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# Pacific Basin Shipping Limited

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

## **SUPPLEMENTAL ANNOUNCEMENT RELATING TO THE DISCLOSEABLE TRANSACTIONS ACQUISITION OF VARIOUS DRY BULK VESSELS**

Reference is made to announcement of Pacific Basin Shipping Limited (the “**Company**”) dated 13 January 2023 (the “**Announcement**”) in relation to the acquisition of one second-hand Supramax vessel, four second-hand Ultramax vessels and one second-hand Handysize vessel for an aggregate consideration of US\$124.65 million. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

The Company wishes to provide the shareholders and potential investors of the Company with additional information in relation to the acquisition of Vessels as follows:

### **FURTHER INFORMATION ON THE VALUATIONS**

The Company would like to supplement that in appraising the value of the Vessels, the Independent Valuer had adopted the market approach in its Valuations of the Vessels and had assumed that (i) the Vessels are in good and seaworthy condition; (ii) the Vessels are fully classed to the requirements of their respective classification societies; (iii) the market value of the Vessels are determined as between “a willing buyer and a willing seller”; (iv) the Vessels are in a position to give delivery in an acceptable area; and (v) the Vessels are free of charter and free from all encumbrances, maritime liens and any other debts. As advised by the Independent Valuer, it has taken into consideration of transaction prices paid for comparable vessels in available recent market or private transactions, which fall within the range of approximately US\$16.8 million to US\$22.9 million during the third quarter of 2022 and approximately US\$16.6 million to US\$25.5 million during the last quarter of 2022 for Supramax and Ultramax vessels and within the range of approximately US\$17.0 million to US\$21.5 million for large Handysize vessels during the last quarter of 2022. In arriving at the Valuations, appropriate adjustments are made to account for differences between the Vessels and the comparable transactions in terms of age and useful life of the Vessels, the shipyard where the Vessels were built and their design and capacity. Having assessed all the above factors, the Independent Valuer reached the opinion that the Vessels’ Valuations would reflect the market value of the Vessels as at the date of the Valuations.

Apart from taking references to the Valuations from Independent Valuer, the Company has also considered a number of other factors when assessing the fair market value of the Vessels and in reaching the final purchase prices of the Vessels, including the following:

- (i) the market value index based on available third party market data such as Clarksons Research (a respectable worldwide authoritative provider of intelligence for the global shipping industry) which is mainly based on actual and recent transactions in the generally very liquid market for second hand vessels;
- (ii) physical technical inspection of the Vessels to determine their general condition including the level of wear and tear compared to vessels of similar type, age and size, the condition of the holds and engine and specific equipment fitted on board;
- (iii) the design and the shipyard where the Vessels were originally built;
- (iv) inspection of the classification records issued by an appropriate classification society to determine any past incidents that would impact the condition and functionality of the Vessels;
- (v) the types of cargoes the Vessels can carry;
- (vi) the date of its next required dry dock inspection;
- (vii) recent market data of transactions of similar type of vessels in the market, gathered via international shipbrokers; and
- (viii) the general market outlook that could impact world trade and the dry bulk economy.

The Directors are of the view that the above effectively summarises the key factors that are relevant and appropriate for assessing the fair market value of the Vessels and that the final purchase prices of the Vessels are fair and reasonable.

## **FURTHER INFORMATION ON THE SELLERS**

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of the Announcement, Seller A is a subsidiary of Ultrana, a privately owned shipping company headquartered in Chile, the ultimate beneficial owners of which are Dag Karl Albert von Appen Burose, Sylvia Katarina von Appen Burose, Birgit Irma von Appen Burose and Per Albert Karl von Appen Burose who together owned over 78% of shareholdings in Ultrana. As stated in the Announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Sellers, together with their respective ultimate beneficial owners, are not connected persons (as defined in the Listing Rules) of the Company and are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

Save as disclosed above, all other information and contents set out in the Announcement remain unchanged and shall continue to be valid for all purposes. This supplemental announcement is supplemental to and should be read in conjunction with the Announcement.

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

Hong Kong, 20 January 2023

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

*Executive Directors: David Muir Turnbull, Martin Fruergaard and Peter Schulz*

*Independent non-executive Directors: Robert Charles Nicholson, Irene Waage Basili, Stanley Hutter Ryan, Kirsi Kyllikki Tikka and John Mackay McCulloch Williamson*

*Non-executive Director: Alexander Howarth Yat Kay Cheung*