

No. OCMSET-1910-001

October 16, 2019

Re: Disclosure of the cessation of trading business of accessories and faucet products, and the appointment of the Audit Committee.

Attn.: President  
The Stock Exchange of Thailand

Ocean Commerce Company Limited (the “**Company**”) hereby informs the Stock Exchange of Thailand that the Board of Directors’ Meeting of the Company No. 9/2019 convened on October 15, 2019, resolved as follows:

1. The Board of Directors resolved to grant approval for the cessation of trading business of accessories and faucet products from November 1, 2019 onwards, with the details as follows;

According to the resolution of the Board of Directors’ Meeting No. 1/2019 convened on January 30, 2019, which resolved to propose the Shareholders’ Meeting to consider acknowledging the cessation of the manufacturing business of accessories and faucet products due to the declining of the business’s results and sales income. The 2019 Annual General Meeting of the Shareholders convened on April 5, 2019, has resolved to approve the disposal of non-operating assets and/or assets relating to the manufacturing business of accessories and faucet products (“**Manufacturing Business**”) in order to increase the Company’s liquidity and cash flows. The Company disposed non-operating assets and/or assets relating to the manufacturing business of accessories and faucet products on April 25, 2019, details as set out in the Information Memorandum disclosed earlier. In this regard, the Company still operates the trading business of accessories and faucet products (“**Trading Business**”)

However, the operational performance of the trading business of the Company has been declining and limitation of business operation with following details.

**Table of Revenue Breakdown of the Company**

	2016		2017		2018		6M2018 (Jan – Jun)		6M2019 (Jan – Jun)	
	THB mm	%	THB mm	%	THB mm	%	THB mm	%	THB mm	%
Trading CPOA <sup>(1)</sup>	-	-	-	-	303.3	49.4	-	-	1,029.9	85.2
Trading Business	307.6	92.7	277.3	94.3	289.7	47.2	147.5	92.7	167.6	13.9
Manufacturing Business <sup>(2)</sup>	21.4	6.4	14.8	5.0	18.4	3.0	11.1	7.0	8.9	0.7
Operating Revenues	329.0	99.2	292.1	99.3	611.4	99.6	158.6	99.6	1,206.4	99.9
Others	2.8	0.8	2.0	0.7	2.3	0.7	0.6	0.4	1.8	0.1
<b>Total Revenues</b>	<b>331.8</b>	<b>100.0</b>	<b>294.1</b>	<b>100.0</b>	<b>613.7</b>	<b>100.0</b>	<b>159.2</b>	<b>100.0</b>	<b>1,208.2</b>	<b>100.0</b>

Remark: (1) Start operation in October 2018 onward

(2) Stop operation on April 25, 2019 onward

In 2016 – 2018, the Trading Business had revenues of THB 307.6 mm, THB 277.3 mm, and THB 289.7 mm respectively or compound annual growth rate of (3.0%) per year. In

addition, the Company has started the trading of crude palm oil type A (“**Trading CPOA**”) in October 2018 onward resulting in the portion of Trading Business has been decreasing from 94.3% of the total revenues in 2017 to 47.2% of the total revenues in 2018 and to 13.9% of the total revenues in 6M2019.

In addition, Managing Director – Faucet Business has retired since September 16, 2019 which affect the operation and communication with number of staff. The Trading Business requires number of staff to present the products at selling presets such as department stores and modern trades. As of December 31, 2018 and June 30, 2019, the Company had the staff of Trading Business of 245 staff and 260 staff respectively with expenses of 20% - 25% of the revenues of Trading Business. The number of staff increase the limitation on business operation, business monitoring, and business continuity.

In this regard, the Company considered it appropriate to cease trading business of accessories and faucet products from November 1, 2019 onwards.

In addition, the Board of Directors deemed it appropriate authorizing the Managing Director or the person appointed by the Board of Directors to take any arrangements in connection with or necessary for the cessation of trading business of accessories and faucet products. Also, the Company would introduce the similar-business companies to be an option for staff to work after the cessation of the Trading Business.

2. Approved the appointment of directors as follows;

(1) Appointing Mr. Tarach Voravongrattana as Audit Committee / Director / Independent Director in place of Mr. Kong Suriyamontol who has resigned from the position of Chairman of the Audit Committee / Director / Independent Director ,Which is effective from October 15, 2019 onwards, which the said person has qualifications as a director. Complete as required by the Securities and Exchange Commission.

(2) Appoint Air Chief Marshal Pitthaporn Glinfuang to be the Chairman of the Audit Committee / Chairman of the Board / Independent Director to replace Mr. Kong Suriyamontol who has resigned from the position of Chairman of the Audit Committee / Director / Independent Director, Which is effective from 15 October 2019 onwards.

3. Notify the move of the head office And cancel the following branches;

(1) Relocation of the head office located at 148/1 Sahachok Building, Soi Ram Inthra 14, Tha Raeng, Bang Khen, Bangkok 10230 with effect from 31 October 2019 onwards and will notify the new head office address again within On 17 October 2019

(2) Cancel the branch office located at 88/8 Moo 4, Ban Mo Sub-district, Phrom Buri, Sing Buri, 16120 with effect from 31 October 2019 onwards.

Please be informed accordingly.

(Mr. Jirat Tritrakulchai)  
Managing Director