

PB Acquires 4 Ships with 50% Equity Funding

Acquisition of four attractive modern ships:

	Supramax 2010-built	Supramax Resale newbuild	Handysize 2015-built	Handysize Resale newbuild	Total
Shipbuilder	Tsuneishi	Tsuneishi	Imabari	Imabari	
Dwt	58,000	64,000	37,000	37,000	
Total consideration US\$m	15.5	28.0	20.5	24.5	88.5
Expected Delivery	1Q19	Mid-18	4Q18	4Q18	

Consideration comprises:	(a) New PB shares to ships sellers	US\$44.29m
	(b) Existing cash	US\$44.21m
		US\$88.5m

The new shares are to be issued under the Company's General Mandate, and will in aggregate represent approx. 3.68% of PB's enlarged issued share capital after the allotment and issue of all these new shares

Issue price of HK\$2.036 per share is equal to the average closing price for the last five trading days immediately prior to the date of the ship acquisition contracts

The acquisitions and share issue are conditional upon HKSE approval of the listing of the new shares

The ship sellers' new shares are locked up for 90 days after delivery of the respective vessels



Reasons for the Transaction

- To grow and renew our fleet with modern, efficient ships of the best design for our trades at still historically low prices
- To increase further the proportion of our owned vs. chartered-in vessels (especially Supramax) at what we consider to be an attractive time
- To enhance our operating cash flow while strengthening our balance sheet. The transactions lower our P&L breakeven levels and are accretive to our EPS
- One of the acquisitions is currently under a long-term time charter to PB which will be terminated upon the ship's delivery into our ownership. The transaction will replace our charter cost with significantly lower operating costs, thus benefitting our operating cash flow

This opportunity is made possible because reputable Japanese shipowners believe in the longer term prospects for PB and its ability to create shareholder value

Unrelated to this transaction, PB acquired a 2009 Japanese-built 32,000 dwt Handysize log/bulk carrier last month in an all-cash deal with expected delivery in June 2018. Following the delivery of all these 4+1 vessels, our owned fleet will grow to 111 ships.