
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your Shares in Pacific Basin Shipping Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser.

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Pacific Basin Shipping Limited

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

RE-ELECTION OF DIRECTORS, GENERAL MANDATES TO ISSUE SHARES AND TO BUY BACK SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the 2020 annual general meeting of Pacific Basin Shipping Limited to be held at the Hong Kong Maritime Museum, Central Pier No.8, Hong Kong on Wednesday, 8 April 2020 at 10:30 a.m. is set out on pages 16 to 19 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please see page 1 of this document for measures being taken to try to prevent and control the spread of the Coronavirus at the Annual General Meeting, including:

- **compulsory temperature checks and health declarations**
- **recommended wearing of surgical face masks**
- **no distribution of corporate gifts and refreshments**

Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. The Company encourages attendees to wear face masks and reminds Shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

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PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing Novel Coronavirus (COVID-19) epidemic and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the Annual General Meeting to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the AGM venue or be required to leave the AGM venue.
- (ii) All Shareholders, proxies and other attendees are required to complete and submit at the entrance of the AGM venue a declaration form confirming their names and contact details, and confirming that they have not travelled to, or to their best of knowledge had physical contact with any person who has recently travelled to, any affected countries or areas outside of Hong Kong (as per guidelines issued by the Hong Kong government at www.chp.gov.hk/en/features/102742.html) at any time in the preceding 14 days. Any person who does not comply with this requirement may be denied entry into the AGM venue or be required to leave the AGM venue.
- (iii) The Company encourages attendees to wear surgical face masks inside the AGM venue at all times, and to maintain a safe distance between seats.
- (iv) No refreshments will be served, and there will be no corporate gifts.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.

In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the Annual General Meeting is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the Annual General Meeting as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person.

The proxy form is attached to the AGM Circular for Shareholders who opt to receive physical circulars. Alternatively, the proxy form can be downloaded from the "Investors" section of the Company's website at www.pacificbasin.com/en/ir/news.php?cat=circulars&year=2020. If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

If Shareholders choosing not to attend the AGM in person have any questions about the relevant resolutions, or about the Company or any matters for communication with the Board, they are welcome to contact the Company via Pacific Basin's investor relations department as follows:

Public and Investor Relations
Email: ir@pacificbasin.com
Tel: 852 2233 7000
Fax: 852 2110 0171

If Shareholders have any questions relating to the AGM, please contact Computershare Hong Kong Investor Services Limited, the Company's Share Registrar as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
E-mail: hkinfo@computershare.com.hk
Tel: 852 2862 8555
Fax: 852 2865 0990

DEFINITIONS

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

“2013 Share Award Scheme”	the share award scheme adopted by the Company on 28 February 2013 (as supplemented by the Company’s announcement in relation thereto dated 28 March 2013)
“AGM”	the 2020 annual general meeting of the Company to be held at the Hong Kong Maritime Museum, Central Pier No. 8, Hong Kong on Wednesday, 8 April 2020 at 10:30 a.m., notice of which is set out on pages 16 to 19 of this circular
“associate”	has the meaning ascribed thereto in the Listing Rules
“Awards”	include restricted share awards and restricted unit awards, which are awards by the Board granted under the 2013 Share Award Scheme, subject to the terms and conditions thereof respectively
“Board”	the board of Directors or a duly authorised committee thereof
“business day”	any day on which the Stock Exchange is open for the business of dealing in securities
“Buy-back Mandate”	the general and unconditional mandate enabling the Company to buy back Shares
“Bye-laws”	the bye-laws of the Company
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Company” or “Pacific Basin”	Pacific Basin Shipping Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“core connected person”	has the meaning ascribed thereto in the Listing Rules “Directors” the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$” and “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“INEDs”	the independent non-executive directors of the Company
“Issue Mandate”	the general mandate enabling the Company to allot, issue and deal with the Shares
“Latest Practicable Date”	6 March 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Long Term Incentive Scheme”	the share option scheme adopted by the Company on 17 June 2004 and amended and re-named the long term incentive scheme pursuant to a resolution passed by Shareholders at a special general meeting on 8 June 2005, which has been replaced by the 2013 Share Award Scheme with effect from 28 February 2013
“Notice”	the notice of the AGM set out on pages 16 to 19 of this circular
“Share(s)”	Share(s) of US\$0.01 each in the Share capital of the Company
“Shareholder(s)”	holders of Share(s) in issue
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Repurchases published by the Securities and Futures Commission

LETTER FROM THE CHAIRMAN

Pacific Basin Shipping Limited

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

Executive Directors:

David Muir Turnbull
Mats Henrik Berglund
Peter Schulz

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Independent Non-Executive Directors:

Patrick Blackwell Paul
Robert Charles Nicholson
Alasdair George Morrison
Daniel Rochfort Bradshaw
Irene Waage Basili
Stanley Hutter Ryan
Kirsi Kyllikki Tikka

Hong Kong Principal Office:

31/F One Island South
2 Heung Yip Road
Wong Chuk Hang
Hong Kong

10 March 2020

To Shareholders,

RE-ELECTION OF DIRECTORS, GENERAL MANDATES TO ISSUE SHARES AND TO BUY BACK SHARES AND NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with the Notice of the AGM to be convened for the purpose of considering and, if thought fit, passing six ordinary resolutions to approve, among other things, the re-election of Directors and the grant of general mandates to issue and to buy back Shares.

2. FINAL DIVIDEND AND BOOK CLOSURE (RESOLUTION 2 AS PER NOTICE)

The Board has recommended a final dividend for the year ended 31 December 2019 of HK2.1 cents per Share and if such dividend is approved by the Shareholders at the AGM, it is expected to be paid on or about 5 May 2020 to those Shareholders whose names appear on the Register of Shareholders on 21 April 2020.

The register of Shareholders will be closed on 21 April 2020 on which no transfer of shares will be effected. In order to qualify for the proposed final dividend, all 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, 183 Queen's Road East, Wanchai Hong Kong, for registration not later than 4:30 p.m. on 20 April 2020. The ex-dividend date for the final dividend will be on 17 April 2020.

LETTER FROM THE CHAIRMAN

3. RE-ELECTION OF DIRECTORS (RESOLUTION 3 AS PER NOTICE)

In relation to resolution 3 in the Notice regarding re-election of Directors, Executive Director Mr. David Turnbull, Independent Non-executive Directors Mr. Daniel Bradshaw and Mrs Irene Waage Basili will retire at the AGM by rotation pursuant to the Company's Bye-laws. Dr. Kirsi Kyllikki Tikka who was appointed by the Board on 2 September 2019 will also retire at the AGM. Apart from Mr. Bradshaw who is retiring at the conclusion of the AGM, all retiring directors, being eligible, will offer themselves for re-election.

None of the above Directors to be re-elected has any relationship with any of the other Directors, senior management or substantial or controlling Shareholders of the Company. Under resolution 3, the re-election of Directors will be individually voted on by Shareholders.

The biographical details and interests in Shares of the Director to be re-elected at the AGM are set out in Appendix I to this circular.

For the information of the Shareholders, the Board selects INEDs based on their qualification and experience and hence their ability to contribute to the affairs of the Group, and of overriding importance is their possession of a mindset that is independent and constructively challenges management's views. Although some INEDs do not necessarily have a shipping background, their familiarity with the business and the industry over the years has enabled them to contribute to the management of the risks involved as well as add to the diversity of the skills and perspectives of the Board. Independence from executive management is particularly important as the Group has no controlling shareholder. Continuity of the INEDs provides stability to the Board's decision-making process, compensating for any turnover in the executive management team. The Board believes that the long tenure of some of the INEDs does not compromise their independence but instead brings significant positive qualities as referred earlier. The Board, however, recognises the importance of succession to balance the mix of deep understanding of the Group's business with fresh ideas and perspectives. The Board has and will continue to periodically seek new INEDs to join the Board so as to sustain its source of independent views.

The Board also recognises that INEDs' emoluments should not be tied to the performance of the Group, and hence it has not granted, and currently has no intention to grant, any Awards to INEDs.

4. GENERAL MANDATE TO ISSUE SHARES (RESOLUTION 5 AS PER NOTICE)

At the last annual general meeting of the Company held on 17 April 2019, an ordinary resolution was passed to grant a general and unconditional mandate to the Directors to allot, issue and deal with Shares with additional Shares up to a limit of 10% of the aggregate nominal amount of the issued Share capital of the Company as at 17 April 2019, which amounted to 465,977,323 Shares.

An aggregate of 54,118,271 Shares were issued in November 2019 and 26,721,847 shares were issued in March 2020, all at HK\$1.80 per share, to three ship sellers or their nominees as partial consideration upon delivery of their respective three vessels into the Group's ownership pursuant to the contracts entered into by the Group for the acquisition of four vessels in September 2019. 25,071,915 shares are expected to be issued as partial consideration to the remaining ship seller in the first half of 2020 upon the delivery of its vessel to the Group. In March 2020, a further 23,186,000 Shares were issued to satisfy restricted awards granted in 2020 pursuant to the 2013 Share Award Scheme.

LETTER FROM THE CHAIRMAN

As the remaining Issue Mandate of 336,879,290 Shares is going to expire at the conclusion of the AGM, the Directors believe that it is in the best interests of the Company and the Shareholders as a whole to renew the Issue Mandate. Accordingly, an ordinary resolution will be proposed at the AGM which will give the Directors a general mandate to allot, issue and deal in additional Shares of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolution, which if passed shall be 8 April 2020, provided that any Shares to be allotted and issued pursuant to the Issue Mandate shall not be issued at a discount of more than 10% to the benchmarked price of the Shares (which shall be a price which is the higher of (i) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of signing of the agreement to which the transaction relates; or (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for the five trading days immediately preceding the earliest of (a) the date of signing of the agreement to which a transaction relates; or (b) the date on which such relevant transaction is announced; or (c) the date on which the price of the Shares to be issued pursuant to such relevant transaction is fixed).

The full text of the ordinary resolution to be proposed at the AGM in relation to the Issue Mandate is set out in resolution 5 in the Notice set out on pages 16 to 19 of the circular.

5. GENERAL MANDATE TO BUY BACK SHARES (RESOLUTION 6 AS PER NOTICE)

At the last annual general meeting of the Company held on 17 April 2019, an ordinary resolution was passed to grant a general and unconditional mandate to the Directors to buy back Shares on the Stock Exchange of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at 17 April 2019. No Shares have been bought back pursuant to the Buy-back Mandate as at the Latest Practicable Date.

As the existing Buy-back Mandate is going to expire at the conclusion of the AGM, the Directors believe that the renewal of the Buy-back Mandate is in the interests of the Company and the Shareholders as a whole. Accordingly, an ordinary resolution will be proposed at the AGM which will give the Directors a general and unconditional mandate to exercise the powers of the Company to buy back Shares at any time until the earlier of (i) the conclusion of the next annual general meeting of the Company following the passing of such resolution; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act or the Bye-laws to be held; or (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting, as stated in the ordinary resolution up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of the relevant resolution, which if passed shall be 8 April 2020.

The explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution approving the Buy-back Mandate is set out in Appendix II to this circular.

The full text of the ordinary resolution to be proposed at the AGM in relation to the Buy-back Mandate is set out in resolution 6 in the Notice set out on pages 16 to 19 of this circular.

LETTER FROM THE CHAIRMAN

6. PRINCIPAL BUSINESS OF THE GROUP

The Group is one of the world's leading owners and operators of modern handysize and supramax dry bulk vessels. As at the Latest Practicable Date, the Company operates approximately 200 dry bulk ships of which 117 are owned and the rest are chartered.

The Company is listed and headquartered in Hong Kong, and provides a qualify service to over 500 customers, with more than 3,900 seafarers and 345 shore-based staff in 12 key locations around the world.

7. VOTING BY POLL

Pursuant to Rule 13.39 of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll. Therefore, the chairman of the AGM will demand a poll for each and every resolution put forward at the AGM pursuant to Bye-law 66. The Company will appoint the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, as the scrutineer to handle vote-taking procedures at the AGM. The results of the poll will be published on the HKEXnews' website at www.hkexnews.hk and the Company's website at www.pacificbasin.com no later than 23:00 on the date of the AGM.

8. NOTICE OF ANNUAL GENERAL MEETING

The Notice is set out on pages 16 to 19 of this circular.

There is enclosed a form of proxy for use at the AGM. A Shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote instead of him. A proxy need not be a Shareholder of the Company. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the AGM. The completion and return of the form of proxy will not prevent you from attending and voting in person at the AGM should you so wish.

9. RECOMMENDATION

The Directors believe that the proposals mentioned above, including the proposals for the re-election of Directors, the renewal of the Issue Mandate and the Buy-back Mandate are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all of the resolutions to be proposed at the AGM.

Yours faithfully,
By order of the Board
David M. Turnbull
Chairman

EXECUTIVE DIRECTOR**David Muir Turnbull – age 64, Chairman**

Mr. Turnbull graduated from Cambridge University with a Master of Arts degree in Economics. He then joined the Swire Group and held various senior management positions during his 30 years with the group. Mr. Turnbull held offices in the following Hong Kong listed companies: chairman of Swire Pacific Ltd., Cathay Pacific Airways Ltd., and Hong Kong Aircraft Engineering Company Ltd.; non-executive director of the Hongkong and Shanghai Banking Corporation, Hysan Development Co. Ltd., Air China Ltd., and independent non-executive director of Sands China Limited. He was a non-executive director of London G3 Exploration Limited (listed on the London Stock Exchange) and Greka Drilling Limited (previously listed on the London Alternative Investment Market). Mr. Turnbull is currently an independent non-executive director of the Hong Kong-listed Wharf (Holdings) Limited.

Mr. Turnbull joined the Company in 2006 as an Independent Non-executive Director and was appointed Chairman and Executive Director of the Company in 2008. The Company intends to extend his term of appointment until the conclusion of the 2023 annual general meeting, 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. Turnbull currently receives an emolument at the rate of US\$393,703 per annum, which is inclusive of salary and retirement scheme contribution. He is also eligible to receive, at the discretion of the Remuneration Committee, a bonus of up to 100% of his emolument. In addition, an aggregate of 11,231,000 Shares in the form of restricted share awards have been granted to Mr. Turnbull since 5 August 2008 pursuant to the Long Term Incentive Scheme and the 2013 Share Award Scheme, of these (i) 5,934,000 Shares have vested; (ii) 1,590,000 Shares will vest on 14 July 2020; (iii) 1,180,000 Shares will vest on 14 July 2021, (iv) 1,278,000 Shares will vest on 14 July 2022, and (v) 1,249,000 Shares will vest on 14 July 2023. Mr. Turnbull's emolument was agreed between the Company and Mr. Turnbull and was determined by reference to the levels of emolument of other senior executives of the Company and in the market generally.

Save as aforesaid, Mr. Turnbull did not hold 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. Mr. Turnbull does not have any relationship with any other Directors or senior management or any substantial or controlling shareholders of Pacific Basin and save as disclosed in the paragraph below relating to interests of the Directors to be re-elected at the AGM, he does not have any interest (within the meaning of Part XV of the Securities and Futures Ordinance) in the Shares.

Save for the information disclosed above, the Board and Mr. Turnbull have 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, and there are no other matters that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR**Irene Waage Basili – age 52**

Mrs. Basili graduated from the School of Management of Boston University in 1991 with a Bachelor of Business Administration degree. After graduation, she held various managerial positions in the shipping industry, including at Western Bulk Carriers Holding ASA. From 1999 to 2007 she held positions in Wallenius Wilhelmsen Logistics, first as a manager of contracting and strategy and later as commercial director in 2004. From 2007 to 2011, Mrs. Basili served as vice president, marine business unit of Petroleum Geo Services with responsibility for fleet and marine strategy following its acquisition of Arrow Seismic ASA where she was the chief executive officer. She held offices in two Oslo Stock Exchange listed companies: director of Odfjell SE from 2008 to 2014 (specialises in transportation and storage of bulk liquid chemicals, acids, edible oils and special products) and chief executive officer of GC Rieber Shipping ASA from March 2011 to April 2017 (specialises in offshore shipping businesses, ship management and project development). Mrs. Basili currently acts as a director and deputy chairman of Kongsberg Gruppen ASA (specialises in the provision of technology systems and solutions in the oil and gas, merchant marine and defence and aerospace industries) and a director Wilh. Wilhelmsen Holdings ASA (global provider of maritime related services, transportation and logistics solutions), both listed on the Oslo Stock Exchange. She is also the chief executive officer of Sherwater Geoservices.

Mrs. Basili joined the Company in May 2014 as an Independent Non-executive Director. The Company intends to extend her term of appointment until the conclusion of the 2023 annual general meeting, subject to retirement by rotation at the annual general meeting of the Company in accordance with the Bye-laws of the Company. Mrs. Basili currently receives HK\$800,000 per annum for being an Independent Non-executive Director of the Company as well as a member of the Company's remuneration committee and nomination committee. Her remuneration of HK\$800,000 per annum will be payable in arrears in quarterly instalments on 31 March, 30 June, 30 September and 31 December respectively. Mrs. Basili's remuneration was agreed between the Company and Mrs. Basili and was determined by reference to the levels of remuneration of other senior executives of the Company and in the market generally.

The Board considers that Mrs. Basili continues to be independent and is able to carry out her duties as an Independent Non-executive Director of the Company for the following reasons:

- (a) Mrs. Basili is able to confirm her independence in respect of each of the factors set out in Rule 3.13 of the Listing Rules;
- (b) Mrs. Basili has demonstrated continued independent judgement which contributes positively to the development of the Company's strategy and policies;
- (c) Mrs. Basili has not had and does not have any executive or management role or functions in the Company and its subsidiaries, nor has she been employed by any member of the Pacific Basin group;
- (d) Mrs. Basili does not receive any remuneration from the Company apart from Director's fees and does not participate in the Group's staff incentive plan or pension scheme;

APPENDIX I PARTICULARS CONCERNING DIRECTORS TO BE RE-ELECTED

- (e) Mrs. Basili does not receive any remuneration from a third party in relationship to her directorship;
- (f) Mrs. Basili does not have any financial, business, family or other material relationships with the Group, its management, advisers and business;
- (g) Mrs. Basili does not hold any cross directorships or other significant links with other directors through involvement with other companies;
- (h) Mrs. Basili does not hold any Shares;
- (i) Mrs. Basili does not serve as a director or employee of a significant competitor of the Group;
- (j) Mrs. Basili has held a number of executive and general management roles and her extensive commercial, strategic and operational experience in the dry bulk and other shipping sectors is beneficial to the strategic development of the Company; and
- (k) After due and careful consideration, the Company's Nomination Committee considers Mrs. Basili suitably independent to carry out her duties as an Independent Non-executive Director.

Save as aforesaid, Mrs. Basili did not hold 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. Mrs. Basili does not have any relationship with any other Directors or senior management or any substantial or controlling shareholders of Pacific Basin and he does not have any interest (within the meaning of Part XV of the Securities and Futures Ordinance) in the Shares.

Save for the information disclosed above, the Board and Mrs. Basili have 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, and there are no other matters that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR**Kirsi Kyllikki Tikka – age 63**

Dr. Tikka holds a doctorate degree in Naval Architecture and Offshore Engineering from the University of California, Berkeley, and master's degree in Mechanical Engineering and Naval Architecture from the University of Technology in Helsinki. She is a fellow of both the Society of Naval Architects and Marine Engineers ("SNAME") and the Royal Institution of Naval Architects. In 2012, she was awarded SNAME's David W. Taylor Medal, the highest technical honour for naval architecture and marine engineering. In 2018, she was awarded an honorary doctorate of science by the Webb Institute, New York. She is currently a foreign member of the U.S. National Academy of Engineering, and a member of the Royal Institute of Naval Architects (RINA) IMO Committee.

APPENDIX I PARTICULARS CONCERNING DIRECTORS TO BE RE-ELECTED

Dr. Tikka was a professor of Naval Architecture at Webb Institute from 1996 to 2001 and she worked as a naval architect, operations planner and analyst for Chevron Shipping from 1989 to 1995 and for Wartsila Shipyards from 1980 to 1983. Dr. Tikka served American Bureau of Shipping (“ABS”) for 18 years from 2001 to 2019 having started as vice president, engineering and then in a variety of specialist and leadership roles including as vice president, global technology, business development and special projects (2005-2011); vice president and chief engineer, global (2011-2012); president and chief operating officer, ABS Europe Division (2012-2016); executive vice president, global marine (2016-2018); and executive vice president and senior maritime advisor (2018-2019). As executive vice president in ABS, she held responsibility for aligning ABS’ strategic planning, sustainability program and other product and service offerings with the industry’s technical needs. Dr. Tikka is currently an independent non-executive director of New York-listed Ardmore Shipping Corporation.

Dr. Tikka joined the Company in September 2019 as an Independent Non-executive Director and has entered into a service agreement with the Company for a period of three years subject to re-election at the AGM in accordance with the Company’s Bye-laws. Dr. Tikka currently receives HK\$800,000 per annum for being an Independent Non-executive Director as well as a member of the audit committees. Her remuneration of HK\$800,000 per annum will be payable in arrears in quarterly instalments on 31 March, 30 June, 30 September and 31 December respectively. Dr. Tikka’s remuneration was agreed between the Company and Dr. Tikka and was determined by reference to the levels of remuneration of other senior executives of the Company and in the market generally.

The Board considers that Dr. Tikka continues to be independent and is able to carry out her duties as an Independent Non-executive Director of the Company for the following reasons:

- (a) Dr. Tikka is able to confirm her independence in respect of each of the factors set out in Rule 3.13 of the Listing Rules;
- (b) Dr. Tikka has demonstrated continued independent judgement which contributes positively to the development of the Company’s strategy and policies;
- (c) Dr. Tikka has not had and does not have any executive or management role or functions in the Company and its subsidiaries, nor has she been employed by any member of the Pacific Basin group;
- (d) Dr. Tikka does not receive any remuneration from the Company apart from Director’s fees and does not participate in the Group’s staff incentive plan or pension scheme;
- (e) Dr. Tikka does not receive any remuneration from a third party in relationship to her directorship;
- (f) Dr. Tikka does not have any financial, business, family or other material relationships with the Group, its management, advisers and business;
- (g) Save as disclosed herein, Dr. Tikka does not hold any cross directorships or other significant links with other directors through involvement with other companies;
- (h) Dr. Tikka does not hold any Shares;

APPENDIX I PARTICULARS CONCERNING DIRECTORS TO BE RE-ELECTED

- (i) Dr. Tikka does not serve as a director or employee of a significant competitor of the Group;
- (j) Dr. Tikka has extensive experience in environmental regulations, sustainability, new technologies, new ship and engine designs as well as strategic, management and operational experience in the maritime industry which is beneficial to the Company's business and development; and
- (k) After due and careful consideration, the Company's Nomination Committee considers Dr. Tikka suitably independent to carry out her duties as an Independent Non-executive Director.

Save as aforesaid, Dr. Tikka did not hold 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 as disclosed herein, Dr. Tikka does not have any relationship with any other Directors or senior management or any substantial or controlling shareholders of Pacific Basin and she does not have any interest (within the meaning of Part XV of the Securities and Futures Ordinance) in the Shares.

Dr. Tikka holds cross-directorship with Mr. Mats Berglund since they both serve on the boards of the Company and as non-executive directors at Ardmore Shipping Corporation. However, given that Dr. Tikka occupies a non-executive role in both companies and Dr. Tikka and Mr. Berglund each hold less than 1% of the number of issued shares in both companies, the Company considers that such cross-directorship would not undermine the independence of Dr. Tikka with respect to her directorship at the Company.

Save for the information disclosed above, the Board and Dr. Tikka have 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, and there are no other matters that need to be brought to the attention of the Shareholders.

INTERESTS AND LONG POSITION IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at the Latest Practicable Date, the interests of the Directors to be re-elected at the AGM in the Shares, underlying Shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company under Section 352 of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) or as notified to the Company were as follows:

Name of Director	Long/Short Position	Personal interests	Corporate or Family Interest/ Trust & similar interests	Total Share interests	Approximate percentage of issued share capital of the Company
David M. Turnbull ¹	Long	8,726,000	3,118,000	11,844,000	0.25%

Note:

- (1) 3,118,000 shares are held by Mr. Turnbull in the capacity of beneficiary of a trust.

At no time during the year was the Company, its subsidiaries, or its associated companies a party to any arrangement to enable the Directors and chief executive of the Company to hold any interests or short positions in the Shares or underlying Shares in, or debentures of, the Company or its associated corporations.

This appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to accompany the Notice at which a resolution is to be proposed in relation to the Buy-back Mandate.

BUY-BACK MANDATE

The relevant sections of the Listing Rules which permit companies with a primary listing on the Stock Exchange to buy back their Shares on the Stock Exchange, subject to certain restrictions, are summarised below:

(a) Shareholders' approval

The Listing Rules provide that all proposed buy-backs of Shares by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval of a particular transaction. The Listing Rules require an explanatory statement such as is contained herein to be sent to Shareholders to give Shareholders adequate information to enable them to decide whether to approve the grant of such a mandate.

(b) Source of funds

In buying back its Shares, the Company may only apply funds entirely from the Company's available cashflow or working capital facilities which will be funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and laws of Bermuda.

Under Bermuda law, buy-backs may only be effected out of the capital paid up on the Shares to be bought back or out of funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose.

Any premium payable on a buy-back over the par value of the Shares to be bought back must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account.

(c) Maximum number of Shares to be bought back

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,763,799,357 Shares. Subject to the passing of resolution 6 approving the Buy-back Mandate as set out in the Notice appearing on pages 16 to 19 of this circular and on the basis that no further Shares are issued or bought back prior to the AGM, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 476,379,935 Shares until (i) the conclusion of the next annual general meeting; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act or the Bye-laws to be held; or (iii) the revocation or variation of the authority given under resolution 6 by an ordinary resolution of the Shareholders in general meeting, whichever is earliest.

REASONS FOR BUY-BACK

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to buy back Shares on the Stock Exchange. Such buy-backs, depending on market conditions and funding arrangements at the time, may lead to an enhancement of the net asset value of the Company and/or its earnings per share and will be made only when the Directors believe that such a buy-back will benefit the Company and the Shareholders.

If the Buy-back Mandate is exercised in full, there might be a material adverse impact on the working capital of the Company as compared with the position disclosed in the Company's most recently published audited accounts for the year 2019. However, the Directors have no present intention to buy back any Shares and they would exercise the power to buy back in circumstances only where they consider that the buy-back would be in the best interests of the Company and the Shareholders as a whole and in circumstances where they consider that the Shares can be bought back on terms favourable to the Company.

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of the knowledge of the Directors, having made all reasonable enquiries, any associates of the Directors has a present intention, in the event that the proposed Buy-back Mandate is approved by the Shareholders, to sell Shares to the Company.

No core connected persons of the Company have notified the Company of a present intention to sell Shares to the Company and no such persons have undertaken not to sell any Shares to the Company in the event that the Buy-back Mandate is granted by the Shareholders.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make buy-backs pursuant to the Buy-back Mandate in accordance with the Listing Rules, the Bye-laws and the applicable laws of Bermuda.

SHARE BUY-BACK MADE BY THE COMPANY

No buy-back has been made by the Company of its Shares (on the Stock Exchange or otherwise) in the six months prior to the date of this document.

SHARE PRICE

During each of the previous twelve months preceding the Latest Practicable Date, the highest and lowest prices at which Shares were traded on the Stock Exchange were as follows:

	Highest <i>(HK\$)</i>	Lowest <i>(HK\$)</i>
2019		
March	1.84	1.58
April	1.78	1.59
May	1.62	1.35
June	1.49	1.32
July	1.80	1.41
August	1.65	1.39
September	1.77	1.54
October	1.87	1.50
November	1.78	1.60
December	1.72	1.55
2020		
January	1.67	1.40
February	1.45	1.14
March (up to the Latest Practicable Date)	1.27	1.17

TAKEOVERS CODE

If as a result of a Share buy-back a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code. As at the Latest Practicable Date, the largest Shareholder of the Company (pursuant to the register of substantial shareholders maintained under Section 336 of the Securities and Futures Ordinance) Citigroup Inc. ("Citi"), is interested in 260,519,590 Shares (representing approximately 5.47% of the Company's issued share capital of 4,763,799,357). Based on the said interests of Citi in the issued share capital of the Company as at the Latest Practicable Date, and on the basis that no further Shares are issued or bought back prior to the AGM, in the event that the Directors exercise in full the power to buy back Shares in accordance with the terms of the resolution to be proposed at the AGM, the interests of Citi in the issued share capital of the Company will be increased from approximately 5.47% to approximately 6.08% which is below the 30% threshold prescribed under the Takeovers Code and Citi would not be obliged to make a mandatory general offer under Rule 26 of the Takeovers Code as a result of such increase.

The Directors have no intention to exercise the Buy-back Mandate in such a way and to such extent that would give rise to an obligation on the part of Citi or any other Shareholder to make a mandatory general offer under Rule 26 of the Takeovers Code.

 **Pacific Basin Shipping Limited**

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

NOTICE IS HEREBY GIVEN that the 2020 Annual General Meeting of Pacific Basin Shipping Limited (the “Company”) will be held at the Hong Kong Maritime Museum, Central Pier No.8, Hong Kong on Wednesday, 8 April 2020 at 10:30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited financial statements and the reports of the Directors and auditors for the year ended 31 December 2019;
2. To declare final dividend for the year ended 31 December 2019;
3. Re-elect Directors and to authorise the Board of Directors of the Company to fix their remuneration;
4. To re-appoint Messrs. PricewaterhouseCoopers, Certified Public Accountants, as the auditors of the Company and to authorise the Board of Directors of the Company to fix their remuneration;

As special business, to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

5. “GRANT OF A GENERAL MANDATE TO ISSUE SHARES**THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue or otherwise deal in new shares of US\$0.01 each in the capital of the Company (the “Shares”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers be generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements, options and warrants which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to Shares issued as a result of a Rights Issue (as defined below), the exercise of the subscription or conversion rights attaching to any warrants issued by the Company or Shares

issued to satisfy awards granted under the share award scheme of the Company or any scrip dividend providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares, shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution, provided that any Shares to be allotted and issued pursuant to the approval in paragraph (a) above shall not be issued at a discount of more than 10% to the Benchmarked Price of the Shares, and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

“Benchmarked Price” shall be a price which is the higher of:

- (i) the closing price of the Shares as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on the date of signing of the agreement to which the transaction relates; or
- (ii) the average closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet for the five trading days immediately preceding the earliest of:
 - (A) the date of signing of the agreement to which the transaction relates; or
 - (B) the date on which the relevant transaction is announced; or
 - (C) the date on which the price of the Shares to be issued pursuant to the transaction is fixed.

“Relevant Period” means the period from the passing of this resolution until the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act 1981 of Bermuda or the Company’s Bye-laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of shares open for a period fixed by the Directors of the Company to holders of the Shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

6. “GRANT OF A GENERAL MANDATE TO BUY BACK SHARES**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to buy back the Shares on the Stock Exchange or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange be generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be purchased or bought back by the Company pursuant to the approval in paragraph (a) of this resolution during that Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Act 1981 of Bermuda or the Company’s By-laws to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”

By Order of the Board
Mok Kit Ting, Kitty
Company Secretary

Hong Kong, 10 March 2020

Notes:

1. Every member entitled to attend and vote at the Annual General Meeting 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, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting 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 3 April to 8 April 2020 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, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 2 April 2020.

4. Completion and return of the form of proxy will not preclude the Shareholders 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. The register of members of the Company will be closed on 21 April 2020 on which no transfer of shares will be effected. In order to qualify for the proposed final dividend, all 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, 183 Queen's Road East, Wanchai Hong Kong, for registration not later than 4:30 p.m. on 20 April 2020. The ex-dividend date for the final dividend will be on 17 April 2020.
6. A circular containing the information regarding, inter alia, the Directors proposed to be re-elected, the general mandate to issue Shares and the general mandate to buy back Shares will be sent to the Shareholders together with the Company's 2019 Annual Report.