to 2007); chief operating officer at NatWest Securities Asia Holdings (1994 to 1998); managing director at NatWest Investment Services, London (1992 to 1994); and INED of Nasdaq-listed Provident Acquisition Corp. (2021-2022).

Education & qualifications:

Heriot-Watt University: Bachelor of Arts degree

Chartered Accountant & member of The Institute of Chartered Accountants of Scotland

Fellow of the Chartered Institute for Securities and Investment, UK

Senior Fellow of the Hong Kong Securities and Investment Institute

Member of the Hong Kong Management Association

Term of office:

Appointed as INED in November 2020

Current term expires at the 2026 AGM

External appointments:

Non-executive chairman of UK Tote Group Limited

Chairman and non-executive director of London Metal Exchange

Chairman and non-executive director of Commodity Pricing and Analysis Limited

Committee membership:

Chairman of Audit Committee
Member of Nomination Committee

Independent Non-executive Directors



Kalpana Desai

Independent
Non-executive Director
(age 58)

Ms. Desai has over 30 years of international advisory and investment banking experience. She was Head of Macquarie Capital Asia, the Investment Banking division of Macquarie Group Limited, from 2009 to 2013. Prior to this, she was Head of the Asia-Pacific Mergers & Acquisitions Group and a managing director in the Investment Banking division of Bank of America Merrill Lynch in Hong Kong from 2001 to 2009, having joined the firm in 1998. Ms. Desai was a member of the Takeovers and Mergers Panel of the Securities and Futures Commission in Hong Kong from 2007 to 2014 and was a non-executive director of Canaccord Genuity Group Inc., headquartered in Canada, from 2013 to 2019.

Education & qualifications:

London School of Economics and Political Science: Bachelor of Economics degree

Harvard Business School: Corporate Director Certificate

Fellow member of the Institute of Chartered Accountants in England and Wales

Term of office:

Appointed as INED in February 2025 for 3 years
Current term expires at the 2028 AGM

External appointments:

Director of New York-listed Janus Henderson Group PLC

Committee membership:

Member of Audit and Sustainability Committees



Wang Xiaojun Heather

Independent
Non-executive Director
(age 62)

Ms. Wang joined General Electric ("GE") in 1994 and has nearly 30 years of extensive experience in human resources and has held numerous leadership roles across various business segments, including GE Lighting, GE Capital, GE International, GE Global Growth Organization (GGO) and GE Corporate across the US, Europe and Asia, until her retirement as the Vice-President of GE (a position appointed by the GE Board in 2009) and Human Resources leader for GE International Markets in July 2023. Prior to joining GE, she worked with China International Trust and Investment Corporation and AT&T Beijing Fiber Optic Cable Co in business and human resources management roles.

Education & qualifications:

Rutgers Business School: MBA

Term of office:

Appointed as INED in February 2025 for 3 years
Current term expires at the 2028 AGM

External appointments:

INED of Hong Kong-listed CLP Holdings Limited

Committee membership:

Chairman of Remuneration Committee
Member of Nomination Committee



Mats Henrik Berglund

Independent
Non-executive Director
(age 63)

Mr. Berglund served with Swedish conglomerate Stena group from 1986 to 2005, occupying managerial and leadership positions in various Stena group shipping businesses in Sweden and the USA including group controller of Stena Line, vice president and chief financial officer of both Concordia Maritime and StenTex (a Stena Texaco joint venture), president of StenTex, and vice president and president of Stena Rederi AB (Stena's parent company for all shipping activities). From 2005 to 2011, he was senior vice president and head of Crude Transportation for New York-listed Overseas Shipholding Group Inc. Between March 2011 and May 2012, he served as chief financial officer and chief operating officer at Chemoil Energy Limited, a Singapore-listed global trader of marine fuel products. He acted as the Chief Executive Officer and Executive Director of Pacific Basin from 2012 to July 2021.

Education & qualifications:

Gothenburg University Business School: an Economist (Civilekonom) degree

Advanced Management Program at Harvard Business School

Term of office:

Appointed as NED in January 2024 for 3 years and re-designated as INED in November 2025

Current term expires at the 2027 AGM

External appointments:

Independent director of New York-listed Ardmore Shipping Corporation, Northern Marine Group and Toronto-listed Algoma Central Corporation

Committee membership:

Member of Remuneration and Sustainability Committees

Non-executive Directors



**Harindarpal Singh
Banga**

Non-executive Director
(age 75)

Dr. Banga began his career at sea after qualifying as a master mariner in 1976. In 1979, he transitioned ashore and joined Gulf Group, an international shipping and commodities business, where he served as Commercial Director until 1989. In 1989, he became a founding partner and later vice chairman of Noble Group Limited until 2012. In 2011, Dr. Banga acquired Fleet Management Limited, the ship management subsidiary company of Noble Group, serving as chairman until today. In 2013, Dr. Banga founded Caravel, a diversified conglomerate with maritime, commodities and investment management as its three key areas of business. He was chairman and CEO of Caravel until January 2026 whereupon he assumed the role of executive chairman. In 2011, Dr. Banga was awarded the Pravasi Bharatiya Samman Award for his contributions to business, India's global reputation, and Indian communities overseas.

Education & qualifications:

Training Ship Dufferin maritime academy

City University of Hong Kong: Honorary
Doctorate in Business Administration

Term of office:

Appointed as NED in February 2026 for 3 years
(subject to re-election at the 2026 AGM)

External appointments:

Chairman of Fleet Management Limited

Executive chairman of Caravel

Honorary Consul of the Republic of Cyprus
in both the Hong Kong and Macao Special
Administrative Regions

Committee membership:

Member of Audit Committee



**Angad
Banga**

Non-executive Director
(age 42)

Mr. Banga began his career at J.P. Morgan in Hong Kong as an investment banking analyst in 2006. He was a principal at KKR from 2009 to 2013 where he focused on Private Equity investing and led the Asian leveraged finance business for KKR Capital Markets Asia. He joined Caravel Group at its inception in 2013 as an executive director. In 2016, he was appointed as chief operating officer of Caravel. In January 2026, he became Caravel's group chief executive officer with responsibility for the performance of the Caravel Group's core businesses, governance and investments. This includes the Group's portfolio of maritime assets and services, and the trading of dry bulk commodities and raw materials. Mr. Banga was appointed a Justice of the Peace by the Hong Kong SAR Government in 2024.

Education & qualifications:

Dartmouth College: Bachelor of Arts degree in
Economics (Honours)

Term of office:

Appointed as NED in February 2026 for 3 years
(subject to re-election at the 2026 AGM)

External appointments:

Board member of the Hong Kong Maritime and
Port Development Board

Member of the West of England P&I Club's
Member Committee

Justice of the Peace by the Hong Kong SAR
Government

Committee membership:

Member of Sustainability Committee

Senior Management



**Jimmy Chi Kit
Ng**

Chief Financial Officer
(age 49)

Mr. Ng joined Pacific Basin as Chief Financial Officer in May 2025. He possesses finance and banking experience and has held various managerial and leadership positions. He started his career as an analyst at JP Morgan Investment Banking in 2000 to 2002. From 2003 until 2007, he worked at Societe Generale initially as an associate and eventually as vice president, Corporate Finance Advisory, Asia. Between 2007 and 2008, he served as executive director, General Industrials Group, Investment Banking Division, Goldman Sachs. In 2008, he joined Hutchison Port Holdings ("HPH") initially in the Corporate Finance Department, and then as business director, South East Asia from 2017 until 2021. He was the chief financial officer and investment relations officer of HPH Trust ("Trust"), a Singapore-listed business trust from 2022 to April 2025. He also served on the Trust's executive committee, and as director on the boards of Hongkong International Terminals and Yantian International Container Terminals.

Education & qualifications:

University of Oxford: Master's degree in Engineering,
Economics and Management

Chartered Financial Analyst

Fellow of CPA Australia

Term of office:

Appointed as Chief Financial Officer in May 2025

External appointments:

None

Committee membership:

Member of Executive Committee

REMUNERATION REPORT

Introduction

The Group's remuneration policies and amounts for all employees including Executive Directors and Non-executive Directors are set out in this report. Information on pages 74 to 75 comprise the audited parts of the Remuneration Report and form an integral part of the Group's financial statements. The Group employed a total of 412 shore-based staff at 31 December 2025 (2024: 403) and about 4,300 seafarers during the year (2024: 4,600).

Group's Remuneration Policy

The Remuneration Policy (the "Policy") adopted by the Board, through the Remuneration Committee, aims not only to attract, motivate and retain talented personnel with the necessary skills, experiences, qualifications and attitudes to grow and oversee the business, but also to create shareholder value and alignment with shareholders while fostering a high-performance culture consistent with the Company's Purpose, Vision, and Business Principles.

Given the Company's highly cyclical business environment, the Policy measures performance in both the short term and long term, balancing business optimisation and strategic development. It evaluates both quantitative, financial business performance, and qualitative, non-financial results. The Policy intends to reward long-term high performance, good leadership, sound judgement, and sustainable business practices and development encouraging rigorous risk management, ethical business behaviour and values, teamwork and collective responsibility as much as individual excellence, and promoting a shared sense of responsibility for the environment for people's safety and wellbeing, and for diversity, equity and inclusion.

The Board has also taken into consideration a number of relevant factors when considering remuneration adjustments and annual bonuses, such as making reference to the prevailing market conditions, local market practice, salaries paid by comparable companies, the levels of emolument of existing staff of the Company, job responsibilities, duties and scope, performance of individuals and the market demand for their skills.

Discretionary equity awards by way of restricted share awards are provided through the Company's Share Award Schemes which are designed to provide Executive Directors and other employees with long-term financial benefits that are aligned to and consistent with the creation of shareholder value as an incentive and recognition for their contribution to the Group. The number of share awards granted each year is based on the performance, role and responsibilities of the individual eligible participant and approved by the Remuneration Committee. Non-executive Directors and Independent Non-executive Directors have never been granted share awards and are not entitled to participate in the 2025 Share Award Scheme.

The Group provides retirement benefits to its employees that are in line with local legislation and market practice.

The remuneration framework under the Policy includes fixed and variable remuneration, with components including base salary, allowances, benefits, short-term incentives such as cash bonus, and long-term incentives such as restricted awards and performance awards ("PSU"), the latter designed to focus the executive team on long-term alignment with shareholders. The vesting of PSU awards will be conditional on the Company achieving targets that are determined by the Board from time to time. The Policy and the Company's share award schemes also contain provisions allowing for the clawback of vested and unvested equity awards in certain circumstances. The Policy is governed by the Remuneration Committee to ensure it aligns with corporate governance, market practice and business strategy.

The Remuneration Framework

	Fixed Remuneration		Variable Remuneration	
	Base Salary, Allowance and Other Benefits	Short-Term Incentives	Long-Term Incentives	
			Restricted Awards	Performance Awards (“PSU”)
Objectives	To attract and retain high calibre talents and reward for scope of job responsibility	To reward employees based on individual and Company performance over a period of one year	To reward and drive performance over the longer term	To focus the executive team on drivers of shareholder value over the longer term
Eligibility	All employees	All employees	<ul style="list-style-type: none"> Executive Directors Senior management Critical and high potential employees 	
Delivery Method	Cash and non-monetary benefits	Cash	Share units	Share units
Approach	<ul style="list-style-type: none"> Fixed remuneration is benchmarked against relevant comparator companies to assess market competitiveness Benefits in kind include items such as retirement benefits in line with local legislation and market practice, annual leave, parental leave, medical insurance, and life insurance 	<ul style="list-style-type: none"> Executive Directors are determined and approved by the Remuneration Committee Certain senior colleagues are determined by the CEO and approved by the Remuneration Committee 	<ul style="list-style-type: none"> Annual grant Of the total number of shares granted to the executive team, at least 1/3rd is performance awards which are subject to financial or non-financial targets or a combination of both The proportion of performance awards and the weighting of financial and non-financial targets are reviewed periodically and adjusted as determined by the Remuneration Committee 	
Performance Period	N/A	One year	Multiple years	
Vesting	N/A	N/A	36 months from the date of the award	

Directors' and Senior Management's Emoluments

For the Years Ended 31 December 2025 and 2024 ^A

31 December 2025	Directors' fee US\$'000	Salaries US\$'000	Bonuses ⁹ US\$'000	Pension ¹⁰ US\$'000	Share-based compensation ¹¹ US\$'000	Total US\$'000
Executive Directors						
Martin Fruergaard	–	1,146	170	2	550	1,868
Kristian Helt ¹	–	512	101	140	223	976
Independent Non-executive Directors						
Irene Waage Basili	109	–	–	–	–	109
Stanley H. Ryan	200	–	–	–	–	200
Kirsi K. Tikka	109	–	–	–	–	109
John M.M. Williamson	115	–	–	–	–	115
Mats H. Berglund ²	219	–	–	–	–	219
Kalpana Desai ³	225	–	–	–	–	225
Wang Xiaojun Heather ⁴	94	–	–	–	–	94
Non-executive Director						
Alexander H.Y.K. Cheung ⁵	225	–	–	–	–	225
Senior Management						
Ng Chi Kit Jimmy ⁶	–	290	–	2	168	460
31 December 2024⁹						
Executive Director						
Martin Fruergaard	–	1,120	553	2	558	2,233
Independent Non-executive Directors						
Irene Waage Basili	109	–	–	–	–	109
Stanley H. Ryan	200	–	–	–	–	200
Kirsi K. Tikka	109	–	–	–	–	109
John M.M. Williamson	115	–	–	–	–	115
Alexandre F.A. Emery ⁷	102	–	–	–	–	102
Non-executive Directors						
Alexander H.Y.K. Cheung	102	–	–	–	–	102
Mats H. Berglund ²	102	–	–	–	–	102
Senior Management						
Michael Jorgensen ⁸	–	785	57	2	905	1,749

Notes:

- (1) Mr. Helt was appointed an Executive Director of the Company on 13 October 2025. The numbers represent his remuneration for the full year.
- (2) Mr. Berglund was appointed as a NED of the Company on 2 January 2024 and was re-designated as an INED of the Company on 21 November 2025.
- (3) Ms. Desai was appointed as an INED of the Company on 1 February 2025.
- (4) Ms. Wang was appointed as an INED of the Company on 1 February 2025.
- (5) Mr. Cheung resigned as an NED of the Company on 13 October 2025.
- (6) Mr. Ng was appointed as Chief Financial Officer on 12 May 2025.
- (7) Mr. Emery was appointed as an INED of the Company on 2 January 2024. He resigned on 2 January 2025 to assume a full-time executive role elsewhere.
- (8) Mr. Jorgensen was appointed on 17 July 2023 as Chief Financial Officer and stepped down on 31 October 2024. His salary includes unused leave and discretionary separation payment of US\$298,000.
- (9) With effect from 2025, the determination and approval of discretionary bonuses for employees (including Directors) are based on the Group's actual financial results and therefore will take place after the end of the relevant financial year. As such, discretionary bonuses in respect of the year ended 31 December 2025 had not been approved as at that date. The amounts disclosed in the table for the years ended 31 December 2025 and 31 December 2024 represent actual bonuses paid in 2025 and 2024 respectively in respect of performance for 2024 and 2023 respectively.
- (10) During the year, a total of approximately US\$21,780 (2024: US\$5,300) of forfeited contributions under the defined contribution scheme was used to reduce the contributions payable by the Group. As at the year end, there were no forfeited contributions available for such use.
- (11) Share-based compensation represents a non-cash charge to the income statement of the share awards through the vesting period based on their fair values on the grant date (please refer to the accounting policy for share-based compensation on page 75) and does not represent any cash payment to the awardees.

For the year ended 31 December 2025, the five individuals whose emoluments were the highest in the Group were two Executive Directors, one senior management and two employees (2024: one Executive Director, one senior management and three employees). The emoluments of such two highest paid employees are set out below and fell within the following bands.

	2025 US\$'000	2024 US\$'000	Emolument bands	2025	2024
Salaries	675	1,176	HK\$4,500,001 to HK\$5,000,000	2	2
Bonuses ⁽¹⁾	150	406	HK\$8,000,001 to HK\$8,500,000	0	1
Pension	101	211			
Share-based compensation ⁽²⁾	260	493			
Total	1,186	2,286			

Notes:

(1) Please refer to footnote 9 on page 74. 

(2) Share-based compensation represents a non-cash charge to the income statement of the share awards through the vesting period based on their fair values on the grant date (please refer to the accounting policy for share-based compensation below) and does not represent any cash payment to the awardees. 

During the year, the Group did not pay any of the five highest paid individuals (including two Executive Directors, one senior management and two other employees) or any other Directors any inducement to join or upon joining the Group or as compensation for loss of office. No Directors waived or agreed to waive any emoluments during the year.

Accounting Policies on Employee Benefits A

Bonuses

The Group recognises a liability and expense for bonuses when there is a contractual or constructive obligation or where there is a past practice that created a constructive obligation.

Retirement Benefit Obligations

The Group operates a number of defined contribution retirement schemes in accordance with local statutory requirements. The assets of these schemes are generally held in separate administered funds and are generally funded by payments from employees and by the relevant group companies. The Group's contributions to the defined contribution retirement schemes are expensed as incurred and are reduced by contributions forfeited by those employees who leave the schemes prior to their contributions being fully vested.

Share-based Compensation

The Group operates an equity-settled, share-based compensation scheme. Restricted share awards are recognised as an expense in the income statement with a corresponding credit to reserves, based on the fair value of the shares. The total amount to be expensed is calculated by reference to the fair value of the equity instruments on the grant date, excluding the impact of any non-market vesting conditions (for example, requirement of an employee to remain in employment for a specified time period). The number of equity instruments that are expected to vest takes into account non-market assumptions, including expectations of an employee remaining in the Group during the vesting period. The total amount expensed is charged through the vesting period. The Company reviews its estimates of the number of equity instruments that are expected to vest based on the non-market vesting conditions if necessary. It recognises the impact of the revision of the original estimates, if any, in the income statement with a corresponding adjustment to equity.

The grant of share-based compensation by the Company to the employees of subsidiary undertakings in the Group is treated as a capital contribution by the Company to the subsidiaries. The fair value of employee services received, measured by reference to fair value of the shares on the grant date is recognised over the vesting period as an increase in investment in the subsidiary undertakings, with a corresponding credit to equity in the Company's account. In the accounts of the subsidiaries, such fair value is recognised as an expense in the income statement with corresponding credit to reserve.

REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their report together with the audited financial statements of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2025.

Principal Activities, Analysis of Operations, Business Review and Financial Summary

The principal activity of the Company is investment holding. The Company’s principal subsidiaries (set out in Note 28 to the financial statements) are engaged in the ownership and international operation of modern Handysize and Supramax vessels. In addition, the Group is engaged in the management and investment of the Group’s cash and deposits through its treasury activities.

The business review of the Group for the year ended 31 December 2025 is set out on pages 5 to 33 of this Annual Report. A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out in the “Group Financial Summary” section of this Annual Report. A brief introduction of the Group’s sustainability efforts for the year ended 31 December 2025 is set out in the “Sustainability Highlights” section of this Annual Report and a comprehensive Sustainability Report 2025 is available on our website.

Results

The results of the Group for the year ended 31 December 2025 are set out in the consolidated income statement on page 89.

Final Dividend

The Board has recommended the payment of a final dividend of HK6.0 cents per share for the year ended 31 December 2025. The recommended final dividend of HK6.0 cents per share will be payable on 12 May 2026, subject to approval by the shareholders of the Company at the forthcoming annual general meeting to be held on 22 April 2026, to those shareholders whose names appear on the Company’s register of members on 30 April 2026.

 **p.16 Chief Executive’s Review**

The Board confirmed that all dividend decisions made were in accordance with the Dividend Policy.

 **p.13 A Word from Our Chairman**
Expanded Dividend Policy

Purchase, Sale or Redemption of Securities

During the year ended 31 December 2025, the Company repurchased a total of 150,651,000 shares on the Stock Exchange under the Company’s share buyback programme as announced on 28 February 2025. The Company had observed that the prevailing share price was below the market value of its assets and may not have fully reflected the business prospects of the Group, presenting a good opportunity for the Company to buy back its shares. The financial position of the Company was solid and healthy. The share buyback programme reflected the Company’s confidence in its long-term business prospects and potential growth. In addition, the Company believed that actively optimising the capital structure through implementing the share buyback programme would enhance its earnings per share, net asset value per share and shareholder return. The aggregate consideration paid (before expenses) for the share repurchases during the year amounted to approximately HK\$311 million (equivalent to approximately US\$40 million). All shares bought back were cancelled. As at 31 December 2025, the total number of shares in issue was 5,166,725,803 and there were no treasury shares held by the Company. Details of the shares bought back are as follows:

Month	Number of shares bought back	Purchase price paid per share (HK\$)			Aggregate consideration paid before expenses (HK\$)
		Average	Highest	Lowest	
March 2025	29,161,000	1.68	1.70	1.60	48,851,769.80
April 2025	38,846,000	1.64	1.72	1.52	63,607,897.20
June 2025	25,062,000	2.04	2.07	1.91	51,057,932.00
September 2025	15,944,000	2.47	2.52	2.35	39,350,640.40
October 2025	95,000	2.51	2.53	2.50	238,440.00
November 2025	41,543,000	2.61	2.64	2.52	108,368,615.10
	<u>150,651,000</u>				<u>311,475,294.50</u>

In June 2025, the trustee of the share award schemes of the Company purchased a total of 25,915,000 shares on the Stock Exchange in relation to awards granted to certain awardees under the Company’s 2025 Share Award Scheme. The aggregate consideration paid (before expenses) amounted to approximately HK\$54 million (equivalent to approximately US\$6.9 million).

This share purchase by the trustee constituted a transaction in the securities of the Company for the purpose of the Listing Rules.

The Group exercised its redemption option on 11 July 2025 in respect of the remaining outstanding bonds. Subsequently, US\$11.1 million of the convertible bonds were converted. All bonds that were not converted were redeemed and cancelled on 14 August 2025.

Saved as disclosed above, neither the Company nor any of its subsidiaries has during the year purchased, sold or redeemed any of the issued shares or convertible bonds of the Company.

Share Capital and Pre-emptive Rights

Movements in the share capital of the Company are set out in Note 18 to the financial statements.

During the reporting year, a total of 161,423,657 conversion shares were issued upon conversion of the 3.0% p.a. coupon guaranteed convertible bonds due 2025 issued by the Group in December 2019 (the “Bonds”), based on the conversion price of HK\$1.35 per share. The allotments were made to the following allottees who acted as nominees on behalf of five bondholders.

Date of allotment	No. of shares issued	Name of allottees	Principal amount (US\$)
16-Jun-25	20,315,814	Citi (Nominees) Limited	3,500,000
4-Jul-25	76,677,689	HSBC Nominees (Hong Kong) Limited	13,210,000
17-Jul-25	11,609,037	HSBC Nominees (Hong Kong) Limited	2,000,000
21-Jul-25	6,965,422	HSBC Nominees (Hong Kong) Limited	1,200,000
	29,022,592	HSBC Nominees (Hong Kong) Limited	5,000,000
25-Jul-25	16,833,103	HSBC Nominees (Hong Kong) Limited	2,900,000
	<u>161,423,657</u>		<u>27,810,000</u>

The issue of conversion shares as a result of the exercise of conversion rights attached to the Bonds also constituted a transaction in the securities of the Company under the Listing Rules.

There is no provision for pre-emptive rights under the Company’s Bye-laws and there is no restriction against such rights under Bermuda Law.

Convertible Bonds

As at 31 December 2025, there were no outstanding Bonds in issue following (i) the exercise of conversion rights by convertible bondholders, as disclosed in the paragraph headed “Share Capital and Pre-emptive Rights” above, and (ii) the redemption by the Company on 14 August 2025 of the remaining outstanding principal amount of US\$300,000 in full at 100% of its principal amount, together with accrued but unpaid interest.

Distributable Reserve

Distributable reserves of the Company as at 31 December 2025, calculated in accordance with the Companies Act 1981 of Bermuda, amounted to approximately US\$312.0 million as set out in Note 29(b) to the financial statements.

Donations/Sponsorships

Charitable and other donations and sponsorships made by the Group during the year amounted to US\$287,000.

Material Investments, Acquisitions and Disposals

During the year, the Group did not have any significant investments or material acquisitions or disposals of subsidiaries, associates and joint ventures.

Share Award Schemes

2013 Share Award Scheme & 2023 Share Award Scheme

The 2013 Share Award Scheme (“2013 SAS”) was adopted by the Board on 28 February 2013 and had an effective term of 10 years. It expired in February 2023 and was replaced by the 2023 Share Award Scheme (“2023 SAS”) as adopted by the Board on 31 July 2023. The 2023 SAS was subsequently expired in April 2025 and replaced by the 2025 SAS as disclosed in the next section. Upon expiration of the 2013 SAS and 2023 SAS, no further Awards shall be offered under them, but in all other respects the provisions of these two schemes remain in full force and effect. All Awards granted prior to the expiration of these two schemes and not vested at the time shall remain valid. The remaining Awards under the 2013 SAS vested on 14 July 2025, following which the 2013 SAS was terminated in full, while the remaining Awards under the 2023 SAS will vest through to 2027 as per the vesting schedule.

Both the 2013 SAS and the 2023 SAS enable the Company to grant share awards or unit awards (“Awards”) to eligible participants, being principally Executive Directors and employees, as an incentive and recognition for their contribution to the Group and to align the interests of the awardees generally with those of the shareholders for the benefit of the development of the Group. They are single share award schemes under which no share options can be granted.

The grant of Awards under the 2013 SAS can be satisfied by the purchase of existing shares of the Company through the trustee on the secondary market at the market trading price, as well as through allotment and issue of new shares by the Board utilising the general mandate granted to them by the shareholders. Since the 2013 SAS was expired in February 2023, no new shares were issued under the scheme during the year.

The grant of Awards under the 2023 SAS can be satisfied only by the purchase of existing shares of the Company through the trustee on the secondary market at the market trading price. Hence, no new shares were issued under the scheme during the year.

2025 Share Award Scheme

The 2025 Share Award Scheme (“2025 SAS”) was approved and adopted by the shareholders of the Company at the annual general meeting held on 25 April 2025 and has a term of 10 years and a remaining life of 9.3 years.

The purpose of the scheme is to enable the Company to grant awards to eligible participants as retention incentives or rewards for their contributions to the Group, and to align the interests of such participants with those of the Company and its shareholders

The 2025 SAS shall not make any Award that may result in the total number of Shares awarded under the scheme exceed 10% of the Shares in issue (excluding treasury shares, if any) as at the adoption date of the scheme. To limit the possible dilution to shareholders, the 2025 SAS scheme mandate will not exceed 5% of the Shares in issue as at the adoption date (excluding treasury shares, if any) (rather than the full 10% as permitted by the Listing Rules) to satisfy Awards, with a further restriction that the maximum number of new Shares which may be issued under the scheme in any financial year shall not exceed 0.5% of the number of issued Shares at the beginning of that financial year.

The scheme excludes Non-executive Directors (“NEDs”) and Independent Non-executive Directors (“INEDs”) from participation and incorporates certain performance award, applicable to Directors (excluding NEDs and INEDs), holding requirements and clawback mechanism.

The grant of Awards under the 2025 SAS can be satisfied by the purchase of existing shares of the Company through the trustee on the secondary market at the market trading price, as well as through allotment and issue of new shares by the Board utilising the general mandate granted to them by the shareholders.

Total Number of Shares Available for Issue

Under the 2013 SAS, the total number of shares which may be or already have been issued by the Company or transferred to the trustee of the 2013 SAS in satisfaction of the Awards granted under the 2013 SAS must not, in aggregate, exceed 10% of the issued share capital of the Company as at the first date of each financial year during the term of the 2013 SAS. No shares were granted or issued under the 2013 SAS during the year. Since the 2013 SAS has already expired on 28 February 2023, no shares were available for grant, further grant or issue under the scheme as at the beginning and end of 2025 and at the date of the Annual Report.

The grant of Awards under the 2023 SAS can be satisfied only by the purchase of existing shares of the Company through the trustee on the secondary market at the market trading price. The total number of shares available for issue under the 2023 SAS was nil at all times.

Under the 2025 SAS, the total number of shares which may be or already have been issued by the Company or transferred to the trustee of the 2025 SAS in satisfaction of the Awards granted under the 2025 SAS as at the beginning and end of 2025 and at the date of the Annual Report were nil, 256,849,507 shares and 256,849,507 shares (represents approximately 5% of the Shares in issue (excluding treasury shares, if any) at the date of the Annual Report) respectively. No shares were issued under the scheme during the year.

Vesting of Awards

Under the 2013 SAS and the 2023 SAS, Awards typically vest three years after they are granted, subject to vesting conditions. Awards granted to first time awardees, if any, typically vest annually over a three-year period.

Under the 2025 SAS, Awards typically vest three years after they are granted, subject to vesting conditions. Awards granted to first time awardees, if any, generally vest three years after they are granted.

Limit for Each Eligible Participant

The maximum number of shares for any specific eligible participant which may be subject to an Award or Awards (i) under the 2013 SAS, at any one time shall not in aggregate exceed 1% of the issued share capital of the Company as at the first date of the relevant financial year of the Company, (ii) under the 2023 SAS, in the 12-month period up to the date of grant shall not in aggregate exceed 1% of the issued share capital of the Company on the date of grant, and (iii) under the 2025 SAS, in the 12-month period up to the date of grant shall not in aggregate exceed 1% of the issued share capital of the Company (excluding treasury shares, if any) on the date of grant.

Procedure of Granting Restricted Awards

The Board has entered into a trust deed to appoint a trustee to administer Awards under the 2013 SAS, 2023 SAS and the 2025 SAS and to constitute a trust to hold property transferred by the Company to the trustee (which shall include cash or shares) in order to satisfy grants of Awards. The Remuneration Committee administers and oversees the 2013 SAS, 2023 SAS and 2025 SAS. Their review and approval is required prior to the granting of Awards to any eligible participants. No shares were granted during the year under the 2013 SAS and 2023 SAS as the schemes have expired in February 2023 and April 2025 respectively.

There is no exercise period for any Awards under the schemes. Awardees are not required to make payment upon acceptance of the Awards.

The trustee of the schemes shall not exercise any voting rights in respect of any shares held pursuant to the relevant trust deed.

Performance Award

Under the 2025 SAS, the Board or Remuneration Committee may from time to time determine and shall specify whether the Award is a Restricted Unit Award, a Restricted Share Award, a Performance Award (which is applicable to Directors (excluding NEDs and INEDs who are not considered Employee Participants), chief executive of the Company, and other members of the management as the Remuneration Committee deems fit).

Such Performance Award come with specified performance targets to be satisfied before the Award can vest. The performance targets may include (but are not limited to) individual performance, operating, business and financial targets or other criteria such as delivering strategic priorities, business results and achieving sustainability goals.

Clawback Mechanism to Recover or Withhold any Unvested Portion of Any Award

The unvested portion of 2013 SAS, 2023 SAS and 2025 SAS Awards shall lapse on the date on which an awardee ceases to be an eligible participant by reason of the termination of his employment for serious misconduct, or has become insolvent or has been convicted of any criminal offence involving his integrity.

Awards granted under the 2025 SAS are subject to the following additional mechanism:

- (a) upon vesting of awards and within the period where the Awarded Shares are subject to restrictions on dealings, the Grantee is liable to return the vested Shares (or their cash equivalent as at the time the Shares vested) if he ceases to be an Employee Participant for the reason mentioned in the paragraph above, or if he breaches the relevant restrictions on dealings.
- (b) in the case of the Performance Award, (i) the Award shall lapse automatically on the date the Company determines that the performance targets of such Award are not met, and (ii) if the Company discovers a material misstatement or omission in the financial statements of the Company or the Group within three years after the vesting date of any such Award, the Company is entitled to and may require the Grantee to return the vested Shares (or their cash equivalent as at the time the Shares vested) together with any dividend equivalent paid and any dividends paid or other distributions made with respect to any Shares upon the vesting of any such Award, without regard to any taxes paid or payable, provided that such vested Shares would not otherwise have been vested had there been no material misstatement or omission in the financial statements.

Awards Granted

Details of the grant of long-term incentives and movements of the outstanding incentives under the 2013 SAS, 2023 SAS and 2025 SAS (on an aggregate basis) during the year ended 31 December 2025:

'000 shares	Date of Grant	Unvested at 31 Dec 2025	Unvested at 1 Jan 2025	During the Year			Vesting period ⁵		
				Granted ²	Vested ³	Lapsed/cancelled ⁴	2026	2027	2028
Director									
Martin Fruergaard	03-Mar-22	-	1,359	-	(1,359)	-	-	-	-
	02-Aug-23	1,637	1,637	-	-	-	1,637	-	-
	05-Mar-24	1,816	1,816	-	-	-	-	1,816	-
	20-Jun-25	1,768	-	1,768	-	-	-	-	1,768
	20-Jun-25	2,552	-	2,552	-	-	-	-	2,552 ⁶
		7,773	4,812	4,320	(1,359)	-	1,637	1,816	4,320
Kristian Helt	03-Mar-22	-	594	-	(594)	-	-	-	-
	02-Aug-23	667	667	-	-	-	667	-	-
	05-Mar-24	771	771	-	-	-	-	771	-
	20-Jun-25	753	-	753	-	-	-	-	753
	20-Jun-25	752	-	752	-	-	-	-	752 ⁶
		2,943	2,032	1,505	(594)	-	667	771	1,505
		10,716	6,844	5,825	(1,953)	-	2,304	2,587	5,825
Senior Management									
Ng Chi Kit, Jimmy ¹	20-Jun-25	2,018	-	2,018	-	-	672	673	673
	20-Jun-25	672	-	672	-	-	-	-	672 ⁶
		2,690	-	2,690	-	-	672	673	1,345
Other Employees									
	03-Mar-22	-	10,720	-	(10,682)	(38)	-	-	-
	02-Aug-23	10,558	12,367	-	(598)	(1,211)	10,558	-	-
	05-Mar-24	11,318	12,710	-	-	(1,392)	-	11,318	-
	30-May-24	165	330	-	(165)	-	165	-	-
	20-Jun-25	17,014	-	18,311	-	(1,297)	-	-	17,014
	20-Jun-25	1,800	-	1,800	-	-	-	-	1,800 ⁶
		40,855	36,127	20,111	(11,445)	(3,938)	10,723	11,318	18,814
		54,261	42,971	28,626	(13,398)	(3,938)	13,699	14,578	25,984

Three out of the five highest paid individuals during the year were two Executive Directors and one senior management, whose interests in the share Awards are disclosed in the above table. The remaining two individuals' interest in the Awards under the 2013 SAS, 2023 SAS and 2025 SAS are as follows:

'000 shares	Date of Grant	Unvested at 31 Dec 2025	Unvested at 1 Jan 2025	During the Year			Vesting period ⁵		
				Granted ²	Vested ³	Lapsed/cancelled ⁴	2026	2027	2028
	03-Mar-22	-	686	-	(686)	-	-	-	-
	02-Aug-23	799	799	-	-	-	799	-	-
	05-Mar-24	887	887	-	-	-	-	887	-
	20-Jun-25	865	-	865	-	-	-	-	865
	20-Jun-25	864	-	864	-	-	-	-	864 ⁶
		3,415	2,372	1,729	(686)	-	799	887	1,729

Notes:

- (1) Mr. Ng was appointed as the Chief Financial Officer on 12 May 2025.
- (2) 28,626,000 share awards were granted on 20 June 2025 under the 2025 SAS representing approximately 0.56% of the issued share capital of the Company as at the date on which the Awards were granted. The closing price of the shares of the Company immediately before the grant date of 20 June 2025 was HK\$2.05 per share. The fair value of the Awards as at the date of grant was HK\$2.02 per share. These shares were all purchased in the market except for 2,711,000 shares utilising the forfeited shares held by the Trustee.
- (3) A total of 13,398,000 shares vested during the year comprising 12,511,000 shares vested in accordance with vesting schedule and 887,000 shares with advanced vesting in relation to the retirement of one employee and the decease of another employee. The weighted average closing price of the shares immediately before the dates on which the Awards vested was HK\$2.12 per share.
- (4) A total of 3,938,000 shares lapsed due to the resignation of seven employees. No awards were cancelled during the year.
- (5) The vesting date in each of these years is 14 July unless otherwise stated.
- (6) These are performance awards and the vesting of which are subject to the achievement of certain performance targets approved by the Board.

Directors

The Directors who held office up to the date of this Annual Report are set out below:

	Date of Appointment	Term of Appointment
Executive Directors		
Martin Fruergaard, CEO	02-Jul-21	3 years until 2027 AGM
Kristian Helt	13-Oct-25	1 year, renewable annually (subject to re-election at 2026 AGM)
Independent Non-executive Directors		
Irene Waage Basili	01-May-14	3 years until 2028 AGM
Stanley H. Ryan, Chairman	05-Jul-16	3 years until 2027 AGM
Kirsi K. Tikka	02-Sep-19	3 years until 2028 AGM
John M.M. Williamson	02-Nov-20	3 years until 2026 AGM
Mats H. Berglund (redesignated from NED in Nov 2025)	02-Jan-24	3 years until 2027 AGM
Kalpana Desai	01-Feb-25	3 years until 2028 AGM
Wang Xiaojun Heather	01-Feb-25	3 years until 2028 AGM
Non-executive Directors		
Harindarpal S. Banga	16-Feb-26	3 years (subject to re-election at 2026 AGM)
Angad Banga	16-Feb-26	3 years (subject to re-election at 2026 AGM)

Notes:

Pursuant to the Company's Bye-law 84(1), at each annual general meeting one-third of the Directors for the time being shall retire from office by rotation, provided that every Director shall be subject to retirement at least once every three years.

Any Director appointed by the Board shall hold office until the first annual general meeting after his/her appointment and shall then be eligible for re-election according to the Company's Bye-law 83(2).

Mr. Alexandre F.A. Emery resigned as an Independent Non-executive Director on 2 January 2025.

Mr. Alexander H.Y.K. Cheung resigned as a Non-executive Director on 13 October 2025 and has since served as an external strategic adviser to the Board and the Company.

Messrs. John M.M. Williamson, Stanley H. Ryan and Martin Fruergaard shall retire at the 2026 AGM by rotation pursuant to the Company's Bye-laws 84(1) & (2). In addition, Mr. Kristian Helt, appointed by the Board in October 2025, and Dr. Harindarpal S. Banga and Mr. Angad Banga appointed by the Board in February 2026, shall retire and be eligible for re-election at the 2026 AGM pursuant to Bye-law 83(2). All retiring Directors, being eligible, offer themselves for re-election.

Directors' Service Contracts

None of the Directors who are proposed for re-election at the forthcoming 2026 AGM has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

Directors' Material Interests in Transaction, Arrangement and Contracts

No transaction, arrangement and contract of significance in relation to the Group's business to which the Company or its subsidiaries was a party and in which a Director or an entity connected with the Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Director's Indemnities

Pursuant to the Company's Bye-laws and subject to applicable laws and regulations, every Director shall be entitled to be indemnified out of the assets and profits of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Ordinance (Cap. 622)) which he/she may sustain or incur in or about the execution of the duties of his/her office. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group.

Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 31 December 2025, the interests and short positions of each Director and the Chief Executive in the shares, underlying shares and debentures of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which: (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or (b) were required to be entered in the register maintained by the Company under Section 352 of the SFO, or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Personal interest	Corporate or Family interests/ Trust & similar interests	Long/Short position	Total Share interests	Approximate percentage holding of issued share capital	
					31 Dec 2025	31 Dec 2024
Martin Fruergaard ¹	13,979,000	–	Long	13,979,000	0.27%	0.19%
Kristian Helt ¹	11,770,000	–	Long	11,770,000	0.23%	N/A
John M.M. Williamson	110,000	–	Long	110,000	less than 0.01%	less than 0.01%

All the interests stated above represent long positions. No short positions and shares under equity derivatives held by Directors were recorded in the register maintained by the Company under Section 352 of the SFO as at 31 December 2025.

Biographical Details of Directors

Brief biographical details of the Directors are set out in the "Our Directors and Senior Management" section of this Annual Report. 

Note:

(1) Restricted share awards were granted during the year under the 2025 SAS and have been disclosed on page 79 of this Report. 

Save as disclosed, at no time during the year was the Company, its subsidiaries, or its associated companies a party to any arrangement to enable the Directors and Chief Executive of the Company to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations.

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 31 December 2025, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital.

Name	Capacity/Nature of interest	Long/Short Position	Number of Shares	Approximate percentage of the issued share capital of the Company	
				31 Dec 2025	31 Dec 2024
Caravel Maritime Ventures Inc. ¹	Beneficial Owner	Long	936,388,401	18.12%	N/A
Harindarpal S. Banga ¹	Interest of corporation controlled	Long	936,388,401	18.12%	N/A
Indra Banga ¹	Interest of corporation controlled	Long	936,388,401	18.12%	N/A
The Caravel Group Ltd. ¹	Interest of corporation controlled	Long	936,388,401	18.12%	N/A
M&G Plc	Interest of corporation controlled	Long	638,897,000	12.37%	11.84%
Pzena Investment Management, LLC ²	Investment manager/ Beneficial owner	Long	567,400,083	10.98%	9.19%
Citigroup Inc. ³	Interest of corporation controlled/ Approved lending agent	Long	363,964,500	7.04%	6.00%
		Short	30,005,744	0.58%	0.34%

Notes:

(1) The entire issued share capital of The Caravel Group Ltd. is owned as to 50% by each of Harindarpal S. Banga and Indra Banga, respectively. The Caravel Group Ltd., through various corporations controlled by it owns 100% of Caravel Maritime Ventures Inc., which held 936,388,401 shares in the capacity of beneficial owner.

(2) The long position in shares held by Pzena Investment Management, LLC is held in the capacities as Investment manager (567,161,083 shares) and Beneficial owner (239,000 shares).

(3) The long position in shares held by Citigroup Inc. is held in the capacities of Interest of corporation controlled (31,084,310 shares) and Approved lending agent (332,880,190 shares). The short position is held in the capacity of Interest of corporation controlled.

Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, as at 31 December 2025, no other person (other than a Director or Chief Executive of the Company) had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under Section 336 of the SFO.

Other Disclosure

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year.

Major Customers and Suppliers

During the year, the Group's five largest customers and five largest suppliers accounted for less than 30% of the Group's total revenue and total purchases, respectively.

Continuing Connected Transactions

During the year, the Group had no continuing connected transactions that were subject to the Listing Rules' reporting requirements for disclosure in this Annual Report.

Compliance with the Corporate Governance Code

Throughout the year, the Group has been fully compliant with all code provisions of the Corporate Governance Code as contained in Part 2 of Appendix C1 to the Listing Rules. Please also refer to the Corporate Governance Report of this Annual Report. 

Audit, Remuneration, Nomination, Sustainability and Executive Committees

Details of the audit, remuneration, nomination, sustainability and executive committees are set out in the Corporate Governance Report of this Annual Report. 

Auditor

The financial statements have been audited by PricewaterhouseCoopers who will retire and, being eligible, offer themselves for re-appointment at the forthcoming 2026 AGM.

Public Float

On the basis of information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this Annual Report, approximately 66.55% of the Company's total issued share capital is held by the public, which fulfils the Listing Rules' minimum requirement of 25%.

By Order of the Board



Mok Kit Ting, Kitty

Company Secretary

Hong Kong, 3 March 2026

INVESTOR RELATIONS

Creating Value for Our Shareholders

We seek to provide the investor community and other stakeholders with relevant regular news about Pacific Basin so they have comprehensive information about our business, strategy and performance with which to assess the Group's value

At the backdrop of heightened geopolitical uncertainties, we continued to demonstrate resilience and delivered sustainable shareholder value. For 2025, we have committed to distribute an aggregate amount of US\$90.5 million in value to our shareholders through dividend distributions and share buybacks.

Share Information

Our stock is a constituent member of the Hang Seng Sub-index series and the MSCI Index series, and is eligible for Southbound Trading under the Shenzhen-Hong Kong Stock Connect programme.

The Company's Shares in issue as at 31 December 2025:

- 5,166,725,803 ordinary shares, each with a par value of US\$0.01
- During 2025, a total of 161,423,657 conversion shares were issued upon conversion of the 3.0% p.a. coupon guaranteed convertible bonds due 2025 issued by the Group in December 2019, based on the conversion price of HK\$1.35 per share

↔ p.111-112 Share Capital

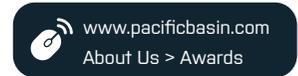
Pacific Basin Share Price Performance vs Hang Seng Index



During the year, we maintained active and transparent dialogue with our investors through non-deal roadshows, conferences, and investor events, physically and virtually.

We were honoured with various commendations and awards relating to our investor relations, governance and sustainability, including HKMA Hong Kong Sustainability Award, Hong Kong ESG Reporting Awards, HKICPA Best Corporate Governance and ESG Awards and ESG Shipping Awards International 2025.

We are grateful for all these votes of confidence in recognition of our commitment to transparency, responsible business practices, and accountability to our stakeholders.



Shareholder Return and Dividend

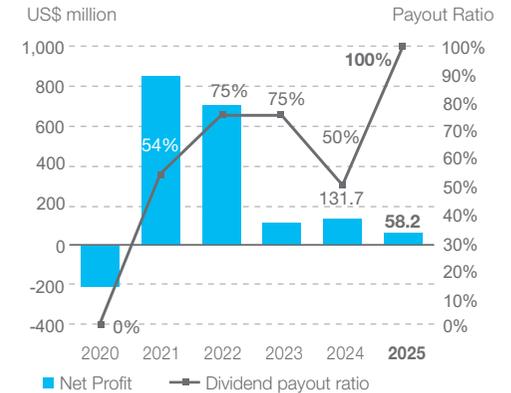
Value is returned to shareholders by way of both appreciation in share price and dividends. In 2025, our total shareholder return was 46% due to our outperformance in share price.

With effect from 2026, the Company's amended dividend policy is to pay dividends of 50% of annual net profit, excluding vessel disposal gains, increasing up to 100% of net profit (also excluding vessel disposal gains) when the Company is in a net cash position at the year end. The Board may decide to make additional distributions in the form of special dividends and/or share buybacks.

Total Shareholders' Return



Net Profit and Dividend Payout Ratio



Our Shareholders

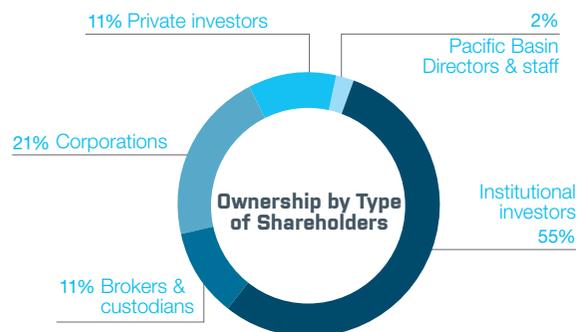
At the end of 2025, MUFG Corporate Markets (formerly known as Orient Capital) was able to analyse the ownership of approximately 92% of the Company's share capital. Institutional Investors still accounted for the largest portion of the Company's shareholder base, owning over 2.8 billion shares or 55% of our share capital.

We were able to identify 248 shareholders as at 30 December 2025. The actual number of investors interested in our shares is likely to be greater, as some shares are held through nominees, investment funds, custodians, etc., and each custodian or nominee or broker is considered as a single shareholder.

Shareholding**	No. of Shareholders	% of Shareholders	Total Holding	% of IC
1-1,000,000	81	33%	27,884,083	1%
1,000,001-10,000,000	132	53%	393,627,147	8%
≥10,000,001	35	14%	4,367,446,549	91%
Total	248	100%	4,788,957,779	100%

* Number of shareholders discovered and analysed

All data from MUFG Corporate Markets disclosed were as at 30 December 2025, which was the closest date to year end the shareholder identification was conducted



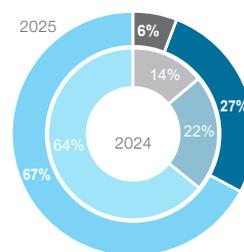
Our Activities in 2025

During the year, we maintained active and transparent dialogue with our investors and analysts through non-deal roadshows, conferences, one-on-one and group meetings/conference calls, and other investor events.

Investor Meetings

The number of investor contacts during a year is a key measure of our engagement with investors. In 2025, we talked to about 220 (2024: 464) shareholders and investors.

Type of Investor Meetings



- Investment Banks Conferences
- Meeting/Conference Calls
- Results Announcements & Non-Deal Roadshows

Communications with Sell-side Analysts

Pacific Basin encourages active analyst coverage to help investors evaluate the Group and its opportunities and challenges. Analyst Days, meetings and conference calls are arranged with management from time to time, particularly after results announcements.

A significant number of key banks publish research reports on the Group.

Analysts covered Pacific Basin in 2025

8

Research Reports covered Pacific Basin in 2025

28



Analyst Contact Details

www.pacificbasin.com

Investors > Shareholder Information >

Research Coverage

Investor Perception

In 2025, investor interest in the Company and the dry bulk shipping industry continued due to geopolitical uncertainties, disruptions in the Red Sea and the uncertainty about maritime decarbonisation. Investors were keen to discuss the extent and impact of the geopolitical turbulence, transit route disruptions, developments in freight rates, demand and supply dynamics, other macroeconomic factors, and our strategies regarding capital allocation and ESG initiatives.

Key Investor Concerns in 2025



Geopolitical concerns and structural changes



Demand and supply fundamentals and drivers



Freight rate development



Capital allocation strategy



Our fleet strategy



Implementation of IMO's net-zero framework and impact of more emissions regulations

CORPORATE INFORMATION

Offices Worldwide

Dalian, Dubai, Durban, Hong Kong, Iloilo, London, Manila, Melbourne, Rio de Janeiro, Santiago, Singapore, Stamford, Tokyo and Vancouver

Share Registrar

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East Wanchai, Hong Kong
tel: +852 2862 8555 fax: +852 2865 0990
e-mail: hkinfo@computershare.com.hk

Company Secretary

Ms. Mok Kit Ting, Kitty, CPA
e-mail: companysecretary@pacificbasin.com

Listing Venue & Listing Date

The Stock Exchange of Hong Kong Limited
14 July 2004

Public and Investor Relations

e-mail: ir@pacificbasin.com
tel: +852 2233 7000
fax: +852 2110 0171

Auditor

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

Solicitors

Holman Fenwick Willan

Stock Code

Stock Exchange: 2343.HK
Bloomberg: 2343 HK
Reuters: 2343.HK

Total Shares in Issue

5,166,725,803 as at 31 December 2025

Website

www.pacificbasin.com



Social Media Channels

LinkedIn, Facebook, Instagram, WeChat and YouTube



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Bermuda

Sustainability Report 2025



A CUSTOMER-FOCUSED PLATFORM
FOR OUTPERFORMANCE & RESILIENCE




Pacific Basin

SUSTAINABILITY REPORT 2025
STOCK CODE: 2343
#WithUsWeGrow

Both our Annual Report and our
Sustainability Report are now available at
www.pacificbasin.com/2025



Please send us your
feedback via our online
feedback form



Pacific Basin Shipping Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 2343)



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