

## 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 2006, 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 (b) were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO, or (c) were required pursuant to the Model Code 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	-	5,626,612	-	18,386,905 <sup>3</sup>	3,200,000 <sup>1</sup>	27,213,517	2.11%
Richard M. Hext	-	4,353,741 <sup>2</sup>	-	-	-	4,353,741	0.34%
Paul C. Over	-	-	-	23,535,041 <sup>4</sup>	3,200,000 <sup>1</sup>	26,735,041	2.08%
Lee Kwok Yin, Simon	-	-	-	75,620,220 <sup>5</sup>	-	75,620,220	5.87%
Patrick B. Paul	-	20,000	-	-	-	20,000	0.002%
Daniel R. Bradshaw	869,417 <sup>6</sup>	-	-	-	-	869,417	0.068%

*Notes:*

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

Each of Mr. Buttery and Mr. Over has exercised their options to subscribe for 1,600,000 Shares in September 2005 at the price of HK\$2.50 per Share.

- (2) On 8 June 2005, 3,333,333 Shares in the form of restricted share awards were granted to Mr. Hext pursuant to the LTIS. In relation to the 3,333,333 restricted share awards, (i) 666,667 Shares have vested on 5 April 2006, (ii) 666,667 Shares will vest on 5 April 2007, (iii) 666,667 Shares will vest on 5 April 2008, (iv) 666,666 Shares will vest on 5 April 2009 and (v) 666,666 Shares will vest on 5 April 2010.

On 20 March 2006, the 5 million share options granted to Mr. Hext when he joined the Company as an executive Director on 5 April 2005 were cancelled and in their place he was granted 1,020,408 Shares in the form of restricted share awards, of which (i) 204,080 Shares have vested on 5 April 2006, (ii) 204,080 Shares will vest on 5 April 2007, (iii) 204,080 Shares will vest on 5 April 2008, (iv) 204,080 Shares will vest on 5 April 2009 and (v) 204,088 Shares will vest on 5 April 2010.

- (3) 18,386,905 Shares are owned by Turnwell Limited. 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) 23,535,041 Shares are owned by Ansleigh Limited. 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) 19,935,122 Shares, 1,059,725 Shares, 22,335,373 Shares, 14,720,500 Shares and 17,569,500 Shares are beneficially owned by Asia Distribution Limited, Firelight Investments Limited, Eagle Pacific International Limited, Wellex Investment Limited and Fortress Eagle Investment Limited respectively. These companies are controlled by discretionary trusts established by Dr. Lee, the discretionary objects of which include his family members.
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- (6) Mr. Bradshaw is a shareholder holding 100% and 50% of the issued share capital, respectively, in Cormorant Shipping Limited and Goldeneye Shipping Limited. He beneficially owns 353,241 Shares via Cormorant Shipping Limited and is taken to be interested in the 516,176 Shares held by Goldeneye Shipping Limited.

All the interests stated above represent long positions, no short positions were recorded in the register maintained by the Company under Section 352 of the SFO as at 30 June 2006.

Save as disclosed above, at no time during the period covered by this Interim Report 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 2006 under the LTIS are as follows:

### (a) Share options

			Number of share options		
		Exercise price per share (HK\$)	Held at 1 January 2006	Exercised or cancelled <sup>2</sup> during the period	Held at 30 June 2006
	Date of grant				
Executive Directors					
Christopher R. Buttery	14 July 2004	2.50	3,200,000 <sup>1</sup>	–	3,200,000
Richard M. Hext	5 April 2005	3.875	5,000,000	(5,000,000) <sup>2</sup>	–
Mark M. Harris	14 July 2004	2.50	3,200,000 <sup>1</sup>	(3,200,000) <sup>3</sup>	–
Paul C. Over	14 July 2004	2.50	3,200,000 <sup>1</sup>	–	3,200,000
			14,600,000	(8,200,000)	6,400,000
Senior Management					
	14 July 2004	2.50	6,100,000 <sup>1</sup>	(1,100,000)	5,000,000
Key Staff					
	14 July 2004	2.50	6,920,000 <sup>1</sup>	–	6,920,000
Other Employees					
	14 July 2004	2.50	17,150,000 <sup>1</sup>	(775,000)	16,375,000
			44,770,000	(10,075,000)	34,695,000

*Notes:*

- (1) The share options granted on 14 July 2004 vest over three years. One-third of the share 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 share options will expire on 14 July 2014.
- (2) On 20 March 2006, the 5 million share options granted to Mr. Hext when he joined the Company as an executive Director on 5 April 2005 were cancelled and in their place he was granted 1,020,408 Shares in the form of restricted share awards.
- (3) Mr. Harris resigned on 7 April 2006. All unvested share options became fully vested and were fully exercised.

**(b) Restricted share awards**

	Number of restricted share awards			
	As at 1 January 2006	Granted during the period	Vested or lapsed during the period	As at 30 June 2006
Richard M. Hext	3,333,333 <sup>1</sup>	1,020,408 <sup>4</sup>	(870,747)	3,482,994
Senior Management	–	550,000 <sup>5</sup>	–	550,000
Key Staff	577,776 <sup>2</sup>	400,000 <sup>5</sup>	–	977,776
Other Employees	399,999 <sup>3</sup>	825,000 <sup>6</sup>	(133,333) <sup>3</sup>	1,091,666
	<u>4,311,108</u>	<u>2,795,408</u>	<u>(1,004,080)</u>	<u>6,102,436</u>

*Notes:*

- (1) Granted on 8 June 2005, of which (i) 666,667 Shares have vested on 5 April 2006, (ii) 666,667 Shares will vest on 5 April 2007, (iii) 666,667 Shares will vest on 5 April 2008, (iv) 666,666 Shares will vest on 5 April 2009 and (v) 666,666 Shares will vest on 5 April 2010.
- (2) Granted on 8 June 2005, of which 288,889 Shares will vest on 30 November 2006 and 288,887 Shares will vest on 30 November 2007.
- (3) Granted on 8 June 2005, of which 133,333 Shares have lapsed in January 2006 due to resignation of an employee, 133,334 Shares will vest on 30 November 2006 and 133,332 Shares will vest on 30 November 2007.
- (4) Granted on 20 March 2006, of which (i) 204,080 Shares have vested on 5 April 2006, (ii) 204,080 Shares will vest on 5 April 2007, (iii) 204,080 Shares will vest on 5 April 2008, (iv) 204,080 Shares will vest on 5 April 2009 and (v) 204,088 Shares will vest on 5 April 2010.
- (5) Granted on 9 March 2006 and vesting in equal amounts on 1 March 2007, 2008, 2009, 2010 and 2011.
- (6) Granted on 9 March and 15 March 2006, of which 175,000 Shares will vest on 1 March 2007, and an equal amount of 162,500 Shares will vest on each of 1 March 2008, 2009, 2010 and 2011 respectively.

The closing price of the Shares of the Company immediately before the 2,795,408 restricted share awards granted on 9 March, 15 March and 20 March 2006 were HK\$3.775, HK\$3.80 and HK\$3.825 respectively.

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## **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 2006, the following substantial shareholders' interests and short positions had been recorded. These interests are in addition to those disclosed above in respect of the Directors and Chief Executive.

<b>Name of shareholder</b>	<b>Capacity/Nature of interest</b>		<b>Number of Shares</b>	<b>Approximate percentage of issued share capital</b>
J.P. Morgan Chase & Co. <sup>1</sup>	Investment manager and approved lending agent	Long positions	91,041,000	7.07%
		Short positions	–	–
Lazard Asset Management LLC	Investment manager	Long positions	93,985,300	7.30%
		Short positions	–	–
Pembroke Shipping Limited	Beneficial owner	Long positions	87,055,253	6.76%
		Short positions	–	–

*Note:*

1. The Shares held by J.P. Morgan Chase & Co. are held in the capacities as investment manager (relating to 50,772,000 Shares) and custodian corporation/approved lending agent (relating to 40,269,000 Shares).

Save as disclosed above, as at 30 June 2006, no person, other than the directors of the Company, whose interests are set out in the section "Directors' and Chief Executive's Interest" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

## **PURCHASE, SALE AND REDEMPTION OF SHARES**

During the 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 15 September 2006. 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 despatched 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 29 August 2006 to 30 August 2006 (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 28 August 2006.

The ex-dividend date for the interim dividend will be on 25 August 2006.

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## **DIRECTORS**

As at the date of this Interim Report, the executive Directors of the Company are Christopher R. Buttery, Richard M. Hext and Paul C. Over, the non-executive Directors of the Company are Daniel R. Bradshaw and Lee Kwok Yin, Simon, and the independent non-executive Directors of the Company are Robert C. Nicholson, Patrick B. Paul, The Earl of Cromer and David M. Turnbull.

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