# Pacific Basin Shipping Limited

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

## Press Release

# Pacific Basin Announces 2025 Interim Results

**Positive financial results with a net profit of US$25.6m in weaker freight market conditions**

**Interim dividend of HK1.6 cents per share representing 50% of distributable profit for the period**

**Strong cash position with available committed liquidity of US$549.9m**

**Optimistic outlook despite weaker markets in early 2025**

7 August 2025 – Pacific Basin Shipping Limited ("Pacific Basin" or the "Company", 2343.HK), one of the world's leading dry bulk shipping companies, today announced the unaudited results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2025.

## Positive Financial Results

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

"In the first half of 2025, we generated an underlying profit of US$21.9 million, a net profit of US$25.6 million and EBITDA of US$121.5 million. This yielded a return on equity of 3% (annualised) with basic EPS of HK3.9 cents.

Dry bulk shipping markets were weaker in the first half of 2025 than in the same period in the last four years, due to an unusual confluence of commodity-specific factors affecting the three major dry bulk commodities in the first quarter, before recovering in the second quarter.

## Financial Highlights

| US$ Million | Six Months Ended 30 June<br>2025 | <br>2024 |
|---|---|---|
| Revenue | **1,018.7** | 1,281.5 |
| EBITDA [#] | **121.5** | 157.9 |
| Underlying Profit | **21.9** | 43.9 |
| Profit Attributable to Shareholders | **25.6** | 57.6 |
| Basic Earnings per share *(HK cents)* | **3.9** | 8.7 |
| Interim Dividends per share *(HK cents)* | **1.6** | 4.1 |

[#] *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 **core business** generated US$50.7 million before overheads, with average Handysize and Supramax daily time-charter equivalent ("TCE") earnings of US$11,010 and US$12,230 per day respectively for the first half 2025, representing a decrease of 7% and 11% respectively compared to the same period in 2024. We significantly outperformed the average Handysize (BHSI 38k dwt tonnage-adjusted) and Supramax (BSI 58k dwt) indices by US$2,320 per day and US$3,480 per day, or 27% and 40% respectively, consistent with our usual high level of outperformance.

Our **operating activity** contributed US$10.1 million before overheads, representing 16% of our performance, and generating a margin of US$710 per day over 14,200 operating days. This represents a 29% improvement in margin on a similar volume of operating activity compared to the first half of 2024.

## Committed to Delivering Sound Shareholder Value

In view of our sound cash generation and strong balance sheet, the Board has declared an interim dividend of HK1.6 cents per share, which represents 50% of our net profit for the period, excluding vessel disposal gains.

After total capital allocation of US$62.1 million, of which we spent an aggregate consideration of about US$21.0 million buying back and cancelling approximately 93.1 million shares under our 2025 share buyback programme, and capital expenditure of approximately US$41.1 million, our financial position remains strong. The Company is debt free on a net basis with a positive cash position of US$66.4 million and available committed liquidity of US$549.9 million as at 30 June 2025.

In July 2025, we successfully concluded a new US$250 million syndicated sustainability-linked 7-year secured reducing revolving credit facility, with interest margin adjustments linked to our carbon intensity (EEOI) and crew safety (LTIF) performance which we prioritise among our most important ESG issues. This is our second sustainability-linked financing facility, which is well timed to cover the remaining pre-delivery instalments in our newbuilding programme and to be ready for any counter-cyclical growth opportunities, thus supporting our growth ambitions.

Growing our business is a continuous priority, and we will continue to renew, grow and optimise our fleet in a disciplined way that prepares us for a low carbon future and considers the cyclicality of dry bulk shipping. That means: acquiring modern second-hand vessels, while also selling older and less efficient vessels; placing additional low-emission vessel (LEV) newbuilding orders; taking newbuilding vessels on long-term charter with purchase options; and/or continuously looking for accretive M&A opportunities where the synergies and the strategic and cultural fit are compelling.

## Our Fleet

| As at 30 June 2025 | Vessels in operation Owned | Long-term Chartered | Short-term Chartered[1] | Total | Total Capacity (Million DWT) Owned | Average Age Owned |
|---|---|---|---|---|---|---|
| Handysize | 58 | 12 | 51 | 121 | 2.0 | 13.0 |
| Supramax/ Ultramax[2] | 49 | 3 | 92 | 144 | 2.9 | 12.4 |
| Capesize[3] | 1 | - | - | 1 | 0.1 | 14.0 |
| Total | 108 | 15 | 143 | 266 | 5.0 | 12.7 |

1 Average number of short-term and index-linked vessels operated in June 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

## Relatively Resilient Demand in the Face of Short-term Supply Pressure

Dry bulk market rates were constrained by the usual seasonally slow first quarter as well as heightened geopolitical turbulence which undermined demand growth, while changing supply chains and multiple inefficiencies reduced supply. In the first half of 2025, dry bulk market earnings were below the same period in each of the last four years. However, the tonne-mile slowdown was concentrated in the first quarter, with a sharp recovery in the second quarter. The net effect of the two quarters was that total dry bulk tonne-miles reduced -3% year on year, with minor bulk tonne-miles up +7%.

Global dry bulk net fleet growth persisted at +3% year on year in the period, outpacing demand growth as newbuildings ordered in the 2021/22 boom steadily delivered through the first half of 2025. The market has absorbed these newbuilding deliveries without significant distress. Total dry bulk newbuilding deliveries decelerated -5% year on year to 18.1 million dwt, against scrapping which decelerated -3% year on year to 2.2 million dwt.

Despite this supply growth, market utilisation and earnings were relatively resilient due to inefficiencies that made the global fleet less productive. The recovery in Panama Canal transits following low water levels in 2024 has stalled in 2025 at around 80% of normal levels. Meanwhile, Suez Canal transits continue to fall. The outbreak of war in the region, albeit for only twelve days, means more ships will take longer, safer routes and we remain some way from a conclusive return to normal Red Sea and Suez Canal transits.

## US Regulatory Developments

The United States Trade Representative (USTR) Section 301 investigation into China's dominance in shipbuilding and the SHIPS For America Act, currently at committee stage in Congress, both have the potential to increase costs for our business and significantly impact the dry bulk shipping industry. We have been closely monitoring and preparing for these USTR 301-related developments and readying contingency plans to maintain our competitiveness in the changing trade and tariff landscape. The detailed final rules due to be implemented in October will depend on how USTR 301 and trade tariff negotiations between the United States and China unfold in the coming months. Our ultimate objective is to ensure that Pacific Basin ships can continue to service our global customers freely and competitively to and via all safe ports and countries, including the United States.

## Optimistic about the Future of Dry Bulk Shipping

Despite weaker markets in the first half of 2025, we remain optimistic about the future of the dry bulk sector. In the near term, the market is firming and, while downside risk remains, we do not foresee any significant market decline. Longer term, the geared bulk carrier segments in which we are engaged stand to benefit from faster growing minor bulk and grain demand, with the global green energy infrastructure buildout as well as continuing rapid urbanisation in developing economies boosting trade in steels, cement and construction materials.

The supply-side outlook is similarly encouraging, with the recent flurry of newbuilding deliveries absorbed by the market without significant distress, while dry bulk newbuild ordering activity is now limited by tight availability of shipyard capacity that has been largely taken up by other shipping sectors. Additionally, the pressure and cost of decarbonisation regulations on a growing number of older, less-efficient, conventional-fuel ships also add to the potential for structural undersupply in minor bulk shipping.

Meanwhile, we are prepared for uncertainties, challenges and opportunities, and will continue to monitor protectionist activity to ensure we can always trade our ships as widely and flexibly as possible.

We continue as always to cultivate our relationships and resources and take steps to ensure we are nimble, resilient, strong and high performing, so that we can continue our progress towards our vision to be the leading ship owner/operator in the dry bulk shipping sector and the first-choice partner for all stakeholders."

**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 in-house 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 best fuel and carbon efficiency, and best-in-class service delivery. The Company operates over 260 dry bulk ships of which 108 are owned and the rest chartered, and its fleet growth commitments include an order for four dual-fuel low-emission Ultramax vessels being built in Japan and scheduled to be delivered in 2028 and 2029. Pacific Basin provides a sector-leading freight service to over 600 customers, with over 4,300 seafarers and about 400 shore-based staff in 14 offices in key locations around the world.

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## Unaudited Condensed Consolidated Income Statement

| | Six months ended 30 June | |
|---|---:|---:|
| | **2025** | 2024 |
| | **US$'000** | US$'000 |
| Revenue | **1,018,680** | 1,281,541 |
| Cost of services | **(989,498)** | (1,221,469) |
| Gross profit | **29,182** | 60,072 |
| Indirect general and administrative overheads | **(3,818)** | (3,119) |
| Other income and gains | **5,391** | 6,767 |
| Other expenses | **-** | (827) |
| Finance income | **5,811** | 7,243 |
| Finance costs | **(10,648)** | (12,175) |
| Profit before taxation | **25,918** | 57,961 |
| Tax charges | **(318)** | (327) |
| Profit attributable to shareholders | **25,600** | 57,634 |
| Earnings per share for profit attributable to shareholders (in US cents) | | |
| Basic earnings per share | **0.50** | 1.11 |
| Diluted earnings per share | **0.50** | 1.08 |

## Unaudited Condensed Consolidated Balance Sheet

| | 30 June 2025 US$'000 | 31 December 2024 US$'000 |
|---|---|---|
| **ASSETS** | | |
| Non-current assets | | |
| Property, plant and equipment | 1,664,424 | 1,698,666 |
| Right-of-use assets | 78,751 | 80,060 |
| Goodwill | 25,256 | 25,256 |
| Derivative assets | 46 | 1,995 |
| Trade and other receivables | 5,052 | 42,250 |
| | 1,773,529 | 1,848,227 |
| | | |
| Current assets | | |
| Inventories | 114,966 | 126,391 |
| Derivative assets | 3,335 | 2,281 |
| Trade and other receivables | 143,435 | 155,017 |
| Cash and deposits | 295,502 | 282,037 |
| Tax recoverable | 146 | 82 |
| | 557,384 | 565,808 |
| **Total assets** | 2,330,913 | 2,414,035 |
| | | |
| **EQUITY** | | |
| Capital and reserves attributable to shareholders | | |
| Share capital | 50,832 | 50,710 |
| Retained profits | 654,826 | 662,986 |
| Other reserves | 1,090,957 | 1,112,948 |
| **Total equity** | 1,796,615 | 1,826,644 |
| | | |
| **LIABILITIES** | | |
| Non-current liabilities | | |
| Borrowings | 105,748 | 185,776 |
| Lease liabilities | 51,916 | 52,149 |
| Derivative liabilities | 672 | 499 |
| | 158,336 | 238,424 |
| Current liabilities | | |
| Borrowings | 123,337 | 76,542 |
| Lease liabilities | 29,234 | 29,891 |
| Derivative liabilities | 4,178 | 3,014 |
| Trade and other payables | 219,213 | 239,520 |
| | 375,962 | 348,967 |
| **Total liabilities** | 534,298 | 587,391 |

*For further details, please see our 2025 Interim Results Announcement in the Investor section of our website at www.pacificbasin.com. Our full 2025 Interim Report will be published on or around 22 August 2025.*