

SUMMARY BUSINESS PLAN

Oceanic Incorporated was established to develop and commercialize natural medicines for aquaculture industry. This business plan outlines the introduction of AquaNes, a 100% natural fish anesthetic, for use in the ornamental fish industry, and subsequently in the consumption fish industry. Our product will serve the increasing global concern of traceability of food origin. AquaNes uses clove oil as an active ingredient to anesthetize the fish. Oceanic Inc. seeks US\$ 0.75 million for investment in R&D activities, manufacturing facilities, and working capital.

To reduce their susceptibility to stress, live fish should be sedated during transportation. Stressed fish consequently release high levels of ammonia and carbon dioxide, which contaminate the water and kill the surrounding fish. Presently, leading domestic and international fish farms use inexpensive yet illegal Quinaldine, a toxic and potentially fatal sedative. Ironically, the decision to use Quinaldine based on its low price causes millions of dollars of economic loss due to the numerous dead fish.

AquaNes is a non-toxic, environmentally friendly solution that demonstrates superior effectiveness compared to other anesthetic products available in the market. The strategic advantages of AquaNes are its efficacy, its comparable price, and most importantly its safety as compared to other products available in the market. AquaNes is derived from organic materials, and is safe for fish and human consumption, as well as for the people administering the product. It will be produced to pharmaceutical grade in a GMP certified facility using standardized raw materials, and can be profitably priced at half of current substitutes. AquaNes is protected through a combination of intellectual property protection and secured

trade secrets. The product will sustain its competitiveness via brand reputation and continuous product development through ongoing R&D activities.

According to empirical studies, ornamental fish industries in Southeast Asian countries contribute the largest share of the global market, with Singapore, Thailand, and Indonesia as leading exporters. The market size of this region is estimated to be US\$ 600,000 and growing by 20% annually. Though the ornamental fish industry is relatively small in volume, no FDA approval is required for use of anesthetic products. Therefore, it is an appropriate breakthrough approach of our brand building strategy before accessing the ultimate market of consumption fish industry. The total market size of Southeast Asian countries consumption fish alone is projected to be US\$ 35 million per annum. The Thai government has focused its interest on added value and competitiveness to exports of aquaculture products; thus, it is the ideal time to invest in this industry.

The management team consists of five MBA graduates from one of the most prestigious business schools in the region, Sasin Graduate Institute of Business Administration of Chulalongkorn University and the inventor of AquaNes. Wachirapong Prichavongwaikul, the CEO of Oceanic Inc., has prior entrepreneurial experience managing and growing his family business. Associate Professor Dr. Janenuj Wongtavatchai, the inventor of AquaNes and R&D Director, is Deputy Dean for Research Affairs of Veterinary Science Department, Faculty of Veterinary Science, Chulalongkorn University. Her hands-on experience and access to critical channels in the industry ensure the project's success.

AquaNes is expected to launch by the end of 2007 and penetrate into domestic ornamental fish market and, subsequently, neighboring countries such as Singapore, Indonesia, and

Malaysia. The product will later launch to local consumption fish market by the mid of 2008 after receiving Thai FDA approval at the end of this year. The international market penetration for consumption fish industry will be in the next phase by the year 2011 after receiving FDA approval in respective markets such as Chile, EU, USA, and Japan. Oceanic expects to generate US\$ 700,000 revenue in 2008, and grow sales to US\$ 7.86 million in 2012. The investment will yield a Net Present Value of US\$1.65 million, conservatively discounted at 50%, with an IRR of 78.8%.

Oceanic Inc. is seeking a total of US\$ 0.75 million in funding, and in return will offer a 45% equity stake. This is a very exciting venture that will prove to be both financially profitable and socially responsible; the management team looks forward to further discussion with investors.