

Corporate Governance

Accountability

We conduct our business with high standards of corporate governance to ensure responsible direction and management of the Group and to achieve sustainable value for our shareholders and other stakeholders

In setting our standards, the Board considers the needs and requirements of the business, its stakeholders and the Corporate Governance Code (the “Code”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Throughout the year ended 31 December 2018, the Group has complied with all code provisions of the Code as set out in Appendix 14 of the Rules Governing the Listing of the Securities on the Stock Exchange (the “Listing Rules”). The Group adopts all the recommended best practices under the Code except that the Group publishes a quarterly trading update, instead of quarterly financial results. The Board considers this format provides shareholders with the key information to assess the performance, financial position and prospects of the Group’s business following on from the full year and interim results.

The Board of Directors

Board Composition and Responsibilities

As at the date of this Annual Report, the Board comprises nine Directors (eight male, one female): the Chairman, two Executive Directors and six Independent Non-executive Directors (“INEDs”). The number of INEDs exceeds the Listing Rules requirement that INEDs shall represent at least one-third of the Board. The Board of Directors has expertise in the areas of shipping, commodities, accounting, corporate finance, financial services and law and is collectively responsible for directing and supervising the affairs of the Group. The roles and responsibilities of each Board member are clearly set out on the Company’s website and their biographical details are set out in the “Our Directors” section of this Annual Report. 

All Directors have disclosed to the Company the number and nature of offices they hold in Hong Kong or overseas listed companies or organisations and other significant commitments, as well as the identity of such public companies or organisations. During the year ended 31 December 2018, all Directors have given sufficient time and attention to the Group’s affairs. In accordance with the Company’s Bye-laws, at each annual general meeting (“AGM”) one-third of the Directors for the time being (rounded up if the number is not a multiple of three) shall retire from office by rotation on the basis that every Director should retire at least once every three years.

An effective Board is key to setting the strategic direction and policies of the Company and is achieved through a combination of fresh perspectives and a long-term understanding of shipping cycles. We lay out below some of the important criteria in achieving an effective Board:

■ Dynamic Board Composition

Since listing in 2004, there have been a total of 22 Board members, and currently the Board comprises 9 members.

During the last five years, the changes in the number of Executive Directors and Non-executive Directors (including INEDs) are:

	At 1 Jan 2014	Movements		At 31 Dec 2018
Executive Directors	5	-3	+1	3
Non-executive Directors	4	-	+2	6
	9	-3	+3	9

■ Board Diversity

The Board recognises the importance of diversity in its composition to bring significant benefits in enhancing its decision-making ability. Diversity incorporates a number of different aspects, such as industry and professional experiences, gender, age and cultural and educational background.

The Board Diversity Policy was formalised and adopted in August 2013, which forms an important principle in the nomination of directors.

In May 2014, we appointed Mrs. Irene Waage Basili, adding shipping, business and management expertise to the Board. In July 2016, Mr. Stanley Hutter Ryan joined the Board bringing us extensive commercial, strategic and operational experience in the commodities business.

In August 2017, Mr. Peter Schulz was appointed to assume the role of Chief Financial Officer. He was further appointed as an Executive Director in July 2018, bringing with him valuable experience in banking, M&A and corporate finance.

■ **Separate Formalised Roles for the Chairman and Chief Executive Officer**

The Chairman oversees the executive team and meets regularly with the CEO on the operations of the Group. He has in the past provided continuity of management during periods of change, hence safeguarding long-term management leadership. The Chairman is responsible for reviewing proposed plans for the Group prior to presentation to the Board. His review focuses on the long term strategic matters such as capital structure and fleet growth as well as the more immediate operational matters related to debt levels, cash flow, cash balances, risk assessment, other required capital expenditure as well as shareholder considerations.

The CEO carries out the day to day management and execution of the Group's activities and strategic initiatives. He formulates and proposes Group strategy and policy to the Board. He also ensures timely dissemination of appropriate information to the Board members to enable their active contribution to the Group's development.

■ **Executive Directors Commitment to the Business Activities of the Group**

The Executive Directors are required to devote all of their active or contracted business time to the business and affairs of the Group and are not permitted to engage in any other business which is in competition with that of the Group.

■ **Role of the INEDs**

The INEDs play a key role in protecting shareholders' interests. They bring a broad range of financial, regulatory and commercial experience and skills to the Board, and enhance the effective strategic management of the Group through independent, constructive and informed contributions. The INEDs provide a long-term view of the business development through shipping cycles and offer views that go beyond the short-term market movements.

■ **Assessment of INEDs' Independence**

The Board considers all existing INEDs bring strong independent oversight and continue to demonstrate independence. The six INEDs have given written confirmation to the Company about their independence in compliance with Rule 3.13 of the Listing Rules, and the Board continues to consider them to be independent.

■ **INEDs' Period of Office**

The Board selects INEDs based on their ability to contribute to the affairs of the Group, and of overriding importance is their possession of a mindset that is independent and constructively challenges management's views. Although some INEDs do not necessarily have a shipping background, their familiarity with the business over the years has enabled them to contribute to the management of the risks involved as well as add to the diversity of the skills and perspectives of the Board. Independence from executive management is particularly important as the Group has no controlling

shareholder. Continuity of the INEDs provides stability to the Board decision-making process, compensating for any turnover in the executive management team. The Board believes that the long tenure of some of the INEDs does not compromise their independence but instead brings significant positive qualities as referred above. The Board, however, recognises the importance of succession to balance the mix of deep understanding of the Group's business with fresh ideas and perspectives. The Board has and will continue to periodically seek new INEDs to join the Board so as to sustain its source of independent views.

■ **INED Appointment**

The Nomination Committee applied the nomination criteria and principles of appointment according to the Company's Nomination Policy and the Board Diversity Policy in identifying people suitably qualified to become Board members.

The appointment of Mrs. Basili and Mr. Ryan as INEDs in 2014 and 2016 respectively demonstrated such commitment by the Company.

Mr. Bradshaw has informed the Board that he will retire at the conclusion of the 2020 AGM and has offered himself for re-election at the 2019 AGM to serve the Board until conclusion of the 2020 AGM. The Nomination Committee has commenced the process of identifying new independent director candidates.

Directors' Continuous Professional Development

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills as required by the Code. With the assistance of the Company Secretary, all Directors receive updates on legal, compliance and regulatory issues of Hong Kong, updates on the industries and the markets in which the Group operates as well as updates on significant changes in financial accounting standards. Relevant reading materials were also identified by the Company during the year and records of training of all Directors have been provided to the Company Secretary. During the year, Mr. Peter Schulz received an induction upon his appointment to the Board as an Executive Director.

Board Evaluation

The annual Board evaluation was conducted by the Chairman of the Board and the Chairman of the Audit Committee by way of individual interviews with each Director. This process has confirmed that all Board members devoted sufficient time performing their duties and that the performance of the Board and its committees and individual Directors in 2018 were satisfactory and the Board operated effectively during the year.

The Board considers that its composition and structure are appropriate to the Group's business needs, reflecting a diversity of perspectives and a desirable combination of skills and experience. Succession planning continues to receive close monitoring and the Board will undertake appropriate recruitment having regard to the retirement plan of individual directors.

The Board and its members' responsibilities

The Board is accountable to the shareholders of the Company and its primary responsibilities are to:

- Develop the Group's long-term corporate strategies and broad policies
- Approve budgets and business plans
- Approve acquisition or disposal of investments and assets in particular those that require shareholders' notification or approval under the Listing Rules
- Oversee the management of the Group, including the design, implementation and monitoring of the risk management and internal control systems
- Prepare accounts and financial statements of the Group
- Evaluate the performance of the Group
- Lead corporate governance best practice
- Assess the achievement of targets set by the Board periodically
- Oversee matters that may involve a conflict of interest of a substantial shareholder or a Director

The Board delegates certain responsibilities to Board Committees outlined below. Executive Directors are delegated authority to oversee the Group's business operations, implementation of strategies laid down by the Board, and the making of day-to-day operating decisions.

Board Committees

The Board has established Audit, Remuneration and Nomination Committees in accordance with the Code and all members of these three Board Committees are INEDs.

The Board also operates through an Executive Committee to streamline the decision-making process of the Company in certain circumstances. The terms of reference of these Board Committees are available on the Company's website.

Decisions made by the Board and the Board Committees are based on detailed analyses prepared by the management which include:

- (i) monthly operations performance analysis;
- (ii) periodic asset investment and divestment proposals; and
- (iii) periodic Board meetings to evaluate management's strategic priorities.



Board, Board Committee and General Meetings in 2018

The meetings schedule of the Directors and Board Committees is planned a year in advance in order to facilitate participation by all members of the Board and Board Committees. The Board has four regular meetings annually focusing on business strategy, operational issues and financial performance. The attendance of each Director at Board meetings, Committee meetings and general meeting in 2018 are set out below. The Board continued to record healthy attendance at Board and Board Committee meetings demonstrating strong commitment of the Directors in discharging their duties.

	Annual General Meeting	Board	Audit ¹ Committee	Remuneration Committee	Nomination Committee
Executive Directors					
David M. Turnbull (Chairman)	1	4/4			
Mats H. Berglund (Chief Executive Officer)	1	4/4			
Peter Schulz (Chief Financial Officer) – appointed as Director on 30 July 2018	1	1/1			
Independent Non-executive Directors					
Patrick B. Paul	1	4/4	4/4	1/1	1/1
Robert C. Nicholson	0	4/4	3/4	1/1	1/1
Alasdair G. Morrison	1	4/4	4/4	1/1	1/1
Daniel R. Bradshaw	1	4/4	4/4	1/1	1/1
Irene Waage Basili	0	4/4	4/4	1/1	1/1
Stanley H. Ryan	0	4/4	4/4	1/1	1/1
Total no. of meetings held in 2018	1	4	4	1	1

¹ Representatives of the external auditor participated in all four of the Audit Committee meetings

The Audit Committee

Membership

Chairman: Patrick B. Paul

Members: All six INEDs

Main Responsibilities

1. Review the financial statements and oversee the financial reporting process to ensure the balance, transparency and integrity of published financial information.
2. Review the effectiveness of the Group's financial controls, internal control and risk management system.
3. Review the work of the Risk Management Committee.
4. Review the Group's process of monitoring compliance with the laws and regulations affecting financial reporting.
5. Develop and review the Company's policies and practices on corporate governance and make recommendations to the Board.
6. Review the independent audit process and the effectiveness of the risk management and internal audit functions.

Work Done in 2018

The Audit Committee held four meetings during the year, all of which were joined by representatives of the Company's external auditors. Its work included:

- review and discussion of the external auditor's Audit Committee Report in respect of the 2017 full year audit and the 2018 interim review;
- review of the 2017 Annual Report and accounts and the 2018 interim report and accounts with a recommendation to the Board for approval;
- review of the Risk Management Committee reports including the internal audit work plan for 2018 and the testing results and the effectiveness of the risk management and internal control systems of the Group;
- deep-dive review of the Group's operational areas including safety management and voyage operations;
- review of the adequacy of the Group's marine related and other insurance covers;
- endorsement of management's proposal to declare an interim dividend for 2018 of HK2.5 cents per share for recommendation to the Board;
- review of the updated accounting standards, including HKFRS 15 (Revenue from Contracts with Customers) and HKFRS 16 (Leases);
- review of compliance with transfer pricing regulations under the OECD's Base Erosion and Profit Shifting Action Plan;
- review of adequacy of resources, staff qualifications and experience, training programmes and budget of the accounting, internal audit and financial reporting functions; and
- review of the terms of reference of the Audit Committee.

During the year, the Audit Committee met the external auditor once without the presence of management.

The Remuneration Committee

Membership

Chairman: Robert C. Nicholson

Members: All six INEDs

Main Responsibilities

1. Make recommendation to the Board on the Company's policy and structure for Directors' remuneration and the desirability of performance-based remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy.
2. Determine, through authority delegated by the Board, the remuneration of the Executive Directors and certain higher paid employees.
3. Review and make recommendation to the Board on the terms of appointment for Directors when considered necessary.
4. Make recommendation to the Board relating to Directors to ensure fair (and not excessive) compensation payments and appropriate arrangements, after considering contractual entitlements, in the case of any loss or termination of office or appointment and dismissal or removal for misconduct.
5. Administer and oversee the Company's 2013 Share Award Scheme and other equity or cash-based schemes of the Company in place from time to time, and review and approve the granting of share awards to any staff members of the Group.
6. Approve the disclosure statements of the Company's policy and remuneration for Directors.

Work Done in 2018

The Remuneration Committee met once during the year and, together with e-mail communication, has carried out the following:

- approval of the 2018 year-end bonuses, 2019 salary review and on-going restricted share awards for the Executive Directors and certain higher paid employees; and
- approval of the grant of restricted awards to certain staff members.

The Nomination Committee

Membership

Chairman: Robert C. Nicholson

Members: All six INEDs

Main Responsibilities

1. Review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board at least annually and make recommendation on any proposed changes to the Board to complement the Group's corporate strategy.
2. Report to the Board on compliance with the Stock Exchange's rules and guidelines on Board composition from time to time.
3. Identify individuals suitably qualified to become Board members and select or make recommendation to the Board on the selection of individuals nominated for directorships.
4. Assess the independence of the Company's Independent Non-executive Directors.
5. Make recommendation to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive Officer based on an evaluation of scope and responsibility of the position and the advice from external recruitment consultants if considered appropriate.

Work Done in 2018

The Nomination Committee held one meeting during the year and has carried out the following:

- review of the structure, size and composition of the Board;
- review of the retirement plan and succession plan of the Board; and
- review and note the Listing Rules amendments in relation to INEDs to take effect on 1 January 2019.

The Executive Committee

Membership

Chairman: Mats H. Berglund

Members: Chairman, Chief Executive Officer, Chief Financial Officer and two senior executives

Main Responsibilities

1. Identify and execute transactions within the parameters approved by the Board.
2. Identify and execute purchases, sales, and sale and charter back of vessels.
3. Identify and execute transactions for long-term charters and cargo contracts with duration exceeding 5 years.
4. Identify and execute bunker physical contracts and bunker swap contracts with duration exceeding 5 years.
5. Identify and execute transactions for non-vessel marine fixed assets exceeding US\$5 million.
6. Make decisions over loans and related guarantees.
7. Exercise the Company's general mandate to issue new shares or buy back shares in accordance with the parameters set by the Board and the limits approved by the shareholders.

Work Done in 2018

The Executive Committee approved and executed a range of business matters based on detailed analysis submitted by management including the following:

- purchase of four vessels at an aggregate price of US\$88.5 million, of which approximately half was settled by the issuance of new shares to ship sellers under general mandate and the rest in cash;
- announcement of the issue of new shares to fulfil the grant of restricted awards to employees;
- closing the US\$325 million 7-year reducing revolving credit facility for the refinancing of 50 of the Group's owned vessels;
- closing a US\$40 million bilateral term loan facility;
- disposal of one secondhand Handysize vessel;
- purchase of two secondhand Supramax and one secondhand Handysize vessels;
- enter into long term charter-in contract of one Handysize newbuilding with purchase option;
- announcement of the conversion price adjustment of the Group's convertible bonds due 2021; and
- announcement of the voting results of the AGM.

Risk Management & Internal Controls

The Group's risk governance structure is based on a "Three Lines of Defense" model, with oversight and directions from the Board and Audit committee.



Framework

The risk management and internal control system is to help the Group achieve its long-term vision and mission and business sustainability by identifying and evaluating the Group's risks and by formulating appropriate mitigating controls to protect our business, stakeholders, assets and capital. Risk management and internal control system is embedded in our business functions and we believe that it enhances long-term shareholder value. The risks of the Group are subject to and are directly linked to the Group's strategy.

The Board oversees management in the design, implementation and monitoring of the Risk Management and Internal Control Systems, which are designed to manage rather than eliminate the risk of failure to achieve business objectives, and to provide reasonable but not absolute assurance against material misstatement or loss. A review of its effectiveness is conducted annually by the Risk Management Committee ("RMC") and reported to the Board through the Audit Committee. The primary responsibility for detailed risk identification and management lies with the respective business heads.

The RMC, reporting to the Audit Committee, is responsible for strengthening the Group's risk management culture, ensuring the overall framework of risk management is comprehensive and responsive to changes in the business, and managing the internal audit function. It regularly reviews the completeness and accuracy of risk assessments, risk reporting and the adequacy of risk mitigation efforts.

As the first line of defense, individual business units identify operational risks, develop and implement respective controls. These activities are monitored and evaluated by division heads and relevant staff managers, and are overseen by the RMC as the second line of defense. As the third line, internal / external reviews are regularly conducted and reported to the Audit Committee charged with the role to ensure that the enterprise risk management arrangements and structures are appropriate and effective.

The Group has in place a risk management and internal control framework that is consistent with the COSO (the Committee of Sponsoring Organisations of the Treadway Commission) Enterprise Risk Management (ERM) - Integrated Framework and has the following five components:

■ Governance and Culture

The Group has defined organisation tone to reinforce enterprise risk management culture, including ethical values, desired behaviours and risk appetite. Sound organisational structure is established to delegate business functions to respective business units within limits set by head office management or Executive Directors in the pursuit of the Group's strategy and business objective.

■ Strategy and Objective-setting

The Board meets on a regular basis to discuss and agree on business strategies, plans and budgets prepared by individual business units. The Board considers business context and risk implications while establishing the strategies to ensure that the Group's strategies align, support and integrate with the defined vision and mission.

■ Performance

The Group identifies, assesses and prioritises the risks that are most relevant to the Group's success according to their likelihood and impacts. Based on risk assessment, mitigation plans are developed and implemented by individual business units. The result of this process is summarised and reported to the Board annually.

■ Review and Revision

The Group continuously reviews the Group's risk framework in light of substantial changes and pursues improvements of enterprise risk management.

■ Information, Communication, and Reporting

The Group encourages obtaining and sharing information, from both internal and external sources, which flows up, down and across the Group. Information systems, channels and reporting tools are established to support enterprise risk management communications in the Group.

The Risk Management Committee Membership

Chairman: Mats H. Berglund

Members: Chief Financial Officer, Director of Chartering, Director of Risk, Risk and Internal Audit Manager

Main Responsibilities

1. Strengthen the Group's risk management culture.
2. Facilitate the identification of significant risks of the Group.
3. Review significant risks of the Group through an annual risk assessment with division heads.
4. Review and recommend appropriate internal controls and policies.
5. Develop an internal audit plan.
6. Manage the annual risk assessment and testing of internal controls.

Work Done in 2018

The RMC met three times during the year and reported to the Audit Committee twice on the annual risk assessment and internal control reviews. Its work included:

- audit and review internal controls based on the audit plan;
- perform annual risk assessment by way of an online questionnaire and review the input in collaboration with division heads;
- review the Group's significant and emerging risk with division heads;
- report by way of deep dive review to the Audit Committee the management of voyage operations, safety management and marine insurance;
- tighten the procurement controls of the Ship Management system;
- strengthen the measure on counterparty due diligence particularly in managing sanctions risks exposure;
- strengthen the anti-bribery policy for all shore-based employees and seafarers to further bolster the Company's anti-corruption culture. The Company was admitted as a member of the Maritime Anti-Corruption Network (MACN);
- formalise the business continuity policy to manage the risks of business disruption in the event of a shutdown of essential IT systems; and
- review the impact and compliance with relevant new/updated rules and regulations such as the data protection regulation of the EU.

Annual Assessment of Risk and Internal Controls

The Group carries out an annual risk assessment by way of an online questionnaire completed by senior staff members with the objective to improve the design and the effectiveness of the Group's internal controls. Any changes in risk profile and related mitigating measures, new risks and other proposal in risk management are evaluated and documented in the Group's risk register. The impact of risks, mitigants and recommendations are communicated to the relevant business divisions.

The mitigating controls of the Group's risks are reviewed and tested periodically by the RMC. The frequency of testing of individual internal controls is by reference to the ranking of underlying risk areas and the strategy of the Group. The Group adopts a peer review format in its annual testing of internal controls by appointing appropriate staff members auditing selected controls of departments other than their own.

The criteria for assessing the effectiveness of internal controls are based on whether mitigating controls have been operated and enforced throughout the period being reviewed. Findings and recommendations are communicated with the relevant division heads and staff to formulate measures to enhance or rectify any control deficiency.

The RMC conducts regular meetings with division heads and managers from the headquarters and regional offices so as to keep abreast of issues and new risks that are embedded in business operations and to enhance existing procedures and controls in line with business needs and market changes. The Group has a robust mechanism of regular reporting of key business and operations performance to both management and the Board, a key element to a healthy risk management system.

We also conduct an annual customer and investor surveys which generate feedback that we act on to further enhance the quality of our service and our investor relations and corporate governance practices.

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Effectiveness of the Risk Management and Internal Control Systems

The RMC reports at least twice a year to the Audit Committee which regularly assesses the effectiveness of risk management and internal control systems as the Group develops. Such systems are crucial for the fulfillment of the Group's business objectives. The Audit Committee reviews how management designs, implements and monitors those systems, the findings, recommendations and follow-up procedures of the annual risk assessment and internal controls testing, as well as the Group's risk register and management's confirmation on the effectiveness of the Group's risk management and internal control systems, and reports to the Board annually.

In respect of the year ended 31 December 2018, the Board, with confirmation from management, considered the risk management and internal control systems effective and adequate. No significant areas of concern were identified.

Handling Inside Information

The Group adopts procedures and internal controls for the handling and dissemination of inside information.

- The Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the “Guidelines on Disclosure of Inside Information” published by the Securities and Future Commission.
- We follow a corporate communication policy to govern communication with third parties and, in particular, procedures for responding to external enquiries about the Group’s affairs so that only the Executive Directors and Corporate Communications & Investor Relations General Manager are authorised to do so.
- It has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and its website.
- It stipulates in its Code of Conduct a strict prohibition on unauthorised use of confidential or inside information.

Directors – Remuneration and Share Ownership

Details of the remuneration and share ownership of the Directors are contained in the “Remuneration Report” and “Report of the Directors” sections of this Annual Report.

Directors’ Securities Transactions

The Board of Directors has adopted the Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix 10 of the Listing Rules (the “Model Code”).

The Board confirms that, having made specific enquiry, the Directors have fully complied with the required standards set out in the Model Code and its code of conduct regarding Directors’ securities transactions during the year.

Senior Management and Staff’s Securities Transactions

The Company has adopted rules for those senior managers and staff who are more likely to be in possession of unpublished inside information or other relevant Group information based on the Model Code (the “Dealing Rules”). These senior managers and staff have been individually notified and provided with a copy of the Dealing Rules.

Having made specific enquiry, the Board confirms that all senior managers and staff who had been notified and provided with the Dealing Rules have fully complied with the required standards set out in the Dealing Rules during the year.

Auditors’ Remuneration

Remuneration paid to the Group’s external auditor, for services provided for the year ended 31 December 2018 is as follows:

Audit	Non-audit	US\$’000
		Total
858	89	947

Our Shareholders

Details of shareholder type and shareholding can be found on page 51 of this Annual Report.

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Investor Relations
Our shareholding structure



Shareholder Communications Policy

The Company has established a Shareholder Communications Policy with the objective of enabling shareholders to exercise their rights in an informed manner and to allow shareholders and the investment community to engage actively with the Company. The Board of Directors has the responsibility to review the Policy regularly to ensure its effectiveness. Details of the Policy can be found on the Company’s website.

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Sustainability > Corporate Governance



Shareholders Meeting

The Company held one general meeting during the reporting year on 17 April 2018, at which the following resolutions were passed and approved:

- receipt and adoption of the audited financial statements and the Reports of the Directors and Auditor for the year ended 31 December 2017;
- re-election of Directors;
- authorising the Board to fix Directors’ remuneration;
- re-appointment of Messrs. PricewaterhouseCoopers as auditor for the year ended 31 December 2018 and authorising the Board to fix their remuneration;
- granting a general mandate to issue shares; and
- granting a general mandate to buy back shares.

All resolutions tabled at the general meeting were voted on by poll.

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Media > FAQ: AGM and Shareholders’ Questions



Shareholders' Rights

Should shareholders wish to call a special general meeting, this must be convened according to the Company's Bye-laws, which state in summary:

- Shareholders holding not less than one-tenth of the paid up capital of the Company can, in writing to the Board or the Secretary of the Company, request a special general meeting to be called by the Board so as to carry out any business specified in such request.
- The signed written request, which should specify the purpose of the meeting, should be delivered to the Company's registered office in Hong Kong. The meeting will be held within two months after receiving the request.
- If the Board fails to start convening such meeting within twenty-one days of receiving the request, the shareholders themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda.

Shareholders are encouraged to maintain direct communication with the Company and if they have any questions for the Board, they may send an e-mail to companysecretary@pacificbasin.com or a letter to:

Company Secretary
Pacific Basin Shipping Limited
31/F One Island South
2 Heung Yip Road
Wong Chuk Hang
Hong Kong

Public Float

At the date of this Annual Report, based on information that is publicly available to the Company and within the knowledge of the Directors, approximately 98.33% of the Company's total issued share capital is held by the public.

Planned Financial Calendar in 2019

28 February	2018 annual results announcement
12 March	2018 Annual Report
11 April	First quarter trading update
12-17 April	Book closure for determining entitlement to attend and vote at the AGM
17 April	Annual General Meeting

Applicable if 2018 final dividend is payable:

18 April	Last day of dealings in shares with entitlement to 2018 final dividend
23 April	Ex-dividend date
24 April by 4:30 pm HK time	Deadline for lodging transfers for entitlement to 2018 final dividend
25 April	Book closure & 2018 final dividend record date
7 May	2018 final dividend payment date

31 July	2019 interim results announcement
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Applicable if 2019 interim dividend is payable:

9 August	Last day of dealings in shares with entitlement to 2019 interim dividend
12 August	Ex-dividend date
13 August by 4:30 pm HK time	Deadline for lodging transfers for entitlement to 2019 interim dividend
14 August	Book closure & 2019 interim dividend record date
23 August	2019 interim dividend payment date

14 October	Third quarter trading update
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