

## OTHER INFORMATION

**Directors' and Chief Executive's Interest and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporation**

At 30 June 2005, the interests and short positions of each Director and the Chief Executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which: (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, or (b) were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO, were as follows:

Name of Director	Corporate interests	Personal interests	Family interests	Trust & similar interests	Number of underlying shares under equity derivatives (share options)	Total share interests	Approximate percentage of issued share capital of the Company
Christopher R. Buttery	–	–	–	4,782,623 <sup>3</sup>	4,800,000 <sup>1</sup>	9,582,623	0.76%
Richard M. Hext	–	3,333,333 <sup>2</sup>	–	–	5,000,000 <sup>2</sup>	8,333,333	0.66%
Mark M. Harris	–	–	–	–	4,800,000 <sup>1</sup>	4,800,000	0.38%
Paul C. Over	–	–	–	4,782,623 <sup>4</sup>	4,800,000 <sup>1</sup>	9,582,623	0.76%
Brian P. Friedman	95,645,757 <sup>5</sup>	–	–	–	–	95,645,757	7.55%
Simon K.Y. Lee	–	–	–	53,208,927 <sup>6</sup>	–	53,208,927	4.20%

*Notes:*

- (1) On 14 July 2004, each of Mr. Buttery, Mr. Harris and Mr. Over were granted options to subscribe for 4,800,000 shares pursuant to the Long Term Incentive Scheme. The subscription price is HK\$2.50 per share. In relation to each grant of 4,800,000 share options, 1,600,000 share options are exercisable from 14 July 2005 to 14 July 2014, another 1,600,000 share options are exercisable from 14 July 2006 to 14 July 2014 and the remaining 1,600,000 share options are exercisable from 14 July 2007 to 14 July 2014.

- (2) On 5 April 2005, Mr. Hext joined the Company as an Executive Director and he was granted 5,000,000 share options pursuant to the Long Term Incentive Scheme on this date. The subscription price is HK\$3.875 per share. 1,000,000 share options are exercisable for each of the following periods: (i) from 5 April 2006 to 14 July 2014, (ii) from 5 April 2007 to 14 July 2014, (iii) from 5 April 2008 to 14 July 2014, (iv) from 5 April 2009 to 14 July 2014, and (v) from 5 April 2010 to 14 July 2014.

On 8 June 2005, 3,333,333 shares in the form of restricted share awards were granted to Mr. Hext pursuant to the Long Term Incentive Scheme. 666,667 shares will vest on 5 April 2006, 666,667 shares will vest on 5 April 2007, 666,667 shares will vest on 5 April 2008, 666,666 shares will vest on 5 April 2009 and 666,666 shares will vest on 5 April 2010.

- (3) 4,782,623 shares are beneficially owned by Plymouth Shipping Investments Limited, which is wholly owned by Turnwell Limited and Ansleigh Limited in equal shares. Mr. Buttery is deemed to be interested in the entire share capital of Turnwell Limited under the SFO as its shares are held by a discretionary trust set up by him and the discretionary objects of which include himself and his family members.
- (4) 4,782,623 shares are beneficially owned by Plymouth Shipping Investments Limited, which is wholly owned by Turnwell Limited and Ansleigh Limited in equal shares. Mr. Over is deemed to be interested in the entire share capital of Ansleigh Limited under the SFO as its shares are held by a discretionary trust set up by him and the discretionary objects of which include himself and his family members.
- (5) Mr. Friedman is a managing member of FS Private Investments LLC, which is the manager of each of Furman Selz Investors II L.P., FS Employee Investors LLC and FS Parallel Fund L.P., being the members of IDB Carriers (BVI) Limited. Under these arrangements, Mr. Friedman is entitled, as a managing member of FS Private Investments LLC, to exercise or control the exercise of rights conferred by the holding of all the shares in IDB Carriers (BVI) Limited. Accordingly, Mr. Friedman is taken to be interested in the 95,645,757 shares held by IDB Carriers (BVI) Limited.
- (6) 9,394,930 shares, 1,059,725 shares, 22,335,373 shares, 13,141,899 shares, 2,277,000 shares and 5,000,000 shares are beneficially owned by Asia Distribution Limited, Firelight Investments Limited, Eagle Pacific International Limited, Eagle Sky Investments Limited, Wellex Investment Limited and Fortress Eagle Investment Limited, respectively. These companies are controlled by discretionary trusts established by Mr. Lee, the discretionary objects of which include his family members.

Save as disclosed above, at no time during the Period 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 corporation.

## Long Term Incentive Scheme

Details of the grant of long term incentives and a summary of the movements of the outstanding incentives during the six months ended 30 June 2005 under the Long Term Incentive Scheme are as follows:

### (a) Share options

	Date of grant	Exercise price per share (HK\$)	Number of share options		
			As at 1 January 2005	Granted	As at 30 June 2005
Christopher R. Buttery	14 July 2004	2.50	4,800,000 <sup>1</sup>	–	4,800,000
Richard M. Hext	5 April 2005	3.875	–	5,000,000 <sup>2</sup>	5,000,000
Mark M. Harris	14 July 2004	2.50	4,800,000 <sup>1</sup>	–	4,800,000
Paul C. Over	14 July 2004	2.50	4,800,000 <sup>1</sup>	–	4,800,000
Senior management	14 July 2004	2.50	21,600,000 <sup>1</sup>	–	21,600,000
Other employees	14 July 2004	2.50	19,500,000 <sup>1</sup>	–	19,500,000
			<u>55,500,000</u>	<u>5,000,000</u>	<u>60,500,000</u>

Notes:

- (1) The share options granted on 14 July 2004 vest over three years. One-third of the options may be exercised one year after the date of grant, one-third two years after the date of grant and one-third three years after the date of grant. All options will expire on 14 July 2014.
- (2) 1,000,000 share options are exercisable in each of the following periods: (i) from 5 April 2006 to 14 July 2014, (ii) from 5 April 2007 to 14 July 2014, (iii) from 5 April 2008 to 14 July 2014, (iv) from 5 April 2009 to 14 July 2014, and (v) from 5 April 2010 to 14 July 2014. The closing price of the shares of the Company immediately before the 5,000,000 options granted on 5 April 2005 was HK\$3.855.
- (3) No share options were cancelled or exercised under the Long Term Incentive Scheme during the Period under review.

**(b) Restricted share awards**

	Date of grant	Exercise price per share (HK\$)	Number of restricted share awards		
			As at 1 January 2005	Granted	As at 30 June 2005
Richard M. Hext	8 June 2005	N/A	–	3,333,333 <sup>1</sup>	3,333,333
Senior management	8 June 2005	N/A	–	533,333 <sup>2</sup>	533,333
Other employees	8 June 2005	N/A	–	933,333 <sup>2</sup>	933,333
			–	4,799,999	4,799,999

Notes:

- (1) 666,667 shares will vest on 5 April 2006, 666,667 shares will vest on 5 April 2007, 666,667 shares will vest on 5 April 2008, 666,666 shares will vest on 5 April 2009 and 666,666 shares will vest on 5 April 2010.
- (2) The shares will vest in equal amounts on 30 November 2005, 2006 and 2007.
- (3) The closing price of the shares of the Company immediately before the 4,799,999 restricted share awards granted on 8 June 2005 was HK\$3.60.

### Substantial Shareholders' Interests and Short Positions in the Shares, Underlying Shares of the Company

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 30 June 2005, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and Chief Executive.

Name of shareholder	Capacity/Nature of interest		Number of shares	Approximate percentage of issued share capital
Dry Bulk Shipping (BVI) Limited	Beneficial owner	Long Positions	114,774,692	9.10%
		Short Positions	–	–
IDB Carriers (BVI) Limited	Beneficial owner	Long Positions	95,645,757	7.55%
		Short Positions	–	–
Nassau Capital Real Estate Partners III L.P. <sup>(1)</sup>	Interest of a controlled corporation	Long Positions	114,774,692	9.10%
		Short Positions	–	–
Furman Selz Investors II L.P. <sup>(2)</sup>	Interest of a controlled corporation	Long Positions	95,645,757	7.55%
		Short Positions	–	–
FS Private Investments LLC <sup>(2)</sup>	Interest of a controlled corporation	Long Positions	95,645,757	7.55%
		Short Positions	–	–
James L. Luikart <sup>(3)</sup>	Interest of a controlled corporation	Long Positions	95,645,757	7.55%
		Short Positions	–	–
Pembroke Shipping Limited	Beneficial owner	Long Positions	149,219,597	11.78%
		Short Positions	–	–
J.P. Morgan Chase & Co. <sup>(4)</sup>	Investment manager and approved lending agent	Long Positions	111,940,303	8.83%
		Short Positions	–	–

*Notes:*

1. Nassau Capital Real Estate Partners III L.P. is interested in approximately 40% of the registered capital of Dry Bulk Shipping (BVI) Limited and is deemed or taken to be interested in these shares (which are beneficially owned by and attributable to Dry Bulk Shipping (BVI) Limited respectively) for the purposes of the SFO.
2. Furman Selz Investors II L.P. is interested in approximately 88.2% of the registered capital of IDB Carriers (BVI) Limited, and FS Private Investments LLC is the manager of Furman Selz Investors II L.P. with power to control the exercise of voting rights attached to these shares. Therefore, Furman Selz Investors II L.P. and FS Private Investments LLC are deemed or taken to be interested in these shares (which are beneficially owned by and attributable to IDB Carriers (BVI) Limited respectively) for the purposes of the SFO. FS Private Investments LLC does business under the name of Jefferies Capital Partners.
3. Mr. Luikart is a managing member of FS Private Investments LLC, which is the manager of each of Furman Selz Investors II L.P., FS Employee Investors LLC and FS Parallel Fund L.P., being the members of IDB Carriers (BVI) Limited. Under these arrangements, Mr. Luikart is entitled, as a managing member of FS Private Investments LLC, to exercise or control the exercise of rights conferred by the holding of all the shares in IDB Carriers (BVI) Limited. Accordingly, Mr. Luikart is taken to be interested in these shares (which are beneficially owned by and attributable to IDB Carriers (BVI) Limited respectively) for the purposes of the SFO.
4. The shares held by J.P. Morgan Chase & Co. are held in the capacities as investment manager (relating to 105,551,303 shares) and custodian corporation/approved lending agent (relating to 6,389,000 shares).

**Purchase, Sale and Redemption of Shares**

During the reporting period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

**Interim Report and Disclosure of Information on Stock Exchange's Website**

The announcement of interim results containing all the information required by paragraphs 46(1) to 46(9) of Appendix 16 of the Listing Rules will be published on the Stock Exchange's website at [www.hkex.com.hk](http://www.hkex.com.hk) and on the Company's website at [www.pacbasin.com](http://www.pacbasin.com).

This Interim Report will be circulated to shareholders by 30 September 2005. An electronic copy of the Interim Report will also be available on the Company's website at [www.pacbasin.com](http://www.pacbasin.com) from the date when the printed copy is dispatched to shareholders.

This Interim Report has been reviewed by the Audit Committee of the Company, and by our auditors, PricewaterhouseCoopers, in accordance with the Statement of Auditing Standards 700 issued by the HKICPA.

### **Closure of Register of Members**

The register of members will be closed from 22 September 2005 to 23 September 2005 (both days inclusive) during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on 21 September 2005.

### **Directors**

As at the date of this report, the Executive Directors of the Company are Christopher R. Buttery, Richard M. Hext, Mark M. Harris and Paul C. Over, the Non-Executive Directors of the Company are Simon K.Y. Lee and Brian P. Friedman, and the Independent Non-Executive Directors of the Company are Robert C. Nicholson, Patrick B. Paul and The Earl of Cromer.