PAN OCEAN CO., LTD.

MANDATORY DISCLOSURE ON CURRENT STATUS OF ENTERPRISE GROUP

* Company: Pan Ocean Co., Ltd.
* Chief Executive Officer : Choo, Sung Yob & Kim, Hong Kuk
* Location: Tower8, 7, Jongro 5 gil, Jongno-gu, Seoul, Korea
  Tel) 82-2-316-5114
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1) General information

Establishment date	Combination date into HARIM group	No. of employee	Listing or not	Closing date of the fiscal year	Type of business	Main business
1966.05.28	2015.06.20	347	Listing (KRX & SGX)	2018.12.31	Marine transportation	Marine transportation

2) Financial Status

(As of 31st Dec, 2018) (Unit : KRW mil.)

Assets				Liabilities				Equity		Debt ratio
Current assets (a)	Cash & cash equivalents	Non-current assets (b)	Total assets (a+b)	Current liabilities (c)	Non-current liabilities (d)	Total liabilities (c+d)	Borrowings	Capital stocks	Total equity	
608,323	160,585	3,446,400	4,054,723	649,411	782,771	1,432,182	1,127,026	534,569	2,622,541	54.61%

3) Income Statement

(As of 31st Dec, 2018) (Unit : KRW mil.)

Sales*	Operating profit	Other incomes	Other expenses	Interest expenses in other expenses	Profit
2,337,517	203,019	10,632	70,067	55,090	144,248

* Sales(2,337,517) = domestic sales(778,806) + overseas sales(1,558,711)

4) Overseas subsidiary companies

(As of 15th May, 2019)

Name	Business	Shareholding ratio of enterprise group	The registered country of incorporation	Closing date of the fiscal year	The largest shareholder	Shareholding ratio of the largest shareholder
Pan Ocean Singapore Bulk Carrier Pte. Ltd.	Marine transportation	100.00	Singapore	2018.12.31	Pan Ocean Co., Ltd.	100.00
Pan Ocean (China) Co., Ltd.	Marine transportation	100.00	China	2018.12.31	Pan Ocean Co., Ltd.	100.00
Pan Ocean Japan Corporation	Marine transportation	100.00	Japan	2018.12.31	Pan Ocean Co., Ltd.	100.00
STX Pan Ocean (U.K.) Co., Ltd.	Marine transportation	100.00	U.K.	2018.12.31	Pan Ocean Co., Ltd.	100.00
Pan Ocean Brasil Apoio Maritimo Ltda.	Marine transportation	100.00	Brasil	2018.12.31	Pan Ocean Co., Ltd.	100.00
STX Pan Ocean (HongKong) Co., Ltd.	Marine transportation	100.00	HongKong	2018.12.31	Pan Ocean Co., Ltd.	100.00
Pan Ocean (America) Inc.	Grain trading business	100.00	U.S.A	2018.12.31	Pan Ocean Co., Ltd.	34.13
Pan Ocean International Logistics Co., Ltd.	Forwarding	100.00	China	2018.12.31	Pan Ocean (China) Co., Ltd.	100.00
Pan Ocean-Sinotrans Logistics Co., Ltd.	Forwarding	60.00	China	2018.12.31	Pan Ocean (China) Co., Ltd.	60.00

Name	Business	Shareholding ratio of enterprise group	The registered country of incorporation	Closing date of the fiscal year	The largest shareholder	Shareholding ratio of the largest shareholder
Wide Sea Logistics Co., Ltd.	Container yard business	100.00	China	2018.12.31	Pan Ocean (China) Co., Ltd.	100.00
Pan Logix Co., Ltd.	Forwarding	100.00	Japan	2018.12.31	Pan Ocean Japan Corporation	100.00
Pan Ocean Container (Japan) Co., Ltd.	Shipping Agent	100.00	Japan	2018.12.31	Pan Ocean Japan Corporation	100.00
CSTX AGRICOLA PARTICIPACOES LTDA.	Grain trading business	50.00	Brasil	2018.12.31	Pan Ocean Brasil Apoio Maritimo Ltda.	50.00

5) The status of directors

(As of 15th May, 2019)

Name	Position	Appointed date	Registered date	Relationship with head of the group	Additional Position	Key Experiences	Status of retirement from subsidiary companies	Type of appointment
Kim, Hong Kuk	C.E.O	2015.07.18	2015.07.29	Head of the group	Harim Holdings Co., Ltd. Jeil Feed Company , Ltd. Sunjin CO., LTD. NS Shopping Co., Ltd Farmsco Co., Ltd Harim Co., Ltd. Allen Harim Foods, LLC Harim Millsboro, LLC	C.E.O of Harim Co., Ltd.	-.	re-appointment
Choo, Sung Yob	C.E.O	2015.07.18	2015.07.29	-	-	C.E.O of STX Corporation	-	re-appointment
Cheon, Se Gi	Executive Director	2015.07.18	2015.07.29	-	HarimFoods Co., Ltd. Harim Ms Co., Ltd. HBC Co., Ltd. Agricultural Corporation, inc., Iksan Mexican Co., Ltd. Eco Capital Co.,LTD. Orpum Co.,Ltd. Cham trading co., ltd. HARIM PET FOOD COMPANY, LTD. Allen Harim Foods, LLC Harim USA, LTD HarimMillsboro, LLC	Executive Director of Orpum Co.,Ltd.	-	re-appointment
Choi, Seung Hwan	Independent Director	2015.07.18	2015.07.29	-	Kangnam Jevisco Co.,Ltd.	C.O.O of KPMG Samjong Accounting Corp.	-	re-appointment
Oh, Keum Seok	Independent Director	2018.03.23	2018.04.03	-	-	Lawyer of BAE, KIM & LEE LLC	-	new appointment
Oh, Kwang Soo	Independent Director	2019.03.27	2019.04.08	-	-	Lawyer of Inwol Law Firm	-	new appointment
Christopher Anand Daniel	Independent Director	2013.12.24	2014.01.13	-	-	Lawyer of Advocatus Law LLP	-	re-appointment

6) Operating State of the Board of Directors

(From 1st May, 2018 to 15th May, 2019)

The member of the Board of Directors	Opening date	The details of the resolution	The result of the resolution
Kim Hong Kuk, Choo Sung Yob, Cheon Se Gi, Choi Seung Hwan, Oh Keum Seok, Chang Yoo Whan, Christopher Anand Daniel	2018.05.08	To approve participation in a long-term shipping contract tender	The resolution was approved in favor of all the attendees, including two independent directors.
	2018.06.21	1. To Approve Issuance of the 19th Unsecured Private Placement Bond 2. To Approve Guarantee for Pan Ocean (America) Inc.′s Loan Agreement 3. To approve for Shipbuilding Contract of 2 units of 37,500 DWT Bulk Carrier 4. To approve for scrubber installation to response SOx regulation 5. To approve the paid-in capital increase on Q2 2018	The resolution was approved in favor of all the attendees, including four independent directors.
	2018.08.14	1. To approve for Shipbuilding Contract of 2+1 units of 63,500 DWT Bulk Carrier 2. To Approve Issuance of Bank Guaranteed USD FRN(Floating Rate Note) 3. To approve transactions between directors, etc. and the company 4. To approve reappointment of the Compliance Officer	The resolution was approved in favor of all the attendees, including four independent directors.
	2018.09.20	To approve the paid-in capital increase on Q3 2018	The resolution was approved in favor of all the attendees, including three independent directors.
	2018.11.13	1. To approve delegation of authority for ship financing on 6 new 325,000dwt vessels 2. To approve the Conversion of Vale CVC Contracts	The resolution was approved in favor of all the attendees, including four independent directors.
	2018.12.20	1. To approve internal transactions of FY 2019 2. To approve the revision of internal accounting management regulations	The resolution was approved in favor of all the attendees, including four independent directors.
	2019.01.25	1. To approve Business Plan for 2019 2. To approve for newbuilding contract of 208,000DWT bulk carrier	The resolution was approved in favor of all the attendees, including two independent directors.
	2019.02.11	1. To approve the date & venue and Agenda for Annual General Meeting for 2019 2. To approve amendments of Articles of Incorporation 3. To approve financial statements of 2018 4. To approve the 53rd Annual Report 5. To approve appointment of Directors & Audit Committee Members 6. To approve ceiling on remuneration for directors of year 2019 7. To approve the renewal of the IPT mandate 8. To approve the standard of performance evaluation & incentive payment of year 2019 for CEO 9. To approve remuneration plan of the executive officers for year 2019 10. To approve the introduction of electronic voting & proxy system	The resolution was approved in favor of all the attendees, including two independent directors.
Kim Hong Kuk, Choo Sung Yob, Cheon Se Gi, Choi Seung Hwan, Oh Keum Seok, Oh Kwang Soo, Christopher Anand Daniel	2019.03.27	1. To approve the appointment of CEO and Chairman of BOD 2. To approve the appointment of members of committees 3. To approve the revision of audit committee regulations	The resolution was approved in favor of all the attendees, including two independent directors.

7) Operating State of committee within the Board of Directors

(From 1st May, 2018 to 15th May, 2019)

Name of the Committee	The member of the Committee	Opening date	The details of the resolution	The result of the resolution
Audit committee	Choi Seung Hwan, Oh Keum Seok, Chang Yoo Whan	2018.12.14	1. Revision of internal accounting management regulations 2. Appointment of external auditor of FY 2019	The resolution was approved in favor of all the attendees, including two Independent Director.
		2019.02.11	1. Evaluation of operation effectiveness of internal control over financial reporting(ICFR) 2. Submission of audit report 3. Audit committee's opinion on internal monitoring system 4. Review of agenda of 53rd Annual general meeting 5. Renewal of the IPT Mandate	The resolution was approved in favor of all the attendees, including two Independent Director.
	Choi Seung Hwan, Oh Keum Seok, Oh Kwang Soo	2019.05.13	Appointment of audit committee chairperson	The resolution was approved in favor of all the attendees, including two Independent Director.
Committee for internal transaction	Choi Seung Hwan, Oh Keum Seok, Chang Yoo Whan, Choo Sung Yob	2018.06.21	To Approve Guarantee for Pan Ocean (America) Inc.′s Loan Agreement	The resolution was approved in favor of all the attendees, including three Independent Director.
		2018.12.20	To approve internal transactions of FY 2019	The resolution was approved in favor of all the attendees, including three Independent Director.
	Choi Seung Hwan, Oh Keum Seok, Oh Kwang Soo, Choo Sung Yob	2019.05.13	To approve the appointment of the chairmen of Internal Transactions Committee	The resolution was approved in favor of all the attendees, including two Independent Director.
Remuneration committee	Choi Seung Hwan, Oh Keum Seok, Chang Yoo Whan, Choo Sung Yob	2019.02.11	1. To approve ceiling on remuneration for directors of year 2019 2. To approve the standard of performance evaluation & incentive payment of year 2019 for CEO 3. To approve remuneration plan of the executive officers for year 2019	The resolution was approved in favor of all the attendees, including two Independent Director.
	Choi Seung Hwan, Oh Keum Seok, Oh Kwang Soo, Choo Sung Yob	2019.05.13	1. To approve the appointment of Chairman of Remuneration Committee 2. To report the resignation of member of Remueration	The resolution was approved in favor of all the attendees, including two Independent Director.
Committee for recommending candidates for independent directors	Choi Seung Hwan, Oh Keum Seok, Chang Yoo Whan, Choo Sung Yob	2019.02.11	To nominate independent directors	The resolution was approved in favor of all the attendees, including two Independent Director.
	Choi Seung Hwan, Oh Keum Seok, Oh Kwang Soo, Choo Sung Yob	2019.05.13	To approve the appointment of Chairman of Independent Director Nominating Committee	The resolution was approved in favor of all the attendees, including two Independent Director.

8) Operation state of voting right at ANNUAL GENERAL MEETING

(From 1st May, 2018 to 15th May, 2019)

Concentrated vote system	Electronics vote system	Vote system in writing
X	O	X

9) The status of shareholding

(As of 15th May, 2019)

Relationship with head of the group		Name	Common Stock		Preferred Stock		Total	
			No. of shares	Shareholding Ratio(%)	No. of shares	Shareholding Ratio(%)	No. of shares	Shareholding Ratio(%)
Related to Head of the group	Relatives	KIM, KI MAN	75,008	0.01	-	-	75,008	0.01
		KIM, JAE KWAN	100,000	0.02	-	-	100,000	0.02
		OH, KWAN SUK	10,550	0.00	-	-	10,550	0.00
		KIM, HYUN CHUL	1,500	0.00	-	-	1,500	0.00
		KIM, TAI GEON	120	0.00	-	-	120	0.00
		JANG, SI HWAN	500	0.00	-	-	500	0.00
		OH, EUNG SEO	26,000	0.00	-	-	26,000	0.00
		NAM, IN SUK	6,097	0.00	-	-	6,097	0.00
		SONG, JIN WOOK	30,000	0.01	-	-	30,000	0.01
		CHOI, IN SUK	4,781	0.00	-	-	4,781	0.00
	Executives of subsidiary companies	JEUNG, JIN HYO	85,000	0.02	-	-	85,000	0.01
		JEONG, HO SEOK	240	0.00	-	-	240	0.00
		OH, SOO JONG	16,400	0.00	-	-	16,400	0.00
		LEE, BUM KWON	33,500	0.01	-	-	33,500	0.01
		CHUNG, HAK SANG	33,700	0.01	-	-	33,700	0.01
		LEE, JEONG GU	2,000	0.00	-	-	2,000	0.00
		PARK, JAE HO	1,600	0.00	-	-	1,600	0.00
		CHOO, SUNG YOB	10,273	0.00	-	-	10,273	0.00
		KIM, BO YEON	22	0.00	-	-	22	0.00
		DO, SANG CHULL	28,000	0.01	-	-	28,000	0.01
		JANG, KYOUNG SOO	800	0.00	-	-	800	0.00
		MOON, KYEONG PIL	27,712	0.00	-	-	27,712	0.00
		KWON, JI EUN	5,749	0.00	-	-	5,749	0.00
		KIM, YANG MUK	475	0.00	-	-	475	0.00
		AHN, JOONG HO	1,920	0.00	-	-	1,920	0.00
		LEE, IN KYU	2,000	0.00	-	-	2,000	0.00
		CHOI, HYUNG WOON	8,100	0.00	-	-	8,100	0.00
	Subsidiary company	Harim Holdings Co., Ltd.	292,400,000	54.70	-	-	292,400,000	54.70
		Eco Capital Co.,LTD.	580,000	0.11			580,000	0.11
	Subtotal	-	293,492,047	54.90	-	-	293,492,047	54.90
Other shareholders		-	241,077,160	45.10	-	-	241,077,160	45.10
Total		-	534,569,207	100.00	-	-	534,569,207	100.00

10) Details of shares owned by companies belonging enterprise group

(As of 31st March, 2019)

Company owned shares	Invested Company	Book Value (KRW mil.)	No of shares
Pan Ocean Co., Ltd	Pos SM	3,832	800,000 (100%)

11) The status of borrowings

(From 1st Jan, 2019 to 31st Mar, 2019) (Unit : KRW mil.)

Loaner / Borrower	The enterprise group	The others
Pan Ocean Co., Ltd	-	137,140

12) Transactions of goods and services with companies belonging enterprise group

(From 1st Jan, 2018 to 31st Dec, 2018)

Name	Amount (KRW mil.)
Pos SM	133
Pan Ocean Singapore Bulk Carrier Pte. Ltd.	6,507
Pan Ocean (America), Inc.	33,317
Total	39,957

13) Bond and debt from transactions with companies belonging enterprise group

(As of 31st Dec, 2018) (Unit : KRW mil.)

Debtor / Creditor	Jeil Feed Company , Ltd.	Pos SM	Total
Pan Ocean Co., Ltd	383	1,203	1,586

14) Guarantee of Debt for companies belonging enterprise group and the others

(As of 31st Mar, 2019) (Unit : KRW mil.)

Debtor	Creditor	Amount of debt	Amount of guarantee	Period for debt guarantee
POS Maritime BZ S.A.	ING	1,638	1,638	2016.10.28-2019.10.24
POS Maritime CZ S.A.	ING	1,638	1,638	2016.10.28-2019.10.24
POS Maritime DZ S.A.	ING	1,638	1,638	2016.10.28-2019.10.24
POS Maritime EZ S.A.	ING	3,275	3,275	2016.10.28-2019.10.24
POS Maritime FC S.A.	The Export-Import Bank of Korea	8,459	8,459	2017.12.28-2022.12.28
POS Maritime GC S.A	Societe Generale	15,853	15,853	2018.03.19-2025.03.19
POS Maritime HC S.A	Societe Generale	15,853	15,853	2018.03.19-2025.03.19
POS Maritime IC S.A.	Societe Generale	15,853	15,853	2018.04.12-2025.03.19
Pan Ocean (America), Inc.	Standard Chartered	0	28,445	2018.08.17-2019.08.17
Employee stock ownership association	Heungkook Savings Bank	67	87	2018.09.13-2019.09.13
Total		64,274	92,739	-

15) The status of performance guarantee for companies belonging enterprise group

(As of 31st Mar, 2019)

Name of company	Number of guarantees	Amount (KRW mil.)
Pan Ocean Co., Ltd	9	13,378

BY ORDER OF THE COMPANY

Lotus Isabella Lim Mei Hua
Company Secretary

Date: 31 May 2019