

KDM SHIPPING PUBLIC LIMITED ("the Company")

Notice of Annual General Meeting of the Company

Notice is hereby given that the Annual General Meeting of the Company will be held at conference room "Boardroom" of Hyatt Regency Kiev at 5, Alla Tarasova Street, 01001, Kiev, Ukraine at 10 a.m. (EEST) on 16 November 2016.

The agenda for the Annual General Meeting, containing proposals made by the Board of Directors of the Company is as follows:

1. Opening of the General Meeting.
2. To consider and approve the Directors' report and the consolidated audited financial statements of the Company for the year ended 31 December 2015.
3. To consider and approve the re-election of the following members of the Board of Directors:
 - (i) Mr. Kostiantyn Molodkovets; and
 - (ii) Mr. Denys Molodkovets.
4. To consider and approve the Board of Directors' Remuneration Report and fix the remuneration of the members of the Board of Directors for the new one-year mandate, which shall terminate on the date of the annual general meeting of shareholders to be held in 2017. The Remuneration Report is attached to this notice.
5. To consider and approve the reappointment of KPMG Limited as the independent auditors of the Company in Cyprus and to authorize the Board of Directors of the Company to fix the remuneration of KPMG Limited.
6. To consider, approve and ratify the recommendation of the Board of Directors that dividends for the year ended 31 December 2015 will not be paid and that the profit for the respective year is retained.
7. Any other business (for discussion).
8. Closing of the Annual General Meeting.

24 October 2016.

By order of the Board

DENYS MOLODKOVETS
Director of the Company



NOTES TO THE NOTICE OF THE ANNUAL GENERAL MEETING:

ENTITLEMENT TO PARTICIPATE IN THE ANNUAL GENERAL MEETING

- (1) Any person who is a shareholder of the Company on the Record Date (as defined below) is entitled to participate in the Annual General Meeting. Each ordinary share is entitled to one vote.
- (2) The Record Date for determining the right to vote at the Annual General Meeting has been fixed as the close of business on 11 November 2016. Transactions which will be settled after the Record Date will not be considered in determining the right to vote at the Annual General Meeting. According to the relevant Cypriot law provisions the record date should be fixed on the day falling not earlier than 2 business days prior to the general meeting. Therefore, the Record Date for determining the right to vote at the Annual General Meeting has been fixed as the close of business on 11 November 2016. Transactions which will be settled after the Record Date will not be considered in determining the right to vote at the Annual General Meeting.
- (3) Any shareholder wishing to participate in the Annual General Meeting should deliver to the Company a depositary certificate or a scan of the depositary certificate issued by a custodian bank or investment firm who maintains the securities account for such shareholder and on which the Company's shares held by such shareholder are registered. The depositary certificate should confirm the number of Company's shares held by the shareholder as at the close of business on the Record Date. The depositary certificate or scan of the depositary certificate should be delivered to the Company **not later than 5 pm EEST/4 pm CEST 15 November 2016. In practice it means that shareholders of the Company have time starting from 12 November 2016 till 5 pm EEST/4 pm CEST 15 November 2016 to ask for depositary certificates and send the scans to the Company and the only feasible way to do it is via email or via fax.** The depositary certificate or scan of the depositary certificate delivered to the Company as provided in this point is the sole and conclusive evidence of the right to participate in the Annual General Meeting. Depositary certificates or scans of the depositary certificates delivered after the deadline indicated above will not entitle the shareholder to participate in the Annual General Meeting. The shareholders are advised to contact their investment firm or custodian bank to receive information on formal requirements of, and documents to be submitted to, such investment firm or the custodian bank for the purpose of issuing the depositary certificate.
- (4) Shareholders and/or their proxies who will attend the Annual General Meeting are requested to carry with them their identity card or other proof of identification in order to register on the Annual General Meeting. Shareholders who are corporations are requested to carry a copy of a document confirming authorization of individuals acting on behalf of the corporation.

ATTENDING THE ANNUAL GENERAL MEETING THROUGH PROXIES

- (5) A shareholder is entitled to appoint a proxy to attend and vote on his behalf. Shareholder may appoint any person as their proxy. Such proxy need not be a shareholder of the Company. A shareholder who on the Record Date owned shares in the Company that are registered in more than one securities account may, in respect of the Annual General Meeting, appoint separate proxy holders to exercise its rights under the shares registered in each of the accounts. A proxy holder holding proxies from several shareholders may cast votes differently for each shareholder. Shareholders who appoint a person as a proxy to vote on

their behalf, but wish to specify how their votes be cast, should tick the relevant boxes on the Form of Proxy.

- (6) Any company which is a shareholder of the Company on the Record Date may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the Annual General Meeting, and the person so authorised shall be entitled to exercise the same powers on behalf of the company which he represents as that company could exercise if it were an individual shareholder of the Company.
- (7) The instrument appointing a proxy, which is enclosed and has been posted on the Company's website www.kdmshipping.com, must be delivered to the Company **not later than 5 pm EEST/4 pm CEST 15 November 2016**. In addition, the proxy should present the instrument appointing a proxy in original at the Annual General Meeting.
- (8) If such appointer is a company, the instrument appointing a proxy must bear the name of the company, and be signed by its duly authorised officer/s.
- (9) Each shareholder may cancel a proxy by delivering to the Company a document expressly cancelling the proxy. Such cancellation will be effective if the document is delivered to the Company not later than 6 hours before the time of the Annual General Meeting. The document cancelling the proxy must comply with formalities required of the instrument appointing the proxy. In addition, each shareholder may cancel the proxy in person at the Annual General Meeting.
- (10) The Articles of the Company do not provide for participation in the General Meeting by electronic means without the Shareholder attending the Meeting in person at the place where the Meeting is held. Similarly, the Articles do not provide for participation in voting by distance voting.

VOTING PROCEDURES AT THE ANNUAL GENERAL MEETING

- (11) A resolution put to the vote of the Annual General Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:
 - (a) by the Chairman, or
 - (b) by at least three shareholders present in person or by proxy, or
 - (c) by any shareholder or shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting, or
 - (d) by a shareholder or shareholders 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 the shares conferring that right.
- (12) If a poll is duly demanded, it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.
- (13) An ordinary resolution is a resolution passed at a general meeting by a simple majority of members of the Company entitled to vote at the meeting who are present in person or by proxy.

- (14) A resolution by a Company shall be a special resolution passed at a general meeting by majority of not less than three-fourths of the number of members of the Company entitled to vote at the meeting who are present in person or by proxy, for which relevant notice has been given pursuant to Article 135 of the Companies Law, Cap 113 specifying the intention to propose the resolution as a special resolution.

MINORITY RIGHTS AT THE ANNUAL GENERAL MEETING

- (15) Pursuant to article 127B of Companies Law Cap 113, shareholders of the Company have the right to table a draft resolution for inclusion in the agenda of a general meeting provided that:
- (a) the shareholder or group of shareholders hold at least 5% of the issued share capital of the Company, representing at least 5% of the voting rights of shareholders entitled to vote at the meeting for which an item has been added on the agenda, and
 - (b) the shareholders' request to put an item on the agenda or resolution (as described above) is received by the Company's registered office at least 42 days prior to the meeting. Due to the fact that this term already lapsed and that Company is listed on the Warsaw Stock Exchange, by way of exception from this regulation, the Company will accept shareholders' request to put an item on the agenda or resolution if the Company receive such request no later than 01 November 2016.
- (16) Pursuant to section 128C of the Companies Law Cap. 113, shareholders have a right to ask questions related to items on the agenda and to have such questions answered by the Board of Directors of the Company subject to any reasonable measures the Company may take to ensure the identification of shareholders. An answer is not required if (a) it would interfere unduly with preparation for the meeting or the confidentiality or business interests of the Company or (b) an answer has already been given on the Company's website in the form of a "Q&A" or (c) the Chairman deems that it is undesirable in the interests of good order of the meeting that the question be answered.

Before the Annual General Meeting, shareholders may submit questions to the Company in writing, together with evidence of their shareholding, at least four business days before the meeting (i.e. by 10 November 2016).

LANGUAGES

- (17) The Annual General Meeting will be conducted in English and the resolutions will be adopted in English.
- (18) Any documents delivered or presented to the Company in connection with or at the Annual General Meeting (including the depository certificates) should be in English or should be accompanied by a certified translation into English.

SHARE CAPITAL AND VOTING RIGHTS

- (19) As at 24 October 2016, the outstanding issued share capital of the Company is EURO 92,960.00 divided into 9,296,000 shares of nominal value of EURO 0.01 each. The total number of voting rights in the Company is 9,296,000.

AVAILABLE DOCUMENTS

- (20) The notice to the Annual General Meeting with the Form of Proxy and the consolidated audited financial statements for the years ended 31 December 2015, shall be made available in electronic form on the website of the Company www.kdmshipping.com and in hard copy at the Company's registered office.

CONTACT DETAILS

- (21) Any documents to be delivered by the Shareholders to the Company in connection with the Annual General Meeting, and in particular:
- depositary certificates;
 - scans of the depositary certificates;
 - instruments appointing proxies;
 - draft resolutions for inclusion in the agenda of the Annual General Meeting;
 - questions;

should be delivered:

- (a) in hard copy by mail, courier or in person to the Company at 5/24 Irininskaya street, office 97B, 01001, Kiev, Ukraine, Attention: Ms. Kateryna Badiaieva and at the Company's registered office at 3 Michail Koutsofta street, 3031 Limassol, Cyprus; or
- (b) by fax to +380 44 569 47 16, Attention: Ms. Kateryna Badiaieva; or
- (c) electronically by an e-mail message with the document attached in PDF format to the following email address: K.Badiaieva@kdmshipping.com

INQUIRIES

- (22) Any questions or inquiries regarding the procedure to participate in the Annual General Meeting should be addressed to Ms. Kateryna Badiaieva at K.Badiaieva@kdmshipping.com. The Company will strive to respond to all questions and inquiries as soon as practicable.

Legal grounds: art. 56 Section 1 and 6 of the Polish Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies of July 29th 2005 in conjunction with Cyprus Companies Law Cap.113 (as amended).

KDM SHIPPING PUBLIC LIMITED (the "Company")

**REPORT OF THE REMUNERATION COMMITTEE OF THE COMPANY DATED 24
October 2016, PASSED IN ACCORDANCE WITH THE COMPANY'S ARTICLES OF
ASSOCIATION**

REMUNERATION COMMITTEE: Mr. Denys Molodkovets

Mr. Kostiantyn Molodkovets (Chairman of the
Committee)

The Remuneration Committee presents its report of KDM Shipping Public Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2015.

Principal activities

The principal activities of the Company are the cargo freight, ship repair, passenger transportation and trading in grain, corn, oil and barley.

Review of remuneration of the key management personnel

For the years ended 31 December 2015 compensations for key management personnel and related expenses were presented as follows:

	For the year ended 31 December, 2015
	<i>(in USD thousand)</i>
Salaries	56
Contributions to pension funds	11
Total	67

The number of key management personnel for the year ended 31 December 2015 was 21 employees.

Recommendation of remuneration of the key management personnel

Having considered the results of the Group for the year ended 31 December 2015, the Remuneration Committee hereby recommends to fix the remuneration of the members of the Board of Directors as follows:

- (i) Mr. Kostiantyn Molodkovets - USD 15,000 per year;
- (ii) Mr. Denys Molodkovets - USD 13,000 per year.

Remuneration Committee:

Mr. Denys Molodkovets

Mr. Kostiantyn Molodkovets (Chairman of the Committee)

DRAFT RESOLUTIONS WHICH WILL BE PROPOSED AT ANNUAL GENERAL MEETING OF KDM SHIPPING PUBLIC LIMITED (THE "COMPANY") TO BE HELD ON 16 NOVEMBER 2016

ORDINARY RESOLUTIONS

RESOLUTION No. 1

After consideration of the consolidated audited financial statements of the Company for the year ended 31 December 2015, the reports of the directors and the auditors for the same period, the shareholders hereby accept and approve the consolidated audited financial statements of the Company for the year ended 31 December 2015.

RESOLUTION No. 2

That Mr. Kostiantyn Molodkovets be and is hereby re-elected as the Director of the Company.

RESOLUTION No. 3

That Mr. Denys Molodkovets be and is hereby re-elected as the Director of the Company.

RESOLUTION No. 4

Having considered the Remuneration Report of the Board of Directors, the shareholders hereby resolve to fix the remuneration of the members of the Board of Directors for the new one-year mandate, which shall terminate on the date of the annual general meeting of shareholders to be held in 2017 as follows:

- (i) Mr. Kostiantyn Molodkovets - USD 15,000 per year; and
- (ii) Mr. Denys Molodkovets - USD 13,000 per year.

RESOLUTION No. 5

That the reappointment of KPMG Limited as the independent auditors of the Company in Cyprus be and is hereby approved and the Board of Directors be and is hereby authorized to fix remuneration of KPMG Limited.

RESOLUTION No. 6

That the recommendations of the Board of Directors that dividends for the year ended 31 December 2015 will not be paid and that the profit for the respective year is retained be and is hereby ratified.

KDM SHIPPING PUBLIC LIMITED

(the "Company")

FORM OF PROXY FOR ANNUAL GENERAL MEETING

I/We, of, with I.D. No./Registration Number/Passport Number, being shareholder/s of KDM SHIPPING PUBLIC LIMITED (the "Company") as of the Record Date as indicated in the Notice of the Annual General Meeting of the Company, eligible to vote from(insert total number) ordinary shares of the Company, hereby appoint the Chairman of the Meeting *or instead of him/her* (see note 1 below) Mr./Ms. with I.D. No./ Passport Number fromas my/our proxy to represent me/us at the Annual General Meeting of the Company to be held at conference room "Boardroom" of Hyatt Regency Kiev at 5 Alla Tarasova street, 01001, Kiev, Ukraine at 10 a.m. (EEST) on 16 November 2016 and at any adjournment of the meeting. The proxy is authorized to participate on my/our behalf at the Annual General Meeting of the Company, to sign the list of attendance and to vote on my/our behalf (insert number of shares) shares *or* all shares* as follows:

* *delete as appropriate*

	FOR	AGAINST	ABSTAIN	COMMENTS
1. To consider and approve the consolidated audited financial statements of the Company for the year ended 31 December 2015, the reports of the directors and the auditors for the same periods.				
2. To consider and approve the re-election of Mr. Kostiantyn Molodkovets as the Director of the Company.				
3. To consider and approve the re-election of Mr. Denys Molodkovets as the Director of the Company.				
4. To consider and approve the Remuneration Report of the Board and to fix the remuneration of the members of the Board of Directors for the new one-year mandate, which shall terminate on the date of the annual general meeting of shareholders to be held in 2017 as follows as follows: (i) Mr. Kostiantyn Molodkovets - USD 15,000 per year; and (ii) Mr. Denys Molodkovets - USD 13,000 per year.				
5. To consider and approve the reappointment of KPMG Limited as the independent auditors of the Company and to authorise the Board of Directors to fix the remuneration of KPMG Limited.				
6. To consider, approve and ratify the recommendations of the Board of Directors that dividends for the year ended 31 December 2015 will not be paid and that the profit for the respective year is retained.				
7. Any other business.				

Date:2016

Signature(s):

Communication details of shareholder

Tel..... Fax.....

Communication details of proxy

Tel..... Fax.....

Notes:

1. **Every member has the right to appoint some other person or company of their choice, who need not be a member, to attend and act on their behalf at the meeting.** If you wish to appoint a person other than the Chairman of the Meeting then insert his/her name and delete the words "the Chairman of the Meeting or instead of him".
2. Please insert an 'X' in either the 'FOR' or 'AGAINST' or "ABSTAIN" box. If both boxes are left blank the proxy will vote or abstain as he/she thinks fit.
3. Please insert any comments, instructions or filling of objection to proxy in "COMMENTS" box.
4. Please insert number of shares next to "X" if you would like to split your vote or vote only from limited number of shares.
5. In the case of a corporation, the form of proxy should be completed under its common seal or under the hand of an officer, attorney or other person duly authorised.
6. A proxy need not also be a member of the Company.
7. This form of proxy shall be deemed to confer authority on the proxy to vote as he or she thinks fit on any amendment of a resolution put to the meeting. To be valid, this form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be delivered:

(a) in hard copy by mail, courier or in person to the Company at 5/24 Irininskaya street, office 97B, 01001, Kiev, Ukraine, Attention: Ms. Kateryna Badiaieva and at the Company's registered office at 3 Michail Koutsofta street, 3031 Limassol, Cyprus; or

(b) by fax to +380 44 569 47 16, Attention: Ms. Kateryna Badiaieva; or

(c) electronically by an e-mail message with the document attached in PDF format to the following email address: K.Badiaieva@kdmshipping.com;

not later than 5 pm EEST/4 pm CEST 15 November 2016.

In addition, the proxy should present the instrument appoint a proxy in original at the Annual General Meeting.

8. This form of proxy confers discretionary authority in respect of amendments to matters identified in the notice of meeting or other matters that may come before the meeting.

The return of this form of proxy will not prevent a member from attending the meeting and voting in person if he/she so wishes.