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25 June 2018

Subject : Disclosure of connected transaction

Attention : President

The Stock Exchange of Thailand

Vanachai Group Public Company "VNG" would like to disclose the connected transaction for renting of office and Firstwood Co., Ltd. (related company). Transaction details are follows as:

1. The date on which the transaction occurred:

1 July 2018

2. The parties involved:

<u>Name</u>	<u>Relationship with the company</u>
Lessee : Vanachai Group Plc.	-
Lessor : Firstwood Co., Ltd.	some shareholders and directors of VNG are also the Firstwood of shareholders and directors.

3. The general characteristics of the transaction:

The company acquires office building service and rents office area in 3,468 square meters for one year, starting from 1 July 2018 to 30 June 2019, to be an office in order to administrate with government agencies, banks and all associated divisions, and to administrate import - export documents. The rental and service rate is 430 Baht/square meter/month.

4. The total value of the consideration:

4.1 The total value of transaction.

The rent and service of office at 17,894,880 Baht per year.

4.2 Payment term

Paying monthly rental at 1,491,240 Baht per month.

5. Method use in calculation of value:

The rental rate base on the fair market value that valuation by The Valuation & Consultants Co., Ltd.

Assessor : The Valuation & Consultants Co., Ltd.

Method of Valuation : Market Comparison Approach

6. Transaction Volume

6.1 The above transaction is conformed to related transaction which is the transaction in property leasing for not more than 3 years in middle size in value more than 0.03% but less than 3% of book value of Net Tangible Assets (the reviewed of the consolidated financial statement as at 31 March 2018). Therefore, the company would need to disclose this information to The Stock Exchange of Thailand.

6.2 The transactions of the company and the subsidiary with related persons in the last 6 months are as follows:

6.2.1 The transaction in property leasing for not more than 3 years.

Transaction	Release Date	Value (Baht)	Transaction Size% VS NTA financial statements for the period
1. Woodtek International Co., Ltd. leases warehouse from Firstwood Co., Ltd. (1 April 2018 - 30 June 2018)	28 March 2018	700,200	0.01% as at 31 December 2017
2. Vanachai Panel Industries Co., Ltd. uses the service from Doctorwood Co., Ltd. to store goods in warehouse. (1 June 2018 - 31 May 2019)	25 May 2018	19,332,000	0.23% as at 31 March 2018
3. Vanachai Group Plc. leases office from Firstwood Co., Ltd. (1 July 2018 - 30 June 2019)	25 June 2018	17,894,880	0.21% as at 31 March 2018
4. Woodtek International leases the office from Firstwood Co., Ltd. (1 July 2018 - 30 June 2019)	25 June 2018	5,160,000	0.06% as at 31 March 2018
5. Woodtek International Co., Ltd. leases warehouse from Firstwood Co., Ltd. (1 July 2018 - 30 September 2018)	25 June 2018	700,200	0.01% as at 31 March 2018
Total		43,787,280	0.52%

6.2.2 Normal business transaction is not in accordance with market terms and conditions.

Transaction	Release Date	Value (Baht)	Transaction Size% VS NTA financial statements for the period
1. VNG and subsidiaries trade among related companies.	28 February 2018	46,000,000	0.54% as at 31 December 2017
2. Vanachai Panel Industries Co., Ltd. uses services from Doctorwood Co., Ltd. for loading up and loading down of goods and container lifting.	25 May 2018	24,000,000	0.29% as at 31 March 2018
Total		70,000,000	0.83%

7. The detail of connected persons and related persons:

Vanachai Group Public Company Limited (as at 22 June 2018)

<u>List of names</u>	<u>Position</u>	<u>Number of shares</u>	<u>%</u>
1. Mr. Sompop Sahawat	Chairman	-	-
2. Ms. Yupaporn Boongate	Vice - Chairman	31,000,000	1.978
3. Mr. Vasun Jaroenavarat	Director	31,000,000	1.978
4. Mr. Wanthana Jaroennawarat	Managing Director	31,004,000	1.978
5. Mr. Suthep Chaipattanavanich	Director	-	-
6. Mrs. Siriporn Chaipattanavanich	-	31,000,000	1.978
7. Mr. Patta Sahawat	Director	31,000,000	1.978
8. Ms. Phattra Sahawat	Director	31,000,000	1.978
9. Mr. Somprasong Sahawat	Director	31,000,000	1.978
10. Ms. Somjairak Sahawat	-	31,000,000	1.978
11. Mr. Sittiwat Sahawat	-	31,000,000	1.978
12. Ms. Nipapat Sahawat	-	31,000,000	1.978

Vanachai Intertrading Group Company Limited (as at 22 June 2018)

<u>List of names</u>		<u>Position</u>	<u>Number of shares</u>	<u>%</u>
1. Mr. Sompop	Sahawat	Chairman	-	-
2. Ms. Yupaporn	Boongate	Director	1,150,000	10
3. Mr. Vasun	Jaroenavarat	Managing Director	1,150,000	10
4. Mr. Wanthana	Jaroennawarat	Director	1,150,000	10
5. Mr. Suthep	Chaipattananich	Director	-	-
6. Mrs. Siriporn	Chaipattananich	Director	1,150,000	10
7. Mr. Patta	Sahawat	Director	1,150,000	10
8. Ms. Phattra	Sahawat	Director	1,150,000	10
9. Mr. Somprasong	Sahawat	Director	1,150,000	10
10. Ms. Somjairak	Sahawat	Director	1,150,000	10
11. Mr. Sittiwat	Sahawat	-	1,150,000	10
12. Ms. Nipapat	Sahawat	-	1,150,000	10

The Vanachai Group of Companies Company Limited (as at 22 June 2018)

<u>List of names</u>		<u>Position</u>	<u>Number of shares</u>	<u>%</u>
1. Mr. Sompop	Sahawat	Chairman	-	-
2. Ms. Yupaporn	Boongate	Director	510,000	10
3. Mr. Vasun	Jaroenavarat	Director	510,000	10
4. Mr. Wanthana	Jaroennawarat	Director	510,000	10
5. Mr. Suthep	Chaipattananich	Director	-	-
6. Mrs. Siriporn	Chaipattananich	Director	510,000	10
7. Mr. Patta	Sahawat	Director	510,000	10
8. Ms. Phattra	Sahawat	Director	510,000	10
9. Mr. Somprasong	Sahawat	Director	510,000	10
10. Ms. Somjairak	Sahawat	Director	510,000	10
11. Mr. Sittiwat	Sahawat	-	510,000	10
12. Ms. Nipapat	Sahawat	-	510,000	10

Firstwood Company Limited (as at 22 June 2018)

<u>List of names</u>		<u>Position</u>	<u>Number of shares</u>	<u>%</u>
1. Mr. Sompop	Sahawat	Chairman	1	-
2. Ms. Yupaporn	Boongate	Director	1	-
3. Mr. Vasun	Jaroenavarat	Director	1	-
4. Mr. Wanthana	Jaroennawat	Managing Director	1	-
5. Mr. Suthep	Chaipattananich	Director	-	-
6. Mrs. Siriporn	Chaipattananich	Director	1	-
7. Mr. Patta	Sahawat	Director	-	-
8. Ms. Phattra	Sahawat	Director	1	-
9. Mr. Somprasong	Sahawat	Director	1	-
10. Ms. Somjairak	Sahawat	Director	-	-
11. Vanachai Intertrading Group Company Limited			2,449,993	83.05
12. The Vanachai Group of Companies Company Limited			500,000	16.95

8. **The commitment of committee and the audit committee** (who be VNG's committee with conflict of interest as agreement of list on items 7 without meeting and vote).

All agree that such transaction is appropriate since the company acquires office building service and has to rent office area for an office in order to administrate with government agencies, banks and all associated divisions, and to administrate import - export documents, and etc. Therefore, to process a transaction is appropriate and it will generate the most benefit to the company. This rental fee rate refers to the market price, which is appraised by the Valuation & Consultants Co., Ltd., and the price is reasonable.

Please be acknowledged for your information

Yours Sincerely

(Mr.Wanthana Jaroennawat)

Director