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# Pacific Basin Shipping Limited

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

## **ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE IN RELATION TO AWARDS GRANTED PURSUANT TO THE 2013 SHARE AWARD SCHEME**

On 17 April 2015, the Board has agreed that 9,846,000 new Shares will be allotted and issued to the Trustee at the nominal value of US\$0.10 per Share under the Specific Mandate in order to satisfy the Awards granted to the Selected Employees pursuant to the Scheme Rules.

The Board shall pay or cause to be paid an aggregate amount of US\$984,600 (or its Hong Kong dollar equivalent) to the Trustee from the Company's internal cash resources in order to provide relevant funds to the Trustee to subscribe for the Awarded Shares. Upon allotment and issue of the Awarded Shares, the Trustee will hold the Awarded Shares on trust for the Selected Employees, which shall be transferred to the Selected Employees at no cost upon satisfaction of the relevant vesting conditions determined by the Board at the time of making the Awards.

The Awarded Shares to be allotted and issued by the Company to the Trustee represent (i) approximately 0.508% of the total issued share capital of the Company as at the date of this announcement; and (ii) approximately 0.506% of the total issued share capital of the Company as enlarged by such allotment and issue.

Reference is made to the announcements of the Company dated 28 February 2013 and 28 March 2013, both in respect of the Scheme.

On 17 April 2015, the Board has agreed that 9,846,000 new Shares will be allotted and issued to the Trustee at the nominal value of US\$0.10 per Share under the Specific Mandate in order to satisfy the Awards granted to the Selected Employees pursuant to the Scheme Rules. Pursuant to the Specific Mandate, the Company can allot and issue up to a total of 19,365,771 Shares (being no more than 1% of the total issued share capital as at the beginning of the financial year ended 31 December 2014) to satisfy the Awards. As of the date of this announcement, save for the issue of new Shares to the Trustee as disclosed in this announcement, the Specific Mandate was not utilised by the Company.

Pursuant to the Scheme Rules, the Board will pay or cause to be paid an aggregate amount of US\$984,600 (or its Hong Kong dollar equivalent) to the Trustee from the Company's internal cash resources in order to provide relevant funds to the Trustee to subscribe for the Awarded Shares. Upon allotment and issue of the Awarded Shares, the Trustee will hold the Awarded Shares on trust for the Selected Employees, which shall be transferred to the Selected Employees at no cost upon satisfaction of the relevant vesting conditions determined by the Board at the time of making the Awards. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Trustee (or its nominee) and its listed parent company are not connected person (as defined by the Listing Rules) of the Company and are third party independent of the Company and its connected persons (as defined by the Listing Rules).

All of the Selected Employees, which consist of more than six individuals, are employees who have accepted an employment offer (whether full time or part time) by a member of the Group and none of them is a director, substantial shareholder or connected person (as defined by the Listing Rules) of the Company.

The Awarded Shares to be allotted and issued by the Company to the Trustee represent (i) approximately 0.508% of the total issued share capital of the Company as at the date of this announcement; and (ii) approximately 0.506% of the total issued share capital of the Company as enlarged by such allotment and issue.

The Awarded Shares, when issued and allotted, shall rank *pari passu* among themselves and with the fully paid Shares in issue. Pursuant to the Scheme Rules, (i) the Selected Employees shall not be entitled to vote, to receive dividends or to have any other rights of a Shareholder in respect of the Awarded Shares until vesting of the relevant Awards, though the Board may at its discretion confer a right to the Selected Employees to receive an amount equal in value to the dividends which were payable on the number of the Awarded shares subject to the relevant Awards prior to the time of vesting; and (ii) the Trustee may vote or abstain from voting regarding the Awarded Shares, or accept or reject any offer relating to the Awarded Shares, in any way it sees fit.

Application has been made by the Company to the Stock Exchange for approval of the listing of, and permission to deal in, the Awarded Shares. Other than such approval being granted by the Stock Exchange, the issue of the Awarded Shares is not subject to any approval of the Shareholders or any conditions.

Further information in respect of the Awarded Shares is set out as follows:

Securities to be issued:	9,846,000 Shares
Issue price (net):	An aggregate consideration of US\$984,600 (or its Hong Kong dollar equivalent), the entire sum of which will be paid or caused to be paid by the Board pursuant to the Scheme Rules. Such consideration has been determined as a nominal amount of US\$0.10 per Share having regard to the fact that (i) the allotment and issue of the Awarded Shares to the Trustee is solely for satisfying the Awards granted to the Selected Employees pursuant to the Scheme Rules; and (ii) the entire sum of the consideration will be paid or caused to be paid by the Board
Funds to be raised	Nil
Reasons for the issue:	As long-term incentives for the Selected Employees' contribution to the Group
Identity of the allottee:	HSBC Institutional Trust Services (Asia) Limited being the Trustee, or its nominee
Market price of the Shares:	HK\$3.13 per Share, being the closing price per Share as quoted on the Stock Exchange on 17 April 2015
Equity fund raising activity in the last 12 months:	Save for the Group's proposed issue of the Convertible Bonds as announced by the Company on 8 April 2015, there was no equity fund raising activity by the Group through the issue of equity securities in the 12 months immediately preceding this announcement

## DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

"Awards" the restricted share awards or the restricted unit awards (or a combination of these) granted by the Board to the Selected Employees pursuant to the Scheme Rules;

“Awarded Shares”	the 9,846,000 new Shares that will be allotted and issued to the Trustee under the Specific Mandate for satisfying the Awards;
“Board”	the board of directors of the Company;
“Company”	Pacific Basin Shipping Limited, an exempted company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange;
“Convertible Bonds”	the proposed 3.25% Guaranteed Convertible Bonds due 2021 in an aggregate principal amount of US\$125 million convertible into Shares with an intended use of proceeds primarily for maintaining the Group’s balance sheet strength and liquidity and to continue to proactively manage its upcoming liabilities, including its existing convertible bonds, as well as for general working capital purposes;
“Group”	the Company and its Subsidiaries and “member of the Group” shall be construed accordingly;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
“Scheme”	the Company’s 2013 Share Award Scheme adopted on 28 February 2013 and further supplemented by the Company’s announcement in relation thereto dated 28 March 2013 in its present form or as amended, modified or supplemented from time to time in accordance with the provisions thereof;
“Scheme Rules”	the rules relating to the Scheme;
“Selected Employees”	employees of or any person who has accepted an employment offer (whether full time or part time) by any member of the Group whom the Board has selected for participation in the Scheme;
“Shareholders”	the holders of Shares;
“Shares”	ordinary shares of US\$0.10 each in the share capital of the Company;
“Specific Mandate”	the specific mandate granted by the Shareholders at the annual general meeting of the Company held on 16 April 2014, under which up to a total of 19,365,771 Shares (being no more than 1% of the total issued share capital as at the beginning of the financial year ended 31 December 2014) can be allotted and issued by the Company to satisfy restricted share awards and restricted unit awards granted or may be granted by the Board pursuant to the Scheme Rules;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Trustee”	HSBC Institutional Trust Services (Asia) Limited, being the trustee appointed by the Company for the administration of the Scheme, which will hold the Awarded Shares on trust for the Selected Employees

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

Hong Kong, 17 April 2015

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

*Executive Directors: David Muir Turnbull, Mats Henrik Berglund, Andrew Thomas Broomhead and Chanakya Kocherla*

*Independent non-executive Directors: Patrick Blackwell Paul, Robert Charles Nicholson, Alasdair George Morrison, Daniel Rochfort Bradshaw and Irene Waage Basili*