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Pacific Basin Shipping Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 2343)

THIRD QUARTER 2026 TRADING UPDATE

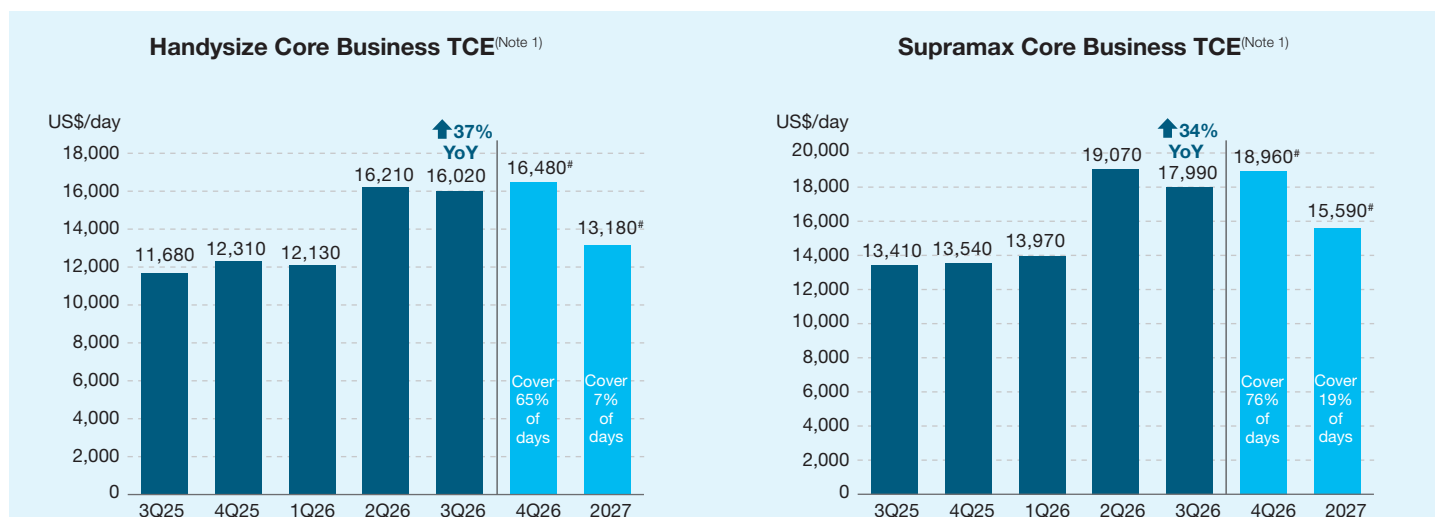
Dry bulk market conditions strengthened further during the third quarter of 2026, supported by higher freight rates and resilient tonne-mile demand. While rates varied across different segments, the Handysize, Supramax and Ultramax markets in which we operate benefitted from increased shipments of some commodities and continued inefficiencies across global shipping networks.

The broader operating environment continued to be influenced by geopolitical disruption, trade policy uncertainty and weather-related events, which affected trade flows, vessel deployment patterns and shipping efficiency.

Against this backdrop, the Company achieved higher average daily time-charter equivalent ("TCE") earnings in the period year on year.

SOLID PERFORMANCE IN AN IMPROVING MARKET

In the third quarter of 2026, the Company's **Core Business** generated average Handysize and Supramax daily TCE earnings of US\$16,020 and US\$17,990 net, representing an increase of 37% and 34% year on year respectively. We outperformed the Handysize spot market index (BHSI tonnage-adjusted) by US\$1,350 per day or 9%, while our Supramax TCE earnings were US\$300 per day, or 2%, below the Supramax (BSI) spot market index, primarily reflecting Atlantic-Pacific rate differentials and our deliberate backhaul positioning into the higher-paying Atlantic market ahead of the typically stronger fourth quarter. For the first nine months of 2026, our Handysize and Supramax outperformed their respective indices by US\$1,730 per day or 13% and US\$1,440 per day or 9% respectively.



* As at 12 October 2026, indicative TCE rates only as voyages are still in progress

Note (1): Values of scrubber benefits are approximately US\$131 and US\$764 per day across our Core Handysize fleet and Supramax fleet respectively as of 12 October 2026. When a vessel with a scrubber is assigned a cargo, its TCE rate may be higher due to the added benefit of the scrubber.

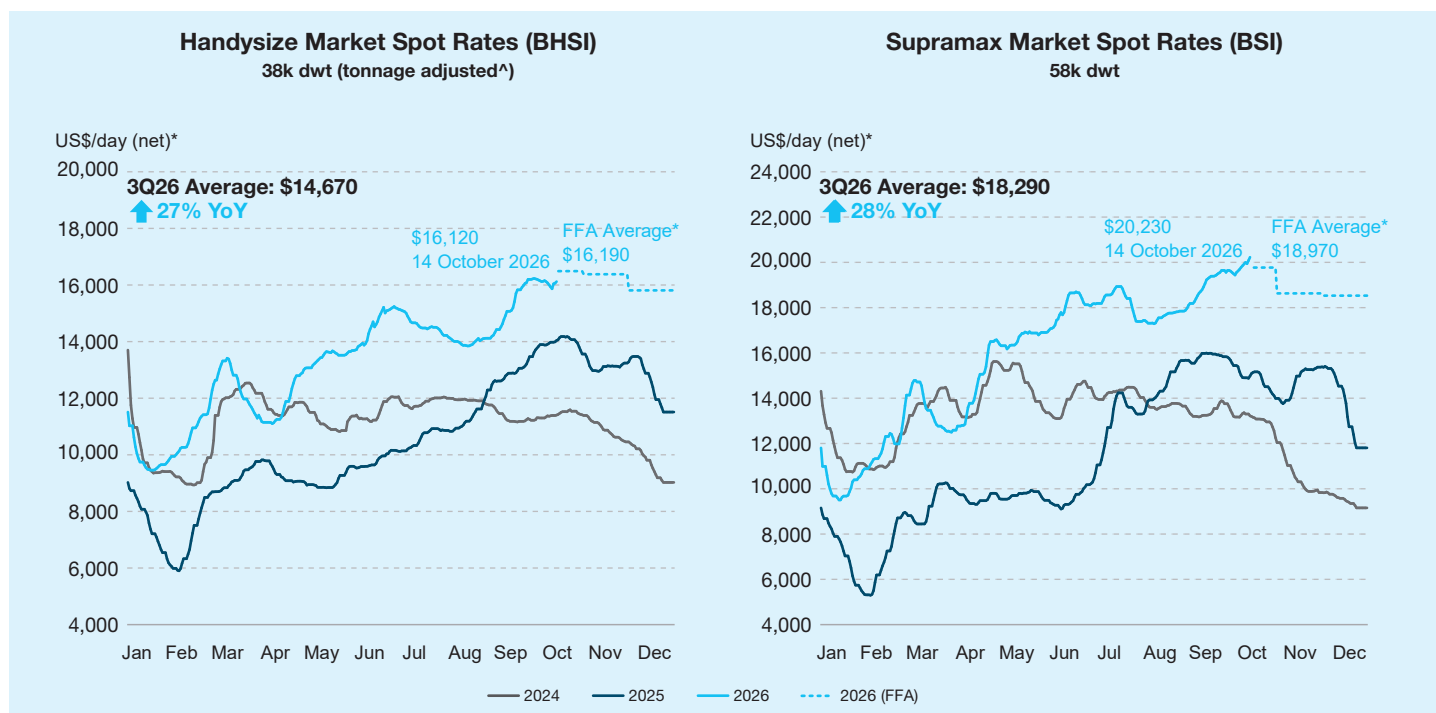
For the fourth quarter of 2026, we have currently covered 65% and 76% of our committed Handysize and Supramax core vessel days at US\$16,480 and US\$18,960 per day respectively (cargo cover excludes operating activity), while retaining exposure to the market through open vessel days in attractive positions, giving us the opportunity to benefit from a seasonally stronger market in the remainder of the year. We have so far also covered 7% and 19% of committed Handysize and Supramax core vessel days in 2027 at around US\$13,180 and US\$15,590 per day respectively.

In addition, the Company's **Operating Activity** generated a margin of US\$2,190 per day on about 6,610 operating days in the third quarter of 2026. This activity is an additional profit driver that complements our Core Business by matching our customers' spot cargoes with short-term chartered vessels.

FREIGHT MARKET MAINTAINED STRONG MOMENTUM

Handysize (BHSI 38k dwt tonnage-adjusted) and Supramax (BSI 58k dwt) market spot rates remained strong during the third quarter of 2026, averaging US\$14,670 and US\$18,290 per day respectively, representing year-on-year increases of 27% and 28%.

Both Handysize and Supramax experienced a short summer correction in July while recovering through the remaining part of the quarter to the highest levels so far this year.



Source: Baltic Exchange
Data as at 14 October 2026

- ^ Spot market rates are adjusted 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

GEOPOLITICAL DISRUPTION TIGHTENED MARKET CONDITIONS

Dry bulk demand during the third quarter of 2026 continued to be influenced by disruption to grain and fertiliser trades. Black Sea wheat exports were constrained by the ongoing conflict, while fertiliser exports from the Arabian Gulf were significantly affected by restrictions on vessel movements through the Strait of Hormuz. While these disruptions reduced cargo availability, particularly for smaller bulk carriers, they also constrained effective vessel supply, contributing to altered trading patterns, longer voyages and tighter market conditions.

Seaborne dry bulk trade volumes continued to expand during the third quarter of 2026, supported by growth across several major and minor bulk commodities as China's buying power rose with the strengthening Renminbi. Strong long-haul Atlantic-to-Asia trade flows also supported tonne-mile demand, enabling the market to absorb manageable net fleet growth of approximately 4% for 2026 according to Clarksons Research forecast.

Minor bulk trade volumes were lower year-on-year during the third quarter, while tonne-mile demand remained broadly stable. Stronger metal ore shipments were offset by weaker volumes across certain other commodities, particularly fertiliser, as reduced exports from the Arabian Gulf weighed on overall trade activity.

Grain trade was more mixed. Black Sea exports were severely disrupted by attacks on ports and merchant shipping. This was partly offset by stronger Argentine exports, supported by Argentina's record soybean harvest earlier in 2026, and increased US and Brazilian grain shipments. Overall grain trade volumes in the first nine months of 2026 increased by approximately 11% year on year.

Iron ore trade recorded healthy growth, supported by increasing seaborne supply and robust Chinese demand, increasing by approximately 3% year on year in the first nine months of 2026 with higher volume of Chinese steel exports. Coal demand was also resilient, amid ongoing energy market disruption, but supply issues in Indonesian, Russia, and Chinese domestic mines forced some regional trade realignment.

Bauxite trade remained strong, increasing 11% year on year, supported by higher exports from Guinea as expanding production and improving transport infrastructure facilitated increased volumes.

Overall, growth in iron ore, bauxite and other long-haul commodity trades, together with shifting grain flows and continued inefficiencies in vessel deployment, supported dry bulk tonne-mile demand during the quarter.

AGEING GLOBAL FLEET SUPPORTS LONGER TERM OUTLOOK

According to Clarksons Research, the global dry bulk fleet grew by 2.8% on a net basis in the first nine months of 2026. Combined net fleet growth in the Handysize and Supramax segments in which we operate was approximately 3.1%.

Shipyard capacity remained tight, particularly for smaller vessels. The orderbooks for global dry bulk and minor bulk vessels currently represent approximately 15% and 13% of their respective existing fleets (8% for Handysize and 16% for Supramax).

The global Handysize and Supramax fleets continue to age, with vessels over 20 years old accounting for approximately 14% of the fleet. This ageing profile is expected to become increasingly relevant to longer-term supply dynamics, particularly in the 2030s, as carbon-reduction and vessel-efficiency requirements place growing operational and economic pressure on older, less efficient tonnage.

Fleet growth is expected to remain manageable in the foreseeable future. The ageing fleet profile and increasing regulatory requirements is expected to constrain effective fleet supply over the longer term.

OUR DISCIPLINED FLEET GROWTH WHILE MAINTAINING OPTIONALITY

We continued to execute our disciplined fleet renewal and growth strategy through selective vessel acquisitions, chartering and newbuilding commitments while maintaining significant future optionality.

As of 30 September 2026, the Company had a total of 258 vessels in operation, comprising 106 owned vessels, 13 long-term chartered vessels and 139 short-term chartered vessels. During the third quarter of 2026, we exercised the purchase option on one long-term chartered Japanese-built Handysize vessel which joined our owned fleet, took delivery of one long-term chartered Japanese-built Handysize vessel, and completed the sale and delivery of two owned Supramax vessels as part of our ongoing fleet renewal programme. In addition, we declared a purchase option on one of our long-term chartered Handysize vessels for delivery in the fourth quarter of 2026.

As of 30 September 2026, the Company holds a total of 11 purchase options that are declarable between 2027 and 2031 on the long-term chartered vessels currently in operation.

Two additional long-term chartered vessels, one Handysize and one Supramax, are scheduled to join our fleet in 2027. Both vessels come with purchase options.

WELL-POSITIONED FOR SUSTAINABLE GROWTH

Looking ahead, dry bulk market conditions in 2027 are expected to remain supported by longer-haul commodity trades and continuing inefficiencies across global shipping networks. Geopolitical developments, El Niño and weather-related disruptions, and shifting seaborne trade patterns are expected to continue to support tonne-mile demand.

Seaborne dry bulk demand and minor bulk demand are forecast to grow by approximately 3.0% and 3.1% in 2027 respectively. Overall dry bulk net fleet growth is estimated to increase to 4.4% but minor bulk net fleet growth is estimated to be lower at 3.8% in 2027.

We continue to invest in fuel efficiency and readiness for expanding decarbonisation regulations in our industry. While the details and future of the IMO Net-Zero Framework remain uncertain, evolving global and regional regulations will continue to influence investment decisions, fuel pathways and emissions-reduction strategies across the sector. We will continue to monitor developments closely and adapt our strategy as necessary.

In the broader trade environment, US exports to China recovered during the year, although remaining below pre-2025 levels. The US-China truce has been extended to January 2027 and the United States Trade Representative Section 301 (“USTR 301”) port-call fees remain suspended, reducing near-term uncertainty for global shipping and trade.

Our consistent TCE outperformance reflects the strength of our operating platform, high-quality fleet, industry-leading cost competitiveness and long-standing customer relationships. Together with our strong balance sheet, disciplined capital allocation and flexible fleet strategy, these advantages position us well to navigate changing market conditions and capture attractive opportunities through the cycle.

We enter the fourth quarter well positioned to capture increased market activity and opportunities expected to continue into 2027, while maintaining our disciplined approach to creating sustainable long-term value for our shareholders.

By Order of the Board
Mok Kit Ting, Kitty
Company Secretary

Hong Kong, 15 October 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