Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Pacific Basin Shipping Limited

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

TERMINATION OF DISCLOSEABLE TRANSACTIONS IN RELATION TO THE ACQUISITION OF TWO DUAL-FUEL METHANOL ULTRAMAX NEWBUILDING VESSELS AND POSSIBLE DISCLOSEABLE TRANSACTIONS IN RELATION TO THE ACQUISITION OF TWO CONVENTIONAL ULTRAMAX VESSELS WITH OPTION OF TWO DUAL-FUEL METHANOL NEWBUILDING ULTRAMAX VESSELS

Reference is made to the announcement of Pacific Basin dated 28 November 2024 (the "**Announcement**") with respect to the discloseable transactions in relation to the acquisition of two units of Dual-Fuel Methanol Ultramax vessels (the "**Dual-Fuel Methanol Vessels**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, two indirect wholly-owned subsidiaries of Pacific Basin, namely, Buyer 1 and Buyer 2, entered into two ship purchase contracts on substantially the same terms with the Seller, for the acquisition of the Dual-Fuel Methanol Vessels, for an aggregate consideration of approximately US$93 million. On an aggregate basis, the ship purchase contracts constituted discloseable transactions for the Company under Chapter 14 of the Listing Rules.

On 16 April 2026, having considered the reasons set out in the paragraph headed "Reasons for the Transactions" below, the Previous Buyers and the Seller have mutually agreed to terminate the two ship purchase contracts for the acquisition of the Dual-Fuel Methanol Vessels (the "**Termination**"). At the same time, two indirect wholly-owned subsidiaries of Pacific Basin, namely Buyer 3 and Buyer 4, entered into two new ship purchase contracts on substantially the same terms with the Seller, for the acquisition of two units of conventional ultramax vessels ("**Vessel 1**" and "**Vessel 2**", collectively, the "**Vessels**"), for an aggregate consideration of approximately US$78.4 million (the "**Acquisitions**"). It is expected that the consideration of the Vessels will be funded by the cash reserves of the Group and/or by way of bank borrowings prior to the delivery of the Vessels. Estimated delivery date of each of Vessel 1 and Vessel 2 from the Seller is expected to take place by December 2028 and within the first half of 2029, respectively. The Termination and the Acquisitions are expected to reduce the Group's near-term capital expenditure while maintaining exposure to modern, efficient tonnage.

The Company's established relationship with the Seller has also enabled the New Buyers to secure an option (the "**Option**") to acquire two Dual-Fuel Methanol newbuilding Ultramax vessels ("**Vessel 3**" and "**Vessel 4**", collectively, the "**Option Vessels**"). If the Option is exercised, the estimated delivery date of the Option Vessels is expected to take place between April 2030 and March 2031.

The Board is of the view that the Termination will not have any material adverse impact on the business and financial position of the Company and the interests of its shareholders as a whole.

THE ACQUISITIONS AND THE OPTION

Each of the ship purchase contracts for the acquisition of Vessel 1 and Vessel 2, and the exercise of the Option in respect of the acquisition of Vessel 3 and Vessel 4, are not inter-conditional with each other and the principal terms thereof are set out below.

	The Acquisitions		**The Option**		
Vessels with approximate deadweight capacity (dwt)	**Conventional bulk carrier vessel of 64,000 dwt ("Vessel 1")**	**Conventional bulk carrier vessel of 64,000 dwt ("Vessel 2")**	**Dual-Fuel Methanol bulk carrier vessel of 64,000 dwt ("Vessel 3")**	**Dual-Fuel Methanol bulk carrier vessel of 64,000 dwt ("Vessel 4")**	**Aggregate Consideration**
Buyer	Buyer 3	Buyer 4	PBVH SG or its guaranteed nominees	PBVH SG or its guaranteed nominees	
Seller	Seller	Seller	Seller	Seller	
Consideration	US$39.2 million	US$39.2 million	US$45.5 Million	US$45.5 Million	US$169.4 million
Payment terms of the Vessels and the Option Vessels	US$9.9 million (being the amount previously paid as the first instalment under each terminated ship purchase contract) has been credited as the first instalment under each new ship purchase contract. The remaining balance of the consideration is payable as to 10% one year before the expected delivery date, 10% payable upon launching, and the remaining balance of US$21.46 million upon delivery.		20% of the price payable upon signing of each ship purchase contract entered into upon exercise of the Option, 10% payable one year before the expected delivery date, 10% payable upon launching, and the remaining balance of 60% payable upon delivery.		
Expected Delivery Date	By December 2028	Within the first half of 2029	Between April 2030 and March 2031		
Performance Guarantees	PBVH and PBVH SG have jointly guaranteed the performance of the respective New Buyers of their entire obligations, duties and liabilities under the relevant ship purchase contracts		Not Applicable		

BASIS OF CONSIDERATION

The consideration for each of the Vessels and the Option Vessels was determined based on the Group's requirements relating to price, technical specification and delivery schedule, and with reference to, among others, (i) prices of similar vessels available for sale in the market; (ii) sale prices of recent transactions in second-hand vessels of similar type and size; and (iii) the reputation and quality of construction and services of the Seller. The consideration for each of the Vessels and the Option Vessels was therefore determined after arm's length negotiations between the parties on normal commercial terms while also reflected the Group's contribution and effort made in the development of low-emission vessels during the past few years of collaboration between Pacific Basin and the Seller.

The Directors are of the view that the above key factors are relevant and appropriate for assessing the consideration of each of the Vessels and the Option Vessels, and that the consideration for the Vessels and the Option Vessels are fair and reasonable.

FUNDING OF THE CONSIDERATION

It is currently expected that the consideration of the Vessels will be funded by the Group's cash reserves and/or by way of bank borrowings prior to the delivery of the Vessels. If the Option is exercised, the consideration for the Option Vessels is expected to be funded in the same manner.

RELATIONSHIP WITH THE SELLER AND ITS ULTIMATE BENEFICIAL OWNER(S)

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries:

(i) The Seller, together with its ultimate beneficial owner(s), are not connected persons of the Company and are third parties independent of the Company and connected persons of the Company;

(ii) The principal business activities of the Seller are ownership and operation of shipping vessels. The Seller is a wholly-owned subsidiary of Mitsui & Co., Ltd., a company listed on the Tokyo, Nagoya, Sapporo and Fukuoka stock exchanges; and

(iii) Save for the Transactions disclosed in this announcement, there were no prior transactions between the Company and the Seller or parties connected or otherwise associated with one another that require aggregation under Rule 14.22 of the Listing Rules.

REASONS FOR THE TRANSACTIONS

In April 2025, the International Maritime Organisation (IMO) agreed on a Net-Zero Framework (NZF) featuring greenhouse-gas pricing and fuel-intensity measures to drive the shipping industry's transitioning to green fuels. However, political divisions between member states led to an October 2025 agreement to adjourn a decision on NZF adoption by one year. Protracted renegotiations are expected, and both the timing and final shape of the NZF are unclear.

In the absence of a global mechanism such as the NZF, the economics of investing in more expensive low emission vessels and fuels are significantly weakened – especially in the fragmented, highly competitive dry bulk sector, where cargo customers are generally unwilling or unable to absorb or share the additional costs of voluntary green shipping initiatives.

Additionally, the lack of a global measure may also delay the development and scaling of marine e-fuels, while increasing near-term availability and affordability of biofuels for compliance with regional regulatory schemes such as FuelEU.

While a NZF-type global mechanism is expected to be adopted eventually and the Company remains committed to playing its part in the industry's decarbonisation journey, the Board considers it financially prudent and in the best interests of the Company and its shareholders to limit the Company's near-term investment in more higher-cost dual-fuel vessels until new regulatory commitments are in place to support such investments.

Following the Termination, the New Buyers and the Seller subsequently agreed to enter into new ship purchase contracts for the acquisition of two conventional fuel vessels incorporating the latest fuel-efficient design to be built by Imabari Shipbuilding Co., Ltd., one of the top shipbuilding companies in the world and the largest shipbuilding company in Japan known for its extensive facilities and capabilities in designing and constructing of various merchant ships, including bulk carriers. This adjustment is expected to reduce the Group's near-term capital expenditure while maintaining exposure to modern, efficient tonnage.

The Company's established relationship with the Seller has also enabled the New Buyers to secure the Option to acquire the Option Vessels. The Option positions the Group to re-enter the market and place orders for dual-fuel vessels, subject to greater clarity regarding newbuilding pricing, the availability of green fuels, and the regulatory framework established by the IMO. The optionality allows the Group to consider acquiring dual-fuel vessels when market conditions and regulatory developments provide increased certainty.

The Company will continue investing in energy-efficiency and fuel-saving technologies and measures, while positioning itself for priority access to alternative fuels in readiness for tightening and new GHG reduction regulations to come. This proactive approach allows the Company to navigate regulatory uncertainty prudently while remaining well-positioned to capture opportunities arising in the transition to green shipping.

Against these backgrounds, the Directors consider that the terms of the ship purchase contracts for the Vessels and the Option Vessels, were determined after arm's length negotiation, are on normal commercial terms, are fair and reasonable, and are in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

(A) In respect of the Termination

This announcement is made by the Company pursuant to Rule 14.36 of the Listing Rules, as the Termination constitutes a termination of the transaction previously announced under the Announcement.

(B) In respect of the Acquisitions

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of each of the Acquisitions, on a standalone basis, is less than 5%, each of the Acquisitions, on a standalone basis, does not constitute a discloseable transaction under the Listing Rules.

(C) In respect of the Acquisitions and the Possible Acquisitions

As the ship purchase contracts for the acquisition of the Vessels and the Option in respect of the Option Vessels were entered into by the Group with the same counterparty (i.e. the Seller), while they are not inter-conditional with each other, the Acquisitions and the Possible Acquisitions (upon the exercise of the Option in full by the New Buyers) shall be aggregated pursuant to Rule 14.22 of the Listing Rules.

Based on the consideration of the Option Vessels, the Acquisitions together with the Possible Acquisitions (upon the exercise of the Option in full by the New Buyers) when aggregated, are expected to result in one or more of the applicable percentage ratios exceeding 5% but remaining below 25%. Accordingly, the Acquisitions and the Possible Acquisitions when aggregated, may constitute discloseable transactions and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Pacific Basin is one of the world's leading owners and operators of modern Handysize and Supramax dry bulk vessels. The Company currently operates over 250 dry bulk vessels of which 107 are owned and the rest are chartered. The Company is listed in Hong Kong, and provides a quality service to over 600 customers, with 4,300 seafarers and 412 shore-based staff in 14 offices in key locations around the world.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"Board"	the board of Directors;
"Buyer 1"	Bayview Shipping Limited., an indirect wholly-owned subsidiary of the Company;
"Buyer 2"	Bridge Bay Limited, an indirect wholly-owned subsidiary of the Company;
"Buyer 3"	Hull One Pte. Ltd., an indirect wholly-owned subsidiary of the Company;
"Buyer 4"	Hull Three Pte. Ltd., an indirect wholly-owned subsidiary of the Company;
"Company" or "Pacific Basin"	Pacific Basin Shipping Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange;
"connected person"	has the same meaning ascribed thereto under the Listing Rules;
"deadweight tonnes" or "dwt"	the weight capacity of vessels, which is the total weight (usually in metric tonnes) the ship can carry, including cargo, bunkers, water, stores, spares, crew, etc. at a specified depth of the ship in the water;
"Directors"	the directors of the Company;
"Group"	the Company and its subsidiaries;
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange;
"New Buyers"	collectively, Buyer 3, Buyer 4 and PBVH SG or its guaranteed nominees;
"PBVH"	PB Vessels Holding Limited, a direct wholly-owned subsidiary of the Company;
"PBVH SG"	PB Vessels Holding SG Pte. Ltd., a direct wholly-owned subsidiary of the Company;
"Possible Acquisitions"	the acquisition of the Option Vessels upon the exercise of the Option in full by the New Buyers;
"Previous Buyers"	collectively, Buyer 1 and Buyer 2;
"Seller"	Lepta Shipping Co., Ltd., a corporation incorporated in the Republic of Liberia with limited liability;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Transactions"	collectively, the Termination and the Acquisitions and the Possible Acquisitions;
"US$"	United States Dollars, the lawful currency of the United States; and
"%"	per cent.

By Order of the Board
Pacific Basin Shipping Limited
Mok Kit Ting Kitty
Company Secretary

Hong Kong, 16 April 2026

As at the date of this announcement, the Directors of the Company are:

Executive Directors:
Martin Fruergaard and Kristian Helt

Independent Non-executive Directors:
Irene Waage Basili, Stanley Hutter Ryan, Kirsi Kyllikki Tikka, John Mackay McCulloch Williamson, Kalpana Desai, Wang Xiaojun Heather and Mats Henrik Berglund

Non-executive Directors:
Harindarpal Singh Banga and Angad Banga