

Pacific Basin Shipping Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 2343)

Press Release

Pacific Basin Chooses Methanol as Preferred Fuel for Commercially Viable Zero-Emission Vessels

Hong Kong, 27 October 2022 – Pacific Basin Shipping Limited (“Pacific Basin” or the “Company”, 2343.HK), one of the world’s leading dry bulk shipping companies, wishes to update its stakeholders on progress made in the Company’s collaborative efforts to develop its first generation of commercially viable zero-emission vessels.

In May 2022, we entered into a memorandum of understanding with Nihon Shipyard Co., Ltd and Mitsui & Co., Ltd to cooperate on the development of zero-emission vessels and potential investment in related green fuel bunkering infrastructure. We have collectively now completed our feasibility assessment of the various potential green fuels (covering fuel characteristics, availability and scalability, technical pros and cons, lifetime operating and capital costs, etc.), and have concluded that green methanol is currently the best fuel around which to plan our first generation of zero-emission vessels.

We believe that biofuels will also feature in the industry’s fuel mix, and that ammonia will become an important marine fuel in some sectors once technical and safety challenges are adequately addressed.

Mr. Martin Fruergaard, CEO of Pacific Basin, said: “Drawing on the collective expertise of our partners, we are confident that methanol is currently the most suitable future fuel for Handysize and Supramax bulk carriers, and we believe the infrastructure to produce and distribute green methanol is coming. We are now embarking on the next stage of our decarbonisation project, which is to develop a highly efficient ship design around which we plan to contract our first generation of dual-fuel zero-emission newbuildings, again in collaboration with our Japanese partners. We want to be at the forefront of our segment’s transition to zero-emission vessels which should enable us to meet our target of zero emissions by 2050. Through our example, we hope to help accelerate the transition and make zero-emission vessels the default choice in the dry bulk sector by 2030.”

Mr. Hirose, Director, Chief of Sales and Marketing Division, Nihon Shipyard Co., Ltd, commented: “We are pleased to support the choice of methanol as the preferred fuel for this first generation of dual-fuel zero-emission vessels, and we will continue to focus our efforts on designing and building highly efficient vessels for the goal of achieving net zero emissions by 2050.”

Mr. Okamoto, COO of Mobility Business Unit II, Mitsui & Co., Ltd, commented: “Contributing to minor bulk shipping’s transition to a green future is one of the most exciting transformation activities we are currently involved in. We are pleased to select methanol as the preferred fuel, utilising our wide range of portfolios as a global trading and investment company to provide knowledge into the alternative fuel supply chain.”

About Pacific Basin

Pacific Basin Shipping Limited (www.pacificbasin.com) is one of the world’s leading owners and operators of modern Handysize and Supramax 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, health and wellbeing, responsible environmental practice, performance optimisation for best fuel and carbon efficiency, and best-in-class service delivery. The Company operates around 250 dry bulk ships of which 116 are owned and the rest chartered. Pacific Basin is listed and headquartered in Hong Kong and provides a quality service to over 550 customers, with about 4,600 seafarers and 365 shore-based staff in 13 offices in key locations around the world.

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