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Shareholders and investors are reminded that this trading update for the quarter is based on the Group's internal records and management accounts and has not been reviewed or audited by external auditors. Shareholders and investors are cautioned not to rely unduly on this trading activities update and are advised to exercise caution when dealing in the shares of the Company.

Pacific Basin Shipping Limited

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

FIRST QUARTER 2026 TRADING UPDATE

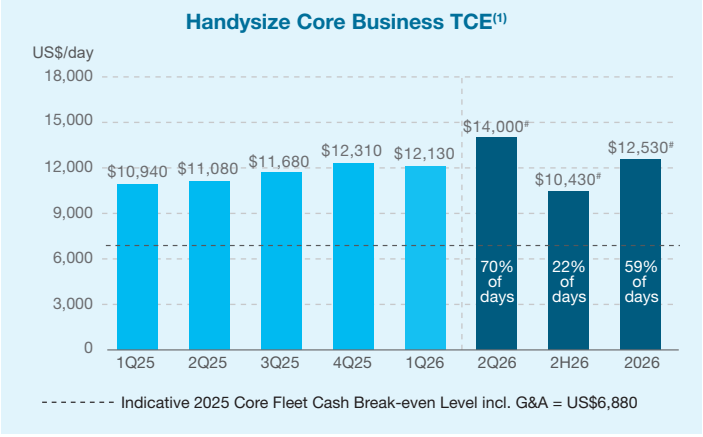
2026 started with the usual seasonality leading up to Chinese New Year. Dry bulk freight rates in the quarter were stronger than in the same period last year, as disruptions and inefficiencies increased tonne-mile demand and constrained effective supply – and with the outbreak of war in the Arabian Gulf adding to both demand and supply disruption since March 2026.

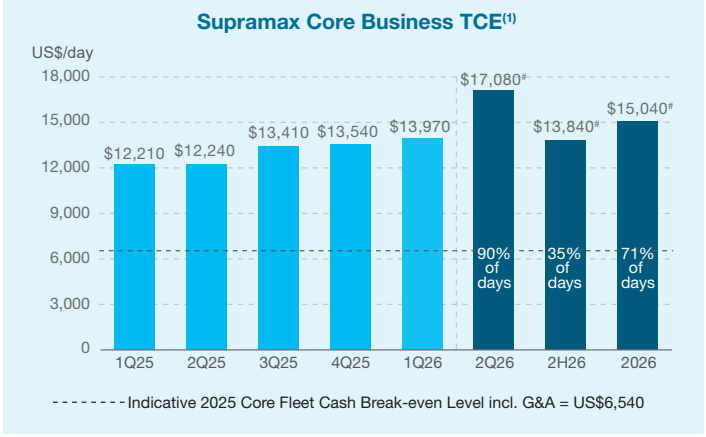
The war has driven fuel prices up by more than 50% and has trapped about 2% of the sub-Capesize dry bulk fleet inside the Arabian Gulf and it has also brought exports of fertilisers, cement and clinkers, and aggregates from the region to a halt, disrupting global supply chains.

Against this backdrop, the Company's vessel time-charter equivalent ("TCE") earnings improved in the first quarter of 2026.

CONTINUED OUTPERFORMANCE IN VOLATILE MARKET

In the first quarter of 2026, our **core business** generated average Handysize and Supramax daily TCE earnings of US$12,130 and US$13,970 per day, representing a year-on-year increase of 11% and 14% respectively, and outperforming the BHSI (tonnage-adjusted) and BSI spot market indices by US$1,030 and US$2,050 per day respectively in the period.





As at 13 April 2026, indicative TCE rates only as voyages are still in progress

Note (1): The current value of our Handysize and Supramax scrubber benefit is approximately US$70 and US$480 per day respectively. When a vessel with a scrubber is assigned a cargo, its TCE rate may be higher due to the added benefit of the scrubber.

Our core fleet continues to be the main driver of our profitability. Our cash break-even level (including operating expenses, general and administrative overheads and finance costs) of US$6,880 and US$6,540 per day for Handysize and Supramax owned vessels respectively in 2025 continued to support solid cash generation in the first quarter of 2026.

For the second quarter of 2026, we have covered 70% and 90% of our committed core vessel days at US$14,000 and US$17,080 per day for Handysize and Supramax respectively. For the second half of 2026, we have so far covered 22% and 35% of our committed Handysize and Supramax core vessel days in 2026 at around US$10,430 and US$13,840 per day respectively, with a relatively high percentage of our committed core vessel days for Handysize being backhaul voyages.

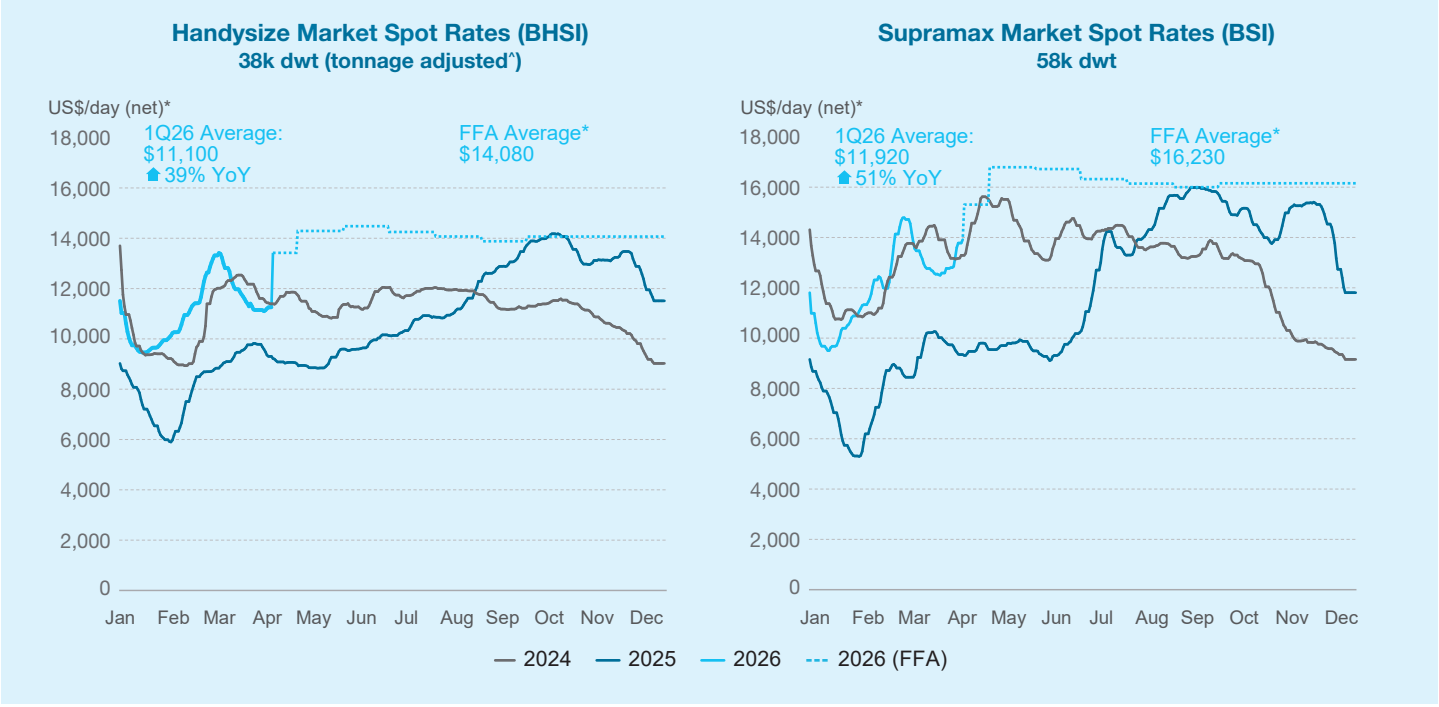
In addition, our **operating activity** generated a margin of US$340 net per day over 6,240 operating days in the first quarter. Our operating activity complements our core business by matching our customers' spot cargoes with short-term chartered vessels, making a margin and contributing to our results.

FREIGHT RATES INCREASED DUE TO MARKET DISRUPTIONS

Freight rates in the first quarter of 2026 were healthy and stronger than in the same period last year. The outbreak of war at the end of February added disruptions to the market, causing volatility in freight rates since March 2026.

In the first quarter of 2026, market spot rates for Handysize (BHSI 38k dwt tonnage-adjusted) and Supramax (BSI 58k dwt) vessels averaged US$11,100 and US$11,920 net per day respectively, representing an increase of 39% and 51% compared to the same period in 2025.

As at 15 April 2026, Forward Freight Agreement (FFA) rates as quoted by the Baltic Exchange for the second to fourth quarters of 2026 stand at US$14,080^/US$16,230 net per day for Handysize and Supramax respectively*.



Source: Baltic Exchange
Data as at 15 April 2026

^ *Spot market rates adjusted downward to reflect expected actual earnings given our average deadweight tonnage of our Core Handysize fleet is lower than the Baltic Exchange benchmark of 38,000 dwt*
* *Excludes 5% commission and tonnage adjusted*

NEW INEFFICIENCIES EMERGED, WHILE DRY BULK DEMAND REMAINED RESILIENT

For the first quarter of 2026, global shipping markets were affected by the outbreak of hostilities in Iran since the end of February and the subsequent disruption to navigation through the Strait of Hormuz. Military activity in and around the Arabian Gulf led to restriction of commercial transits, trapping 2% of the sub-Capesize fleet inside the region, and effectively removing these ships from the supply side of the overall supply/demand balance.

Global minor bulk trade fell 3.3% year on year ("yoy") in the first quarter, with losses led by aggregates (-11.5% yoy) and cement and clinker (-8.3% yoy), as war brought trade to and from major markets in the Arabian Gulf to a near-standstill in March 2026. Fertliser trade was also impacted (-2.2% yoy) with prices spiking, which will likely have knock-on effects on grain harvests and trade in all major growing regions around the world, later in the year. Steels, meanwhile, were also weakened (-1.9%), reflecting disruptions in the Middle East, with exporters in China also having to adjust to new licensing rules, though this should be temporary. In contrast, bauxite (+15.4% yoy) and other minor metals (+144.4% yoy), ores, and concentrates (+13.0% yoy) continued to show strong gains, as China's industrial complex absorbs ever greater flows.

Grains trade rose 14.8% yoy, as almost all major growing regions enjoyed bumper harvests. This was particularly evident in the exports in East Coast South America, where Argentina (+33.7% yoy), Brazil (+32.3% yoy), and Uruguay (+199.8% yoy) all performed strongly. Russia (-24.3% yoy) and Ukraine (-97.9% yoy) remained notable exceptions, extending recent declines. On the import side, China led gains (+26.0% yoy), as importers filled up storage silos, boosted by the added buying power of a strengthening Renminbi, while Iran ranked second, despite war breaking out in March 2026.

Coal trade fell 5.0% yoy. Against a background of long-term decline, cargo volumes were additionally impacted by leading exporter Indonesia (-6.6% yoy) drastically tightening export quotas. Discharge volumes in leading importers China (-13.5%) and India (-5.0% yoy) were most affected. However, as war in the Middle East and a cyclone in Australia began to curtail LNG shipments to Asia, coal prices rose sharply, led by fuel switching LNG to coal from local power utilities. This prompted a policy reversal by the Indonesian government and prospects for the rest of the year have suddenly improved, despite long-term global decarbonisation trends.

Iron ore trade rose 6.7% yoy, as steel mills in China (+8.3% yoy) also benefited from the increased buying power of a strengthening Renminbi and used the opportunity to rebuild stockpiles. This strengthened demand for long-haul suppliers Australia (+6.4% yoy) and Brazil (+10.0% yoy), which both rebounded strongly from weather-related disruptions last year. The war reduced output from pelletising plants in Oman (-23.4%) and Bahrain (-32.7%), while India's exports fell 6.6% as domestic consumption increased in line with plans to substantially expand steel production by 2030.

LONG-TERM SUPPLY FUNDAMENTALS SUPPORT MARKET POSITIONING

According to Clarksons Research, global dry bulk net fleet growth was up 0.9% net in the first quarter of 2026. This was driven by a 1.2% year-on-year increase in newbuilding deliveries (amounting to 10.2 million dwt) in the period, partially offset by a 8.3% year-on-year increase in scrapping (amounting to 1.1 million dwt).

Global Handysize capacity increased 1.0% net and Supramax capacity increased 1.1% net in the first quarter of 2026.

Dry bulk newbuild ordering activity in the first quarter was 34% higher than in the same period last year. The orderbook for global dry bulk and minor bulk vessels currently stands at 13.0% and 10.9% respectively.

Meanwhile, the Handysize and Supramax fleet continues to age, with vessels over 20 years old representing 15.6% and 14.2% of the existing fleet respectively, which will have real significance to the supply picture in the 2030s when carbon reduction and efficiency requirements will add to the challenges of older vessels.

Overall, supply growth appears to be manageable for the foreseeable future, and supply fundamentals bode well for the dry bulk freight market in the longer term.

PROACTIVE YET DISCIPLINED FLEET RENEWAL AND GROWTH STRATEGY

We remain committed to our strategy of disciplined fleet renewal and growth, while maximising our optionality.

In January 2026, we took delivery of a previously long-term chartered Japanese-built Ultramax with purchase option exercised in December 2025. We also added one 64,000 dwt long-term chartered Japanese-built Ultramax newbuilding to our core fleet with delivery in 2027, which came with both charter-extension and purchase options at a fixed rate and price.

Including all current sale and purchase and charter commitments, our core fleet consists of 120 Handysize and Supramax vessels and, including short-term chartered vessels, we currently have 246 vessels on the water overall.

In November 2024, we announced the ordering of four 64,000 dwt dual-fuel methanol Ultramax newbuilding Low-Emission Vessels ("LEVs") from Japan, two from Nihon Shipyard Co., Ltd. and two from Mitsui & Co., Ltd., for an aggregate consideration of US$186 million (US$46.5 million each) for delivery in 2028-2029.

In light of renewed uncertainty around the timing and final shape of a global regulatory framework to drive the maritime green fuel transition, after due consideration and on a mutual basis, the Company and the two Japanese sellers agreed to terminate the contracts of the four dual-fuel methanol newbuilding vessels on 16 April 2026. Replacing these terminated commitments, the Company has simultaneously entered into new purchase contracts with the sellers to purchase in aggregate four conventional-fuelled 64,000 dwt Ultramax newbuilding vessels of the latest fuel-efficient design on substantially the same terms for an aggregate consideration of US$156.8 million (US$39.2 million each). Estimated delivery date of the vessels will be between 2028 and the first half of 2029. In connection with the new agreement with Mitsui & Co., Ltd., we have also secured an option to acquire two 64,000 dwt dual-fuel (methanol/fuel oil) Ultramax newbuilding vessels, exercisable by the end of February 2027, for a total consideration of US$91 million (US$45.5 million each) with expected delivery date between April 2030 and March 2031. These adjustments mutually agreed with the Japanese sellers reduce our near-term capital expenditure while maintaining exposure to modern, efficient tonnage.

In addition, on 16 April 2026, we entered into ship purchase contracts for the acquisition of two 40,000 dwt Handysize newbuilding conventional-fuelled vessels for an aggregate consideration of US$59.6 million (US$29.8 million each) from Jiangmen Nanyang Ship Engineering Co., Ltd. in China with delivery in second half of 2028.

Details of these transactions are available in the announcements published today.

Following the above transactions, the Company's orderbook currently comprises six Handysize newbuildings from China and four Ultramax newbuildings from Japan, with an option to acquire two dual-fuel Ultramax newbuildings. We also hold purchase options, declarable between 2026 and 2031, on 15 long-term chartered vessels, of which 12 are already trading in the Pacific Basin fleet and 3 newbuildings are expected to be delivered in second half of 2026 and 2027.

We will continue to look for value accretive opportunities to expand our fleet in a disciplined approach including modern second-hand acquisitions, newbuilding orders, long-term charters with purchase options, and accretive M&A where synergies and cultural fit are strong.

WELL-POSITIONED TO NAVIGATE CONTINUOUS DISRUPTIONS

Macroeconomic conditions lack visibility, with continued disruptions and inefficiencies driven by heightened geopolitical tensions. The ongoing situation involving Iran has contributed to increased volatility in energy markets and disruptions in global trade flows, which may result in periodic disruption to shipping markets. The two-week ceasefire agreement announced on 8 April 2026 between the United States and Iran included a plan to re-open the Strait of Hormuz. Nonetheless, uncertainty remains and we will continue to closely monitor developments.

Minor bulk net fleet growth is forecast at around 3.8% in 2026, outpacing the projected tonne-mile demand growth of 2.6%. In the near term, freight rates are expected to be supported by ongoing disruptions and operational inefficiencies in the market. Over the longer term, global economic growth, urbanisation in emerging markets and green initiatives are expected to provide support to the demand for food and infrastructure-related minor bulk trades.

Our continued TCE outperformance demonstrates the strength and resilience of our operating model, supported by a growing and modernising fleet, proactive fleet management and sector-leading cost efficiency. Combined with our strong balance sheet and disciplined approach to growth, these strengths position us well to manage near-term uncertainty and to capture opportunities ahead.

The expansion of our dividend policy as stated in our 2025 annual results announcement reflects our continued commitment to shareholder returns. Our financial strength, low cash breakeven level, agile business model, enhanced growth optionality and the experience of our global team position us very well for continued future success.

By Order of the Board
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