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Pacific Basin Shipping Limited

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

RESIGNATION OF EXECUTIVE DIRECTOR AND APPOINTMENT OF NEW EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

The Board of Directors (the “**Board**”) of Pacific Basin Shipping Limited (“**Pacific Basin**” or the “**Company**”) announces that Mr. Mats Berglund has decided to resign and retire from the position of Executive Director and the Chief Executive Officer of the Company and the Board has agreed with him that his last day of service will be 30 July 2021.

The Board is pleased to announce that Mr. Martin Fruergaard has been appointed as an Executive Director with effect from 2 July 2021 and that he will take over the full responsibilities as the Chief Executive Officer of the Company from 31 July.

Resignation of Mr. Mats Berglund

Mr. Berglund has decided to resign and retire from the position of Executive Director and the Chief Executive Officer of the Company after nine years in the position as he intends to return to Sweden. Mr. Berglund confirms that he has no disagreement with the Board and there is no matter which needs to be brought to the attention of holders of securities of the Company in respect of his resignation.

Mr. Berglund will carry out a comprehensive handover of responsibilities to Mr. Fruergaard between 2 July and 30 July 2021.

The Board would like to express its sincere gratitude to Mr. Berglund for his valuable contribution to, and efforts for, the Company over the years and wish him well in the future.

Appointment of Mr. Martin Fruergaard as an Executive Director and Chief Executive Officer

Mr. Fruergaard, aged 53, holds an EMBA degree from the International Institute for Management Development (“**IMD**”) in Lausanne, Switzerland and has attended various executive courses at IMD and Harvard Business School, most recently he completed the Advanced Management Program at Harvard Business School.

Mr. Fruergaard started his long career in shipping at A.P. Moller-Maersk A/S Group in 1989, first as a trainee at Maersk Tankers and became part of the gas carrier operation in Houston, USA and Copenhagen, Denmark from 1991 to 1995. He then spent eight years with Maersk Bulk Carriers and became its Senior Director in 2003 when he moved back to Maersk Tanker as its Senior Vice President. In 2009, Mr. Fruergaard became the chief commercial officer of Maersk Drilling where he was part of the senior management team with responsibilities in customers, sales and marketing, investments and divestments, corporate social responsibility and communication.

Mr. Fruergaard joined Ultragas in 2015 assuming the role of chief executive officer up to the present time. He led the strategy development and execution where he implemented commercial excellence processes, delivered competitive technical management services and expanded their fleet of ships. Mr. Fruergaard is currently a board member of Danish Shipping and The Danish Maritime Fund.

Mr. Fruergaard has entered into a service agreement with the Company under which he is appointed as an Executive Director for a period of three years commencing on 2 July 2021, subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Bye-laws of the Company.

As Chief Executive Officer, Mr. Fruergaard will receive US\$750,000 per annum, which is inclusive of retirement scheme contribution, and payable in arrears in monthly instalments at the rate of US\$62,500 per month. He shall be provided with rented accommodation up to the cost of HK\$125,000 per month and certain other benefits in kind. Mr. Fruergaard shall also be eligible to receive an annual bonus of up to 100% of his annual salary, which will be paid at the discretion of the Board. In addition, awards in the form of restricted shares will be granted to Mr. Fruergaard pursuant to the Company's 2013 Share Award Scheme as soon as practicable after the effective date of his appointment, the actual number of which will be calculated based on a total value of US\$1,700,000 divided by the average closing price of the issued shares of the Company in the last ten trading days of June 2021. The first US\$200,000 worth of restricted share awards will vest as soon as practicable after the grant date and the balance will vest in three equal or similar tranches on 14 July 2022, 14 July 2023 and 14 July 2024 respectively.

Mr. Fruergaard's emolument was agreed between the Company and Mr. Fruergaard and was determined by reference to the levels of emolument of other listed peer shipping companies and in the market generally.

Save as disclosed above, Mr. Fruergaard 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.

As at the date of this announcement, Mr. Fruergaard does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. Fruergaard 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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board and Mr. Fruergaard 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 of the Company.

All of the Company's directors welcome Mr. Fruergaard to the Board, and the Board is confident that Mr. Fruergaard's extensive experience in the shipping industry will continue to drive and lead the Company forward.

By Order of the Board of
Pacific Basin Shipping Limited
Mok Kit Ting Kitty
Company Secretary

Hong Kong, 20 January 2021

As at the date of this announcement, the Directors of the Company are:

Executive Directors: David Muir Turnbull, Mats Henrik Berglund and Peter Schulz

Independent non-executive Directors: Patrick Blackwell Paul, Robert Charles Nicholson, Alasdair George Morrison, Irene Waage Basili, Stanley Hutter Ryan, Kirsi Kyllikki Tikka and John Mackay McCulloch Williamson