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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 or transferred 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,
ADOPTION OF A NEW SHARE AWARD SCHEME,
NEW SCHEME SHARES MANDATE,
PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the 2023 annual general meeting (the “AGM”) of Pacific Basin Shipping Limited to be held at the Hong Kong Maritime Museum, Central Pier No. 8, Hong Kong on Tuesday, 18 April 2023 at 11:00 a.m. is set out on pages 96 to 100 of this circular. Whether or not you are able to attend the AGM in person, 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 holding the AGM, or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointing the proxy shall be deemed to be revoked.

No refreshment and corporate gifts will be provided at the AGM.

14 March 2023

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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), the term of which expired on 28 February 2023
“AGM”	the 2023 annual general meeting of the Company to be held at the Hong Kong Maritime Museum, Central Pier No. 8, Hong Kong on Tuesday, 18 April 2023 at 11:00 a.m. or any adjournment thereof, notice of which is set out in Appendix V to this circular
“associate”	has the meaning ascribed thereto in the Listing Rules
“Associated Companies”	means, in relation to a company, any body corporate or other entity whose results are recorded in that company’s financial statements using the equity method of accounting
“Awards”	include restricted share awards and restricted unit awards, which are awards granted by the Board under the 2013 Share Award Scheme, subject to the terms and conditions thereof respectively, or awards which may be granted by the Board under the New Scheme if the New Scheme is adopted by the Shareholders at the AGM
“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 not exceeding 10% of the total number of issued Shares as at the date of passing the relevant resolution for approving such general mandate
“Bye-laws” or “Existing Bye-laws”	the existing amended and restated bye-laws of the Company adopted on 19 April 2012
“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

DEFINITIONS

“Directors”	the directors of the Company
“Dividend Equivalent”	means, in relation to any Award, an amount equal in value to the dividends attributable to the number of Shares subject to that Award
“Eligible Participant”	means any (a) Employee Participant, or (b) Related Entity Participant
“Employee Participant”	means any director or employee of, or any person who has accepted an employment offer from, or who is being granted Awards as an inducement to enter into employment contract with, any member of the Group
“Grantee”	means any Eligible Participant who accepts an offer for the grant of an Award in accordance with the terms of the New Scheme or (where the context so permits) the Personal Representatives (as defined in the New Scheme) of such Eligible Participant
“Group”	the Company and its subsidiaries
“HK\$” and “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“INEDs”	the independent non-executive Directors
“Issue Mandate”	the general and unconditional mandate enabling the Company to allot, issue and deal with the Shares not exceeding 10% of the total number of issued Shares as at the date of passing the relevant resolution for approving such general mandate
“Latest Practicable Date”	8 March 2023, 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
“New Bye-laws”	the second amended and restated bye-laws of the Company incorporating and consolidating all the Proposed Amendments, proposed to be adopted by the Company at the AGM

DEFINITIONS

“New Scheme”	the new share award scheme which is proposed to be adopted by the Company, the principal terms of which are set out in Appendix III to this circular
“Notice”	the notice of the AGM as set out in Appendix V to this circular
“Proposed Amendments”	the proposed amendments to the Existing Bye-laws as set out in Appendix IV to this circular
“Related Entity”	means the Associated Companies of the Company
“Related Entity Participants”	means any director or employee of the Related Entity
“Restricted Share Award”	means Shares held in the name of or for the benefit of a Grantee in accordance with the restricted share award agreement under the New Scheme
“Restricted Unit Award”	means a conditional right to acquire Shares granted under the New Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary 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
“Trustee”	means such persons as the Company may from time to time appoint as the trustee of any employee trust
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission, as amended from time to time
“%”	per cent

LETTER FROM THE BOARD

 **Pacific Basin Shipping Limited**

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

Executive Directors:

David Muir Turnbull
Martin Fruergaard
Peter Schulz

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Independent Non-Executive Directors:

Robert Charles Nicholson
Irene Waage Basili
Stanley Hutter Ryan
Kirsi Kyllikki Tikka
John Mackay McCulloch Williamson

Hong Kong Principal Office:

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

Non-Executive Director:

Alexander Howarth Yat Kay Cheung

14 March 2023

To Shareholders,

**RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND
TO BUY BACK SHARES,
ADOPTION OF A NEW SHARE AWARD SCHEME,
NEW SCHEME SHARES MANDATE,
PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE NEW BYE-LAWS
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 eight ordinary resolutions to approve, among other things, the re-election of Directors, the grant of general mandates to issue and to buy back Shares, the adoption of the New Scheme and the grant of mandate to issue new shares under the New Scheme, and a special resolution to approve the proposed amendments to the Existing Bye-laws and adoption of the New Bye-laws.

LETTER FROM THE BOARD

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

The Board has recommended a final dividend of HK26 cents per Share (comprising basic dividend of HK17 cents per Share and a special dividend of HK9 cents per Share) for the year ended 31 December 2022 and if such final dividend is approved by the Shareholders at the AGM, it is expected to be paid on or about 9 May 2023 to those Shareholders whose names appear on the register of members of the Company on 27 April 2023.

The register of members of the Company will be closed on 27 April 2023 on which no transfer of Shares will be effected. In order to qualify for the proposed final dividend, Shareholders should ensure that all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on 26 April 2023. The ex-dividend date for the final dividend will be on 25 April 2023.

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

In accordance with Bye-laws 87(1) and 87(2), at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director shall be subject to retirement at least once every three years, and a retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the said meeting at which he retires.

In relation to resolution 3 in the Notice regarding re-election of Directors, the Executive Director and Chairman of the Board, Mr. David Muir Turnbull and INEDs, Mr. Robert Charles Nicholson, Mrs. Irene Waage Basili and Mr. John Mackay McCulloch Williamson will retire at the AGM by rotation pursuant to the Bye-laws. Apart from Mr. David Muir Turnbull and Mr. Robert Charles Nicholson who are retiring at the conclusion of the AGM, all other retiring directors, being eligible, will offer themselves for re-election at the AGM. After the conclusion of the AGM, Mr. Stanley Hutter Ryan will act as the Chairman of the Board in addition to his existing role as an INED of the Company.

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 Directors to be re-elected at the AGM are set out in Appendix I to this circular.

LETTER FROM THE BOARD

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 Non-executive Directors' 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 Non-executive Directors.

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

At the last annual general meeting of the Company held on 19 April 2022, an ordinary resolution was passed to grant a general and unconditional mandate to the Directors to allot, issue and deal with additional Shares up to a limit of 10% of the aggregate nominal amount of the issued Share capital of the Company as at 19 April 2022, which amounted to 482,710,327 Shares. No shares have been issued pursuant to the Issue Mandate as at the Latest Practicable Date.

As the existing Issue Mandate of 482,710,327 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 with 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 18 April 2023, 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 the relevant agreement involving the proposed issue of Shares; 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 earlier of (a) the date of the relevant agreement involving the proposed issue of Shares; or (b) the date of announcement of the transaction or arrangement involving the proposed issue of Shares; or (c) the date on which the price of the Shares to be issued 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 96 to 100 of the circular.

LETTER FROM THE BOARD

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

At the last annual general meeting of the Company held on 19 April 2022, 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 19 April 2022. No Shares have been bought back pursuant to the existing 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 as at the date of passing of the relevant resolution, which if passed shall be 18 April 2023.

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 96 to 100 of this circular.

6. ADOPTION OF A NEW SHARE AWARD SCHEME AND APPROVAL OF THE NEW SCHEME SHARES MANDATE (RESOLUTIONS 7 & 8 AS PER NOTICE)

The Company adopted the 2013 Share Award Scheme on 28 February 2013, the term of which expired on 28 February 2023 after which no further share awards may be made. Accordingly, the Board proposes to adopt the New Scheme and to approve a mandate for the allotment and issuance of new Shares not exceeding 10% of the number of Shares in issue as at the date of the AGM to satisfy the Awards to be granted under the New Scheme (the “**New Scheme Shares Mandate**”). The adoption of the New Scheme is conditional upon the Shareholders approving and adopting the New Scheme at the AGM.

A summary of the principal terms of the New Scheme is set out in Appendix III to this circular. The full terms of the New Scheme will be published on the website of the Stock Exchange at www.hkexnews.hk and the Company’s website at www.pacificbasin.com for a period of 14 days before the date of the AGM (including the date of the AGM) and can be inspected at the AGM.

LETTER FROM THE BOARD

Purpose

The purpose of the New Scheme is to enable the Company to grant Awards to selected participants as retention incentives or rewards for their contributions to the Group, to attract suitable personnel to enhance the development of the Group and to align the interests of the Grantees generally with those of the Shareholders for the benefit of the medium to long term development of the Group.

Participants

The Eligible Participants are (a) Employee Participants, i.e. any director or employee of, or any person who has accepted an employment offer from, or who is being granted Awards as an inducement to enter into employment contract with, any member of the Group, and (b) Related Entity Participant, i.e. any director or employee of the Associated Companies of the Company.

The Company has not in the past made any awards to Related Entity Participants under the 2013 Share Award Scheme. However, as is fairly commonplace in the shipping industry, the Group may enter into joint ventures and/or hold a minority equity interest in entities that constitute Associated Companies of the Company which is considered important to the development of the Group's business. For example, the Group may in the future form or invest in one or more Associated Companies to own and/or manage and/or operate one or more vessels or engage in other maritime related businesses to expand the Group's reach and/or service coverage. The Group may therefore also recruit suitably qualified personnel to take up directorship and/or employment with the Associated Company whether as nominees of the Group or as an independent hire to develop the business of the Associated Company, which would contribute to the business and/or performance of the Group as a whole. Given that the Company may have significant interest in its Associated Companies, the Board (including the INEDs) consider it important for the Company to be able (if thought fit) to deploy Awards to attract, retain and/or incentivise appropriate directors and/or employees of such entities (being Related Entity Participants) in the same way as Employee Participants, so that the Related Entity Participants may also align their interest with the growth and performance of such entities as well as the Group. The Board therefore considers it appropriate for the New Scheme to allow Grants to be made to Related Entity Participants where appropriate.

In determining whether or not and to whom Awards are to be granted to any Grantee (whether an Employee Participant or a Related Entity Participant), the Board (and its remuneration committee) would take into account the job responsibilities, duties and scope, and performance of the individuals and the market demand for their skills, the prevailing market conditions, local market practice, salaries paid by comparable companies, the levels of emolument of existing staff of the Company, and whether and how an Award (taken together with vesting terms) can serve the purpose of the New Scheme with respect to the proposed Grantee.

Terms of the Awards

The Board has discretion to determine the terms to which the Award shall be subject, including (a) a minimum vesting period which shall not be less than 12 months saved in specified circumstances for Awards granted to Employee Participants, (b) the period, if any, during which Shares allotted and issued or transferred upon vesting of the Award shall be subject to restrictions on dealings, and the terms of such restrictions, and (c) the notification period, if any, to be given to the Company of any intended sale of Shares allotted and issued or transferred upon vesting of the Award.

LETTER FROM THE BOARD

There will be no performance targets as a condition to the vesting of the Awards.

The Board considers that it is appropriate in those limited and exceptional circumstances specified in the New Scheme (and disclosed in Appendix III) to allow vesting periods of less than 12 months, since those circumstances are directly related to talent recruitment or retention, and/or other terms that effectively restricts the Grantee's shares for at least 12 months, in line with the stated purpose of the New Scheme described above.

An Award may, as determined by the Board, be a Restricted Unit Award or a Restricted Share Award. While Grantees of either type of Award is entitled to receive Dividend Equivalent under the New Scheme, such Dividend Equivalent is payable to a holder of a Restricted Unit Award as soon as practicable after vesting, whereas it is payable to a holder of a Restricted Share Award as soon as practicable after payment by the Company of the relevant dividend to its Shareholders. The Company may choose to grant Restricted Unit Awards instead of Restricted Share Awards where it is appropriate to do so having regard to the tax, exchange control and/or securities laws applicable to the jurisdiction (outside Hong Kong) in which the relevant Grantee is located.

Clawback Mechanism

In the case of an Employee Participant, his Awards shall lapse automatically if he ceases to be an Employee Participant by reason of termination of employment on grounds entitling the employer to effect such termination without notice (including, but not limited to, if he has been guilty of serious misconduct, or has committed any act of bankruptcy or has made any composition with his creditors generally or has been convicted of any criminal offence involving his integrity or honesty) whether pursuant to the terms of the contract of employment of the Grantee or otherwise, or a notice terminating the employment of such Employee Participant for such reason is in fact given, whichever is the earlier.

In the case of a Related Entity Participant, his Awards shall lapse automatically on the occurrence of an event which, if he had been an employee of the Company, would have entitled the Company to terminate his employment without notice (including, but not limited to, if he has been guilty of serious misconduct or has committed any act of bankruptcy or has made any composition with his creditors generally or has been convicted of any criminal offence involving his integrity or honesty), or on the date on which the Related Entity Participant ceases to be a director or an employee of the Related Entity on grounds entitling the Related Entity to effect such termination without notice, or the date on which a notice terminating the employment or service for such reason is in fact given by the Related Entity, whichever is the earlier.

The lapse of an Award shall not affect any Dividend Equivalent paid prior to the date of the lapse.

Scheme Limit

The Board shall not make any Award that may result in the total number of Shares awarded under the New Scheme exceed 10% of the Shares in issue as at the first date of each financial year during the term of the New Scheme.

If and to the extent that any Award is to be satisfied by the issuance and allotment of new Shares, such new Shares must be issued and allotted pursuant to any scheme mandate that may from time to time be approved by resolution of the Shareholders in general meeting in accordance with the requirements of the Listing Rules and such mandate shall not exceed 10% of the number of Shares in issue as at the date of the resolution. Accordingly, the Company will seek the Shareholders' approval for the New Scheme Shares Mandate. Assuming there is no change in the number of Shares in issue between the Latest Practicable Date and the date of the AGM, the New Scheme Shares Mandate will authorise Directors to issue up to 526,121,102 new Shares, representing approximately 10% of the issued Shares as at the Latest Practicable Date, to satisfy Awards under the New Scheme.

LETTER FROM THE BOARD

The Company will apply to the Stock Exchange for the grant of listing of and permission to deal in the Shares to be issued by the Company to any Grantee pursuant to the terms and conditions of the New Scheme as and when required under the Listing Rules.

Trustee

Upon obtaining Shareholders' approval to adopt the New Scheme at the AGM, the Company will enter into a trust deed to appoint a Trustee for the administration of the New Scheme.

The Trustee shall abstain from voting any unvested Shares held by it under the New Scheme on any matter that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

None of the Directors is a trustee of the New Scheme or has any direct or indirect interest in the Trustee.

Given the discretion and flexibility given to the Board under the New Scheme to determine the terms and conditions of the Awards, the authority to select the appropriate Eligible Participants under the New Scheme, as well as the minimum vesting period of 12 months (save for specified circumstances for Employee Participants) and the clawback mechanism as set out above, the Board considers that the terms of the New Scheme as summarised above and more fully in Appendix III align with the purpose of the New Scheme as set out above.

The Company reviews, at least annually, the compensation package for the employees of the Group (including its executive Directors), including whether or not any awards should be made under the Group's share award scheme. As the 2013 Share Award Scheme expired in February 2023 and amendments to Chapter 17 of the Listing Rules took effect only on 1 January 2023, the Company considered it appropriate that any new Awards be made under the New Scheme, which is subject to the approval of Shareholders. At its regular review meeting in December 2022, the remuneration committee of the Company approved proposals to grant Awards in respect of an aggregate of 16,065,000 Shares (representing approximately 0.31% of the issued share capital of the Company as at the Latest Practicable Date). Those proposals included grant of 1,637,000 Shares to Mr. Martin Fruergaard, an executive Director, and 14,428,000 Shares to other Employee Participants who are not a Director, a chief executive, a Substantial Shareholder, or any of their associates. The intention is for such Awards to be made, subject to there being no adverse changes to the circumstances of the proposed Grantees, after the New Scheme is established with the approval of Shareholders.

The full text of the ordinary resolutions to be proposed at the AGM in relation to the adoption of the New Scheme and approval of the New Scheme Shares Mandate is set out in resolutions 7 and 8 respectively in the Notice set out on pages 96 to 100 of this circular.

LETTER FROM THE BOARD

7. PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND ADOPTION OF THE NEW BYE-LAWS (RESOLUTION 9 AS PER NOTICE)

The Board proposes to amend the Existing Bye-laws and to adopt the New Bye-laws as the bye-laws of the Company in substitution for and to the exclusion of the Existing Bye-laws in order to, amongst others, comply with (i) the Core Shareholder Protection Standards as set out in Appendix 3 to the Listing Rules; and (ii) other relevant changes to the applicable laws of Bermuda and the Listing Rules.

The major areas of the Proposed Amendments that will be incorporated in the New Bye-laws are summarised below:

- (a) to remove the definition of “associate” and to include certain defined terms in order to align with the applicable laws of Bermuda and the Listing Rules;
- (b) to clarify that a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds of votes cast in favour by such members who, being entitled to do so, vote in person or, in the case of such members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given;
- (c) to remove the requirement of special resolution to reduce the Company’s authorised share capital;
- (d) to remove certain restrictions in relation to purchases for redemption of redeemable shares;
- (e) to clarify that the seal of the Company may only be affixed or imprinted onto a share certificate with the authority of the Directors, or to be executed under the signature of appropriate officials with statutory authority, unless otherwise determined by the Directors;
- (f) to clarify that the principal register and branch register of members maintained in Hong Kong, as the case may be, shall be opened to inspection between 10 a.m. and 12 noon during business hours;
- (g) to remove the requirement that the record date for determining members’ entitlement to receive any dividend, distribution, allotment or issue to be not more than 30 days before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made;
- (h) to provide that notice to be given in relation to the registration of transfer of shares or any class of shares may be given by electronic means or in such manner as the Stock Exchange may accept;
- (i) to provide that the Company shall hold a general meeting as its annual general meeting in each financial year and such annual general meeting shall be held within six (6) months after the end of the Company’s financial year;

LETTER FROM THE BOARD

- (j) to provide that an annual general meeting shall be called by notice of not less than twenty-one (21) clear days and all other general meetings (including a special general meeting) must be called by notice of not less than fourteen (14) clear days;
- (k) to allow, for quorum purposes only, two persons appointed by the clearing house as authorised representative(s) or proxy(ies) to form a quorum;
- (l) to allow the appointment of more than one chairman of the Board and to make appropriate corresponding changes to the relevant provisions in the Bye-laws;
- (m) to allow all questions submitted to a meeting to be decided by a simple majority of votes except where a greater majority is required by the Bye-laws or the Companies Act;
- (n) to expressly allow all members of the Company to have the right to speak and vote at a general meeting except where a member is required by the Listing Rules to abstain from voting;
- (o) to clarify that any Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office until the first annual general meeting of the Company after his/her appointment and shall then be eligible for re-election at that meeting;
- (p) to clarify that no Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director by reason only of his/her having attained any particular age;
- (q) to empower the Board to capitalise certain reserves of the Company, including the profit and loss account, to pay up unissued shares to be allotted to employees or trustee in connection with the operation of any share incentive scheme or employee benefit scheme that has been adopted or approved by members of the Company at a general meeting;
- (r) to change the requirement to remove an auditor from special resolution to extraordinary resolution in accordance with the Companies Act;
- (s) to clarify that members of the Company shall by ordinary resolution appoint an auditor at a general meeting;
- (t) to clarify that the remuneration of auditors shall be fixed by members in a general meeting by ordinary resolution or in such other manner as the members of the Company may determine;
- (u) to allow the Board to appoint an auditor to fill the casual vacancy in such office;
- (v) to provide that the signature to any notice or document to be given by the Company may be written, printed or made electronically;
- (w) to make other amendments to better align with the wordings in the applicable laws of Bermuda and the Listing Rules.

LETTER FROM THE BOARD

Full particulars of the Proposed Amendments brought about by the proposed adoption of the New Bye-laws (marked-up against the Existing Bye-laws) are set out in Appendix IV to this circular. The Proposed Amendments and the proposed adoption of the New Bye-laws are subject to the approval of the Shareholders by way of a special resolution at the AGM and will become effective upon the approval by the Shareholders at the AGM.

The legal advisers to the Company as to Hong Kong laws have confirmed that the New Bye-laws conform with the requirement of the Listing Rules and the legal advisers to the Company as to Bermuda laws have confirmed that the Proposed Amendments do not violate the applicable laws of Bermuda. In addition, the Company also confirms that there is nothing unusual about the Proposed Amendments for a company listed in Hong Kong.

Shareholders are advised that the New Bye-laws are written in English and there is no official Chinese translation in respect thereof. Therefore, the Chinese translation of the New Bye-laws is provided for reference only. In case of any inconsistency, the English version shall prevail.

8. 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 more than 240 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 quality service to over 500 customers, with over 3,900 seafarers and 373 shore-based staff in 14 offices in key locations around the world.

9. 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. The Company will appoint the Company's 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 website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.pacificbasin.com no later than 11:00 p.m. on the date of the AGM.

So far as the Directors are aware having made all reasonable enquires, at the Latest Practicable Date, no Shareholder is required to abstain from voting on any resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

10. NOTICE OF ANNUAL GENERAL MEETING

The Notice is set out on pages 96 to 100 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 persons as his proxy to attend and vote instead of him. A proxy need not be a member of the Company. Whether or not you intend to attend the AGM, you are requested to complete the form of proxy and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 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 appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and, in such event, the instrument appointing the proxy shall be deemed to be revoked.

11. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make this circular or any statement herein misleading.

12. 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, the adoption of the New Scheme, the approval of the New Scheme Shares Mandate, the Proposed Amendments and the proposed adoption of the New Bye-laws, 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.

13. GENERAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular. In the event of any inconsistency, the English version of this circular shall prevail over the Chinese version.

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

INDEPENDENT NON-EXECUTIVE DIRECTOR**Irene Waage Basili – age 55**

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 four 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), chief executive officer of GC Rieber Shipping from March 2011 to April 2017 (specialises in offshore shipping businesses, ship management and project development), 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) from May 2011 to May 2019 and director of Wilh. Wilhelmsen Holding ASA (a global provider of maritime related services, transportation and logistics solutions) from May 2016 to May 2020. She is currently the chief executive officer of Shearwater Geoservices.

Mrs. Basili joined the Company in May 2014 as an INED. The Company intends to extend her term of appointment until the conclusion of the 2026 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 INED of the Company as well as a member of the Company's remuneration 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.

Mrs. Basili has served the Company as an INED for more than 8 years. After due and careful consideration, the Board considers that Mrs. Basili continues to be independent and is able to carry out her duties as an INED 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 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;

- (e) Mrs. Basili does not receive any remuneration from a third party in relation 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; and
- (j) Mrs. Basili has held a number of executive and general management roles in various shipping companies and has over 23 years of experience and knowledge of the shipping industry. She possesses extensive commercial, strategic and operational experience in the dry bulk and other shipping sectors. The Board believes that she is able draw upon her extensive shipping knowledge for the benefit of the strategic development of the Company.

After due and careful consideration, the Board considers Mrs. Basili suitably independent to carry out her duties as an INED.

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 the Company and she does not have any interest (within the meaning of Part XV of the SFO) in the Shares.

Save for the information disclosed above, the Board and Mrs. Basili have indicated that there is no other information which is required 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**John Mackay McCulloch Williamson – age 64**

Mr. Williamson graduated from Heriot-Watt University with a Bachelor of Arts degree in Accountancy & Computer Science. He is a chartered accountant and a member of The Institute of Chartered Accountants of Scotland, a fellow member of the Chartered Institute for Securities and Investment, a senior fellow of the Hong Kong Securities and Investment Institute and a member of the Hong Kong Management Association.

Mr. Williamson was managing director at NatWest Investment Services, London (1992-1994) and chief operating officer at NatWest Securities Asia Holdings (1994-1998). He then served as managing director and head of infrastructure & operational risk at Morgan Stanley Asia (1998-2007) before joining Search Investment Group where he was senior managing director (2012-2018), chief financial officer (2007-2018) and managing director (2007-2011). Mr. Williamson was also the chief executive officer of SAIL Advisors Limited (2011-2018). He served as independent non-executive director on the board of Hong Kong Exchanges and Clearing Limited (“**HKEX**”) for 13 years (2008- 2021) where he served as a member of HKEX’s nomination committee, investment advisory committee and clearing consultative panel, and was chairman of the board risk committee and a member of the board executive, audit, corporate social responsibility, remuneration, and risk management committees. Mr. Williamson was an independent non-executive director of Nasdaq-listed Provident Acquisition Corp (2021-2022) and has been a non-executive chairman of UK Tote Group Limited since 1 September 2020.

Mr. Williamson joined the Company in November 2020 as an INED 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. Mr. Williamson currently receives HK\$800,000 per annum for being an INED, and a further fee of HK\$100,000 per annum for acting as the chairman of the audit committee. His total remuneration of HK\$900,000 per annum will be payable in arrears quarterly. Mr. Williamson’s remuneration was agreed between the Company and Mr. Williamson and was determined by reference to the levels of remuneration of other senior executives of the Company and in the market generally.

After due and careful consideration, the Board considers that Mr. Williamson continues to be independent and is able to carry out his duties as an INED for the following reasons:

- (a) Mr. Williamson is able to confirm his independence in respect of each of the factors set out in Rule 3.13 of the Listing Rules;
- (b) Mr. Williamson has demonstrated continued independent judgement which contributes positively to the development of the Company’s strategy and policies;
- (c) Mr. Williamson has not had and does not have any executive or management role or functions in the Company and its subsidiaries, nor has he been employed by any member of the Group;

- (d) Mr. Williamson 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) Mr. Williamson does not receive any remuneration from a third party in relation to his directorship;
- (f) Mr. Williamson does not have any financial, business, family or other material relationships with the Group, its management, advisers and business;
- (g) Mr. Williamson does not hold any cross directorships or other significant links with other directors through involvement with other companies;
- (h) Mr. Williamson holds less than 1% of the total issued share capital of the Company; and
- (i) Mr. Williamson does not serve as a director or employee of a significant competitor of the Group;

After due and careful consideration, the Board considers Mr. Williamson suitably independent to carry out his duties as an INED.

Save as aforesaid, Mr. Williamson 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. Williamson does not have any relationship with any other Directors or senior management or any substantial or controlling Shareholders of the Company and saved as disclosed in the section below relating to the interest of the Directors to be re-elected at the AGM, he does not have any interest (within the meaning of Part XV of the SFO) in the Shares.

Save for the information disclosed above, the Board and Mr. Williamson have indicated that there is no other information which is required 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 SFO 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
John Mackay McCulloch Williamson	Long	56,000	0	56,000	Less than 0.01%

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 5,261,211,023 Shares. Subject to the passing of resolution 6 approving the Buy-back Mandate as set out in the Notice appearing on pages 96 to 100 of this circular and on the basis that no further Shares are allotted and issued or bought back prior to the AGM, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 526,121,102 Shares, being 10% of the total number of issued Shares as at the date of passing the relevant resolution at the AGM. The Buy-back Mandate if granted, will be effective 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 date on which the authority given under resolution 6 is revoked or varied 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 2022. 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 nor, to the best of the knowledge of the Directors, having made all reasonable enquiries, any close 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 (whether on the Stock Exchange or otherwise) in the six months prior to the Latest Practicable Date.

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>
2022		
March	4.38	3.76
April	4.82	3.37
May	4.34	3.64
June	4.10	3.00
July	3.74	2.99
August	3.62	2.80
September	3.02	2.44
October	2.70	1.90
November	2.60	1.94
December	2.75	2.41
2023		
January	2.79	2.42
February	3.10	2.66
March (up to the Latest Practicable Date)	3.37	3.11

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 for all Shares not already owned by such Shareholder or group of Shareholders. 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), Pzena Investment Management, LLC ("**Pzena**"), is interested in 322,879,435 Shares (representing approximately 6.14% of the Company's issued share capital of 5,261,211,023 Shares as at the Latest Practicable Date). Based on the said interests of Pzena in the issued share capital of the Company as at the Latest Practicable Date, and on the basis that no further Shares are allotted and 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 Pzena in the issued share capital of the Company will be increased from approximately 6.14% to approximately 6.82% which is below the 30% threshold prescribed under the Takeovers Code and Pzena would not be obliged to make a mandatory general offer under Rule 26 of the Takeovers Code as a result of such increase.

As at the Latest Practicable Date, the Directors have no intention to exercise the Buy-back Mandate in such a way and to such extent that would (i) give rise to an obligation on the part of Pzena or any other Shareholder to make a mandatory general offer under Rule 26 of the Takeovers Code; or (ii) result in the amount of Shares held by the public being reduced to less than 25% of the total issued share capital of the Company.

In addition to the definitions defined at pages 1 to 3 of this Circular, in this Appendix III, unless the context otherwise requires, the following expressions have the following meanings:

“Award”	means a Restricted Share Award or a Restricted Unit Award, or a combination of these
“Award Agreement”	means the offer and acceptance letter between the Company and the Grantee evidencing the terms and conditions of an Award
“chief executive”	has the meaning ascribed to it in the Listing Rules
“close associate”	has the meaning ascribed to it in the Listing Rules
“connected person”	has the meaning ascribed to it in the Listing Rules
“inside information”	has the meaning ascribed to it in the Listing Rules
“Offer”	means an offer for the grant of an Award
“Personal Representatives”	means the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee, shall represent, manage or administer the estate of the deceased Grantee
“Remuneration Committee”	the remuneration committee of the Company
“Scheme Rules”	the rules relating to the New Scheme
“Subsidiary”	means, in relation to a company, a body corporate which is for the time being a subsidiary within the meaning of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) of the company, whether incorporated in Hong Kong or elsewhere
“Substantial Shareholder”	has the meaning ascribed to it in the Listing Rules
“Trust”	the trust to be constituted by the trust deed entered into between the Company and an independent third party trustee for the purpose of establishing and operating the employee share trust in connection with the New Scheme
“vesting”	in relation to a Restricted Unit Award, means a Grantee becoming entitled to have the Shares transferred to him subject to the Scheme Rules and in relation to a Restricted Share Award, means any restrictions imposed on the Grantee pursuant to the terms of the Scheme Rules in respect of the grant of the relevant Restricted Share Awards ceasing to have effect, and “unvested”, “vest”, “vests” and “vested” shall be construed accordingly

The following is a summary of the principal terms of the New Scheme:

1. PURPOSE

The purpose of the New Scheme is to enable the Company to grant Awards to selected participants as retention incentives or rewards for their contributions to the Group, to attract suitable personnel to enhance the development of the Group and to align the interests of the Grantees generally with those of the Shareholders for the benefit of the medium to long term development of the Group.

2. PARTICIPANTS

The Board is empowered, at its discretion and based on such factors as it shall consider relevant, to grant Awards to Eligible Participants it shall select from time to time but Awards will generally not be granted to Eligible Participants who will attain the age of 65 in the financial year in which the Awards are intended to be granted unless substantiated by valid reasons to be separately determined by the Board.

Eligible Participants mean any Employee Participant or Related Entity Participant.

Employee Participant means any director or employee of, or any person who has accepted an employment offer from, or who is being granted Awards as an inducement to enter into employment contract with, any member of the Group.

Related Entity Participant means any director or employee of the Associated Companies of the Company.

3. OFFER AND ACCEPTANCE

An Offer shall remain open for acceptance by the Eligible Participant concerned for a period of 21 days from the date on which the Offer is made or such other period as the Board may specify in writing. An Offer shall be deemed to have been accepted when the counterpart of the Award Agreement duly signed by the Grantee is received by the Company at the place specified in the Award Agreement. No payment is required to be made by any Eligible Participant to accept an Award. The Award Agreement shall be in such form as the Board may from time to time determine and shall specify whether the Award is a Restricted Unit Award, a Restricted Share Award, or a combination of both, the number of Shares in respect of which the Offer is made, the date of vesting and such other terms and conditions to which the Award shall be subject. Such terms may at the discretion of the Board include:

- (i) the minimum period for which the Award must be held before it vests which, subject to the sections headed “8 Rights on Ceasing to be a Participant”, “10. General Offer by way of Takeover”, “11 Compromise or Arrangement” and “12 Winding-up” below shall not be less than 12 months unless any of the following circumstances apply to any Award to Employee Participants:
 - (a) grant of Awards to new Employee Participants to replace the share awards or cash bonus they forfeited when leaving the previous employers;

- (b) grant of Awards in batches during a year for administrative and compliance reasons which but for the administrative or compliance reasons would have been granted earlier;
 - (c) grant of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months;
 - (d) grant of Awards with a total vesting and holding period of more than 12 months; and
 - (e) grant of Awards as retention incentives to Employee Participants in exceptional circumstances, such as adverse operating environment that has a material adverse impact on the cash resources of the Group, where the Board determines it is in the interests of the Company and the Shareholders as a whole to reward high performing Employee Participants with Awards instead of wholly in cash;
- (ii) the period, if any, during which Shares allotted and issued or transferred upon vesting of the Award shall be subject to restrictions on dealings, and the terms of such restrictions;
 - (iii) the notification period, if any, to be given to the Company of any intended sale of Shares allotted and issued or transferred upon vesting of the Award.

No offer may be made to any Eligible Participant who is a Director or a senior manager without the approval of the Remuneration Committee if that Award has a vesting period of less than 12 months or does not include any clawback mechanism to recover or withhold any unvested portion of any Award in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances.

4. SHARES FOR THE AWARDS

The Board is empowered, at its discretion, to determine whether the Shares to be subject to any Award shall be acquired by subscription, or by purchase from the market or otherwise.

5. SCHEME LIMIT

Without prejudice to the next paragraph, the Board shall not make any Award that may result in the total number of Shares awarded under the New Scheme exceed 10% of the Shares in issue as at the first date of each financial year during the term of the New Scheme.

If and to the extent that any Award granted are to be satisfied by the issue and allotment of new Shares, those new Shares shall be issued and allotted pursuant to any scheme mandate that may from time to time be approved by resolution of the Shareholders in general meeting in accordance with the requirements of the Listing Rules provided that the number of Shares subject to any such mandate shall not exceed 10% of the number of Shares in issue as at the date on which the resolution is passed. Awards lapsed in accordance with the terms of the New Scheme shall not be regarded as utilised for the purpose of calculating the limit in this paragraph.

6. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

No Award to an independent non-executive Director or a Substantial Shareholder of the Company, or any of their associates which would result in the new Shares issued and to be issued in respect of all Awards granted (excluding any Award lapsed in accordance with the terms of the New Scheme) to such person in the 12-month period up to and including the date of grant of such Award in aggregate exceed 0.1% of the Shares in issue on such date of grant shall take effect without the approval of independent Shareholders as required under the Listing Rules.

No Award to a Director (other than an independent non-executive Director) or the Chief Executive, or any of their associates which would result in the new Shares issued and to be issued in respect of all Awards granted (excluding any Award lapsed in accordance with the terms of the New Scheme) to such person in the 12-month period up to and including the date of grant of such Award in aggregate exceed 0.1% of the Shares in issue on such date of grant shall take effect without the approval of independent Shareholders as required under the Listing Rules.

Without prejudice to the preceding two paragraphs, no Award to any Eligible Participant which would result in the new Shares issued and to be issued in respect of all Awards granted (excluding any Award lapsed in accordance with the terms of the New Scheme) to such person in the 12-month period up to and including the date of such Award in aggregate exceed 1% of the number of Shares in issue on the date of grant shall take effect without the approval of Shareholders in a general meeting at which the Grantee and his close associates (or associates if the Grantee is a connected person) abstained from voting.

Insofar as the Listing Rules require and subject to above paragraphs, where any Offer of an Award is to be made to a Director, a chief executive or a Substantial Shareholder of the Company or any of their respective associates, such offer must first be approved by the independent non-executive Directors of the Company (excluding any independent non-executive Director who is the Grantee) and to the extent required under the Listing Rules, be separately approved by Shareholders in general meeting, with such persons, their respective associates and the core connected persons of the Company abstaining from voting.

The terms summarised in this section headed “6 Maximum Entitlement of Each Participant” is not applicable to Awards where none of the Shares to be awarded are acquired by subscription (and thus no issuance of new Shares is involved).

7. RIGHTS ARE PERSONAL TO GRANTEEES

Awards granted under the New Scheme shall be personal to the Grantee and shall not be sold, transferred, assigned, charged, mortgaged or encumbered by the Grantee nor shall the Grantee create any interest in favour of any third party over and in relation to any Award (except for the transmission of an Award on the death of the Grantee to his Personal Representative).

A Grantee shall not be entitled to vote, to receive dividends (subject to the paragraph below on Dividend Equivalent) or to have any other rights of a shareholder in respect of the Shares subject to the Award until the Shares are issued or transferred to the Grantee.

A Grantee of a Restricted Unit Award shall be entitled to receive Dividend Equivalent which will be payable to the Grantee as soon as practicable after vesting. A Grantee of a Restricted Share Award shall be entitled to receive Dividend Equivalent which will be payable to the Grantee as soon as practicable after the actual date of payment by the Company of the dividend to which the Dividend Equivalent corresponds. For the avoidance of doubt, under no circumstances will an Award include any right to receive any Dividend Equivalent in respect of any dividend declared for the financial period (including interim financial period) before the Award is granted even if such dividend is declared after the Award is made.

8. RIGHTS ON CEASING TO BE A PARTICIPANT AND CLAWBACK MECHANISM

If the Grantee ceases to be an Eligible Participant by reason of:

- (i) his death;
- (ii) in the case of an Employee Participant, retirement in accordance with his contract of employment or service with a member of the Group or early retirement (which shall not include any retirement before attaining the age of 60 unless the Board otherwise determines) with the approval of the member of the Group which employs the Grantee or redundancy;
- (iii) in the case of a Related Entity Participant, retirement in accordance with his contract of employment or service with the Related Entity or early retirement (which shall not include any retirement before attaining the age of 60 unless the Board otherwise determines) with the approval of the Related Entity which employs the Grantee or redundancy;
- (iv) ill health, injury or disability preventing the Grantee from performing his duties under his employment or service agreement (as evidenced to the satisfaction of the Board);

- (v) his office or employment being in a company which ceases to be a member of the Group, or relating to a business or part of a business which is transferred to a person who is not a member of the Group,

his Awards will vest to the extent not already vested.

If the Grantee ceases to be an Eligible Participant by reason of the separate listing or sale of a member of the Group or disposal of the business of a member of the Group, or if the Company or another member of the Group is reorganised or merged or consolidated with another entity, subject to the Listing Rules, the Board may at its sole discretion make such arrangements as it considers appropriate for the grant of substitute awards of equivalent fair value to the Award in the purchasing, surviving or newly listed company, reach such accommodation with the Grantee as it considers appropriate, waive any conditions to vesting of the Award to the extent not already vested, or permit the continuation of the Award in accordance with its original terms.

In the case of an Employee Participant, his Awards shall lapse automatically if he ceases to be an Employee Participant by reason of the termination of his employment on grounds entitling the employer to effect such termination without notice (including, but not limited to, if he has been guilty of serious misconduct, or has committed any act of bankruptcy or has made any composition with his creditors generally or has been convicted of any criminal offence involving his integrity or honesty) whether pursuant to the terms of the contract of employment of the Grantee or otherwise, or a notice terminating the employment of such Employee Participant for such reason is in fact given, whichever is the earlier.

In the case of a Related Entity Participant, his Awards shall lapse automatically on the occurrence of any event which, if he had been an employee of the Company, would have entitling the Company to terminate his employment without notice (including, but not limited to, if he has been guilty of serious misconduct or has committed any act of bankruptcy or has made any composition with his creditors generally or has been convicted of any criminal offence involving his integrity or honesty), or on the date on which the Grantee ceases to be a director or an employee of the Related Entity on grounds entitling the Related Entity to effect such termination without notice as abovementioned, or the date on which a notice terminating the employment or service for such reason is in fact given by the Related Entity, whichever is the earlier.

If the Grantee ceases to be an Eligible Participant for any reason other than the above, the Award (to the extent not already vested) shall lapse forthwith unless the Board determines otherwise in which event the Award (or such remaining part thereof) shall vest.

The lapse of an Award shall not affect any Dividend Equivalent paid prior to the date of the lapse.

9. REORGANISATION OF CAPITAL STRUCTURE

Subject as otherwise set out in this section, in the event of any alteration in the capital structure of the Company while any Award remains outstanding, the number and/or nominal amount of Shares subject to the Award, and/or the scheme limit, shall be adjusted on such basis as the auditors of the Company shall certify in writing to the Board either generally or as regards any particular Award to be in their opinion fair and reasonable in the following manner:

- (i) in the case of a capitalisation issue, consolidation or sub-division of Shares, any such alteration shall give a Grantee on vesting of his Awards the same proportion of the issued Shares to which he would have been entitled if such Award were to have vested immediately prior to the event giving rise to the adjustment consistent with such adjustment formulae that may then be prescribed or recommended by the Stock Exchange;
- (ii) in the case of a rights issue, open offer or any other similar event which will involve an offer of rights to the existing Shareholders, any such alteration shall maintain the market value of the issued Shares to which a Grantee would have been entitled to on vesting of his Awards if such Awards were to have vested immediately prior to the event giving rise to the adjustment, which shall be calculated as follows:

$$MV = CP/TERP$$

where:

MV = Market value

CP = Closing price per Share as quoted on the Stock Exchange on the last trading day immediately before the date on which the terms of such rights issue or open offer are finalised and publicly announced by the Company pursuant to the Listing Rules

TERP = Theoretical ex-rights price per Share based on the CP

or such other adjustment formulae that may then be prescribed or recommended by the Stock Exchange,

but provided that in either case no such alteration shall be made if the effect of it would be to require a Share to be issued at less than its nominal value or would result in non-compliance with any Listing Rules or other requirements of the Stock Exchange then applicable.

Further, unless the Directors and the auditors otherwise agree, (i) the issue of securities as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and (ii) no such adjustment shall be made upon or as a result of any alteration in the capital structure of the Company while any Award remains outstanding upon a placing of securities of the Company, an issue or conversion of convertible debt securities of the Company, the Company's purchasing or re-purchasing its own securities or any other similar event which will not involve any offer of rights to the existing Shareholders.

In the event of an alteration in the capital structure of the Company while any Award remains outstanding which is not expressly identified above, the Board shall be empowered, at its discretion and based on such factors as it shall consider relevant, to determine whether any such adjustment shall be made, and if to be made, the calculation of such adjustment by reference to the methods set out in (i) and (ii) above.

No adjustment shall be made unless the auditors of the Company certify to the Board the matters in (i) and (ii) above and upon such certification the relevant adjustment shall be deemed to have taken effect at the time certified by the auditors as being the time of the occurrence of the matter giving rise to the adjustment (except in the case of a capitalisation of profits or reserve where no such certification shall be required).

10. GENERAL OFFER BY WAY OF TAKEOVER

If a general offer by way of takeover is made to all Shareholders (or all Shareholders than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror), and the offer becomes or is declared unconditional in all respects, the Award shall vest.

11. COMPROMISE OR ARRANGEMENT

If a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of the amalgamation of the Company with any other company or companies, the Company shall give notice to the Grantee on the same date as it despatches the notice to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Award shall vest, but the vesting of an Award shall be conditional upon such compromise or arrangement being sanctioned by the court and becoming effective, and upon such compromise or arrangement becoming effective all Awards shall lapse except insofar as previously vested. The Company may require the Grantee (or his Personal Representatives) to transfer or otherwise deal with the Shares issued or transferred as a result of the vesting of an Award in these circumstances so as to place the Grantee in the same position, as nearly as possible, as would have been the case had such Shares been subject to such compromise or arrangement.

12. WINDING-UP

In the event of an effective resolution being passed for a members' voluntary winding-up of the Company, the Award will immediately vest and the Grantee may by notice in writing to the Company within 21 days after the date of such resolution elect to be treated as if the Award had vested either to its full extent or to the extent specified in such notice and shall accordingly be entitled to receive out of the assets available in the liquidation *pari passu* with the holders of Shares such sum (if any) as would have been received in respect of the Shares the subject of such election.

13. RANKING OF SHARES

With the exception of entitlements on the record date which falls before the date of issuance or transfer of such Shares but subject to the entitlement to receive Dividend Equivalent as provided in the section headed “7 Rights are Personal to Grantees” above, Shares allotted and issued, or transferred, to a Grantee, upon the vesting of an Award shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the date of allotment or transfer.

14. AUTOMATIC LAPSE OF AWARDS

An Award shall lapse automatically on the earliest of:

- (i) the expiry of the period referred to in the section headed “11 Compromise or Arrangement” above;
- (ii) as mentioned in the section headed “8 Rights on Ceasing to be a Participant” above, in the case of an Employee Participant, the date on which the Grantee ceases to be an Employee Participant by reason of the termination of his employment on grounds entitling the employer to effect such termination without notice whether pursuant to the terms of the contract of employment of the Grantee or otherwise, or the date on which a notice terminating the employment of such Employee Participant for such reason is in fact given, whichever is the earlier; and in the case of a Related Entity Participant, other than an Employee Participant, the occurrence of any event which, if he had been an employee of the Company, would have entitled the Company to terminate his employment without notice, or the date on which the Grantee ceases to be a director or an employee of the Related Entity on grounds entitling the Related Entity to effect such termination without notice as abovementioned, or the date on which a notice terminating the employment or service for such reason is in fact given by the Related Entity, whichever is the earlier;
- (iii) subject as provided under the section headed “12 Winding-Up” above, the date of the commencement of the winding-up of the Company; and
- (iv) the date on which the Grantee sells, transfers, assigns, charges, mortgages, encumbers or creates any interest in favour of any third party over or in relation to any Award, except for the transmission of an Award on the death of the Grantee to his personal representative.

15. TERMINATION

The New Scheme shall terminate on the earlier of the 10th anniversary of the adoption date of the New Scheme or such earlier date as the Board may determine. Upon termination of the New Scheme, no further Awards shall be offered but in all other respects the provisions of the New Scheme shall remain in full force and effect. All Awards granted prior to such termination and not vested at the date of termination shall remain valid.

16. ALTERATION

The New Scheme may be altered in any respect by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Grantee hereunder except with the consent in writing of Grantees is obtained amounting to three-fourths in nominal value of all Shares so held by the Trustee on the date of such resolution of the Board (“**Alteration Approval**”).

Any change to the authority of the Board pursuant to the alteration of the terms of the New Scheme must be approved by ordinary resolution of Shareholders in general meeting.

Alterations to the New Scheme which is of a material nature or any alterations to the advantage of Grantees or future Grantees which relates to

- (i) the purposes of the New Scheme;
- (ii) the persons to or for whom Awards may be granted under the New Scheme and the basis for determining their eligibility;
- (iii) the limits on the number of Shares which may be issued under the New Scheme;
- (iv) the individual limits for Eligible Participants under the New Scheme; or
- (v) any other alteration that the Listing Rules require to be approved by Shareholders in general meeting,

must be approved by Shareholders in general meeting.

The Board need not obtain the Alteration Approval or the approval of the Shareholders for any minor changes:

- (i) to benefit the administration of the New Scheme;
- (ii) to comply with or take account of the provisions of any proposed or existing legislation or regulation;
- (iii) to take account of any changes to any legislation or regulation, and the Listing Rules; or
- (iv) to obtain or maintain favourable tax, exchange control or regulatory treatment of any member of the Group or any Grantee or future Grantee,

or for alterations which take effect under the terms of the New Scheme.

Any change to the terms of Awards granted to an Eligible Participant must be approved by the Board, the Remuneration Committee and/or the Shareholders (as the case may be) if the initial grant of Awards was approved by the Board, the Remuneration Committee and/or the Shareholders. This does not apply where the alterations in terms take effect automatically under the terms of the New Scheme.

No amendment shall be made to the terms of the New Scheme or Awards granted or to be granted under it if such terms or Awards would be inconsistent with the relevant law and regulations, including Chapter 17 of the Listing Rules, in force from time to time.

17. CONDITIONS OF THE NEW SCHEME

The New Scheme shall take effect subject to the passing of the resolution by the Shareholders to approve and adopt the New Scheme.

18. RESTRICTION ON GRANT

No Offer may be made, no payment shall be made to the Trustee, no Shares shall be acquired by or on behalf of the Company and no instructions to acquire Shares shall be given to the Trustee under the New Scheme when the Company and/or any Director is in possession of inside information until (and including) the trading day after the Company has announced the inside information or until the time when such information otherwise ceases to constitute inside information of the Company. In particular, subject to the Listing Rules, no Award may be granted, no payment shall be made to the Trustee, no Shares shall be acquired by or on behalf of the Company and no instructions to acquire Shares shall be given to the Trustee under the New Scheme during the period commencing one month immediately before the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

Without prejudice to the above, no Offer may be made to any Director in any period during which Directors are prohibited from dealing in the securities of the Company pending the publication of results of the Company under the Listing Rules.

19. CANCELLATION

Awards granted but not vested or lapsed may be cancelled by the Company with the consent of the Eligible Participant. Where the Company cancels Awards and grants new Awards to the same Grantee, the issue of such new Awards may only be made under the New Scheme within the limits set out in the section headed “5 Scheme Limit” above and the cancelled Shares cannot be added back to replenish the limit.

APPENDIX IV PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

Note: The publication of this consolidated version of Bye-laws is neither approved by the courts in Bermuda nor is registered with the Bermuda Companies Registry. In addition, since this consolidated version is written in English and there is no official Chinese translation thereof, the Chinese translation therefore is for reference only. In case of discrepancy between the English and Chinese versions, the English version shall prevail.

SECOND AMENDED AND RESTATED BYE-LAWS

OF

Pacific Basin Shipping Limited

(Amended and adopted by members of the Company at
the

(Adopted pursuant to a special resolution passed at an annual general meeting held on
~~19 April 18~~ April 20+23)

APPENDIX IV PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

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INTERPRETATION

1. In these Bye-laws, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

<u>WORD</u>	<u>MEANING</u>
“Act”	the Companies Act 1981 of Bermuda.
“associate”	the meaning attributed to it in the rules of the Designated Stock Exchange.
“Auditor”	the auditor of the Company for the time being and may include any individual or partnership.
“Bye-laws”	these Bye-laws in their present form or as supplemented or amended or substituted from time to time.
“Board” or “Directors”	the board of directors of the Company or the directors present at a meeting of directors of the Company at which a quorum is present.
business day”	a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day
“Bye-laws”	<u>these Bye-laws in their present form or as supplemented or amended or substituted from time to time.</u>
“capital”	the share capital <u>of the Company</u> from time to time of the Company.
“clear days”	in relation to the period of notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
“clearing house”	a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.

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<u>“close associate”</u>	<u>in relation to any Director, shall have the same meaning as defined in the rules of the Listing Rules as modified from time to time, except that for purposes of Bye-law 100 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules.</u>
“Company”	Pacific Basin Shipping Limited.
<u>“Companies Ordinance”</u>	<u>the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as amended from time to time.</u>
“competent regulatory authority”	a competent regulatory authority in the territory where the shares of the Company are listed or quoted on a stock exchange in such territory.
“debenture” and “debenture holder”	include debenture stock and debenture stockholder respectively.
“Designated Stock Exchange”	a stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company.
<u>“dollars” and “\$”</u>	dollars, the legal currency of the United States.
“head office”	such office of the Company as the Directors may from time to time determine to be the principal office of the Company.
<u>“Listing Rules”</u>	<u>the rules of the Designated Stock Exchange as modified from time to time.</u>
“Member”	a duly registered holder from time to time of the shares in the capital of the Company.
“month”	a calendar month.
“Notice”	written notice unless otherwise specifically stated and as further defined in these Bye-laws.
“Office”	the registered office of the Company for the time being.
“paid up”	paid up or credited as paid up.

APPENDIX IV PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

“Register”	the principal register and where applicable, any branch register of Members to be kept pursuant to the provisions of the Act.
“Registration Office”	in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.
“Seal”	common seal or any one or more duplicate seals of the Company (including a securities seal) for use in Bermuda or in any place outside Bermuda.
“Secretary”	any person firm or corporation appointed by the Board to perform any of the duties of secretary of the Company and includes any assistant, deputy, temporary or acting secretary.
“Statutes”	the Act and every other act of the Legislature of Bermuda for the time being in force applying to or affecting the Company, its memorandum of association and/or these Bye-laws.
“substantial shareholder”	a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the rules of the Designated Stock Exchange <u>Listing Rules</u> from time to time) of the voting power <u>rights</u> at any general meeting of the Company.
“year”	a calendar year.

APPENDIX IV PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

2. In these Bye-laws, unless there be something within the subject or context inconsistent with such construction:
- (a) words importing the singular include the plural and vice versa;
 - (b) words importing a gender include both gender and the neuter;
 - (c) words importing persons include companies, associations and bodies of persons whether corporate or not;
 - (d) the words:
 - (i) “may” shall be construed as permissive;
 - (ii) “shall” or “will” shall be construed as imperative;
 - (e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member’s election comply with all applicable Statutes, rules and regulations;
 - (f) references to any act, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re enactment thereof for the time being in force;
 - (g) save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Bye-laws if not inconsistent with the subject in the context;
 - (h) ~~A~~a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
 - (i) ~~A~~a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of ~~such any~~ any Members ~~as being~~ a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
 - (j) a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two thirds of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;

APPENDIX IV PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- (k) a special resolution shall be effective for any purpose for which an ordinary resolution or an extraordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes; ~~and~~
- (kl) references to a document (including, but without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by electronic communication or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not; and
- (m) where a Member is a corporation, any reference in these Bye-laws to a Member shall, where the context requires, refer to a duly authorised representative of such Member;

SHARE CAPITAL

- 3. (1) The share capital of the Company at the date on which these Bye-laws come into effect shall be divided into shares of \$United States dollars 0.010 each.
- (2) Subject to the Act, the Company's memorandum of association and, where applicable, the Listing Rules and/or the rules and regulations of any Designated Stock Exchange and/or any competent regulatory authority, any power of the Company to purchase or otherwise acquire its own shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.
- (3) Subject to compliance with Listing Rules and the rules and regulations of ~~the Designated Stock Exchange and~~ any other relevantcompetent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.

ALTERATION OF CAPITAL

- 4. The Company may from time to time by ordinary resolution in accordance with Section 45 of the Act:
 - (a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
 - (b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;

APPENDIX IV PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- (c) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words “non voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”;
 - (d) sub divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association (subject, nevertheless, to the Act), and may by such resolution determine that, as between the holders of the shares resulting from such sub division, one or more of the shares may have any such preferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;
 - (e) change the currency denomination of its share capital;
 - (f) make provision for the issue and allotment of shares which do not carry any voting rights; and
 - (g) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled.
5. The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Bye-law and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company’s benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
6. The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its ~~authorised~~ or issued share capital or, save for the use of share premium as expressly permitted by the Act, any share premium account or other undistributable reserve.
7. Except so far as otherwise provided by the conditions of issue, or by these Bye-laws, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Bye-laws with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

SHARE RIGHTS

8. Subject to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
9. Subject to Sections 42 and 43 of the Act, the Listing Rules, these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine. ~~Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.~~

VARIATION OF RIGHTS

10. Subject to the Act and without prejudice to Bye-law 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated ~~either with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Bye-laws relating to general meetings of the Company shall, *mutatis mutandis*, apply, but so that:~~
 - (a) ~~the necessary quorum (other than at an adjourned meeting) (including at an adjourned meeting) shall be two persons present in person (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person or (in the case of a Member being a corporation) its duly authorised representative or by proxy (whatever the number of shares held by them) shall be a quorum; and~~
 - (b) every holder of shares of the class shall be entitled ~~on a poll~~ to one vote for every such share held by him.
11. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

SHARES

12. (1) Subject to the Act, these Bye-laws, any direction that may be given by the Company in general meeting and, where applicable, the ~~rules of any Designated Stock Exchange Listing Rules~~ and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount to their nominal value. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.
- (2) The Board may issue warrants or convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.
13. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Act. Subject to the Act, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.
14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share or (except only as otherwise provided by these Bye-laws or by law) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
15. Subject to the Act and these Bye-laws, the Board may at any time after the allotment of shares but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board considers fit to impose.

SHARE CERTIFICATES

16. Every share certificate shall be issued under the Seal or a facsimile thereof or with the Seal printed thereon and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. The seal of the Company may only be affixed or imprinted to a share certificate with the authority of the Directors, or be executed under the signature of appropriate officials with statutory authority, unless otherwise determined by the Directors. No certificate shall be issued and representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.
17. (1) In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.
- (2) Where a share stands in the names of two or more persons, the person first named in the Register shall as regards service of notices and, subject to the provisions of these Bye-laws, all or any other matters connected with the Company, except the transfer of the shares, be deemed the sole holder thereof.
18. Every person whose name is entered, upon an allotment of shares, as a Member in the Register shall be entitled, without payment, to receive one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such reasonable out of pocket expenses as the Board from time to time determines.
19. Share certificates shall be issued within the relevant time limit as prescribed in the Act or as the Designated Stock Exchange may from time to time determine, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgment of a transfer with the Company.
20. (1) Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him at such fee as is provided in paragraph (2) of this Bye law. If any of the shares included in the certificate so given up shall be retained by the transferor a new certificate for the balance shall be issued to him at the aforesaid fee payable by the transferor to the Company in respect thereof.
- (2) The fee referred to in paragraph (1) above shall be an amount not exceeding the relevant maximum amount as the Designated Stock Exchange may from time to time determine provided that the Board may at any time determine a lower amount for such fee.

21. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the relevant Member upon request and on payment of such fee as the Designated Stock Exchange may determine to be the maximum fee payable or such lesser sum as the Board may determine and, subject to compliance with such terms (if any) as to evidence and indemnity and to payment of the costs and reasonable out of pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of damage or defacement, on delivery of the old certificate to the Company provided always that where share warrants have been issued, no new share warrant shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed.

LIEN

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Bye law.
23. Subject to these Bye-laws, the Company may sell in such manner as the Board determines any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged nor until the expiration of fourteen (14) clear days after a notice in writing, stating and demanding payment of the sum presently payable, or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of the intention to sell in default, has been served on the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.
24. The net proceeds of the sale shall be received by the Company and applied in or towards payment or discharge of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the share at the time of the sale. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

CALLS ON SHARES

25. Subject to these Bye-laws and to the terms of allotment, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium), and each Member shall (subject to being given at least fourteen (14) clear days' Notice specifying the time and place of payment) pay to the Company as required by such notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.
26. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable either in one lump sum or by instalments.
27. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect thereof or other moneys due in respect thereof.
28. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the amount unpaid from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board may determine, but the Board may in its absolute discretion waive payment of such interest wholly or in part.
29. No Member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another Member) at any general meeting either personally or by proxy, or be reckoned in a quorum, or exercise any other privilege as a Member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
30. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the Member sued is entered in the Register as the holder, or one of the holders, of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Member sued, in pursuance of these Bye-laws; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
31. Any amount payable in respect of a share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and payable on the date fixed for payment and if it is not paid the provisions of these Bye-laws shall apply as if that amount had become due and payable by virtue of a call duly made and notified.

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32. On the issue of shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
33. The Board may, if it thinks fit, receive from any Member willing to advance the same, and either in money or money's worth, all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him and upon all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such Member not less than one month's Notice of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Such payment in advance shall not entitle the holder of such share or shares to participate in respect thereof in a dividend subsequently declared.

FORFEITURE OF SHARES

34. (1) If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen (14) clear days' Notice:
- (a) requiring payment of the amount unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment; and
 - (b) stating that if the Notice is not complied with the shares on which the call was made will be liable to be forfeited.
- (2) If the requirements of any such Notice are not complied with, any share in respect of which such Notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share but not actually paid before the forfeiture.
35. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any omission or neglect to give such Notice.
36. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-laws to forfeiture will include surrender.
37. Until cancelled in accordance with the requirements of the Act, a forfeited share shall be the property of the Company and may be sold, re allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.

38. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with (if the Directors shall in their discretion so require) interest thereon from the date of forfeiture until payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board determines. The Board may enforce payment thereof if it thinks fit, and without any deduction or allowance for the value of the forfeited shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Bye-law any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.
39. A declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer by the Company if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale or disposal of the share. When any share shall have been forfeited, notice of the declaration shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.
40. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re allotted or otherwise disposed of, permit the shares forfeited to be bought back upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.
41. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
42. The provisions of these Bye-laws as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

REGISTER OF MEMBERS

43. (1) The Company shall keep in one or more books a Register and shall enter therein the following particulars, that is to say:
- (a) the name and address of each Member, the number and class of shares held by him and, in respect of any shares that are not fully paid, the amount paid or agreed to be considered as paid on such shares;
 - (b) the date on which each person was entered in the Register; and
 - (c) the date on which any person ceased to be a Member.
- (2) Subject to the Act, the Company may keep an overseas or local or other branch register of Members resident in any place, and the Board may make and vary such regulations as it determines in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.
44. The Register and branch register of Members maintained in Hong Kong, as the case may be, shall be open to inspection between 10 a.m. and 12 noon ~~on every~~during ~~business~~ hours by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act. The Subject to the Act, the Company may close any Register maintained in Hong Kong in a manner which complies with section 632 of the Companies Ordinance. In particular, the Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares. The period of thirty (30) days may be extended for a further period or periods not exceeding thirty (30) days in respect of any year if approved by the Members by ordinary resolution.

RECORD DATES

45. ~~Notwithstanding~~Subject to the Listing Rules, notwithstanding any other provision of these Bye-laws the Company or the Directors may fix any date as the record date for:
- (a) ~~determining the Members entitled to receive any dividend, distribution, allotment or issue and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made;~~
 - (b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company.

TRANSFER OF SHARES

46. Subject to these Bye-laws, any Member may transfer all or any of his shares in any manner permitted by and in accordance with the ~~rules of the Designated Stock Exchange~~ Listing Rules or by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.
47. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. Without prejudice to Bye-law 46, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Bye-laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
48. (1) The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share to more than four (4) joint holders or a transfer of any share (not being a fully paid up share) on which the Company has a lien.
- (2) No transfer shall be made to an infant or to a person of unsound mind or under other legal disability.
- (3) The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other branch register. In the event of any such transfer, the shareholder requesting such transfer shall bear the cost of effecting the transfer unless the Board otherwise determines.

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- (4) Unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time determine, and which agreement the Board shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act.
49. Without limiting the generality of the last preceding Bye law, the Board may decline to recognise any instrument of transfer unless:
- (a) a fee of such maximum sum as the Designated Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof;
 - (b) the instrument of transfer is in respect of only one class of share;
 - (c) the instrument of transfer is lodged at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and
 - (d) if applicable, the instrument of transfer is duly and properly stamped.
50. If the Board refuses to register a transfer of any share, it shall, within two (2) months after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.
51. The registration of transfers of shares or of any class of shares may, after notice has been given by advertisement in any newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.

TRANSMISSION OF SHARES

52. If a Member dies, the survivor or survivors where the deceased was a joint holder, and his legal personal representatives where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Bye-law will release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share which had been solely or jointly held by him.
53. Subject to Section 52 of the Act, any person becoming entitled to a share in consequence of the death or bankruptcy or winding up of a Member may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the share or to have some person nominated by him registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing either at the Registration Office or Office, as the case may be, to that effect. If he elects to have another person registered he shall execute a transfer of the share in favour of that person. The provisions of these Bye-laws relating to the transfer and registration of transfers of shares shall apply to such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by such Member.
54. A person becoming entitled to a share by reason of the death or bankruptcy or winding up of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-law 752(2) being met, such a person may vote at meetings.

UNTRACEABLE MEMBERS

55. (1) Without prejudice to the rights of the Company under paragraph (2) of this Bye law, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
- (2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:
- (a) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Bye-laws of the Company have remained uncashed;

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- (b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
- (c) the Company, if so required by the ~~rules governing the listing of shares on the Designated Stock Exchange~~Listing Rules, has given notice to, and caused advertisement in newspapers in accordance with the requirements of, the Designated Stock Exchange to be made of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.

For the purpose of the foregoing, the “relevant period” means the period commencing twelve (12) years before the date of publication of the advertisement referred to in paragraph (c) of this Bye-law and ending at the expiry of the period referred to in that paragraph.

- (3) To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Bye-law shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

GENERAL MEETINGS

- 56. ~~An~~Subject to the Act, an annual general meeting of the Company shall be held in each financial year other than the year in which its statutory meeting is convened at and such time (within a period of not more than fifteenannual general meeting must be held within six (156) months after the holding end of the last preceding annual general meeting Company’s financial year (unless a longer period would not infringe the rules of the Designated Stock Exchange Listing Rules, if any) at such time and place as may be determined by the Board. A meeting of Members or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting.

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57. Each general meeting, other than an annual general meeting, shall be called a special general meeting. All general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) ~~General meetings~~ may be held in any part of the world as may be determined by the Board in its absolute discretion.
58. The Board may whenever it thinks fit call special general meetings, and Members holding at the date of deposit of the requisition not less than ~~one tenth~~ often per cent (10%) of the voting rights of the Company, on a one vote per share basis in the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, (i) to require a special general meeting to be called ~~convened~~ by the Board for the transaction of any business or resolution specified in such requisition; and/or (ii) to add resolutions to the agenda of a special general meeting and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Act.

NOTICE OF GENERAL MEETINGS

59. (1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days ~~and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days.~~ All other ~~special~~ general meetings ~~may~~ (including a special general meeting) must be called by Notice of not less than fourteen (14) clear days ~~and not less than ten (10) clear business days~~ but if permitted by the ~~rules of the Designated Stock Exchange Listing Rules~~, a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
 - (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together ~~holding~~ representing not less than ninety five per cent. (95%) ~~in nominal value of the total voting rights at the meeting of all the issued shares giving that right~~ Members.
- (2) The Notice shall specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business. The Notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.

60. The accidental omission to give Notice of a meeting or (in cases where instruments of proxy are sent out with the Notice) to send such instrument of proxy to, or the non receipt of such Notice or such instrument of proxy by, any person entitled to receive such Notice shall not invalidate any resolution passed or the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

61. (1) All business shall be deemed special that is transacted at a special general meeting, and also all business that is transacted at an annual general meeting, with the exception of sanctioning dividends, the reading, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors and other officers in the place of those retiring, the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors.
- (2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person or (in the case of a Member being a corporation) by its duly authorised representative) or by proxy or by, for quorum purposes only, two persons appointed by the clearing house as authorised representative or proxy shall form a quorum for all purposes.
62. If within thirty (30) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.
63. The ~~president~~chairman of the Company or ~~the~~if there is more than one chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman at every~~a~~ general meeting. If at any meeting ~~the president or theno~~ chairman, ~~as the case may be,~~ is not present within fifteen (15) minutes after the time appointed for holding the meeting, or ~~if neither of them is willing to act as chairman, the deputy chairman of the Company or if there is more than one deputy chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman. If no chairman or deputy chairman is present or is willing to act as chairman~~ of the meeting, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or (or in the case of a Member being a corporation;) by its duly authorised representative) or by proxy and entitled to vote shall elect one of their number to be chairman of the meeting.

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64. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time (or indefinitely) and from place to place as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' Notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice of an adjournment.
- 64A. If, after the sending of Notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not Notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place, they may postpone the meeting to another date, time and/or place without approval from the Members. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every Notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force at any time on the day of the meeting. This Bye-law shall be subject to the following:
- (a) when a meeting is so postponed, the Company shall endeavour to post a notice of such postponement on the Company's website as soon as practicable (provided that failure to post such a notice shall not affect the automatic postponement of such meeting);
 - (b) when a meeting is postponed or changed in accordance with this Bye-law, subject to and without prejudice to Bye-law 64, unless already specified in the original Notice of the meeting, the Board shall fix the date, time, place for the postponed meeting and shall notify the Members of such details in such manner as the Board may determine; further all proxy forms shall be valid (unless revoked or replaced by a new proxy) if they are received as required by these Bye-laws not less than forty eight (48) hours before the time of the postponed meeting; and
 - (c) notice of the business to be transacted at the postponed meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the postponed meeting is the same as that set out in the original Notice of general meeting circulated to the Members.
65. If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

VOTING

66. (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may, in good faith, allow a resolution which relates purely to a procedural ~~and~~or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For ~~the~~ purposes of this Bye-law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.
- (2) Where a show of hands is allowed, before or on the declaration of the result of the shows of hands, a poll may be demanded:
- (a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
 - (b) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
 - (c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Member.:-

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67. Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the ~~rules of the Designated Stock Exchange~~Listing Rules.
- 68.— ~~Intentionally deleted.~~
- 69.— ~~Intentionally deleted.~~
- 70.— ~~Intentionally deleted.~~
71. On a poll votes may be given either personally or by proxy.
- ~~72~~69. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
- ~~73~~0. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Bye-laws or by the Act. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
- ~~74~~1. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Bye-law be deemed joint holders thereof.
- ~~75~~2. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, *curator bonis* or other person in the nature of a receiver, committee ~~or~~ *curator bonis* appointed by such court, and such receiver, committee ~~or~~ *curator bonis* or other person may vote ~~on a poll~~ by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting, or postponed meeting, as the case may be.

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- (2) Any person entitled under Bye-law 53 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty eight (48) hours at least before the time of the holding of the meeting or adjourned meeting or postponed meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his entitlement to such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof.
763. (1) No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- (2) All Members shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.
- (23) Where the Company has knowledge that any Member is, under the ~~rules of the Designated Stock Exchange~~ Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.)
774. If:
- (a) any objection shall be raised to the qualification of any voter; or
- (b) any votes have been counted which ought not to have been counted or which might have been rejected; or
- (c) any votes are not counted which ought to have been counted;

the objection or error shall not vitiate the decision of the meeting or adjourned meeting or postponed meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting or postponed meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

PROXIES

785. Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.
796. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.
- ~~807~~7. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting or postponed meeting at which the person named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or postponed meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- ~~78~~1. Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment or postponement of the meeting as for the meeting to which it relates.

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8279. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting or postponed meeting, at which the instrument of proxy is used.

830. Anything which under these Bye-laws a Member may do by proxy he may likewise do by his duly appointed attorney and the provisions of these Bye-laws relating to proxies and instruments appointing proxies shall apply *mutatis mutandis* in relation to any such attorney and the instrument under which such attorney is appointed.

CORPORATIONS ACTING BY REPRESENTATIVES

841. (1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised shall be entitled to attend, vote and exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Bye-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat.

(2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorizse such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands and the right to speak.

(3) Any reference in these Bye-laws to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Bye law.

WRITTEN RESOLUTIONS OF MEMBERS

852. (1) Subject to the Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Bye-laws, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a special resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.
- (2) Notwithstanding any provisions contained in these Bye-laws, a resolution in writing shall not be passed for the purpose of removing a Director before the expiration of his term of office under Bye-law 863(4) or for the purposes set out in Bye-law 1562(3) relating to the removal and appointment of the Auditor.

BOARD OF DIRECTORS

863. (1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter at the annual general meeting in accordance with Bye-law 874 or at any special general meeting called for such purpose and who shall hold office for such term as the Members may determine or, in the absence of such determination, in accordance with Bye-law 874 or until their successors are elected or appointed or their office is otherwise vacated.- Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.
- (2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company after his/her appointment and shall then be eligible for re-election.
- (3) Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.

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- (4) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director (including a managing or other executive Director) at any time before the expiration of his ~~period~~term of office notwithstanding anything to the contrary in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.
- (5) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (4) above may be filled by the election or appointment by the Members at the meeting at which such Director is removed to hold office until the next appointment of Directors or until their successors are elected or appointed or, in the absence of such election or appointment such general meeting may authorise the Board to fill any vacancy in the number left unfilled.
- (6) The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than two (2).

RETIREMENT OF DIRECTORS

874. (1) Notwithstanding any other provisions in the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three (3) years.
- (2) A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Bye-law 863(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

885. No person other than a Director retiring at the meeting shall, unless recommended by the Board~~Directors~~ for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

DISQUALIFICATION OF DIRECTORS

896. The office of a Director shall be vacated if the Director:

- (1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board;
- (2) becomes of unsound mind or dies;
- (3) without special leave of absence from the Board, is absent from meetings of the Board for six consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated; ~~or~~
- (4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;
- (5) is prohibited by law from being a Director; or
- (6) ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Bye-laws.

No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director, and no person shall be ineligible for appointment as a Director, by reason only of his having attained any particular age.

EXECUTIVE DIRECTORS

9087. The Board may from time to time appoint any one or more of its body to be a managing director, joint managing director or deputy managing director or to hold any other employment or executive office with the Company for such period (subject to their continuance as Directors) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director. A Director appointed to an office under this Bye-law shall be subject to the same provisions as to removal as the other Directors of the Company, and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.
9488. Notwithstanding Bye-laws 963, 974, 985 and 996, an executive director appointed to an office under Bye-law 9087 hereof shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time determine, and either in addition to or in lieu of his remuneration as a Director.

ALTERNATE DIRECTORS

892. Any Director may at any time by Notice delivered to the Office or head office or at a meeting of the Directors appoint any person to be his alternate Director. Any person so appointed shall have all the rights and powers of the Director or Directors for whom such person is appointed in the alternative provided that such person shall not be counted more than once in determining whether or not a quorum is present. An alternate Director may be removed at any time by the person or body which appointed him and, subject thereto, the office of alternate Director shall continue until the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor ceases for any reason to be a Director. Any appointment or removal of an alternate Director shall be effected by Notice signed by the appointor and delivered to the Office or head office or tendered at a meeting of the Board. An alternate Director may also be a Director in his own right and may act as alternate to more than one Director. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Bye-laws shall apply as if he were a Director save that as an alternate for more than one Director his voting rights shall be cumulative.

930. An alternate Director shall only be a Director for the purposes of the Act and shall only be subject to the provisions of the Act insofar as they relate to the duties and obligations of a Director when performing the functions of the Director for whom he is appointed in the alternative and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part, if any, of the remuneration otherwise payable to his appointor as such appointor may by Notice to the Company from time to time direct.
941. Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, the signature of an alternate Director to any resolution in writing of the Board or a committee of the Board of which his appointor is a member shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
952. An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director, however, such alternate Director or any other person may be re appointed by the Directors to serve as an alternate Director PROVIDED always that, if at any meeting any Director retires but is re elected at the same meeting, any appointment of such alternate Director pursuant to these Bye-laws which was in force immediately before his retirement shall remain in force as though he had not retired.

DIRECTORS' FEES AND EXPENSES

963. The ordinary remuneration of the Directors shall from time to time be determined by the Company in general meeting and shall (unless otherwise directed by the resolution by which it is voted) be divided amongst the Board in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Such remuneration shall be deemed to accrue from day to day.
974. Each Director shall be entitled to be repaid or prepaid all travelling, hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.
985. Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Bye law.

996. The Board shall obtain the approval of the Company in general meeting before making any payment to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being payment to which the Director is contractually entitled).

DIRECTORS' INTERESTS

~~100~~97. A Director may:

- (a) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and, subject to the relevant provisions of the Act, upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Bye law;
- (b) act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a Director;
- (c) continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and (unless otherwise agreed) no such Director shall be accountable for any remuneration, profits or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of or from his interests in any such other company. Subject as otherwise provided by these Bye-laws the Directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) or voting or providing for the payment of remuneration to the director, managing director, joint managing director, deputy managing director, executive director, manager or other officers of such other company and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

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~~10198.~~ Subject to the Act and to these Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Bye-law ~~10299~~ herein.

~~10299.~~ A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Bye law, a general Notice to the Board by a Director to the effect that:

- (a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with that company or firm; or
- (b) he is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with a specified person who is connected with him;

shall be deemed to be a sufficient declaration of interest under this Bye-law in relation to any such contract or arrangement, provided that no such Notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

~~1030.~~ (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) ~~any contract or arrangement for the giving of any security or indemnity either:–~~
 - (a) to ~~such~~the Director or his close associate(s) ~~any security or indemnity~~ in respect of money lent ~~by him or any of his associate(s)~~ or obligations incurred or undertaken by him or any of ~~his associate(s)~~them at the request of or for the benefit of the Company or any of its subsidiaries; or

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- (b) ~~(ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;~~
- ~~(iii)~~ (iii) any ~~contract or arrangement~~ proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase; where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- ~~(iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;~~
~~or~~
- ~~(v)~~
- (iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
- (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or
- (b) the adoption, modification or operation of a ~~share option scheme~~, a pension fund or retirement, death or disability benefits scheme ~~or other arrangement~~ which relates ~~both to Directors or the Director, his close associate(s) and to employees~~ employee(s) of the Company or ~~of~~ any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not ~~accorded~~ generally accorded to the class of persons to which such scheme or fund relates;
- (iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

- (2) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

GENERAL POWERS OF THE DIRECTORS

1041. (1) The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Statutes or by these Bye-laws required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Statutes and of these Bye-laws and to such regulations being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Bye-law shall not be limited or restricted by any special authority or power given to the Board by any other Bye law.
- (2) Any person contracting or dealing with the Company in the ordinary course of business shall be entitled to rely on any written or oral contract or agreement or deed, document or instrument entered into or executed as the case may be by any two of the Directors acting jointly on behalf of the Company and the same shall be deemed to be validly entered into or executed by the Company as the case may be and shall, subject to any rule of law, be binding on the Company.
- (3) Without prejudice to the general powers conferred by these Bye-laws it is hereby expressly declared that the Board shall have the following powers:
- (a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed-;
- (b) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration-; and

- (c) to resolve that the Company be discontinued in Bermuda and continued in a named country or jurisdiction outside Bermuda subject to the provisions of the Act.

~~105-102.~~ The Board may establish any regional or local boards or agencies for managing any of the affairs of the Company in any place, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration (either by way of salary or by commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes) and pay the working expenses of any staff employed by them upon the business of the Company. The Board may delegate to any regional or local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than its powers to make calls and forfeit shares), with power to sub delegate, and may authorise the members of any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.

1063. The Board may by power of attorney appoint under the Seal any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub delegate all or any of the powers, authorities and discretions vested in him. Such attorney or attorneys may, if so authorised under the Seal of the Company, execute any deed or instrument under their personal seal with the same effect as the affixation of the Seal.

1074. The Board may entrust to and confer upon a managing director, joint managing director, deputy managing director, an executive director or any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.

1085. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

1096. (1) The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex employees of the Company and their dependants or any class or classes of such person.
- (2) The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.

BORROWING POWERS

1107. The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
1108. Debentures, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
1109. Any debentures, bonds or other securities may be issued at a discount (other than shares), premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.
1130. (1) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the Members or otherwise, to obtain priority over such prior charge.
- (2) The Board shall cause a proper register to be kept, in accordance with the provisions of the Act, of all charges specifically affecting the property of the Company and of any series of debentures issued by the Company and shall duly comply with the requirements of the Act in regard to the registration of charges and debentures therein specified and otherwise.

PROCEEDINGS OF THE DIRECTORS

1141. The Board may meet for the despatch of business, adjourn or postpone and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting shall have an additional or casting vote.
1152. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board whenever he shall be required so to do by any Director. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or via electronic mail or in such other manner as the Board may from time to time determine.
- 11463.(1) The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2). An alternate Director shall be counted in a quorum in the case of the absence of a Director for whom he is the alternate provided that he shall not be counted more than once for the purpose of determining whether or not a quorum is present.
- (2) Directors may participate in any meeting of the Board by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.
- (3) Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of such Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.
1174. The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Bye-laws, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Bye-laws as the quorum or that there is only one continuing Director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company but not for any other purpose.
1185. The Board may elect ~~one or more~~ chairman and one or more deputy chairman of its meetings and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman is elected, or if at any meeting ~~neither the~~ chairman ~~nor any~~ deputy chairman is present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
1196. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.

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- 12017.(1) The Board may delegate any of its powers, authorities and discretions to committees, consisting of such Director or Directors and other persons as it thinks fit, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.
- (2) All acts done by any such committee in conformity with such regulations, and in fulfilment of the purposes for which it was appointed, but not otherwise, shall have like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.
1218. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Bye-laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Bye law.
12219. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held provided that such number is sufficient to constitute a quorum and that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Bye-laws and further provided that no Director is aware of or has received any objection to the resolution from any Director. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.
1230. All acts bona fide done by the Board or by any committee or by any person acting as a Director or members of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.

MANAGERS

1241. The Board may from time to time appoint a general manager, a manager or managers of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company.
1252. The appointment of such general manager, manager or managers may be for such period as the Board may decide, and the Board may confer upon him or them all or any of the powers of the Board as it may think fit.
1263. The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in their absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

OFFICERS

1274. (1) The officers of the Company shall consist of the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and, subject to Bye-law 128(4), these Bye-laws.
- ~~(2) — Intentionally deleted.~~
- ~~(3)~~
- (2) The officers shall receive such remuneration as the Directors may from time to time determine.
- (43) Where the Company appoints and maintains a resident representative ordinarily resident in Bermuda in accordance with the Act, the resident representative shall comply with the provisions of the Act.
- (4) The Company shall provide the resident representative with such documents and information as the resident representative may require in order to be able to comply with the provisions of the Act.
- (5) The resident representative shall be entitled to have notice of, attend and be heard at all meetings of the Directors or of any committee of such Directors or general meetings of the Company.

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128~~5~~. (1) The Secretary and additional officers, if any, shall be appointed by the Board and shall hold office on such terms and for such period as the Board may determine. If thought fit, two (2) or more persons may be appointed as joint Secretaries. The Board may also appoint from time to time on such terms as it thinks fit one or more assistant or deputy Secretaries.

(2) The Secretary shall attend all meetings of the Members and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Act or these Bye-laws or as may be prescribed by the Board.

129. ~~Intentionally deleted.~~

130~~6~~. The officers of the Company shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Directors from time to time.

131~~27~~. A provision of the Act or of these Bye-laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

REGISTER OF DIRECTORS AND OFFICERS

132~~8~~. (1) The Board shall cause to be kept in one or more books at the Office a Register of Directors and Officers and shall enter therein the following particulars with respect to each Director and Officer, that is to say:

(a) in the case of an individual, his or her present first name, surname and address; and

(b) in the case of a company, its name and registered office.

(2) The Board shall within a period of fourteen (14) days from the occurrence of:

(a) any change among the Directors and Officers; or

(b) any change in the particulars contained in the Register of Directors and Officers, cause to be entered on the Register of Directors and Officers the particulars of such change.

(3) The Register of Directors and Officers shall be open to inspection by members of the public without charge at the Office between 10:00 a.m. and 12:00 noon ~~on every~~during business ~~day~~hours.

(4) In this Bye-law "Officer" has the meaning ascribed to it in Section 92A(7) of the Act.

MINUTES

- 13329.(1) The Board shall cause Minutes to be duly entered in books provided for the purpose:
- (a) of all elections and appointments of officers;
 - (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
 - (c) of all resolutions and proceedings of each general meeting of the Members and meetings of the Board.
- (2) Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the Office.

SEAL

1340. (1) The Company shall have one or more Seals, as the Board may determine. For the purpose of sealing documents creating or evidencing securities issued by the Company, the Company may have a securities seal which is a facsimile of the Seal with the addition of the words "Securities Seal" on its face or in such other form as the Board may approve. The Board shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Bye-laws, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary or by two Directors or by such other person (including a Director) or persons as the Board may appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in the manner provided by this Bye-law shall be deemed to be sealed and executed with the authority of the Board previously given.
- (2) Where the Company has a Seal for use abroad, the Board may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board may impose restrictions on the use thereof as may be thought fit. Wherever in these Bye-laws reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

AUTHENTICATION OF DOCUMENTS

1351. Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if any books, records, documents or accounts are elsewhere than at the Office or the head office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

DESTRUCTION OF DOCUMENTS

1362. (1) The Company shall be entitled to destroy the following documents at the following times:
- (a) any share certificate which has been cancelled at any time after the expiry of one (1) year from the date of such cancellation;
 - (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two (2) years from the date such mandate variation cancellation or notification was recorded by the Company;
 - (c) any instrument of transfer of shares which has been registered at any time after the expiry of seven (7) years from the date of registration;
 - (d) any allotment letters after the expiry of seven (7) years from the date of issue thereof; and
 - (e) copies of powers of attorney, grants of probate and letters of administration at any time after the expiry of seven (7) years after the account to which the relevant power of attorney, grant of probate or letters of administration related has been closed;

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to be made on the basis of any such documents so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that: (1) the foregoing provisions of this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;(2) nothing contained in this Bye-law shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (1) above are not fulfilled; and (3) references in this Bye-law to the destruction of any document include references to its disposal in any manner.

- (2) Notwithstanding any provision contained in these Bye-laws, the Directors may, if permitted by applicable law, authorise the destruction of documents set out in sub-paragraphs (a) to (e) of paragraph (1) of this Bye-law and any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company and its share registrar that the preservation of such document was relevant to a claim.

DIVIDENDS AND OTHER PAYMENTS

1373. Subject to the Act, the Company in general meeting may from time to time declare dividends in any currency to be paid to the Members but no dividend shall be declared in excess of the amount recommended by the Board. The Company in general meeting may also make a distribution to the Members out of any contributed surplus (as ascertained in accordance with the Act).

1384. No dividend shall be paid or distribution made out of contributed surplus if to do so would render the Company unable to pay its liabilities as they become due or the realisable value of its assets would thereby become less than its liabilities.

1395. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:

- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Bye-law as paid up on the share; and
- (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

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14036. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non preferential rights and may also pay any fixed dividend which is payable on any shares of the Company half yearly or on any other dates, whenever such profits, in the opinion of the Board, justifies such payment.
14137. The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.
14238. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.
1439. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.
1440. All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

1451. Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue certificates in respect of fractions of shares, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective and binding on the Members. The Board may resolve that no such assets shall be made available to Members with registered addresses in any particular territory or territories where, in the absence of a registration statement or other special formalities, such distribution of assets would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the Members aforesaid shall be to receive cash payments as aforesaid. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

1462. (1) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on any class of the share capital of the Company, the Board may further resolve either:
- (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment. In such case, the following provisions shall apply:
 - (i) the basis of any such allotment shall be determined by the Board;
 - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
 - (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

- (iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (“the non elected shares”) and in satisfaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the non elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve (as defined below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the non elected shares on such basis;
or

- (b) that the shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:
 - (i) the basis of any such allotment shall be determined by the Board;

 - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks’ Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

 - (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

 - (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised (“the elected shares”) and in lieu thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve (as defined below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis.

- (2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank *pari passu* in all respects with shares of the same class (if any) then in issue save only as regards participation in the relevant dividend or in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of their proposal to apply the provisions of sub paragraph (a) or (b) of paragraph (21) of this Bye-law in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank for participation in such distribution, bonus or rights.
- (b) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Bye law, with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Board may authorise any person to enter into on behalf of all Members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (3) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Bye-law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (4) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Bye-law shall not be made available or made to any shareholders with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable, and in such event the provisions aforesaid shall be read and construed subject to such determination. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

- (5) Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Bye-law shall *mutatis mutandis* apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the Members.

RESERVES

1473. Before recommending any dividend, the Board may set aside out of the profits of the Company such sums as it determines as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

CAPITALISATION

1484. (1) The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye-law, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

(2) Notwithstanding any provisions in these Bye-laws, the Board may resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account but excluding the share premium account (unless otherwise resolved by the Members at a general meeting)) whether or not the same is available for distribution by applying such sum in paying up unissued shares to be allotted to (i) employees (including directors) of the Company and/or its affiliates (meaning any individual, corporation, partnership, association, joint-stock company, trust, unincorporated association or other entity (other than the Company) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the Company) upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons, or (ii) any trustee of any trust to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons.

1495. The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under the last preceding Bye-law and in particular may issue certificates in respect of fractions of shares or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

SUBSCRIPTION RIGHTS RESERVE

15046. The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the Act:

- (1) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions of the conditions of the warrants, would reduce the subscription price to below the nominal value of a share, then the following provisions shall apply:
 - (a) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Bye law) maintain in accordance with the provisions of this Bye-law a reserve (the "Subscription Rights Reserve") the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub paragraph (c) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Rights Reserve in paying up such additional shares in full as and when the same are allotted;

- (b) the Subscription Rights Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;
- (c) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:
 - (i) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and
 - (ii) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par

and immediately upon such exercise so much of the sum standing to the credit of the Subscription Rights Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrant holders; and

- (d) if, upon the exercise of the subscription rights represented by any warrant, the amount standing to the credit of the Subscription Rights Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment and allotment, the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.

- (2) Shares allotted pursuant to the provisions of this Bye-law shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (1) of this Bye law, no fraction of any share shall be allotted on exercise of the subscription rights.
- (3) The provision of this Bye-law as to the establishment and maintenance of the Subscription Rights Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating the provisions for the benefit of any warrant holder or class of warrant holders under this Bye-law without the sanction of a special resolution of such warrant holders or class of warrant holders.
- (4) A certificate or report by the auditors for the time being of the Company as to whether or not the Subscription Rights Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Rights Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Rights Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

ACCOUNTING RECORDS

15147. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Act or necessary to give a true and fair view of the Company's affairs and to explain its transactions.
15248. The accounting records shall be kept at the Office or, subject to the Act, at such other place or places as the Board decides and shall always be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board or the Company in general meeting.
15349. Subject to Section 88 of the Act and Bye-law 1540, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the general meeting and at the same time as the notice of annual general meeting and laid before the Company at the annual general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.

1540. To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the ~~rules of the Designated Stock Exchange Listing Rules~~, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 15349 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, ~~a summary summarised financial statements~~ derived from the Company's annual accounts and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to ~~a summary summarised financial statements~~, a complete printed copy of the Company's annual financial statement and the directors' report thereon.
1551. The requirement to send to a person referred to in Bye-law 15349 the documents referred to in that provision or a summary financial report in accordance with Bye-law 1540 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the ~~rules of the Designated Stock Exchange Listing Rules~~, the Company publishes copies of the documents referred to in Bye-law 15349 and, if applicable, a summary financial report complying with Bye-law 1540, on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

AUDIT

1562. (1) Subject to Section 88 of the Act, at the annual general meeting or at a subsequent special general meeting in each year, the Members shall by ordinary resolution appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the Members appoint another auditor. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.
- (2) Subject to Section 89 of the Act, a person, other than an incumbent Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-one (21) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the incumbent Auditor.
- (3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ~~special~~extraordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.

APPENDIX IV PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

1573. Subject to Section 88 of the Act the accounts of the Company shall be audited at least once in every year.
1584. The remuneration of the Auditor shall be fixed by ~~the Company~~Members in general meeting by ordinary resolution or in such manner as the Members may determine.
1595. ~~If~~The Directors may fill any casual vacancy in the office of auditor becomes vacant by the resignation or death of the Auditor but while any such vacancy continues the surviving or continuing Auditor; or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Bye-law may be fixed by the Board. Subject to Bye-law 152(3), an Auditor appointed under this Bye-law shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Members under Bye-law 152(1) at such remuneration to be determined by the Auditor so appointed~~Members under Bye-law 154.~~
1560. The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.
- ~~161~~157.The statement of income and expenditure and the balance sheet provided for by these Bye-laws shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than Bermuda. If the auditing standards of a country or jurisdiction other than Bermuda are used, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction.

NOTICES

16258. Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the ~~rules of the Designated Stock Exchange~~ Listing Rules), whether or not, to be given or issued under these Bye-laws from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company’s website or the website of the Designated Stock Exchange, and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the Member by any of the means set out above other than by posting it on a website. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

16359. Any Notice or other document:

- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the Notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A Notice placed on the Company’s website or the website of the Designated Stock Exchange; is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;

APPENDIX IV PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- (c) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch, transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof; and
 - (d) may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.
1640. (1) Any Notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Bye-laws shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the ~~n~~Notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- (2) A ~~n~~Notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a Member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the ~~n~~Notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
 - (3) Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every ~~n~~Notice in respect of such share which prior to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.

SIGNATURES

1651. For the purposes of these Bye-laws, a facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. The signature to any notice or document to be given by the Company may be written, printed or made electronically.

WINDING UP

1662. (1) ~~The~~Subject to Bye-law 162(2), the Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

(2) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

1673. If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Act, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

INDEMNITY

1684. (1) The Directors, Secretary and other officers and every Auditor ~~for the time being~~ of the Company at any time, whether at present or in the past, and the liquidator or trustees (if any) ~~for the time being acting or who have acted~~ in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.
- (2) Each Member agrees to waive any claim or right of action he might have, whether individually or by or in the right of the Company, against any Director on account of any action taken by such Director, or the failure of such Director to take any action in the performance of his duties with or for the Company; PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director.

ALTERATION OF BYE-LAWS AND AMENDMENT TO
MEMORANDUM OF ASSOCIATION AND NAME OF COMPANY

1695. No Bye-law shall be rescinded, altered or amended and no new Bye-law shall be made until the same has been approved by a resolution of the Directors and confirmed by a special resolution of the Members. A special resolution shall be required to alter the provisions of the memorandum of association or to change the name of the Company.

INFORMATION

17066. No Member shall be entitled to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the Mmembers ~~of the Company~~ to communicate to the public.

 **Pacific Basin Shipping Limited**

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

NOTICE IS HEREBY GIVEN that the 2023 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 Tuesday, 18 April 2023 at 11:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited financial statements and the reports of the directors of the Company (the “**Directors**”) and auditors for the year ended 31 December 2022;
2. To declare final dividend for the year ended 31 December 2022;
3. To re-elect the following persons as Directors and authorise the board of Directors (the “**Board**”) to fix their remuneration:
 - (a) To re-elect Mrs. Irene Waage Basili as an Independent Non-executive Director;
 - (b) To re-elect Mr. John Mackay McCulloch Williamson as an Independent Non-executive Director; and
 - (c) To authorise the Board to fix the remuneration of the Directors;
4. To re-appoint Messrs. PricewaterhouseCoopers, Certified Public Accountants and Registered Public Interest Entity Auditor, as the auditors of the Company for the year ending 31 December 2023 and to authorise the Board 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 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 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 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 the relevant agreement involving the proposed issue of Shares; 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 earlier of:
 - (A) the date of the relevant agreement involving the proposed issue of Shares; or
 - (B) the date of announcement of the transaction or arrangement involving the proposed issue of Shares; or
 - (C) the date on which the price of the Shares to be issued 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 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 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 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 Bye-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.”

7. **“ADOPTION OF A NEW SHARE AWARD SCHEME**

THAT the rules relating to the 2023 Share Award Scheme (the **“New Scheme”**) (a copy of which has been produced to this meeting marked **“A”** and signed by the chairman of the meeting for the purpose of identification) (the **“Scheme Rules”**) be and are hereby adopted as the rules of the share award scheme of the Company and that the Directors be and are hereby authorised to exercise all powers to give effect to and administer the New Scheme as contemplated by and in accordance with the Scheme Rules.”

8. **“APPROVAL OF THE NEW SCHEME SHARES MANDATE**

THAT subject to passing of resolutions no. 7 as set out in the notice of convening this meeting to adopt the Scheme Rules, the exercise by the Directors pursuant to the Scheme Rules 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”**) and to make or grant offers and agreements which would or might require the exercise of such powers be generally and unconditionally approved; provided that the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in this resolution 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.”

As special business, to consider and, if thought fit, pass the following resolution as a special resolution:

SPECIAL RESOLUTION9. **“AMENDMENTS TO THE EXISTING BYE-LAWS AND ADOPTION OF THE SECOND AMENDED AND RESTATED BYE-LAWS**

- (a) **THAT** the proposed amendments (the **“Proposed Amendments”**) to the existing bye-laws of the Company (the **“Existing Bye-laws”**), details of which are set out in Appendix IV to the circular of the Company dated 14 March 2023 (the **“Circular”**), be and are hereby approved.
- (b) **THAT** the second amended and restated bye-laws of the Company (the **“New Bye-laws”**) which incorporates and consolidates all of the Proposed Amendments, a copy of which has been tabled at the meeting marked **“B”** and signed by the chairman of this meeting for identification purpose, be and is hereby approved and adopted as the bye-laws of the Company in substitution for and to the exclusion of the Existing Bye-laws with immediate effect.

- (c) **THAT** any Director be and is hereby authorised to do all such acts and things and execute all such documents, deeds and make all such arrangement that he/she shall, in his/her absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the New Bye-laws.”

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

Hong Kong, 14 March 2023

Notes:

1. Every member entitled to attend and vote at the AGM is entitled to appoint one or more persons as his proxy to attend and vote instead of him. 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 share 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 AGM (i.e. no later than 11:00 a.m. on Sunday, 16 April 2023) or any adjournment thereof.
3. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the AGM or any adjourned thereof and in such event, the instrument appointing the proxy shall be deemed to be revoked.
4. In order to determine the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from 13 April 2023 to 18 April 2023 (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 share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 12 April 2023.
5. 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 2022 Annual Report.
6. The register of members of the Company will be closed on 27 April 2023 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 share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 26 April 2023. The ex-dividend date for the final dividend will be on 25 April 2023.
7. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning or the post-super typhoon “extreme conditions” announcement is in effect any time after 8:00 a.m. on the date of the AGM, the AGM will be postponed. The Company will post an announcement on the website of the Company at www.pacificbasin.com and on the website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and place of the rescheduled meeting.