

No. OCMSET-1908-001

August 8, 2019

Re: Disclosure of the resolution of the Board of Directors' Meeting of the Company
No. 8/2019 regarding the Acquisition of Assets

Attn.: President
The Stock Exchange of Thailand

Enclosure: Information Memorandum on Acquisition of Assets

Ocean Commerce Company Limited (the "**Company**") hereby informs the Stock Exchange of Thailand that the Board of Directors' Meeting of the Company No. 8/2019 convened on August 8, 2019, resolved as follows:

1. The Board of Directors approved the incorporation of a new subsidiary to invest in a property development business and authorized the Managing Director or person appointed by the Managing Director to consider and determine the details and proceed with such transaction, having the details as follows:

Company name:	To be considered
Registered capital:	THB 1,000,000
Shareholding structure:	The Company holds 99.99%
Objective of incorporation:	To invest in property development business
Source of fund:	Working capital of the Company

2. The Board of Directors approved the Company or its subsidiary to enter into an asset acquisition transaction by acquiring 132,000 (One Hundred Thirty-Two Thousand) shares (equivalent to 55% of all shares) in V Sukhumvit 81 Company Limited ("**V 81**"), which is a limited company engaging in the property development business, from Pinwheel 1 Co., Ltd., by means of entire business transfer. The sale and purchase price of the shares is THB 240,000,000 (Two Hundred Forty Million Baht) (the "**Acquisition of Assets**").

In this regard, the Acquisition of Assets shall occur only when the condition precedents set forth in the relevant agreement are fulfilled or waived, and in accordance with the terms and conditions of such agreement.

The transaction is classified as an asset acquisition transaction of a listed company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004 (collectively, the "**Notifications on Acquisition or Disposal**"). When calculating the total transaction based on a total value of consideration basis, by considering the Company's reviewed consolidated financial statement ended

June 30, 2019, the value of such transaction is 41.13% (Forty-One point One Three percent) which constitutes a Class 2 Transaction. In this regard, the Company has not entered into any acquisition transaction during the past 6 (Six) months which a value of a transaction is required to be calculated together with the Acquisition of Assets transaction. Therefore, the value of the transaction does not change and the Company therefore has the following obligations:

(1) to disclose the information memorandum with regard to the transaction to the Stock Exchange of Thailand, having the details set out in the Enclosure; and

(2) to deliver to the shareholders a letter informing them of the details of such transaction within the period of 21 days from the date on which the transaction is disclosed to the Stock Exchange of Thailand.

In addition, the Board of Directors authorized the Managing Director or person appointed by the Managing Director to consider the terms and conditions, as well as other necessary details and information relating to the Acquisition of Assets as they deem appropriate, and in accordance with the applicable laws. Such authority includes but is not limited to negotiation, amendment and implementation of any actions relating to the entire business transfer agreement and the shareholders agreement and any other documents relating to the transaction.

The Board of Directors' Meeting approved the Acquisition of Assets and approved the Managing Director or persons appointed by the Managing Director to have the aforementioned authority.

Please be informed accordingly.

Very truly yours,
Ocean Commerce Company Limited



(Mr. Jirat Tritrakulchai)
Managing Director

**Information Memorandum on Asset Acquisition of
Ocean Commerce Public Company Limited**

The Board of Directors' Meeting No. 8/2019 of Ocean Commerce Public Company Limited (the "**Company**") convened on August 8, 2019 resolved to approve the Company or its subsidiary to invest in V Sukhumvit 81 Company Limited ("**V81**"), a property development company, by acquiring 132,000 (One Hundred Thirty-Two Thousand) shares (equivalent to 55% of all shares) in V81 from Pinwheel 1 Co., Ltd., by means of entire business transfer (the "**Asset Acquisition Transaction**"), at a total price of THB 240,000,000 (Two Hundred and Forty Million Baht).

The Asset Acquisition Transaction is classified as an asset acquisition transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004 (collectively, the "**Notifications on Acquisition or Disposal**"). When calculating the total transaction based on a total value of consideration basis, the value of such transaction is 41.13 percent. Hence, the transaction is considered as a Class 2 Transaction, i.e. a transaction with a value of 15 percent or higher but lower than 50 percent. Consequently, the Company is obliged to immediately prepare a report and disclose the details with regard to the transaction to the Stock Exchange of Thailand (the "**SET**"), whereby the details must include the information required under Schedule (1) annexed to the Notifications on Acquisition or Disposal at a minimum, and deliver to the shareholders a letter informing them of the details of such transaction within the period of 21 days from the date on which the transaction is disclosed to the SET, whereby the details must include the information required under Schedule (2), Clauses 1, 2, 3, 5 (3), 7, and 8 annexed to the Notifications on Acquisition or Disposal at a minimum.

The Company hereby informs you of the details with respect to the Asset Acquisition Transaction in accordance with the Notifications on Acquisition or Disposal as follows:

1. Transaction Date

The Company will enter into the Asset Acquisition Transaction provided that the conditions precedent specified in the relevant agreements are fulfilled or waived and in accordance with the terms and conditions of such agreements. The Company expects to complete the Asset Acquisition Transaction within this August 2019.

2. The Related Parties and their Relationships with the Company

Seller: Pinwheel 1 Co., Ltd¹ (the "**Seller**") as the seller of 55 percent of V81's total issued shares.

Relationship with the Company

¹ List of shareholders of Pinwheel 1 Co., Ltd as at August 6, 2019

(1) V Property Development Company Limited, holding 998 shares, equivalent to 99.8 percent of the total issued shares

(2) Mr. Teera Chutivarapon, holding 1 share equivalent to 0.1 percent of the total issued share

(3) Mr. Pornchai Loet-ananchok, holding 1 share equivalent to 0.1 percent of the total issued share

Enclosure 1

No relationship with the Company and the Seller is not a related party of the directors, executives and shareholders of the Company and its subsidiary.

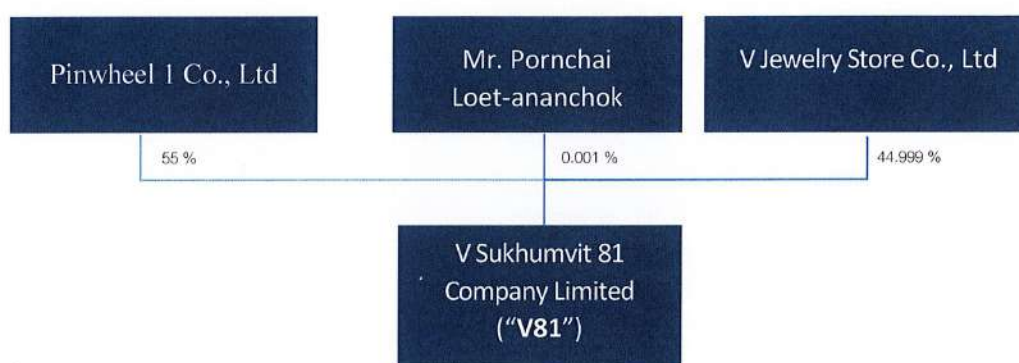
Buyer: Ocean Commerce Public Company Limited or its subsidiary in which the Company holds 99.99 percent of the total issued shares of such subsidiary (the “**Buyer**”).

3. General Characteristic, Type and Size of the Transaction

3.1 General Characteristics

The Company will invest in V81 by acquiring 132,000 shares from the total of 240,000 shares (equivalent to 55 percent of V81’s total issued shares), with a par value of THB 1,000 per share, from Pinwheel 1 Co., Ltd. for the total purchase price of THB 240,000,000 (Two Hundred and Forty Million Baht)

V81’s shareholding structure before the transaction:



Registered Capital: THB 120,000,000²

² According to V81’s financial statements of the second quarter as at June 30, 2019 which have been reviewed by the V81’s auditor

³ List of shareholders of V Jewelry Store Co., Ltd as at August 6, 2019

- (1) Miss Thanapha Jenkorkiatkul, holding 14,000 shares, equivalent to 70 percent of total issued shares
- (2) Mrs. Daeng Saeo, holding 3,000 shares equivalent to 15 percent of total issued shares
- (3) Mr. Sanga Jenkorkiatkul, holding 3,000 shares equivalent to 15 percent of total issued shares

V81's shareholding structure after the transaction:



Registered Capital: THB 240,000,000⁴

3.2 Type and Size of the transaction

The Asset Acquisition Transaction is classified as an asset acquisition transaction. When calculating the total transaction, the value of such transaction is 41.13 percent being calculated based on a total value of consideration basis in accordance with the Notifications on Acquisition or Disposal (by considering the Company's financial statements of the second quarter as at June 30, 2019 which have been reviewed by the Company's auditor). According to the Notifications on Acquisition or Disposal, the transaction therefore constitutes a Class 2 Transaction. In this regard, the Company has not entered into any acquisition transaction during the past 6 months which a value of a transaction is required to be calculated together with the acquisition of V81's shares.

(Unit: THB million)

Financial Information	Company ¹	V81 ⁵
Total asset	583.46	267.16
Deduct intangible assets	0.92	-
Deduct total liabilities	90.52	226.15
Deduct non-controlling interests	-	-
Net Tangible Asset (NTA)	492.02	41.01
Increase capital amount in V81 ⁶	-	120.00
Net Tangible Asset (NTA) – After V81's capital increase	492.02	161.01
Net profit for past 12 months	(93.53)	(48.07)

⁴ The conditions precedent for entering into this transaction requires V81 to have a paid-up capital of THB 240,000,000 to be used as a fund for the construction of IKON Project (details set out in item 10)

⁵ Interim financial statement as at June 30, 2019 audited by the auditor

⁶ Referred to footnote no.4

Comparison of the criterion for calculating the size of transaction. Details are as follows

Criteria	Calculation formula	Size
1. Net Tangible Asset (NTA) – <u>After</u> V81’s capital increase ⁷	$\frac{[\text{NTA of acquired asset} \times \text{acquired portion}] \times 100}{\text{NTA of the Company}}$ $= \frac{[161.01 \times 0.55] \times 100}{492.02}$	18.00 percent
2. Net profit	$\frac{[\text{Net profit of acquired assets} \times \text{acquired portion}] \times 100}{\text{Net profit of the Company}}$ (Not applicable as the Company and V81 have a net loss)	N/A
3. Total value of consideration	$\frac{[\text{Value of consideration} \times 100]}{\text{Total assets of the Company}}$ $= (240.00 \times 100) / 583.46$	41.13 percent
4. Value of securities issued by the Company in consideration of asset acquisition	$\frac{[\text{No. of shares issued in consideration of asset acquisition} \times 100]}{\text{No. of issued and paid-up shares of the Company}}$ (Not applicable as the Company will not issue new shares for the payment)	N/A

According to the above calculations, the maximum transaction value is 41.13 percent calculated based on a total value of consideration basis and it constitutes a Class 2 Transaction. As a result, the Company is obliged to:

- (1) Disclose the information with regard to the transaction to the SET which the Company has already disclosed such information to the SET; and
- (2) Deliver a letter to the shareholders informing them of the details of such transaction within the period of 21 days from the date on which the transaction is disclosed to the SET, whereby the details must include the information required under Schedule (2), Clauses 1, 2, 3, 5 (3), 7, and 8 annexed to the Notifications on Acquisition or Disposal at a minimum.

4. Details of Acquired Assets

- (1) Acquired Assets

The Company will purchase 132,000 ordinary shares of V81 with a par value of THB 1,000 per share, equivalent to 55 percent of V81’s total issued shares.

⁷ In this regard, if the calculation is based on Net Tangible Asset (NTA) criteria before V81’s capital increase of THB 120,000,000, the size of the transaction will be 4.58 percent $[(41.01 \times 0.55 \times 100) / 492.02]$.

(2) General Information of V81 (as of August 8, 2019)

Name	V Sukhumvit 81 Company Limited	
Registration date	February 16, 2017	
Head office's location	725 Metropolis Building 21 st floor, Khlong Tan Nuea, Wattana, Bangkok, 10110 Thailand	
Registered capital	THB 240,000,000	
Paid-up capital	THB 150,000,000 The conditions precedent for entering into this transaction requires V81 to have a paid-up capital of THB 240,000,000 to be used as a fund for the construction of IKON Project (details set out in item 10)	
Business	Property development business	
Board of Directors (Present)	1. Mr. Pornchai Loet-Ananchok 2. Mrs. Sirirat Phongphakdee	
Shareholders (Present)	<u>Shareholder</u>	<u>Numbers of Shares Owned in the Company</u>
	1. Pinwheel 1 Co., Ltd	132,000
	2. V Jewelry Store Co., Ltd	107,998
	3. Mr. Pornchai Loet-ananchok	2

(3) General Information regarding Business Operation

V81 engages in the property development business in the sector of condominium project for sales. Presently, V81 is in the process of developing IKON Sukhumvit 77 Project (“**IKON Project**”), located at Sukhumvit 77 Alley (Sukhumvit 81 Yaek Onnut 10), Suan Luang, Bangkok, a low-rise 8 stories condominium, having 3 buildings located in a total area of approximately 3 rai 3 ngan 55 square wah (3-3-55 rai). The construction of IKON Project is expected to complete in the fourth quarter of the year 2020.

IKON Project is located in the area in which being convenient to access public facilities such as BTS Onnut station (1 km) Tesco Lotus Department Store (2.2 km), international school (1.5 km), hospital (3 km) and community mall, which is now under construction (20 meters.) etc.

IKON Project has 442 units in total, consisting of 4 types of unit as follows:

#	Unit Type	Area (Square meter)	Number of units
1	Studio	23.23 – 26.01	35
2	1 Bedroom	27.45 – 31.56	373
3	1 Bedroom Plus	34.15 – 34.85	17
4	2 Bedroom	43.27 – 47.05	17
Total			442

The average sale price is approximately THB 90,000 – THB 120,000 per square meter. IKON Project has several facilities such as club house, white marble pool, 24hr co-thinking space, on-call shutter van service and 24/7 security system etc.

(4) Summary of Financial Information and Results of Business Operation

(Unit:THB)	Financial Statements as of		
	December 31, 2017 ⁸	December 31, 2018	June 30, 2019 ⁹
Property development for sale	161.37	236.91	217.63
Total assets	161.45	237.08	267.16
Total liabilities	165.48	177.84	226.15
Shareholders' equity	(4.04)	59.20	41.01
Total income	0.01	0.40	0.54
Total expenses	(5.04)	(56.16)	(18.73)
Net profit	(5.04)	(56.76)	(18.19)

5. Total Value of Consideration

The Company will invest in the Acquisition of Assets transaction in the amount of THB 240,000,000 (Two Hundred and Forty Million Baht) (the “**Sale Price**”) in cash. The Company had paid a deposit of THB 50,000,000 (Fifty Million Baht) and will pay the remaining of THB 190,000,000 (One Hundred and Ninety Million Baht) which shall be paid in two installments: (1) the first installment of THB 70,000,000 (Seventy Million Baht) on the date of the signing of the entire business transfer agreement and (2) the second installment of THB 120,000,000 (One Hundred and Twenty Million Baht) will be paid subject to the conditions precedent specified in the relevant agreement being fulfilled or waived in accordance with the terms and conditions of such agreement.

⁸ Total income, total expenses, and net profit since February 16, 2017 to December 31, 2017.

⁹ Total income, total expenses, and net profit incurred during January to June, 2019.

6. Value of Acquired Assets

The Company will invest in the Acquisition of Assets transaction in cash in the amount of THB 240,000,000 (Two Hundred and Forty Million Baht) by deducting the deposit of THB 50,000,000 (Fifty Million Baht). Therefore, the Company will pay the remaining amount of THB 190,000,000 (One Hundred and Ninety Million Baht) by paying the first installment of THB 70,000,000 (Seventy Million Baht) on the date of the signing of the entire business transfer agreement and the remaining of THB 120,000,000 (One Hundred and Twenty Million Baht) will be paid subject to the conditions precedent specified in the relevant agreement being fulfilled or waived in accordance with the terms and conditions of such agreement.

7. Criterion applied for fixing the value of consideration

Criterion applied for fixing the value of consideration is the value as agreed between the parties under the entire business transfer agreement. Sales price agreed by the parties comes from the negotiation and agreement between the Company and the Seller at the total price of THB 240,000,000 (Two Hundred and Forty Million Baht) with reference to the financial status, result of operation and significant financial information of V81. In addition, the Company also considered the business opportunity for expanding into the property development business in the future.

8. Expected benefits derived from the transaction to the Company

The Company believes that the Acquisition of Assets transaction, will be beneficial to the Company as follows:

1. Expanding the business of the Company into a property development business, which will increase the value of the Company and to the shareholders and will help mitigating the risks in the overall business operation of the Company.
2. An opportunity to increase income and appropriate yield rate which would help the Company make its financial position stable and have more cash flow from the business operation of the Company in the long term.

9. Source of Funds

The Company will use the Company's cash flow as the sources of funds, which will not affect the Company's liquidity or business operation.

10. Significant conditions precedent

The conditions precedent will be as set out in the entire business transfer agreement. The significant conditions precedent are as follows:

1. A consent from RHB Bank for the change of directors and management as well as the significant change of shareholding structure of V81 under the relevant credit facility agreements.
2. V81 has a paid-up capital of THB 240,000,000 (Two Hundred and Forty Million Baht).

11. Characteristics and extent of interest of connected persons

None as the counter party is not a related party of the Company as at the date on which the Company will enter into the Acquisition of Assets transaction.

12. Opinion of the Board of Directors regarding the entering into the transaction

Board of Directors' Meeting No. 8/2019 held on August 8, 2019 approved the Company entering into the Acquisition of Assets transaction as it opined that such transaction is appropriate and useful to the Company and shareholders as indicated in Clause 8.

13. Opinion of the Company's Directors

None of the Company's directors has a different view from the Board of Directors.

The Company hereby certifies that the information contained in this Information Memorandum is true and correct and this Information Memorandum is prepared with due and care by considering benefits of the shareholders.

Please be informed accordingly.

Very truly yours,
Ocean Commerce Company Limited



(Mr. Jirat Tritrakulchai)
Managing Director