

PAN OCEAN CO., LTD.

MANDATORY DISCLOSURE ON CURRENT STATUS OF ENTERPRISE GROUP

Pan Ocean Co., Ltd. (the “Company”) wishes to announce the following:-

- * Company: Pan Ocean Co., Ltd.
- * Chief Executive Officer : Ahn, Joong Ho & Kim, Hong Kuk
- * Location: Tower8, 7, Jongro 5 gil, Jongno-gu, Seoul, Korea
Tel) 82-2-316-5114
Website) <http://www.panocean.com>

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	328	Listing (KRX & SGX)	2019.12.31	Marine transportation	Marine transportation

2) Financial Status

(As of 31st Dec, 2019)

(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	
598,779	198,016	3,796,089	4,394,868	684,709	842,771	1,527,480	1,221,578	534,569	2,867,388	53.27%

3) Income Statement

(As of 31st Dec, 2019)

(Unit : KRW mil.)

Sales*	Operating profit	Other incomes	Other expenses	Interest expenses in other expenses	Profit
2,155,925	208,473	26,484	81,312	55,184	153,711

* Sales(2,155,925) = domestic sales(772,641) + overseas sales(1,383,284)

4) Overseas subsidiary companies

(As of 1st May, 2020)

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	2019.12.31	Pan Ocean Co., Ltd.	100.00
Pan Ocean (China) Co., Ltd.	Marine transportation	100.00	China	2019.12.31	Pan Ocean Co., Ltd.	100.00
Pan Ocean Japan Corporation	Marine transportation	100.00	Japan	2019.12.31	Pan Ocean Co., Ltd.	100.00
STX Pan Ocean (U.K.) Co., Ltd.	Marine transportation	100.00	U.K.	2019.12.31	Pan Ocean Co., Ltd.	100.00
Pan Ocean Brasil Apoio Maritimo Ltda.	Marine transportation	100.00	Brasil	2019.12.31	Pan Ocean Co., Ltd.	100.00
STX Pan Ocean (HongKong) Co., Ltd.	Marine transportation	100.00	HongKong	2019.12.31	Pan Ocean Co., Ltd.	100.00
Pan Ocean (America) Inc.	Grain trading business	100.00	U.S.A	2019.12.31	Pan Ocean Co., Ltd.	34.13

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 International Logistics Co., Ltd.	Forwarding	100.00	China	2019.12.31	Pan Ocean (China) Co., Ltd.	100.00
Pan Ocean-Sinotrans Logistics Co., Ltd.	Forwarding	60.00	China	2019.12.31	Pan Ocean (China) Co., Ltd.	60.00
Wide Sea Logistics Co., Ltd.	Container yard business	100.00	China	2019.12.31	Pan Ocean (China) Co., Ltd.	100.00
Pan Logix Co., Ltd.	Forwarding	100.00	Japan	2019.12.31	Pan Ocean Japan Corporation	100.00
Pan Ocean Container (Japan) Co., Ltd.	Shipping Agent	100.00	Japan	2019.12.31	Pan Ocean Japan Corporation	100.00
CSTX AGRICOLA PARTICIPACOES LTDA.	Grain trading business	50.00	Brasil	2019.12.31	Pan Ocean Brasil Apoiio Maritimo Ltda.	50.00

5) The status of directors

(As of 1st May, 2020)

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.	C.E.O of Harim Co., Ltd.	-	re-appointment
					Jeil Feed Company , Ltd.			
					Sunjin CO., LTD.			
					NS Shopping Co., Ltd			
					Farmsco Co., Ltd			
					Harim Co., Ltd.			
					Allen Harim Foods, LLC			
					Harim Millsboro, LLC			
Ahn, Joong Ho	C.E.O	2020.03.30	2020.03.31	-	-	Head of Business Division Group	POS SM	new appointment
Cheon, Se Gi	Executive Director	2015.07.18	2015.07.29	-	Harim Industry Inc.	Executive Director of Orpum Co.,Ltd.	Farmsco Co., Ltd	re-appointment
					HBC Co., Ltd.			
					Mexican Co., Ltd.			
					Eco Capital Co.,LTD.			
					Orpum Co.,Ltd.			
					Allen Harim Foods, LLC			
					Harim USA, LTD			
					HarimMillsboro, LLC			
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 15th May, 2019 to 1st May, 2020)

The member of the Board of Directors	Opening date	The details of the resolution	The result of the resolution
	2019.06.11	1. To Approve Issuance of the 20th Unsecured Public Corporate Bonds	The resolution was approved in favor of all the attendees, including four independent directors.

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, Oh Kwang Soo, Christopher Anand Daniel	2019.08.13	1. To approve of the liquidation of STX Pan Ocean (U.K) Co.,Ltd.	The resolution was approved in favor of all the attendees, including two independent directors.
	2019.12.20	1. To approve the appointment of Vice Chairman & Acting Chairman of BOD 2. To approve of the contract of Shared Expenses Agreement and payment 3. To approve internal transactions of FY 2020	The resolution was approved in favor of all the attendees, including four independent directors.
	2020.01.16	1. To approve Business Plan for 2020 2. To approve for Shipbuilding Contract of 50,000 DWT Tanker	The resolution was approved in favor of all the attendees, including four independent directors.
	2020.01.31	1. To approve submission of a bid for the acquisition of shares	The resolution was approved in favor of all the attendees, including two independent directors.
	2020.02.12	1. To approve the date & venue and Agenda for Annual General Meeting for 2020 2. To approve financial statements of 2019 3. To approve the 54th Annual Report 4. To approve appointment of Director 5. To approve ceiling on remuneration for directors of year 2020 6. To approve the renewal of the IPT mandate 7. To approve the standard of performance evaluation & incentive payment of year 2020 for CEO 8. To approve remuneration plan of the executive officers for year 2020 9. To approve of Shipbuilding Contract and Long-term Time Charter out Contract of 300,000 DWT VLCC Tanker 10. To approve of the contract of Shared Expenses Agreement and payment	The resolution was approved in favor of all the attendees, including three independent directors.
Kim Hong Kuk, Ahn Joong Ho, Cheon Se Gi, Choi Seung Hwan, Oh Keum Seok, Oh Kwang Soo, Christopher Anand Daniel	2020.03.30	1. To approve the appointment of CEO and Chairman of BOD 2. To approve the appointment of member of committees 3. To approve the establishment of an overseas office 4. To approve for Shipbuilding Contract	The resolution was approved in favor of all the attendees, including four independent directors.
	2020.04.21	1. To approve of the acquisition of shares in Pan Ocean (America) Inc.	The resolution was approved in favor of all the attendees, including four independent directors.

7) Operating State of committee within the Board of Directors

(From 15th May, 2019 to 1st May, 2020)

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, Oh Kwang Soo	2020.02.12	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 54th Annual general meeting 5. Renewal of the IPT Mandate	The resolution was approved in favor of all the attendees, including two Independent Director.
Internal Transactions Committee	Choi Seung Hwan, Oh Keum Seok, Oh Kwang Soo, Choo Sung Yob	2019.12.20	1. To approve of the contract of Shared Expenses Agreement and payment 2. To approve internal transactions of FY 2020	The resolution was approved in favor of all the attendees, including three Independent Director.
Remuneration committee	Choi Seung Hwan, Oh Keum Seok,	2020.02.12	1. To approve ceiling on remuneration for directors of year 2020	The resolution was approved in favor of

Name of the Committee	The member of the Committee	Opening date	The details of the resolution	The result of the resolution
	Oh Kwang Soo		2. To approve the standard of performance evaluation & incentive payment of year 2020 for CEO 3. To approve remuneration plan of the executive officers for year 2020	all the attendees, including two Independent Director.
Independent Director Nominating Committee	Choi Seung Hwan, Oh Keum Seok, Oh Kwang Soo, Ahn Joong Ho	-	-	-

8) Operation state of voting right at ANNUAL GENERAL MEETING

(From 15th May, 2019 to 1st May, 2020)

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

9) The status of shareholding

(As of 1st May, 2020)

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	2,000	0.00	-	-	2,000	0.00
		KIM, TAI GEON	120	0.00	-	-	120	0.00
		OH, EUNG SEO	26,000	0.00	-	-	26,000	0.00
		NAM, IN SUK	3,030	0.00	-	-	3,030	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	70,000	0.01	-	-	70,000	0.01
		JEONG, HO SEOK	240	0.00	-	-	240	0.00
		LEE, BUM KWON	64,541	0.01	-	-	64,541	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
		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
		AHN, JOONG HO	1,920	0.00	-	-	1,920	0.00
		LEE, IN KYU	4,000	0.00	-	-	4,000	0.00
		KIM, YONG KIL	1,288	0.00	-	-	1,288	0.00
		OH, KEUM SEOK	7,700	0.00	-	-	7,700	0.00
		CHEON, SE GI	2,355	0.00	-	-	2,355	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	-	293,483,094	54.90	-	-	293,483,094	54.90
Other shareholders		-	241,086,113	45.10	-	-	241,077,160	45.10

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(%)
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, 2020)

Company owned shares	Invested Company	Book Value (KRW mil.)	No of shares
Pan Ocean Co., Ltd	Pos SM	4,119	800,000 (100%)

11) The status of borrowings

(From 1st Jan, 2020 to 31st Mar, 2020)

(Unit : KRW mil.)

Loaner Borrower	The enterprise group	The others
Pan Ocean Co., Ltd	-	120,112

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

(From 1st Jan, 2019 to 31st Dec, 2019)

Name	Amount (KRW mil.)
Pos SM	179
Pan Ocean Japan Corporation	891
Pan Ocean Singapore Bulk Carrier Pte. Ltd.	2,295
Pan Ocean (America), Inc.	30,650
Total	34,015

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

(As of 31st Dec, 2019)

(Unit : KRW mil.)

Debtor Creditor	Jeil Feed Company , Ltd.	Pos SM	Total
Pan Ocean Co., Ltd	383	184	567

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

(As of 31st Mar, 2020)

(Unit : KRW mil.)

Debtor	Creditor	Amount of debt	Amount of guarantee	Period for debt guarantee
POS Maritime FC S.A.	The Export-Import Bank of Korea	6,665	6,665	2017.12.28-2022.12.28
POS Maritime GC S.A	Societe Generale	12,878	12,878	2018.03.19-2025.03.19
POS Maritime HC S.A	Societe Generale	12,878	12,878	2018.03.19-2025.03.19
POS Maritime IC S.A.	Societe Generale	12,878	12,878	2018.04.12-2025.03.19
Pan Ocean (America), Inc.	Standard Chartered	0	30,565	2018.08.17-2019.08.17
Employee stock ownership association	Heungkook Savings Bank	24	31	2019.09.13-2020.09.12

Debtor	Creditor	Amount of debt	Amount of guarantee	Period for debt guarantee
Total		45,323	75,895	-

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

(As of 31st Mar, 2020)

Name of company	Number of guarantees	Amount (KRW mil.)
Pan Ocean Co., Ltd	12	19,683

BY ORDER OF THE COMPANY

Lotus Isabella Lim Mei Hua
Company Secretary

Date: 29 May 2020