Pacific Basin Shipping Limited

(incorporated in Bermuda with limited liability)
(Stock Code: 2343)

Press Release

Pacific Basin Announces 2025 Annual Results

Solid performance with a net profit of US$58.2m amid evolving geopolitical and market challenges

2025 was a good test of PB's integrated customer-focused platform for outperformance and resilience

Final dividend of HK6.0 cents per share, resulting in full-year distributions of 100% of net profit#

Expanded dividend policy to allow for enhanced capital returns when Company is in a net cash position

3 March 2026

Pacific Basin Shipping Limited ("Pacific Basin" or the "Company", 2343.HK), one of the world's leading dry bulk shipping companies, today announced the results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2025.

Solid Financial Results & Strong Balance Sheet

Mr. Martin Fruergaard, CEO of Pacific Basin, said:

"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.

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.

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.

Financial Highlights

US$ Million	Year Ended 31 December 2025	2024
Revenue	**2,081.0**	2,581.6
EBITDA #	**263.1**	333.4
Underlying Profit	**59.2**	114.1
Profit Attributable to Shareholders	**58.2**	131.7
Basic Earnings per share *(HK cents)*	**8.9**	19.9
Full Year Dividends per share *(HK cents)*	**7.6**	9.2

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 **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 equates to increasing our core business' outperformance by 11% for Handysize and 16% for Supramax, representing a valuable extra contribution to our group results by providing a service to our customers even when our core ships are unavailable.

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. 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 year end. The Board may decide to make additional distributions in the form of special dividends and/or share buybacks.

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.

After completing our share buyback programme and US$116.4 million of capital expenditure in 2025, the Company remains 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.

exclude vessel disposal gains

Disciplined Fleet Growth Strategy

Following a newbuilding deal we announced in December, our orderbook now comprises four Japanese-built Ultramax newbuildings and four Chinese-built 40,000 dwt Handysize newbuildings with enhanced design for parcelling trades.

Overall, we committed to purchase eight vessels in 2025, including four attractively priced purchase options that we exercised on previously long-term chartered vessels, and we sold eight vessels taking advantage of historically healthy prices for older vessels.

As of 31 December 2025, our core fleet consists of 107 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.

Our Fleet

As at 31 December 2025	Vessels in operation			Total	Total Capacity (Million DWT)	Average Age
	Owned	Long-term Chartered	Short-term Chartered[1]		Owned	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	107	13	130	250	5.4	13

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 Ultramaxes
3 The Company owns one Capsize vessel which is chartered out on a long-term bareboat charter
4 Excluding eight newbuildings on order and three long-term chartered vessels still to deliver

Dry Bulk Supply Growth Outpaced Demand

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.

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.

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.

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.

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."

For further details, please see our 2025 Annual Results Announcement in the Investor section of our website at www.pacificbasin.com. Our full 2025 Annual Report will be published on or around 19 March 2026.

About Pacific Basin

Pacific Basin Shipping Limited (www.pacificbasin.com, 2343.HK) is one of the world's leading owners and operators of modern Handysize, Supramax and Ultramax dry bulk vessels. Enhanced by a world-class inhouse fleet management team, the Company is committed to sustainable shipping with a keen focus on seafarer safety, security, health and wellbeing, responsible environmental investments and practices, performance optimisation for fuel and carbon efficiency, and best-in-class service delivery. The Company operates around 250 dry bulk ships of which over 100 are owned and the rest chartered, and its fleet growth commitments currently include orders for four Ultramax and four Handysize newbuild vessels. Pacific Basin provides a sector-leading freight service to over 600 customers, with over 4,300 seafarers and 400 shorebased staff in 14 offices in key locations around the world.

For further information, please contact:

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Consolidated Income Statement

	For the year ended 31 December	
	2025 US$'000	2024 US$'000
Revenue	**2,081,039**	2,581,552
Cost of services	**(2,005,200)**	(2,446,312)
Gross profit	**75,839**	135,240
Indirect general and administrative overheads	**(6,982)**	(6,009)
Other income and gains	**7,603**	13,763
Other expenses	**(7,207)**	(803)
Finance income	**11,108**	13,693
Finance costs	**(21,536)**	(23,503)
Profit before taxation	**58,825**	132,381
Tax charges	**(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	**1.14**	2.54
Diluted earnings per share	**1.13**	2.47

Consolidated Balance Sheet

	As at 31 December	
	2025 US$'000	2024 US$'000
ASSETS		
Non-current assets		
Property, plant and equipment	**1,642,124**	1,698,666
Right-of-use assets	**91,028**	80,060
Goodwill	**25,256**	25,256
Derivative assets	**-**	1,995
Trade and other receivables	**3,206**	42,250
	1,761,614	1,848,227
Current assets		
Inventories	**96,527**	126,391
Derivative assets	**1,550**	2,281
Trade and other receivables	**148,103**	155,017
Cash and deposits	**270,559**	282,037
Tax recoverable	**74**	82
	516,813	565,808
Total assets	**2,278,427**	2,414,035
EQUITY		
Capital and reserves attributable to shareholders		
Share capital	**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	**69,938**	185,776
Lease liabilities	**64,963**	52,149
Derivative liabilities	**775**	499
	135,676	238,424
Current liabilities		
Borrowings	**66,583**	76,542
Lease liabilities	**28,937**	29,891
Derivative liabilities	**5,533**	3,014
Trade payables and other liabilities	**216,716**	239,520
	317,769	348,967
Total liabilities	**453,445**	587,391

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