

(A) Profit Forecast

The forecast profit after taxation and minority interests but before extraordinary items of the Group for the year ending 31 December 2004 is set out in the section headed “Financial Information — Additional Information — Profit forecast for the financial year ending 31 December 2004”.

Bases and Assumptions

The Directors have prepared the forecast profit after taxation and minority interests but before extraordinary items of the Group for the year ending 31 December 2004 on the basis of the unaudited management accounts for the three months ended 31 March 2004 and a forecast profit for the remaining nine months ending 31 December 2004.

As described in detail in the Accountants’ Report in Appendix IA, the acquisitions of the Management Companies and the Vessel Companies by the Company took effect from 31 March 2004. The Group’s profit for the year ending 31 December 2004 will include the results of the Initial Companies for the full year ending 31 December 2004 and the results of both the Management Companies and the Vessel Companies for the period from 1 April 2004 to 31 December 2004, and will reflect the effect of the business combination taking place on 31 March 2004. The forecast has also been prepared on the basis of the accounting policies being consistent in all material respects with those adopted by the Company as set out in the Accountants’ Report, the text of which is set out in Appendix I, and on the following assumptions:

- There will be no material change in the existing political, legal (including changes in legislation, regulations or rules), fiscal or economic conditions in Hong Kong, or any of the countries in which the Group operates or in which the Group companies are incorporated or registered;
- There will be no material changes in the bases or rates of taxation or duties in Hong Kong or any of the countries in which the Group operates or in which the Group companies are incorporated or registered;
- There will be no government action or industrial disputes for reasons that are beyond the control of the directors which will materially affect the operations and results of the Group; and
- There will be no material adverse changes in interest rates or foreign currency exchanges rates from those currently prevailing.

(B) Letters

Set out below are the texts of the letters received by our Directors from our reporting accountants, PricewaterhouseCoopers, and from the Sponsor in connection with the forecast for the year ending 31 December 2004.

1. Letter from PricewaterhouseCoopers

PRICEWATERHOUSECOOPERS 

羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

The Directors
Pacific Basin Shipping Limited
Goldman Sachs (Asia) L.L.C.

30 June 2004

Dear Sirs,

We have reviewed the accounting policies and calculations adopted in arriving at the forecast of the consolidated profit after taxation and minority interests but before extraordinary items of Pacific Basin Shipping Limited (the "Company") and its subsidiaries (the "Group") for the year ending 31 December 2004 (the "Profit Forecast") as set out in the subsection headed "Profit forecast for the financial year ending 31 December 2004" in the section headed "Financial Information — Additional Information" in the prospectus of the Company dated 30 June 2004 (the "Prospectus").

We conducted our work in accordance with the Auditing Guideline 3.341 on "Accountants' report on profit forecasts" issued by the Hong Kong Society of Accountants.

The Profit Forecast, for which the Directors of the Company are solely responsible, has been prepared by them on the basis set out in section A of Appendix III of the Prospectus.

In our opinion, the Profit Forecast, so far as the accounting policies and calculations are concerned, has been properly compiled in accordance with the bases and assumptions made by the Directors of the Company as set out on page III-1 of the Prospectus, and is presented on a basis consistent in all material respects with the accounting policies presently adopted by the Group as set out in our accountants' report on Pacific Basin Shipping Limited dated 30 June 2004, the text of which is set out in Appendix IA of the Prospectus.

Yours faithfully,

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

2. Letter from Sponsor

Goldman Sachs (Asia) L.L.C. (a Delaware, USA limited liability company)
68th Floor | Cheung Kong Center | 2 Queen's Road Central | Hong Kong
Tel: (852) 2978-1000 | Fax: (852) 2978-0440



30 June 2004

The Directors
Pacific Basin Shipping Limited
6th Floor, Tai Yau Building
181 Johnston Road
Wanchai
Hong Kong

Dear Sirs

We refer to the profit forecast after taxation and minority interests but before extraordinary items of Pacific Basin Shipping Limited (the "Company") and its subsidiaries (the "Group") for the year ending 31 December 2004 (the "Forecast") as set out in the section headed "Financial Information — Additional Information — Profit Forecast for the Financial Year Ending 31 December 2004" in the prospectus of the Company dated 30 June 2004 (the "Prospectus").

We have discussed with you the bases and assumptions made by the Directors of the Company as set out in Section A of Appendix III to the Prospectus, upon which the Forecast has been made. We have also considered the letter dated 30 June 2004 addressed to yourselves and ourselves from PricewaterhouseCoopers regarding the accounting policies and calculations upon which the Forecast has been made.

On the basis of the information comprising the Forecast, and on the bases of the accounting policies and calculations adopted by you and reviewed by PricewaterhouseCoopers, we are of the opinion that the Forecast, for which you as Directors of the Company are solely responsible, has been made after due and careful enquiry.

Yours faithfully,

For and on behalf of
Goldman Sachs (Asia) L.L.C.
Ronald S. Lee
Managing Director