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No.ECF2 004/2018

24 January 2018

Subject: Change in Shareholding Structure of the Planet Board Company Limited, a Subsidiary Company of the Company (additional)

To: President
The Stock Exchange of Thailand

Reference is made to that the East Coast Furnitech Public Company Limited (the “**Company**”) has held the Board of Director’s Meeting No. 1/2018 on 23 January 2018 at 10.00 am at Conference C meeting room, 3rd Floor, the Grand Fourwings Convention Hotel, Srinakarin Road, Bangkok (the “**Meeting**”), where it was unanimously resolved in the Meeting (excluding interested director) to approve the change in the shareholding structure of the Planet Board Company Limited (“**Planet**”), a subsidiary of the Company, having the shareholding proportion of 99.99% of the Planet’s total shares sold. Planet has the registered capital of Baht 50,000,000, divided into 10,000,000 ordinary shares at the par value of Baht 5.00, having paid-up capital of Baht 1.25 per share. The change shall be done by the disposition of the existing ordinary shares held in the Planet by the Company, in the number of 4,300,000 shares or 43% of the Planet’s total shares sold, at Baht 5 par value per share to the following purchasers as follows:

- 1) Mr. Khomwit Boonthamrongkit, in the number of 2,500,000 shares or 25% of the Planet’s total shares sold, at Baht 1.25 per share, at the purchase price of Baht 3,125,000;
- 2) Miss Kritchanok Pattamasattayasonthi, in the number of 375,000 shares or 3.75% of the Planet’s total shares sold, at Baht 1.25 per share, at the purchase price of Baht 468,750;
- 3) Miss Pitchapim Pattamasattayasonthi, in the number of 375,000 shares or 3.75% of the Planet’s total shares sold, at Baht 1.25 per share, at the purchase price of Baht 468,750;
- 4) Mr. Aekkaruk Pattamasattayasonthi, in the number of 375,000 shares or 3.75% of the Planet’s total shares sold, at Baht 1.25 per share, at the purchase price of Baht 468,750;
- 5) Mr. Aekkarit Pattamasattayasonthi, in the number of 375,000 shares or 3.75% of the Planet’s total shares sold, at Baht 1.25 per share, at the purchase price of Baht 468,750; and
- 6) Mr. Waratakris Phonchamsai, in the number of 300,000 shares or 3.00% of the Planet’s total shares sold, at Baht 1.25 per share, at the purchase price of Baht 375,000;

The total purchase price amounts to Baht 5,375,000. It was further resolved in the Meeting that the managing director and/or the person to be authorized by the managing director shall be the authorized person to act on behalf of the Company to negotiate, enter into an agreement, execute a share sale and purchase agreement, including other relevant agreements and documents, to proceed with necessary and proper actions required in connection to the disposition of the above Planet's ordinary shares in order to the complete such disposition to the aforementioned 6 purchasers pursuant to the resolution approved in the Meeting.

The Company's Board of Directors (excluding interested director) has considered that the entry into the disposition of Planet's ordinary shares transaction is an appropriate and beneficial to the Company on a long-term basis, and no disagreement to the Company's Board of Directors has been raised by the Company's directors and/or the audit committee. This transaction of the disposition of such shares would be beneficial to both the Company and Planet in making the management more sufficiency and providing business and commercial benefits. This is because the purchasers possess the sophisticated knowledge, ability, expertise and many years of experiences in the business of wood manufacturing and distributing as well as other related businesses such as manufacturing and distributing of furniture, bedding, etc. These knowledge and experiences can be adopted to Planet's business, thus, expanding the Planet's customer base and increase more channels to distribute the Planet's products as well. Moreover, this disposition of the existing Planet's ordinary shares was held by the Company at the proportion of 43% of the Planet's total shares sold would reduce the Company's capital use relating to MDF board and Particleboard in case of considering investing in the business of Wood-Based Panel manufacturing and distributing with Planet in the future. Further, this disposition of the ordinary shares does not in any way affect the operation or the performance of the Company and Planet. In this regard, Planet has the objective of operating the business of manufacturing and distributing Wood-Based Panel, such as, manufacturing and distributing MDF Board and Particleboard. The Company is in the process of studying the feasibility of the potential investment in the business of Planet. The Company will report any additional information or progress relating to such potential investment in Planet to the Stock Exchange of Thailand, and, accordingly, disseminate such information or progress to the shareholders and investors as well as be in compliance with regulations relating to the entry of the transaction.

The Company's Board of Directors has considered that the purchase price to be at Baht 1.25 per share which equals to the paid-up capital based on the fact that the Planet has its registered capital equivalent to Baht 50,000,000, divided into 10,000,000 ordinary shares at the par value of Baht 5 per share, having paid-up capital of Baht 12,500,000, divided into 10,000,000 ordinary shares, having paid-up capital of Baht 1.25 per share. This is because Planet has recently established on 19 December 2017 which has yet to operate and so generating no commercial income; it has been viewed, therefore, that the purchase price is the reasonable purchase price. In addition, the Company's Board of Directors (excluding interested director) has verified all of the purchasers' financial status and viewed that all of the purchasers have the sufficient fund to purchase of shares at the total purchase price of Baht 5,375,000 by making such payment in cash, the credible financial stability to invest in the Planet's future projects, and the work experiences or expertise to continuing to develop, prosper and generate profits for the Planet in the future as follows:

Name of the purchasers	Profile/Experience of the purchasers
Mr. Khomwit Boonthamrongkit	Mr. Khomwit has the knowledge, expertise and the experience of more than 25 years in the business of manufacturing and distributing of wood, lumber, wood chipper, in business of logistic, electricity power generation and distribution. Mr. Khomwit Boomthamrongkit is also an executive and a shareholder in many companies such as SBP Timber Group Co., Ltd. having its main business of importing and distributing various types of lumber productions. In the end of 2016, SBP Timber Group Co., Ltd. has the total income of Baht 308.39 million with the total assets of Baht 450.16 million and the shareholder's equity of Baht 108.23 million, etc.
Miss Kritchanok Pattamasattayasonthi	The four each has the knowledge and experience in the business of manufacturing and distributing of furniture, home decorator, all types of bedding, including assemble and furniture design servicing. Miss Kritchanok Pattamasattayasonthi, Miss Pitchapim Pattamasattayasonthi, Mr. Aekkaruk Pattamasattayasonthi, and Mr. Aekkarit Pattamasattayasonthi are the executive, the director and the shareholder of Index Living Mall Co., Ltd.. In the end of 2016, Index Living Mall Co., Ltd. has the operating income equals to Baht 9,741.00 million with the total assets of Baht 12,063.09 Million and the shareholder's equity of Baht 4,050.32 million. In addition, the Company has considered and is of the view that as Index Living Mall Co., Ltd. is currently a major operator of the business of manufacturing and distributing furniture in Thailand. Therefore, the acquisition of shares by such executives, directors and shareholders of Index Living Mall Co., Ltd. will support potential and strength of the investment funds, management and the customer base of the Planet in the future.
Miss Pitchapim Pattamasattayasonthi (Sister of Miss Kritchanok Pattamasattayasonthi)	
Mr. Aekkaruk Pattamasattayasonthi (Brother of Miss Kritchanok Pattamasattayasonthi)	
Mr. Aekkarit Pattamasattayasonthi (Brother of Miss Kritchanok Pattamasattayasonthi)	
Mr. Waratakris Phonchamsai	Mr. Waratakris is an investor who is interested in the business of Wood-Based Panel manufacturing and distributing, which is considered having potential and being able to grow its business. At present, Mr. Waratkris is on the top ten shareholders list of a listed company operating the business in relation to distribution of metal products to be raw materials of various types of industries.

In accordance with the change in the shareholding structure of the Planet through the disposition of ordinary shares **which is expected to be complete within March 2018**, the Planet will proceed to change its directors' structure by appointing Mr.Khomwit Boonthamrongkit as the Planet's new additional director.

The disposition of the ordinary shares of the Planet with the total value of Baht 5,375,000 as detailed above is a transaction of disposition of the Company's assets in accordance with 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 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 B.E. 2547 (2004), as amended from time to time, (the "**Notifications on Acquisition and Disposition**"), having the largest size of the transaction of 0.19% of the total value of consideration calculated from the Company's reviewed consolidated financial statements for the period ended 30 September 2017 in which the Company has no asset-disposing transactions over the past six months prior to the date the Meeting resolved to approve the disposition. Thus, as the size of the transaction is less than 15%, the transaction is therefore not considered as a transaction required to be disclosed or proceeded with in accordance with the Notifications on Acquisition and Disposition.

However, Miss Kritchanok Pattamasattayasonthi is considered to be connected person as a spouse of Mr. Arak Suksawad who is a managing director of the Company (Mr. Arak Suksawad, Managing Director of the Company, did not attend the Meeting and hence had no right to vote on this transaction), the disposition of Planet's ordinary shares in the number of 375,000 shares or 3.75 % of the Planet's total shares sold, at Baht 1.25 per shares and at the purchase price of Baht 468,750 to Miss Kritchanok Pattamasattayasonthi is a connected transaction in accordance with 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 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 B.E. 2547 (2004), as amended from time to time, (the "**Notifications on Acquisition and Disposition**"), having transaction size of Baht 468,750 which is less than Baht 1 million or less than or equivalent to 0.03% of the value of the Company's net tangible asset (the "**NTA**") (0.03% of the NTA is calculated from the Company's reviewed consolidated financial statements for the period ended 30 September 2017 which equals to Baht 0.23 million), whichever is higher. Such transaction is, therefore, not considered as a transaction required to be disclosed or proceeded with in accordance with the Notifications on Acquisition and Disposition.

In respect of the rest of the 5 purchasers, given that each of them is not considered as a connected person; a connected transaction is, therefore, irrelevant as in accordance with the Notifications on Acquisition and Disposition.

According to the fact that the Company has connected transactions with the group of Index Living Mall Co., Ltd. over the past period which are the transaction of renting showroom areas, selling products and purchasing raw materials, the Company would like to clarify that the Company adheres to its commitment of the principle of the determination on the selling price to be in line with the Company's criteria of the determination on the price



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which is fair and at arm's length basis and that such transactions have been reported to the audit committee's meeting for acknowledgement on a quarterly basis. Moreover, the Company still adheres to the principle of preventive measures on the conflict of interests on a continuous basis and for the case that Mr. Arak Suksawad and his spouse i.e. Miss Kritchanok Pattamasattayasonthi, are the executive, the director and the shareholder of the business having the same nature, Mr. Arak Suksawad, the promiser to the agreement made with the Company in order for preventing any conflict of interests which may cause, still honor his obligations under such agreement on a continuous basis as well. The substance of such agreement consists of conducting duties with integrity, good faith and protect the benefit of the Company, not conducting the business having the same nature with the Company and not conducting the business competitive with the Company, etc.

Please be informed accordingly.

Sincerely yours,

East Coast Furnitech Public Company Limited

-Signature-

(Mr.Arak Suksawad)

Managing Director