



Ocean Commerce Public Company Limited

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No OCMSET/6108/003

(Translation)

August 10, 2018

Subject Information on issuance and allocation of newly issued ordinary shares to Private Placement and connected transactions with major shareholders (additional)

To The President

The Stock Exchange of Thailand

Attachment

1. Information Memorandum regarding the Offering and Allocation of the Newly Issued Shares of Ocean Commerce Public Company Limited to the Specific Investor (Private Placement)
2. Capital Increase Report Form (F 53-4)
3. Information Memorandum regarding the Connected Transaction of Ocean Commerce Public Company Limited

According to Ocean Commerce Public Company Limited ("the Company"), the Board of Directors meeting No. 3/2018, held on June 12, 2018, passed the resolution to propose the Extraordinary General Meeting of Shareholders No. 1/2018 to consider and approve the issuance and allocation of 482,567,173 newly issued ordinary shares of the Company. Baht 0.25 Please be informed accordingly. The price is 0.80 baht per share. For private placement, Mrs. Chatcha Trairunkulchai ("Investor"), a private placement person, The transaction is considered as a connected transaction of the listed company. Thereafter, the Company had additional information from such.

The Company would like to inform the information regarding the issuance and allocation of new ordinary shares to Private Placement and connected transactions with major shareholders.

Sincerely Yours,

A handwritten signature in blue ink, appearing to read 'Uchai Vilailerstpoca', is written over a light blue horizontal line.

Mr. Uchai Vilailerstpoca

Managing Director

Information Memorandum Concerning the Offering and Allocation of the Newly Issued Shares of Ocean Commerce Public Company Limited

The Board of Directors' Meeting 3/2018 of Ocean Commerce Public Company Limited (the "**Company**"), held on June 12, 2018, has passed a resolution to propose to the Extraordinary General Meeting of the Shareholders No. 1/2018 to consider and approve the increase of the Company's registered capital in the amount of THB 120,641,793.25 from the existing registered capital of THB 180,970,466.50 to be the new registered capital of THB 301,612,259.75 by issuing 482,567,173 newly ordinary shares at the par value of THB 0.25 per share.

The details of the private placement of the Company's ordinary shares for capital increase which are material to the shareholders' decision-making are described below.

1. Details of Private Placement

1.1. Offering and Allocation Method

The Company will issue and allocate of 482,567,173 newly issued shares at the par value of THB 0.25 per share on a private placement basis to Mrs. Chatchaya Tritrakulchai, at the offering price of THB 0.80 with the total of THB 380,053,738.40.

Such issuance of the newly issued shares is treated as an offering which the Shareholders' Meeting has a resolution clearly specified the offering price at THB 0.80 per share which is considered as an offer of newly issued share at a price not lower than 90 percent of market price pursuant to the Notification of the Capital Market Supervisory Board Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Investors dated October 28, 2015 (as amended) (the "**Notification No.TorJor. 72/2558**"). "Market Price" for the newly issued share offering to the investor is calculated from the weighted average price of the Company's shares listed on the Stock Exchange of Thailand – MAI ("**SET**") for the previous 15 consecutive business days prior to the resolution of the Board of Directors' Meeting proposing the Extraordinary General Meeting of Shareholders No.1/2018 to approve the issuance and allocation of the newly issued ordinary shares to the specific investor on a private placement basis, which the share price between May 21, 2018 – June 11, 2018 is equal to THB 0.87 per share (source: SETSMART from www.setsmart.com).

In addition, such issuance of the newly issued shares must be approved at the Shareholders' Meeting of the Company with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote. In addition to seeking approval for the allocation and offering of the Company's newly issued ordinary shares at the Shareholder's Meeting the Company must obtain an approval from the an approval from the Office of the Securities and Exchange Commission ("**SEC**") to offer the newly issued ordinary shares to the private placement investor pursuant to the Notification No. TorJor. 72/2558 prior to the allocation and offering of the Company's newly issued ordinary shares.

If the offering price of the Company's newly issued ordinary shares is lower than 90 percent of the market price of the Company's shares prior to the first date that offering of the newly issued ordinary shares, the Company shall prohibit the investor to sell the Company's newly issued ordinary shares within 1 year from the first day on which the Company's newly issued ordinary shares are first traded on the SET (Silent Period). Nonetheless, the investor may sell not more

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than 25 percent of the lock-up shares after the Company's newly issued ordinary shares have been traded on the SET for 6 months according to the Notification of the Stock Exchange of Thailand Re: Criteria, Condition, and Procedure in Considering an Application to Approve to List Newly Issued Ordinary or Preference Shares as Registered Securities B.E.2558, dated May 11, 2015 (as amended).

In this regard, the Board of Directors approve to propose to the Extraordinary General Meeting of Shareholders No. 1/2018 to consider and authorize the director or executive committee or the chief executive officer or other person assigned by the director or executive committee or the chief executive officer, to be an authorize person to determine the terms and conditions and other details as necessary for and in connection with the issuance and offering of newly issued shares as it deems appropriate, including but not limited to the following matters:

- (1) to determine or to amend details, methods, any other relating conditions regarding the issuance and offering of the newly issued shares, share subscription, the offering of newly issued shares date and the share capital increase payment method (the allocation and subscription may be on one or several occasions) including conduct other necessary action for and in connection with the issuance, allocation and offering of newly issued shares and filing information and disclose the relevant details to the SET;
- (2) to sign, amend contact or report any information in the application and necessary document for the offering and allocation, share subscription and deliver such share including contact and filing the application, documents and evidence to the Ministry of Commerce, SEC, SET government agency, and/or relating authority regarding the issuance and offering of newly issued shares, and the listing of the newly issued shares in the SET; to have an authority to process as deemed necessary and appropriate, concerning the above mentioned, and to ensure that the issuance and offering of the newly issued shares is complete.

In addition, the Company's proposed offering and allocation of the Company's 482,567,173 newly issued shares to the investor, representing 40 percent of the Company's total issued shares (after the paid up capital registration) resulting the investor to make a tender offer for all securities of the Company pursuant to the Securities and Exchange Act. B.E.2535 (as amended), and the Notification of the Capital Market Supervisory Board TorChor. 12/2554 Re. Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers dated May 13, 2011 (as amended). However, the investor does not wish to make a tender offer for all securities of the Company, but wishes to apply for a waiver from the requirement to make a tender offer for all securities of the business by virtue of the resolution of the Shareholders' Meeting (Whitewash), in accordance to the Notification of the Office of the Securities and Exchange Commission No. SorJor.36/2546 Re: Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Business by Virtue of the Shareholders' Meeting Resolution, dated November 17, 2003 (as amended) and the Notification of the Office of the Securities and Exchange Commission No. SorKor. 29/2561 Re: Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Business by Virtue of the Shareholders' Meeting Resolution, dated May 30, 2018 (as amended) (the "**Whitewash Notification**").

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Shareholding Percentage before Share Allocation (As of June 27, 2018)				Shareholding Percentage after Share Allocation			
No.	Name	Number of Shares (shares)	percent	No.	Name	Number of Shares (shares)	percent
1	Mr. Uchai Vilailerstpoca	202,040,000	27.9	1	Mrs. Chatchaya Tritrakulchai	482,567,173	40.0
2	Mr. Fhapratan Jitratsanee	152,148,900	21.0	2	Mr. Uchai Vilailerstpoca	202,040,000	16.7
3	Mr. Prasert Lohawiboosub	20,443,200	2.8	3	Mr. Fhapratan Jitratsanee	152,148,900	12.6
4	Mr. Teerapon Sirikwanchai	17,400,000	2.4	4	Mr. Prasert Lohawiboosub	20,443,200	1.7
5	Mrs. Panissara Pranyachaleekun	13,300,000	1.8	5	Mr. Teerapon Sirikwanchai	17,400,000	1.4
6	Mr. Atthapol Sittipongtanakul	12,909,600	1.8	6	Mrs. Panissara Pranyachaleekun	13,300,000	1.1
7	Mr. Purich Rohitachart	12,800,000	1.8	7	Mr. Atthapol Sittipongtanakul	12,909,600	1.1
8	Miss Tanat Lieotrakun	11,843,500	1.6	8	Mr. Purich Rohitachart	12,800,000	1.1
9	Mr. Zait Pattanamas	11,111,000	1.5	9	Miss Tanat Lieotrakun	11,843,500	1.0
10	Miss Voranan Panjaworayan	11,000,000	1.5	10	Mr. Zait Pattanamas	11,111,000	0.9
11	Others	258,885,666	35.8	11	Others	269,885,666	22.4
Total		723,881,866	100.0	Total		1,206,449,039	100.0

Remark: Mr. Uchai Vilailerstpoca, Mr. Fhapratan Jitratsanee and Mrs. Chatchaya Tritrakulchai have no relationships with one another.

1.2. Type of Investor

The Company will issue and allocate the newly issued ordinary shares to offer to the private placement investor which is an individual.

1.3. Determination of Offering Price and Market Price

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The Company considers the justifiable price to the private placement investor to be THB 0.80 per share from the financial status of the Company, the current market price and the result of the negotiation with the investors. Such offering price is not lower than the 90 percent of the market price pursuant to the Notification No.TorJor. 72/2558 which the Market Price is calculated from the weighted average price of the Company's shares on the Stock Exchange of Thailand at least for the previous 15 consecutive business days prior to the date the Board of Directors passes its resolution to propose this item to the Shareholders' Meeting to consider approving the capital increase and the allocation of shares for capital increase to the private placement investor during the period from May 21, 2018 to June 11, 2018 at the price equal to THB 0.87 per share (source: SETSMART from www.setsmart.com).

In this connection, the Company considers the offering price to the private placement investor by comparing the Company's share value by using the following valuation methods:

1	Book value as of March 31, 2018	THB 0.32 per share
2	weighted average price of the Company's shares on the Stock Exchange of Thailand at least for the previous 15 consecutive business days prior to the date the Board of Directors passes its resolution (during May 21, 2018 to June 11, 2018	THB 0.87 per share
3	Offering price to the private placement investor	THB 0.80 per share

The Company determined the offering price by the weighted average market price for the previous 15 consecutive business days (May 21, 2018 – June 11, 2018) prior to the Board of Directors' Meeting has passed a resolution. The Company believes that the market price reflects the fair value of the Company as cleared, faired and acceptable manners. Nevertheless, the Company has considered the benefits regarding to acquiring the capital from the issuance of the new shares, as a beginning of the establishment on the crude palm oil (CPOA) trading business for biodiesel and edible oil. Including the experiences and expertise of the Investor, to enhance knowledge and understanding regarding the business as a strong foundation of sustainable growth in the crude palm oil (CPOA) trading business for biodiesel and edible oil. The Company has considered the discount of THB 0.07 per share from the market value, or equivalent to 91.95 percent from the market value which is the price not lower than 90 percent of market price pursuant to the Notification No.TorJor. 72/2558.

If the offering price of the Company's newly issued ordinary shares is lower than 90 percent of the market price of the Company's shares prior to the first date that offering of the newly issued ordinary shares, the Company shall prohibit the investor to sell the Company's newly issued ordinary shares within 1 year from the first day on which the Company's newly issued ordinary shares are first traded on the SET (Silent Period). Nonetheless, the investor may sell not more than 25 percent of the lock-up shares after the Company's newly issued ordinary shares have been traded on the SET for 6 months according to the Notification of the Stock Exchange of Thailand Re: Criteria, Condition, and Procedure in Considering an Application to Approve to List Newly Issued Ordinary or Preference Shares as Registered Securities B.E.2558, dated May 11, 2015 (as amended).

2. Purpose for the Issuance and Plan for Use of Proceeds

2.1 Purpose for the Issuance of Shares

Lately, the overall retail business tends to be sluggish given the economic slowdown and the constant decrease of consumers' spending, thereby resulting in a continued decrease in the total revenues and net profits of the Company. In 2017, the Company's total revenues amounted to THB 294 Million, which was decreased from THB 332 Million in 2016 or represent a decrease by 11 percent, and as a result, the Company's net profits in 2017 amounted to THB (32) Million, which was decreased from THB 2 Million in 2016. It is for this reason that the Company studies other businesses with growth prospects. In the past, the Company studied water, energy and environmental businesses of all types, and started to incorporate its subsidiary named Green Ocean Water (Thailand) Company Limited, which is wholly-owned by the Company. However, Green Ocean Water (Thailand) Company Limited could not generate revenues to the Company because it could not find appropriate public infrastructure projects. According to such business study, the Company recognizes the growing demand for biodiesel and government support for the use of crude palm oil (CPOA) for production of biodiesel and edible oil, the Company thus considers expanding its business operations to crude palm oil (CPOA) trading for biodiesel and edible oil production. Based on the Alternative Energy Development Plan 2015-2036 under the implementation by the Department of Alternative Energy Development and Efficiency, Ministry of Energy, biodiesel production is targeted at 7.0 million liters per day in 2036 from 3.4 million liters per day in 2016, thereby demonstrating concrete measures for promotion and support of biodiesel. Therefore, the Company is confident in its business operation plan in relation to crude palm oil (CPOA) trading business for biodiesel and edible oil and the growing demand in line with the government's supportive measures, which would bring about business advantage to ensure sustainable growth.

In this respect, the Company conducted a feasibility study regarding CPOA trading for biodiesel and edible oil. The study shows that the key success factors are sufficient working capital and strong relationship with suppliers and customers; in addition, the business growth is approximately 3-4 percent per year according to the development plan from the Department of Alternative Energy Development and Efficiency, Ministry of Energy which believe that the volume from the production from biodiesel from 3.39 million liter per day in 2016 increase to 7 million liter per day in 2036 with increasing demand for biodiesel and profit margin of 1-2 percent of the total revenues of such business (as per the details in the projections of operating results in Clause 5.3 of this Information Memorandum).

However, given that such business is not within the Company's areas of expertise, and as such, the Company needs an investor specializing and experienced in such industry. The Company foresees that the Investor can contribute knowledge, know-how and experience in the palm oil business to enhance the Company's business expansion and to engage with new strategic partners outside the Company's original areas of expertise. In addition, the fact that the Investor is generally well recognized in such industry and her strong connection with suppliers will render her being a major shareholder in the Company to bring about stakeholders' confidence in the business plan and direction of the Company to generate sustainable operations and growth in the crude palm oil (CPOA) trading business for biodiesel and edible oil.

In addition, to secure a source of funds to start the crude palm oil (CPOA) trading business for biodiesel and edible oil, the Company has considered raising its capital by issuing and allocating

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the newly issued ordinary shares by way of private placement to the Investor with good financial position and sufficient funds to subscribe for the newly issued ordinary shares on this occasion. This will enable the Company to promptly start such business and secure funds in full for utilization as necessary and in line with its business expansion plan. Moreover, the Company's issuance and allocation of the newly issued ordinary shares by way of private placement to the Investor bring about several advantages as compared to other means of fund raising, such as, borrowing of loans from financial institutions which may be subject to restrictions due to the Company's poor performance and relatively high costs, let alone that the public offering of the newly issued ordinary shares is subject to procedures and more time-consuming, and incurs more expenses, yet may be uncertain to raise funds to meet the requirements, whereas the rights offering is also uncertain that the existing shareholders would subscribe for the newly issued ordinary shares to fulfill the fund requirements.

Therefore, it is necessary for the Company to proceed with this capital increase by issuing and allocating 482,567,173 newly issued ordinary shares to the Investor at the par value of THB 0.25 per share at the offering price of THB 0.80 per share, totaling THB 386,053,738.40 to be utilized as an initial working capital to operate the crude palm oil (CPOA) trading business for biodiesel and edible oil. In this regard, the Board of Directors views that the issuance and allocation of newly issued ordinary shares to the Investor is appropriate and serves as an essential part to support the Company's business plan.

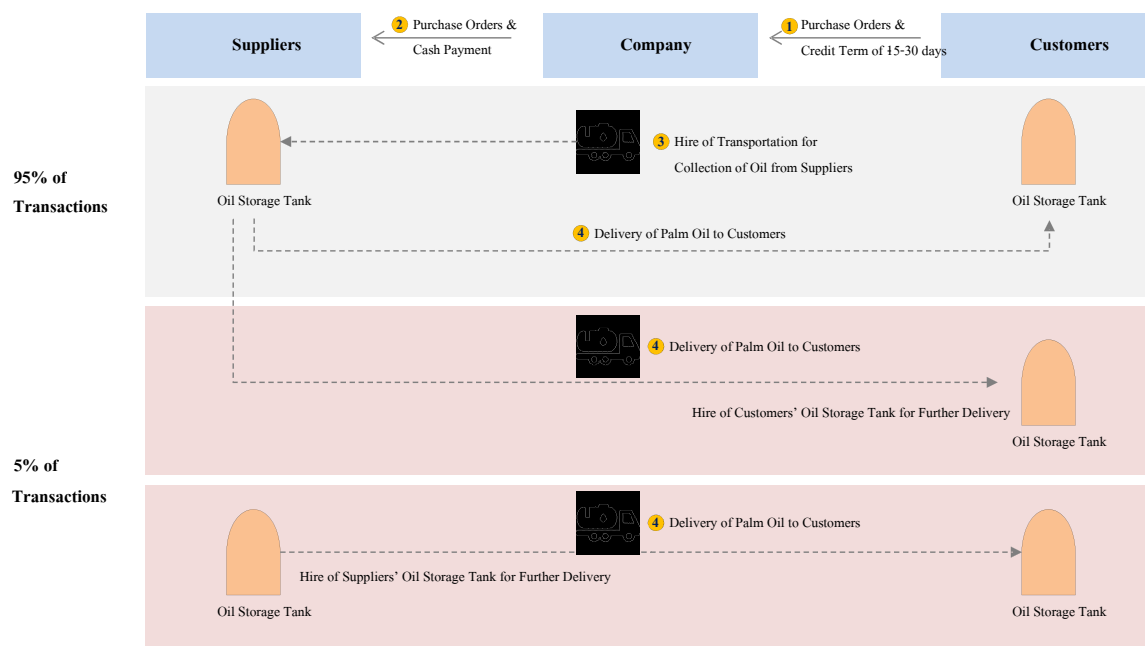
2.2 Plan for Use of Proceeds

The Company plans to make arrangements and use the proceeds from the issuance and allocation of the newly issued ordinary shares on this occasion to start the crude palm oil (CPOA) trading business as follows:

1. The Company will start the crude palm oil (CPOA) trading business on its own without operating such business through subsidiary or any company related to the Investor and does not proceed by the Company's employee which related to the Investor, but will rely on the Investor's database of crude palm oil suppliers and customers to start such business. The Company's startup plan is described below. Generally, the entering into the purchase agreement and the sell agreement in each time will have the sale volume approximately of 1,000 ton per agreement with the total value of approximately of THB 22-23 million with the delivery period of 1-2 weeks and will have 4-5 agreements per week. Therefore, the Company can adjust the agreement and start to partial operate the crude palm oil (CPOA) trading business for biodiesel and edible oil and shall proceed the amendment of the Company registration with the Ministry of Commerce which expect to complete within 14 days from the shareholder's meeting date and will register with the local Ministry of Commerce to be the collector of the palm oil and transfer of palm oil which take approximately 3-5 working days.

The Company has plan to operate as follows:

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- 1.1 When the Company receives purchase orders from customers, which specify volume, price, delivery period and place, with a credit term of 15-30 days, the Company will select customers with sound and good financial position to minimize risks from default on payments.
- 1.2 After the Company's receipt of customers' purchase orders, the Company will proceed to collect crude palm oil (CPOA) from third parties which is not a connected person with the Investor (i.e., palm farmer) as per the details and volumes required by customers, subject to cash payments, and arrange for delivery of the crude palm oil (CPOA) according to the respective purchase orders in approximately 1-2 weeks.
- 1.3 The Company will hire transportation to collect crude palm oil (CPOA) from suppliers for prompt delivery to the places designated by customers on a Back-to-Back basis, namely, the raw materials will be managed in line with the sales of goods in order to minimize risks from surplus stock. The Company will operate its trading business in this manner for approximately 95 percent of all transactions. However, the Company may hire customers' oil storage tanks in some circumstances, e.g., the crude palm oil (CPOA) volume under purchase order is not full of the storage tank of the transportation, in which case, the Company may hire the customer's oil storage tank for further delivery in the next purchase order, because in the ordinary course of transactions, customers will place approximately 1-2 purchase orders a week. On the other hand, the Company may also hire suppliers' oil storage tanks in some circumstances, e.g., the Company is waiting for delivery while the crude palm oil (CPOA) price at that time is low, in which case, the Company will purchase such crude palm oil (CPOA) and hire suppliers' oil storage tanks for storage and further delivery (within 1-2 weeks). The hire of oil storage tanks of suppliers and customers in such circumstances accounts for approximately 5 percent of all transactions.

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Nevertheless, during the startup of the crude palm oil (CPOA) trading business, the Company will not invest in any fixed assets, e.g., transportation for palm oil delivery, etc., but will hire transportation and palm oil storage tanks, provided that the Company has analyzed the cost-efficiency between hiring and acquisition of transportation, based on the details and significant assumptions as follows:

1. Hire of Transportation

CPOA Transportation Volume	192,000	tons / year
Transportation Cost	0.5 – 0.6	THB / kilogram
<u>Total Transportation Cost</u>	96 – 115	Million Baht / year
Transportation Cost	0.50 - 0.60	THB / kilogram

Acquisition of Transportation

Number of Vehicles	25	vehicles	To accommodate the delivery of CPOA at 192,000 tons / year
Acquisition Cost	175.00	Million Baht	- (THB 7,000,000 / vehicle) x (25 vehicles) - Installment period of 4 years (THB 43.75 million per year)
Drivers' Cost	7.80	Million Baht / year	- Two drivers per 1 vehicle - THB 13,000/month/person
Fuel Cost	84.10	Million Baht / year	- Approximate distance of 1,000 kilometer / trip - Fuel consumption rate of THB 6.57 / kilometer
Maintenance Cost	4.5	Million Baht / year	- THB 180,000 / vehicle / year
Interest Payments	8.75	Million Baht / year	- 5.0 percent per annum
<u>Total Acquisition Costs</u>	148.90	Million Baht / year	
Acquisition Costs	0.78	THB / kilogram	

Upon review of the cost-efficiency between hiring and acquisition of transportation, it can be seen that the hiring costs (approximately THB 0.50 – 0.60 per kilogram) is less than the acquisition costs (approximately THB 0.78 per kilogram). Considering the readiness and relevant arrangements, it can be seen that should the Company plan to invest in acquisition of transportation of crude palm oil, the following material considerations must be taken into account:

- Drivers licensed to drive large-sized transportation must be recruited shortly.
- There may be risks from the inability to transport the crude palm oil due to the vehicles being broken, out of order or subject to periodic maintenance, in which case, the Company will not be able to find replacement vehicles in time.
- Transportation management requires expertise, e.g., route assignment, transportation timetable and management for the least possible use of transportation without delivery, etc.

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Therefore, the Company foresees that in such business startup, the hire of transportation will help facilitate the operations and minimize risks from ongoing transportation, which will incur less costs than acquisitions, and provide more flexibility to its management.

Based on the foregoing reasons, the Company will select transportation providers and consider hiring the Investor's transportation, which would account for a total of 25 – 30 vehicles, at the ratio of 90:10 between third parties and the Investor, provided that the hire of transportation will be selected and engaged on an arm's length basis.

2. Lease of oil storage tank

The Company has no plan to build the oil storage tank CPOA from the following reasons:

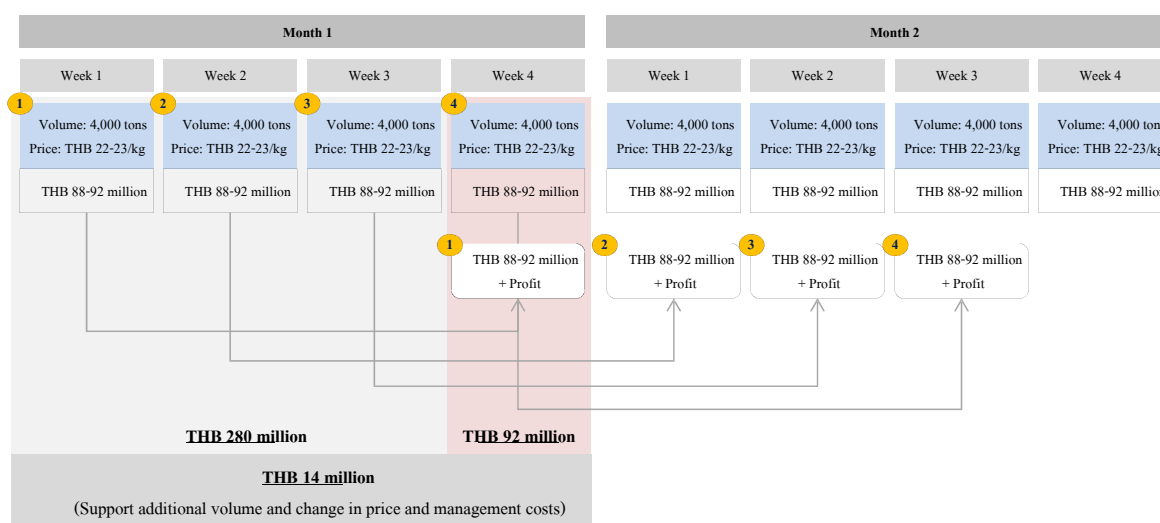
- The Company operates CPOA by having back to back approximately 95 percent of total sale system whereby the Company will manage the procurement of raw material to in line with the sale of goods to reduce the unnecessary inventory and the Company has no intention to store the crude palm oil. The Company would like to manage and wait for the transportation period to enable the deliver palm oil to the purchaser.
- The cost of investment for build the CPOA oil storage is high (approximately THB 12-15 million per tank which contains approximately 2,000 tons) which normally the Company shall lease the tank only the management and waiting the delivery period. Therefore, the tank shall locate with the location as specified by the customer.

Therefore, the Company foresees that the hire of oil storage tanks for the management and waiting the delivery period will help (i) minimize its investment burden and (ii) enhance its flexibility of stock management including able to choose the location that close to the customer place.

Based on the hire of crude palm oil (CPOA) storage tanks above (item 1.3), the Company will consider hiring such oil storage tanks from customers and suppliers on an arm's length basis. However, should there be any force majeure, such as, no oil storage tanks of customers or suppliers are available for the Company at any particular time, the Company may consider hiring the Investor's oil storage tanks for the purpose of managing and waiting for delivery on an arm's length basis, and the Company anticipates that the hiring of oil storage tanks between third parties and the Investor will be at the ratio of 99:01.

2. The Company plans to utilize the proceeds from the issuance and allocation of newly issued ordinary shares on this occasion as follows:
 - 2.1 In the ordinary course of the crude palm oil (CPOA) trading business, the Company needs to make cash payments to suppliers and accepts payments on a credit term of 15-30 days from customers, with the detail as follows:

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- The Company will utilize approximately THB 280 million to purchase approximately 4,000 tons of crude palm oil (CPOA) at the price of approximately THB 22-23/kilogram, totaling THB 88-92 million per week, for three weeks in order to complete the period for receipt of payment of the first week.

Generally, the entering into the purchase agreement and the sell agreement in each time will have the sale volume approximately of 1,000 ton per agreement (4-5 agreements per week) and the delivery period in each time approximately 1-2 weeks. Previously, the revenue portion of the trading of CPOA of the Investor's Company (i.e., Paragon Agritech Co., Ltd. and Lamair Palm Oil Co., Ltd.) approximately 80 percent of total revenue of both companies which equal to the purchase volume of CPOA approximately 3,000 -4,000 tons per week. Details are as follows:

	2015		2016		2017	
	Million	Percent	Million	Percent	Million	Percent
Paragon Agritech Co., Ltd.						
Revenue of CPOA	1,111	80	1,265	80	1,365	80
Revenue of CPOB	278	20	316	20	341	20
Total revenue	1,389	100	1,581	100	1,706	100
Lamair Palm Oil Co., Ltd.						
Revenue of CPOA	628	80	1,771	80	1,921	80
Revenue of CPOB	157	20	443	20	480	20
Total revenue	785	100	2,214	100	2,401	100

- The Company will reserve approximately THB 106 million, divided into:
 - 1) Reserve for purchase of crude palm oil (CPOA) for another one week (approximately THB 88-92 million) to prevent any business interruption should the Company not receive payment of the first week, which may

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be caused by customers' billing process and cheque issuance cycle, etc.;

- 2) Reserve for support of changes in volume of purchase of crude palm oil (CPOA) and in price, as well as other management costs, in the amount of approximately THB 14 million.

2.2 The Company anticipates the growth rate of volume of purchase of crude palm oil (CPOA) at approximately 3-4 percent per year, mainly due to the public sector's support of use of biodiesel in accordance with the Ministry of Energy's Alternative Energy Development Plan which believe that the volume from the production from biodiesel from 3.39 million liter per day in 2016 increase to 7 million liter per day in 2036. Therefore, the Company will consider securing additional sources of funding (e.g., borrowing from financial institutions) to support its business growth, which the Company expects to require approximately THB 130-180 million per year to accommodate such growth.

3. Potential Impact from the Share Offering

3.1 Price Dilution

$$= \frac{\text{Market price before the offering} - \text{Market price after the offering}}{\text{Market price before the offering}}$$

$$= \frac{(0.87-0.84)}{(0.87)}$$

$$= 3.45$$

3.2 Control Dilution

$$= \frac{\text{Number of shares for capital increase}}{\text{Number of paid-up shares} + \text{Number of shares for capital increase}}$$

$$= \frac{482,567,173}{723,881,866 + 482,567,173}$$

$$= 40 \text{ percent}$$

3.3 Earnings per Share Dilution

This offering of newly issued shares has no impact to the earnings per share as the Company is in the loss position.

4. Name and information of the investor shall receive from the offering of

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- (1) **Specify the names of the specific investor who are allocated with the shares are as follows:**

Names	Number of allotted shares (shares)	Offered price (Baht per share)	Total value (Baht)
Mrs. Chatchaya Trirakulchai	482,567,173	0.80	380,053,738.40

- (2) **Data of the private placement**

Name: Mrs. Chatchaya Trirakulchai

Address: No. 599/195, Ratchadaphisek Road, Chatuchak Sub-district, Chatuchak District, Bangkok

Education:

Bachelor's degree, Faculty of Information and Communication Technology, Mahidol University

Occupation/experience:

2013 - Present	Director and 95% percent shareholder (including spouse)	Paragon Agritech Co., Ltd. Business type: trading of Crude Palm Oil type A or CPOA and palm oil extraction plant, and Crude Palm Oil type B or CPOB The CPOA business will be ceased and will be proceed the Company's amendment registration to carve out the CPOA business and expect to complete within November 2018
2014 - Present	Director and 100% percent shareholder (including spouse)	Lamair Palm Oil Co., Ltd. Business type: trading of Crude Palm Oil type A or CPOA and palm oil extraction plant, Crude Palm Oil type B or CPOB The CPOA business will be ceased and will be proceed the Company's amendment registration to carve out the CPOA business and expect to complete within November 2018
2014 - Present	Director and 70% shareholder (including spouse)	AMT Growth Co., Ltd. Business type: trading of Crude Palm Oil type B or CPOB

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		<p>The CPOA business will be ceased and will be proceed the Company's amendment registration to carve out the CPOA business and expect to complete within November 2018</p>
2017 - Present	Director and 99.9% percent shareholder (including spouse)	<p>Triple P Global Intertrade Co., Ltd.</p> <p>Business type: trading by outsourcing third party to supply raw materials and produce edible cooking oil under its own brand, "Savoey"</p> <p>The CPOA business will be ceased and will be proceed the Company's amendment registration to carve out the CPOA business and expect to complete within November 2018</p>
2017 - Present	Director and 95% shareholder (including spouse)	<p>Paragon Core Assets Co., Ltd.</p> <p>Business type: leasing and handling of real and person property (apartments)</p> <p>The CPOA business will be ceased and will be proceed the Company's amendment registration to carve out the CPOA business and expect to complete within November 2018</p>
2005 - Present	<p>The Investor holds neither shares nor directorship.</p> <p>(Her spouse holds 10% of shares and directorship.)</p>	<p>Tapfa Bio Co., Ltd</p> <p>Business type: producing and distributing biodiesel oil for community</p> <p>At present, this company has ceased its business operations and undergone dissolution, which is expected to be completed by 2018.</p>

The Company will disclose the progress of the share sale in Triple P Global Intertrade Co., Ltd. and the dissolution of Tupfa Bio Co., Ltd. through SET system (ELCID).

Mrs. Chatchaya Tritrakulchai established Paragon Agritech Co., Ltd., located in Trang Province, in 2013 to operate the business of trading crude palm oil type B (CPOB) for animal feed mill industry, and then expand to start crude palm oil trading type A (CPOA) for biodiesel and edible oil. In 2014, she established Lamair Palm Oil Co., Ltd., located in Trang Province to operate CPOA and CPOB trading. In addition, in 2017, she has stepped into retail business by establishing Triple P Global Intertrade Co., Ltd. to outsource third party to supply raw materials and produce edible cooking oil under its own brand, "Savoey".

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Mrs. Chatchaya Tritrakulchai is a new generation of businessman which has a vision for operate the business having, knowledge, understanding, experienced and expertise in trading crude palm oil, especially the honesty that makes Mrs. Chatchaya Tritrakulchai is and most notably the business integrity, and as such, Mrs. Chatchaya Tritrakulchai is well recognized in palm oil industry and maintains strong connections with suppliers, customers and other industrial operators, through the ongoing transactions of crude palm oil between customers and suppliers. Also, crude palm oil purchase and sale agreements on each occasion account for approximately 1,000 tons with the delivery period of approximately 1-2 weeks, therefore, the Company is able to amend the agreements and promptly start such business accordingly (after the Company's registration of amendment of its business objectives to cover the crude palm oil (CPOA) trading business for biodiesel and edible oil with the Ministry of Commerce, which is expected to be completed within 14 days from the date of receipt of approval from the shareholders' meeting, and its subsequent application for registration with the Provincial Commercial Registration Office to be a palm oil collector and transporter, which will take approximately 3-5 business days to complete.)

To avoid any conflict of interest after this capital increase, the Company shall operate the crude palm oil (CPOA) for sell to the customer for further use in the industry of trading business for biodiesel and edible oil in which Mrs. Chatchaya Tritrakulchai will not engage in the same business of the Company and will continue to operate the trading of crude palm oil (CPOB) for the feed industry which shall not give rise to any conflict of interest as CPOA and CPOB contain different qualifications and are obviously used for production of different products.

In this connection, the Company has entered into an agreement with the Investor, whereby Mrs. Chatchaya Tritrakulchai has signed such agreement on July 10, 2018, which will become effective after the Company has obtained approval for the offering the newly issued ordinary shares by way of private placement from the SEC Office under the Notification No.TorJor.72/2558 and the Investor has obtained approval for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of resolution of the shareholders' meeting (Whitewash) from the SEC Office pursuant to the Whitewash Notification which will be valid and applicable as long as the Investor (including the person(s) under Section 258 of the Investor as specified in the Securities and Exchange Act. B.E.2535 (1992) (as amended) (if any)) remains a major shareholder (a major shareholder holds the shareholding percentage exceeding 10 percent) and/or a controlling person of the Company. That is, Mrs. Chatchaya Tritrakulchai agrees that from the date that the Company has received payment for the newly issued ordinary shares on this occasion, the crude palm oil (CPOA) trading business for biodiesel and edible oil shall be operated by the Company only. Mrs. Chatchaya Tritrakulchai (whether by herself or through a joint venture with other business operator) shall not engage in the same business and products in competition with the CPOA trading business for biodiesel and edible oil of the Company including shall not conduct any action to obstruct the business opportunity of CPOA for trading business for biodiesel and edible oil of the Company, and also agrees to refrain from disclosing the Company's confidential information, including such information relating to suppliers, palm farmers, customers demanding CPOA for biodiesel and edible oil production, and the business plan made known to the Investor by the Company, to any third party, unless agreed otherwise. The Board of Directors shall consider the overall interests of the Company and

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the shareholders its top priority. The Board of Directors will authorize the management team to proceed and monitor to ensure strict compliance with the aforementioned agreement.

Relationship with the Company:

Currently, Mrs. Chatchaya Tritrakulchai has no relationship with the Company. However, after the execution of the Share Purchase Transaction, Mrs. Chatchaya Tritrakulchai shall hold 40 percent of all issued shares of the Company (after registration of the Company's paid-up registered capital increase). The investor is entitled to nominate three persons to be the Company's directors i.e., Mrs. Chatchaya Tritrakulchai, Mr. Jiratch Traitrakulchai and Mr. Kong Suriyamontol from the current seven persons in which has been resigned one person which is Mr. Apichart Paphanpuwong and will be resigned two person which is Mrs. Ratana Vilailerstpoca and there will be a change in the authorized director's signatory (from Mr. Uchai vilailerstpoca Miss Wanna Maluengnon Mrs. Ratana Vilailerstpoca any two of three directors jointly sign together with the Company seal to Mrs. Chatchaya Tritrakulchai jointly sign with Mr. Uchai vilailerstpoca or Miss Wanna Maluengnon, two directors in total together with the Company seal) to be consistent with the Company's shareholding structure and directors of the Company which change after the acquisition of shares of the Company by the investor which expects to proceed by September 2018 and the investor is entitled to nominate three persons to be the Company's executive directors which shall include Mrs. Chatchaya Tritrakulchai and other two persons.

5. Opinions of the Board of Directors

5.1 Reasons and necessities for the capital increase

Lately, the overall retail business tends to be sluggish given the economic slowdown and the constant decrease of consumers' spending, thereby resulting in a continued decrease in the total revenues and net profits of the Company. In 2017, the Company's total revenues amounted to THB 294 Million, which was decreased from THB 332 Million in 2016 or represent a decrease by 11 percent, and as a result, the Company's net profits in 2017 amounted to THB (32) Million, which was decreased from THB 2 Million in 2016. It is for this reason that the Company studies other businesses with growth prospects. In the past, the Company studied water, energy and environmental businesses of all types, and started to incorporate its subsidiary named Green Ocean Water (Thailand) Company Limited, which is wholly-owned by the Company. However, Green Ocean Water (Thailand) Company Limited could not generate revenues to the Company because it could not find appropriate public infrastructure projects. According to such business study, the Company recognizes the growing demand for biodiesel and government support for the use of crude palm oil (CPOA) for production of biodiesel and edible oil, the Company thus considers expanding its business operations to crude palm oil (CPOA) trading for biodiesel and edible oil production. Based on the Alternative Energy Development Plan 2015-2036 under the implementation by the Department of Alternative Energy Development and Efficiency, Ministry of Energy, biodiesel production is targeted at 7.0 million liters per day in 2036 from 3.4 million liters per day in 2016, thereby demonstrating concrete measures for promotion and support of biodiesel. Therefore, the Company is confident in its business operation plan in relation to crude palm oil (CPOA) trading business for biodiesel and edible oil and the growing demand in line with the government's supportive measures, which would bring about business advantage to ensure sustainable growth.

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In this respect, the Company conducted a feasibility study regarding CPOA trading for biodiesel and edible oil. The study shows that the key success factors are sufficient working capital and strong relationship with suppliers and customers; in addition, the business growth is approximately 3-4 percent per year according to the development plan from the Department of Alternative Energy Development and Efficiency, Ministry of Energy which believe that the volume from the production from biodiesel from 3.39 million liter per day in 2016 increase to 7 million liter per day in 2036 with increasing demand for biodiesel and profit margin of 1-2 percent of the total revenues of such business (as per the details in the projections of operating results in Clause 5.3 of this Information Memorandum).

However, given that such business is not within the Company's areas of expertise, and as such, the Company needs an investor specializing and experienced in such industry. The Company foresees that the Investor can contribute knowledge, know-how and experience in the palm oil business to enhance the Company's business expansion and to engage with new strategic partners outside the Company's original areas of expertise. In addition, the fact that the Investor is generally well recognized in such industry and her strong connection with suppliers will render her being a major shareholder in the Company to bring about stakeholders' confidence in the business plan and direction of the Company to generate sustainable operations and growth in the crude palm oil (CPOA) trading business for biodiesel and edible oil.

In addition, to secure a source of funds to start the crude palm oil (CPOA) trading business for biodiesel and edible oil, the Company has considered raising its capital by issuing and allocating the newly issued ordinary shares by way of private placement to the Investor with good financial position and sufficient funds to subscribe for the newly issued ordinary shares on this occasion. This will enable the Company to promptly start such business and secure funds in full for utilization as necessary and in line with its business expansion plan. Moreover, the Company's issuance and allocation of the newly issued ordinary shares by way of private placement to the Investor bring about several advantages as compared to other means of fund raising, such as, borrowing of loans from financial institutions which may be subject to restrictions due to the Company's poor performance and relatively high costs, let alone that the public offering of the newly issued ordinary shares is subject to procedures and more time-consuming, and incurs more expenses, yet may be uncertain to raise funds to meet the requirements, whereas the rights offering is also uncertain that the existing shareholders would subscribe for the newly issued ordinary shares to fulfill the fund requirements.

Given the Company's business plan and necessity above, therefore, it is necessary for the Company to proceed with this capital increase by issuing and allocating 482,567,173 newly issued ordinary shares to the Investor at the par value of THB 0.25 per share at the offering price of THB 0.80 per share, totaling THB 386,053,738.40. The Company will use the proceeds from the increased capital as an initial working capital to operate the CPOA trading business for biodiesel and edible oil.

Therefore, the Board of Directors views that the issuance and allocation of the newly issued shares to the private placement investor is reasonable because it will enhance and support efficiency and ensure confidence in starting a new business, CPOA trading for biodiesel and edible oil which will also enhance the Company's growth and support government policy re: Alternative Energy.

5.2 Possibility of the Proceeds Utilization Plan

The Alternative Energy Development Plan 2015 – 2036 under Department of Alternative Energy Development and Efficiency, Ministry of Energy with target daily biodiesel production of 7.0

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million liters per day in 2036 from 3.4 million liters per day in 2016 is a solid confirmation on government supposing policy in biodiesel. Therefore, the Company is strongly confident in the business plan to operate crude palm oil (CPOA) trading business for biodiesel and edible oil with solid growth per the government policy. In addition, the Company aims to create competitive advantages and sustainable platform in such business. Also, the business plan is focus on the exportation of CPOA for the production of biodiesel and edible oil to overseas which continuously grow and reduce the reliability on the domestic revenue.

In addition, the Board of Directors view that the issuance and allocation of the newly issued shares to the private placement investor will help the Company to obtain additional cash flow for serving for the working capital of the Company for the Company's business operation regarding the crude palm oil (CPOA) trading business for biodiesel and edible oil. This will increase the liquidity and reduction of cost and time for finding source of fund for the current and future business operation of the Company.

The Company anticipates the growth rate of volume of purchase of crude palm oil (CPOA) at approximately 3-4 percent per year, mainly due to the reasons described above. Therefore, the Company will consider securing additional sources of funding (e.g., borrowing from financial institutions) to support its business growth, which the Company expects to require approximately THB 130-180 million per year to accommodate such growth.

5.3 Potential impact of the capital increase on the business operation, financial status and overall business results of the Company

The Board of Directors views that the issuance and allocation of the newly issued shares to the private placement investor will strengthen the long-term financial structure and the debt to equity ratio of the Company by increasing more financial flexibility for future project and reserve as a working capital for the Company's business operation. Therefore, such capital increase shall not material adverse effect to the business operation, financial status of the Company.

The Company anticipates that the total revenues from the crude palm oil (CPOA) trading business would amount to approximately THB 3,000 – 4,000 million per year, with the volume of purchase of crude palm oil (CPOA) at approximately 11-14 million kilograms per month, at the CPOA selling price of approximately THB 22.0 – 23.0 per kilogram, with a growth rate ranging approximately 3-4 percent per year. The Company expects to generate a profit margin at the rate of approximately 1-2 percent of the total revenues of such business, and such revenues will be essential to boost the Company's overall performance.

In addition, in a long term, the Company will benefit from using the investor's knowledge, skills and experiences in the palm oil business to enhance the Company's efficiency in business expansion regarding crude palm oil (CPOA) trading business for biodiesel and edible oil which were not the Company's previous expertise. Also, the Company foresees the growth of Biodiesel industry as the government supports this kind of business which will generate income and business interests to the Company.

However, the Company has taken into account such risks which are material and relevant to the crude palm oil (CPOA) trading business as follows:

1) Risk from procurement of raw materials at reasonable price

The Company, as trader in the crude palm oil (CPOA) transactions, will be required to collect the crude palm oil (CPOA) to fulfill the volume as required by customers and to deliver the same in a timely manner. Should the Company be unable to procure the crude palm oil (CPOA) at reasonable price, it may affect the Company's performance and financial position.

However, the Company executes major transactions on a Back-to-Back basis to minimize risks from transaction price, and closely monitors the industrial circumstances so as to enable it to plan and manage such risk efficiently.

2) Risk from reliance upon major customers

Given that the Company will mainly focus on the crude palm oil (CPOA) trading business for biodiesel, therefore, this group of customers comprises major operators with refineries for biodiesel production, e.g., Global Green Chemical Public Company Limited and Bangchak Corporation Public Company Limited, etc., and should the Company lose such group of customers, it may affect the Company's performance and financial position.

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However, the Company will focus on assuring the quality of its products and services to meet international standards, and managing its transportation to meet the customers' requirements. Thanks to the long-standing relationship between the Investor and her customers, and the government's policy to clearly support alternative energy, particularly, biodiesel, the business operators that produce and distribute biodiesel will proceed with their production to be in line with such measures, which will help keep such risk at a manageable level.

5.4 Reasonableness of the offering price and the background for determination of such price

The Company determined the offering price through negotiations between the Company and the Investor by the weighted average market price for the previous 15 consecutive business days (May 21, 2018 – June 11, 2018) prior to the Board of Directors' Meeting has passed a resolution. The Company believes the market value reflects the actual value of the Company as cleared, fared and acceptable manner. Nevertheless, the Company has considered the benefits regarding to acquiring the capital from the issuance of the new shares, as a beginning of the establishment on the crude palm oil (CPOA) trading business for biodiesel and edible oil. Including the experiences and expertise of the Investor, to enhance knowledge and understanding regarding the business as a strong foundation of sustainable growth in the trading of Palm Oil for production of biodiesel business. The Company has considered the discount of THB 0.07 per share from the market value, or equivalent to 91.95 percent from the market value and such price is not lower than 90 percent of market price pursuant to the Notification No.TorJor. 72/2558.

Upon the consideration of the reason, necessity and the benefit that the Company will receive from the aforementioned issuance and allocation of the newly issued shares to the investor. The Board of Directors has approved such issuance and allocation of the newly issued shares to the investor and opined that the allocation to the investor, terms of allocation and the offering price are appropriate and shall be the maximum benefit to the Shareholder.

5.5 Reasons and necessities for the issuance and allocation of newly issued capital increase ordinary shares to the private placement investor

Lately, the overall retail business tends to be sluggish given the economic slowdown and the constant decrease of consumers' spending, thereby resulting in a continued decrease in the total revenues and net profits of the Company. It is for this reason that the Company studies other businesses with growth prospects. In the past, the Company studied water, energy and environmental businesses of all types, and started to incorporate its subsidiary named Green Ocean Water (Thailand) Company Limited, which is wholly-owned by the Company. However, Green Ocean Water (Thailand) Company Limited could not generate revenues to the Company because it could not find appropriate public infrastructure projects. According to such business study, the Company recognizes the growing demand for biodiesel and government support for the use of crude palm oil (CPOA) for production of biodiesel and edible oil, the Company thus considers expanding its business operations to crude palm oil (CPOA) trading for biodiesel and edible oil production.

Subsequently, the Company studies other business and considers expanding its business operations to crude palm oil (CPOA) trading business for biodiesel and edible oil, in respect of which, the government has measures to clearly promote and support the biodiesel production in accordance with the Alternative Energy Development Plan 2015-2036. Therefore, the Company is confident in its business operation plan in relation to crude palm oil (CPOA) trading business for biodiesel and edible oil and the growing demand in line with the government's supportive measures, which would bring about business advantage to ensure sustainable growth.

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In order to secure a source of funds to start the crude palm oil (CPOA) trading business for biodiesel and edible oil, the Company has considered raising its capital by issuing and allocating the newly issued ordinary shares by way of private placement to the Investor with good financial position and sufficient funds to subscribe for the newly issued ordinary shares on this occasion. This will enable the Company to promptly start such business and secure funds in full for utilization as necessary and in line with its business expansion plan.

The Company views that the Investor will provide a long term relationship which the Company can use the investor's knowledge and experience in the Palm Oil business to support the Company's business expansion regarding the trading of Palm Oil for production of biodiesel business which the Company is not familiar with and the Company foresee the potential growth of this business industry and the opportunity to increase the revenue for the Company and the benefit to the shareholders and the Board of Directors view that such investor has sufficient fund and stable of financial status.

Expected benefit is the opportunity for the potential growth business and the profit including the increase the revenue channel and disperse the risk for the Company's business operation. Therefore, the issuance and allocation of the newly issued shares of the Company to Mrs. Chatchaya Tritrakulchai will help the Company to have a working capital for starting the business of crude palm oil (CPOA) trading business for biodiesel and edible oil including bring the investor's experiences in the manufacturing and trading Palm Oil including the good business relationship with the suppliers to serve the Company's business expansion regarding crude palm oil (CPOA) trading business for biodiesel and edible oil. The Board of Directors view that the issuance and allocation of newly issued ordinary shares to the private placement investor is appropriated.

6. Warrant of Directors

In the event where any director of the Company fails to perform his/her functions with integrity and due care to protect the Company's interests from this capital increase, and such failure has caused damage to the Company, the shareholders may take legal actions to claim damages from such director on behalf of the Company pursuant to Section 85 of the Public Limited Companies Act B.E. 2535 (1992) (as amended). In the event where the performance of such functions has caused any directors or persons concerned to gain undue benefits, the shareholders may take legal actions to recover such benefits from the directors on behalf of the Company pursuant to Section 89/18 of the Public Limited Companies Act B.E. 2535 (1992) (as amended).

In addition, the Board of Directors hereby certifies that having carefully considered and verified information of the investors, the Board of Directors is of the opinion that the allocation of shares for capital increase to such investors is justifiable, and such investors are capable of such investment, possess know-how or experiences beneficial to or supportive of the Company's business, and may be utilized to the Company's benefit.

The Company hereby certifies that the information contained in this report is true and complete in all respects

Yours faithfully,

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A handwritten signature in blue ink, appearing to read "Uchai Vilailerstpoca".

Mr. Uchai Vilailerstpoca
Authorized director

A handwritten signature in blue ink, appearing to read "Rattana Vilailerstpoca".

Mrs. Rattana Vilailerstpoca
Authorized director

(F 53-4)

Capital Increase Report Form
Ocean Commerce Public Company Limited
June 12, 2018

We, Ocean Commerce Public Company Limited (the “**Company**”), hereby report on a resolution of the Board of Directors’ Meeting 3/2018 held on June 12, 2018 between 15.00 p.m. to 16.00 p.m. in respect of the capital increase and the allocation of newly issued share as follows:

1. Capital Increase

The Board of Directors’ Meeting has passed a resolution to propose to the Extraordinary General Meeting of the Shareholders No. 1/2018 to consider and approve the following:

1.1. To consider and approve the reduction of the Company’s registered capital in the amount of THB 36,184,761.50 from the existing registered capital of THB 217,155,228 to THB 180,970,466.50 by canceling the Company’s 144,739,046 authorized but unissued shares, with a par value of THB 0.25 per share.

1.2. To consider and approve the increase of the Company’s registered capital in the amount of THB 120,641,793.25 from the existing registered capital of THB 180,970,466.50 to be the new registered capital of THB 301,612,259.75 by issuing 482,567,173 newly ordinary shares at the par value of THB 0.25 per share. The capital increase is as follows:

Type of capital increase	Types of shares	Number of shares (shares)	Par value (Baht/share)	Total (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary share	482,567,173	0.25	120,641,793.25
	Preferred share	-	-	-
<input type="checkbox"/> General Mandate	Ordinary share	-	-	-
	Preferred share	-	-	-

In case of capital increase by specifying the purpose of utilizing proceeds, fill in the data in all following items except for Clause 2.2.

In case of capital increase by General Mandate, fill in the data in the following items only in Clause 2.2, Clause 3, and Clause 4.

2. Allocation of newly issued shares

2.1 Specifying the purpose of utilizing proceeds

Allocated to	Number of shares (shares)	Ratio (Old : New)	Sale price (Baht per share)	Subscription and payment period	Remark
Mrs. Chatcha Traitrakulchai	Up to 482,567,173	-	0.80 THB per share or equal to THB	Please consider Remark 1-2	Please consider Remark 1-2

Allocated to	Number of shares (shares)	Ratio (Old : New)	Sale price (Baht per share)	Subscription and payment period	Remark
			380,053,738.40		
Total	Not more than 482,567,173				

Remarks: Board of Directors’ Meeting No. 3/2018 held on June 12, 2018 has resolved the following material matters:

1. Approved to propose to the Extraordinary General Meeting of Shareholders No .1/2018 to consider and approve the increase of the Company’s registered capital in the amount of THB 120,641,793.25 from the existing registered capital of THB 180,970,466.50 to be the new registered capital of THB 301,612,259.75 by issuing 482,567,173 newly ordinary shares at the par value of THB 0.25 per share.
2. Approved to the Extraordinary General Meeting of Shareholders No. 1/2018 to consider and approve the allocation of 482,567,173 newly issued shares at the par value of THB 0.25 per share on a private placement basis to Mrs. Chatchaya Traitrakulchai, at the offering price of THB 0.80 with the total of THB 380,053,738.40.

Such issuance of the newly issued shares is treated as an offering which the Shareholders’ Meeting has a resolution clearly specified the offering price at THB 0.80 per share which is considered as an offer of newly issued share at a price not lower than 90 percent of market price pursuant to the Notification of the Capital Market Supervisory Board Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Investors dated October 28, 2015 (as amended) (the “**Notification No.TorJor. 72/2558**”). “Market Price” for the newly issued share offering to the investor is calculated from the weighted average price of the Company’s shares listed on the Stock Exchange of Thailand – MAI (“SET”) for the previous 15 consecutive business days prior to the resolution of the Board of Directors’ Meeting proposing the Extraordinary General Meeting of Shareholders No.1/2018 to approve the issuance and allocation of the newly issued ordinary shares to the specific investor on a private placement basis, which the share price between May 21, 2018 – June 11, 2018 is equal to THB 0.87 per share (source: SETSMART from www.setsmart.com).

In addition, such issuance of the newly issued shares must be approved at the Shareholders’ Meeting of the Company with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote. In addition to seeking approval for the allocation and offering of the Company’s newly issued ordinary shares at the Shareholder’s Meeting the Company must obtain an approval from the an approval from the Office of the Securities and Exchange Commission (“SEC”) to offer the newly issued ordinary shares to the specific investor pursuant to the Notification No. TorJor. 72/2558 prior to the allocation and offering of the Company’s newly issued ordinary shares.

If the offering price of the Company’s newly issued ordinary shares is lower than 90 percent of the market price of the Company’s shares prior to the first date that offering of the newly issued ordinary shares, the Company shall prohibit the investor to sell the Company’s newly issued ordinary shares within 1 year from the first day on which the Company’s newly issued ordinary shares are first traded on the SET (Silent Period). Nonetheless, the investor may sell not more than 25 percent of the lock-up shares after the Company’s newly issued ordinary shares have been traded on the SET for 6 months according to the Notification of the Stock Exchange of Thailand Re: Criteria, Condition, and Procedure in Considering an Application to Approve to List Newly Issued Ordinary or Preference Shares as Registered Securities B.E.2558, dated May 11, 2015 (as amended).

In this regard, the Board of Directors approve to propose to the Extraordinary General Meeting of Shareholders No. 1/2018 to consider and authorize the director or executive committee or the chief executive officer or other person assigned by the director or executive committee or the chief

executive officer, to be an authorize person to determine the terms and conditions and other details as necessary for and in connection with the issuance and offering of newly issued shares as it deems appropriate, including but not limited to the following matters:

- (1) To determine or to amend details, methods, any other relating conditions regarding the issuance and offering of the newly issued shares, share subscription, the offering of newly issued shares date and the share capital increase payment method (which may consider to designate the allocation and subscription period as one time or various time) including conduct other necessary action for and in connection with the issuance, allocation and offering of newly issued shares and filing information and disclose the relevant details to the SET;
- (2) to sign, amend contact or report any information in the application and necessary document for the offering and allocation, share subscription and deliver such share including contact and filing the application, documents and evidence to the Ministry of Commerce, SEC, SET government agency, and/or relating authority regarding the issuance and offering of newly issued shares, and the listing of the newly issued shares in the SET; to have an authority to process as deemed necessary and appropriate, concerning the above mentioned, and to ensure that the issuance and offering of the newly issued shares is complete

In addition, the Company's proposed offering and allocation of the Company's 482,567,173 newly issued shares to the investor, representing 40 percent of the Company's total issued shares (after the paid up capital registration) resulting the investor to make a tender offer for all securities of the Company pursuant to the Securities and Exchange Act. B.E.2535 (as amended), and the Notification of the Capital Market Supervisory Board TorChor. 12/2554 Re. Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers dated May 13, 2011 (as amended). However, the investor does not wish to make a tender offer for all securities of the Company, but wishes to apply for a waiver from the requirement to make a tender offer for all securities of the business by virtue of the resolution of the Shareholders' Meeting (Whitewash), in accordance to the Notification of the Office of the Securities and Exchange Commission No.SorJor.36/2546 Re: Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Business by Virtue of the Shareholders' Meeting Resolution, dated November 17, 2003 (as amended) and the Notification of the Office of the Securities and Exchange Commission No.SorJor.29/2561 Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Business by Virtue of the Shareholders' Meeting Resolution, dated May 30, 2018 (as amended).

Details of the Board of Directors' opinion and details of the capital increase and the allocation of the newly issued ordinary shares are as shown in the Information Memorandum regarding the Offering and Allocation of the Newly Issued Shares of Ocean Commerce Public Company Limited to the Specific Investor (Private Placement) (Enclosure 2)

2.1.1 Action to be taken by the Company in case there are fractions of shares

-None-

2.2 General Mandate

Allocate to	Type of Share	Number of Shares	Per cent of paid up capital ^{1/}	Remarks
Existing shareholders	Ordinary Share	-	-	-
	Preference Share	-	-	-
To serve the conversion / the exercising of warrant	Ordinary Share	-	-	-
	Preference Share	-	-	-

Allocate to	Type of Share	Number of Shares	Per cent of paid up capital ^{1/}	Remarks
Public Offering	Ordinary Share	-	-	-
	Preference Share			
Private Placement	Ordinary Share	-	-	-
	Preference Share			

^{1/} Percentage per paid-up capital on the date which the Board of Directors of listed company passes the resolution to have the capital increase of General Mandate.

3. Schedule for a shareholders' meeting to approve the capital increase and the allocation of the newly issued shares

The Extraordinary General Meeting of the Shareholders No. 1/2018 is scheduled on August 27, 2018 at 14.00 p.m. at Ratchada Ballroom, SC Park Hotel, No. 474, Ramkhamhang 39 (Praditmanutham) Road, Wangthonglang District, Wangthonglang Sub-district, Bangkok and:

- The date fixed to determine the names of shareholders who entitle to attend the Extraordinary General Shareholders' Meeting from until such Shareholders' Meeting has been finished.
- The date fixed to determine the names of shareholders who entitle to attend the Shareholders' Meeting on June 27, 2018.

4. Approval of the capital increase/share allocation by relevant governmental agency and conditions thereto (if any)

1. The Company shall obtain an approval from the SEC in offering the newly issued ordinary shares on Private Placement basis according to the Notification No.TorJor.72/2558
2. The Investor shall obtain an approval from the SEC regarding a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the shareholder's meeting resolution (Whitewash)
3. The Company shall register the increase of the registered capital and the paid-up capital with the Department of Business Development, Ministry of Commerce.
4. The Company shall request the approval of the SET to list the shares newly issued and offered on Private Placement basis on the Stock Exchange of Thailand.

5. Objectives of the capital increase

Lately, the overall retail business tends to be sluggish given the economic slowdown and the constant decrease of consumers' spending, thereby resulting in a continued decrease in the total revenues and net profits of the Company. In 2017, the Company's total revenues amounted to THB 294 Million, which was decreased from THB 332 Million in 2016 or represent a decrease by 11 percent, and as a result, the Company's net profits in 2017 amounted to THB (32) Million, which was decreased from THB 2 Million in 2016. It is for this reason that the Company studies other businesses with growth prospects. In the past, the Company studied water, energy and environmental businesses of all types, and started to

incorporate its subsidiary named Green Ocean Water (Thailand) Company Limited, which is wholly-owned by the Company. However, Green Ocean Water (Thailand) Company Limited could not generate revenues to the Company because it could not find appropriate public infrastructure projects. According to such business study, the Company recognizes the growing demand for biodiesel and government support for the use of crude palm oil (CPOA) for production of biodiesel and edible oil, the Company thus considers expanding its business operations to crude palm oil (CPOA) trading for biodiesel and edible oil production. Based on the Alternative Energy Development Plan 2015-2036 under the implementation by the Department of Alternative Energy Development and Efficiency, Ministry of Energy, biodiesel production is targeted at 7.0 million liters per day in 2036 from 3.4 million liters per day in 2016, thereby demonstrating concrete measures for promotion and support of biodiesel. Therefore, the Company is confident in its business operation plan in relation to crude palm oil (CPOA) trading business for biodiesel and edible oil and the growing demand in line with the government's supportive measures, which would bring about business advantage to ensure sustainable growth.

In this respect, the Company conducted a feasibility study regarding CPOA trading for biodiesel and edible oil. The study shows that the key success factors are sufficient working capital and strong relationship with suppliers and customers; in addition, the business growth is approximately 3-4 percent per year with increasing demand for biodiesel and profit margin of 2-3 percent of the total revenues of such business.

However, given that such business is not within the Company's areas of expertise, and as such, the Company needs an investor specializing and experienced in such industry. The Company foresees that the Investor can contribute knowledge, know-how and experience in the palm oil business to enhance the Company's business expansion and to engage with new strategic partners outside the Company's original areas of expertise. In addition, the fact that the Investor is generally well recognized in such industry and her strong connection with suppliers will render her being a major shareholder in the Company to bring about stakeholders' confidence in the business plan and direction of the Company to generate sustainable operations and growth in the crude palm oil (CPOA) trading business for biodiesel and edible oil.

In addition, to secure a source of funds to start the crude palm oil (CPOA) trading business for biodiesel and edible oil, the Company has considered raising its capital by issuing and allocating the newly issued ordinary shares by way of private placement to the Investor with good financial position and sufficient funds to subscribe for the newly issued ordinary shares on this occasion. This will enable the Company to promptly start such business and secure funds in full for utilization as necessary and in line with its business expansion plan. Moreover, the Company's issuance and allocation of the newly issued ordinary shares by way of private placement to the Investor bring about several advantages as compared to other means of fund raising, such as, borrowing of loans from financial institutions which may be subject to restrictions due to the Company's poor performance and relatively high costs, let alone that the public offering of the newly issued ordinary shares is subject to procedures and more time-consuming, and incurs more expenses, yet may be uncertain to raise funds to meet the requirements, whereas the rights offering is also uncertain that the existing shareholders would subscribe for the newly issued ordinary shares to fulfill the fund requirements.

Therefore, it is necessary for the Company to proceed with this capital increase by issuing and allocating 482,567,173 newly issued ordinary shares to the Investor at the par value of THB 0.25 per share at the offering price of THB 0.80 per share, totaling THB 386,053,738.40 to be utilized as an initial working capital to operate the crude palm oil (CPOA) trading business for biodiesel and edible oil. In this regard, the Board of Directors views that the issuance and allocation of newly issued ordinary shares to the Investor is appropriate and serves as an essential part to support the Company's business plan.

The Company plans to utilize the proceeds from the issuance and allocation of newly issued ordinary shares on this occasion as follows:

In the ordinary course of the crude palm oil (CPOA) trading business, the Company needs to make cash payments to suppliers and accepts payments on a credit term of 15-30 days from customers, with the detail as follows:

1. The Company will utilize approximately THB 280 million to purchase approximately 4,000 tons of crude palm oil (CPOA) at the price of approximately THB 22-23/kilogram, totaling THB 88-92 million per week, for three weeks in order to complete the period for receipt of payment of the first week.
2. The Company will reserve approximately THB 106 million, divided into:
 - 1) Reserve for purchase of crude palm oil (CPOA) for another one week (approximately THB 88-92 million) to prevent any business interruption should the Company not receive payment of the first week, which may be caused by customers' billing process and cheque issuance cycle, etc.;
 - 2) Reserve for support of changes in volume of purchase of crude palm oil (CPOA) and in price, as well as other management costs, in the amount of approximately THB 14 million.

Details of the purpose of the capital increase are shown in the the Information Memorandum regarding the Offering and Allocation of the Newly Issued Shares of Ocean Commerce Public Company Limited to the Specific Investor (Private Placement) (**Enclosure 2**).

6. Benefits which the Company will receive from the capital increase/ the allocation of newly issued shares

The Company view that the investor will provide a long term relationship which the Company can use the investor's knowledge and experience in the Palm Oil business to support the Company's business expansion regarding the trading of Palm Oil for production of biodiesel business which the Company is not familiar with and the Company foresee the potential growth of this business industry and the opportunity to increase the revenue for the Company and the benefit to the shareholders and the Board of Directors view that such investor has sufficient fund and stable of financial status.

Expected benefit is the opportunity for the potential growth business and the profit including the increase the revenue channel and disperse the risk for the Company's business operation. Therefore, the issuance and allocation of the newly issued shares of the Company to Mrs. Chatchaya Tritrakulchai will help the Company to have a working capital for starting the business of crude palm oil (CPOA) trading business for biodiesel and edible oil including bring the investor's experiences in the manufacturing and trading Palm Oil including the good business relationship with the suppliers to serve the Company's business expansion regarding crude palm oil (CPOA) trading business for biodiesel and edible oil.

Details of the benefit that the Company shall receive from the capital increase/ allocation of newly issued shares are shown in the Information Memorandum regarding the Offering and Allocation of the Newly Issued Shares of Ocean Commerce Public Company Limited to the Specific Investor (Private Placement) (**Enclosure 2**).

7. Benefits which shareholders will receive from the capital increase/ capital-increase share allotment

7.1 Dividend Policy

The Company has a policy to pay dividend at least 40 percent of its net profit less tax and reserve fund as determined by the law annually. However, the aforementioned dividend payment is subjected to change upon an investment plan, necessity, and other appropriateness in the future, under a condition that such operation must create an ultimate benefit to shareholders, for example, to reserve as a reserve fund to settle a loan, to invest to expand the Company's business, or to be used when the Company's cash flow is effected by a change of market trend, and the Board of Directors has authority to consider on such matter. However, a resolution of the Board of Directors' meeting to pay dividend shall be proposed to the Shareholders' Meeting for an approval, unless paying of an interim dividend where the Board of Directors has authority to approve on their own and reports to the next Shareholders' Meeting accordingly.

7.2 Subscribers of the newly issued shares at this offering will be entitled to receive dividends from the Company's operating starting from the period

The subscribers of the Company's newly issued ordinary shares at this offering will be entitled to receive dividends declared by the Company upon the registration of their names as shareholders of the Company.

8. Other material matters that the shareholders may consider in order to approve the capital increase/ allocation of newly issued shares:

-None-

9. Schedule of actions where the Board of Directors of the Company passes a resolution approving the capital increase or allocation of newly issued shares

No.	Procedure	Date
1	Board of Directors' Meeting No. 3/2018	June 12, 2018
2	Specify the shareholders who are entitled to attend the Extraordinary General Shareholders' Meeting No. 1/2018 (Record Date)	June 27, 2018
3	Determine the date of Extraordinary General Shareholders' Meeting No. 1/2018	August 27, 2018
4	Register for the increase of registered capital to Ministry of Commerce	Within 14 days from the date on which the Shareholders' Meeting passes the resolution
5	Offering of the newly issued shares on a Private Placement basis (which may consider to designate the allocation and subscription period as one time or various time)	Within 3 months from the date on which the Shareholders' Meeting passes the resolution

No.	Procedure	Date
6	Paid up capital registration	Within 14 days from the date on which the payment for the share capital increase has been made in each time.

The Company hereby certifies that the information contained in this report is true and complete in all respects

Yours faithfully,



A handwritten signature in blue ink, appearing to read "Uchai Vilailerstpoca".

Mr. Uchai Vilailerstpoca
Authorized director

A handwritten signature in blue ink, appearing to read "Rattana Vilailerstpoca".

Mrs. Rattana Vilailerstpoca
Authorized director

**Information Memorandum Concerning Connected Transaction of
Ocean Commerce Public Company Limited**

1. Day / Month / Year of the Transaction

On June 12, 2018, the Board of Directors' Meeting No. 3/2018 has approved the issuance and allocation of the newly issued shares of the Company in the amount of 482,567,173 shares at the par value of THB 0.25 per share at the offering price of THB 0.80 per share with the total value of THB 386,053,738.40 to the private placement investor, Mrs. Chatchaya Tritrakulchai (the "**Investor**") which is the connected transaction of the Company upon the approval from the Extraordinary General Meeting of Shareholders No .1/2018 which will be held on August 27, 2018 and the approval from the Office of the Securities and Exchange Commission (the "**SEC Office**") pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Investors dated October 28, 2015 (as amended) (the "**Notification No. TorJor. 72/2558**") prior to the issuance and the allocation of the newly issued shares of the Company.

2. Related Parties and their Relationship with the Company

Issuer	:	Ocean Commerce Public Company Limited
Purchaser	:	Mrs. Chatchaya Tritrakulchai
Relationship with the Company	:	Currently, the Investor has no relationship with the Company, including the executive committee, management team and major shareholders. However, after the execution of the allocation and the issuance of the newly issued shares to the Investor, the Investor shall become the control person of the Company by holding 40 percent of all issued shares of the Company (after registration of the Company's paid-up registered capital increase) and entitled to nominate three persons to be the Company's directors i.e., Mrs. Chatchaya Tritrakulchai, Mr. Jiratch Traitrakulchai and Mr. Kong Suriyamontol from the current seven persons in which has been resigned one person which is Mr. Apichart Paphanpuwong and will be resigned two person which is Mrs. Ratana Vilailerstpoca and there will be a change in the authorized director's signatory (from Mr. Uchai vilailerstpoca Miss Wanna Maluengnon Mrs. Ratana Vilailerstpoca two of three directors jointly sign together with the Company seal to Mrs. Chatchaya Tritrakulchai jointly sign with Mr. Uchai vilailerstpoca or Miss Wanna Maluengnon, two directors in total together with the Company seal) to be consistent with the Company's shareholding structure and directors of the Company which change after the acquisition of shares of the Company by the investor which expects to proceed by September 2018 and the investor is entitled

to nominate three persons to be the Company's executive directors which shall include Mrs. Chatchaya Tritrakulchai and other two persons.

Purchaser's Information

Name: Mrs. Chatchaya Tritrakulchai

Address: No. 599/195, Ratchadaphisek Road, Chatuchak Sub-district, Chatuchak District, Bangkok

Education:

Bachelor's Degree Faculty of Information and Communication Technology, Mahidol University

Occupation/experience:

2013 - Present	Director and 95% shareholder (including spouse)	Paragon Agritech Co., Ltd. Business type: trading of Crude Palm Oil type A or CPOA and Crude Palm Oil type B or CPOB The CPOA business will be ceased and will be proceed the Company's amendment registration to carve out the CPOA business and expect to complete within November 2018
2014 - Present	Director and 100% shareholder (including spouse)	Lamair Palm Oil Co., Ltd. Business type: trading of Crude Palm Oil type A or CPOA and Crude Palm Oil type B or CPOB The CPOA business will be ceased and will be proceed the Company's amendment registration to carve out the CPOA business and expect to complete within November 2018
2014 - Present	Director and 70% shareholder (including spouse)	AMT Growth Co., Ltd. Business type: trading of Crude Palm Oil type B or CPOB The CPOA business will be ceased and will be proceed the Company's amendment registration to carve out the CPOA business and expect to complete within November 2018

Enclosure 3

2017 - Present	Director and 99.9% shareholder (including spouse)	Triple P Global Intertrade Co., Ltd. Business type: trading by outsourcing third party to supply raw materials and produce edible cooking oil under its own brand, "Savoey" The CPOA business will be ceased and will be proceed the Company's amendment registration to carve out the CPOA business and expect to complete within November 2018
2017 – Present	Director and 95% shareholder (including spouse)	Paragon Core Assets Co., Ltd Business type: leasing and handling of real and personal property (apartment)
2005 – Present	The investor has no shareholding and does not hold director position (Spouse hold 10 percent and hold director position)	Tupfa Bio Co., Ltd. Business type: Manufacture and trade Biodiesel oil for community size At present, the business has been ceased and will be liquidated which shall be completed by the year 2018.

The Company will disclose the progress of the share sale in Triple P Global Intertrade Co., Ltd. and the dissolution of Tupfa Bio Co., Ltd. through SET system (ELCID).

Mrs. Chatchaya Tritrakulchai established Paragon Agritech Co., Ltd., located in Trang Province, in 2013 to operate the business of trading crude palm oil type B (CPOB) for animal feed mill industry, and then expand to start crude palm oil trading type A (CPOA) for biodiesel and edible oil. In 2014, she established Lamair Palm Oil Co., Ltd., located in Trang Province to operate CPOA and CPOB trading. In addition, in 2017, she has stepped into retail business by establishing Triple P Global Intertrade Co., Ltd. to outsource third party to supply raw materials and produce edible cooking oil under its own brand, "Savoey".

Mrs. Chatchaya Tritrakulchai is a new generation of businessman which has a vision for operate the business having knowledge, understanding, experience and expertise in trading crude palm oil especially the honesty that makes Mrs. Chatchaya Tritrakulchai is a well-known person in the palm oil business and having a good relationship with Suppliers, Customers and other business operator in these industry through the ongoing transactions of crude palm oil trading between buyers and sellers. Also, crude palm oil purchase and sale agreements on each occasion account for approximately 1,000 tons with the delivery period of approximately 1-2 weeks, therefore, the Company is able to amend the agreements and promptly start such business accordingly.

To avoid any conflict of interest after this capital increase, the Company shall operate the crude palm oil (CPOA) for sell to the customer for further use in the industry of trading business for biodiesel and edible oil, in which Mrs. Chatchaya Tritrakulchai will not engage in the same business as that of the Company and will continue to operate the trading of crude palm oil (CPOB) for the animal feed mill industry, which shall not give rise to any conflict of interest as CPOA and CPOB contain different qualifications and are obviously used for production of different products.

In this connection, the Company has entered into an agreement with the Investor, whereby Mrs. Chatchaya Tritrakulchai has signed such agreement on July 10, 2018, which will become effective after the Company has obtained approval for the offering of the newly issued ordinary shares by way of private placement from the SEC Office under the Notification No.TorJor.72/2558 and the Investor has obtained approval for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of resolution of the shareholder's meeting (Whitewash) from the SEC Office pursuant to the Re: Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Business by Virtue of the Shareholders' Meeting Resolution, dated November 17, 2003 (as amended) and the Notification of the Office of the Securities and Exchange Commission No.SorJor.29/2561 Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Business by Virtue of the Shareholders' Meeting Resolution, dated May 30, 2018 (as amended) (the "**Whitewash Notification**") which will be valid and applicable as long as the Investor (including the person(s) under section 258 of the Investor as specified in the Securities and Exchange Act B.E. 2535 (1992) (as amended) (if any)) remains a major shareholder (a major shareholder holds the shareholding percentage exceeding 10 percent) and/or a controlling person of the Company. That is, Mrs. Chatchaya Tritrakulchai agrees that from the date that the Company has received payment for the newly issued ordinary shares on this occasion, the crude palm oil (CPOA) trading business for biodiesel and edible oil shall be operated by the Company only. Mrs. Chatchaya Tritrakulchai (whether by herself or through a joint venture with other business operator) shall not engage in the same business and products in competition with the CPOA trading business for biodiesel and edible oil of the Company, and shall not conduct any action to obstruct the business opportunity for CPOA trading business for biodiesel and edible oil of the Company, and also agrees to refrain from disclosing the Company's confidential information, including such information relating to suppliers, palm farmers, customers demanding CPOA for biodiesel and edible oil production, and the business plan made known to the Investor by the Company, to any third party, unless agreed otherwise. The Board of Directors shall consider the overall interests of the Company and the shareholders its top priority. The Board of Directors will authorize the management team to proceed and monitor to ensure strict compliance with the aforementioned agreement.

3. General Characteristics of the Transaction

The Company will issue and allocate 482,567,173 newly issued shares at the par value of THB 0.25 per share on a private placement basis to Mrs. Chatchaya Tritrakulchai, at the offering price of THB 0.80 with the total of THB 380,053,738.40. Such issuance of the newly issued shares is treated as an offering which the Shareholders' Meeting has a resolution clearly specified the offering price at THB 0.80 per share which is considered as an offer of newly issued share at a price not lower than 90 percent of market price pursuant to the Notification of the Capital Market Supervisory Board Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Investors dated October 28, 2015 (as amended) (the "**Notification No. TorJor. 72/2558**"). "Market Price" for the newly issued share offering to

the investor is calculated from the weighted average price of the Company's shares listed on the Stock Exchange of Thailand – MAI (“**SET**”) for the previous 15 consecutive business days prior to the resolution of the Board of Directors' Meeting proposing the Extraordinary General Meeting of Shareholders No.1/2018 to approve the issuance and allocation of the newly issued ordinary shares to the specific investor on a private placement basis, which the share price between May 21, 2018 – June 11, 2018 is equal to THB 0.87 per share (source: SETSMART from www.setsmart.com).

The issuance and allocation of the newly issued shares of the Company is considered as connected transaction of a listed company in accordance with the Notification of the Capital Market Supervisory Board No.TorJor 21/2551 Re: Criteria on Relating Transaction, dated August 31, 2008 (as amended), and the Notification of the SET's Board of Governors Re: Disclosure Information and Practice of Listed Company Concerning the Connected Transaction B.E.2546, dated November 19, 2003 (as amended) (the “**Connected Transaction Notifications**”). Upon the completion of the issuance and allocation of the newly issued shares of the Company, the Investor shall hold 40 percent shares of the total Company's issued shares (after the paid up capital registration), therefore, such transaction is regarded as the entering into the transaction with the controlled person. Additionally, the Investor is entitled to nominate three persons i.e., Mrs. Chatchaya Tritrakulchai, Mr. Jiratch Traitrakulchai and Mr. Kong Suriyamontol by replacing the current seven persons to be the Company's directors based on her shareholding percentage in the Company and the investor is entitled to nominate three persons to be the Company's executive directors which shall include Mrs. Chatchaya Tritrakulchai and other two persons.

Following the Company's proposed offering and allocation of the Company's 482,567,173 newly issued shares to the investor, representing 40 per cent of the Company's total issued shares (after the paid up capital registration) as detailed in clause 5). Therefore, the investor is required to make a tender offer for all securities of the Company pursuant to the Securities and Exchange Act. B.E.2535 (as amended), and the Notification of the Capital Market Supervisory Board TorJor. 12/2554 Re. Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended).

However, the investor does not wish to make a tender offer for all securities of the Company, but wishes to apply for a waiver from the requirement to make a tender offer for all securities of the business by virtue of the resolution of the Shareholders' Meeting (Whitewash), in accordance to the Whitewash Notification.

4. Total Value of Consideration

The total value of consideration for the allocation and offering of the newly issued shares of the Company to the investor in the amount of 482,567,173 shares at the par value of THB 0.25 per share at the offering price of THB 0.80 with the total of THB 380,053,738.40, the payment of which shall be made in cash.

5. Valuation Method for the Determination of the total Value Consideration

The offering price of such newly issued ordinary shares with the discount of market price for this private placement is THB 0.80 per share is the determination from the negotiation between the Company and the investor. The Board of Directors consider that such offering price will be the most benefit to the Company details of which are show in item 1.3 and item 5.4 of the Information Memorandum Concerning the Offering and Allocation of the Newly Issued Shares of Ocean Commerce Public Company Limited to the Specific Investor (Private Placement) (**Enclosure 1**).

6. Valuation of the Connected Transaction

The issuance and allocation of the newly issued shares of the Company is considered as connected transaction under the category of the assets or services with the transaction size of 174.98 percent of the Company's net tangible assets (NTA), exceeding THB 20,000,000, and more than 3 percent of the Company's NTA value according to the consolidated Audited Financial Statement of the Company, as of March 31, 2018. As a result, the Company is required to comply with the Connected Transaction Notifications, by disclosing information memorandums regarding the aforementioned transaction to the SET, and to convene the Company's Shareholders' Meeting to consider to approve such transaction with a vote of not less than three-quarters of the votes of all shareholders attending the meeting and having the right to vote, excluding interested shareholders' equity and appoint the an independent financial advisor to provide opinion as prescribed in the Connected Transaction Notifications and send such opinion to the SEC, SET and the shareholders of the Company.

The transaction size calculation according to the consolidated financial statements for the period of March 31, 2018 (Unit: Thousand Baht) has the details as follows:

$$\begin{aligned}
 &= \frac{\text{Value of the newly issued shares} \times 100}{\text{Net Tangible Assets (NTA)}} \\
 &= \frac{386.054 \times 100}{220.630} \\
 &= 174.98\%
 \end{aligned}$$

The net tangible asset of the Company as of March 31, 2018 are as follows:

Consolidate financial statements for quarter 1/2018 (Reviewed)	Thousand Baht
Total asset	368,956
Intangible assets (Deferred Income Tax)	(8,510)
Total liabilities	(139,816)
Non-controlling interests	-
Net Tangible Assets (NTA)	220,630
Transaction size	386,054
Transaction size compared with NTA	174.98%

7. Nature of the Conflict of Interest

None of the Company's directors has the conflict of interest regarding this transaction. As after the share allocation agreement of newly issued ordinary shares, the investor will nominate a person to be the Company's director and the executive committee.

None of the Company's shareholders has the conflict of interest regarding this transaction, as the connected person to the transaction such as the investor will hold 40 percent of the Company's total issued shares after the Extraordinary General Meeting of Shareholders No. 1/2018 and the paid-up capital registration.

However, after the allocation and issuance of the newly-issued shares of the Company to the investor, the investor is entitled to nominate three persons to be the Company's directors i.e., Mrs. Chatchaya Tritrakulchai, Mr. Jiratch Traitrakulchai and Mr. Kong Suriyamontol from the current seven persons in which has been resigned one person which is Mr. Apichart Paphanpuwong and will be resigned two person which is Mrs. Ratana Vilailerstpoca and there will be a change in the authorized director's signatory (from Mr. Uchai vilailerstpoca Miss Wanna Maluengnon Mrs. Ratana Vilailerstpoca any two of three directors jointly sign together with the Company seal to Mrs. Chatchaya Tritrakulchai jointly sign with Mr. Uchai vilailerstpoca or Miss Wanna Maluengnon, two directors in total together with the Company seal) to be consistent with the Company's shareholding structure and directors of the Company which change after the acquisition of shares of the Company by the investor which expects to proceed by September 2018 and the investor is entitled to nominate three persons to be the Company's executive directors which shall include Mrs. Chatchaya Tritrakulchai and other two persons.

8. Opinion of the Board of Directors

The Board of Directors view that the offering of newly issued ordinary shares to the investor is rational and beneficial to the Company, as the investor has supportive capital and strong financial stability. Therefore, the increase in capital will enhance the Company's financial liquidity, cost structure, potential business performance capability and wealth of the Company. Whereby, the Company can reduce the necessity on being in debt from loans and financial costs.

In addition, the Company plans to expand its business category to cover crude palm oil (CPOA) trading business for biodiesel and edible oil business. Hence, besides the benefits in financial term from the investor, the Company aims on strengthen the knowhow in new business. The Company will then rely on the investor's experience and knowledge in crude palm oil industry, using as ingredient in various industries, such as, animal feed mill industry, soap production and biodiesel manufacturing. To support the expansion plan of the crude palm oil (CPOA) trading business for biodiesel and edible oil business. The Company realized to rapid growth opportunity in biodiesel, in which receiving government support. Due to it is the alternative energy manufactured from plants, compared to diesel, which it reduces the import of crude oil and promote sustainable energy of the country. The Board of Directors resolved the issuance and allocation of newly issued ordinary shares is appropriated.

Details of the Opinion of the Board of Directors in relation to the Offering and Allocation of the Newly Issued Shares of the Company to the Investor are show in the Information Memorandum regarding the Offering and Allocation of the Newly Issued Shares of Ocean Commerce Public Company Limited to the Specific Investor (Private Placement) (**Enclosure 2**).

9. Opinion of the Audit Committee and/or Directors with different opinion from the Board of Directors (No. 8)

-None-

10. Conditions of the Entering into the Transaction

Addition to the given connected transactions above, the Company is required to follow the terms and conditions regarding the offer of newly issued share at a price not lower than 90 percent of market price pursuant to the Notification No.TorJor. 72/2558 and the Notification

of the Office of the Securities and Exchange Commission No.SorJor.36/2546 Re: Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Company by Virtue of the Shareholders' Meeting Resolution (Whitewash). Therefore, the Company must disclose the information memorandum of the transaction to the SET and complete the following topics:

- (1) Obtaining an approval from the Shareholders' Meeting of the Company with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote. for the issuance and allocation of the newly issued ordinary shares to the specific investor;
- (2) Obtaining an approval from the Shareholders' Meeting of the Company a vote of not less than three-quarters of the votes of all shareholders attending the meeting and having the right to vote, excluding interested shareholders' equity for the connected transaction and a waiver from the requirement to make a tender offer for all securities of the business by virtue of the resolution of the Shareholders' Meeting (Whitewash);
- (3) Obtaining an approval from the SEC before offering the newly issued ordinary shares to the specific investor on private placement basis;
- (4) Obtaining an approval from the SEC regarding a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the shareholder's meeting resolution (Whitewash);
- (5) Offering of the newly issued shares on a Private Placement basis within 3 months from the date on which the Extraordinary General Meeting of Shareholders No . 1/2018 passes the resolution;
- (6) Filing the applications to the SET to accept the newly issued ordinary shares as listed securities in the SET.

11. Corporate Information and Business Profile

The Company operates the business of importing, assembling and manufacturing parts for product assembly for both domestic and foreign distribution, divided into:

Category 1 for products in the form of parts and faucet products and plumbing and sanitary ware accessories, comprising such products which the Company is the distributor and hired for manufacture.

Category 2 for products in the form of tools and equipment under the "GOODYEAR" trademark.

At present, the overall market of faucet products and plumbing and sanitary ware accessories can be classified by customer groups with objectives and requirements of different product quality, divided into two groups. The first group represents those selecting products that meet the quality assurance standards and are reliable, which constitute the high-end target group. Most of the products include those manufactured by major operators in Thailand, some of which are imported from abroad. The customers in this group select products that meet the quality assurance standards that the products are durable, robust and covered by warranty subject to reasonable terms by reliable manufacturers or distributors, which account for approximately 40 percent of the overall domestic marketing value.

The other group represents those selecting products with relatively lower quality than the first group, that meet or fall below standard, depending on the quality of parts and materials used in the manufacture, and as such, certain features of the products may be inferior to the products for the high-end target group. This group may be referred to as moderate to low-end

markets, depending on the quality of parts and materials used in the manufacture as mentioned above, with the most outstanding price point given the purpose of use regardless of certain features, such as, aesthetic and elegant aspects, extraordinary durability, etc., which serves as the key factor for consumers to compromise their reliance on brands and select such products. This group represents approximately 60 percent of the overall domestic marketing value.

With regard to (mechanical) tools and equipment under the “GOODYEAR” trademark, the products in this category focus on appearance, quality and products to suit consumers’ requirements, with an extended production line focusing on everyday use, e.g., doorknobs, for moderate and low-end target groups, which is the strength of the “GOODYEAR” trademark.

The Company is represented by various images that suit the respective groups of both high- and low-end customers for faucet products and sanitary ware accessories of various brands, including “DUSS”, “3P”, “Bay”, “Bay-Tex”, “Feed”, “Union” and “Icon” to communicate messages about products and quality to be expected from the respective brands to the customer groups, and to create a diversity of products under different brands by the Company. The customer groups are mostly local, with occasional overseas orders for manufacture, depending on the demand for such products at any given time. The consumers’ behavior is to select faucet products and plumbing and sanitary ware accessories as a type of construction materials in the category of construction materials and plumbing and sanitary ware accessories which are mostly and specifically available from stores of construction materials and house interior accessories or from the construction materials and house interior accessories department in modern trade or department stores. Therefore, it is the ordinary course of business of the operator of faucet products and plumbing and sanitary ware accessories as well as tools and equipment under the trademark to maintain the distribution channels through stores or intermediary distribution centers to consumers. The Company divides the customer groups by business models and procedures for purchase of products, including purchase values, namely: 1) agents and dealers; 2) modern trade and department stores; 3) retailers and other customers; 4) overseas customers.

12. List of Management and Top 10 Shareholders as of the Record Date for the Extraordinary General Meeting of Shareholders No. 1/2018

(1) List of the Board of Directors as of June 27, 2018

No.	List of Directors	Position
1.	Miss Wanna Maluengnon	Board Chairperson
2.	Mrs. Ratana Vilailerstpoca	Board Vice-Chairperson
3.	Mr. Uchai Vilailerstpoca	Director / Managing Director
4.	Mr. Adul Laohapol	Independent Director / Audit Committee Chairman
5.	Mr. Boonlert Jaimun	Independent Director / Audit Committee Member
6.	Mr. Boonlert Iewpornchai	Independent Director / Audit Committee Member

Remark: After the allocation and issuance of the newly-issued shares of the Company to the investor, the investor is entitled to nominate three persons to be the Company’s directors i.e., Mrs. Chatchaya Tritrakulchai, Mr. Jiratch Traitrakulchai and Mr. Kong Suriyamontol from the current seven persons in which has been resigned one person which is Mr. Apichart Paphanpuwong and will be resigned two person which is Mrs. Ratana Vilailerstpoca and there will be a change in the authorized director’s signatory (from Mr. Uchai vilailerstpoca Miss Wanna Maluengnon Mrs. Ratana Vilailerstpoca any two of three directors jointly sign together with the Company seal to Mrs. Chatchaya Tritrakulchai jointly sign with Mr. Uchai vilailerstpoca or Miss Wanna Maluengnon, two directors in total together with the Company seal) to be consistent with the Company’s shareholding structure and directors of the

Company which change after the acquisition of shares of the Company by the investor which expects to proceed by September 2018

(2) List of the Company's Management as of June 27, 2018

No.	List of Management	Position
1.	Mr. Uchai Vilailerstpoca	Managing Director Deputy Managing Director – Marketing (Acting)
2.	Mrs. Ratana Vilailerstpoca	Deputy Managing Director – Finance
3.	Mr. Ratanachai Vilailerstpoca	Deputy Managing Director – Production and Product Development
4.	Miss Apiradee Wangwittaya	Deputy Managing Director - Support
5.	Mr. Koon Chaisuwan	Assistant Deputy Managing Director - Marketing

Remark: After the allocation and issuance of the newly-issued shares of the Company to the investor, the investor is entitled to nominate three persons to be the Company's executive directors which shall include Mrs. Chatchaya Tritrakulchai and other two persons.

(3) List of Top 10 Major Shareholders of the Company as of the Record Date for the Extraordinary General Meeting of Shareholders No. 1/2018 on June 27, 2018

No.	List of Shareholders	Amount (Shares)	Percent
1.	Mr. Uchai Vilailerstpoca	202,040,000	27.9
2.	Mr. Fphapratana Jitratsanee	152,148,900	21.0
3.	Mr. Prasert Lohawiboonsub	20,443,200	2.8
4.	Mr. Teerapon Sirikwanchai	17,400,000	2.4
5.	Miss Panissara Pranyachaleekun	13,300,000	1.8
6.	Mr. Atthapol Sittipongtanakul	12,909,600	1.8
7.	Mr. Purich Rohitachart	12,800,000	1.8
8.	Miss Tanat Lieotrakun	11,843,500	1.6
9.	Mr. Zait Pattanamas	11,111,000	1.5
10.	Miss Voranan Panjaworayan	11,000,000	1.5
11.	Others	258,885,666	35.8
Total		723,881,866	100.0

13. Connected Transactions in the Previous and Current Years until the Most Recent Quarter (if any)

List of connected transaction of the Company and its Affiliates with the conflict persons which material incurred for the year ended December 31, 2017 and for the period ended March 31, 2018:

Items	2017 (Thousand Baht)	Quarter 1/2018 (Thousand Baht)	Description	Conflict Person
1. Rent	780	195	The company group has executed a total of two land and office building lease agreements with a related person, for a	Mrs. Ratana Vilailerstpoca (Director)

Items	2017 (Thousand Baht)	Quarter 1/2018 (Thousand Baht)	Description	Conflict Person
			lease term of 3 years, with the last lease agreement to expire on July 31, 2019, and the total rent amounts to Baht 65,000 per month.	
2. Remuneration for key management				
- Short-term benefits	7,417	1,976	Expenses relating to salaries, wages, bonuses and social security fund contributions are recorded as expenses when incurred on an accrual basis.	Mr. Uchai vilailerstpoca (Director) Mrs. Ratana Vilailerstpoca (Director) Miss Apiradee Wangwittaya (Vice Managing Director of Support Department) Mr. Koon Chaisuwan (Deputy Managing Director of Marketing Department)
- Post-employment benefits	81	62	Severance pay under the labor protection law payable to employees upon retirement or termination of employment is recognized as liabilities and expenses in the financial statements based on the actuarial assumptions of the employee benefits in the past and at	Mr. Uchai vilailerstpoca (Director) Mrs. Ratana Vilailerstpoca (Director) Miss Apiradee Wangwittaya (Vice Managing Director of Support Department) Mr. Koon

Items	2017 (Thousand Baht)	Quarter 1/2018 (Thousand Baht)	Description	Conflict Person
			present, subject to discount rate applicable to the respective estimated items. Post-employment benefits recognized in the statement of comprehensive income comprise costs of service in the past (if any), costs of service at present and costs of interest recognized as gain or loss, gain/loss from actuarial valuation recognized as other comprehensive income. This employee benefit program is not established as a fund and has no assets.	Chaisuwan (Deputy Managing Director of Marketing Department)
Total	7,498	2,038		

After the capital increase, the Company still have the aforementioned connected transaction.

14. Table of Summary of Financial Statements over the Past 3 Years and the Current Year until the Most Recent Quarter

Statements of Financial Position of the Company (for the years ended December 31, 2015, 2016 and 2017, and for the period ended March 31, 2018)

Consolidated Financial Statements				Unit : Thousand Baht
	2015 (Reviewed)	2016 (Reviewed)	2017 (Reviewed)	Quarter 1/2018 (Reviewed)
Current Assets				
Cash and cash equivalents	15,716	4,178	2,123	2,711
Trade accounts receivable	71,829	86,082	80,200	86,946
Inventories	176,622	168,572	153,447	141,988
Other current assets	5,063	4,445	3,855	5,543
Total Current Assets	269,230	263,277	239,625	237,188
Non-Current Assets				
Deposits at financial institutions under pledge	733	728	735	738
Property, plant and equipment	106,826	96,895	95,943	96,387
Land not used in operations	-	24,869	24,869	24,869
Deferred tax assets	1,404	1,044	7,933	8,510

Consolidated Financial Statements			Unit : Thousand Baht	
	2015 (Reviewed)	2016 (Reviewed)	2017 (Reviewed)	Quarter 1/2018 (Reviewed)
Other non-current assets	2,751	1,773	1,387	1,264
Total Non-Current Assets	111,714	125,309	130,867	131,768
Total Assets	380,944	388,586	370,492	368,956
Current Liabilities				
Bank overdraft and short-term borrowings from financial statements	67,276	80,578	87,035	90,114
Trade accounts payable	26,841	19,018	26,129	19,423
Current portion of liabilities under financial lease contracts	23	536	29	392
Current portion of long-term borrowing	-	977	1,038	1,056
Accrued expense and other current liabilities	11,054	16,041	17,717	21,698
Total Current Liabilities	105,194	117,150	131,948	132,683
Non-Current Liabilities				
Liabilities under financial lease contracts	65	40	10	684
Long-term borrowing from financial institutions	-	4,189	3,149	2,878
Liabilities for post-employment benefits	3,308	4,116	3,457	3,571
Total Non-Current Liabilities	3,373	8,345	6,616	7,133
Total Liabilities	108,567	125,495	138,564	139,816
Shareholders' Equity				
Issued and paid-up share capital	180,962	180,963	180,963	180,963
Share premium	75,613	75,613	75,613	75,613
Retained earnings				
Appropriated for legal reserve	4,911	5,001	5,001	5,001
Unappropriated	10,891	1,514	(29,649)	(32,437)
Total Shareholders' Equity	272,377	263,091	231,928	229,140
Total Liabilities and Shareholders' Equity	380,944	388,586	370,492	368,956

Enclosure 3

Statements of Income of the Company (for the years ended December 31, 2015, 2016 and 2017 and for the period ended March 31, 2018)

Consolidated Financial Statements:							Unit : Thousand Baht	
	2015 (Reviewed)		2016 (Reviewed)		2017 (Reviewed)		Quarter 1/2018 (Reviewed)	
	Amount	%	Amount	%	Amount	%	Amount	%
Revenue								
Net sales	293,451	99.0	329,122	99.1	292,122	99.3	84,846	99.7
Gain (Loss) on exchange rate	(264)	(0.1)	622	0.2	490	0.2	191	0.2
Other income	3,259	1.1	2,207	0.7	1,470	0.5	116	0.1
Total Revenues	296,446	100.0	331,951	100.0	294,082	100.0	85,153	100.0
Expenses								
Costs of sales of goods	207,507	70.0	227,796	68.6	225,282	76.6	63,459	74.5
Distribution costs	62,249	21.0	68,901	20.8	73,177	24.9	16,595	19.5
Administrative expenses	27,301	9.2	28,799	8.7	30,205	10.3	7,276	8.5
Finance costs	3,988	1.3	4,057	1.2	4,843	1.6	1,188	1.4
Total Expenses	301,045	101.5	329,553	99.3	333,507	113.4	88,518	104.0
Profit (Loss) before Income Tax	(4,599)	(1.5)	2,398	0.7	(39,425)	(13.4)	(3,365)	(4.0)
Income Tax Expenses (Income)	(867)	(0.3)	827	0.2	(7,164)	(2.4)	(577)	(0.7)
Profit (Loss) for the year	(3,732)	(1.3)	1,571	0.5	(32,261)	(11.0)	(2,788)	(3.3)

Statements of Cash Flows of the Company (for the years ended December 31, 2015, 2016 and 2017 and for the period ended March 31, 2018)

Consolidated Financial Statements:				Unit : Thousand Baht
	2015 (Reviewed)	2016 (Reviewed)	2017 (Reviewed)	Quarter 1/2018 (Reviewed)
Cash Flows from Operating Activities:				
Profit (Loss) for the year	(3,732)	1,571	(32,261)	(2,788)
Adjustments:				
Gain from sales of provisional investments	(80)	-	-	-
Depreciation and amortization expense	7,665	8,981	8,620	2,171
Increase (decrease) in allowance for diminution in value of obsolete and slow-moving inventories	-	1,103	(418)	410
Loss from written off withholding tax deducted at source	-	-	525	-
Loss from termination of machinery purchase contract	-	-	371	-
Loss from termination of machinery purchase contract	(29)	(765)	272	(112)
Loss (gain) on sale and written-off fixed assets	2,299	(52)	(9)	59
Unrealized loss (gain) on foreign exchange	-	-	116	62
Unrealized loss on remeasurements of derivatives	-	808	713	114
Unrealized loss on remeasurements of derivatives	622			
Expenses for post-employment benefits	(13)	(8)	(11)	(2)
Interest income	3,536	4,057	4,843	1,188
Interest expense	(867)	827	(7,164)	(577)
Income tax expenses (income)				
	9,401	16,522	(24,403)	525
Changes in operating assets and liabilities				
Decrease (increase) in operating assets:				
Trade accounts receivable	8,996	(14,195)	5,851	(6,825)
Inventories	(4,412)	6,947	15,543	11,049
Other current assets	383	729	274	(1,687)
Deposits at financial institutions under pledge	4,683	5	(7)	(3)
Increase (decrease) in operating liabilities:				
Trade accounts payable	(48,010)	(7,829)	7,151	(7,486)
Accrued expenses and other current liabilities	(5,119)	4,918	1,604	3,885
Cash received (paid) from operations	(34,078)	7,097	6,013	(542)
Income tax paid	(2,830)	(580)	(209)	(1)
Net Cash Provided by (Used in) Operating Activities	(36,908)	6,517	5,804	(543)

Consolidated Financial Statements :				Unit : Thousand Baht
	2015 (Reviewed)	2016 (Reviewed)	2017 (Reviewed)	Quarter 1/2018 (Reviewed)
Cash Flows from Investing Activities:				
Interest received	25	10	11	2
Increase in provisional investments	(15,000)	-		-
Proceeds from sales of provisional investments	25,116	-		-
Acquisitions of property, plant and equipment	(24,337)	(15,451)	(7,440)	(565)
Acquisition of land not used in operations	-	(6,942)	-	-
Acquisitions of intangible assets – software	(138)	(19)	(89)	(55)
Proceeds from sales of equipment	331	783	114	112
Decrease (increase) in other non-current assets	(1,731)	473	(510)	(21)
Net Cash Used in Investing Activities	(15,734)	(21,146)	(7,914)	(527)
Cash Flows from Financing Activities:				
Interest paid	(3,536)	(3,988)	(4,886)	(1,154)
Dividend paid	(1,561)	(10,858)	-	-
Increase in bank overdrafts and short-term borrowings from financial institutions	-	13,303	6,457	3,079
Drawdown of long-term borrowing from financial institution	8,473	5,400	-	-
Payments of long-term borrowing from financial institution	-	(234)	(979)	(253)
Payments of liabilities under financial lease contracts	(289)	(532)	(537)	(14)
Proceeds from exercise of right to purchase ordinary shares	33,129	-	-	-
Net Cash Provided by Financing Activities	36,486	3,091	55	1,658
Net Increase (Decrease) in Cash and Cash Equivalents	(16,156)	(11,538)	(2,055)	588
Cash and cash equivalents, at beginning of the year	31,872	15,716	4,178	2,123
Cash and cash equivalents, at end of the year	15,716	4,178	2,123	2,711

Enclosure 3

Key Financial Ratios of the Company (for the years ended December 31, 2015, 2016 and 2017 and for the period ended March 31, 2018)

	2015 (Reviewed)	2016 (Reviewed)	2017 (Reviewed)	Quarter 1/2018 (Reviewed)
1. Liquidity Ratio				
Current Ratio (times)	2.56	2.24	1.80	1.78
Quick Ratio (times)	0.88	0.76	0.62	0.67
2. Efficiency Ratio				
Account Receivable Turnover (times)	4.09	4.17	3.50	1.02
Average Collection Period (days)	89.34	86.36	102.46	88.65
Inventory Turnover (times)	1.17	2.09	2.08	0.62
Average Inventory Period (days)	310.65	172.23	173.45	144.02
Fixed Asset Turnover (times)	2.75	2.70	2.41	2.80
Total Asset Turnover (times)	0.77	0.84	0.77	0.92
3. Leverage Ratio				
Debt Ratio (%)	28.50%	32.31%	37.40%	37.90%
Debt to Equity Ratio (times)	0.40	0.48	0.60	0.61
4. Profitability Ratio				
Gross Profit Margin (%)	29.28%	30.79%	22.88%	25.21%
Net Profit Margin (%)	-1.27%	0.50%	(10.69)%	(3.26)%
Return on Assets (%)	-0.98%	0.42%	(8.43)%	(0.75)%
Return on Equity (%)	-1.31%	0.60%	(11.86)%	(1.22)%
5. Data per Share				
Book Value per Share (Baht)	0.43	0.36	0.31	0.32
Earnings per Share (Baht)	(0.0060)	0.0022	(0.0446)	(0.0039)
Dividend per Share (Baht)	-	0.015	-	-

15. Management's Discussion and Analysis of Financial Position and Results of Operations for the Past and Current Years until the Most Recent Quarter

Analysis of Results of Operations

In 2017, the Company's revenues from sales and services amounted to THB 292.12 Million, which was decreased from THB 329.12 Million in 2016, and in the first quarter of 2017, the Company's revenues from sales and services amounted to THB 68.21 Million, which was increased by THB 16.64 Million or 24.40 percent to be THB 84.85 Million in the first quarter of 2018, with the details as follows:

The Company's Revenue Structure by Products in 2016 – 2017 and First Quarter of 2017 and 2018

Revenues from sales by distribution channels	2016 (Reviewed)		2017 (Reviewed)		Quarter 1/2017 (Reviewed)		Quarter 1/2018 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
1. Agents and Dealers	96.75	28.48	86.73	28.02	21.07	28.62	21.01	24.12
2. Modern Trade and Department Stores	167.50	49.30	149.29	48.23	33.93	46.09	47.94	55.04
3. Retailers and Other Customers	61.20	18.01	54.68	17.66	15.47	21.02	14.54	16.69
4. Overseas Customers	14.15	4.17	18.79	6.07	3.14	4.27	3.61	4.14
Revenues from services	0.14	0.04	0.06	0.02	-	-	-	-
Total Revenues from Sales	339.74	100.00	309.55	100.00	73.61	100.00	87.10	100.00
<u>Less</u> Goods returned in the country / discounts payable	10.62	3.13	17.43	5.63	5.40	7.34	2.25	2.58
Total Net Revenues from Sales	329.12		292.12		68.21		84.85	

Remarks: ^{1/} Goods returned in the country include such goods returned due to damaged packages, cancellation of original tax invoices for issuance of new tax invoices at customers' requests for change of models or product volume ordered.

^{2/} Discounts payable or in cash represent such discounts from purchase or sale of goods resulting in differences in payments by in decimal digits.

^{3/} Products under the "GOODYEAR" trademark accounted for THB 4.30 Million of revenues in 2017, representing 1.47 percent of all revenues.

Revenues from sales

The Company's revenues from sales included revenues from sales by agents and dealers which accounted for approximately 25-30 percent; by modern trade and department stores which accounted for approximately 45-55 percent; by retailers and other customers which accounted for approximately 15-20 percent; and by overseas customers which accounted for approximately 5-10 percent.

Revenues from sales by agents and dealers

In 2017, the Company's revenues from sales by agents and dealers amounted to THB 86.73 Million, representing a decrease by 10.36 percent as compared to that of 2016, due to the fact that certain customers of the Company imported goods from overseas for distribution, thereby resulting in decreased sales from this channel. In the first quarter of 2018, the Company's revenues from sales by agents and dealers amounted to THB 21.01 Million, which was decreased from THB 21.07 Million, representing a decrease by 0.28 percent.

Revenues from sales by modern trade and department stores

In 2017, the Company's revenues from sales by modern trade and department stores amounted to THB 149.29 Million, representing a decrease by 10.87 percent as compared to that of 2016, due to the decrease in market prices in modern trade and department stores, which caused the Company to necessarily reduce sales prices to suit the market prices. In 2017, the Company launched new products to expand its market share in subsequent years. In the first quarter of 2018, the Company's revenues from sales by modern trade and department stores amounted to THB 47.97 Million, which was increased from THB 33.93 Million, representing an increase by 41.29 percent, due to the Company's revised marketing policy to expand its market share and customer base.

Revenues from sales by retailers and other customers

In 2017, the Company's revenues from sales by retailers and other customers amounted to THB 54.68 Million, representing a decrease by 10.65 percent as compared to that of 2016, due to the fact that the modern trade and department stores increased their branches, resulting in the decreased number of customers in the retailer and other customers group, and consequently reducing revenues from this channel. In the first quarter of 2018, the Company's revenues from sales by retailers and other customers amounted to THB 14.54 Million, which was decreased from THB 15.47 Million, representing a decrease by 6.01 percent.

Revenues from sales by overseas customers

In 2017, the Company's revenues from sales by overseas customers amounted to THB 18.79 Million, representing a growth rate of 32.79 percent as compared to that of 2016, due to the Company's expansion to overseas markets, e.g., Vietnam, Laos, Malaysia and Saudi Arabia. In the first quarter of 2018, the Company's revenues from sales by overseas customers amounted to THB 3.61 Million, which was increased from THB 3.14 Million, representing an increase by 14.97 percent.

Costs of Sales

Items	2016 (Reviewed)		2017 (Reviewed)		Quarter 1/2017 (Reviewed)		Quarter 1/2018 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Costs of Sales	221.50	97.24	219.03	97.23	47.37	96.57	61.89	97.53
Depreciation	6.30	2.76	6.25	2.77	1.68	3.43	1.57	2.47
Total Costs of Sales	227.80	100.00	225.28	100.00	49.05	100.00	63.46	100.00

The Company's costs of sales included costs of raw materials which accounted for approximately 10-25 percent of the costs of sales. The primary raw materials in the Company's production included brass, direct labor costs, which accounted for approximately 3-8 percent of the costs of sales; overhead costs representing 5-10 percent of the costs of sales, and the costs of goods manufactured representing 60-80 percent of the costs of sales.

In 2016 – 2017, the Company's costs of sales amounted to THB 227.80 Million and THB 225.28 Million, representing 69.21 percent and 77.18 percent of the revenues from sales, respectively, an increase by 7.97 percent of the revenues from sales. In the first quarter of 2017 and 2018, the Company's costs of sales amounted to THB 63.46 Million and THB 49.05 Million or accounted for 71.92 percent and 74.79 percent of the revenues from sales, respectively, due to the following reasons:

- Increased prices of primary raw materials in the products;
- Relatively high costs of outstanding inventories for sales in 2017;
- Relatively high production costs, e.g., depreciation and costs of factory supplies used.

Distribution costs and administrative expenses

In 2016 – 2017, the Company's distribution costs and administrative expenses amounted to THB 97.70 Million and THB 103.38 Million or accounted for 29.68 percent or 35.39 percent of the revenues from sales, respectively. In the first quarter of 2017 and 2018, the Company's distribution costs and administrative expenses amounted to THB 24.08 Million and THB 23.87 Million or accounted for 35.31 percent and 28.13 percent of the revenues from sales, respectively, due to the following reasons:

The distribution costs amounted to THB 68.90 Million and THB 73.18 Million or accounted for 20.93 percent and 25.05 percent of the revenues from sales in 2016 – 2017, respectively. In the first quarter of 2017 and 2018, the distribution costs amounted to THB 15.93 Million and THB 16.60 Million or accounted for 23.36 percent and 19.56 percent of the revenues from sales, respectively. The distribution costs included employees' remuneration, promotional costs, commission and costs of sales equipment, etc.

The administrative expenses amounted to THB 28.80 Million and THB 30.21 Million or accounted for 8.75 percent and 10.34 percent of the revenues from sales in 2016 – 2017, respectively. In the first quarter of 2017 and 2018, the administrative expenses amounted to THB 8.15 Million and THB 7.28 Million or accounted for 11.95 percent and 8.58 percent of the revenues from sales, respectively. The administrative expenses included employees' remuneration, directors' remuneration, audit fees, loss on impairments and depreciation, etc.

Net Profits

The Company's net operating profits (deficit) in 2017 amounted to THB (31.16) Million, which was increased from the net profits (deficit) of THB 1.57 Million in 2016 or representing an increased loss at (2084.71) percent.

The reasons behind the Company's increase net deficit as compared to that of 2016 are described below.

- The Company's revenues from sales decreased due to the decreased market prices in the modern trade and department stores group.
- The Company's gross profit margin decreased due to the increased costs of raw materials.
- The distribution costs and administrative expenses were increased due to the restructuring of sales and marketing departments in the organization, and the increased promotional costs charged by the modern trade and department stores group.

In the first quarter of 2018, the Company's net deficit amounted to THB 2.765 Million as compared to the net deficit of THB 4.661 Million for the same period in 2017, representing a decrease net deficit by THB 1.896 Million or 40.68 percent, mainly due to the increased costs of sales and services in respect of products with slow movements which in the past incurred relatively high costs of production and procurement, e.g., high exchange rate, reworked products.

Analysis of Financial Position**Total Assets**

The Company's total assets were decreased from THB 388.59 Million to THB 370.49 Million as of December 31, 2016 and 2017, respectively, and the total assets as of March 31, 2018 amounted to THB 368.96 Million, with the details of significant changes of the total assets summarized as follows:

Current Assets**Trade accounts receivable (excluding other receivables)**

The balance of the trade accounts receivable divided by the period of outstanding debts as follows:

Items	Consolidated Financial Statements					
	December 31, 2016 (Reviewed)		December 31, 2017 (Reviewed)		March 31, 2018 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Undue accounts receivable	60.03	69.74	59.10	73.69	66.57	76.56
Overdue accounts receivable						
Less than or equal to 3 months	24.17	28.08	19.29	24.05	19.21	22.09
More than 3 months to 6 months	1.26	1.46	1.81	2.26	0.23	0.26
More than 6 months to 12 months	0.62	0.72	-	-	0.94	1.08
More than 12 months	-	-	-	-	-	-
Total	86.08	100.00	80.20	100.00	86.95	100.00

The Company's trade accounts receivable amounted to THB 86.08 Million and THB 80.20 Million as of December 31, 2016 and 2017, respectively, which were decreased by THB 5.88 Million from that of 2016. Upon review of the period of accounts receivable, in 2017, the Company's overdue accounts receivable were decreased from that of 2016, whereas the undue accounts receivable were increased due to the Company's increased sales to department stores and its policy to sell certain types of goods which allowed for an increased credit term from that of 2016. As of March 2018, the Company's trade accounts receivable amounted to THB 86.95 Million.

Inventories

The net inventories amounted to THB 168.57 Million and THB 153.45 Million as of December 31, 2016 and 2017, respectively. Most of the goods on average comprised finished goods, which accounted for 70-80 percent, followed by raw materials with an average of 20-30 percent, supplies and goods under production and goods in transit, which accounted for an average of 10-20 percent of the net inventories.

Items	Consolidated Financial Statements					
	December 31, 2016 (Reviewed)		December 31, 2017 (Reviewed)		March 31, 2018 (Reviewed)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Finished goods	108.95	64.63	108.13	70.47	94.96	66.88
Goods under production	1.00	0.59	1.45	0.94	3.40	2.39
Goods in transit	4.95	2.94	5.02	3.27	8.13	5.73
Raw Materials	45.52	27.00	31.42	20.47	27.31	19.24
Supplies	9.25	5.49	8.11	5.29	9.29	6.54
Less Allowance for diminution in value of obsolete and slow-moving inventories	(1.10)	(0.65)	(0.68)	(0.44)	(1.10)	(0.78)
Total	168.57	100.00	153.45	100.00	141.99	100.00

The Company has managed the long outstanding inventories and prepared reports on MAX-MIN values for the purpose of inventory control, including arrangements for sufficient raw materials available for production not exceeding 6 months, thereby resulting in decreased inventories.

Property, Plant and Equipment

The property, plant and equipment – net, amounted to THB 121.76 Million and THB 120.81 Million as of December 31, 2016 and 2017, respectively, with land not used in operations in the amount of THB 24.87 Million. The property, plant and equipment – net, amounted to THB 121.26 Million as of March 31, 2018, with land not used in operations in the amount of THB 24.87 Million.

Liabilities

The total liabilities mostly included bank overdrafts and short-term borrowings from financial institutions and trade accounts payable, which amounted to THB 99.60 Million and THB 113.17 Million as of December 31, 2016 and 2017, respectively, and THB 109.54 Million as of March 31, 2018.

Shareholders' Equity

The Company's shareholders' equity was decreased to THB 231.93 Million as of December 31, 2017 or by THB 31.16 Million, as compared to that as of December 31, 2016, due to the fact that in 2017, the Company sustained a net deficit of THB 31.16 Million, and the shareholders' equity amounted to THB 229.14 Million as of March 31, 2018.

Liquidity

Items	Consolidated Financial Statements		
	December 31, 2016 (Reviewed)	December 31, 2017 (Reviewed)	March 31, 2018 (Reviewed)
	Million Baht	Million Baht	Million Baht
Operating profits before changes in operating assets and liabilities	16.52	(24.40)	0.53
Net cash provided by (used in) operating activities	6.52	5.80	(0.54)
Net cash provided by (used in) investing activities	(21.14)	(7.91)	(0.53)
Net cash provided by (used in) financing activities	3.09	-	1.66
Cash and cash equivalents at end of the year	4.18	2.12	2.71

The net cash provided by (used in) operating activities in 2017 amounted to THB 5.80 Million, and in the first quarter of 2018 amounted to THB 0.53 Million as a result of management.

The net cash provided by (used in) investing activities in 2017 amounted to THB (7.91) Million due to utilization of such cash for investment in Solar Rooftop Project with the capacity of 114.46 KW, and in the first quarter of 2018 amounted to THB (0.53) Million due to acquisitions of property, plant and equipment.

The Company's overall changes in cash flows decreased by THB 2.06 Million, and as a result, the Company's cash and cash equivalents at the end of the period amounted to THB 2.12 Million. The Company's changes in cash flows increased by THB 0.59 Million, and as a result, the Company's cash and cash equivalents at the end of the period amounted to THB 2.71 Million in the first quarter of 2018.