



Ocean Commerce Public Company Limited

148/1 Soi Raminthra 14, Raminthra Road, Tharang Sub-district, Bang Khen District, Bangkok 10230

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No. OCMSET/6201/006

January 30, 2019

Re: Management Plan after Discontinuation of Business of Manufacturing Accessories and Faucet Products, the Disposition of Assets Relating to Such Business.

Attn.: President
The Stock Exchange of Thailand

Enclosure Information Memorandum on Disposition of Assets and Execution of Connected Transaction of Ocean Commerce Public Company Limited

Ocean Commerce Public Company Limited (the "**Company**") hereby informs that the Board of Directors' Meeting No. 1/2019, which was held on January 30, 2019 at 10.00 hours, has passed significant resolutions which may be summarized as follows:

1. Resolved to grant approval to propose the Shareholders' Meeting to consider acknowledging the discontinuation of the business of manufacturing accessories and faucet products pursuant to the resolutions of the Board of Directors' Meeting No. 9/2018, which was held on November 27, 2018. This was due to the fact that the manufacturing business' operating results were declining, the percent of revenues from the manufacturing business accounted for only 4.4 - 9.6 percent of the total revenues as a result of a more intense competition, particularly a more variety of imported products with relatively lower manufacturing costs than the Company's manufacturing costs, and certain groups of the Company's customers reduced their contract manufacturing volumes with the Company in order to procure finished products instead. In this regard, the Company foresees that should the manufacturing business continue, the Company would be required to bear such fixed costs as depreciation costs, salaries for production support staff, etc., against the tentatively declining revenues from the manufacturing business to the extent that the Company's manufacturing business would be at a loss. Therefore, it was deemed appropriate for the Company to discontinue the business of manufacturing accessories and faucet products and in the best interests of the Company, the Board of Directors' Meeting resolved to grant approval to propose the Shareholders' Meeting to consider the management plan after the discontinuation of the manufacturing business of accessories and faucet products, as follows:

(1) The Company shall dispose of non-operating assets and/or assets relating to the manufacturing business of accessories and faucet products in order to increase the Company's liquidity in its business operations. In this regard, the Company has proceeded with the bidding process to survey the demands and prices of the assets, including relevant licenses, on

a lump sum basis, whereby bids may be submitted during the period from December 3, 2018 – January 11, 2019 for individuals and during the period from January 7, 2019 – January 11, 2019 for those with a relationship as connected persons of the Company. The Company has selected the successful bidder on January 30, 2019, namely Ocean Fitting Co., Ltd., which is the Company's connected person, whose bid amounted to Baht 78,000,000 (Seventy-eight million baht), which is lower than the book value but higher than the value appraised by the valuers.

(2) The Company shall continue to focus on its trading business of accessories and faucet products.

Resolved to grant approval to propose the Shareholders' Meeting to consider approving the disposal of non-operating assets and/or assets relating to the manufacturing business of accessories and faucet products, as follows:

Item	Location	Area
1	Land (5 plots per Land Title Deeds Nos. 5560, 5566, 7701, 12700, and 13486), including relevant licenses	51 rai 1 ngarn 45 square wah
2	16 buildings and structures located on land per Land Title Deeds Nos. 12700 and 13486, including relevant licenses	6,336 square meters
3	76 items of machinery and equipment for the manufacturing business, including relevant licenses	-

The disposal of such assets is intended to accommodate potential impact from the current situations of the manufacturing business of accessories and faucet products as described in the above agenda item, which will not affect the Company's current business operations, namely the trading business of accessories and faucet products and the crude oil palm (CPOA) trading business. This is because the percentage of revenues from the manufacturing business accounted for 4.4 – 9.6 percent of the total revenues, and the gross operating profits from the manufacturing business accounted for 1 – 5 percent of the total gross operating profits, and as such, the discontinuation of the manufacturing business will not affect the overall operating results, whereby the Company will continue to focus on its trading business of accessories and faucet products. Furthermore, the Company has started the business of trading crude palm oil type A (CPOA) since October 2018, and planned to expand the scope of its crude palm oil business, which will help boost the revenues and ensure the Company's constant operating results. In addition, the discontinuation of the manufacturing business of accessories and faucet products and the disposal of the Company's assets relating to such business shall be beneficial to the Company as the disposal of such assets will help improve the Company's financial position by lessening its liabilities and increase its liquidity and cash flows.

The Company has engaged valuers to prepare valuation reports on such assets. The Board of Directors has considered such valuation and deemed it appropriate to determine the fair price for disposal of such assets (the “**Fair Price**”) on a lump sum basis equal to the value appraised by the valuers, namely Global Asset Valuer Co., Ltd. and Agency for Real Estate Affairs Co., Ltd., as the valuers approved by the SEC Office. The Board of Directors determines the Fair Price from the valuation in order to clearly justify the price range since this transaction involves the disposal of real property, which are convenient and of interests to general buyers and investors, and as such, the Board of Directors has not determined the Fair Price with any discount, the details of which may be summarized as follows:

	Global Asset Valuer Co., Ltd. (As of November 28, 2018)	Agency for Real Estate Affairs Co., Ltd. (as of December 28, 2018)
Land and buildings, including relevant licenses	Baht 62,020,000	Baht 62,600,000
Machinery and equipment for manufacturing business, including relevant licenses	Baht 12,400,000	Baht 14,164,702
Total	Baht 74,420,000	Baht 76,764,702

Furthermore, the Board of Directors deemed it appropriate to consider approving the authorization of the Board of Directors or the person authorized by the Board of Directors to determine, amend, vary and/or add details, conditions, and execute, negotiate, agree, sign and amend any agreements, applications, evidence and documents relating to the disposal of the Company’s assets, including contact and filing of such documents, as well as other relevant documentary evidence, and take any other arrangements with the relevant authorities, and any arrangements necessary for or in connection with the disposal of the Company’s assets on this occasion, subject to the scope approved by the Shareholders’ Meeting. Should there be any assets which may not be disposed of for any reason whatsoever, the Board of Directors or the person authorized by the Board of Directors shall be authorized to consider disposing such assets by other means to any persons as it may deem appropriate in the best interests of the Company, and subject to compliance with the applicable laws, rules and regulations, provided that the price and conditions of such disposal of assets shall not be less favorable to the conditions set out by the Company in the bidding process.

The disposal of such assets is regarded as a transfer of business in essential part pursuant to Section 107 (2) (a) of the Public Limited Companies Act B.E. 2535 (1992) (as amended) (the “**Public Limited Companies Act**”) and is regarded as a

transaction on disposal of assets by a listed company under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008 (as amended) 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 or Disposition of Assets B.E. 2547 (2004), dated October 29, 2004 (as amended) (the “**Notifications on Acquisition or Disposition of Assets**”). Should the Fair Price apply in the calculation of the transaction value based on the total value of consideration relative to the total asset value per the Company’s consolidated financial statements reviewed by the certified public accountant, ended September 30, 2018, the highest transaction value shall be equal to 14.53 percent. In the absence of any transactions on disposal of any other assets over the past six months before the execution date of the transaction on disposal of assets on this occasion, the highest transaction value based on the total value of consideration is equal to 14.72 percent, which is less than 15 percent, and as such, the Company is not required to report and disclose the execution of such transaction, and is not required to seek the shareholders’ approval under the Notifications on Acquisition or Disposition of Assets.

Moreover, the above transaction on disposal of assets is also regarded as a connected transaction of a listed company under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions, dated August 31, 2008 (as amended) 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 Connected Transactions B.E. 2546 (2003), dated November 19, 2003 (as amended) (the “**Notifications on Connected Transactions**”). Upon calculation of the transaction value of the disposal of the Company’s assets, the transaction size is higher than Baht 20 Million and greater than 3 percent of the Company’s net tangible assets per the Company’s consolidated financial statements reviewed by the certified public accountant, ended September 30, 2018, which is equal to Baht 367.78.

Therefore, in the execution of the transaction on disposal of assets, the Company is required to comply with the Public Limited Companies Act and the Notifications on Connected Transactions, as follows:

- (1) To report and disclose the information memorandum regarding the disposal of assets, which is a connected transaction of the Company, to the SET forthwith, with the minimum particulars as required by the Notifications on Connected Transactions;
- (2) To appoint an independent financial advisor to perform the relevant functions and provide an opinion as required by the Notifications on Connected Transactions, and deliver the independent financial advisor’s report to the shareholders for consideration, together with the Notice of the Shareholders’

Meeting. In this regard, the Company has appointed Discover Management Co., Ltd., a financial advisor approved by the SEC Office, as the Company's independent financial advisor to provide its opinion on the transaction on disposal of assets, which is a connected transaction, to the shareholders;

- (3) To convene a Shareholders' Meeting to approve the transaction on disposal of assets, which is a connected transaction, by delivering the Notice of the Shareholders' Meeting at least 14 days before the date of the Shareholders' Meeting, and obtain approval from the Shareholders' Meeting with not less than three-fourths of all votes of the shareholders present at the Meeting and eligible to vote, excluding the votes of the interested shareholders, provided that the names and the number of shares held by the shareholders ineligible to vote shall be indicated in the Notice of the Meeting.

Further details of the matter are described in the Information Memorandum on Disposal of Assets as Connected Transaction of Ocean Commerce Public Company Limited (**Enclosure**), and the interested director, namely, Mr. Uchai Vilailerstpoca, was neither present nor eligible to vote on this agenda item.

In this regards, the Company shall further inform the Shareholders' Meeting date and the record date to determine the list of shareholders entitled to attend the Shareholders' Meeting to consider and approve the transaction on disposal of assets, which is a connected transaction.

2. Resolved to approve the appointment of Discover Management Co., Ltd., a financial advisor on the list approved by the SEC Office, as the Company's independent financial advisor to provide its opinion on the disposal of assets, which is a connected transaction of the Company.

Please be informed accordingly.

Sincerely yours,



Mr. Uchai Vilailerstpoca



Ocean Commerce Public Company Limited

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Managing Director

**Information Memorandum on Disposal of Assets and Execution of Connected Transaction
of
Ocean Commerce Public Company Limited**

The Board of Directors' Meeting No. 1/2019 of Ocean Commerce Public Company Limited (the "**Company**"), which was held on January 30, 2019, resolved to approve the disposal of non-operating assets and/or assets relating to the manufacturing business of accessories and faucet products to the Company's connected person.

The disposal of such assets is regarded as a transfer of business in essential part pursuant to Section 107 (2) (a) of the Public Limited Companies Act B.E. 2535 (1992) (as amended) (the "**Public Limited Companies Act**") and is regarded as a transaction on disposal of assets by a listed company under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008 (as amended) 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 or Disposition of Assets B.E. 2547 (2004), dated October 29, 2004 (as amended) (the "**Notifications on Acquisition or Disposition of Assets**").

Moreover, the above transaction on disposal of assets is also regarded as a connected transaction of a listed company under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions, dated August 31, 2008 (as amended) 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 Connected Transactions B.E. 2546 (2003), dated November 19, 2003 (as amended) (the "**Notifications on Connected Transactions**").

Therefore, the Company hereby discloses the significant details of such transaction in accordance with the applicable rules, regulations and notifications to the SET, as follows:

1. Transaction Date

The Company shall dispose of the Company's assets relating to the manufacturing business of accessories and faucet products (the "**Manufacturing Business**") after receiving such approval from the Shareholders' Meeting.

2. Related Parties and Relationship with the Company

2.1 Disposal of Land and Buildings of the Company

Seller	Ocean Commerce Public Company Limited
Buyer	Ocean Fitting Co., Ltd.
Relationship	Ocean Fitting Co., Ltd. is a connected person of the Company under the criteria as prescribed in the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions 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 Connected Transactions B.E. 2546 (2003), i.e., Mr. Ratanachai Vilailerstpoca, the authorized director of Ocean Fitting Co., Ltd. is a son of Mr. Uchai Vilailerstpoca, who is a director of the Company.
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Significant details of Ocean Fitting Co., Ltd. are as follows:

(1) Corporate Profile

Company Name	Ocean Fitting Co., Ltd.
Type of Business	To distribute plumbing accessories, sanitaryware and accessories of sanitaryware of all kinds.
Location	6 Soi Raminthra 22, Tharang Sub-district, Bang Khen District, Bangkok 10220
Registration No.	0105561193979
Date of Incorporation	November 13, 2018
Registered Capital	Baht 5,000,000
Issued and Paid-up Capital	Baht 5,000,000

(2) List of Shareholders as of October 26, 2018

Item	First-Last Name	Number of Shares	Percent of All Shares
1	Mr. Ratanachai Vilailerstpoca	49,998	99.996
2	Mr. Chairat Vilailerstpoca	1	0.002
3	Miss Ratchanee Vilailerstpoca	1	0.002
Total		50,000	100.000

(3) Board of Directors as of November 13, 2018

Item	First-Last Name	Position
1	Mr. Ratanachai Vilailerstpoca	Director

(4) Financial Data

No financial data is available since Ocean Fitting Co., Ltd. has been incorporated on November 13, 2018.

3. General Characteristics of the Transaction and Transaction Size

3.1 General Characteristics of the Transaction

On January 30, 2019, the Board of Directors' Meeting No. 1/2019 resolved to approve the disposal of non-operating assets and/or assets relating to the Manufacturing Business of accessories and faucet products, with the reasons and justifications as follows:

In the past, the Company’s operating results have been declining, whereby in 2017, the Company’s total revenues amounted to Baht 294 Million, which was decreased from Baht 332 Million in 2016 or representing a decrease by 11 percent, thereby causing the Company’s net profits in 2017 to be Baht (32) Million, which was decreased from Baht 2 Million in 2016. The percentage of revenues and gross operating profits from the business of manufacturing and distributing accessories and faucet products may be summarized as follows:

Table of Percentages of Revenues (Business of Accessories and Faucet Products)

	2015		2016		2017		First 9 Months of 2017 (Jan – Sep)		First 9 Months of 2018 (Jan – Sep)	
	Million Baht	percent	Million Baht	percent	Million Baht	percent	Million Baht	percent	Million Baht	percent
Trading	267.6	91.2	307.6	93.5	277.3	94.6	208.5	95.6	218.6	93.1
Manufacturing	25.8	8.8	21.4	6.5	14.8	5.1	9.6	4.4	16.1	6.9
Total main revenues	293.4	99.0	329.0	99.2	292.1	99.3	218.1	99.3	234.7	99.2
Other revenues	3.0	1.0	2.8	0.8	2.0	0.7	1.6	0.7	1.8	0.8
Total revenues	296.4	100.0	331.8	100.0	294.1	100.0	219.7	100.0	236.5	100.0

In the past, the Company’s main revenues were derived from two businesses, namely, business of trading accessories and faucet products (“**Trading Business**”) and business of manufacturing accessories and faucet products (“**Manufacturing Business**”). The percentage of revenues from the Trading Business accounted for 91.2 percent, 93.5 percent and 94.6 percent of the total revenues in 2015, 2016 and 2017, respectively, and accounted for 95.6 percent and 93.1 percent of the total revenues for the first nine months (Jan – Sep) of 2017 and 2018, respectively, whereas the percentage of revenues from the Manufacturing Business accounted for only 4.4 – 9.6 percent of the total revenues for the corresponding periods. The revenues from the Manufacturing Business were declining as a result of more intense competition; particularly a more variety of imported products with relatively lower manufacturing costs than the Company’s manufacturing costs. In this regard, certain groups of customers reduced their contract manufacturing volumes with the Company in order to procure finished products instead, thereby causing the revenues from the Manufacturing Business to continually reduce from Baht 25.8 Million in 2015 to Baht 14.8 Million in 2017, or representing a declining Compound Annual Growth Rate (CAGR) of (24.3) percent per annum.

Table of Percentages of Gross Operating Profits (Business of Accessories and Faucet Products)

	2015		2016		2017		First 9 Months of 2017 (Jan – Sep)		First 9 Months of 2018 (Jan – Sep)	
	Million Baht	percent	Million Baht	percent	Million Baht	percent	Million Baht	percent	Million Baht	percent
Trading	81.6	95.0	95.1	99.1	87.0	99.1	65.7	100.3	67.2	97.9
Manufacturing	4.3	5.0	0.9	0.9	0.8	0.9	(0.2)	(0.3)	1.5	2.1
Total Gross Operating Profits*	85.9	100.0	96.0	100.0	87.8	100.0	65.5	100.0	68.7	100.0

Remark: * This excludes the administrative expenses.

During 2016 – 2017, the Company's percentage of gross operating profits from the Trading Business accounted for 95.0 percent, 99.1 percent and 99.1 percent of the total gross operating profits [in 2015, 2016 and 2017,] respectively, whereas the percentage of gross operating profits from the Manufacturing Business accounted for only 1 – 5 percent of the total gross operating profits for the corresponding periods. In addition, the gross operating profits from the Manufacturing Business continued to decline from Baht 4.3 Million in 2015 to Baht 0.8 Million in 2017 or representing a declining Compound Annual Growth Rate (CAGR) of (56.8) percent per annum. This was mainly due to the fact that the factory's utilization rate in the past accounted for only 8-10 percent of the total production capacity at approximately 800,000 – 1,000,000 pieces per year, although the Company is required to bear various fixed costs, such as, depreciation costs, salaries for production support staff, etc. In addition, the total gross profit margin from the Manufacturing Business amounted to only 4 – 15 percent of the main revenues of the Manufacturing Business, which was less than the total gross profit margin from the Trading Business, which amounted to 30 – 31 percent of the main revenues of the Trading Business.

Should the Company wish to continue the operation of the Manufacturing Business in the future, the Company is required to bear such fixed costs, in which case, the revenues from such business are likely to reduce further, which would result in such business being at a loss. Therefore, the Company foresees that it is not worthwhile to continue the operation of the Manufacturing Business, and that the percentage of revenues from the Manufacturing Business accounted for 4.4 – 9.6 percent of the total revenues, and the gross operating profits from the Manufacturing Business accounted for 1 – 5 of the total gross operating profits, and as such, the discontinuation of the Manufacturing Business will not affect the overall operating results, whereby the Company will continue to focus on its Trading Business of accessories and faucet products. Furthermore, the Company has started the business of trading crude palm oil type A (CPOA) since October 2018, and planned to expand the scope of its crude palm oil business, which will help boost the revenues and ensure the Company's constant operating results.

3.2 Calculation of Transaction Size

3.2.1 Calculation of Transaction Size on Disposal of Assets

The Board of Directors' Meeting No. 1/2019, which was held on January 30, 2019, resolved to approve the disposal of non-operating assets and/or assets relating to the Manufacturing Business of accessories and faucet products to Ocean Fitting Co., Ltd., which offered to acquire such assets at the price of Baht 78,000,000 (Seventy-eight million baht). Upon calculation of the transaction size based on the total value of consideration relative to the total asset value per the Company's consolidated financial statements reviewed by the certified public accountant, ended September 30, 2018, the highest transaction value shall be equal to 14.72 percent as per the details of calculate in the table below.

Basis	Formula	Size (percent)
1. Net tangible asset (NTA)	(Not applicable as this is a disposal of assets)	n/a
2. Net operating profits	(Not applicable as this is a disposal of assets)	n/a
3. Total value of consideration	Total value of consideration / Total assets of the Company Baht 78.00 Million / Baht 529.94 Million	14.72
4. Value of securities	(Not applicable as the Company does not issue any securities for payment in kind)	n/a

In the absence of any transactions on disposal of any other assets over the past six months before the execution date of the transaction on disposal of assets on this occasion, the highest transaction value based on the total value of consideration is equal to 14.72 percent, which is less than 15 percent, and as such, the Company is not required to report and disclose the execution of such transaction, and is not required to seek the shareholders' approval under the Notifications on Acquisition or Disposition of Assets.

3.2.2 Calculation of Connected Transaction Size

Given that Ocean Fitting Co., Ltd., which is a connected person of the Company, is the successful bidder for acquisition of assets from the Company, the above transaction on disposal of the Company's assets is regarded as a connected transaction of a listed company under the Notifications on Connected Transactions, with reference to the Company's consolidated financial statements reviewed by the certified public accountant, ended September 30, 2018, as per the following details:

$$= \frac{\text{Price of the Successful Bidder} \times 100}{\text{Net Tangible Assets (NTA)}}$$

$$= \frac{78.00 \times 100}{367.78}$$

$$= 21.21 \text{ percent}$$

The Company's net tangible assets (NTA) as of September 30, 2018 are as follows:

Consolidated Financial Statements	As of September 30, 2018 (Million Baht)
Total assets	529.94
Intangible assets (Deferred Income Tax)	18.86
Total liabilities	143.30
Non-controlling interests	-
Net Tangible Assets (NTA)	367.78

Therefore, in the execution of the transaction on disposal of assets, the Company is required to comply with the Public Limited Companies Act and the Notifications on Connected Transactions, as follows:

- (1) To report and disclose the information memorandum regarding the disposal of assets, which is a connected transaction of the Company, to the SET forthwith, with the minimum particulars as required by the Notifications on Connected Transactions;
- (2) To appoint an independent financial advisor to perform the relevant functions and provide an opinion as required by the Notifications on Connected Transactions, and deliver the independent financial advisor's report to the shareholders for consideration, together with the Notice of the Shareholders' Meeting. In this regard, the Company has appointed Discover Management Co., Ltd., a financial advisor approved by the SEC Office, as the Company's independent financial advisor to provide its opinion on the transaction on disposal of assets, which is a connected transaction, to the shareholders;
- (3) To convene a Shareholders' Meeting to approve the transaction on disposal of assets, which is a connected transaction, by delivering the Notice of the Shareholders' Meeting at least 14 days before the date of the Shareholders' Meeting, and obtain approval from the Shareholders' Meeting with not less than three-fourths of all votes of the shareholders present at the Meeting and eligible to vote, excluding the votes of the interested shareholders, provided that the names and the number of shares held by the shareholders ineligible to vote shall be indicated in the Notice of the Meeting.

4. Description of Disposed Assets

The Company will dispose of non-operating assets and/or assets relating to the Manufacturing Business of accessories and faucet products, totaling 3 items, used by the Company as the factory site for the Manufacturing Business, with certain plots of vacant land, as per the following details:

Item	Location	Area
1	Land (5 plots per Land Title Deeds Nos. 5560, 5566, 7701, 12700, and 13486), including relevant licenses	51 rai 1 ngarn 45 square wah
2	16 buildings and structures located on land per Land Title Deeds Nos. 12700 and 13486, including relevant licenses	6,336 square meters
3	76 items of machinery and equipment for the manufacturing business, including relevant licenses	-

5. Total Value of Consideration and Valuation Method for Determination of Total Value of Consideration

In the best interests of the Company, the Company has appointed the valuers approved by the Office of the Securities and Exchange Commission to determine the fair value and prepare their valuation reports on such assets to determine the fair price for disposal of such assets (the “Fair Price”) on a lump sum basis equal to the value appraised by the valuers, namely Global Asset Valuer Co., Ltd. and Agency for Real Estate Affairs Co., Ltd., as the valuers approved by the SEC Office. The Board of Directors determines the Fair Price from the valuation in order to clearly justify the price range since this transaction involves the disposal of real property, which are convenient and of interests to general buyers and investors, and as such, the Board of Directors has not determined the Fair Price with any discount, the details of which may be summarized as follows:

	Global Asset Valuer Co., Ltd. (As of November 28, 2018)	Agency for Real Estate Affairs Co., Ltd. (as of December 28, 2018)
Land and buildings, including relevant licenses	Baht 62,020,000	Baht 62,600,000
Machinery and equipment for Manufacturing Business, including relevant licenses	Baht 12,400,000	Baht 14,164,702
Total	Baht 74,420,000	Baht 76,764,702

The Company has proceeded with the bidding process to survey the demands and prices of the assets, including relevant licenses, on a lump sum basis, whereby bids may be submitted during the period from December 3, 2018 – January 11, 2019 for individuals and during the period from January 7, 2019 – January 11, 2019 for those with a

relationship as connected persons of the Company. The Company has selected the successful bidder on January 30, 2019, namely Ocean Fitting Co., Ltd., which is the Company's connected person, whose bid amounted to Baht 78,000,000 (Seventy-eight million baht), which is lower than the book value but higher than the value appraised by the valuers, as per the following details:

Item	Assets	Book Value per the Consolidated Financial Statements as of September 30, 2018 (Million Baht)	Value Appraised by Valuers (Million Baht)	Price Offered by Ocean Fitting Co., Ltd. (Million Baht)
1	Land and buildings, including relevant licenses	83.71	62.02 – 62.60	78.00
2	Machinery and equipment for Manufacturing Business, including relevant licenses	15.60	12.40 – 14.16	
Total		99.31	74.42 - 76.76	78.00

6. Expected Benefits for the Company from the Transaction

The disposal of such assets on this occasion serves as part of the business restructuring of products in the category of accessories and faucet products to accommodate potential impact from the current situations of the Manufacturing Business of accessories and faucet products, which will not affect the Company's current business operations, namely the Trading Business of accessories and faucet products and the crude oil palm (CPOA) trading business for biodiesel production. This is because the percentage of revenues from the Manufacturing Business accounted for 4.4 – 9.6 percent of the total revenues, and the gross operating profits from the Manufacturing Business accounted for 1 – 5 percent of the total gross operating profits, and as such, the discontinuation of the Manufacturing Business will not affect the overall operating results, whereby the Company will continue to focus on its trading business of accessories and faucet products. Furthermore, the Company has started the business of trading crude palm oil type A (CPOA) since October 2018, and planned to expand the scope of its crude palm oil business, which will help boost the revenues and ensure the Company's constant operating results. In addition, the discontinuation of the Manufacturing Business of accessories and faucet products and the disposal of the Company's assets relating to such business shall be beneficial to the Company as the disposal of such assets will help improve the Company's financial position by lessening its liabilities and increase its liquidity and cash flows.

7. Plan for Use of Proceeds from Disposal of Assets

The proceeds from disposal of assets in the amount of Baht 78,000,000 shall be utilized as the Company's working capital for the crude palm oil business and the Trading Business of accessories and faucet products, as follows:

Type of Business	Plan for Use of Proceeds from Disposal of Assets*	
	percent	estimates
Crude Palm Oil Trading Business	95 percent	Baht 74,100,000
Trading Business of Accessories and Faucet Products	5 percent	Baht 3,900,000
Total	100 percent	Baht 78,000,000

Remark * The net proceeds from disposal of assets shall be subject to relevant costs, e.g., related taxes, etc.

8. Opinion of the Board of Directors on the Transaction

The Board of Directors has considered and viewed that this transaction is justifiable and consistent with the Company's policies and strategies on restructuring its business to become versatile after the discontinuation of the Manufacturing Business of accessories and faucet products. After the disposal of assets relating to such business, the Company shall primarily operate the Trading Business of accessories and faucet products and the proceeds from disposal of assets shall serve as a source of funds for operating costs, investment in primary business after the transaction, including reduction of liabilities, in the best interests of the Company.

9. Opinion of the Audit Committee and/or Directors with Different Opinion from the Board of Directors under Clause 8 above

-None-