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Pacific Basin Shipping Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 2343)

GRANT OF SHARE AWARDS

This announcement is made by the Company pursuant to Rule 17.06A of the Listing Rules.

On 2 August 2023, the Company has granted Awards involving a total of 17,741,000 Awarded Shares, representing approximately 0.34% of the issued share capital of the Company as at the date of grant, to Eligible Participants under the 2023 Share Award Scheme. The grant of the Awards was satisfied by (i) utilising the 1,011,000 forfeited Shares then held by the Trustee; and (ii) purchasing 16,730,000 Shares by the Company through the Trustee on the secondary market at the market trading price pursuant to the Scheme Rules.

Details of the grant of Awards are set out below:

Grantees	Number of Awarded Shares granted (Notes 1 & 2)	Vesting period from the date of grant to
Executive Director and Chief Executive Officer Martin Fruergaard	1,637,000	14 July 2026
Senior Management – Chief Financial Officer Michael Jorgensen	1,758,000	879,000 Awarded Shares – 2 August 2024 879,000 Awarded Shares – 14 July 2025
Other Employees	14,346,000	155,000 Awarded Shares – 14 July 2024 155,000 Awarded Shares – 14 July 2025 14,036,000 Awarded Shares – 14 July 2026 (Note 3)
Total	17,741,000	

(1) There was no exercise period for any Awards. Grantees were not required to make payment upon acceptance of the Awards.

(2) The market price of the Shares on the date of grant was HK\$2.2 per Share.

(3) Subsequent to the date of grant, 67,000 Awards were vested following the retirement of one employee.

All the grantees above were Employee Participants. Save as disclosed above, none of the Grantees was (i) a Director, chief executive or substantial shareholder of the Company, or an associate (as defined under the Listing Rules) of any of them; or (ii) a participant with awards granted or to be granted exceeding the 1% individual limit under the Listing Rules.

Listing Rules implications

At the time of the grant of Awards, among the Grantees, Mr. Martin Fruergaard (“**Mr. Fruergaard**”) was an executive Director. Therefore, Mr. Fruergaard was a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the grant of the Awarded Shares to such Director constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. However, no new Shares will be allotted and issued upon vesting and settlement of such Awarded Shares granted to Mr. Fruergaard. Since the Awarded Shares were granted to Mr. Fruergaard pursuant to his service contract with the Company, which forms part of his remuneration package under his service contract, such grant of Awarded Shares will be exempted from the reporting, announcement and independent shareholders’ approval requirements under Rule 14A.73(6) and Rule 14A.95 of the Listing Rules.

Performance targets

The Awards were granted under the 2023 Share Award Scheme without performance target attached. In view that (i) the Grantees were Employee Participants and the primary purpose of the 2023 Share Award Scheme is to serve as retention incentives and rewards for the employees’ contribution and dedication to the Group and to align the interests of the Grantees generally with those of the Shareholders; and (ii) the Awards granted are subject to certain vesting conditions in accordance with the Scheme Rules, which already cover situations where the Awards will lapse, the Remuneration Committee considers that such mechanism is appropriate and aligns with the purpose of the 2023 Share Award Scheme.

Clawback mechanism

The unvested portion of any Award shall lapse on the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of his employment for serious misconduct, or has become insolvent or has been convicted of any criminal offence involving his integrity.

Immediately after the grant of Awards, the total number of Shares available for further grant under the 2023 Share Award Scheme was 87,535,461 Shares.

DEFINITIONS

In this announcement, the following expressions have the following meanings:

“2023 Share Award Scheme”	the share award scheme adopted by the Company on 31 July 2023;
“Award(s)”	the restricted share award(s) or the restricted unit award(s) (or a combination of these);
“Awarded Share(s)”	in respect of a Grantee, such number of Shares determined by the Board and granted by the Company to the Grantee pursuant to the 2023 Share Award Scheme;
“Board”	the board of Directors;
“Company”	Pacific Basin Shipping Limited, an exempted company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange;
“Director(s)”	director(s) of the Company;
“Eligible Participant”	any (a) Employee Participant, or (b) Related Entity Participant;

“Employee Participant”	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, but, for the avoidance of doubts, excludes non-executive Directors and independent non-executive Directors of the Company irrespective of whether they have entered into an employment contract with any member of the Group;
“Grantee”	any Eligible Participant who accepts an offer in accordance with the terms of the 2023 Share Award Scheme or (where the context so permits) the personal representatives of such Eligible Participant;
“Group”	the Company and its subsidiaries;
“HK\$”	the Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
“Related Entity Participants”	any Director or employee of the associated companies of the Company;
“Remuneration Committee”	the remuneration committee of the Company;
“Scheme Rules”	the rules relating to the 2023 Share Award Scheme;
“Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Trustee”	the trustee appointed by the Company for the administration of the awards of the 2023 Share Award Scheme, which will hold the Shares on trust for the Grantees under the 2023 Share Award Scheme.

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

Hong Kong, 12 March 2024

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

Executive Director:
Martin Fruergaard

Independent Non-executive Directors:
Irene Waage Basili, Stanley Hutter Ryan, Kirsi Kyllikki Tikka, John Mackay McCulloch Williamson and Alexandre Frederic Akira Emery

Non-executive Directors:
Alexander Howarth Yat Kay Cheung and Mats Henrik Berglund