



Pacific Basin Shipping Limited

太平洋航運集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 2343)

APPOINTMENT OF DEPUTY CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

On 2 June 2006, the Board of the Company announced the appointment of Mr. Klaus Nyborg as Deputy Chief Executive Officer and as an executive director with effect from no later than 1 December 2006. Today's announcement is made by the Company to provide further information regarding Mr. Nyborg and his appointment as prescribed under Rule 13.51 of the Listing Rules.

The Company also announces that the effective date of Mr. Nyborg's appointment will be 15 September 2006.

Reference is made to the announcement made by the board of directors (the "Board") of Pacific Basin Shipping Limited ("Pacific Basin" or the "Company") dated 2 June 2006 in relation to the appointment of Mr. Klaus Nyborg as Deputy Chief Executive Officer and as an executive director. Mr. Nyborg will also join Mr. Richard Hext (Chief Executive Officer) and Mr. Christopher Buttery (Chairman) on the Executive Committee of the Board. Today's announcement is made by the Company to provide further information regarding Mr. Nyborg and his appointment as prescribed under Rule 13.51 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Pacific Basin is pleased to announce that Mr. Klaus Nyborg has been appointed Deputy Chief Executive Officer and an executive director of the Company effective from 15 September 2006 (the "Commencement Date"). Mr. Nyborg will be responsible for investor relations, finance, corporate governance, human resources and a number of new business development projects. He will also partner with Mr. Richard Hext on sale and purchase of vessels.

Mr. Nyborg, aged 42, obtained a Diploma (Econ), and Bachelor of Arts and Master of Science degrees in Business and Business Law from Copenhagen Business School. Mr. Nyborg has most recently served as Chief Financial Officer and an executive director of A/S Steamship Company Torm, a Danish tanker and dry bulk shipping group listed in Copenhagen and on NASDAQ in New York with a market capitalisation of approximately US\$1.6 billion. Prior to joining the Torm Group, Mr. Nyborg served as Chief Financial Officer and an executive director of Maersk Logistics International from 2001 to 2002 and held other executive roles and responsibilities in the A.P. Moller - Maersk Group in Copenhagen and Singapore between 1990 and 2001.

Mr. Nyborg has entered into a service agreement with the Company dated 2 June 2006 under which he has agreed to hold office for a period of three years (subject to retirement by rotation at the annual general meeting of the Company in accordance with the Bye-laws of the Company) commencing 15 September 2006. Mr. Nyborg will receive from the Company an emolument at a rate of US\$450,000 per annum, which is inclusive of salary, rental, reimbursement, company car benefit and retirement scheme contribution. He is also eligible to receive an annual bonus of up to 100% of his emolument (the "Target Bonus"). The Target Bonus will be at the discretion of the Board. In addition, 2.5 million shares in the form of restricted share awards will be granted to Mr. Nyborg pursuant to the Long Term Incentive Scheme. These restricted share awards will vest in equal tranches over a period extending to the fifth anniversary of the Commencement Date. His emolument will be payable in arrears in monthly installments at the rate of US\$37,500 per month. Such emolument is agreed between the Company and Mr. Nyborg and was determined by reference to the levels of emolument of other senior executives of the Company and in the market generally.

Save as disclosed above, Mr. Nyborg does not have any relationship with any other directors, senior management or substantial or controlling shareholder of the Company, nor does he hold any other position with the Company or any of its subsidiaries. As at the date of this announcement, Mr. Nyborg does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save for the information disclosed above, Mr. Nyborg has indicated that there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules.

The Board and Mr. Nyborg are not aware of any other matters that need to be brought to the attention of holders of securities of the Company in relation to his appointment as Deputy Chief Executive Officer and executive director of the Company.

The Company would like to welcome Mr. Nyborg in joining the Board and believes that his extensive experience in the shipping business will be beneficial to the Group.

By Order of the Board
Andrew T. Broomhead
Company Secretary

Hong Kong, 22 June 2006

** For identification purposes only*

As at the date of this announcement, the executive directors of the Company are Christopher Richard Buttery, Richard Maurice Hext and Paul Charles Over, the non-executive directors of the Company are Lee Kwok Yin, Simon and Daniel Rochfort Bradshaw, and the independent non-executive directors of the Company are Robert Charles Nicholson, Patrick Blackwell Paul, The Earl of Cromer and David Muir Turnbull.

Please also refer to the published version of this announcement in South China Morning Post.