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## **APPOINTMENT OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER**

The Board of the Company is pleased to announce that Mr. Mats Henrik Berglund has been appointed as an Executive Director and the Chief Executive Officer of the Company with effect on a date between 20 April 2012 and 3 July 2012.

The Board of Directors (the “**Board**”) of Pacific Basin Shipping Limited (“**Pacific Basin**” or the “**Company**”) is pleased to announce that Mr. Mats Henrik Berglund has been appointed as an Executive Director and the Chief Executive Officer of the Company. Mr. Berglund’s commencement date with the Company has not yet been finalised due to his contractual commitments to his current employer but he will be able to join the Company on a date between 20 April 2012 and 3 July 2012.

Mr. Berglund, aged 49, graduated from the Business School of Gothenburg University in 1986 with a “Civilekonom” degree (equivalent to a Masters of Business Administration in Business and Finance in the United States). In addition, he has attended the Advanced Management Program at Harvard Business School in 2000. After graduating from Gothenburg University he joined Stena, a Swedish family owned conglomerate predominately engaged in shipping. From 1986 to 2005 he occupied various individual contributory, managerial and leadership positions in various Stena group businesses including as Group Controller and Business Controller of Stena Line, Vice President and Chief Financial Officer of Concordia Maritime, Vice President and Chief Financial Officer of StenTex (a Stena Texaco joint venture), President of StenTex, Group Coordinator, Shipping Activities of Stena Rederi AB (Stena’s parent company for shipping activities), Vice President of Stena Rederi AB and, from 2002 to 2005, President of Stena Rederi AB.

From 2005 to 2011, Mr. Berglund served as the Senior Vice President and Head, Crude Transportation, Strategic Business Unit for Overseas Shipholding Group Inc., a company listed on the New York Stock Exchange. Since March 2011 Mr. Berglund has worked at Chemoil Energy Limited, a global trader of marine fuel products which is listed on the Singapore Exchange Ltd. and served as Chief Financial Officer and Chief Operating Officer. On 27 April 2011, he was appointed as a director of California Software Company Limited, a company listed on the National Stock Exchange of India and Bombay Stock Exchange.

Mr. Berglund will not hold any other position within the Pacific Basin Group until his appointment as an Executive Director and the Chief Executive Officer of the Company, which shall become effective on a date between 20 April 2012 and 3 July 2012. The Company will publish a separate announcement

confirming his commencement date with Pacific Basin shortly before the actual effective date of his appointment.

Mr. Berglund has entered into a service agreement with the Company under which he agrees 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).

Pursuant to his service agreement with the Company, Mr. Berglund will receive a salary of US\$700,000 per annum, which is inclusive of retirement scheme contribution, and payable in arrears in monthly installments at the rate of US\$58,333 per month. In addition, he shall be provided with rented accommodation up to the cost of HK\$175,000 per month, a school fee allowance for his two children under the age of 18 until the completion of their secondary education and certain other benefits in kind. Mr. Berglund shall also be eligible to receive an annual bonus of up to 100% of his salary, which will be paid at the discretion of the Board. In addition, an aggregate of 2,628,000 shares in the Company in the form of restricted share awards will be granted to Mr. Berglund pursuant to the Long Term Incentive Scheme of the Company which will vest in three equal or similar tranches on 14 July 2013, 14 July 2014 and 14 July 2015 respectively (the “**Restricted Share Awards**”). Mr. Berglund’s emolument was agreed between the Company and Mr. Berglund 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. Berglund does not have any relationship with any 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, and has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save for the shares that comprise the Restricted Share Awards, Mr. Berglund 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. Berglund 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. Berglund 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 an Executive Director and the Chief Executive Officer.

The Board would like to welcome Mr. Berglund in joining the Board and expresses its great confidence that he will drive the Company forward in accordance with its well-established strategy.

By Order of the Board of  
**Pacific Basin Shipping Limited**  
**Andrew T. Broomhead**  
*Executive Director and Company Secretary*

Hong Kong, 22 March 2012

*As at the date of this announcement, the executive Directors of the Company are David Muir Turnbull, Jan Rindbo, Andrew Thomas Broomhead and Wang Chunlin, and the independent non-executive Directors of the Company are Patrick Blackwell Paul, Robert Charles Nicholson, Alasdair George Morrison and Daniel Rochfort Bradshaw.*