


A CUSTOMER-FOCUSED PLATFORM FOR OUTPERFORMANCE & RESILIENCE

Pacific Basin

ANNUAL REPORT 2025

STOCK CODE: 2343

#WithYouForTheLongHaul

OUR BUSINESS

Who We Are

We own and operate dry bulk cargo vessels, and our business is customer and cargo focused, providing over 600 industrial buyers, traders and producers of dry bulk commodities with a safe, reliable and competitive freight service under spot and long-term cargo contracts. We are listed in Hong Kong and operate globally, with local offices in key locations around the world and a large fleet of ships trading worldwide to service our international cargo customers

p.4 Our Business

About Our Fleet

We operate one of the world's largest fleets of modern Handysize and Supramax vessels. Our geared (craned) bulk carriers are highly versatile self-loading and self-discharging vessels, and are laden over 90% of the time with cargoes comprising mainly non-fossil fuel commodities. This minor bulk segment offers benefits of diversification in terms of geography, customers and cargoes, enabling triangular trading for enhanced utilisation, TCE earnings and carbon efficiency

412 shore staff

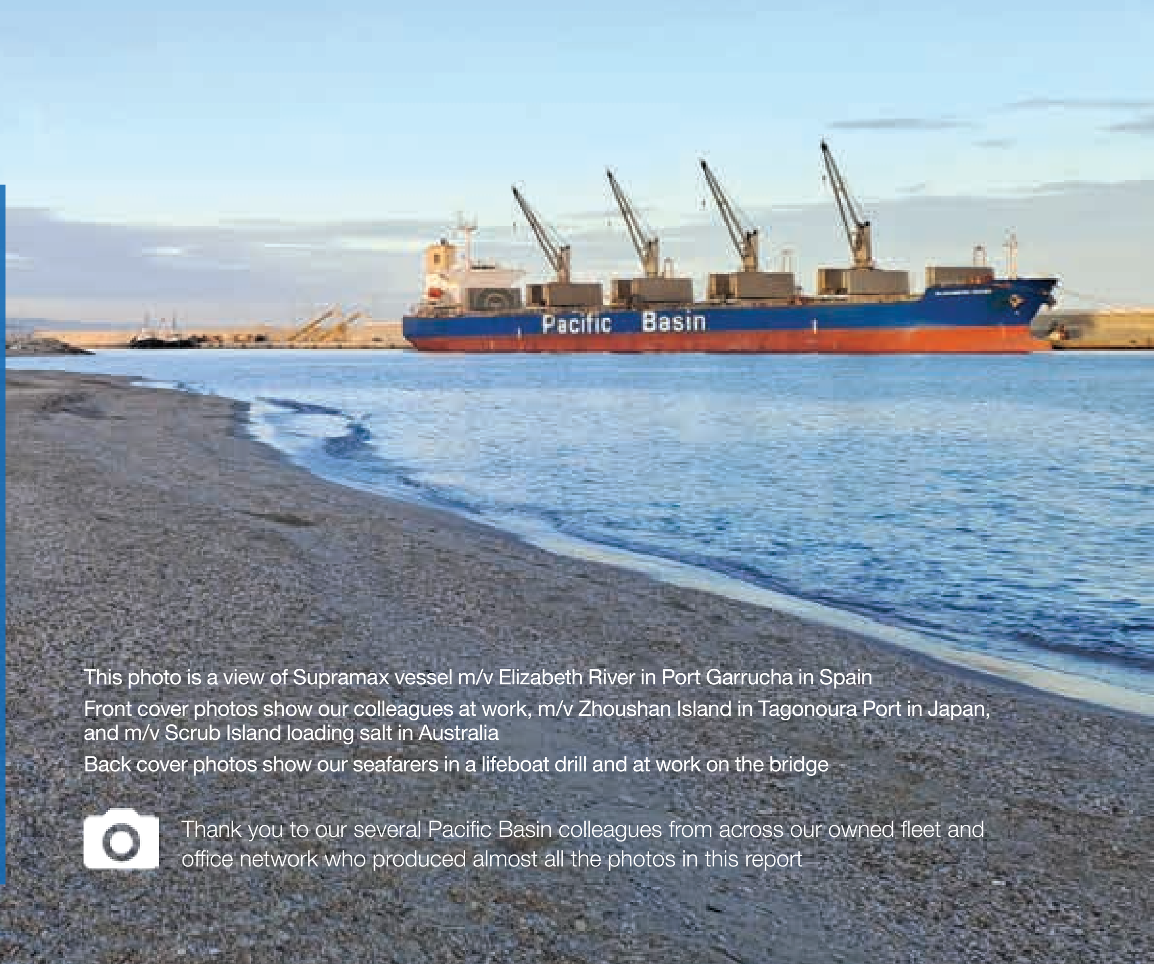
14 offices around the world

4,300+ crew

250 vessels

2,040+ voyages in 2025

600+ industrial customers



This photo is a view of Supramax vessel m/v Elizabeth River in Port Garrucha in Spain

Front cover photos show our colleagues at work, m/v Zhoushan Island in Tagonoura Port in Japan, and m/v Scrub Island loading salt in Australia

Back cover photos show our seafarers in a lifeboat drill and at work on the bridge

Thank you to our several Pacific Basin colleagues from across our owned fleet and office network who produced almost all the photos in this report

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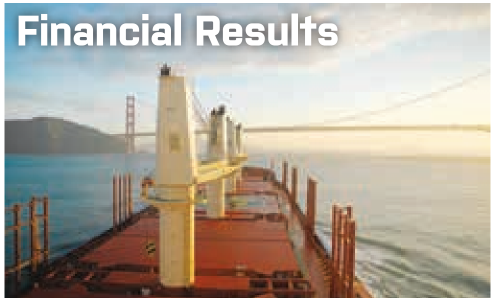


Financial Results

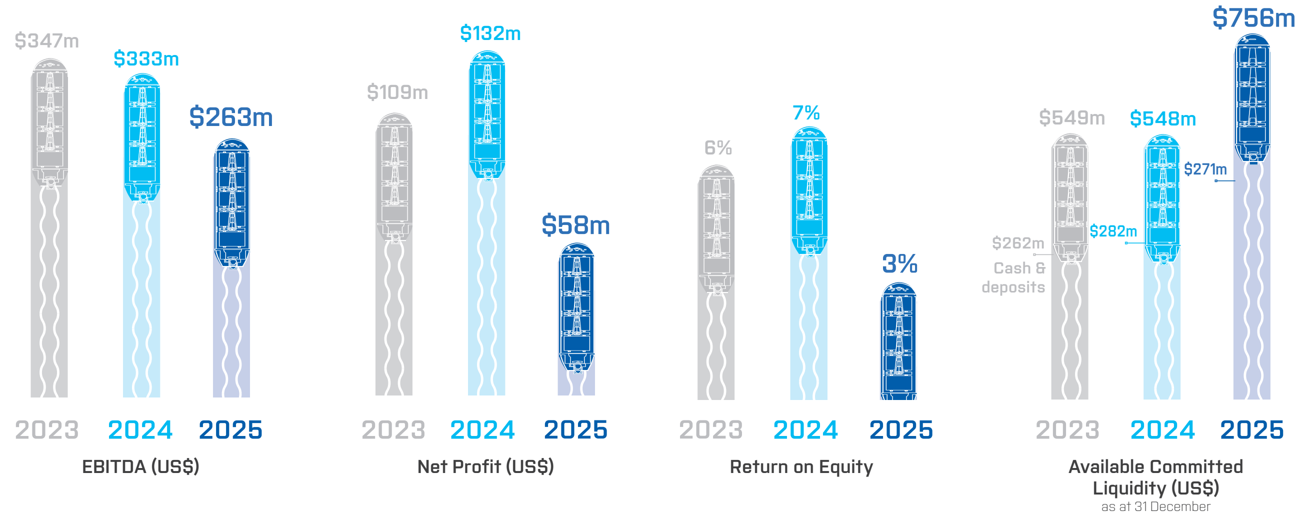
Key to navigation symbols

Linkage to related details within the Annual Report
Linkage to related details on our website www.pacificbasin.com
ESG Linkage to related details in our Sustainability Report 2025
KPI High-level KPIs (Key Performance Indicators)
A Audited Information

BUSINESS HIGHLIGHTS

Solid Financial Performance and Strong Balance Sheet

- In 2025, we generated an underlying profit of US$59.2 million, a net profit of US$58.2 million and EBITDA of US$263.1 million, yielding basic EPS of HK8.9 cents
- We are debt free on a net basis with cash and deposits of US$270.6 million and available committed liquidity of US$756.1 million as at 31 December 2025, with 46 vessels remaining unmortgaged
- The Board recommends a final dividend of HK6.0 cents per share which, combined with the HK1.6 cents per share interim dividend distributed in August 2025, represents 100% of our net profit for the full year, excluding vessel disposal gains



Strong Platform for Outperformance

- 2025 was a year in which we put the breadth of our integrated platform and core strengths to work, showing agility and resilience to deliver a solid performance amid evolving geopolitical and market challenges
- Our TCE earnings continued to outperform the market, supported by our sector-leading cost structure and proven business model
- Dry bulk supply growth outpaced demand, but our minor bulks segment was resilient and geopolitical turbulence supported stronger freight rates in the second half of 2025
- We took proactive steps within our control to mitigate the applicability to our vessels of special US port fees targeting Chinese-linked ships and reciprocal Chinese port fees on US-linked ships
- We are well prepared for ongoing macroeconomic and industry uncertainty, remaining vigilant, agile and focused on strong customer relationships, operational excellence, prudent capital management and a solid balance sheet

Business Performance

- In 2025, our core business achieved Handysize and Supramax daily time-charter equivalent (TCE) earnings of US$11,490 and US$12,850 respectively, generating a total contribution of US$117.2 million before overheads
- Our operating activity achieved a daily margin of US$820 over 27,850 operating days, generating a contribution of US$22.9 million before overheads
- Our cash break-even (including OPEX, G&A overheads and finance costs) was US$6,880 per day for Handysize and US$6,540 per day for Supramax; our costs remain well controlled and sector leading
- In 2025, we outperformed the average Handysize (BHSI 38k dwt tonnage adjusted) and Supramax (BSI 58k dwt) indices by US$910 per day and US$1,220 per day respectively
- As at 31 December 2025, the estimated market value of our Handysize and Supramax fleet was US$1,941.3 million, which was significantly above our net book value of US$1,584.3 million

Our Fleet

- We owned 106 Handysize and Supramax/Ultramax vessels and had around 250 owned and chartered vessels on the water overall as at 31 December 2025
- In December 2025, we announced the acquisition of four 40,000 dwt Handysize new building vessels for an aggregate consideration of approximately US$119.2 million and to be delivered in the first half of 2028
- We value purchase options on long-term chartered ships that enhance our growth optionality and, in 2025, we exercised four attractively priced purchase options on previously long-term chartered vessels including three Handysize vessels and one Ultramax vessel, all Japanese built
- We will continue a disciplined, counter-cyclical fleet growth approach, capturing opportunities at appropriate times and managing our fleet cost-efficiently through our sector-leading in-house fleet management function, all to create long-term sustainable returns

Find out more in our Chief Executive's Review on page 16

FINANCIAL HIGHLIGHTS

	2025 US$ Million	2024 US$ Million
Results		
Revenue	**2,081.0**	2,581.6
Time-Charter Equivalent ("TCE") Earnings	**1,188.4**	1,482.0
EBITDA[1]	**263.1**	333.4
EBIT	**72.3**	132.7
Underlying profit KPI	**59.2**	114.1
Profit attributable to shareholders	**58.2**	131.7
Balance Sheet		
Total assets	**2,278.4**	2,414.0
Total cash and deposits	**270.6**	282.0
Available committed liquidity	**756.1**	547.6
Net cash	**134.0**	19.7
Shareholders' equity	**1,825.0**	1,826.6
Capital commitments	**284.9**	146.6
Cash Flows		
Operating	**270.9**	309.3
Investing	**(43.3)**	(87.4)
Financing	**(248.0)**	(214.4)
Net change in cash and cash equivalents	**(20.4)**	7.5
Per Share Data	**HK cents**	HK cents
Basic EPS	**8.9**	19.9
Dividends KPI	**7.6**	9.2
Operating cash flows	**41.4**	46.6
Shareholders' equity	**274.8**	276.5
Share price at year end	**HK$2.33**	HK$1.64
Market capitalisation at year end	**HK$12.0bn**	HK$8.5bn
Ratios		
Net profit margin	**3%**	5%
Return on average equity	**3%**	7%
Total shareholders' return	**46%**	(35)%
Net cash to net book value of owned vessels KPI	**8%**	1%
Net cash to shareholders' equity	**7%**	1%
Interest cover KPI	**16.0x**	16.8x

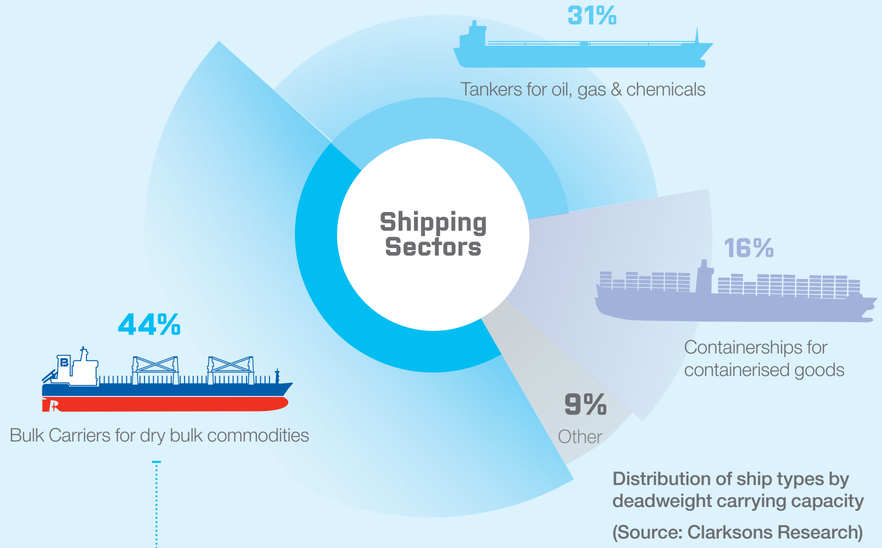
[1] EBITDA (earnings before interest, tax, depreciation and amortisation) is gross profit less indirect general and administrative overheads, excluding: depreciation and amortisation; exchange differences; share-based compensation and unrealised derivative income and expenses

Our m/v Otago Bay loading logs in Port Tauranga in New Zealand

OUR BUSINESS

OUR INDUSTRY

The dry bulk industry carries dry commodities and other non-containerised cargo. Larger vessels including Capesize and Panamax vessels carry mainly iron ore, coal and grain. We specialise in the versatile, mid-size, geared Handysize and Supramax ships that carry a wide range of minor bulks and grains, which offers significant benefits of diversification in terms of geography, customers and cargoes.



Distribution of ship types by deadweight carrying capacity
(Source: Clarksons Research)

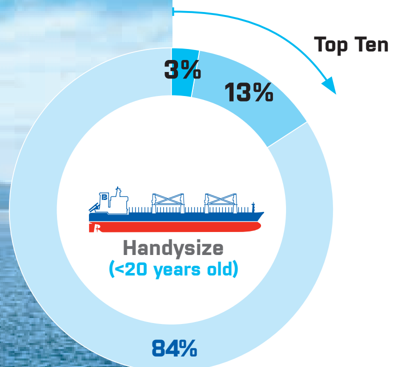
	Bulk Carrier Ship Types	Percentage of Global Dry Bulk Capacity	Versatility	Main Commodities Carried
Our Focus – Minor Bulks with cranes	**Handysize** 10,000–44,999 dwt	12%	More Versatile	**Minor Bulks**: Grains, Ores, Logs/Forest Products, Bauxite, Sugar, Concentrates, Cement & Clinker, Coal/Coke, Fertiliser, Alumina, Steel, Petcoke, Salt, Sand & Gypsum, Scrap
Our Focus – Minor Bulks with cranes	**Supramax** incl. Ultramax 45,000–69,999 dwt	24%	More Versatile	
Major Bulks without cranes	**Panamax** incl. Post-Panamax 70,000–99,999 dwt	25%	Less Versatile	**Major Bulks**: Grains, Coal, Iron Ore
Major Bulks without cranes	**Capesize** 100,000+ dwt	39%	Less Versatile	

Few ports, few customers, few cargo types, low scope for triangulation

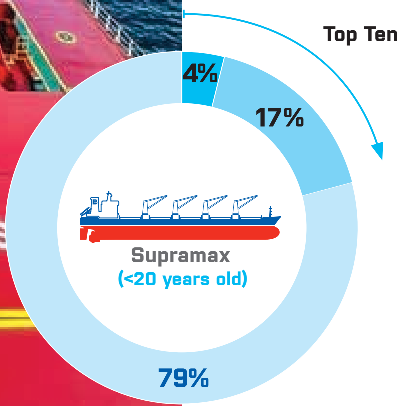
Many ports, many customers, many cargo types, high scope for triangulation

OUR FLEET

Our m/v Paqueta Island at Itaguai, Brazil



We operate approximately 3% of the global 10,000-44,999 dwt Handysize fleet of less than 20 years old



We operate approximately 4% of the global 45,000-69,999 dwt Supramax fleet of less than 20 years old

Pacific Basin Other Top Ten Others

Source: Pacific Basin, Clarksons Research, peer companies' websites

Our geared bulk carriers are highly versatile self-loading and self-discharging vessels

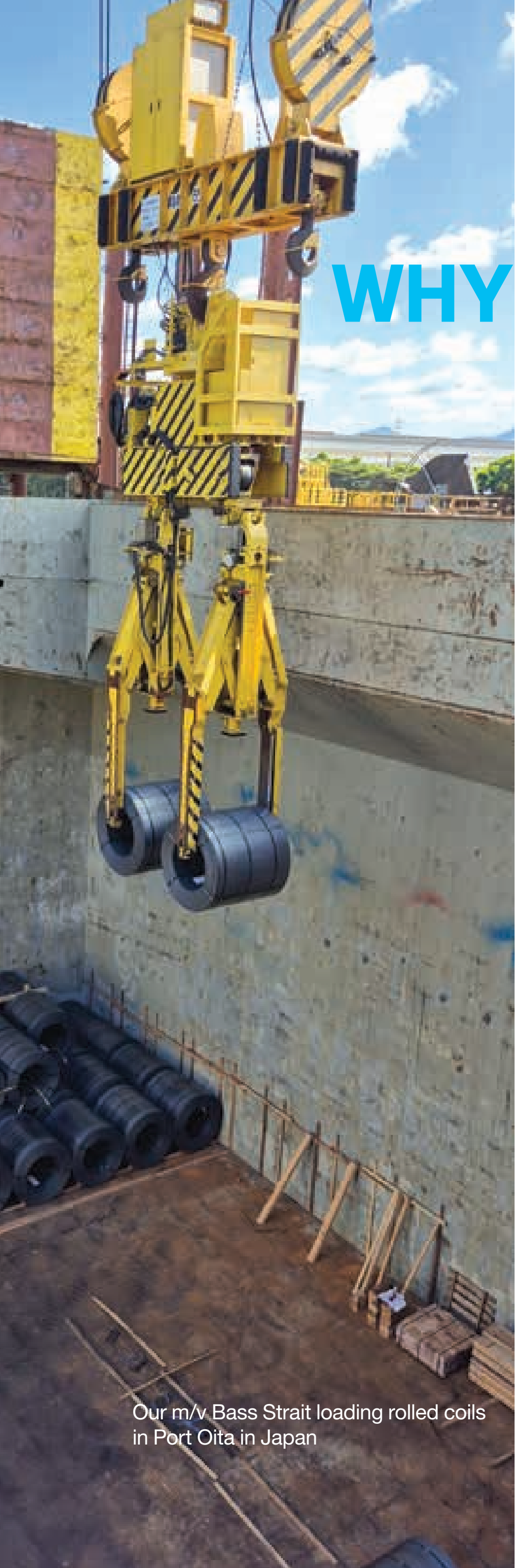
They transport mainly minor bulks including agricultural products, raw materials, construction materials and other essential bulk commodities

p.9 Our Cargo Volumes

As at 31 December 2025	Vessels in Operation: Owned	Long-term Chartered	Short-term Chartered[1]	Total	Total Capacity (Million dwt) Owned	Average Age Owned
Handysize	58	9	47	114	2.2	13
Supramax/ Ultramax[2]	48	4	83	135	3.1	13
Capesize[3]	1	–	–	1	0.1	15
Total[5]	107	13	130	250	5.4	13

As at 31 December 2025	Number of Vessels	Estimated Market Value[4] (US$ Million)	Total Net Book Value (US$ Million)
Handysize	58	927.5	772.9
Supramax/Ultramax[2]	48	1,013.8	811.4
Capesize[3]	1	17.0	16.2
Total[5]	107	1,958.3	1,600.5

[1] Average number of short-term and index-linked vessels operated in December 2025
[2] Supramax vessels in excess of 60,000 dwt are generally referred to as Ultramax
[3] The Company owns one Capesize vessel which is chartered out on a long-term bareboat charter
[4] Estimated market value reflects the latest estimated vessel values of our owned fleet based on composite broker valuations
[5] Excluding eight newbuildings on order and three long-term chartered vessels still to deliver



Our m/v Bass Strait loading rolled coils in Port Oita in Japan

WHY MINOR BULK

Attractive Characteristics of Minor Bulk

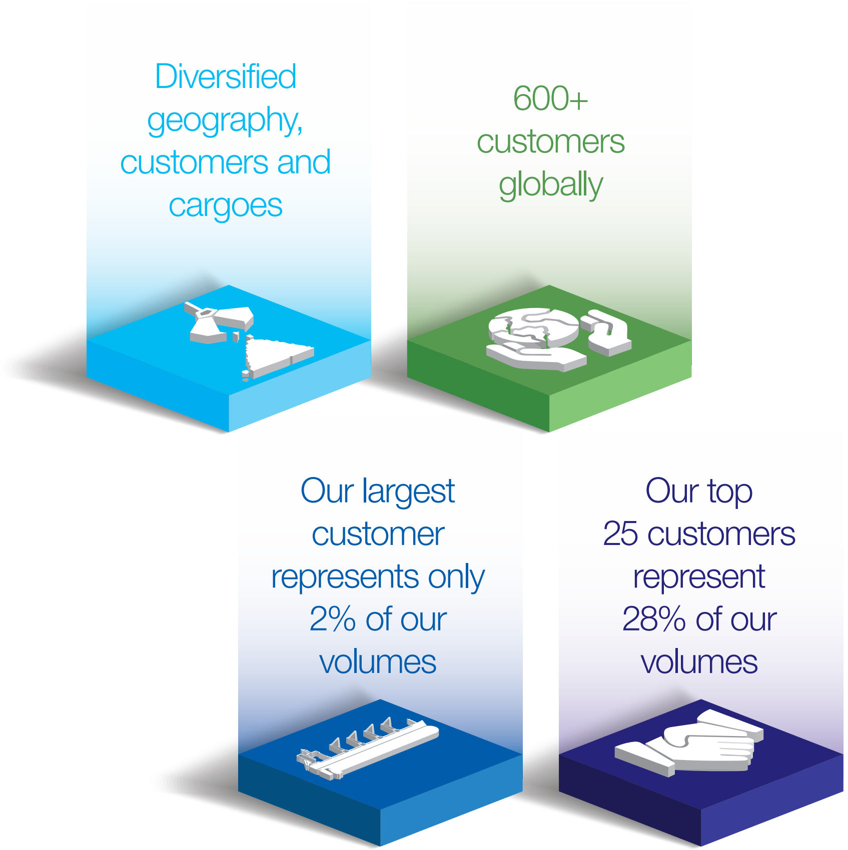
- More diverse customer, cargo and geographical exposure enables high utilisation
- A segment where scale and operational expertise make a difference
- Better daily TCE earnings driven by a high laden-to-ballast ratio
- Sound long-term demand expectations and manageable fleet growth

We are one of the world's largest Handysize and Supramax owner-operators in a highly fragmented market that revolves around the carriage of minor bulks.

Minor bulk commodities – and break bulk cargoes – are very varied, controlled by a large number of customers and transported via a large number of ports globally. This segment requires versatile self-loading and discharging (geared) ships of "handy" proportions to allow them access to the many ports around the world restricted by shallow water, locks, narrow channels and river bends.

We are focused on a particular ship segment and size, but are diversified geographically and in terms of customers and cargoes. This allows us scope to triangulate our voyages – such as by combining fronthaul and backhaul trades – and thus enhance our vessel utilisation and earnings.

A Focused Approach Offering Benefits of Diversification



TRIANGULATED TRADING

The strong relationships we build with cargo customers around the world give us access to rare backhaul cargoes that are not widely available to most other operators. By combining these backhaul cargoes with more widely available fronthaul cargoes, we develop a global cargo system and triangulated trading patterns that reduce ballast legs, increase laden days, and enhance our vessels' utilisation and TCE earnings for outperformance throughout market cycles.

A Platform and Model for Enhanced Utilisation and Earnings

Examples of key minor bulk trade routes

fronthaul routes backhaul routes

"Fronthaul" refers to shipping routes where there is high demand for vessels to transport commodities to areas where those commodities are needed. Conversely, "backhaul" refers to shipping routes where vessels transport commodities from areas with low demand for shipping services back to areas with higher demand

14 office locations

11 commercial offices 5 technical & crewing offices

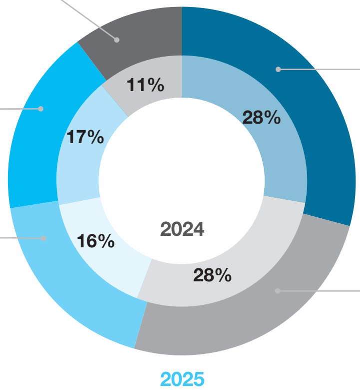
The excellent relationships we have with cargo customers are made possible by locating our experienced commercial colleagues in our offices close to customers around the world

OUR CARGO VOLUMES

We Transported 79.8 Million Tonnes in 2025 (90.2 Million Tonnes in 2024)

Our cargo mix comprises mainly non-fossil fuel commodities

Minerals	**10%**
Salt	5%
Sand & Gypsum	4%
Soda Ash	1%
Energy	**17%**
Coal	13%
Petcoke	3%
Wood Pellets	1%
Metals	**18%**
Ores	9%
Concentrates	6%
Alumina	2%
Others	1%



Agricultural Products & Related	**30%**
Grains & Agricultural Products	16%
Fertiliser	12%
Sugar	2%
Construction Materials	**25%**
Cement & Cement Clinkers	13%
Steel & Scrap	7%
Logs & Forest Products	5%

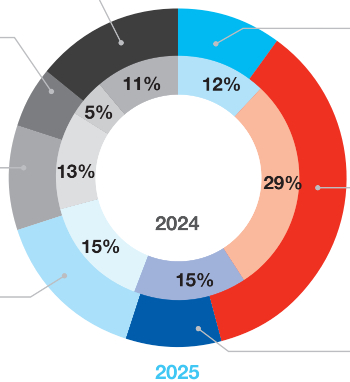
Our Cargo Loading & Discharging Activity (by Volume) in 2025 (2024)

Middle East & India 14%

Africa 6%

Europe 10%

South America 15%



Australia & New Zealand 10%

Asia 36%
(China 17%)

North America 9%

OUR PLATFORM FOR OUTPERFORMANCE

Our integrated platform combines our core strengths and competitive advantages to deliver excellent service and create powerful value drivers that convert freight income into superior financial performance and returns.

Scale & Asset Optionality

- Large, modern fleet of substitutable ships for maximum utilisation
- Disciplined, countercyclical fleet investing and renewal
- Sector-leading S&P experience and priority access to opportunities
- Supplementing owned with short- and long-term chartered ships
- Significant optionality on chartered ships, including purchase options
- But our platform value is greater than our steel value alone

Specialist Trading Model

- Focus on minor bulks to leverage benefits of diversification and triangulation
- Diversified exposure to geographies, customers and commodities
- Optimal matching of ships, cargoes and routes
- Triangulated trading reduces ballast legs for enhanced utilisation and TCE earnings
- Supplementing dry bulk with high-value, operationally intensive parcelling activity
- Industrial business model focusing on spot trading where we can differentiate ourselves
- Investing in strong, long-term customer relationships

Global Network & Market Insight

- Global office network puts us close to customers
- Strong access to local markets and cargo intelligence
- Global coordination enables optimum triangulation
- Faster, better-informed commercial decisions

Operational Excellence

- Loyal, engaged and professional staff with strong expertise
- Sector-leading experience in minor bulk cargo-handling, shipping and ports
- Award-winning, comprehensive in-house fleet management capability
- Service, reliability and uptime are priorities, and safety is non-negotiable

Optimisation through Digitalisation

- Digital pilot programmes scaled into fleet-wide capabilities
- Data-driven decisions for measurable gains
- Voyage and fuel optimisation
- Data-backed fleet scheduling
- Delivering enhanced efficiency, voyage economics and sustainability

Financial Strength & Governance

- Enhanced resilience, trust and long-term value
- Strong balance sheet and liquidity
- Robust risk management
- High standards of governance
- Leadership depth and diversity

Cost Leadership

- Sector-leading cost structure
- Scale benefits across operations
- Strong systems and processes
- Strict cost discipline and low cash break-even mindset
- Low daily vessel cost supports stronger returns and resilience in downcycles

Powerful Value Drivers

- Our strengths and advantages drive consistent market outperformance
- Pacific Basin structured TCE earnings premium versus the market indices
- Cost leadership maximises value capture from freight income
- Resilient earnings and cash generation across shipping cycles
- Compounding shareholder value over time

ORGANISATION, SCALE AND DISCIPLINE – TURNING FREIGHT INTO LONG-TERM VALUE

THE YEAR IN REVIEW

Our seafarers working on the bridge on our m/v Penguin Island

A WORD FROM OUR CHAIRMAN

Stanley Hutter Ryan

Chairman

"Throughout 2025, Pacific Basin demonstrated the strength of its foundations, the discipline of its strategy and the resilience and professionalism of its people, positioning the Company well for long-term value creation."

Excellent Platform for Delivering Shareholder Value

At Pacific Basin, we keenly consider all our levers for enhancing shareholder value, while mindful of the prudence of low gearing ahead of the counter-cyclical investments and the growth we plan to pursue as pressure builds to renew the global fleet with next-generation vessels.

The Company is focused on protecting and enhancing its unique platform and core strengths which are a significant advantage for Pacific Basin. That platform represents a rare combination of scale, specialisation (in a segment offering diversification across geographies, customers and commodities), operational excellence, data-backed fleet scheduling and voyage optimisation, and an industrial, customer-centric operating model supported by a global network of commercial teams. Taken together, we have created a global cargo-network that creates durable, repeatable advantages. This positioning supports high laden utilisation and consistent earnings outperformance across cycles, which, combined with a sector-leading cost structure, prudent financial policies and a strong focus on safety, risk management and sustainability, underpins Pacific Basin's ability to compound value over time and deliver sustainable returns to shareholders through changing market conditions.

The value of this platform is further reinforced by the quality of our governance and leadership.

Strong Financial Position

2025 was a challenging year of geopolitical and protectionist headwinds, regulatory disagreement, unexpected market developments and an overall weaker freight market than the year before. Despite all the turbulence, Pacific Basin continued to make meaningful progress against its strategy and delivered solid financial results, with sound cash generation supporting a strong balance sheet and a healthy financial position. As such, the Board recommends a final dividend of HK6.0 cents per share which, combined with the interim dividend of HK1.6 cents per share, amount to approximately US$50.5 million or 100% of our net profit for the full year, excluding vessel disposal gains.

The Company also delivered approximately US$40 million in value to shareholders through share buy-backs in 2025 at a discount to the current value of our assets.

The Company has continued to maintain balance sheet strength to support disciplined growth investments, but in the absence of attractive and relevant near term opportunities, we have increased returns to our shareholders while retaining the financial flexibility to pursue large, good value investment opportunities ahead.

Expanded Dividend Policy

The Board has conducted a review of the Company's long-standing dividend policy of paying out at least 50% of net profit excluding vessel disposal gains. Having considered the needs of the business and best-practice capital allocation, the Board has decided to expand the policy to allow enhanced capital returns to our shareholders when the balance sheet is in a net cash position.

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.

Strong Governance and Leadership

At the beginning of 2025, we welcomed Ms. Kalpana Desai and Ms. Heather Wang to the Board as new Independent Non-executive Directors ("INEDs") and, in October 2025, the Company's Commercial Director, Mr. Kristian Helt, joined the Board as an Executive Director, replacing Mr. Alexander Cheung who resigned from the Board as a Non-executive Director and continues to serve as an external strategic adviser. In November 2025, Mr. Mats Berglund was redesignated from a Non-executive Director to an Independent Non-executive Director.

On 16 February 2026, we also appointed Dr. Harindarpal Singh Banga and Mr. Angad Banga, founder and executive chairman and group chief executive officer, respectively, of The Caravel Group to the Board as Non-executive Directors. This new appointment followed constructive engagement with the Caravel Group and added two accomplished shipping and commodity industry leaders and representatives of our largest shareholder to the Board.

Pacific Basin's success in 2025 is significantly linked to the diverse expertise and backgrounds of its members and to its independence.

p.68 Our Directors and Senior Management

In May 2025, we welcomed Mr. Jimmy Ng as the Company's new Chief Financial Officer. The Board is confident that the Pacific Basin business is in good hands, with our Chief Executive Officer Mr. Martin Fruergaard and the rest of the management team delivering on a clear vision and strategies that drive performance and sustainable growth.

Structural Changes to Comply with New Regulations

As the Company reported in its 2025 Third Quarter Trading Update, we took proactive steps within our control to mitigate the applicability to our vessels of special US port fees targeting Chinese-linked ships and reciprocal Chinese port fees on US-linked ships. Those steps included:

- expanding our Singapore company structure to hold about half of our owned fleet being transferred to Singaporean ownership and flag;
- relocating ultimate responsibility for our strategic leadership and commercial decision-making to Singapore, while day-to-day commercial and operational management continues across our global office network; and
- changing our Board composition, as per the October 2025 changes mentioned above.

We made these changes to protect our business and position Pacific Basin to continue serving our global customers freely and competitively across all safe ports and countries, including China and the United States. We will continue to monitor USTR and other protectionist developments and take necessary actions to mitigate any impact on our competitiveness.

On Course for a Sustainable Future

We remain focused on delivering sustainable, disciplined and profitably accretive growth, and our ESG efforts continue to deepen the integration of sustainability into the Company's culture and decision-making.

As part of our strategy going forward, we are transforming our Bunker team into a Sustainable Energy Solutions team, reflecting a shift in how fuel and energy are viewed within our business, not merely as a cost, but as a strategic lever of competitiveness, as we seek to enhance our access to both conventional and green fuels, enhance efficiency and emissions performance across our fleet, and develop new commercial opportunities around alternative fuels, energy management and regulatory-driven solutions for customers.

I am encouraged by the leadership our people continue to show in advocating for seafarer rights, safety and welfare, particularly against the backdrop of ongoing geopolitical instability, piracy and militant attacks, and the persistent threat of illicit drug trafficking that too often results in the unjust criminalisation of innocent seafarers.

Consistent with our further increased ambition around safety and welfare, the Company established a dedicated Security Team in early 2025 to strengthen oversight, preparedness and real-time support for our ships and people worldwide. The benefits of that investment were immediately tangible during the year.

Alongside these critical social priorities, we remain firmly engaged on the latest environmental and climate matters. While the IMO has postponed the formal adoption of its net-zero framework, our commitment to energy-efficiency and decarbonisation is undiminished. Regional and limited global regulations are already shaping the direction of travel, and we remain confident that the IMO will, in time, provide a global framework that will make economic case for investment in green ships undeniable. In the meantime, we continue to act proactively – investing, innovating and partnering – to reduce emissions and build resilience for the long term.

The Company has once again been recognised for its industry-leading ESG performance through awards and strong external ratings, reinforcing our belief that responsible business is integral to enduring success.

p.39 Sustainability Highlights

World-Class Industry Reputation

The Pacific Basin name enjoys an excellent reputation across the shipping industry, earned through many years of consistent performance, disciplined execution and a strong commitment to safety, service quality and responsible business practices. Our reputation reflects not only the reliability and competitiveness of the service we provide to customers, but also the trust placed in us by seafarers, staff, regulators, investors and other stakeholders. This standing is underpinned by our customer-focused operating model, high standards of governance and transparency, and the professionalism of our people across the fleet and shore organisation.

The industry and ESG awards we have received during the year are an external validation of these strengths and of the culture and values that continue to differentiate Pacific Basin in a highly competitive global market:

- Bulk Ship Operator of the Year –
  IBJ Awards (International Bulk Journal)
- Outstanding Performance in Port State Control Inspections –
  Hong Kong Marine Department Awards
- ESG Leader Gold Award –
  ESG Shipping Awards International
- Top 8% ESG rating –
  EcoVadis (used by a number of our customers)
- Ranked 1st or 2nd in dry bulk by key ratings agencies S&P, MSCI, Bloomberg and ISS

Thank You for Your Support

On behalf of the Board, I would like to express our sincere appreciation to our seafarers and our shore-based staff for their continued dedication, professionalism and loyalty throughout 2025. Their commitment underpins our ability to deliver a class-leading service to our customers, create value for our shareholders and, above all, safeguard the safety and wellbeing of our people. I also thank our shareholders and other stakeholders for their ongoing interest in and support of Pacific Basin.

Stanley Hutter Ryan
Chairman
Hong Kong, 3 March 2026

CHIEF EXECUTIVE'S REVIEW

Martin Fruergaard

Chief Executive Officer

"2025 was a year in which we put the breadth of our integrated platform and core strengths to work, showing agility and resilience to deliver a solid performance amid evolving geopolitical and market challenges."

Solid Financial Results Backed by 9% TCE Outperformance

Dry bulk freight markets in the first quarter of 2025 were the weakest in five years, and despite strengthening from Lunar New Year onwards, average Handysize and Supramax index earnings for the full year were 5% and 10% below 2024 levels respectively.

Despite these early headwinds, by focusing on efficiency and optimisation and by leveraging our unique platform and core strengths, we generated an underlying profit of US$59.2 million, a net profit of US$58.2 million and EBITDA of US$263.1 million, delivering basic EPS of HK8.9 cents. We maintained a robust financial position, ending the year debt-free on a net basis with strong liquidity.

Our **core business** contributed US$117.2 million before overheads, with average Handysize and Supramax daily time-charter equivalent ("TCE") earnings of US$11,490 and US$12,850 per day respectively. While down 11% and 6% year on year, our Handysize TCEs continued to outperform the BHSI 38k dwt tonnage-adjusted index by US$910 per day or 9% and our Supramax TCEs outperformed the BSI 58k dwt index by US$1,220 per day or 10% – despite the market strengthening over most of the year and the usual lag between market rates at the time of fixing and the period in which revenue is recognised.

Complementing our core business, our **operating activity** contributed US$22.9 million before overheads – up 32% year on year – corresponding to a margin of US$820 per operating day. This is equivalent to increasing our core business' outperformance by 11% for Handysize and 16% for Supramax – a valuable extra contribution to our group results generated by providing a service to our customers even if our core ships are unavailable.

Our TCE earnings outperformance, supported by our sector-leading cost structure, continued to generate sound cash flow. Our core fleet – with largely fixed costs – and our resilient business model are the main drivers of our profitability: our cash break-even (including OPEX, G&A overheads and finance costs) was US$6,880 per day for Handysize and US$6,540 per day for Supramax.

Committed to Strong Shareholder Returns

In line with our dividend policy and supported by our strong balance sheet and disciplined capital management, we have committed to distribute a total of US$90.5 million in value to our shareholders for 2025. This comprises total dividends declared for the year of US$50.5 million and share buybacks completed during the year of US$40 million, and is equivalent to about 179% of net profit excluding vessel disposal gains. Total shareholder return was 46%, driven by dividends paid in 2025 and a strong increase in our share price over the year.

The Board recommends a final dividend of HK6.0 cents per share, bringing total dividends for 2025 to 100% of net profit for the full year, excluding vessel disposal gains.

As described on page 13, the Board has decided to expand the Company's dividend policy for enhanced capital returns when our balance sheet is in a net cash position.

We completed our 2025 share buyback programme in December 2025 after repurchasing and cancelling 150.7 million shares for a total consideration of approximately US$40 million. With strong liquidity and cash flow, buying our shares at a discount to the prevailing market value of our assets served as a good way to enhance returns for our shareholders – more so than acquiring vessels at prevailing market prices.

The Board has for the third consecutive year approved a new share buyback programme of up to US$40 million in 2026.

Maintaining a strong balance sheet and positioning us for financial resilience through the cycle

After completing our share buyback programme and US$116.4 million of capital expenditure in 2025, the Company remained debt free on a net basis with a net cash position of US$134 million and available committed liquidity of US$756 million as of 31 December 2025.

In July 2025, we secured a new US$250 million sustainability-linked 7-year revolving credit facility, with interest margin adjustments linked to our crew safety (LTIF) and carbon intensity (EEOI) performance which we prioritise among our most important ESG topics. This is our second sustainability-linked financing facility, enhancing our liquidity to support our newbuilding programme and future growth.

Dry Bulk Supply Growth Outpaced Demand, but Our Minor Bulks Segment Was Resilient

In 2025, dry bulk demand faced a mixed landscape shaped by macroeconomic headwinds and geopolitically impacted trade flows. Global dry bulk trade volumes decreased by about 2% year on year, whereas tonne-mile demand remained level due to longer average voyage distances – driven by the growing long-haul bauxite trade from Guinea to China, a surge in China's exports of semi-processed goods to Atlantic emerging markets, and continued disruption in the Red Sea and consequent rerouting around the Cape of Good Hope.

Minor bulks and grains provided support with a 1% increase in volumes and 4% increase in tonne-mile demand, mainly due to China's exports of steel, cement and fertilisers and its imports of minor metal ores and concentrates.

Moderate net fleet growth

According to data from Clarksons Research, global dry bulk fleet capacity grew by 3% net in 2025, with minor bulk fleet capacity growing by 4.1% net. Driving this capacity expansion were increased newbuilding deliveries, representing 3.5% of total dry bulk supply and 4.7% of minor bulk supply respectively, while scrapping remained low.

Newbuild ordering activity in 2025 was somewhat restrained due to limited available shipyard capacity, continued high newbuilding prices, and uncertainty about global decarbonisation regulations and US special port fees intended to penalise vessels built in China. The dry bulk orderbook overall remains steady at 12.5% – delivering over 2026 to 2029 – and the orderbook for Handysize and Supramax vessels also remains largely unchanged since last year at 10.8%.

Geopolitics Significantly Impacted the Shipping Markets

The general climate of protectionist actions and policy uncertainty supported stronger freight rates in the second half of 2025.

United States tariff measures and the US-China trade conflict significantly shaped global economic and maritime trade in 2025, disrupting established trade flows and creating inefficiencies in fleet deployment. Further complexity arose when the United States Trade Representative (USTR) Section 301 scheme imposed US special port fees on China-linked vessels with China introducing reciprocal fees on US-linked vessels simultaneously from 14 October 2025. After three weeks in force, both governments agreed to suspend the fees for one year alongside limited tariff rollbacks, offering only a temporary reprieve rather than a cancellation of the measures.

As outlined in our Third Quarter Trading Update, we took proactive steps to shield our business from these special port fee measures, ensuring that we can continue serving our global customers freely and competitively across all safe ports and countries, including China and the United States. With the measures now paused, we will continue to monitor developments and stand ready to respond to ensure our ships can continue to service our customers globally.

Despite the Gaza ceasefire agreement, safety is still not guaranteed in the Red Sea and most shipping traffic remains diverted around the Cape of Good Hope, adding to tonne-mile demand.

Renewed Uncertainty about Maritime Decarbonisation

In April 2025, the International Maritime Organization (IMO) agreed on a Net-Zero Framework (NZF) – including a carbon pricing mechanism – to drive the shipping industry's transitioning to green fuels. However, political differences emerged between IMO member states and, in October 2025, they adjourned a decision on NZF adoption by one year. We foresee protracted renegotiations, with the details and timing of an eventual global measure still very unclear.

In the meantime, IMO's Carbon Intensity Indicator (CII) and the European Union's FuelEU and EU ETS continue to incentivise early, gradual emission reduction steps, and further regional GHG regulations are likely to emerge in the absence of an effective IMO global measure. Against this backdrop, Pacific Basin continues to invest in energy efficiency and fuel savings, while positioning ourselves for priority access to alternative fuels in readiness for tightening and new GHG reduction regulations to come. Our proactive approach positions us to navigate regulatory uncertainty and capture opportunities in the transition to green shipping.

Navigating Cyclicality through Strategic Management

Our disciplined fleet growth strategy

Growing our business and fleet is a continuous priority, especially as 30 of our owned ships will reach 20 years of age over the next five years. However, our largest growth challenge is persistently high second-hand and newbuilding vessel prices which make growth costly and threaten competitiveness, and uncertainty around future greenhouse gas reduction rules adds pressure, so disciplined investment is all the more essential.

With a strong balance sheet and an appetite for disciplined growth, we're ready to act on the right deals at the right time and continue pursuing opportunities – including modern second-hand acquisitions, newbuilding orders, long-term charters with purchase options, and accretive M&A where synergies and cultural fit are strong.

In December 2025, we agreed to acquire four 40,000 dwt Handysize newbuildings for an aggregate consideration of US$119.2 million with delivery in the first half of 2028. The vessel specifications (with enhanced design for parcelling trades), the timing and the agreed price are considered attractive in the current market for newbuildings with early delivery dates. These more versatile vessels will enable scope for an enhanced service for our customers, as well as more triangulated trading and, in turn, increased TCE earnings outperformance and returns.

We value purchase options on long-term chartered ships that enhance our growth optionality. In 2025 we exercised four attractively priced purchase options on previously long-term chartered vessels – three Handysize and one Ultramax, all Japanese built. We also took delivery of two 64,000 dwt long-term chartered Japanese-built Ultramax newbuildings during the year, which come with both charter-extension and purchase options at fixed rates and prices. In 2026, we will have the right to exercise purchase options on four Handysize vessels, of which three also have attractive charter extension options.

We sold 8 vessels during 2025, taking advantage of historically healthy prices for older vessels.

As of 31 December 2025, our core fleet consists of 106 owned and 13 long-term chartered Handysize and Supramax vessels, with an additional eight newbuilding purchase commitments and three long-term charter commitments still to join our fleet. Including short-term chartered vessels engaged in both our core business and operating activity, we currently have 250 vessels on the water overall.

We will continue to maintain a disciplined, counter-cyclical fleet growth approach, capturing growth opportunities at appropriate times. In addition, we will continue to manage our fleet in a cost-efficient manner – through our sector-leading in-house fleet management function – all to create long-term sustainable returns for shareholders through the cycle.

Operational excellence and digital transformation

The TCE premium we generate over index earnings is driven by harnessing our experienced commercial and technical teams, global office network, strong cargo support and large fleet of modern interchangeable ships in ways that optimise ship and cargo combinations for maximum utilisation. Our cost competitiveness comes primarily from scale benefits and efficiencies we generate through robust systems and strict cost control.

We strive for operational excellence, with safety and customer service our highest priorities. This means continually enhancing our processes, decision making, business model and service offering to protect our leadership position and deliver consistent value to our customers and shareholders. In this respect, 2025 was a transformative year for us.

Our investments in digitalisation and optimisation in recent years led to several piloting and early-adoption projects, which evolved in 2025 into mature digital optimisation capabilities that we have scaled across our fleet. In a sector widely considered difficult to further optimise, we are embedding advanced technologies into everyday operations. This is delivering enhanced data availability and accuracy, improved insights and decision making and, in turn, measurable improvements in efficiency, voyage economics, operational confidence and sustainability.

Our strong foundation for long-term performance

Our long-term performance is underpinned by the integrated platform we have built over many years – our people and culture, business model, commercial capabilities, customer relationships, operational excellence, financial strength, as well as fleet scale. Together, these strengths drive our consistent market outperformance, increase the returns we generate from our assets, and provide resilience through shipping cycles. They are difficult to replicate and form the foundation for disciplined long-term growth.

Supported by a strong balance sheet, low cash break-even, sector-leading cost-competitiveness and good capital management, we are well positioned to navigate cyclicality while remaining ready to act on opportunities. With disciplined fleet growth as a priority, our focus remains on protecting and strengthening our platform and outperforming through the market cycle.

Strategic Priorities for 2026

We have set priorities for 2026 that are centred on growth, efficiency and cost optimisation at a time of high asset prices and upward cost pressures in our sector:

1. **Growing our business** – We are ready to pursue opportunities to renew and grow our fleet in a disciplined way, such as through the acquisition of modern second-hand vessels, placing newbuilding orders, taking newbuildings on long-term charter with purchase options, and by continuously looking for accretive acquisitions where the synergies and strategic and cultural fit are compelling.
2. **Refining our cost structure** – We are reviewing our cost structure and leveraging our productivity tools and initiatives to protect our cost-competitiveness while maintaining our organisation's capacity to manage a growing fleet.
3. **Transforming our fuel strategy** – As the decarbonisation rules will drive the gradual transition to green fuels, we are undertaking a transformation of our Bunker team into a new Sustainable Energy Solutions team to strengthen our access to conventional and green fuels, leverage fuel-related cost-saving and monetisation opportunities, and enhance our leadership position in maritime decarbonisation compliance.
4. **Optimising voyages through digitalisation** – We will build on recent excellent progress and our AI-enable advanced technologies to further ramp up our fuel and voyage optimisation drive for improved efficiency, cost savings, TCE outperformance and sustainability.
5. **Enhancing performance and shareholder return** – We will leverage our integrated platform and strong balance sheet to grow our business, improve customer service, and maximise total shareholder return.

We will also continue to deepen our customer partnerships, invest in our people, refine our capital allocation, further our digital transformation, and safeguard safety and wellbeing to ensure we deliver sustainable outcomes for all our stakeholders.

Safety

In 2025, our fleet recorded 11 lost-time injuries over 19.2 million working hours. This corresponds to a lost-time injury frequency (LTIF) of 0.57 which is low by industry standards and among our best ever LTIF results, but we aspire to eliminate personal injuries entirely across our fleet. Our marine safety, training and crewing teams – in collaboration with our seafarers – will continue to identify opportunities to further strengthen our already well-established safety culture and risk awareness on board.

Challenging Market Conditions and Geopolitical Uncertainty to Persist in 2026

Several challenges and much of the turbulence of 2025 are expected to persist, with some likely to provide support to market freight rates in 2026.

Dry bulk demand will again be constrained by historically subdued global economic growth, and, according to Clarksons Research forecast data, dry bulk supply growth is expected to outpace demand growth in 2026 due to continued high levels of new ship deliveries and limited scrapping.

Importantly, however, several inefficiencies are again expected to narrow the gap between supply and demand and tighten the market. These may include continued disruption to Suez Canal transits, slowing vessel speeds, port congestion, a heavy dry bulk dry-docking schedule, and, later in the year, self-sanctioning of Chinese-linked vessels in the US if or when US special port fees are expected to take effect again. There is also uncertainty about if and when the United States government will enact the proposed US Ships Act, planned since 2024, and now also the Maritime Action Plan released on 20 February 2026, which respectively would impose fees on Chinese-linked ships and any foreign-built ships that call at US ports.

Based on the pace and tone of political developments in early 2026 – including the military conflict in the Middle East which has just broken out as we prepare to announce our results – we currently expect more disruption rather than less. This could support market freight rates, and the Company is well positioned to navigate the challenges and opportunities arising from such disruption.

As at early February 2026, we have so far covered 41% and 56% of our Handysize and Supramax vessel days for 2026 at US$11,370 per day and US$14,050 per day respectively. Such contract cover provides a degree of earnings visibility for ship operators such as ourselves in a predominantly spot-exposed market. Our Handysize cover for the year is backhaul heavy, so, when combined with better earning fronthaul voyages, the overall TCE rates will typically be higher, assuming no significant weakening of the market.

Looking beyond 2026, the geared bulk carrier segments are expected to benefit from faster growing demand for minor bulks and grains, with the global green energy infrastructure buildout and ongoing urbanisation in developing economies supporting trade in steels, cement and other construction materials. On the supply side, newbuilding deliveries peaked in 2025 and the ageing profile of the minor bulk fleet and more disciplined ordering suggest more favourable supply-demand fundamentals for minor bulk shipping in the long term.

Pacific Basin is well prepared for ongoing macroeconomic and industry uncertainty, remaining vigilant and agile as we navigate emerging challenges and pursue opportunities. Our focus on the geared bulk carrier segments, customer relationships, operational efficiency and sustainability – underpinned by prudent capital management, a strong balance sheet, capable leadership, and an excellent global, customer-centric operating platform – positions the Company to manage volatility and continue creating long-term returns.

Acknowledging the Contribution of Our Staff and Partners

I extend my sincere thanks to our employees, customers, suppliers, shareholders and other stakeholders for your support in what was a challenging year. Our success reflects the professionalism, resilience, innovation and dedication of our colleagues at sea and ashore, and the trust placed in us by our customers and other partners. I look forward to continuing our work together in 2026.

Martin Fruergaard
Chief Executive Officer
Hong Kong, 3 March 2026

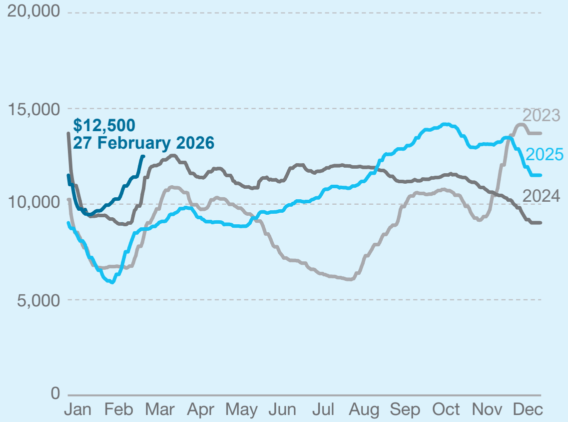
MARKET REVIEW

Freight rates dropped as supply outpaced demand

US$10,580 net ⬇ 5% YOY

BHSI 38K (tonnage adjusted) Handysize 2025 avg. market spot rate

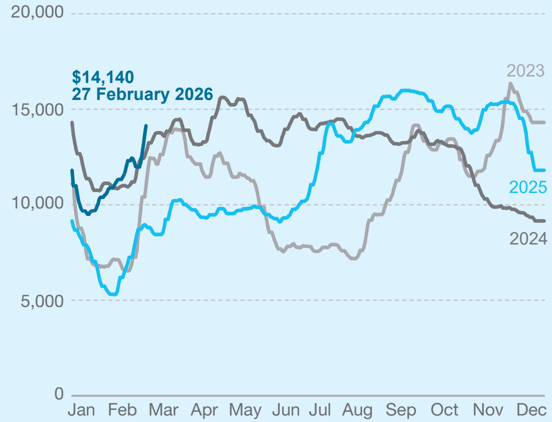
Handysize Market Spot Rates in 2023-2026
US$/day net*



US$11,630 net ⬇ 10% YOY

BSI 58K Supramax 2025 avg. market spot rate

Supramax Market Spot Rates in 2023-2026
US$/day net*



* Excludes 5% commission
Source: Baltic Exchange (BHSI 38,000 dwt (tonnage adjusted) and BSI 58,000 dwt)

There were three key developments in the dry bulk shipping industry in 2025. Firstly, supply outpaced demand, but the gap was bridged by several new and pre-existing inefficiencies that continue to disrupt the usual smooth functioning of the market. Secondly, China continued its transition from a voracious importer of raw materials on larger vessels into a leading exporter of semi-processed commodities on smaller vessels. And thirdly, geared segments absorbed the highest newbuilding deliveries since the critically weak markets of 2015-16 without any distress.

Nevertheless, dry bulk market freight rates averaged lower year on year in 2025. The usual seasonal downturn in the run up to Lunar New Year in the first quarter was exacerbated by an unusual confluence of events. Iron ore cargo volumes were lower because Australian iron ore exports were disrupted by a series of typhoons. Coal cargo volumes were lower because China's policy-driven stockpiling demand for coal imports came to an end. And grain cargo volumes were lower because war devastated grain volumes from major suppliers Ukraine and Russia.

Average market spot rates for Handysize and Supramax decreased by 5% and 10% year on year to US$10,580 (tonnage-adjusted) net per day and US$11,630 net per day, respectively.

p.24 Market Outlook

Vessel values rose through second half of 2025

US$32m ⬆ +3.2%

Second-hand Ultramax values YOY

Source: Clarksons Research, data as at January 2026

Second-hand vessel values generally trended sideways in the first half of 2025 and then rose through the second half, in a lagged reaction to the strengthening freight market. Clarksons Research currently values a benchmark five-year-old Ultramax vessel at US$32 million, up by 3.2% compared to January 2025. Elevated newbuilding prices due to fully booked shipyard capacity for the next 2.5 years continue to support asset values for modern second-hand units in our sectors.

DEMAND

Overall dry bulk demand fell, but minor bulks proved resilient

Oceanbolt data shows global seaborne dry bulk trade volumes decreased by about 2% year on year in 2025. However, tonne-mile demand remained level with 2024, as shown in the chart on the right, due to a continuing lengthening in average hauls. The positive distance multiplier was due partly to a steep, multi-year ramp up in the long haul bauxite trade from Guinea to China, partly due to a surge in China's exports of semi-processed commodities to emerging market economies in the Atlantic, and to continued disruption in the Red Sea and consequent rerouting around the Cape of Good Hope.

Minor bulk volumes (excluding bauxite) were up by about 1% in 2025, with tonne-mile demand growing 4%, supported most notably by China's exports of cement and fertilisers and its imports of minor metal ores and concentrates.

Major bulk tonne-mile demand (including bauxite) fell by 2%, due to:

- grain volumes decreased by 6%, as war almost completely halted exports from Ukraine (-97%) and greatly impacted exports from Russia (-45%)
- iron ore volumes decreased by 2%, as Australian iron ore ports were battered by a series of cyclones in the first quarter
- coal volumes decreased by 6%, as China met its policy target (announced during the rolling power blackouts of summer 2021) of building stocks to 15% of annual consumption, and stockpiling demand for imports (-15%) came to an end

This was partly offset by bauxite volumes increased by 14%, which had an outsized impact on Capesizes, not only because of the long distance from Guinea to China, but also because the former is shallow water and requires transhipment from smaller to larger vessels, causing considerable congestion.

2025 Global Cargo Loading Volumes#

Selected Minor Bulks*	↑	+1%
Grain	↓	-6%
Iron Ore	↓	-2%
Coal	↓	-6%
Bauxite	↑	+14%

* Minerals, non-coal energy, metals and minor ores, fertiliser, sugar and non-grain agricultural products, cement and clinker, logs and forest products, steel and scrap

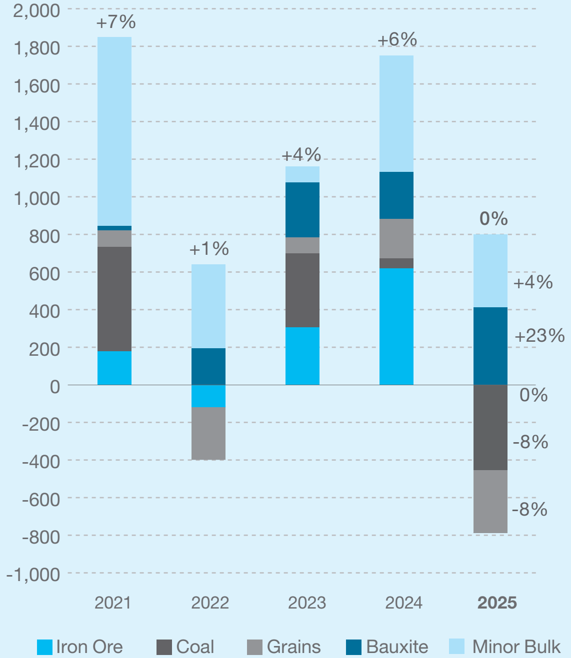
Source: Oceanbolt, data as at February 2026, subject to revision

Minor bulk demand is broad based and diverse both geographically and in terms of commodities and customers, and normally tracks growth in GDP

Cargo volume is different to tonne-mile demand. Tonne-miles is the primary measure of transport demand. A tonne-mile is defined as one tonne of freight shipped one mile, and therefore reflects both the volume shipped (tonnes) and distance shipped (miles)

Changes in Global Dry Bulk Demand

YOY change in billion tonne-miles



Source: Oceanbolt, data as at February 2026, subject to revision

SUPPLY

Net fleet growth remained steady

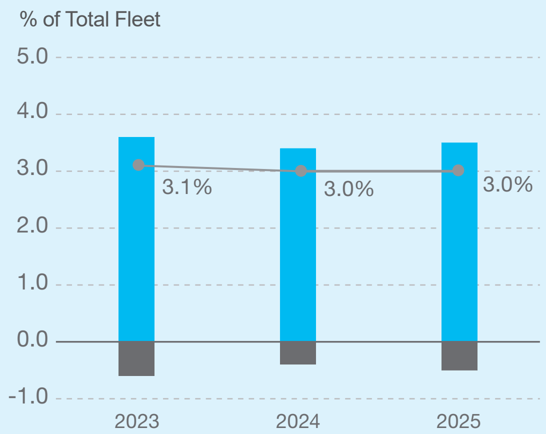
Global dry bulk net fleet growth remained steady at 3% in 2025, unchanged from 2024, while the combined net fleet growth of the Handysize and Supramax segments in which we specialise also remained steady at 4.1% in 2025. This was mainly due to:

- newbuilding deliveries increasing to 3.5% of total dry bulk supply and 4.7% of minor bulk supply; and
- total dry bulk scrapping remaining low (albeit 32% higher year on year), as niche trading opportunities for older vessels remained plentiful and IMO decarbonisation legislation was delayed.

Overall Dry Bulk Supply Development

3.0%

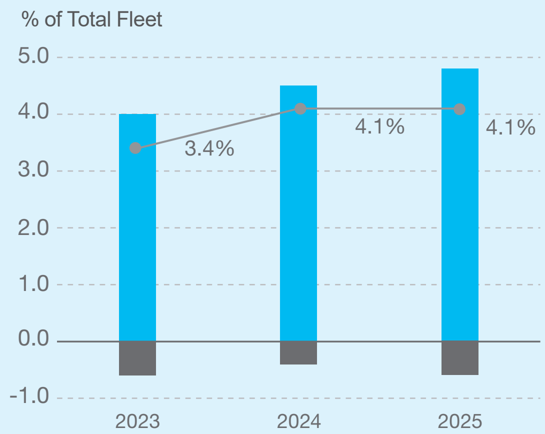
Overall dry bulk capacity 2025



Handysize/Supramax Supply Development

4.1%

Global Handysize/Supramax capacity 2025



New Deliveries
Scrapping
Net Fleet Growth

Source: Clarksons Research data as at January 2026

ORDERBOOK

Restrained ordering due to regulatory uncertainty and limited shipyard capacity

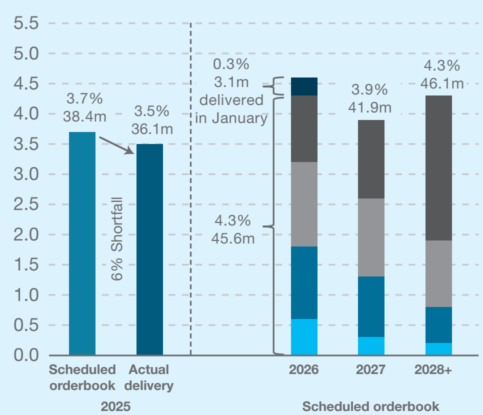
The total dry bulk orderbook currently stands at 12.5% of the existing fleet, slightly up from 12.3% at the start of 2025, with the combined Handysize and Supramax orderbook also steady at 10.8%. Both remain historically moderate, especially when compared to the tanker and containership sectors.

Total dry bulk newbuild contracting activity in 2025 slowed by 31% year on year to 43.5 million dwt, with Handysize and Supramax ordering down by 46% and 64% respectively, while ordering of Capesize and Panamax vessels fell 23% and 44% respectively.

This reduction in ordering activity was due to:

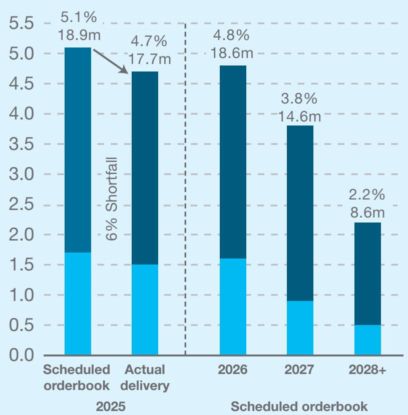
- uncertainty about new port fees in the US, including those intended to penalise vessels built in China, where the majority of dry bulk vessels are built;
- uncertainty about the timing and details of IMO's decarbonisation regulations and the technologies and availability of future fuels required to meet them;
- limited yard capacity for newbuilding orders until 2028, with limited new yard capacity coming online; and
- newbuilding prices remaining historically elevated, due to tight yard capacity.

Overall Dry Bulk Orderbook



Source: Clarksons Research, data as at January 2026

Handysize & Supramax Combined Orderbook



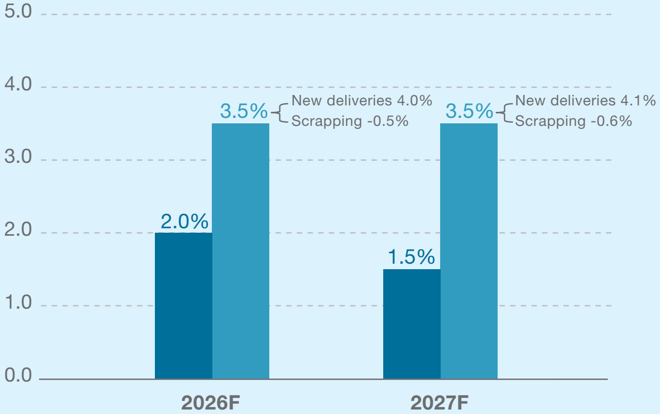
	Orderbook as % of Existing Fleet	Average Age	Over 20 Years Old	2025 Scrapping as % of 1 January 2025 Existing Fleet
Handysize (10,000–44,999 dwt)	8.9%	13.7	14.5%	0.6%
Supramax & Ultramax (45,000–69,999 dwt)	11.8%	12.6	12.6%	0.6%
Panamax & Post-Panamax (70,000–99,999 dwt)	15.2%	12.6	15.1%	0.6%
Capesize (100,000+ dwt)	12.4%	12.0	6.3%	0.4%
Total	12.5%	12.9	11.1%	0.5%

*Source: Clarksons Research, data as at January 2026

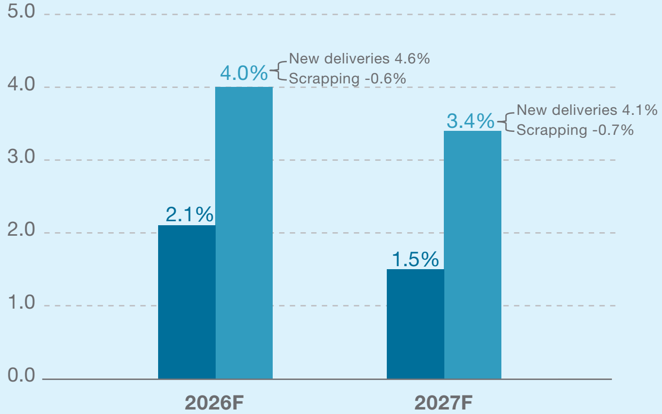
MARKET OUTLOOK

Supply outpacing demand, but inefficiencies bridge the gap

Total Dry Bulk Demand and Supply
% YOY change



Minor Bulk Demand and Handysize/Supramax Supply
% YOY change



■ Tonne-Mile Demand ■ Net Fleet Growth

Source: Clarksons Research data as at January 2026

According to Clarksons Research's forecast data, both total dry bulk and minor bulk supply growth are expected to outpace demand growth in 2026, due to expected high levels of new ship deliveries and limited scrapping.

However, the balance remains broadly similar to 2025, during which several inefficiencies bridged the gap between supply and demand and tightened the market. *Inter alia*, these included disruption to Suez Canal transits, slowing vessel speeds, and port congestion. And while these inefficiencies persisted from previous years, new inefficiencies emerged in the form of self-sanctioning of Chinese-linked vessels in the US and a heavy drydocking schedule. All these factors require more vessels to transport any given volume of cargo and, while some may ease in 2026, new ones may also continue to emerge.

POSSIBLE MARKET DRIVERS IN THE MEDIUM TERM

OPPORTUNITIES

- Steep ramp up of iron ore shipments from Simandou in Guinea and associated congestion ties up Capesize vessels and has a trickle down effect on smaller size segments
- Geopolitics and the weaponisation of trade support longer trade distances
- New applications for AI in global commodity trade and finance stimulate total volumes
- Strong growth in minor bulks trade from China to emerging market economies persists and broadens, particularly those in the Belt and Road Initiative (BRI)
- Slower vessel operating speeds due to regional maritime authorities' emissions regulations, in the absence of an IMO timetable
- Limited new vessel ordering due to IMO uncertainty, tight shipyard capacity, and high newbuilding prices
- Increased scrapping of older and less optimally designed tonnage facing onerous environmental regulations and expensive maintenance and upgrade

THREATS

- Recovery of Suez Canal transits
- A populist shift against decarbonisation in shipping encourages a return to cheap, conventional fuels and higher vessel speeds
- Limited scrapping of vessels due to lack of clarity on decarbonisation regulations from IMO
- Persistent high long-term interest rates negatively impact fixed asset investment and demand for dry bulk commodities
- Adverse weather conditions hampering grains production
- Chinese economic growth slower than expected, if policies aimed at stimulating domestic consumption prove ineffective
- Negative wealth effects from bursting of AI bubble

OUR PERFORMANCE

Our business generated an underlying profit of US$59.2 million driven mainly by a core business contribution of US$117.2 million in 2025. The decrease was mainly due to an overall weaker freight market because of ongoing macroeconomic headwinds. Despite industry wide challenges, we continued to outperform the Handysize and Supramax indices by 9% and 10%, respectively, demonstrating the strength of our business strategy and operational execution.

Our operating activity contribution increased by 32% to US$22.9 million, reflecting the continued effectiveness of this segment in supporting customer requirements when our core fleet is fully deployed and in providing a stable earnings stream across varying market conditions.

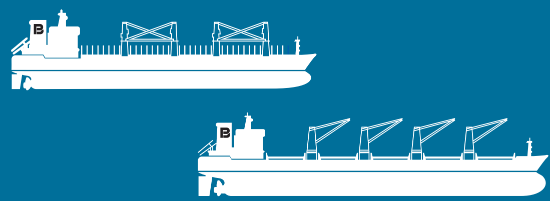
Operating Performance

US$ Million	1H25	2H25	2025	2024	Change
Core business Handysize contribution	24.2	33.4	**57.6**	107.2	-46%
Core business Supramax contribution	26.5	33.1	**59.6**	71.2	-16%
Operating activity contribution	10.1	12.8	**22.9**	17.4	+32%
Capesize contribution	0.8	0.9	**1.7**	1.7	–
Operating performance before overheads	61.6	80.2	**141.8**	197.5	-28%
Adjusted total G&A overhead	(39.4)	(42.6)	**(82.0)**	(82.7)	-1%
Taxation and others	(0.3)	(0.3)	**(0.6)**	(0.7)	-14%
Underlying profit	21.9	37.3	**59.2**	114.1	-48%
Vessel net book value (incl. assets held for sale)	1,623.1	1,600.5	**1,600.5**	1,697.2	-6%

Our Commercial Activities

Core Business

Our core business is to optimally combine our owned and long-term chartered vessels with multi-shipment contract cargoes and spot cargoes to achieve the highest daily TCE earnings. Our core business also uses short-term chartered vessels to carry contract cargoes to maximise the utilisation and TCE of our owned and long-term chartered vessels.



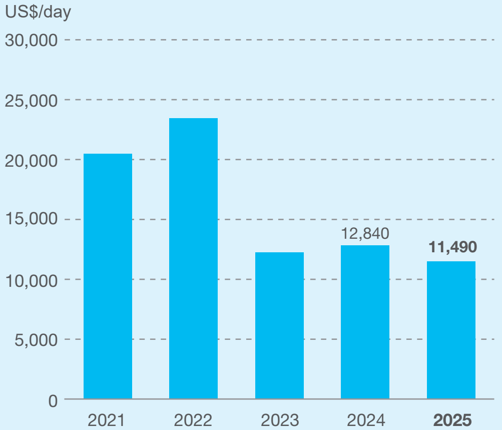
Operating Activity

Our operating activity complements our core business by matching our customers' spot cargoes with short-term chartered vessels, making a margin and contributing to our Group results regardless of whether the market is weak or strong. Through our operating activity, we provide a service to our customers even if our core vessels are unavailable.

CORE BUSINESS

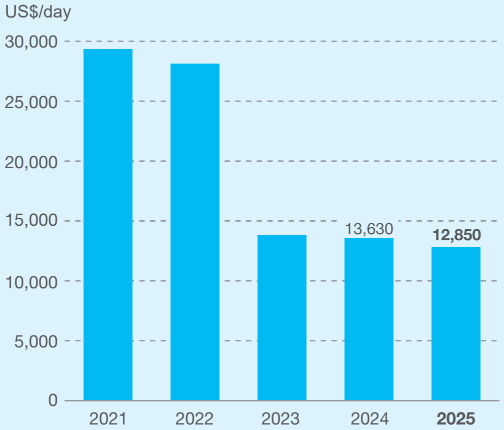
Handysize

TCE EARNINGS KPI



Supramax

TCE EARNINGS KPI



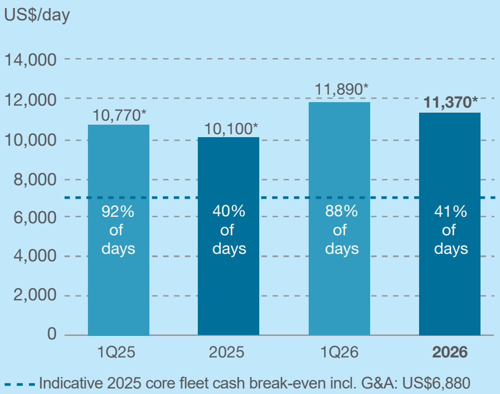
TCE EARNINGS KPI

Our core business generated:

- Handysize daily earnings of US$11,490 on 24,660 revenue days
- Supramax daily earnings of US$12,850 on 18,940 revenue days
- Our Handysize vessels outperformed the index (BHSI 38k dwt tonnage adjusted) by US$910 per day or 9%
- Our Supramax vessels outperformed the index (BSI 58k dwt) by US$1,220 per day or 10%. Scrubbers fitted to our 35 core Supramax vessels contributed US$230 per day to our outperformance
- Despite a relatively weak dry bulk freight market in 2025, our TCE earnings remained resilient

Handysize

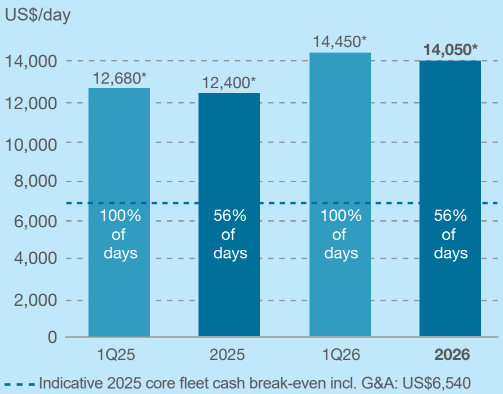
FORWARD CARGO COVER



* As at early-February 2026; these TCE rates are indicative only as voyages are still in progress and our Handysize cover for the rest of the year is backhaul heavy. When combined with better earning fronthaul voyages, the overall TCE rates will typically be higher

Supramax

FORWARD CARGO COVER



* As at early-February 2026; these TCE rates are indicative only as voyages are still in progress; When a Supramax vessel with a scrubber is assigned a cargo, its TCE rate may be higher due to the added benefit of the scrubber

FORWARD CARGO COVER

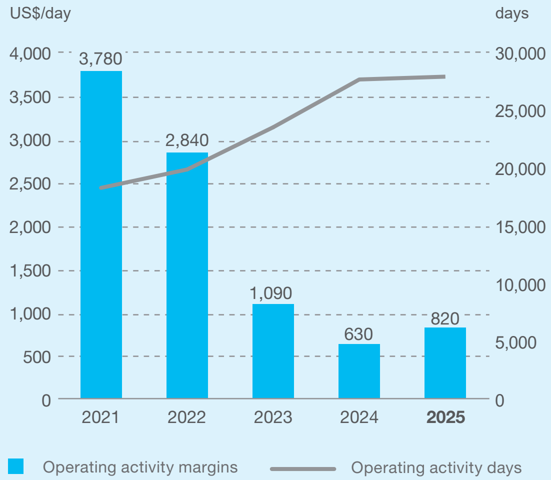
- We actively took cover for the first quarter of 2026 in view of the downward trend in freight rates towards the end of 2025, while maintaining a higher degree of spot market exposure for the remainder of 2026
- We have covered 88% and 100% of our Handysize and Supramax vessel days currently contracted for the first quarter of 2026 at US$11,890 and US$14,450 per day respectively
- We have covered 41% and 56% of our Handysize and Supramax vessel days currently contracted for the full year of 2026 at US$11,370 and US$14,050 per day respectively
- Our cash break-even (including OPEX, G&A overheads and finance costs) was US$6,880 per day for Handysize and US$6,540 per day for Supramax; our costs remain well controlled and sector leading

p.28 Core Business Vessel Costs

OPERATING ACTIVITY

MARGIN KPI

US$820 per day



- In 2025, our operating activity contributed US$22.9 million or 16% of our Group's performance before overheads, corresponding to a margin of US$820 per day over 27,850 operating activity days
- In 2025, our operating activity margin increased by 30% while our operating activity days remained relatively stable
- Our operating activity complements our core business by matching our customers' spot cargoes with short-term chartered vessels whenever our core fleet vessels are unavailable. This enables us to capture margins and contribute to the Group's overall performance irrespective of prevailing market conditions.

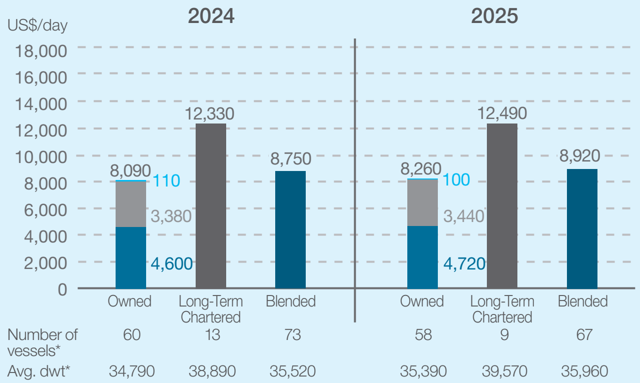
Top: Our colleagues bring professionalism and positivity to our workplace
Bottom left: PB crew conducting maintenance of a cargo handling grab on our m/v Barracuda Island
Bottom right: A PB seafarer in a lifeboat drill alongside our m/v Longview Logger

CORE BUSINESS VESSEL COSTS

Daily Vessel Costs

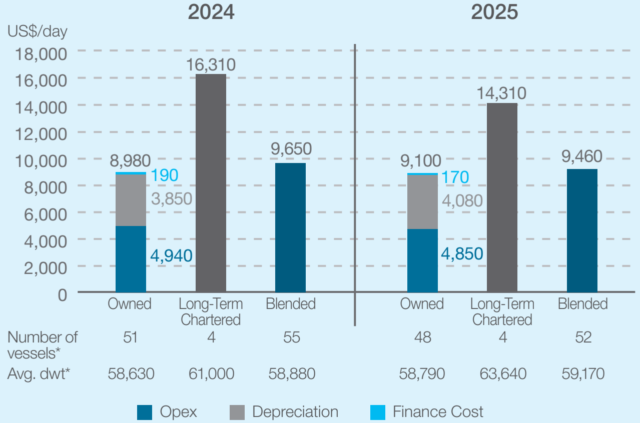
Handysize

Blended US$8,920



Supramax

Blended US$9,460



* Fleet as at 31 December 2024 and 2025

Owned Vessel Costs

- **Operating expenses**

  Our average Handysize and Supramax daily operating expenses ("Opex") were largely stable at US$4,780 (2024: US$4,750). Our Opex remained at competitive industry levels, reflecting effective cost management, scale benefits and procurement.

  During the year, our owned fleet recorded an average of 1.6 days (2024: 2.4 days) of unplanned technical off-hire per vessel.

- **Depreciation**

  Our Handysize and Supramax daily depreciation costs increased by 2% and 6% respectively, primarily attributable to higher drydocking costs and investments in fuel-efficiency enhancements.

- **Finance costs**

  The 13% decrease in our average Handysize and Supramax daily finance costs to US$130 (2024: US$150) was mainly due to lower average borrowings.

Long-term Chartered Vessel Costs

Long-term chartered vessel costs mainly comprise depreciation of right-of-use assets, interest expenses of lease liabilities and technical management service costs for leases over 12 months. Our Handysize long-term chartered vessel daily costs were substantially unchanged. Our Supramax long-term chartered vessel daily costs reduced by 12% to US$14,310, mainly attributable to the redelivery of vessels that had been chartered at higher charter rates.

Blended Costs

Our daily blended costs for owned and long-term chartered vessels increased to US$8,920 for Handysize vessels (2024: US$8,750) and decreased to US$9,460 for Supramax vessels (2024: US$9,650).

General and Administrative ("G&A") Overheads

Our adjusted total G&A overheads decreased to US$82.0 million (2024: US$82.7 million). Our daily G&A overheads remain competitive at US$870 (2024: US$780), comprising US$1,180 and US$650 (2024: US$1,070 and US$600) for owned and chartered vessels respectively.

Vessel Days

The following table shows an analysis of our vessel days in 2025 and 2024:

	Handysize		Supramax	
Days	2024	**2025**	2024	**2025**
Core business revenue days	27,010	**24,660**	19,560	**18,940**
– Owned revenue days	22,750	**20,730**	17,700	**17,590**
– Long-term chartered days	4,260	**3,930**	1,860	**1,350**
Short-term core days[1]	11,640	**8,890**	19,090	**12,940**
Operating activity days	11,240	**9,840**	16,370	**18,010**
Owned off-hire days	370	**650**	680	**470**
Total vessel days	50,260	**44,040**	55,700	**50,360**

1 Short-term chartered vessels used to support our core business

Future Long-term Chartered Vessel Costs

The following table shows the average daily charter costs for our long-term chartered vessels during their remaining charter period by year:

	Handysize		Supramax	
Year	Vessel days	Average cost (US$)	Vessel days	Average cost (US$)
2026	2,970	12,930	1,410	14,970
2027	2,500	13,230	1,460	14,660
2028	2,510	12,840	1,460	14,250
2029	1,660	12,680	1,420	13,850
2030+	1,510	12,770	1,180	13,740
Total	**11,150**		**6,930**	

Top left: m/v Santiago Basin drydocking in Nantong
Bottom left: Our seafarers working on m/v Longview Logger
Right: Our seafarers on the bridge wing of m/v Palm Island

CASH AND BORROWINGS

Operating Cash Inflow

US$229m

Available Committed Liquidity

US$756m

Net Cash to Net Book Value of Owned Vessels

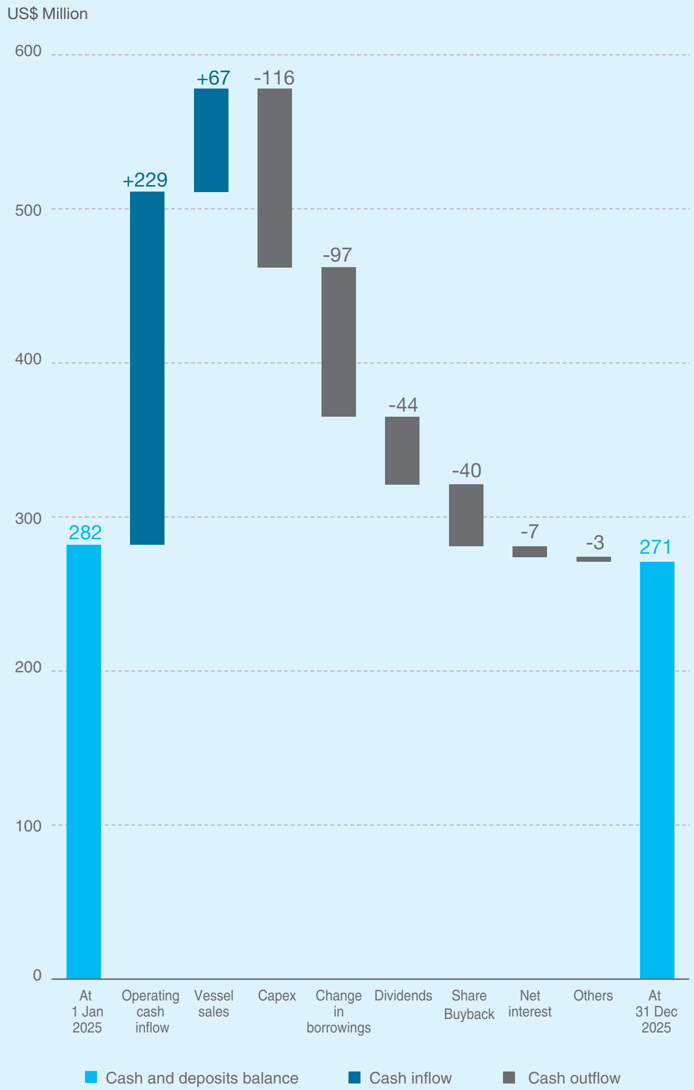
8%

Average Interest Rate (P/L)

5.9%

To provide readers with a better understanding of our cash flows, our presentation in this section considers charter-hire payments as operating cash flow, before applying accounting treatment under HKFRS 16 – "Leases"

Cash Flow



Key Developments in 2025

- In July, we concluded a new US$250 million syndicated sustainability-linked 7-year revolving credit facility secured against 20 vessels which further extends our funding profile, increases our available committed liquidity and strengthens our financial capacity
- During the year we realised US$66.8 million from the sale of 5 Handysize and 3 Supramax vessels
- Our net cash outflow from borrowings was US$96.5 million in the year
- During the year we spent US$40.0 million to repurchase shares under our announced share buyback programme
- During the year we incurred capital expenditure of US$116.4 million, including:
  (a) US$59.2 million for 3 Handysize vessels which delivered into our fleet in 2025; and 1 Ultramax vessel which delivered in January 2026
  (b) US$57.2 million for dry dockings and other additions
- As at 31 December 2025, we had 46 unmortgaged vessels

Liquidity and Borrowings A

US$ Million	31 Dec 2025	31 Dec 2024	Change
Cash and deposits (a)	**270.6**	282.0	-4%
Available undrawn committed facilities	**485.5**	265.6	+83%
Available committed liquidity	**756.1**	547.6	+38%
Current portion of borrowings	**(66.6)**	(76.5)	
Non-current portion of borrowings	**(69.9)**	(185.8)	
Total borrowings (b)	**(136.5)**	(262.3)	+48%
Net cash (a) + (b)	**134.0**	19.7	+≥100%
Net cash to shareholders' equity	**7%**	1%	
Net cash to net book value of owned vessels KPI	**8%**	1%	

p.111 Financial Statements Note 17 Cash and deposits (including how we invest our cash)

Borrowings and Undrawn Committed Facilities

Aggregate Borrowings and Undrawn Committed Facilities – US$622.0 million (31 December 2024: US$527.9 million)

Borrowings and undrawn committed facilities increased during the year primarily attributable to the closing of a new US$250.0 million facility, partly netted off by repayments and scheduled loan amortisation.

A decrease in interest to US$13.8 million (2024: US$17.8 million) was mainly due to a decrease in average borrowings to US$229.1 million.

The Group monitors the loan-to-asset value requirements on its bank borrowings. If the market values of the Group's mortgaged assets fall below the level prescribed by our lenders, the Group may pledge additional cash or offer other additional collateral unless the banks offer waivers for technical breaches.

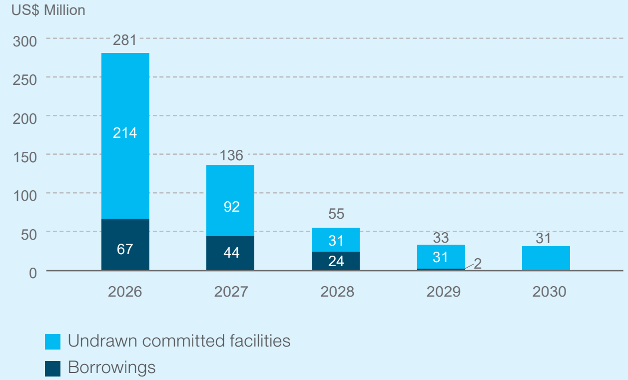
The aggregate borrowings and undrawn committed facilities are denominated in United States Dollars.

As at 31 December 2025:

- The Group's secured borrowings were secured by 61 vessels with a total net book value of US$1,003.4 million and by an assignment of earnings and insurances in respect of these vessels
- The Group was in compliance with all its loan-to-asset value requirements
- There were no outstanding convertible bonds in issue (31 December 2024: US$27.7 million) following the exercise of conversion rights by convertible bondholders and the redemption of the remaining convertible bonds by the Company in August 2025.

p.99 Financial Statements Note 7
Finance income and finance costs

Schedule of Reduction in Borrowings and Undrawn Committed Facilities



Finance Costs

US$ Million	Average interest rate P/L	Cash	Balance at 31 December 2025	Finance costs 2025	2024	Change
Borrowings (including realised interest rate swap contracts)	6.0%	6.0%	**136.5**	**13.1**	16.4	+20%
Convertible bonds (Note)	4.7%	3.0%	**–**	**0.7**	1.4	+52%
	5.9%	KPI 5.9%	**136.5**	**13.8**	17.8	+22%
Other finance charges				**2.6**	2.0	
Total finance costs				**16.4**	19.8	+17%
Interest coverage (calculated as EBITDA divided by total finance costs)				KPI **16.0x**	16.8x	

Note: The convertible bonds have a P/L cost of US$0.7 million and a cash cost of US$0.4 million in 2025.

We arrange financing by leveraging the Group's balance sheet to optimise the availability of cash resources of the Group.

The KPIs on which management focuses to assess the cost of borrowings are:

- average interest rates for different types of borrowings; and
- the Group's interest coverage.

The Group aims to achieve a balance between floating and fixed interest rates on its borrowings. As at 31 December 2025, 59% (31 December 2024: 69%) of the Group's borrowings were on fixed interest rates.

TIMELINE

JAN

- Two new Independent Non-Executive Directors appointed to the Board – Ms. Kalpana Desai and Ms. Heather Wang

FEB

- Announced 2024 Annual Results of US$132 million net profit and US$333 million EBITDA
- Launched our second consecutive Share Buy-Back Programme
- PB Officers Seminar in Goa attended by over 50 PB seafarers

MAR

- Published our 9th Sustainability Report

APR

- Received the Blue Circle Award from Vancouver Fraser Port Authority
- PB Officers Seminar in Dalian attended by over 60 PB seafarers

MAY

- PB Officers Seminar in Boracay attended by over 60 PB seafarers
- Won Gold Award in the ESG Leader category at ESG Shipping Awards International 2025

JUN

- Signed green methanol supply MOU with Towngas to enhance our access to green fuels
- Sponsored an open day at the Hong Kong Maritime Museum to celebrate the International Day of the Seafarer

JUL

- Closed a new US$250 million Sustainability-Linked 7-Year Secured Revolving Credit Facility

AUG

- Announced 2025 Interim Results of US$26 million net profit and US$122 million EBITDA
- Received the Port of Los Angeles' Vessel Speed Reduction Program (VSRP) certificate for an 8th consecutive year

SEP

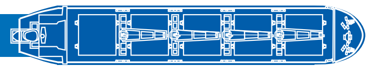
- Won three awards at the Hong Kong Marine Department Awards
  - Award for Outstanding Performance in Port State Control (PSC) for 2024
  - Green Fleet Award
  - Award for Company Recruiting the Most Hong Kong Sea-going Cadets
- Maintained AA- (Sustainable) rating and ranked in top 10% in Hong Kong Quality Assurance Agency ESG ratings for 2025

OCT

- Received a Commendation in the Most Sustainable Organizations Awards (Elite Past Winners Section) at the HKICPA Best Corporate Governance and ESG Awards
- Received a Silver medal in the EcoVadis sustainability assessment
- New Executive Director appointed to the Board – Mr. Kristian Helt
- Vancouver customer event attended by over 200 PB partners

NOV

- Won Bulk Ship Operator of the Year Award at IBJ Awards – for a third time in five years
- Won three Grand Awards and one Commendation at the Hong Kong ESG Reporting Awards (HERA)
  - Grand Award for Excellence in ESG Governance
  - Grand Award for Excellence in Social Positive Impact
  - Grand Award for Best ESG Report (Mid-cap)
  - Commendation for Excellence in Environmental Positive Impact
- Platinum Sponsor of Captain's Table Maritime Innovation Competition



DEC

- Announced formation of Sustainable Energy Solutions Team
- Acquired four Handysize newbuilding vessels
- Won two awards at HKMA Hong Kong Sustainability Award
  - Distinction Award (Large Organisation)
  - Award for Excellence in Economic Sustainability Initiative

STRATEGY DELIVERY

HOW WE CREATE VALUE

We attach great importance to cultivating the relationships and resources that we need to propel us towards our vision and create better outcomes for our customers, our people, our shareholders, society and the environment

Our Purpose
To safely and sustainably deliver by sea the dry bulk commodities that are essential to society

Our Vision
To be a leading ship owner/operator in dry bulk shipping, and the first choice partner for customers and other stakeholders

The resources and relationships we rely on	How we create or protect value	Desired outcomes
Our Fleet	■ Investing in our fleet ■ High-quality ships ■ Scale & interchangeability ■ In-house technical operations	■ Optimal ship design and efficiency ■ Increased economies of scale and vessel utilisation ■ Optimal scheduling and flexibility for our customers ■ Enhanced technical and service reliability for customers ■ Enhanced health, safety, quality and cost control
Our People, Culture & Global Office Network	■ Investing in our people ■ Safety, wellbeing, inclusion & engagement ■ Collaboration & team productivity ■ Being local ■ Being global	■ Safeguarding the quality, effectiveness and availability of staff and their team-work onshore and at sea ■ Meaningful customer partnerships and collaboration ■ Access to market intelligence and cargo ■ Optimal trading and positioning of our fleet
Stakeholder Relationships & Partnerships	■ Deepening our relationships ■ Stakeholder engagement & collaboration	■ Enhanced understanding, trust and support between Pacific Basin and our staff, customers, tonnage providers, suppliers, investors, financiers, communities and other stakeholders
Natural Resources	■ Safeguarding the environment	■ Minimise consumption of natural resources ■ Minimise impact on the environment
Technology, Data & Intellectual Capital	■ Effective business model, systems & advanced technologies	■ Sector-leading service delivery ■ Voyage & fuel optimisation ■ Maximising vessel earnings ■ Minimising costs without impacting safety ■ Strong brand reputation
Financial Capital	■ Evolving management & governance practices ■ Maximising efficiencies & controlling costs ■ Considered treasury activity	■ Sound financial management ■ Enhanced corporate & financial profile

The value we create

Serving our customers
We provide over 600 customers with a high-quality, personalised, flexible and reliable freight service under spot and long-term cargo contracts, making it easy to do business with us so that they can focus on growing their business

Serving our people
Our 5,000+ staff feel safe, supported and engaged, benefitting from fulfilling, decent work and fair wages, and our strong reputation attracts excellent new talent

Serving society
We deliver efficiently and responsibly the food, animal feed, construction materials, energy and other raw materials that are essential to society and the global economy

Serving the environment
We have significantly reduced the intensity of our emissions and other outputs, and are on a path to decarbonising our operations and further minimising our overall environmental impacts

Serving our shareholders
We continue to nurture the financial health of our Group, mitigate risks and leverage our business model to deliver attractive long-term returns over the shipping cycle

DELIVERING ON OUR STRATEGY

Strategic Focus	Strategy Delivery and Performance	2026 Objectives
Investing in Our Fleet	In December 2025, we contracted to acquire four 40,000 dwt Handysize newbuilding vessels for an aggregate consideration of approximately US$119.2 million. The vessels are to be delivered in the first half of 2028, and they feature the latest improved, fuel-efficient, open-hatch and logs-fitted design with enhanced tank top and deck strength, also offering greater cargo carrying capacity and flexibility than earlier standard Handysize designs. This opportunity to acquire new Handysize vessels that are designed for greater fuel efficiency compared to the earlier single-fuel ship designs that they will replace. While they are competitively priced with relatively early delivery, they serve to enable the scope for more triangulated trading and, in turn, increased TCE earnings outperformance and provide better service to our customers. We own 106 Handysize and Supramax/Ultramax vessels and have around 250 owned and chartered vessels on the water overall as at 31 December 2025.	Maintaining an efficient, modern, and high-quality and low-cost fleet is key to serving our customers, so we continue our disciplined approach to making counter-cyclical investments in young, efficient vessels while selling older and less efficient vessels. We are ready to pursue opportunities to renew and grow our fleet, such as through the disciplined acquisition of modern second-hand vessels, placing newbuilding orders, taking newbuildings on long-term charter with purchase options, and by continuously looking for accretive M&A opportunities where the synergies and strategic and cultural fit are compelling.
Investing in Our People	We invested in recruitment activities and training programmes in our recruitment offices, including organising 11 seminars and workshops for over 550 seafarers to equip them with the knowledge and tools to take proactive steps in enhancing safety practices, engaging in eco-friendly operations, combating drug smuggling, optimising fuel consumption, addressing engineering challenges, etc. To better understand the concerns of our seafarers and their impression of the support and care extended to them by the Company, we conducted our first ever seafarer engagement survey in 2025. The result showed that seafarers feel highly engaged, with an overall engagement score of 86%.	We will continue to pursue our permanent objectives of enhancing safety performance, productivity, high-performance teamwork, job fulfilment and wellbeing. We aspire to be a top ship owner and operator in the dry bulk shipping industry and the preferred partner for our employees and all stakeholders.
Deepening Our Relationships	Our customer-focused business model drives innovative customer engagement and service, high service reliability, enhanced customer satisfaction and an excellent industry reputation. In 2025, our commercial network continued to strengthen, further contributing to our business growth globally. We celebrated the 20^{th} anniversary of our Tokyo and Vancouver offices, which continued to play a significant role in building relationships in the Japanese and Canadian market. We have 11 commercial offices and 14 offices overall around the world. In 2025, we carried 80 million tonnes (2024: 90 million tonnes) for over 600 customers.	We seek to further improve the customer experience through regular customer engagement and close partnership at a local level, collaborating to meet tightening carbon intensity rules, making it easier to do business with us, and drawing on a global team and office network that is unmatched in the dry bulk sector, in return enhancing our access to cargoes.

Strategic Focus	Strategy Delivery and Performance	2026 Objectives
Safeguarding Health & Safety	Safety remains our top priority as we strive for zero injuries and enhance our focus on mental wellbeing through training strategies, enhancements in technology on board our vessels and further improvements to our remote medical support. In 2025, our crews registered 11 lost-time injuries in over 19.2 million work hours, translating to an LTIF injury rate of 0.57, although it missed our aggressive target of 0.5 as per the targets of our sustainability-linked financing of December 2025, it is one of our lowest ever recorded injury rates.	Through continued investment in training, wellbeing, systems, procedures and technology, we will strive to substantially eliminate injury and navigation incidents and promote a healthy and supportive work environment at sea and ashore.
Evolving Management & Governance Practices	In 2025, the Group continued to adopt a "Three Lines of Defence" model, fostering a culture of risk awareness among employees as owners of everyday tasks. We organised regular training sessions on company policies and procedures, covering topics such as anti-bribery and cybersecurity training, along with company-wide drills on our Business Continuity Plan (BCP) to promote robust risk management. These initiatives empower our employees to identify, assess, and manage risks effectively. We also adopted new technologies to enhance our compliance capabilities and strengthen cyber and data security. Notably, we achieved full automation in counterparty due diligence to ensure full sanctions compliance. We won three Grand Awards (i.e. Grand Awards for Excellence in ESG Governance, Social Positive Impact and Best ESG Report (Mid-cap)) and one Commendation at Hong Kong ESG Reporting Awards (HERA). We also received commendation in the Most Sustainable Organisations Awards – Elite Past Winners Section (Medium and Small Market Cap Category) at the HKICPA's Best Corporate Governance and ESG Awards 2025. We continued to adopt the ESG Reporting Code issued by The Stock Exchange of Hong Kong Limited as well as other international reporting standards and guidelines such as IFRS Sustainability Disclosure Standards (IFRS S1 & IFRS S2), the United Nations Global Compact, the United Nations Sustainable Development Goals and the Global Reporting Initiative (GRI) Standards.	To navigate the complexities of the evolving shipping market, we continuously assess our emerging risks and adopt a holistic and agile risk management approach. We emphasise strong governance through an independent board, dedicated oversight for risks and ESG matters, and a strong code of conduct. Our commitment is focused on safety, ethical business practices and sustainability. Additionally, we prioritise effective communication and transparency in reporting to safeguard our shareholders' interests. In 2026, we will persist in investing in new technologies and tools to strengthen our monitoring efforts and maintain robust controls, underscoring our commitment to ethical and sustainable business practices. We will also leverage AI-driven systems to enhance data visibility, assess security risks, and optimise voyage planning, further improving our risk management capabilities. We consistently seek to refine management decision making, risk mitigation strategies and board governance. Our goal is to uphold our best-in-class levels of corporate governance, business transparency and stakeholder confidence.

Strategic Focus	Strategy Delivery and Performance	2026 Objectives
Safeguarding the Environment	To comply with IMO's Carbon Intensity Indicator (CII), FuelEU Maritime and EU ETS regulations, we continued to assess and implement technical and operational initiatives to improve the energy efficiency of our conventionally-fuelled existing ships and maximise their longevity in the face of increasingly stringent regulatory requirements. We also used compliant biofuel on our owned ships for compliance of these decarbonisation regulations. The newbuilding order we announced in December 2025 is for 40,000 dwt Handysize vessels featuring the latest fuel-efficient design with greater cargo carrying capacity and flexibility than earlier standard Handysize designs. Our carbon intensity in 2025 was 43% lower than in our 2008 baseline year, and we expect to have more than halved our carbon intensity by 2030 en route to our long-term target of net zero by 2050.	We continue to invest in energy efficiency and fuel savings, while positioning ourselves for priority access to alternative fuels to ensure readiness for tightening and new GHG reduction regulations. Our proactive approach positions us to navigate regulatory uncertainty and capture opportunities in green shipping, while contributing meaningfully to the industry's decarbonisation journey.
Maximising Efficiencies & Controlling Costs	Operational excellence is a vital component of Pacific Basin's ability to deliver consistent value to customers and shareholders. 2024 and 2025 were transformative years for us. By investing in strong digital and operational foundations, we have implemented optimisation products that were driven by digitalisation, working in combination with and leveraging commercial voyage data. These tools have enabled smarter, faster decisions on speed, consumption, and bunkering, significantly improving voyage economics and operational confidence.	Due to the cyclical nature of dry bulk shipping, freight market volatility will continue to drive our careful and considered cost control measures, while leveraging our scale and reputation as a safe counterparty. Leveraging our digitalisation capability, we will explore scope for more efficient operation, scheduling and trading of our ships and optimal matching of our large fleet and cargo systems to maintain high vessel utilisation, availability and punctuality.
Enhancing Corporate & Financial Profile	We have maintained conservative gearing and continue to benefit from access to capital generated through operations, debt and equity. Our access to various external sources of funding at the most competitive cost in our industry, combined with our strong available committed liquidity position enhance our financial strength and corporate profile and bring comfort to customers and shareholders and enhance Pacific Basin's position as a preferred partner for many stakeholders. At the year end, our net cash to net book value of our owned fleet was 8% and we were in compliance with our bank covenants.	We will continue to manage our financial resources and funding, and to work within our financial gearing targets, maintain the financial health of the Group drawing on our access to capital, and strive for best-in-class reporting, transparency and corporate stewardship. We will continue to leverage our business model and strategies to deliver attractive long-term returns to our shareholders over the shipping cycle. We will continue to assess and recommend appropriate distributions in accordance with our dividend distribution policy.

SUSTAINABILITY HIGHLIGHTS

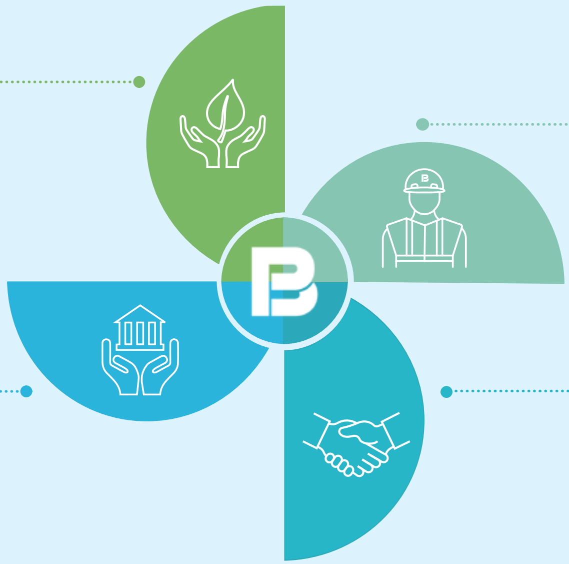
Our industry is facing an evolving and increasingly complex business landscape which poses both risks and opportunities for our Company. To navigate the challenges of today and tomorrow, and to further define our role as industry leaders, we are harnessing our culture of “doing the right thing” and putting it to work in a pragmatic sustainability framework comprising four pillars of responsibility

ENVIRONMENTAL RESPONSIBILITY

Decarbonising our fleet, managing our waste and use of resources, and minimising our impact on biodiversity as we continue to grow our business

RESPONSIBILITY TO OUR PEOPLE

Safeguarding a decent, healthy and safe work environment and nurturing an empowered and inclusive organisation, while developing a diverse, well-supported and high-performing workforce



RESPONSIBLE BUSINESS FUNDAMENTALS

Embedding strong governance, ethical conduct and integrity, and robust risk management across our operations to ensure long-term resilience, accountability and trust with all stakeholders

RESPONSIBLE VALUE CREATION

Serving, helping and collaborating with customers, suppliers, the seafarer community and other stakeholders to support a responsible and resilient supply chain and PB community

Our Sustainability Priorities

We prioritise our ESG issues based on our assessments of what is currently most important to our stakeholders, our business, society and the environment, as well as what is most urgent and where we choose to be more ambitious. We currently see these five ESG issues as our Company’s top-most sustainability focus areas:

- Safety, Security, Health & Wellbeing
- GHG Emissions Reduction
- Diversity, Equity & Inclusion
- Good Governance & Management
- Ethical Business Practices

In 2024-2025, we continued to workshop and review our ambitions, goals and targets for our priority ESG issues.

These collaborative exercises provide a valuable opportunity for deeper engagement with our colleagues on these topics and provide a forum for refining and updating our ESG strategies, while empowering our colleagues to tailor initiatives to achieve our goals and targets, further embedding sustainability in our culture.

ESG

Please see our standalone Sustainability Report 2025 for a full review of our sustainability approach and performance

ENVIRONMENTAL RESPONSIBILITY

Ambition: As a leading dry bulk ship owner and operator, Pacific Basin seeks to further improve our fleet scale, optimise our performance and offer flexible and reliable service while striving to decouple this from environmental impact. We operate in a heavily regulated industry and take responsibility for decarbonising our fleet, managing our waste, marine discharges and resources consumption, ensuring our ships are primed for proper recycling and minimising our biodiversity impacts as we continue to grow our business.

The most challenging priority of our environmental programme is the gradual decarbonisation of our fleet for compliance and to achieve our IMO-aligned net zero by 2050 target.

Renewed Uncertainty about Maritime Decarbonisation

In April 2025, the International Maritime Organization (IMO) agreed on a Net-Zero Framework (NZF) – including a carbon pricing mechanism – to drive the shipping industry's transitioning to green fuels. However, political differences emerged between IMO member states and, in October 2025, they adjourned a decision on NZF adoption by one year. We foresee protracted renegotiations, with the details and timing of an eventual global measure still very unclear.

In the meantime, IMO's Carbon Intensity Indicator (CII) and the European Union's FuelEU and EU ETS continue to incentivise early, gradual emission reduction steps, and further regional GHG regulations are likely to emerge in the absence of an effective IMO global measure. Against this backdrop, Pacific Basin continues to invest in energy efficiency and fuel savings, while positioning ourselves for priority access to alternative fuels in readiness for tightening and new GHG reduction regulations to come. Our proactive approach positions us to navigate regulatory uncertainty and capture opportunities in the transition to green shipping.

Our Decarbonisation Strategy

We take a multi-pronged approach to reducing our carbon intensity to comply with IMO's global energy-efficiency and carbon-intensity rules as well as EU and other regional regulations.

1. Energy-efficient technology adoption
2. Carbon-efficient operational measures
3. Fleet renewal and growth for energy efficiency
4. Investment in Low-Emission Vessels (LEVs)
5. Developing access to green fuels

ESG Sustainability Report 2025 **p.18**
Our Decarbonisation Strategy

In 2025, we updated our climate risk assessment and scenario analysis which consider the potential impacts of global warming pathways of +1.5°C, +2.7°C and +4.0°C across short (2030), medium (2040) and long-term (2050) time horizons. These analyses enable us to develop a deeper understanding of both the physical and transition risks associated with climate change. They also strengthen our assessment of climate related vulnerabilities, evolving market and technological dynamics, and the opportunities that inform and support our long-term decarbonisation strategy.

ESG Sustainability Report 2025 **p.58**
Climate Risk Assessment

Prioritising Green Fuel Sourcing

In June 2025, we signed a Memorandum of Understanding (MOU) with The Hong Kong and China Gas Company Limited (Towngas) to establish a framework for a supply agreement for internationally certified green methanol. This collaboration represents a key milestone in our long-term decarbonisation strategy, supporting our efforts to secure access to the volumes of green fuels required to comply with emerging global and regional green fuel intensity (GFI) regulations and to enable our fleet to achieve net zero emissions by 2050.

In addition, we became one of 25 companies and industry organisations to join the Green Maritime Development Communication Platform launched by the Transport and Logistics Bureau of the HKSAR. The initiative is designed to foster collaboration across the green maritime fuel bunkering value chain, bringing together upstream and downstream stakeholders, including fuel suppliers, shipping companies and port operators, to accelerate the development of a robust green maritime fuel ecosystem.

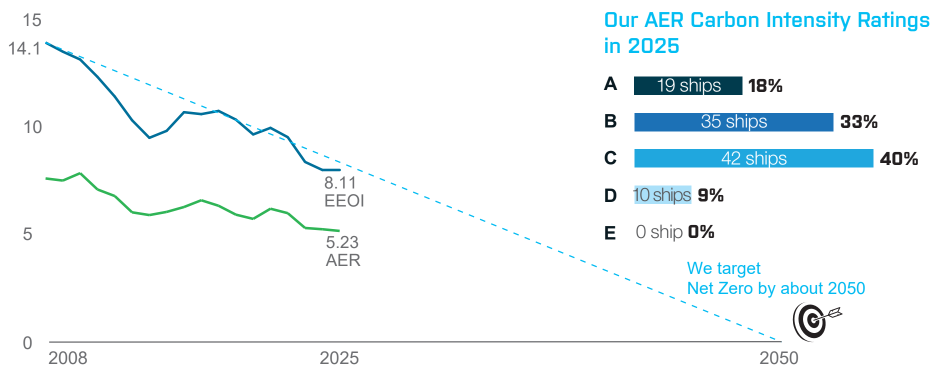
TARGET

Carbon Intensity (EEOI)

0 by 2050 (6.7 by 2030*)

Grams CO_2 per tonne-mile

* Following the postponement of the IMO's global Net-Zero Framework in October 2025, we are uncertain about our ability to achieve our 2030 EEOI target of 6.7. Should a clear and effective mandate not emerge from IMO later in 2026, we would expect to reassess our 2030 target in due course.



RESPONSIBILITY TO OUR PEOPLE

Ambition: Pacific Basin strives to develop a diverse, effective and motivated team. At sea and on shore, we continue to uphold the highest health and safety standards and train our colleagues to enable them to tackle evolving business challenges while looking after their, and each other's, overall wellbeing. We want to encourage and support each individual's unique efforts to contribute to our business and to remove barriers to inclusion and opportunity.

Enhancing Security

Drug smuggling by cartels and militant activity are risks currently faced by our ships and colleagues at sea. We prioritise the safety and security of our colleagues, our ships and our operations, and practice proactive vigilance and risk management in times of heightened security threats. When navigating through high-risk areas, we have implemented the following enhanced security measures:

- Global Security Operations Centre (GSOC)
- Voyage risk assessments
- Dog searches
- Security guards
- Patrol boats
- AI-integrated CCTV
- Underwater drone searches
- Gangway turnstile
- Turnstile with facial recognition technology
- Perimeter camera
- Barbed wire fencing
- Underwater Remote Operate Vehicles (ROVs)
- Radio Frequency Identification Security (RFID) locks & seals

Transformational Security Gains in 2025

Consistent with our further increased ambition around crew safety, the Company established a dedicated security team – our Global Security Operations Centre or GSOC – in early 2025 to strengthen oversight, preparedness and real-time support for our ships and people worldwide, and the benefits of that investment were immediately tangible during the year.

During the year, the GSOC delivered 246 Security Risk Assessments (SRAs), generated approximately US$1.8 million in cost avoidance and maintained an incident free record, with no narcotics or piracy incidents across the fleet. These results demonstrate the GSOC's role as a critical business enabler, safeguarding our seafarers, vessels and commercial operations, while strengthening Pacific Basin's reputation as a trusted and resilient operator in an increasingly complex global security environment.

Enhancing Wellbeing

Some of our recent seafarer wellbeing initiatives include:

- Deployed Starlink and Inmarsat Low Earth Orbit (LEO) NexusWave internet services across the owned fleet, providing high speed connectivity with unlimited data and global coverage
- Partnered with The Mission to Seafarers to deliver SafeTALK suicide alertness training to approximately 650 Pacific Basin seafarers in the Philippines between August 2024 and June 2025
- Engaged independent consultants to conduct our first seafarer engagement survey, the results of which indicated a high level of satisfaction and strong engagement with our crew wellbeing initiatives
- Enhanced our Wellness at Sea Manual and related training, covering a wide range of mental wellbeing topics to increase awareness and understanding across the fleet
- Introduced additional psychometric screening assessments for all seafarers prior to joining our vessels, further strengthening mental wellbeing support and risk prevention

Lost Time Injury Frequency (LTIF)

0.57 ↓ 6%

injuries per million work hours

In 2025, our crews registered 11 lost-time injuries in over 19.2 million working hours, mostly arising from relatively minor falls, burns and finger injuries

Crew fatalities

0

ESG

Please see our standalone Sustainability Report 2025 for a review of how we invest in our people's security, safety, wellbeing and engagement

Seafarer overall engagement

86%

Shore staff overall engagement

79%

In 2025, we engaged independent consultants to run our seafarer and shore staff engagement surveys, the results of which pointed to a high level of satisfaction and engagement across several main criteria and provided useful insight into areas that may benefit from extra attention

Harassment and Bullying Cases

2

In 2025, we recorded two cases of harassment in our fleet. Following the Company's investigations, the perpetrators were dismissed and we have stepped up our harassment and bullying prevention training across our fleet

RESPONSIBLE VALUE CREATION

Ambition: Pacific Basin is in it for the long haul, valuing long-term relationships over short-term gains with our customers, suppliers, investors, finance providers, regulators, local communities and other networks. Leveraging our scale and influence in the dry bulk industry, we seek to promote a responsible, ethical, inclusive and resilient global marketplace by working together with our stakeholders.

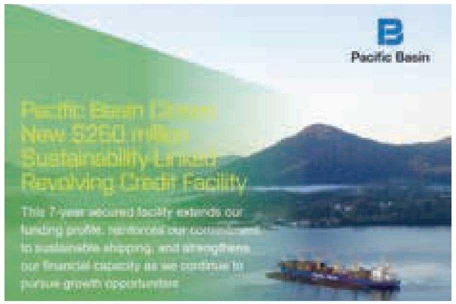
Serving our Customers – Serving our People – Serving our Shareholders – Serving Society – Serving Sustainable Trade – Serving the Environment

Examples of collaborations with our stakeholders in 2025

ESG Please see our Sustainability Report 2025 for a review of how we create value responsibly

We regularly gather with peers to exchange ideas and insights on various sustainability topics through "Sustainability in Shipping" meetings. Topical discussions hosted by Pacific Basin included the case for dual-fuel vessels capable of running on green methanol, biofuel and fuel oil, as well as ship security, anti-smuggling, anti-piracy and crew safety measures.

We participated in an industry seminar organised by the Women's International Shipping & Trading Association and the Nautical Institute to discuss topics around Diversity, Equity & Inclusion among seafarers and proposals for green incentives within the industry.



In July, we successfully concluded our second sustainability-linked financing: a 7-year secured revolving credit facility of US$250 million, with interest margin adjustments linked to our carbon intensity (EEOI) and crew safety (LTIF) performance, which are among our top ESG priorities.

Pacific Basin sponsored a "Network by the Sea" event, organised by the Hong Kong Maritime Museum which brought together young professionals from the shipping industry, the arts and other local businesses as well as CSR partners inspiring cross-sector conversations.

To mark the International Day of the Seafarer, we sponsored free admission to the Hong Kong Maritime Museum in June. Over 3,600 visitors enjoyed many interactive educational offerings, as well as career experience sharing and knot-tying and navigation workshops led by Pacific Basin ship officers, cadets, shore-based managers and former ship captains.

Our Manager of Sustainability contributed to several leading industry conferences and forums during the year, delivering keynote presentations and participating in panel discussions on shipping decarbonisation, sustainable supply chains, high-quality ESG disclosure and sustainable business strategy.

RESPONSIBLE BUSINESS FUNDAMENTALS

Ambition: We aim to evolve and enhance management and governance practices for best-in-class risk management, reporting, transparency, stakeholder confidence and corporate stewardship. We adopt responsible observance of stakeholder interests as an integral part of our commitment to sustainability and good corporate governance.

With an eye on resilience and business continuity, we futureproof the business by assessing and managing disruptions such as those stemming from climate risks, global pandemics and cyber security.

Our Risk Management Committee ("RMC") reports to the Audit Committee to ensure strong governance, effective risk management and internal control.

Our Sustainability Management Committee ("SMC") reports to the Sustainability Committee to ensure effective implementation of our sustainability strategy.

We believe that our ambition through our enhanced sustainability governance structure has further improved the effectiveness of our approach to sustainable development, the resilience and reputation of our business, and the confidence our stakeholders place in us.

Our governance and overall ESG ratings are typically the best in our sector, according to ESG ratings information available from MSCI, ISS, Sustainalytics, Refinitiv, S&P Global, Bloomberg and FTSE Russell.

AA- Sustainability Rating by HKQAA

We received a sustainability rating of AA- from the Hong Kong Quality Assurance Agency on behalf of Hang Seng Indexes

In 2025, we received an MSCI ESG rating of BBB

MSCI ESG RATINGS BBB

CCC | B | BB | BBB | A | AA | AAA

ESG Risk Rating CORE

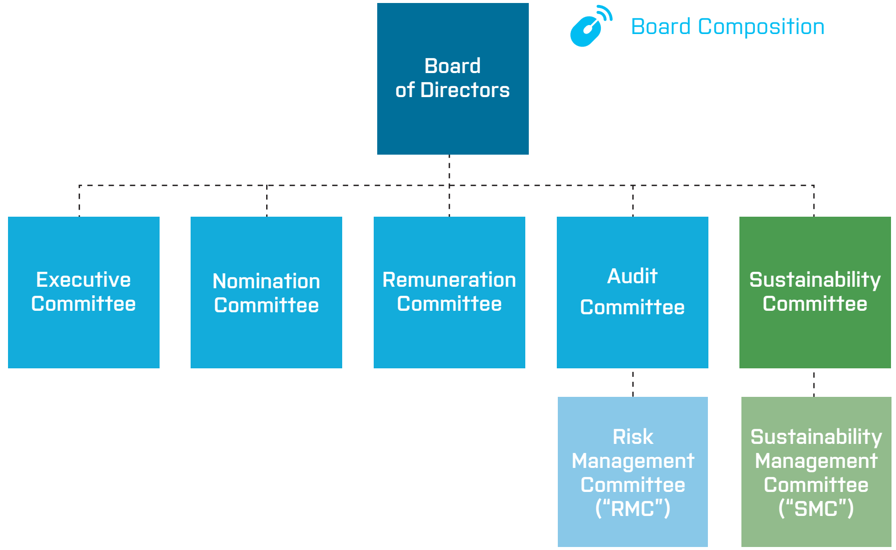
19.5 Low Risk

We are rated as "Low Risk" in the Sustainalytics ESG Risk Ratings

We received a Silver Medal in our latest EcoVadis sustainability assessment with our overall score improving year on year

SILVER | Top 15% ecovadis Sustainability Rating OCT 2025

Board Composition



Board Training on Decarbonisation

In May and July 2025, our Board participated in training sessions to enhance their understanding of the challenges posed by current and upcoming maritime decarbonisation regulations. These sessions included an update on the IMO Mid-term Measures (Net Zero Framework with Global Fuel Standard), maritime decarbonisation measures, the availability of green methanol and other green fuels, and voyage/fuel optimisation.

Introducing ESG-linked Remuneration

In 2025, we introduced a new Remuneration Policy which outlines the principles of remuneration design, total remuneration components and how these support the Company's strategy, long-term interests and sustainability goals. Emphasising the importance of sustainability alongside financial performance, our remuneration framework incorporates ESG targets, specifically emissions and safety performance, within the overall performance scorecard, reinforcing our focus on sustainable long-term value creation.

Our annual Remuneration Report (page 72 in this Annual Report) provides a detailed overview of the Group's remuneration arrangements for the Board of Directors, Executive Directors and all Pacific Basin employees.

GOVERNANCE

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.

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.

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.

ESG Sustainability Report **p.48-49**
Board Diversity
Gender in our Workforce

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 Ardmore 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. Ardmore 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.

www.pacificbasin.com
Sustainability > Board & Board Committees

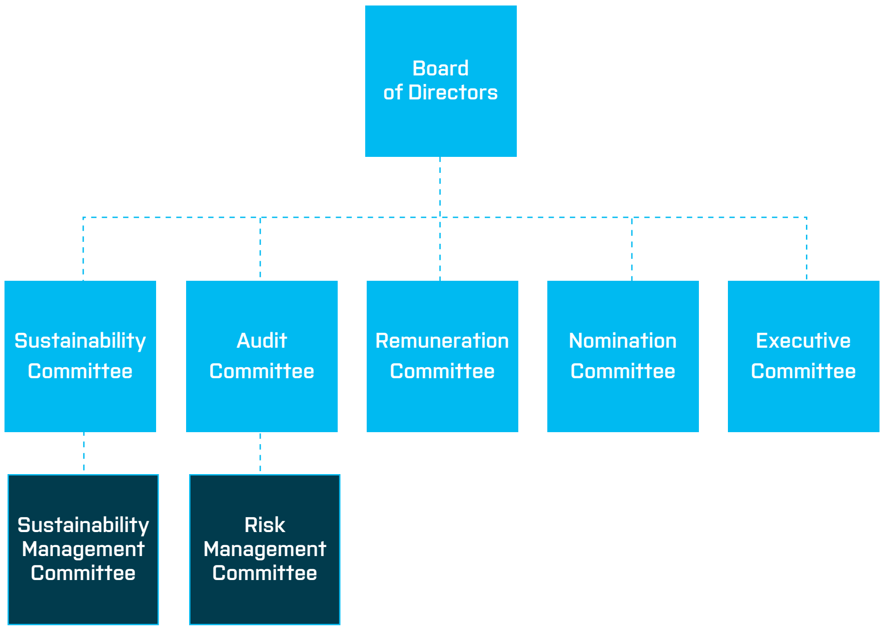
Decisions made by the Board and the Board Committees are based on detailed analyses prepared by the management which include:

(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 (NED, 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 (NED, 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.

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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.

p.35 How We Create Value

1. Investing in Our Fleet

p.36-38 Delivering on Our Strategy

Risk/Impact	Mitigating Measures
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:** ↑	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. ESG Sustainability Report p.33 Pacific Basin Management System

2. Investing in Our People

p.36-38 Delivering on Our Strategy

Risk/Impact	Mitigating Measures
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:** ⬇	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. ESG Sustainability Report **p.30-49** Responsibility to our People

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	Mitigating Measures
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:** ↑	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. ESG 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	Mitigating Measures
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:**	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: ↑

E$G 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	Mitigating Measures
Operational Efficiency Risk Poor internal systems, processes, communications and management could adversely impact our business and undermine our operational efficiency. **Change from last year:**	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	Mitigating Measures
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:**	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.

www.pacificbasin.com
Sustainability > Corporate Governance

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.

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.

www.pacificbasin.com
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.
  - o 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.
  - o 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.
  - o 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
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

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.

p.77 Share Award Schemes

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	• Executive Directors • Senior management • Critical and high potential employees	
Delivery Method	Cash and non-monetary benefits	Cash	Share units	Share units
Approach	• 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	• Executive Directors are determined and approved by the Remuneration Committee • Certain senior colleagues are determined by the CEO and approved by the Remuneration Committee	• 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 2024[9]	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 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
Salaries	**675**	1,176
Bonuses[1]	**150**	406
Pension	**101**	211
Share-based compensation[2]	**260**	493
Total	**1,186**	2,286

Emolument bands	2025	2024
HK$4,500,001 to HK$5,000,000	**2**	2
HK$8,000,001 to HK$8,500,000	**0**	1

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
	150,651,000				311,475,294.50

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
	161,423,657		27,810,000

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: Granted[2]	During the Year: Vested[3]	During the Year: Lapsed/ cancelled[4]	Vesting period[5]: 2026	Vesting period[5]: 2027	Vesting period[5]: 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: Granted[2]	During the Year: Vested[3]	During the Year: Lapsed/ cancelled[4]	Vesting period[5]: 2026	Vesting period[5]: 2027	Vesting period[5]: 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	Approximate percentage holding of issued share capital 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%

Note:

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

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.

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 Short	363,964,500 30,005,744	7.04% 0.58%	6.00% 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

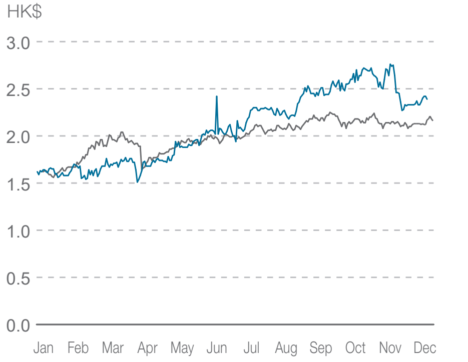
Our stock is a constituent member of the Hang Seng Sub-index series and the MSCI Index series, and is eligible for Southbound Trading under the Shenzhen-Hong Kong Stock Connect programme.

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



Source: Bloomberg, data as at 31 December 2025

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.

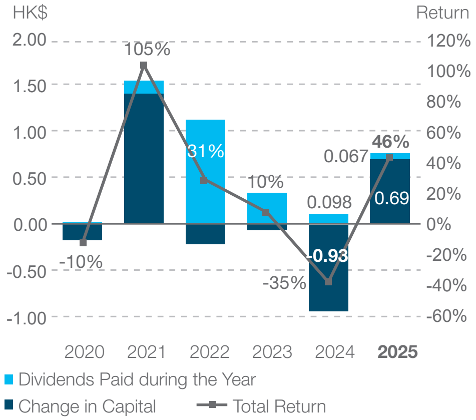
www.pacificbasin.com
About Us > Awards

Shareholder Return and Dividend

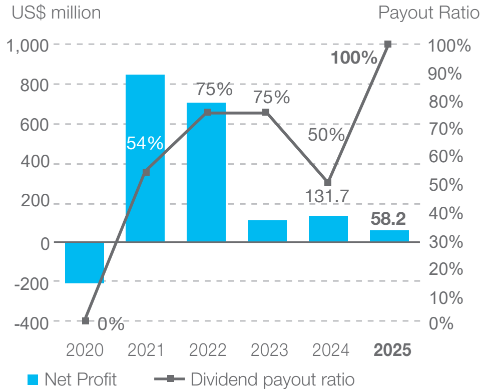
Value is returned to shareholders by way of both appreciation in share price and dividends. In 2025, our total shareholder return was 46% due to our outperformance in share price.

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

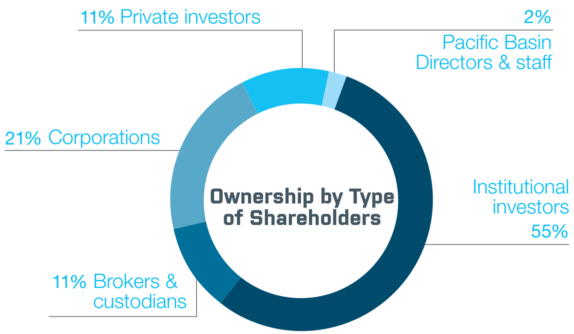
At the end of 2025, MUFG Corporate Markets (formerly known as Orient Capital) was able to analyse the ownership of approximately 92% of the Company's share capital. Institutional Investors still accounted for the largest portion of the Company's shareholder base, owning over 2.8 billion shares or 55%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



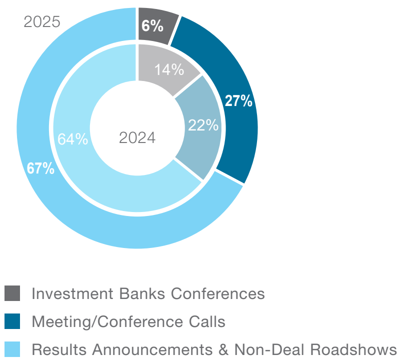
Our Activities in 2025

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



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

FINANCIAL RESULTS

Our m/v Seal Island sailing pass the Golden Gate Bridge near San Francisco

GROUP PERFORMANCE REVIEW

This Group Performance Review comprises a presentation of our income statement adjusted to provide readers with a better understanding of the key dynamics of a shipping business, more consistent with the way we review our performance in our internal management reporting.

US$ Million	Note	2025	2024	Change*
Revenue		**2,081.0**	2,581.6	-19%
Bunker, port disbursement & other voyage costs		**(892.6)**	(1,099.6)	+19%
Time-charter equivalent ("TCE") earnings	1	**1,188.4**	1,482.0	-20%
Owned vessel costs				
Operating expenses	2	**(188.5)**	(197.0)	+4%
Depreciation	2	**(152.1)**	(153.7)	+1%
Net finance costs	3	**(5.4)**	(6.2)	+13%
Chartered vessel costs				
Non-capitalised charter costs	4	**(659.8)**	(880.0)	+25%
Capitalised charter costs	4	**(40.8)**	(47.6)	+14%
Operating performance before overheads		**141.8**	197.5	-28%
Adjusted total G&A overheads	5	**(82.0)**	(82.7)	+1%
Taxation and others		**(0.6)**	(0.7)	+14%
Underlying profit		**59.2**	114.1	-48%
Disposal gain of vessels	6	**7.6**	9.6	
Project expenses	7	**(4.7)**	–	
Unrealised derivative (expenses)/ income	8	**(3.9)**	4.0	
Write-back of provisions		**–**	4.0	
Profit attributable to shareholders		**58.2**	131.7	-56%
EBITDA#		**263.1**	333.4	-21%
Net profit margin		**3%**	5%	-2%
Return on average equity		**3%**	7%	-4%

* In our tabulated figures, positive changes represent an improving result and negative changes represent a worsening result.

\# EBITDA (earnings before interest, tax, depreciation and amortisation) is gross profit less indirect general and administrative overheads, excluding: depreciation and amortisation; exchange differences; share-based compensation and unrealised derivative income and expenses.

Notes

1. Total time-charter equivalent ("TCE") earnings decreased due to overall weaker freight market during the year.
2. Total operating expenses and depreciation of our owned vessels decreased by 4% and 1% respectively, mainly due to the disposal of eight older vessels.
3. The 13% decrease in net finance costs was mainly due to lower average borrowings.
4. Non-capitalised charter costs comprise the cost of short-term charters with a term of 12 months or less and the non-lease portion of long-term charters with a term of over 12 months. Capitalised charter costs comprise depreciation of right-of-use assets and interest expenses on lease liabilities relating to the lease portion of long-term charters with a term of over 12 months. The decrease in overall charter costs was in line with the weaker freight market during the year.
5. Adjusted total G&A overheads comprise the total G&A overheads and the interest on lease liabilities of other PP&E.
6. The disposal gain relates to the disposal of eight older vessels.
7. Project expenses mainly relate to the professional advice on the Group's structural change and other strategic corporate initiatives.
8. Unrealised derivative expenses mainly represent the negative mark-to-market on our bunker swap contracts.

Pages 89 to 121 comprise the audited financial statements A

FINANCIAL STATEMENTS

Consolidated Income Statement

	Note	For the year ended 31 December 2025 US$'000	 2024 US$'000
Revenue	4	**2,081,039**	2,581,552
Cost of services	5	**(2,005,200)**	(2,446,312)
Gross profit		**75,839**	135,240
Indirect general and administrative overheads	5	**(6,982)**	(6,009)
Other income and gains	6	**7,603**	13,763
Other expenses	5	**(7,207)**	(803)
Finance income	7	**11,108**	13,693
Finance costs	7	**(21,536)**	(23,503)
Profit before taxation		**58,825**	132,381
Tax charges	8	**(653)**	(684)
Profit attributable to shareholders		**58,172**	131,697
Earnings per share for profit attributable to shareholders (in US cents)			
Basic earnings per share	10(a)	**1.14**	2.54
Diluted earnings per share	10(b)	**1.13**	2.47

Consolidated Statement of Comprehensive Income

	For the year ended 31 December 2025 US$'000	 2024 US$'000
Profit attributable to shareholders	**58,172**	131,697
Other comprehensive income Items that are and may be reclassified subsequently to income statement		
Cash flow hedges		
– fair value gains	**93**	1,159
– fair value gains transferred to income statement	**(1,708)**	(2,909)
Currency translation differences	**929**	(811)
Total comprehensive income attributable to shareholders	**57,486**	129,136

Consolidated Balance Sheet

	Note	As at 31 December 2025 US$'000	 2024 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	**1,642,124**	1,698,666
Right-of-use assets	12	**91,028**	80,060
Goodwill	13	**25,256**	25,256
Derivative assets	14	**–**	1,995
Trade and other receivables	15	**3,206**	42,250
		1,761,614	1,848,227
Current assets			
Inventories	16	**96,527**	126,391
Derivative assets	14	**1,550**	2,281
Trade and other receivables	15	**148,103**	155,017
Cash and deposits	17	**270,559**	282,037
Tax recoverable		**74**	82
		516,813	565,808
Total assets		**2,278,427**	2,414,035

	Note	As at 31 December 2025 US$'000	 2024 US$'000
EQUITY			
Capital and reserves attributable to shareholders			
Share capital	18	**50,546**	50,710
Retained profits		**676,703**	662,986
Other reserves		**1,097,733**	1,112,948
Total equity		**1,824,982**	1,826,644
LIABILITIES			
Non-current liabilities			
Borrowings	19	**69,938**	185,776
Lease liabilities	20	**64,963**	52,149
Derivative liabilities	14	**775**	499
		135,676	238,424
Current liabilities			
Borrowings	19	**66,583**	76,542
Lease liabilities	20	**28,937**	29,891
Derivative liabilities	14	**5,533**	3,014
Trade payables and other liabilities	21	**216,716**	239,520
		317,769	348,967
Total liabilities		**453,445**	587,391

Approved by the Board of Directors on 3 March 2026.

Stanley Hutter Ryan
Director

Martin Fruergaard
Director

Consolidated Statement of Changes in Equity

2025

US$'000	Share capital	Share[a] premium	Merger[b] reserve	Convertible bonds reserve (Other reserves)	Staff benefits reserve (Other reserves)	Hedging reserve (Other reserves)	Exchange reserve (Other reserves)	Contributed[c] surplus (Other reserves)	Subtotal	Retained profits	Total
At 1 January	50,710	394,790	(56,606)	2,108	(6,704)	2,035	(2,613)	779,938	1,112,948	662,986	1,826,644
Comprehensive income											
Profit attributable to shareholders	-	-	-	-	-	-	-	-	-	58,172	58,172
Other comprehensive income											
Cash flow hedges											
– fair value gains	-	-	-	-	-	93	-	-	93	-	93
– fair value gains transferred to income statement	-	-	-	-	-	(1,708)	-	-	(1,708)	-	(1,708)
Currency translation differences	-	-	-	-	-	-	929	-	929	-	929
Total comprehensive income	-	-	-	-	-	(1,615)	929	-	(686)	58,172	57,486
Transactions with owners in their capacity as owners											
Dividends paid (Note 9)	-	-	-	-	-	-	-	-	-	(44,141)	(44,141)
Share-based compensation (see Remuneration Report p.74)	-	-	-	-	4,289	-	-	-	4,289	-	4,289
Shares issued upon conversion of convertible bonds (Note 18(a))	1,614	28,155	-	(2,086)	-	-	-	-	26,069	-	27,683
Derecognition of equity component upon redemption and cancellation of convertible bonds	-	-	-	(22)	-	-	-	-	(22)	22	-
Shares bought back and cancelled (Note 18(b))	(1,507)	(38,573)	-	-	-	-	-	-	(38,573)	-	(40,080)
Share awards granted (Note 18(c))	7,749	-	-	-	(7,413)	-	-	-	(7,413)	(336)	-
Share purchased by trustee of the SASs (Note 18(c))	(6,899)	-	-	-	-	-	-	-	-	-	(6,899)
Share awards lapsed (Note 18(c))	(1,121)	-	-	-	1,121	-	-	-	1,121	-	-
At 31 December	50,546	384,372	(56,606)	-	(8,707)	420	(1,684)	779,938	1,097,733	676,703	1,824,982

2024

US$'000	Share capital	Share[a] premium	Merger[b] reserve	Convertible bonds reserve (Other reserves)	Staff benefits reserve (Other reserves)	Hedging reserve (Other reserves)	Exchange reserve (Other reserves)	Contributed[c] surplus (Other reserves)	Subtotal	Retained profits	Total
At 1 January	52,638	428,006	(56,606)	2,520	(7,625)	3,785	(1,802)	779,938	1,148,216	597,075	1,797,929
Comprehensive income											
Profit attributable to shareholders	–	–	–	–	–	–	–	–	–	131,697	131,697
Other comprehensive income											
Cash flow hedges											
– fair value gains	–	–	–	–	–	1,159	–	–	1,159	–	1,159
– fair value gains transferred to income statement	–	–	–	–	–	(2,909)	–	–	(2,909)	–	(2,909)
Currency translation differences	–	–	–	–	–	–	(811)	–	(811)	–	(811)
Total comprehensive income	–	–	–	–	–	(1,750)	(811)	–	(2,561)	131,697	129,136
Transactions with owners in their capacity as owners											
Dividends paid (Note 9)	–	–	–	–	–	–	–	–	–	(65,797)	(65,797)
Share-based compensation (see Remuneration Report p.74)	–	–	–	–	5,614	–	–	–	5,614	–	5,614
Shares issued upon conversion of convertible bonds (Note 18(a))	304	5,484	–	(412)	–	–	–	–	5,072	–	5,376
Derecognition of equity component upon redemption and cancellation of convertible bonds	–	–	–	–	–	–	–	–	–	–	–
Shares bought back and cancelled (Note 18(b))	(1,382)	(38,700)	–	–	–	–	–	–	(38,700)	–	(40,082)
Share awards granted (Note 18(c))	5,693	–	–	–	(5,704)	–	–	–	(5,704)	11	–
Share purchased by trustee of the SASs (Note 18(c))	(5,532)	–	–	–	–	–	–	–	–	–	(5,532)
Share awards lapsed (Note 18(c))	(1,011)	–	–	–	1,011	–	–	–	1,011	–	–
At 31 December	50,710	394,790	(56,606)	2,108	(6,704)	2,035	(2,613)	779,938	1,112,948	662,986	1,826,644

(a) Share premium mainly represents the net share issuance proceeds in excess of the nominal value credited to share capital.

(b) Merger reserve represents the difference between the nominal value of the shares of subsidiaries acquired and the nominal value of the Company's shares issued pursuant to the transfer of PB Vessels Holding Limited and its subsidiaries into the Company through an exchange of shares prior to the listing of the shares of the Company on the Stock Exchange in 2004.

(c) Contributed surplus represents the amount of the capital reduction transferred from the share capital and share premium accounts as a result of the capital reorganisation of the Company that took effect on 27 May 2016. Under the Company Act 1981 of Bermuda (as amended), the contributed surplus is available for distribution, but the Company cannot make a distribution out of the contributed surplus if: (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of its assets would thereby be less than its liabilities.

Consolidated Cash Flow Statement

	Note	For the year ended 31 December 2025 US$'000	2024 US$'000
Operating activities			
Cash generated from operations	22(a)	**271,543**	309,163
Taxation (paid)/refunded		**(637)**	172
Net cash generated from operating activities		**270,906**	309,335
Investing activities			
Purchase of property, plant and equipment		**(116,416)**	(128,405)
Disposal of property, plant and equipment		**66,796**	35,124
Disposal of assets held for sale		**–**	8,528
Increase in term deposits with original maturities over 3 months		**(4,813)**	(16,391)
Decrease in restricted cash		**–**	54
Interest received	7	**11,108**	13,693
Net cash used in investing activities		**(43,325)**	(87,397)

	Note	For the year ended 31 December 2025 US$'000	2024 US$'000
Financing activities			
Drawdown of bank loans	22(b)	**50,000**	98,571
Repayment of bank loans and other borrowings	22(b)	**(146,502)**	(134,456)
Payment for redemption and cancellation of convertible bonds	22(b)	**(300)**	–
Interest on borrowings and other finance charges paid		**(17,719)**	(16,667)
Repayment of lease liabilities – principal element	20	**(37,222)**	(46,780)
Interest on lease liabilities paid	7	**(5,128)**	(3,659)
Dividends paid	9	**(44,141)**	(65,797)
Payment for buyback and cancellation of shares	18(b)	**(40,080)**	(40,082)
Payment for shares purchased by trustee of the SASs	18(c)	**(6,899)**	(5,532)
Net cash used in financing activities		**(247,991)**	(214,402)
Net (decrease)/increase in cash and cash equivalents		**(20,410)**	7,536
Cash and cash equivalents			
At 1 January		**265,646**	261,399
Net (decrease)/increase in cash and cash equivalents		**(20,410)**	7,536
Exchange gains/(losses)		**4,119**	(3,289)
At 31 December	17	**249,355**	265,646
Term deposits with original maturities over 3 months			
At 1 January		**16,391**	–
Increase in term deposits with original maturities over 3 months		**4,813**	16,391
At 31 December	17	**21,204**	16,391
Cash and deposits at 31 December	17	**270,559**	282,037

NOTES TO THE FINANCIAL STATEMENTS

1 Introduction

1.1 General information

Pacific Basin Shipping Limited (the "Company") and its subsidiaries (together the "Group") are principally engaged in the provision of dry bulk shipping services internationally.

The Company was incorporated in Bermuda on 10 March 2004 as an exempted company with limited liability under the Companies Act 1981 of Bermuda.

The Company is listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

These financial statements have been approved for issue by the Board of Directors on 3 March 2026.

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Market Review & Our Performance

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Registered Office Address

1.2 Presentation of the notes to the financial statements

The notes to the financial statements in this report are placed in order of significance to aid an understanding of the key drivers of the financial position of the Group, whilst maintaining the grouping of notes between income statement and balance sheet where appropriate.

Information relating to a specific financial statement line item has been brought together in one note. Hence:

Material Accounting Policies

are not shown separately but are included in the note or sections of this Annual Report for that item. They have been highlighted with this grey background. A navigation table is presented in Note 2.3.

Critical Accounting Estimates and Judgements

are not shown separately but are included in the note or sections of this Annual Report for that item. They have been highlighted with this white background with frame. A navigation table is presented in Note 3.

Disclosure of the following items has been integrated into other sections of the Annual Report. The audited parts have been clearly marked and are listed below:

- Financial risk management in Risk Management section
    - Market Risk – Page 56
    - Credit and Counterparty Risk – Page 58
    - Liquidity Risk – Page 63
    - Capital Management Risk – Page 63
- Employee benefits in Remuneration Report – Pages 74-75
- Liquidity and borrowing in Cash and Borrowing section – Page 30

2 Basis of preparation

2.1 Objective and accounting standards

The objective of these consolidated financial statements is to present and explain the results of the year ended 31 December 2025 and the financial position of the Group on that date, together with comparative information.

The financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The financial statements have been prepared under the historical cost basis, except for certain financial assets and liabilities which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to these financial statements are listed under Note 3.

2.2 Impact of new accounting policies

The new or revised standards and amendments that became effective in this accounting period do not have any significant impact on the Group's accounting policies and do not require any adjustments.

The new or revised standards and amendments that have been issued but are not yet effective will have no significant impact on the consolidated financial statements in the foreseeable future, except for:

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 will be effective on 1 January 2027 and retrospective application is required. It will replace HKAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the consolidated statements of profit or loss and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications on the Group's financial statements.

2.3 Accounting policies navigator

Accounting policies	Location
Borrowings	Note 19
Cash and cash equivalents	Note 17
Consolidation	Note 2.4
Contingent liabilities and contingent assets	Note 26
Current and deferred income tax	Note 8
Derivative financial instruments and hedging activities: i) cash flow hedges, and ii) derivatives not qualifying for hedge accounting	Note 14
Dividends	Note 9
Employee benefits	Remuneration Report (p.75)
Financial assets at fair value through profit or loss	Note 14
Foreign currency translation	Note 2.5
Goodwill	Note 13
Impairment of i) investments and non-financial assets and ii) financial assets	Note 5
Inventories	Note 16
Leases	
Lease liabilities	Note 20
Non-lease component of leases	Note 5
Right-of-use assets	Note 12
Operating leases where the Group is the lessor	Note 23(b)(ii)
Offsetting financial instruments	Note 14
Property, plant and equipment ("PP&E") including: i) vessels and vessel component cost, ii) other property, plant and equipment, iii) subsequent expenditure, iv) depreciation, v) residual values and useful lives, and vi) gains or losses on disposal	Note 11
Provisions	Note 2.6
Revenue recognition for freight and charter-hire	Note 4
Segment reporting	Note 4
Share capital	Note 18
Trade receivables	Note 15
Trade payables	Note 21

The Group's material accounting policies have been consistently applied to each of the years presented in these financial statements.

2.4 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement. In each acquisition case, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The financial information of subsidiaries has been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investments. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Please refer to Note 5 for the accounting policy on impairment.

2.5 Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in United States Dollars, which is the Company's functional and the Group's presentation currency. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in "direct G&A overheads included in cost of services" or "indirect G&A overheads" of the income statement, except when deferred in equity as qualifying cash flow hedges.

Translation difference on non-monetary financial assets and liabilities carried at fair value such as equities held at fair value through profit or loss are recognised in the income statement as part of the fair value gain or loss.

(c) Group companies

The results and financial position of each of the Group entities (none of which has the currency of a hyperinflationary economy) whose functional currency is different from the presentation currency is translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing rate on the balance sheet date;

(ii) income and expenses are translated at the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(iii) all resulting exchange differences are recognised as a separate component of other comprehensive income.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

When a foreign operation is partially or totally disposed of, exchange differences that were recorded in equity are reclassified to the consolidated income statement.

2.6 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are listed below with references to the locations of these items in the notes to the financial statements.

	Critical Accounting Estimates and Judgements	Location
(a)	Residual values of property, plant and equipment	Note 11
(b)	Useful lives of vessels and vessel component costs	Note 11
(c)	Impairment of owned vessels and right-of-use assets	Note 11
(d)	Impairment of goodwill	Note 13

During the ordinary course of our business, there may be disputes or unresolved matters with vessel owners, charterers, vendors, suppliers, tax authorities and other parties for which the Group makes estimates and provisions based on the likelihood of outflow of resources and magnitude of exposures. Significant judgements are also involved in making such estimates.

4 Revenue and segment information

US$'000	2025	2024
Freight	1,775,884	2,235,897
Charter-hire		
– lease component	188,304	230,125
– non-lease component	116,851	115,530
	2,081,039	2,581,552

The Group's revenue is substantially derived from the provision of dry bulk shipping services internationally and, accordingly, information is not presented by business segment.

Geographical segment information is not presented as the management considers our shipping services are international in nature, precluding a meaningful allocation of operating profit to specific geographical segments.

Accounting policy

Segment reporting

Management internally reviews and reports on the performance of the Group's material operations as a single segment. This is also the basis on which management reports to the Board.

Revenue recognition

Revenue is measured at the transaction price agreed under the contract with a customer for the services rendered in the ordinary course of the Group's activities. Revenue is shown net of rebates and discounts and after eliminating sales within the Group.

Freight and charter-hire

The Group generates revenue from shipping activities, which are principally derived from Handysize and Supramax vessels. Revenues are generated from a combination of voyage charters and time charters.

Freight revenue from a voyage charter, is recognised over time, which is determined on a time proportion method of the voyage from loading to discharging.

Charter-hire, revenue from a time charter, is recognised over time based on daily rate. The Group separately accounts for the lease (i.e. bareboat charter) and non-lease components (i.e. technical management services) for time charter contracts. Consideration of the lease component and non-lease component is allocated with reference to the stand-alone market prices.

5 Expenses by nature

US$'000	2025	2024
Vessel-related expenses		
Vessel charter costs (a)	**659,848**	879,964
Bunker consumed	**458,675**	624,307
Port disbursements and other voyage costs	**427,548**	475,568
Vessel depreciation	**188,026**	197,980
Employee benefit expenses – crew wages and other related costs (c)	**121,615**	126,530
Vessel operating expenses	**56,032**	59,201
Lubricating oil consumed	**10,786**	11,292
Net losses/(gains) on bunker swap contracts	**8,569**	(4,940)
	1,931,099	2,369,902
General and administrative overheads (b)		
Employee benefit expenses including Directors' emoluments (c)	**66,060**	62,850
IT-related expenses	**5,753**	5,706
Other PP&E depreciation	**2,807**	2,718
Net foreign exchange (gains)/losses	**(3,062)**	2,497
Office lease expenses	**1,116**	1,038
Auditor's remuneration		
– audit	**892**	1,015
– non-audit	**17**	17
Other general and administrative expenses	**7,500**	6,578
	81,083	82,419
Other expenses		
Project expenses	**4,747**	–
Net losses on forward freight agreements	**2,460**	–
Net losses on forward foreign exchange contracts	**–**	803
	7,207	803
The sum of the above reconciles to the following items in the income statement. (i) Cost of services, (ii) Indirect general and administrative overheads and (iii) Other expenses	**2,019,389**	2,453,124

(a) Vessel charter costs

Vessel charter costs comprise the cost of short-term charters with a term of 12 months or less and the non-lease portion of long-term charters with a term of over 12 months.

Vessel charter costs include variable lease payments on an index-linked basis amounting to US$29.0 million (2024: US$69.5 million).

(b) Total general and administrative ("G&A") overheads

US$'000	2025	2024
Direct G&A overheads included in cost of services	**74,101**	76,410
Indirect G&A overheads	**6,982**	6,009
Total G&A overheads	**81,083**	82,419

(c) Employee benefit expenses

US$'000	2025	2024
Directors' fee	**1,297**	839
Salaries, bonuses and other benefits	**177,370**	178,503
Pensions	**4,719**	4,423
Share-based compensation expenses	**4,289**	5,615
Total Directors' fee and employee benefit expenses	**187,675**	189,380

Accounting policy

Impairment

(i) Impairment of investments and non-financial assets

Assets that have an indefinite useful life, such as goodwill, are not subject to amortisation but are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In assessing whether there is any indication that an asset may be impaired, internal and external sources of information are considered. If any such indication exists, the recoverable amount of the asset is assessed. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of (a) an asset's fair value less costs of disposal and (b) the value-in-use. The fair values of vessels are determined by independent valuers. The value-in-use of the vessels represents estimated future cash flows from the continuing use of the vessels. For the purposes of assessing impairment, assets are grouped into the lowest levels at which there are separately identifiable cash flows. This level is described as a cash-generating unit ("CGU").

Assets other than goodwill that suffer impairment are reviewed for possible reversal of the impairment provision at each balance sheet date.

(ii) Impairment of financial assets

The Group's trade receivables are financial assets that are subject to the expected credit loss assessment. For trade receivables, the expected credit losses are measured using a lifetime expected loss allowance. To measure the expected credit loss, the Group assesses its trade receivables on individual debtor basis to determine the probability that the Group will not be able to collect the specific amount due according to the original terms of that receivable. For each debtor, the Group considers historical repayment performance, external ratings, reports and statistics, other factors such as significant financial difficulties faced by debtors and macroeconomic factors affecting the ability of the debtors as appropriate, while incorporating forecasts of future conditions. The carrying amount of trade receivables is reduced by the provision for impairment (if any), and the amount of the loss is recognised in the income statement. The trade receivables are written off where there is no reasonable expectation of recovery.

For other financial assets carried at amortised cost, the expected credit losses are assessed on a forward-looking basis.

Cash and cash equivalents are also subject to the impairment requirements of HKFRS 9.

Non-lease component of leases

The Group, as lessee, has elected to separately account for the lease (i.e. bareboat charter) and non-lease components (i.e. technical management services) for time charter contracts on vessels with a term of over 12 months. Assessing the measurement of the non-lease component includes a significant accounting judgement. Consideration of the lease component and non-lease component is allocated with reference to the stand-alone market prices.

6 Other income and gains

US$'000	**2025**	2024
Net gains on disposal of PP&E	**7,603**	8,350
Write-back of provisions	**–**	4,000
Gains on disposal of assets held for sale	**–**	1,257
Net gains on forward freight agreements	**–**	156
	7,603	13,763

7 Finance income and finance costs

US$'000	**2025**	2024
Finance income		
Bank interest income	**(11,108)**	(13,688)
Other interest income	**–**	(5)
	(11,108)	(13,693)
Finance costs		
Interest on borrowings		
– bank loans and other borrowings	**14,844**	19,313
– convertible bonds	**664**	1,377
Interest on lease liabilities	**5,128**	3,659
Net gains on interest rate swap contracts	**(1,708)**	(2,909)
Other finance charges	**2,608**	2,063
	21,536	23,503
Finance costs, net	**10,428**	9,810

8 Taxation

Shipping income from international trade is either not subject to or exempt from income tax according to the tax regulations prevailing in the jurisdictions in which the Group operates. Income from non-shipping activities is subject to tax at prevailing rates in the jurisdictions in which these businesses operate.

The amount of taxation charged to the income statement represents:

US$'000	**2025**	2024
Overseas tax, provided at the rates of taxation prevailing in the jurisdictions	**707**	657
Adjustments in respect of prior year	**(54)**	27
Tax charges	**653**	684

The tax on the Group's profit before taxation differs from the theoretical amount that would arise using the applicable tax rate, being the weighted average of rates prevailing in the jurisdictions in which the Group operates, as follows:

US$'000	**2025**	2024
Profit before taxation	**58,825**	132,381
Tax calculated at applicable tax rates	**9,454**	21,394
Income not subject to taxation	**(192,726)**	(368,728)
Expenses not deductible for taxation purposes	**183,979**	347,991
Adjustments in respect of prior year	**(54)**	27
Tax charges	**653**	684
Weighted average applicable tax rate	**16.1%**	16.2%

The Group is within the scope of the Pillar Two Global Anti-Base Erosion Model Rules (the "Rules") published by the Organisation for Economic Co-operation and Development ("OECD") with income arising in low-tax jurisdictions being to a minimum effective tax rate of 15%. The Group's international shipping income is excluded under the Rules. The effect of income from non-shipping activities subject to the minimum tax rate requirement is considered not significant.

The respective legislation was come into effect from 2025 in Hong Kong, where the Company's tax residency is located. Based on the assessment for the year, the Group has insignificant related top up tax exposure arising in the jurisdictions in which the Group operates. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to the Rules income taxes, as provided in HKAS 12 "International Tax Reform – Pillar Two Model Rules".

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Tax Transparency

Accounting policy

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the jurisdictions where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

9 Dividends

	2025 HK cents per share	2025 US cents per share	2025 US$'000	2024 HK cents per share	2024 US cents per share	2024 US$'000
Interim dividend	**1.6**	**0.2**	**10,717**	4.1	0.5	27,573
Proposed final dividend (a)	**6.0**	**0.8**	**39,759**	5.1	0.7	33,424
Total dividends for the year	**7.6**	**1.0**	**50,476**	9.2	1.2	60,997
Dividends paid during the year (b)	**6.7**	**0.9**	**44,141**	9.8	1.3	65,797

(a) The proposed final dividend is subject to the approval of the shareholders at the Annual General Meeting on 22 April 2026 and not reflected in the financial statements.

(b) Dividends paid during the year represent final dividend of the prior year and interim dividend of the reporting year.

Accounting policy

Dividend distributions to the Company's shareholders are recognised as liabilities in the financial statements in the period in which the dividends are approved by the shareholders or Directors, where appropriate.

The dividend declared after the year end is not reflected as a dividend payable in the financial statements of that year, but will be reflected as an appropriation of retained profits for the following year.

10 Earnings per share ("EPS")

(a) Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to shareholders by the weighted average number of shares in issue during the year, excluding the shares held by the trustee of the Company's 2013 Share Award Scheme, 2023 Share Award Scheme and 2025 Share Award Scheme (collectively "SASs") and unvested restricted shares (Note 18(c)).

		2025	2024
Profit attributable to shareholders	(US$'000)	**58,172**	131,697
Weighted average number of shares in issue	('000)	**5,105,507**	5,176,618
Basic earnings per share	(US cents)	**1.14**	2.54
Equivalent to	(HK cents)	**8.88**	19.86

(b) Diluted earnings per share

Diluted earnings per share are calculated by dividing the basic earnings, after adjusting for effect of convertible bonds by the weighted average number of shares in issue during the year, excluding the shares held by the trustee of the Company's SASs and after adjusting for the dilutive effect of convertible bonds and unvested restricted shares (Note 18(c)).

		2025	2024
Profit attributable to shareholders	(US$'000)	**58,172**	131,697
Effect of interest on convertible bonds	(US$'000)	**664**	1,377
Adjusted profit attributable to shareholders	(US$'000)	**58,836**	133,074
Weighted average number of shares in issue	('000)	**5,105,507**	5,176,618
Effect of convertible bonds	('000)	**83,176**	168,844
Effect of unvested restricted shares	('000)	**25,936**	33,755
Diluted weighted average number of shares	('000)	**5,214,619**	5,379,217
Diluted earnings per share	(US cents)	**1.13**	2.47
Equivalent to	(HK cents)	**8.79**	19.31

11 Property, plant and equipment

US$'000	2025 Vessels and vessel component costs	2025 Vessels under construction	2025 Leasehold improve-ments	2025 Furniture, fixtures and equipment	2025 Motor vehicles	2025 Total	2024 Vessels and vessel component costs	2024 Leasehold improve-ments	2024 Furniture, fixtures and equipment	2024 Motor vehicles	2024 Total
Cost											
At 1 January	**2,691,769**	**–**	**5,642**	**11,152**	**39**	**2,708,602**	2,722,099	5,746	10,828	41	2,738,714
Additions	**114,566**	**39,600**	**228**	**1,066**	**–**	**155,460**	89,868	59	520	–	90,447
Transfer to assets held for sale	**–**	**–**	**–**	**–**	**–**	**–**	(17,505)	–	–	–	(17,505)
Disposals	**(159,972)**	**–**	**(19)**	**(63)**	**–**	**(160,054)**	(78,622)	(68)	(116)	–	(78,806)
Write offs	**(34,952)**	**–**	**(223)**	**(180)**	**–**	**(35,355)**	(24,071)	–	(14)	–	(24,085)
Exchange differences	**–**	**–**	**50**	**58**	**(1)**	**107**	–	(95)	(66)	(2)	(163)
At 31 December	**2,611,411**	**39,600**	**5,678**	**12,033**	**38**	**2,668,760**	2,691,769	5,642	11,152	39	2,708,602
Accumulated depreciation and impairment											
At 1 January	**994,521**	**–**	**5,204**	**10,202**	**9**	**1,009,936**	926,937	5,175	9,923	1	942,036
Charge for the year	**152,093**	**–**	**166**	**568**	**8**	**152,835**	153,746	166	447	8	154,367
Transfer to assets held for sale	**–**	**–**	**–**	**–**	**–**	**–**	(10,234)	–	–	–	(10,234)
Disposals	**(100,787)**	**–**	**(19)**	**(55)**	**–**	**(100,861)**	(51,857)	(68)	(107)	–	(52,032)
Write offs	**(34,952)**	**–**	**(223)**	**(180)**	**–**	**(35,355)**	(24,071)	–	(14)	–	(24,085)
Exchange differences	**–**	**–**	**43**	**39**	**(1)**	**81**	–	(69)	(47)	–	(116)
At 31 December	**1,010,875**	**–**	**5,171**	**10,574**	**16**	**1,026,636**	994,521	5,204	10,202	9	1,009,936
Net book value											
At 31 December	**1,600,536**	**39,600**	**507**	**1,459**	**22**	**1,642,124**	1,697,248	438	950	30	1,698,666

Estimated useful lives				
Vessels:	25 years	4 to 10 years or the remaining lease period if shorter	3 to 6 years	4 to 5 years
Vessel component costs:	estimated period to the next drydocking			
Vessels under construction:	n/a			

11 Property, plant and equipment (continued)

(a) As at 31 December 2025, the aggregate cost and accumulated depreciation of vessel component costs amounted to US$128.5 million (2024: US$117.5 million) and US$63.4 million (2024: US$60.7 million) respectively.

(b) Certain owned vessels with net book value of US$1,003.4 million (2024: US$864.2 million) were pledged to banks as securities for bank loans granted to the Group (Note 19(a)).

Accounting policy

Please refer to Note 5 for the accounting policy on impairment.

(i) Vessels and vessel component costs

Vessels are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Vessel component costs include the cost of major components which are usually replaced or renewed at drydockings. The assets are stated at cost less accumulated depreciation and accumulated impairment losses. The Group subsequently capitalises drydocking costs as they are incurred.

(ii) Other property, plant and equipment

Other property, plant and equipment, comprising leasehold improvements, furniture, fixtures and equipment and motor vehicles, are stated at cost less accumulated depreciation and accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is either included in the carrying amount of the assets or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the expenditure will accrue to the Group and such expenditure can be measured reliably. The carrying amount of a replaced part is written off. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.

(iv) Depreciation

Depreciation of property, plant and equipment is calculated using straight-line method to allocate their cost less their residual values over their remaining estimated useful lives.

(v) Residual values and useful lives

The residual values of the Group's assets are defined as the estimated amounts that the Group would obtain from disposal of the assets, after deducting the estimated costs of disposals, as if the assets were already of the age and in the conditions expected at the end of their useful lives.

Useful lives of the Group's vessels and vessel component costs are defined as the period over which they are expected to be available for use by the Group.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

(vi) Gains or losses on disposal

Gains or losses on disposal are determined by comparing the proceeds with the carrying amounts and are recognised in the income statement.

11 Property, plant and equipment (continued)

Critical accounting estimates and judgements

Residual values of property, plant and equipment

The Group estimates residual values of its vessels by reference to the lightweight tonnes of the vessels and the average demolition steel price of similar vessels in the Far East market and Indian Sub-Continent market.

- **Sensitivity analysis:**

  With all other variables held constant, if the residual value of vessels increases/decreases by 10% from management estimates, the depreciation expense would decrease/increase by US$5.0 million in the next year.

Useful lives of vessels and vessel component costs

The Group estimates the useful life of its vessels by reference to the average historical useful life of similar vessels, their expected usage, expected repair and maintenance programme, and technical or commercial obsolescence arising from changes or improvements in the shipping market.

The Group estimates the useful life of its vessel component costs by reference to the average historical periods between drydocking cycles of vessels of similar age, and the expected usage of the vessel until its next drydock.

- **Sensitivity analysis:**

  With all other variables held constant, if the useful lives of vessels increase/decrease by 3 years from management estimates, the depreciation expense would decrease by US$26.0 million or increase by US$46.7 million in the next year.

Impairment of owned vessels and right-of-use assets

The Group tests whether the carrying values of owned vessels and right-of-use assets have suffered any impairment, or whether any previously recognised impairment loss shall be reversed, in accordance with the accounting policy on impairment of investments and non-financial assets in Note 5. In assessing the indicators of potential impairment and reversal of impairment provision, internal and external sources of information such as reported sale and purchase prices, market demand and general market conditions are considered. If any of such indication exists, the Group estimates the recoverable amount of that asset based on the information above as well as valuations from independent valuers.

As at 31 December 2025, the net asset value of the Group is higher than its market capitalisation. This is considered as an indicator of potential impairment. Vessels that are interchangeable are grouped together into one cash-generating unit ("CGU"). Management identifies two CGUs, comprising Handysize vessels and Supramax vessels for the purpose of impairment assessment as at 31 December 2025.

An impairment is recognised when the carrying value exceeds the recoverable amount, where the recoverable amount is the higher of value-in-use and fair value less costs of disposal. Likewise, a reversal of the impairment provision is recognised when the recoverable amount becomes higher than the carrying value, subject to conditions described in Note 5.

The value-in-use of the vessels is an assessment of estimated future vessel earnings based on assumptions including forecast utilisation, charter rates, operating expenses and inflation rates, and appropriate discount rates to derive the present value of those earnings. The discount rates are based on a weighted average cost of capital ("WACC"), calculated by using a standard WACC model in which cost of equity, cost of debt and capital structure are the key parameters. The applicable discount rate is 7.9% (2024: 8.0%).

Management has assessed the recoverable amount of the two CGUs, which is based on value-in-use and concluded no provision for impairment was required for the current year based on value-in-use of Handysize and Supramax vessels.

- **Sensitivity analysis:**

  (i) With all other variables held constant, increasing the discount rates by 100 basis points from management estimates would not give rise to any impairment.

  (ii) With all other variables held constant, reducing the future vessel earnings over the life of the vessel by US$1,000 per day from the management estimates would not give rise to any impairment.

12 Right-of-use assets

US$'000	Vessels	Other PP&E	Total
At 1 January 2025	**74,296**	**5,764**	**80,060**
Additions	**44,781**	**183**	**44,964**
Lease modification	**3,865**	**49**	**3,914**
Depreciation	**(35,933)**	**(2,065)**	**(37,998)**
Exchange differences	**–**	**88**	**88**
At 31 December 2025	**87,009**	**4,019**	**91,028**
At 1 January 2024	56,782	6,408	63,190
Additions	50,789	1,267	52,056
Lease modification	10,959	291	11,250
Depreciation	(44,234)	(2,097)	(46,331)
Exchange differences	–	(105)	(105)
At 31 December 2024	74,296	5,764	80,060

Accounting policy

At inception, we assess whether a contract is or contains a lease. This assessment involves the exercise of judgement about whether it depends on a specified asset.

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made before the commencement date. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Right-of-use assets are subject to testing for impairment if there is an indicator of impairment, as for owned assets. Please refer to Note 11 for the critical accounting estimates and judgements on impairment.

The Group applies the lease recognition exemption to short-term leases and leases for which the underlying asset is of low value such as office equipment (e.g. printing and photocopying machines).

13 Goodwill

US$'000	2025	2024
At 1 January/31 December	**25,256**	25,256

Goodwill represents the excess of the Group's cost of acquisition over the fair value of the net identifiable assets of the acquired subsidiary at the date of acquisition.

Accounting policy

Goodwill is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity being sold. It is tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired in accordance with the accounting policy on impairment in Note 5. Impairment losses on goodwill are not reversible.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value-in-use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Critical accounting estimates and judgements – Impairment of Goodwill

The recoverable amount of the goodwill has been determined based on a value-in-use calculation. The calculation is based on a one-year budget and a further four-year outlook. Key assumptions were based on past performance, management's expectations on market development and general inflation. Cash flows beyond the fifth year are extrapolated assuming zero growth and no material change in the existing scope of business, business environment and market conditions. The discount rate applied to the cash flow projections is 7.9% (2024: 8.0%).

Based on the assessment performed, no impairment provision against the carrying value of goodwill is considered necessary.

With all other variables held constant, increasing the discount rates by 100 basis points from the original estimate will not give rise to any impairment.

14 Derivative assets and liabilities

The Group is exposed to fluctuations in interest rates, bunker prices, currency exchange rates and freight rates. The Group manages these exposures using the derivatives summarised below together with their respective fair value levels.

Derivatives	Fair value levels
Interest rate swap contracts	Level 2
Bunker swap contracts	Level 2
Forward foreign exchange contracts	Level 2
Forward freight agreements	Level 1

Fair value levels

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair values of interest rate swap contracts, bunker swap contracts and forward foreign exchange contracts are quoted by dealers at the balance sheet date. The forward freight agreements are traded through a clearing house and its fair value is determined using forward freight rates at the balance sheet date.

There were no transfers between Level 1 and Level 2 during the year.

	2025		2024	
US$'000	**Assets**	**Liabilities**	Assets	Liabilities
Non-current				
Cash flow hedges				
Interest rate swap contracts (a)	**–**	**–**	1,957	–
Derivatives that do not qualify for hedge accounting				
Bunker swap contracts (b)	**–**	**(775)**	38	(499)
	–	**(775)**	1,995	(499)
Current				
Cash flow hedges				
Interest rate swap contracts (a)	**421**	**–**	78	–
Derivatives that do not qualify for hedge accounting				
Bunker swap contracts (b)	**678**	**(5,088)**	1,303	(1,391)
Forward freight agreements (c)	**451**	**(445)**	881	(895)
Forward foreign exchange contracts	**–**	**–**	19	(728)
	1,550	**(5,533)**	2,281	(3,014)
Total	**1,550**	**(6,308)**	4,276	(3,513)

14 Derivative assets and liabilities (continued)

(a) Interest rate swap contracts

All our interest rate swap contracts qualify for hedge accounting as cash flow hedges

Certain borrowings are subject to floating interest rates, which can be volatile, but the Group manages these exposures by entering into interest rate swap contracts.

Effective date	Outstanding notional amount	Fixed swap rates	Expiry through
2025			
August 2023	US$53 million	USD Term SOFR swapped to 1.3% per annum	May 2026
2024			
August 2023 to December 2023	US$73 million	USD Term SOFR swapped to 1.3% to 2.7% per annum	June 2025 to May 2026

- **Sensitivity analysis:**

  With all other variables held constant, if the average interest rate on the net cash balance subject to floating interest rates (cash and deposits net of unhedged floating borrowings) held by the Group at the balance sheet date had been 50 basis point higher/lower, the Group's profit after tax would increase/decrease by approximately US$1.1 million (2024: US$1.0 million).

(b) Bunker swap contracts

None of our bunker swap contracts qualifies for hedge accounting

The Group enters into bunker swap contracts for very low sulphur fuel oil, marine gas oil and fuel oil to manage the fluctuations in bunker prices in connection with its cargo contract commitments.

At 31 December, the Group had outstanding bunker swap contracts as follows:

Fuel type	Contract type	Quantity (Metric tonnes)	Weighted average deal price (US$)	Expiry through
2025				
Very low sulphur fuel oil	Buy	90,812	463	December 2027
Marine gas oil	Buy	7,844	636	December 2027
Fuel oil	Sell	195	311	April 2026
2024				
Very low sulphur fuel oil	Buy	119,148	518	December 2026
Marine gas oil	Buy	12,044	672	November 2027
Fuel oil	Buy	565	441	March 2025

- **Sensitivity analysis:**

  With all other variables held constant, if the average forward price of following fuel types on the bunker swap contracts held by the Group at the balance sheet date had been 10% higher/lower, the Group's profit after tax would increase/decrease by approximately US$3.7 million (2024: US$6.1 million) for very low sulphur fuel oil; increase/decrease by approximately US$0.5 million (2024: US$0.8 million) for marine gas oil and decrease/increase by approximately US$0.01 million (2024: increase/decrease by approximately US$0.03 million) for fuel oil.

14 Derivative assets and liabilities (continued)

(c) Forward freight agreements

None of our forward freight agreements qualifies for hedge accounting

The Group enters into forward freight agreements as a method of managing its exposure to both its physical tonnage and cargo commitments with regard to its Handysize and Supramax vessels.

At 31 December, the Group had outstanding forward freight agreements as follows:

Index[1]	Contract type	Quantity (days)	Weighted average contract daily price (US$)	Expiry through
2025				
BSI	Buy	105	10,686	March 2026
BSI	Sell	630	11,801	September 2026
2024				
BSI	Buy	530	12,400	December 2025
BSI	Sell	510	12,024	December 2025

[1] "BSI" stands for "Baltic Supramax Index".

- **Sensitivity analysis:**
  With all other variables held constant, if the average forward freight rate on forward freight agreements held by the Group at the balance sheet date had been 20% higher/lower, the Group's profit after tax would decrease/increase by approximately US$1.3 million (2024: increase/decrease by US$0.1 million).

14 Derivative assets and liabilities (continued)

Accounting policy

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Derivatives are classified as current and non-current assets according to their respective settlement dates.

Financial assets at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement, and are subsequently remeasured at their fair values. Gains and losses arising from changes in the fair values are included in the income statement in the period in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the Group's right to receive payments is established.

In the cash flow statement, financial assets held for trading are presented within "operating activities" as part of changes in working capital.

Derivative financial instruments and hedging activities

The method of recognising the resulting gain or loss arising from changes in fair value for derivative financial instruments depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as cash flow hedges.

The Group documents at the inception of the transaction the relationship between the hedging instruments and the hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at the hedge inception and on an ongoing basis, of whether the derivatives that are used in the hedging transactions are highly effective in offsetting the changes in fair values or cash flows of the hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedging derivative is more than twelve months after the balance sheet date.

(i) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within other income and expenses.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recycled when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recorded in equity is immediately transferred to the income statement.

(ii) Derivatives not qualifying for hedge accounting

Derivative instruments that do not qualify for hedge accounting are accounted for as financial assets and liabilities at fair value through profit or loss. Changes in the fair value of these derivative instruments are recognised immediately in the income statement.

Bunker swap contracts, forward freight agreements and forward foreign exchange contracts do not qualify for hedge accounting mainly because the contract periods, which are in calendar months, do not coincide with the periods of the physical contracts.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

15 Trade and other receivables

US$'000	2025	2024
Non-current		
Prepayments on vessels	**3,206**	42,250
Current		
Trade receivables (a)	**93,998**	106,300
Other receivables	**27,471**	23,775
Prepayments	**26,634**	24,942
	148,103	155,017

p.58 Our Principal Risks
Credit and Counterparty Risk

Trade and other receivables are mainly denominated in United States Dollars and the carrying values approximate their fair values due to their short-term maturities.

(a) Trade receivables

At 31 December, the ageing of trade receivables based on invoice date is as follows:

US$'000	2025	2024
≤ 30 days	**72,843**	86,360
31-60 days	**5,630**	4,165
61-90 days	**3,446**	2,463
> 90 days	**12,079**	13,312
	93,998	106,300

Accounting policy

Trade receivables mainly represent freight and charter-hire receivables which are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value.

Please refer to Note 5 for the accounting policy on impairment.

Credit policy

Trade receivables consist principally of voyage-related trade receivables. It is industry practice that 95% to 100% of freight is paid upon completion of loading, with any remaining balance paid after completion of discharge and the finalisation of port disbursements, demurrage claims and other voyage-related charges. The Group will not normally grant any credit terms to its customers and therefore all trade receivables are past due.

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of international customers.

At 31 December 2025 and 2024, there was no significant loss allowance provision arising from its trade and other receivables.

16 Inventories

US$'000	2025	2024
Bunkers	**80,827**	110,339
Lubricating oil and others	**15,700**	16,052
	96,527	126,391

Accounting policy

Inventories are stated at the lower of cost and net realisable value, as estimated by the management. Costs are calculated on a first-in first-out basis.

17 Cash and deposits

US$'000	2025	2024
Term deposits with original maturities of 3 months or less	**153,917**	202,190
Cash at bank and other financial institution and on hand	**95,438**	63,456
Cash and cash equivalents	**249,355**	265,646
Term deposits with original maturities over 3 months	**21,204**	16,391
Cash and deposits	**270,559**	282,037
Average effective interest rate on bank deposits for the year	**3.5%**	4.6%
Average remaining maturity of bank deposits at year end	**39 days**	40 days

Cash and deposits are mainly denominated in United States Dollars and the carrying values approximate their fair values due to their short-term maturities.

The Group invests its cash in a mix of financial products, based on its assessment of balance of risk, return and liquidity, which are mainly placed with a range of leading international banks, mainly in Hong Kong and Singapore. The Group's cash and deposits at 31 December 2025 comprised US$264.9 million in United States Dollars and US$5.7 million in other currencies. They are primarily placed in liquid deposits and saving accounts.

Accounting policy – Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held with banks and other short-term highly liquid investments with original maturities of three months or less.

Please refer to Note 5 for the accounting policy on impairment.

p.30 Cash and Borrowings
Cash Flow and Cash

18 Share capital

	2025 Number of shares	2025 US$'000	2024 Number of shares	2024 US$'000
Authorised	**36,000,000,000**	**360,000**	36,000,000,000	360,000
Issued and fully paid				
At 1 January	**5,153,242,146**	**50,710**	5,263,823,056	52,638
Shares issued upon conversion of convertible bonds (a)	**161,423,657**	**1,614**	30,351,090	304
Shares bought back and cancelled (b)	**(150,651,000)**	**(1,507)**	(138,221,000)	(1,382)
Shares granted to employees in the form of restricted share awards (c)	**28,626,000**	**7,749**	18,409,000	5,693
Shares purchased by trustee of the SASs (c)	**(25,915,000)**	**(6,899)**	(17,874,000)	(5,532)
Shares transferred back to trustee upon lapse of restricted share awards (c)	**(3,938,000)**	**(1,121)**	(3,246,000)	(1,011)
At 31 December	**5,162,787,803**	**50,546**	5,153,242,146	50,710

The issued share capital of the Company as at 31 December 2025 was 5,166,725,803 shares. The difference of 3,938,000 shares compared to the number of shares shown in the table above represents the shares held by the trustee of the Company's SASs, amounting to US$1,121,000 which are recognised as a debit to share capital.

18 Share capital (continued)

(a) Shares issued upon conversion of convertible bonds

During the year, 161,423,657 shares were issued upon the conversion of the convertible bonds in an aggregate principal amount of US$27,810,000 at a conversion price of HK$1.35 per share.

(b) Shares bought back and cancelled

During the year, 150,651,000 shares were bought back on the Stock Exchange at an aggregate consideration of approximately US$39,996,000 and related expenses of US$84,000. All shares were cancelled during the year.

(c) Restricted share awards

Restricted share awards under the Company's SASs were granted to Executive Directors and certain employees. The SASs under HKFRS is regarded as a special purpose entity of the Company.

On the grant of the restricted share awards, the relevant number of shares is legally transferred or issued to the trustee who holds the shares for the benefit of the awardees. An awardee shall not be entitled to vote, to receive dividends (except where the Board grants dividend equivalents to the awardee at its discretion) or to have any other rights of a shareholder in respect of the shares until vesting. If the shares are lapsed or forfeited, they will be held by the trustee and can be utilised for future awards.

Movements of the number of unvested restricted share awards during the year are as follows:

'000 shares	**2025**	2024
At 1 January	**42,971**	55,859
Granted	**28,626**	18,409
Vested	**(13,398)**	(28,051)
Lapsed	**(3,938)**	(3,246)
At 31 December	**54,261**	42,971

Out of the 54,261,000 unvested restricted share awards as at 31 December 2025 and according to the vesting schedule, 13,699,000 shares, 14,578,000 shares and 25,984,000 shares will be vested on 14 July 2026, 14 July 2027 and 14 July 2028 respectively.

p.77-79 Report of the Directors
Share Award Schemes

The fair value of the restricted share awards is based on the closing share price on the date which the Company and employees agreed the terms and conditions of the share awards arrangement. The fair value of the shares granted during the year was HK$2.0 (2024: HK$2.4) per share.

The sources of the shares granted and the related movements between share capital and share premium and staff benefit reserve are as follows:

	2025		2024	
Sources of shares granted	**Number of granted shares awards**	**Related movement US$'000**	Number of granted shares awards	Related movement US$'000
Shares purchased by the trustee of the SASs on the Stock Exchange funded by the Company	**25,915,000**	**6,899**	17,874,000	5,532
Shares transferred from the trustee	**2,711,000**	**850**	535,000	161
	28,626,000	**7,749**	18,409,000	5,693

p.77 Report to the Directors
Share Capital and Pre-emptive Rights

Accounting policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Where any group company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received (net of any directly attributable incremental transaction costs and the related income tax) is included in equity.

For the accounting policy on equity-settled share-based payment relating to services from employees, please refer to page 75.

p.75 Remuneration Report
Accounting Policies on Employee Benefits

19 Borrowings

US$'000	2025	2024
Non-current		
Bank loans (a)	**69,938**	166,865
Other borrowings	**–**	18,911
	69,938	185,776
Current		
Bank loans (a)	**66,583**	46,012
Convertible bonds	**–**	27,743
Other borrowings	**–**	2,787
	66,583	76,542
Total	**136,521**	262,318

The borrowings are denominated in United States Dollars and the carrying values approximate their fair values.

Please refer to Note 22(b) for reconciliation of borrowings.

Accounting policy

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liabilities for at least twelve months after the balance sheet date.

(a) Bank loans

The Group's bank loans were secured, *inter alia*, by the following:

(i) Mortgages over certain owned vessels with net book value of US$1,003.4 million (2024: US$864.2 million) (Note 11(b)); and

(ii) Assignment of earnings and insurances compensation in respect of these vessels.

These bank loans are repayable as follows:

US$'000	2025	2024
Within one year	**66,583**	46,012
In the second year	**43,721**	86,230
In the third to fifth year	**26,217**	80,635
	136,521	212,877
Average effective interest rate for the year (after hedging)	**5.8%**	5.8%

20 Lease liabilities

US$'000	2025	2024
At 1 January	**82,040**	65,852
Additions	**44,964**	51,853
Lease modification	**3,914**	11,240
Repayments	**(37,222)**	(46,780)
Exchange differences	**204**	(125)
At 31 December	**93,900**	82,040
Non-current	**64,963**	52,149
Current	**28,937**	29,891
	93,900	82,040

The lease liabilities are repayable as follows:

US$'000	2025	2024
Within one year	**28,937**	29,891
In the second year	**22,149**	17,716
In the third to fifth year	**42,718**	34,253
After the fifth year	**96**	180
	93,900	82,040

Accounting policy

At the commencement date of the lease, lease liabilities are measured at the present value of lease payments to be made over the lease term. The lease term comprises the non-cancellable period with addition of periods covered by options to extend the lease if the Group is reasonably certain to exercise the extension option or reasonably certain not to exercise the termination option. This assessment is made on inception of the lease. The lease payments include fixed payments and variable payments depending on an index or a rate.

In calculating the present value of lease payments, the incremental borrowing rate at the lease commencement date is used. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced following the making of the lease payments. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the fixed lease payments or a change in the assessment to purchase the underlying asset.

Lease payments on short-term leases and leases of low-value assets expensed in the income statement on a straight-line basis over the lease term.

21 Trade payables and other liabilities

US$'000	2025	2024
Trade payables (a)	**82,182**	100,311
Accruals and other payables	**82,700**	73,480
Receipts in advance (b)	**51,834**	65,729
	216,716	239,520

Trade payables and other liabilities are mainly denominated in United States Dollars and the carrying values approximate their fair values due to their short-term maturities.

(a) Trade payables

At 31 December, the ageing of trade payables based on due date is as follows:

US$'000	2025	2024
≤ 30 days	**74,755**	93,407
31-60 days	**254**	1,313
61-90 days	**130**	733
> 90 days	**7,043**	4,858
	82,182	100,311

Accounting policy

Trade payables mainly represent freight and charter-hire payables which are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(b) Receipts in advance

Receipts in advance included amounts received in relation to cargo contracts to be completed of US$51.1 million (2024: US$64.2 million). Receipts in advance of US$64.2 million as at 31 December 2024 were fully recognised as revenue in 2025.

22 Notes to the consolidated cash flow statement

(a) Reconciliation of profit before taxation to cash generated from operations

US$'000	2025	2024
Profit before taxation	**58,825**	132,381
Assets and liabilities adjustments		
Depreciation on vessels and other PP&E	**152,835**	154,367
Depreciation on right-of-use assets	**37,998**	46,331
Gains on disposal of PP&E	**(7,603)**	(8,350)
Gains on disposal of assets held for sale	**–**	(1,257)
Write-back of provisions	**–**	(4,000)
Net unrealised losses/(gains) on derivative instruments not qualified as hedges	**3,907**	(3,989)
Capital and funding adjustments		
Share-based compensation	**4,289**	5,614
Results adjustments		
Finance costs, net	**10,428**	9,810
Net foreign exchange (gains)/losses	**(3,062)**	2,497
Profit before taxation before working capital changes	**257,617**	333,404
Decrease in inventories	**29,864**	8,338
Decrease/(increase) in trade and other receivables	**6,979**	(15,348)
Decrease in trade payables and other liabilities	**(22,917)**	(17,231)
Cash generated from operations	**271,543**	309,163

(b) Reconciliation of borrowings

US$'000	2025	2024
At 1 January	**262,318**	300,400
Cash flows		
Drawdown of bank loans	**50,000**	98,571
Repayment of bank loans and other borrowings	**(146,502)**	(134,456)
Redemption and cancellation of convertible bonds	**(300)**	–
Coupon payment of convertible bonds	**(423)**	(925)
Payment of loan arrangement fee	**(5,000)**	(207)
Other non-cash movements		
Amortisation of loan arrangement fee	**3,447**	2,934
Accrued coupon payment of convertible bonds	**664**	1,377
Conversion of convertible bonds	**(27,683)**	(5,376)
At 31 December	**136,521**	262,318

(c) Cash outflow on all leases

The total cash outflow for all leases is US$703.3 million (2024: US$899.8 million).

23 Commitments

(a) Capital commitments

US$'000	2025	2024
Contracted for but not recognised as liabilities – contracts for newbuildings and vessel acquisition	**284,926**	146,582

(b) Lease commitments

(i) The Group as the lessee – payments

The non-cancellable lease commitment included leases of low-value assets, short-term leases with a term of 12 months or less and long-term leases with a term of over 12 months not yet commenced at 31 December 2025.

The future aggregate minimum lease payments of these leases are as follows:

US$'000	Vessels	Office equipment	Total
At 31 December 2025			
Within one year	**88,487**	**62**	**88,549**
In the second to fifth year	**59,946**	**14**	**59,960**
After the fifth year	**15,314**	**1**	**15,315**
	163,747	**77**	**163,824**
At 31 December 2024			
Within one year	81,105	136	81,241
In the second to fifth year	101,165	24	101,189
After the fifth year	27,634	4	27,638
	209,904	164	210,068

(ii) The Group as the lessor – receipts

The Group had future aggregate minimum lease receipts under non-cancellable operating leases for vessels as follows:

US$'000	2025	2024
Within one year	**44,698**	46,444
In the second to fifth year	**–**	6,117
	44,698	52,561

Accounting policy – Operating leases: where the Group is the lessor

When the Group leases out assets under operating leases, the assets are included in the balance sheet and, where applicable, are depreciated in accordance with the Group's depreciation policies as set out in Note 11 Property, plant and equipment. Revenue arising from assets leased out under operating leases is recognised over time based on daily rate.

24 Financial liabilities summary

This note should be read in conjunction with the Liquidity Risk section on page 63. The maturity profile of the Group's financial liabilities, net-settled derivative financial instruments and gross-settled derivative financial instruments based on the remaining period from the balance sheet date to the contractual maturity date are summarised below. These represented contractual cash flows which include principal and interest elements where applicable.

	Within one year		In the second year		In the third to fifth year		After the fifth year		Total	
US$'000	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Borrowings										
Bank loans	**75,460**	59,295	**48,154**	95,072	**30,182**	86,850	**–**	–	**153,796**	241,217
Convertible bonds	**–**	28,953	**–**	–	**–**	–	**–**	–	**–**	28,953
Other borrowings	**–**	3,801	**–**	3,801	**–**	17,222	**–**	–	**–**	24,824
Lease liabilities	**40,163**	36,199	**30,112**	19,737	**51,921**	35,908	**13**	–	**122,209**	91,844
Derivative financial instruments										
(i) Net-settled (a)										
Interest rate swap contracts	**(424)**	(1,626)	**–**	(468)	**–**	–	**–**	–	**(424)**	(2,094)
Bunker swap contracts	**5,088**	1,391	**775**	452	**–**	47	**–**	–	**5,863**	1,890
Forward freight agreements	**445**	895	**–**	–	**–**	–	**–**	–	**445**	895
(ii) Gross-settled (b)										
Forward foreign exchange contracts										
– Outflow	**–**	27,863	**–**	–	**–**	–	**–**	–	**–**	27,863
– Inflow	**–**	(26,660)	**–**	–	**–**	–	**–**	–	**–**	(26,660)
Net outflow	**–**	1,203	**–**	–	**–**	–	**–**	–	**–**	1,203
Trade payables and other liabilities	**164,882**	173,791	**–**	–	**–**	–	**–**	–	**164,882**	173,791

(a) Net-settled derivative financial instruments represent derivative assets or liabilities whose terms result in settlement by a netting mechanism, such as settling the difference between the contract price and the market price of the financial assets or liabilities.

(b) Gross-settled derivative financial instruments represent derivative assets or liabilities which are not settled by the above mentioned netting mechanism.

25 Significant related party transactions

Significant related party transactions (that do not fall under the definition of connected transaction or continuing connected transaction as defined in Chapter 14A of the Listing Rules) carried out in the normal course of the Group's business and on an arm's length basis comprised only key management compensation. For the compensation of key management (including Directors' emoluments) and the accounting policy on employee benefits, please refer to the Remuneration Report on pages 72 to 75.

26 Contingent liabilities and contingent assets

The Group had no material contingent liabilities and contingent assets as at 31 December 2025 and 2024.

Accounting policy

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognised but are disclosed in the notes to the financial statements when an outflow of economic resources is probable, a provision is recognised.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognised.

27 Event after the balance sheet date

On 16 February 2026, the Company entered into a shareholder agreement with The Caravel Group Ltd. and Caravel Maritime Ventures Inc., and appointed two Non-executive Directors accordingly.

Please refer to the relevant announcements dated 16 February 2026 for details.

28 Principal subsidiaries

As at 31 December 2025, the Company has direct and indirect interests in the following wholly-owned principal subsidiaries:

Company	Place of incorporation/ operation[2]	Issued and fully paid share capital	Principal activities
Shares held directly			
PB Vessels Holding Limited	BVI	US$1,191,118,775	Investment holding
PB Management Holding Limited	BVI	US$12,313	Investment holding
PB Vessels Holding SG Pte. Ltd.	SG	US$250,000	Investment holding
Shares held indirectly			
Vessel owning and chartering			
Albatross Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Astoria Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Badger Island Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Barracuda Island Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Barrow Shipping Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Bayview Shipping Limited	MI	US$1	Vessel owning
Bell Bay Shipping Limited	HK/Int'l	HK$1	Vessel owning and chartering
Block Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Bonny Shipping Limited	BVI/Int'l	US$1	Vessel owning and chartering
Bridge Bay Limited	MI	US$1	Vessel owning
Bright Cove Limited	HK/Int'l	HK$1	Vessel owning and chartering
Chatham Shipping Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Chiloe Shipping Limited	BVI/Int'l	US$1	Vessel owning and chartering
Columbia River Shipping Limited	HK/Int'l	HK$1	Vessel owning and chartering
Cooper Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Corio Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Cramond Island Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Darling River Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Discovery Bay Shipping Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Disko Shipping Limited	BVI/Int'l	US$1	Vessel owning and chartering
Eaglehill Trading Limited 鷹峯貿易有限公司	HK/Int'l	HK$1	Vessel owning and chartering
Eastern Cape Limited	BVI/Int'l	US$1	Vessel owning and chartering
Engine Shipping Limited	MI	US$1	Vessel owning

28 Principal subsidiaries (continued)

Company	Place of incorporation/ operation[2]	Issued and fully paid share capital	Principal activities
Esperance Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Fortune Shipping (BVI) Limited	BVI/Int'l	US$1	Vessel owning and chartering
Future Sea Limited	HK/Int'l	HK$1	Vessel owning and chartering
Gharapuri Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Good Shape Limited	HK/Int'l	HK$1	Vessel owning and chartering
Goodwyn Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Grande Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Gullholmen Shipping (BVI) Limited	BVI/Int'l	US$1	Vessel owning and chartering
Helen Shipping (BVI) Limited	BVI/Int'l	US$1	Vessel owning and chartering
Honey Island Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Hull Shipping Limited	MI	US$1	Vessel owning
Ikuchi Island Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Illovo River Limited	HK/Int'l	HK$1	Vessel owning and chartering
Imabari Logger Limited	BVI/Int'l	US$1	Vessel owning and chartering
Impression Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Ince Point Limited	HK/Int'l	HK$1	Vessel owning and chartering
Incheon Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Indian Ocean Limited	HK/Int'l	HK$1	Vessel owning and chartering
Indigo Lake Limited	HK/Int'l	HK$1	Vessel owning and chartering
Iona Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Ipanema Beach Limited	HK/Int'l	HK$1	Vessel owning and chartering
Ipswich Bay Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Irvine Bay Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Isabela Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Iwagi Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Jamaica Bay Limited	BVI/Int'l	US$1	Vessel owning and chartering
James Bay Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Jericho Beach Limited	BVI/Int'l	US$1	Vessel owning and chartering
Jervis Bay Shipping Limited	BVI/Int'l	US$1	Vessel owning and chartering
Jiangmen Trader Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Jules Point Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Jumeirah Beach Limited	HK/Int'l	HK$1	Vessel owning and chartering
Kanda Logger Limited	HK/Int'l	HK$1	Vessel owning and chartering
Key West Shipping Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Kodiak Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Kultus Cove Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Lake Stevens Limited	HK/Int'l	HK$1	Vessel owning and chartering
Liberty Vessel Limited	BVI/Int'l	US$1	Vessel owning and chartering

Company	Place of incorporation/ operation[2]	Issued and fully paid share capital	Principal activities
Longview Logger Limited	HK/Int'l	HK$1	Vessel owning and chartering
Luzon Strait Shipping (BVI) Limited	BVI/Int'l	US$1	Vessel owning and chartering
Marawah Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Matakana Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Mega Fame Limited	BVI/Int'l	US$1	Vessel owning and chartering
Mount Aso Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Mount Hikurangi Limited	HK/Int'l	HK$1	Vessel owning and chartering
Mount Seymour Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Mount Taranaki Limited	HK/Int'l	HK$1	Vessel owning and chartering
Neptune Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Newman Shipping (BVI) Limited	BVI/Int'l	US$26,001	Vessel owning and chartering
Nightingale Shipping (BVI) Limited	BVI/Int'l	US$1	Vessel owning and chartering
Nobal Sky Limited	BVI/Int'l	US$1	Vessel owning and chartering
Nootka Shipping (BVI) Limited	BVI/Int'l	US$1	Vessel owning and chartering
North Shipping (BVI) Limited	BVI/Int'l	US$1	Vessel owning and chartering
Novelty Shipping (BVI) Limited	BVI/Int'l	US$1	Vessel owning and chartering
Oak Bay Shipping Limited	HK/Int'l	HK$1	Vessel owning and chartering
Olive Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Olympia Logger Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Osaka Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Otago Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Oyster Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Pacific Basin Chartering Limited	BVI/Int'l	US$10	Vessel chartering
Pacific Basin SG Pte. Ltd.	SG/Int'l	US$1	Vessel chartering
Palm Shipping Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Paqueta Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Pearl Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Pelican Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Penguin Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Pitt Shipping Limited	BVI/Int'l	US$1	Vessel owning and chartering
Port Alberni Limited	HK/Int'l	HK$1	Vessel owning and chartering
Port Angeles Limited	HK/Int'l	HK$1	Vessel owning and chartering
Port Pirie Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Puget Sound Limited	HK/Int'l	HK$1	Vessel owning and chartering
Saldanha Bay Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Sandy Bay Limited	MI/Int'l	US$1	Vessel owning and chartering
Scrub Shipping Limited	BVI/Int'l	US$1	Vessel owning and chartering
Seal Island Limited	HK/Int'l	HK$1	Vessel owning and chartering

28 Principal subsidiaries (continued)

Company	Place of incorporation/operation[2]	Issued and fully paid share capital	Principal activities
Shakespeare Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Shark Island Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Sharp Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Shelter Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Silhouette Shipping (BVI) Limited	BVI/Int'l	US$1	Vessel owning and chartering
Skomer Shipping (BVI) Limited	BVI/Int'l	US$1	Vessel owning and chartering
Soko Shipping Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Stanley Bay Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Tampa Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Texel Island Limited	HK/Int'l	HK$1	Vessel owning and chartering
Turtle Shipping Limited	MI/Int'l	US$1	Vessel owning and chartering
West Bay Shipping Limited	HK/Int'l	HK$1	Vessel owning and chartering
White Bay Limited	HK/Int'l	HK$1	Vessel owning and chartering
Zhousan Shipping Pte. Ltd.	SG/Int'l	US$1	Vessel owning and chartering
Others			
PB Maritime Services Limited	BVI/HK	US$1	Holding business
Pacific Basin Agencies Limited 太平洋航運代理有限公司	HK/Int'l	HK$10	Shipping consulting services
Pacific Basin Handysize Limited	BVI/HK	US$10	Provision of ship management and ocean shipping services
Pacific Basin Handysize (HK) Limited	HK	HK$10	Provision of ship management and ocean shipping services
Pacific Basin Supramax Limited	HK	HK$10	Provision of ship management and ocean shipping services
Pacific Basin (UK) Limited	England and Wales	GBP2	Shipping consulting services
Pacific Basin Shipping (Australia) Pty Ltd	Australia	AUD1	Shipping consulting services
Pacific Basin Shipping (Brasil) Ltda	Federative Republic of Brazil	R$595,285	Shipping consulting services
Pacific Basin Shipping (Canada) Limited	BC, Canada	1 common share without par value	Shipping consulting services
Pacific Basin Shipping (Chile) Limitada	Chile, Santiago	Chilean pesos equivalent to US$6,000	Shipping consulting services
Pacific Basin Shipping DMCC	United Arab Emirates	AE$50,000	Ship management and operation
Pacific Basin Shipping (HK) Limited 太平洋航運(香港)有限公司	HK	HK$20	Ship agency and management services
Pacific Basin Shipping SG Pte. Ltd.	SG	US$250,000	Shipping and maritime-related consultancy services
PacBasin Shipping Pte. Ltd. (Formerly Pacific Basin Shipping (Singapore) Pte. Ltd.)	SG	SGD200,000	Shipping consulting services
Pacific Basin Shipping (South Africa) (Pty) Ltd	Republic of South Africa	120 shares without par value	Shipping consulting services
Pacific Basin Shipping (UK) Limited	England and Wales	GBP2	Shipping consulting services
Pacific Basin Shipping (USA) Inc.	USA	US$1,000	Shipping consulting services
PB Maritime Personnel Inc.	The Philippines	PHP17,300,000	Crewing services
PBS Corporate Secretarial Limited	HK	HK$10	Secretarial services
Taihua Shipping (Beijing) Limited[1] 太華船務(北京)有限公司	PRC	US$4,000,000 (registered capital)	Agency and ship management services

(1) The subsidiary is wholly foreign-owned enterprise established in the PRC, with registered capital fully paid up by the Group.

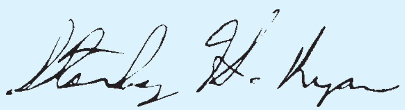
(2) Under the place of incorporation/operation, "BVI" represents "The British Virgin Islands", "HK" represents "Hong Kong", "Int'l" represents "International", "MI" represents "Republic of the Marshall Islands" and "SG" represents "Republic of Singapore".

29 Balance sheet and reserve movement of the Company

(a) Balance Sheet of the Company

	Note	As at 31 December 2025 US$'000	2024 US$'000
ASSETS			
Non-current assets			
Investments in subsidiaries		**1,332,920**	1,331,341
Current assets			
Prepayments and other receivables		**153**	156
Amounts due from subsidiaries		**187,049**	253,515
Cash and cash equivalents		**166**	143
		187,368	253,814
Total assets		**1,520,288**	1,585,155
EQUITY			
Capital and reserves attributable to shareholders			
Share capital	18	**50,546**	50,710
Retained profits		**311,763**	365,992
Other reserves		**1,155,603**	1,168,024
Total equity		**1,517,912**	1,584,726
LIABILITIES			
Current liabilities			
Accruals and other payables		**2,376**	429
Total liabilities		**2,376**	429

Approved by the Board of Directors on 3 March 2026.



Stanley Hutter Ryan
Director

Martin Fruergaard
Director

(b) Reserve movement of the Company

US$'000	Other reserves: Share premium	Staff benefits reserve	Contributed surplus	Subtotal	Retained profits	Total
At 1 January 2025	**394,790**	**(6,704)**	**779,938**	**1,168,024**	**365,992**	**1,534,016**
Comprehensive income						
Loss attributable to shareholders	**–**	**–**	**–**	**–**	**(9,752)**	**(9,752)**
Transactions with owners in their capacity as owner						
Dividends paid (Note 9)	**–**	**–**	**–**	**–**	**(44,141)**	**(44,141)**
Share-based compensation (see Remuneration Report p.74)	**–**	**4,289**	**–**	**4,289**	**–**	**4,289**
Share issued upon conversion of convertible bonds (Note 18(a))	**28,155**	**–**	**–**	**28,155**	**–**	**28,155**
Shares bought back and cancelled (Note 18(b))	**(38,573)**	**–**	**–**	**(38,573)**	**–**	**(38,573)**
Share awards granted (Note 18(c))	**–**	**(7,413)**	**–**	**(7,413)**	**(336)**	**(7,749)**
Share awards lapsed (Note 18(c))	**–**	**1,121**	**–**	**1,121**	**–**	**1,121**
At 31 December 2025	**384,372**	**(8,707)**	**779,938**	**1,155,603**	**311,763**	**1,467,366**
At 1 January 2024	428,006	(7,625)	779,938	1,200,319	433,718	1,634,037
Comprehensive income						
Loss attributable to shareholders	–	–	–	–	(1,940)	(1,940)
Transactions with owners in their capacity as owner						
Dividends paid (Note 9)	–	–	–	–	(65,797)	(65,797)
Share-based compensation (see Remuneration Report p.74)	–	5,614	–	5,614	–	5,614
Share issued upon conversion of convertible bonds (Note 18(a))	5,484	–	–	5,484	–	5,484
Shares bought back and cancelled (Note 18(b))	(38,700)	–	–	(38,700)	–	(38,700)
Share awards granted (Note 18(c))	–	(5,704)	–	(5,704)	11	(5,693)
Share awards lapsed (Note 18(c))	–	1,011	–	1,011	–	1,011
At 31 December 2024	394,790	(6,704)	779,938	1,168,024	365,992	1,534,016

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Pacific Basin Shipping Limited

(incorporated in Bermuda with limited liability)

OPINION

What we have audited

The consolidated financial statements of Pacific Basin Shipping Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 89 to 121, comprise:

- the consolidated balance sheet as at 31 December 2025;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated cash flow statement for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in our audit is related to carrying value of owned vessels and right-of-use assets.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Carrying value of owned vessels and right-of-use assets *Refer to notes 11 and 12 to the consolidated financial statements.* As at 31 December 2025, the Group has a fleet of owned vessels and right-of-use assets (the "Dry Bulk Vessels"), amounting to US$1,640 million and US$87 million respectively. Right-of-use asset represents the Group's right (as a lessee) to use an underlying vessel for a lease term. Management performed assessment at the end of each reporting period whether there is any indication that the assets may be impaired. The net asset value of the Group at 31 December 2025 is higher than its market capitalisation. Based on management's assessment, it was considered there was an indicator of possible impairment of the Group's Dry Bulk Vessels. The Group identifies two cash-generating units ("CGUs") for the purpose of impairment assessment as at 31 December 2025. The two CGUs comprise Handysize and Supramax vessels. Management determines the recoverable amounts of each CGU based on the higher of the CGUs' value-in-use or fair value less costs of disposal. Value-in-use calculations are based on future discounted cash flows of each CGU which involve significant judgements and assumptions, including forecast utilisation, charter rates, operating expenses, inflation rates and discount rates applied to the future cash flows. The recoverable amounts were calculated under the value-in-use models, which exceeded the carrying values of each of the CGUs as at 31 December 2025. Based on the result of the impairment assessment, the Group determined that no impairment provision was required for the year ended 31 December 2025. We focused on this area because of the significance of the carrying amounts of Dry Bulk Vessels, and the estimation of the recoverable amount involved a high degree of judgement and uncertainty.	We discussed with management and evaluated their assessment of indicator of impairment for the Dry Bulk Vessels. We evaluated the appropriateness of the valuation methodology used and identification of CGUs, and checked the mathematical accuracy of the impairment assessment. We assessed the future discounted cash flows used in the value-in-use model and the process by which they are prepared, including comparing them to the budget approved by the Board of Directors or latest management forecast, and assessing the underlying assumptions, including: ■ the forecast charter rates were compared with historical actual results and external industry forecasts; ■ the forecast operating expenses were compared with historical actual results and inflation rates based on external forecasts; ■ the forecast utilisation rates were compared with historical actual results; ■ the discount rate was assessed, with the involvement of our valuation expert, by benchmarking with comparable companies in the same industry; ■ evaluating the reasonableness of historical budgets and forecasts, this included, comparing the forecast utilisation, charter rates and operating expenses used in the prior year value-in-use model against the actual performance of the business in the current year; ■ performing sensitivity analyses over the assumptions set out above by reference to our knowledge of the business and industry. We also evaluated the appropriateness and adequacy of the relevant disclosures made in the Group's consolidated financial statements. Based on the procedures performed, we found the management's judgements and assumptions used in the impairment assessment to be reasonable based on the available evidence.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon. The other information does not include the specific information presented therein that is identified as being an integral part of the consolidated financial statements and, therefore, covered by our audit opinion on the consolidated financial statements.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Liao Weining (practising certificate number: P04870).

PricewaterhouseCoopers

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 3 March 2026

GROUP FINANCIAL SUMMARY

A summary of the results, balance sheet, cash flows and other data of the Group for the last five financial years, as extracted from our Annual Reports of those years without retrospective adjustments for currently prevailing accounting standards, is set out below:

US$'000		2025	2024	2023	2022	2021
Results						
Revenue		**2,081,039**	2,581,552	2,296,622	3,281,626	2,972,514
EBITDA		**263,092**	333,404	347,185	935,131	889,858
Underlying profit		**59,218**	114,094	119,234	714,722	698,307
Profit attributable to shareholders		**58,172**	131,697	109,379	701,856	844,810
Balance Sheet						
Total assets		**2,278,427**	2,414,035	2,432,462	2,648,685	2,745,432
Total liabilities		**(453,445)**	(587,391)	(634,533)	(741,330)	(914,206)
Total equity		**1,824,982**	1,826,644	1,797,929	1,907,355	1,831,226
Total cash and deposits		**270,559**	282,037	261,453	443,877	459,721
Net cash/(borrowings)		**134,038**	19,719	(38,947)	65,269	(128,435)
Cash Flows						
Operating		**270,906**	309,335	353,400	935,317	850,422
Investing		**(43,325)**	(87,397)	(61,166)	63,179	(334,001)
of which Purchase of PP&E		**(116,416)**	(128,405)	(252,072)	(84,718)	(224,483)
Financing		**(247,991)**	(214,402)	(389,728)	(949,128)	(433,027)
Net change in cash and cash equivalents		**(20,410)**	7,536	(97,494)	49,368	83,394
Other Data						
Basic EPS	US cents	**1.14**	2.54	2.10	13.93	17.90
Dividends per share	US cents	**1.0**	1.2	1.6	10.0	9.5
Eligible profit payout ratio		**100%**	50%	75%	75%	54%
Operating cash flows per share	US cents	**5.3**	6.0	6.8	18.5	18.0
Equity per share	US cents	**35.3**	35.4	34.2	36.3	38.0
Closing price at year end	HK$	**2.33**	1.64	2.57	2.64	2.86
Market capitalisation at year end	US$'000	**1,547,182**	1,088,762	1,731,255	1,781,586	1,764,789

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Investors > Financial Highlights
Historical Financial Summary

CORPORATE INFORMATION

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

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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

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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

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Sustainability Report 2025

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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