

Ref: No. COR:MS/EL09023e/ms

23 July 2009

Subject: Acquisition of Fertiliser Business in Vietnam  
To : The President of the Stock Exchange of Thailand

Thoresen Thai Agencies Plc. (“TTA”) hereby confirms the acquisition of 100% of EMC Gestion S.A.S (“EMCG”), which is the 100% shareholder of Baconco Co., Ltd. (“Baconco”) in Vietnam from EMC S.A., the sole shareholder of EMCG. TTA’s primary interest in this investment is the fertiliser business of Baconco, which is part of our business diversification strategy. Details are as follows:

1. Date of Transaction:

23 July 2009

2. The Parties Involved:

Buyer: Soleado Holdings Pte. Ltd.  
Seller: EMC S.A., the sole shareholder of EMCG  
Relationship between Buyer and Seller: None

3. General Characteristics of the Transaction:

Baconco was established in 1995 in Vietnam with a share capital of VND 377,072,638,790 (or approximately USD 25,833,128.40 using an exchange rate of USD/VND of 14,596.47). EMCG, a French incorporated company with a share capital of EURO 6,939,260, divided into 6,939,260 shares, is the sole shareholder of Baconco. EMCG does not have any other operations, except for its share ownership in Baconco.

Baconco has been granted a license from the Baria-Vung Tau Industrial Zones Management Authority to produce and market fertilisers and to distribute agriculture dedicated products. The principal activities of Baconco are manufacturing, trading synthesized chemical fertilisers along with mineral fertilisers (phosphate and potash), and supplying new seeds and materials for Vietnam’s agriculture market. The factory is located in Phu My I Industrial Park, Baria Vung Tau Province.

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Baconco enjoys the exclusivity of the patent on USP (Super Phosphate Urea) for Vietnam, Cambodia, and Laos. Baconco is the only company in Vietnam with the expertise and equipment to produce the high-margin USP-based fertilisers. Baconco has an extensive distribution network with about 200 independent wholesalers and 8,000 sales outlets that cover the entire country. Baconco is a well-known brand in Vietnam associated with high quality products.

Soleado Holdings Pte. Ltd., (“Soleado”) is a wholly owned subsidiary of TTA incorporated in Singapore in 2009 with a registered and paid up capital of SGD 100,000. It is our investment company for projects, assets, or companies outside of Thailand. It has increased its share capital from SGD 100,000 to SGD 31,000,000, divided into 31,000,000 ordinary shares with a par value of SGD 1 per share. TTA has subscribed for all newly issued shares of Soleado to maintain its 100% ownership.

4. Total Value of Consideration and Term of Payment:

The total purchase price for EMCG is Euro 7,800,000 (Euro Seven Million and Eight Hundred Thousand), or approximately Baht 374,409,750 (Baht Three Hundred Seventy Four Million Four Hundred and Nine Thousand Seven Hundred and Fifty), using an exchange rate of Euro/Baht of 48.00125. The payment was made in full on the closing date.

5. Basis Used to Determine the Value of Consideration:

Extensive due diligence on Baconco and EMCG was performed. Given that EMCG’s sole asset is Baconco, we focused on the value of Baconco to arrive at our purchase price. A variety of methods, including market multiples (such as price to future earnings ratio) and discounted cash flows, were used to determine the value of Baconco and EMCG. The total shareholders’ equity of Baconco as of 31 December 2008 (the latest financial statements) was VND 270,127,700,008, or Euro 10,961,195 (using an exchange rate of VND/Euro of 24,644), equivalent to Baht 515,943,907.02 (using an exchange rate of VND/Baht of 0.00191).

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6. Rationale of the Investment:

Vietnam continues to achieve positive economic growth despite the current difficult business environment. It remains an attractive country to both foreign and domestic investors and is a major agricultural production country. Agricultural productivity is one of the main drivers of fertiliser demand. The investment in Baconco through the acquisition of EMCG represents a good opportunity for TTA to develop fertiliser export and import activities, which would support the dry bulk shipping business. TTA has shipped more than 2 million tons of fertiliser on our vessels in 2008 and so far has shipped more than 1.5 million tons during the first nine months of 2009.

The Baconco fertiliser plant is located on a 56,000 square meters site at Phu My and is adjacent to the Baria Serece port facilities. This proximity to the port allows Baconco to receive raw materials at the best price and to ship finished products easily by river or sea.

The spacious plant site as well as the extensive warehouse space allow for potential professional logistics services in the future, given that there are no professional and warehouse service providers in Phu My I Industrial Park, whereby Baconco and Baria Serece are both located. Furthermore, about 5 million tons of cargoes are shipped through Baria Serece annually. This is consistent with TTA's business strategy to grow its businesses with a more integrated supply chain management philosophy, whereby we not only ship fertiliser but now also trade fertiliser.

7. Source of Funds:

From working capital.

8. Size of the Transaction:

The transaction equals to 1.31% of the net tangible assets of TTA and its subsidiaries as of 31 March 2009 (the net tangible assets of TTA and its subsidiaries as of 31 March 2009 amounted to Baht 24,835,184,522). When this transaction is included with other asset acquisition transactions in the past six months, it is not subject to the Rules, Procedures and Disclosure of Information of the Stock Exchange of Thailand regarding the Connected Transactions or the Acquisition and Disposition of Assets of Listed Companies.

Yours faithfully,  
**Thoresen Thai Agencies Public Company Limited**

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M.R. Chandram S. Chandratat  
Chairman

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Ms. Nuch Kalyawongsa  
Director, Group Finance/Accounting