



บริษัท เอ็นซีแอล อินเตอร์เนชั่นแนล โลจิสติกส์ จำกัด (มหาชน)
NCL INTERNATIONAL LOGISTICS PUBLIC COMPANY LIMITED

No. NCL-M 23/17

August 16, 2017

Subject: Notification of Asset Acquisition of NCL International Logistics Public Company Limited and reason to pay back to Ms.Wassana Suaklinsak only (Second additional)

To : President,
The Stock Exchange of Thailand

The Board of Directors of NCL International Logistics Public Company Limited (the "Company" or "NCL") has approved the company SSK Inter Logistics Co., Ltd. ("SSK"), which is a joint venture of NCL (The Company holds 43.84 percent of shares sold of SSK). SSK decreased the original registered capital of 290,000,000 Baht to 168,742,800 Baht By decreasing share amount 12,125,720 shares, par value of 10 Baht. The total amount was 121,257,200.00 Baht SSK which does not affect the business operation of SSK by decreasing the total capital of Ms.Wassana Suaklinsak As a result, the joint venture agreement was terminated automatically and company's share proportion increased from 43.84 percent to 75.35 percent of the new registered capital. Par value of 10 Baht per share, the detail of the new share's proportion is as follows.

Name of Shareholder	Now			Capital increase		After capital increase		
	No. of shares (Share)	Value (Baht)	%	No. of shares (Share)	Value (Baht)	No. of shares (Share)	Value (Baht)	%
1. Mr.Suksan Kittipattarapong	1	10	0.00			1	10	0.00
2. Ms.Wassana Suaklinsak	12,325,000	123,250,000	42.50	12,125,720	121,257,200	199,280	1,992,800	1.18
3. NCL	12,714,999	127,149,990	43.84			12,714,999	127,149,990	75.35
4. Ms.Aurai Junrungrueng	300,000	3,000,000	1.03			300,000	3,000,000	1.78
5. Ms.Panisara Prachchalisakul	200,000	2,000,000	0.69			200,000	2,000,000	1.19
6. Ms.Ployprapas Shitirujiroj	100,000	1,000,000	0.34			100,000	1,000,000	0.59
7. Ms.Prachumpon Praserttam	300,000	3,000,000	1.03			300,000	3,000,000	1.78

Name of Shareholder	Now			Capital increase		After capital increase		
	No. of shares (Share)	Value (Baht)	%	No. of shares (Share)	Value (Baht)	No. of shares (Share)	Value (Baht)	%
8. Mr.Wisit Prasitsirikul	1,000,000	10,000,000	3.45			1,000,000	10,000,000	5.93
9. Mr.Narucit Kumsomsri	500,000	5,000,000	1.72			500,000	5,000,000	2.96
10. Mr.Pajit Teekathiti	1,000,000	10,000,000	3.45			1,000,000	10,000,000	5.93
11. Ms.Darunee Muengmungkun	60,000	600,000	0.21			60,000	600,000	0.36
12. Mr.Werapong Charensinpanya	500,000	5,000,000	1.72			500,000	5,000,000	2.96
Total	29,000,000	290,000,000	100.00	12,125,720	121,257,200	16,874,280	168,742,800	100.00

SSK is a joint venture company by 2 major shareholders (Ref. to NCL-M 11/59 Subject: Notification of additional information of investment in SSK Inter Logistics Co., Ltd. between NCL International Logistics Public Company Limited and Executive of the company that is a large car dealer IVECO from Italy dated on June 20, 2016 and NCL –M 10/59, Subject: The transfer of the assets for the company's investment dated on June 2, 2016). The 2 major shareholders are NCL and Ms.Wassana Suaklinsak

1. NCL shareholding proportion 43.84% valued at 127,149,990 Baht By investing the assets of 65 tractor heads and 98 trailer valued 120,944,939.55 Baht and cash 6,205,050.45 Baht
2. Ms.Wassana Suaklinsak (Ref. to NCL-M 14/59 Subject: Notification of additional information dated on July 4, 2016 and NCL-M 15/59 Subject: Notification of additional information (No. 1) dated on July 11, 2016. As the Director of the large truck dealer who has the extensive knowledge and experience. This will support and build a base of customers who would like to transport and specialized transportation in cement business. Shareholding proportion 42.50% valued at 123,250,000 Baht investment by transferring the assets of 48 cement trucks and 55 trailers valued 110,740,113 Baht. Tractor head of 6 and 1 trailer tail valued 10,384,887 Baht and cash amount 2,125,000 Baht

Transport operations under the joint venture operating for a period of time. It appeared that the economic slowdown resulted in cement sales or use of cement trucks not enough to cost management. Therefore, both parties decided to sell the cement truck to reduce losses that continue to occur and terminate the joint venture agreement.

The Extraordinary General Meeting of SSK No. 3/2517 unanimously approved as follows:

1. Approved the sales of asset truck and trailer truck 48 Tractor heads and 55 trailer tails for cement business as assets held for sale Because of such an asset stopped servicing then considered as assets for sale as accounting standard and stop the depreciation since June 1, 2016
2. Approved the sale of assets tractor and trailers to Ms.Wassana Suaklinsak based on accounting price. (According to the financial statements SSK ended May 31, 2016) which contributes the best benefit to SSK Since then compared to the carrying value is higher than the market price. (Reference market price of cement used car. By comparison, a similar type and age as of May 31, 2017) at amount 103,826,799.16 Baht,
3. The return of investment by decreased capital of 12,125,720 shares at 10 Baht (Par value is defined from the beginning), total 121,257,200.00 Baht, with accumulated loss of such investments. Since the operation began in March 2016 until May 2016 according to the proportion of investment in the amount of 17,430,400.84 Baht. Based on the value according to the proportion of the remaining shareholders, as of May 31, 2017 according to a calculation table details.

The return on investment pricing to Ms.Wassana Suaklinsak

1. The book value of the vehicle as of May 31, 2017.

	<u>Before the capital reduction</u> <u>As of May 31, 2017</u>	<u>After the capital reduction</u> <u>As of August 15, 2017</u>	<u>Cash received by Ms.Wassana Suaklinsak</u>	<u>Remarks</u>
Book value Tractor head - Trailer truck	219.29	215.21	-	The difference before and after the capital reduction is to reduce the cost of depreciation during the period.
The cement truck	103.83	-	103.83	

2. The loss of SSK as of May 31, 2017

Shareholders' list	The value of the invested vehicle (Baht)	The cash invested (Baht)	Total capital (Baht)	Shareholding (%)	Accumulated losses (Baht)	Part of the remaining shareholders. As of May 31, 17
Ms.Wassana Suaklinsak	121,125,000.00	2,125,000.00	123,250,000.00	42.50%	17,716,860.56	105,533,139.44
NCL	120,944,939.55	6,205,050.45	127,149,990.00	43.84%	18,277,473.77	108,872,516.23
Other		39,600,010.00	39,600,010.00	13.66%	5,692,396.39	33,907,613.61
Total	242,069,939.55	47,930,060.45	290,000,000.00	100.00%	41,686,730.72	248,313,269.28

Considering the losses only the portion of the reduction capital, Ms.Wassana Suaklinsak will receive the accrued losses as follows:

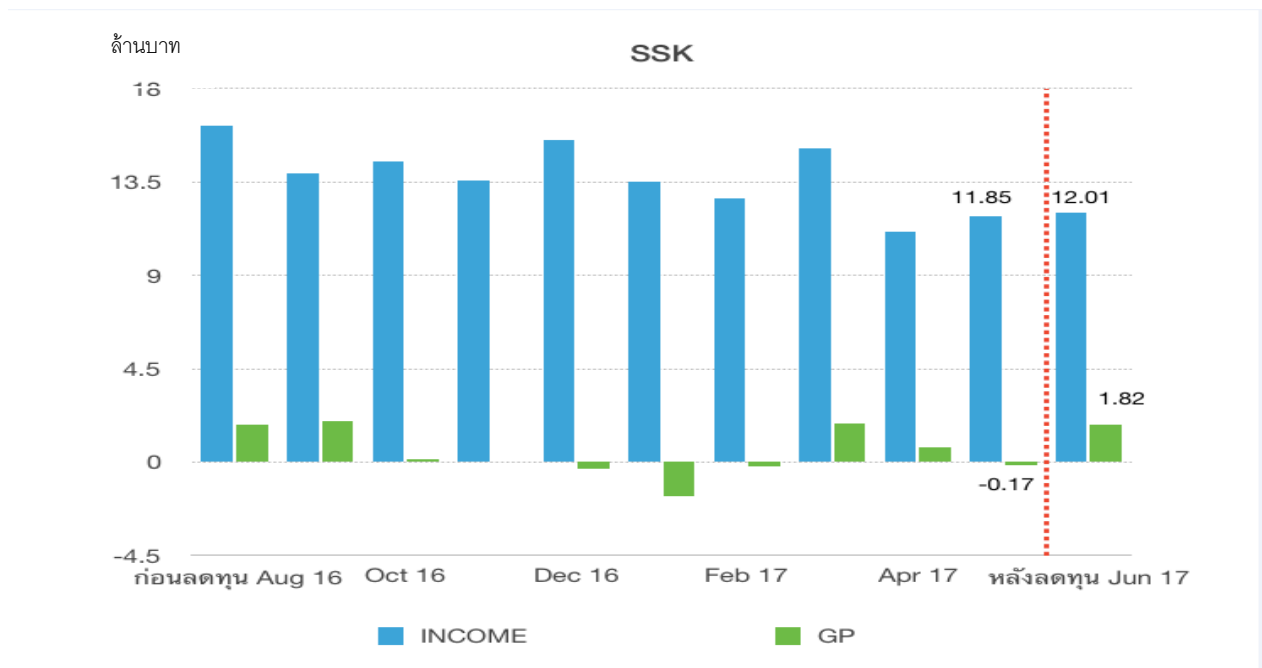
<u>Ms.Wassana Suaklinsak</u>	Capital (Baht)	Loss ratio (Baht)
The original capital	123,250,000.00	17,716,860.56
The reduction of capital	121,257,200.00	17,430,400.84
Balance	1,992,800.00	286,459.72

After the capital reduction and capital assets SSK are summarized below.

	<u>Before the capital reduction</u> <u>As of May 31, 2017</u>	<u>After the capital reduction</u> <u>As of August 15, 2017</u>
The registered capital		
Number of share (Million)	29.00	16.87
Number of cash (Million)	290.00	168.87
Par value 10 Baht		
Tractor heads – Trailer trucks		
Tractor heads	102	96
Trailer trucks	103	102
Cement Truck		
Tractor heads - Cement	48	-
Trailer trucks - Cement	55	-

The purpose of the restructuring shareholders of SSK, before the capital reduction SSK administrative requirements in proportion to the joint venture by the two parties to jointly manage and equally authorization. After the capital reduction NCL is a major shareholder and sole management will result in a more streamlined operation and administration as well as to reduce the costs and expenses of the company in relation to that asset. The cement vehicle depreciation of about a 0.78 million baht per month and other expenses for the administration of about 2 million Baht per month As a result, the company's operation performance will be improved, because of the company's remaining assets is the tractor heads – trailer trucks company that has the experience and specialized management in the field of transport by tractor trailer for more than 20 years. The management has policy of expanding its customer base needs to transport agricultural produce and sees a better adjustment and will result more revenue to the company.

The chart show comparative income and net profit of SSK before and after the decrease of capital.



The business of the SSK focusing on transport by tractor head and trailer truck for bulk cargo or a container, the majority of customers are entrepreneurs manufactured goods and agricultural crops

The transaction of above are considered the acquisition of assets. According to the Notification of Capital Market Supervisory Board No. Tor Chor. 20/2551 Re: Rules on the transactions that are significantly connected to the acquisition or disposition of assets. (Including amendments) and the Stock Exchange of Thailand Re: Disclosure of Information and Practice of Listed Companies Concerning the Acquisition or Disposition of Assets, 2547

(including Amendment) In addition, the entering transection represents the maximum transection value of 35.27 percent, calculated based on a total value of consideration basic, referred to the Company's Interim Financial Statements for 6-month period ended 31 June 2017

Furthermore, after considering the accumulation of the asset acquired during the past 6 month and past 12 month if it's the same item, the maximum value is equal to 44.84 percent, calculated based on the Net Tangible Asset (NTA) and a total return of consideration basis. Due to the size of the asset acquisition is more 15 percent but less than 50 percent. The Company therefore is required to disclose such transection to the Stock Exchange of Thailand ("SET") and circulate letter of the information memorandum to shareholder within 21 days from the date of disclosure to SET in accordance with the Notification of Acquisition and Disposition.

The total size of the transaction occurred during the previous 6 month and 12 month. The details are as follows:

Number	Description	Date	Reason and necessity	Amount (THB)	Acquisition (%)
1	Invested in Grace Water Med Co., Ltd.	October 1, 2016	For working capital in the company	8,000,000.00	1.35
2	Additional investment in Grace Water Med Co., Ltd.	May 8, 2017	For working capital in the company	9,778,000.00	3.14
3	Additional investment in NCL Inter Logistics (S) Pte., Ltd.	May 11, 2017	For working capital in the company	7,390,524.54	1.36
4	Investment to purchase pickup for distribution goods to NCL's customers	August 2017	For domestic transport service	6,000,000.00	1.13
5	Legacy Asia Capital Pte., Ltd. invests to purchase Tank, Reefer and Dry container for rental	August 2017	For rental	13,765,500.00	2.59
6	SSK decreased the registered capital	Aug,15 2017	For restructuring the shareholders of SSK	The company's share proportion increased	35.27
Total					44.84

Detail of the Transactions are appeared in the enclosed Disclosure of information concerning the Acquisition of Asset of NCL International Logistics Public Company Limited.

Please be informed.

Best Regards,

(Mr. Kitti Phuathavornskul)

President

Disclosure of Information Concerning the Acquisition of Asset

Of NCL International Logistics Public Company Limited

1. Transaction Date

As approved by the Board of Directors, NCL International Logistics Public Company Limited (the Company) ("NCL") on May 12, 2017 and Extraordinary General Meeting of Shareholders of SSK Inter Logistics Co., Ltd. ("SSK") on July 3, 2017 to decrease the registered capital of the SSK and registered the decreasing registered share capital completely on August 15, 2017.

2. Related parties and their relationships with the Company

NCL International Logistics Public Company Limited. Recipient of the increased proportion share

Ms.Wassana Suaklinsak (Shareholder of SSK) Recipient received cash and assets from the capital reduction.

Both are not related to each other

3. Size of the transactions in accordance with the asset acquisition criteria

The Company has calculated the size of the transaction by reference to the consolidated financial statements for the 6 months ended June 30, 2017 which were audited by Ms.Sumana punpongsanon Auditor License No. 5872 of EY, the details of the calculation are as below.

● Summary of NCL financial position

Consolidated Financial Statements	As of 30 June 2017 (Million Baht)
Total Assets	530.69
Intangible Assets	2.63
Total Liabilities	312.21
Non-Controlling Interest	(1.56)
Net Tangible Asset (NTA)	217.41
2 nd Quarter Net Profit of the Company	(6.09)

- SSK Financial information, SSK

Million Baht

	As of May 31, 2017 ¹	As of June 30, 2017	As of December 31, 2017
Tracker head (NBV ²)	200.00	198.80	206.03
Cement Truck (NBV ²)	123.21	19.16	126.91
Total Assets	373.36	365.36	375.27
Net Tangible Asset (NTA)	246.49	243.43	260.90
Total Debt	125.67	120.73	113.26
The shareholders' equity	248.31	244.63	262.02
The accumulated loss	(41.69)	(45.10)	(27.98)
Total registered capital	290.00	290.00	290.0

¹SSK financial information for the consideration of capital reduction. (Board of Directors, NCL International Logistics Public Company Limited (the Company) ("NCL") No. 4/2560 dated May 12, 2017 and the Extraordinary General Meeting of Shareholders No. 3/2017 SSK International logistics Co., Ltd. ("SSK") dated July 3, 2017).

²Net book value

- The summary of revenue cost of operations.

	As or May 31, 2017 (5 months)	As of June 30, 2017 (6 months)	December 31, 2016 (12 months)
Income of Tractor head	57.82	69.83	113.53
Income of Cement Truck	6.44	6.44	15.49
Cost of Tractor head (Excluding depreciation)	47.54	56.51	102.57
Cost of a cement truck (Excluding depreciation).	6.13	6.00	13.89
Depreciation of Tractor Head	6.04	7.24	7.07
Depreciation of Cement Truck	3.79	3.92	4.56
Selling and administrative expenses.	14.48	19.72	28.92
Net loss	(13.71)	(17.12)	(27.99)

- Calculation of transaction size of the asset acquisition is as follows:

Criteria	Formula	Transaction Value
1. Net Tangible Asset (NTA)	NTA of SSK proportionate to acquired x100 / NTA of the Company (243.43 million x 31.50% x 100) / 217.41 million	35.27
2) Operation Net Profit	Net Profit of SSK proportionate to the investment / Net profit of the Company Cannot be calculated as SSK has a net loss	n/a
3) Total Return	Value of consideration paid for the ordinary share / Total assets of the company Cannot be calculated as SSK has no return	n/a
4) Equity Value	Cannot be calculated as there is no issuance of securities	n/a

However, when combined with other transactions taking place during the 6 months prior to the approval of the transaction to acquire the assets of this and the previous 12 months, if the acquisition of asset is the same item. It is approximately equal to 44.84 percent based on the total value of the reward and the value of net tangible assets. The highest value was calculated. In summary, as follows:

Criteria	Transaction Value (%)			
	Current Transaction Size	Transaction Size during the previous 6 month and 12 month		
	Investment in SSK ordinary shares	Investment in Ordinary Share (1)	Asset Purchase for Operations (2)	Total Transactions Size
1. Net Tangible Asset (NTA)	35.27	n/a	n/a	35.27
2. Operation Net Profit	n/a	n/a	n/a	n/a
3. Total Return	n/a	5.85	3.72	9.57
4. Equity Value	n/a	n/a	n/a	n/a
Total				44.84

Remark: (1) Investment in manufactures and distributes dialysis related equipment, In October 2016 and May 2017, and additional investment in logistics business. In May 2017

(2) Acquisition of operating assets In August 2560

When considering the acquisition of assets that occurred in the past 6 months or 12 months depending on the case before the date of the transaction at this time. The total transaction size is equal to 9.57 per cent and included the acquisition of assets in the current list to a maximum of 44.84 per cent. Calculated based on the Net Tangible Asset (NTA) and a total return of consideration basis. Due to the size of the asset acquisition is more 15 percent but less than 50 percent, this transaction is classified as the class 2 Transaction in accordance with the Notifications of Acquisition and Disposition of Assets. The Company therefore is required to disclose such transection to the Stock Exchange of Thailand ("SET") and circulate letter of the information memorandum to shareholder within 21 days from the date of disclosure to SET.

4. Detail of acquired asset

The assets to be acquired by NCL, the increasing of share proportion by 43.84 percent to 75.35 percent of a new registered capital of 16,842,800 Baht (par value of 10 Baht per share).

5. Total value of consideration

- None -

6. Sources of Fund

- None -

7. Conditions of entering into the transaction

The transaction is classified as the class 2 Transaction in accordance with the Notifications of Acquisition and Disposition of Assets. The Company therefore is required to disclose such transaction to the SET and circulate letter of the information memorandum to shareholder within 21 days from the date of disclosure to SET.

8. Benefit from the Transaction

1. Reduce the expense of the company both the cost and the depreciation of asset prices and costs in the management.

2. The change in the shareholding structure of SSK was to optimize the management company; NCL has the power to fully management and more flexible working strategic and working direction. The Company's management has extensive experience and specialized in the transportation of goods by trucks - trailers for over 20 years, which is beneficial to the administration as well.

3. SSK encouraging recovery from the accumulate loss with table profit. This will result in improved performance of SSK and the impact on the total turnover of the Group in the future.

The return on investment pricing to Ms.Wassana Suaklinsak

1. The book value of the vehicle as of May 31, 2017.

	<u>Before the capital reduction</u> As of May 31, 2017	<u>After the capital reduction</u> As of August 15, 2017	<u>Cash received by Ms.Wassana Suaklinsak</u>	<u>Remarks</u>
Book value				
Tractor head - Trailer truck	219.29	215.21	-	The difference before and after the capital reduction is to reduce the cost of depreciation during the period.
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Shareholders' list	The value of the invested vehicle (Baht)	The cash invested (Baht)	Total capital (Baht)	Shareholding (%)	Accumulated losses (Baht)	Part of the remaining shareholders. As of May 31, 17
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Total	242,069,939.55	47,930,060.45	290,000,000.00	100.00%	41,686,730.72	248,313,269.28

Considering the losses only the portion of the reduction capital, Ms.Wassana Suaklinsak will receive the accrued losses as follows:

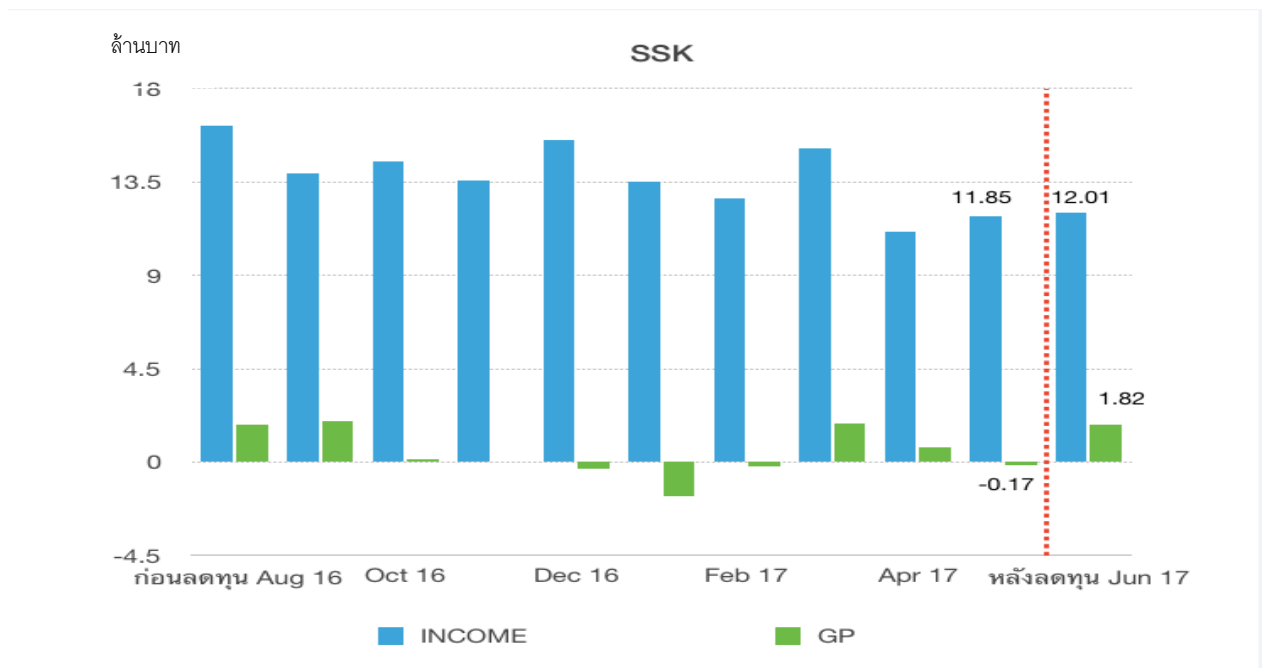
Ms.Wassana Suaklinsak	Capital (Baht)	Loss ratio (Baht)
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Balance	1,992,800.00	286,459.72

After the capital reduction and capital assets SSK are summarized below.

	Before the capital reduction As of May 31, 2017	After the capital reduction As of August 15, 2017
The registered capital		
Number of share (Million)	29.00	16.87
Number of cash (Million) (มูลค่าหุ้นละ 10 บาท) Par value 10 Baht	290.00	168.87
Tractor heads – Trailer trucks		
Tractor heads	102	96
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Cement Truck		
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The chart show comparative income and net profit of SSK before and after the decrease of capital.



The business of the SSK focusing on transport by tractor head and trailer truck for bulk cargo or a container, the majority of customers are entrepreneurs manufactured goods and agricultural crops

9. Opinion of the board of Director

1. The Board of Director foresees that the asset sale of tractor head and trailer truck for cement in this time to reduce the company's cost, both the costs of depreciation of asset and the cost of administration, because if SSK has loss continuously, and if it continues to operate in this manner. The Board of Directors consider will make the SSK has more losses in future and affect the Group's results,

so that the company, NCL has to figure out a way to reduce the costs and expenses for the company is good and reasonable.

2. The change in the shareholding structure of SSK was to optimize the management company, NCL has the power to fully manage, flexible working strategic and working direction. The Company's management has extensive experience and expertise in the transportation of goods by trucks and trailers for over 20 years, which is beneficial to the administration as well.

The Board of Directors are confident the change in shareholding structure to reduce costs and expenses, this will result SSK recover from the losses accumulated to a profit soon, which will result SSK implementation of better and positive impact on the total turnover of the group in the future.

10. Opinions of the Audit Committee and/or the Company's directors which are different from those of the Board of Directors.

The Audit Committee of every person has no a different opinion from the Board of Directors.

The Company hereby certifies that the information contained in this report is complete, accurate, and correct in all respects.