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Pacific Basin Shipping Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 2343)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Pacific Basin Shipping Limited (the “**Company**”) will be held at 31/F One Island South, 2 Heung Yip Road, Wong Chuk Hang, Hong Kong on Monday, 2 December 2019 at 9:00 a.m. for the purposes of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the conditional subscription agreement (the “**Subscription Agreement**”) (a copy of which has been produced to the SGM marked “A” and signed by the chairman of the SGM for the purpose of identification) dated 31 October 2019 (after trading hours of The Stock Exchange of Hong Kong Limited) and entered into among the Company, PB Issuer (No. 5) Limited (the “**Issuer**”) and BNP Paribas Securities (Asia) Limited, The Hongkong and Shanghai Banking Corporation Limited and DNB Markets, a part of DNB Bank ASA (each a “**Joint Lead Manager**”, and together the “**Joint Lead Managers**”) pursuant to which the Joint Lead Managers have agreed to subscribe or to procure subscribers to subscribe the 3% coupon Guaranteed Convertible Bonds due 2025 (the “**Convertible Bonds**”) in an aggregate principal amount of US\$175 million, convertible into new shares with a par value of US\$0.01 each in the capital of the Company (each, a “**Share**”) on the terms and conditions of the Convertible Bonds (the “**Bond Conditions**”) contained therein and the performance of all the transactions contemplated thereunder and all other matters of and incidental thereto or in connection therewith be and are hereby generally and unconditionally approved, ratified and confirmed;
- (b) any one or more of the directors of the Company (the “**Directors**”) be and is/are hereby authorised to do all such acts and things and execute all such other or further documents which he/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the terms of, or the transactions contemplated by, the Subscription Agreement and all documents and deeds in connection therewith and to agree to such variation, amendments or waiver or matters relating thereto (including any variation, amendments or waiver of the Bond Conditions) as are, in the opinion of the Directors, in the interest of the Company and its shareholders as a whole;

- (c) the Convertible Bonds to be issued pursuant to the Subscription Agreement and the performance of all the transactions contemplated thereunder (including, without limitation, the issue and allotment of Shares upon exercise of the conversion rights attached thereto) and all other matters of and incidental thereto or in connection therewith be and are hereby generally and unconditionally approved; and
- (d) any one or more of the Directors be and is/are hereby authorised to allot and issue such number of Shares as may fall to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds at an initial conversion price of HK\$2.40 per Share (subject to adjustment provided in the Bond Conditions) on and subject to the Bond Conditions.”

By Order of the Board
Mok Kit Ting Kitty
Company Secretary

Hong Kong, 13 November 2019

Notes:

1. Every member entitled to attend and vote at the SGM is entitled to appoint one or more persons as their proxy to attend and vote on behalf of themselves. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other document of authority, if any, under which the form is signed, or a certified copy thereof, must be deposited with the Company's Hong Kong branch registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be).
3. In order to determine the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Wednesday, 27 November 2019 to Monday, 2 December 2019, both days inclusive, during which period the registration of Shares will be suspended. All completed transfer forms accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch registrar, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 182 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 26 November 2019.
4. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the meeting or any adjourned meeting or upon the poll concerned if the shareholders so wish. In such event, the instrument appointing the proxy shall be deemed to be revoked.
5. Please note that only tea, coffee and water will be served as refreshments at the SGM.