

Ref: PLC 2018/015

December 26, 2018

Subject: Disclosure of Connected Transaction Information (Machine Purchasing)

To: The President of the Stock Exchange of Thailand

Panjawattana Plastic Public Company Limited (“the Company”) would like to inform that the Board of Directors Meeting of the Company No. 9/2018, which held on 26 December 2018, approved the Company to purchase machines from PJ Composite Co.,Ltd, a related company. This transaction is considered as the connected transaction. The Company hereby discloses and reveals the detail of the transaction as below:

1. General Description of the Transaction

Date of Transaction

Within December 2018

Names of Parties involved

Purchaser : Panjawattana Plastic Public Company Limited

Seller : PJ Composite Co.,Ltd. (Related Company)

General Description of the Transaction

Panjawattana Plastic Public Company Limited will purchase the used machines from PJ Composite Co.,Ltd. They are 3 Injection machines with agreed price of Baht 12,000,000. The company considered this transaction is reasonable and beneficial to the Company because this is to support sales in the early of next year. The purchasing of brand new machines requires high investment. Moreover, it saved time and cost of sourcing.

2. Criteria Used in Determining a Transaction’s Total Value

The purchase price is agreed price between the parties. The price shall lower than the appraisal value of the independent appraiser whom certified by the Securities and Exchange Commission of Thailand.

The appraiser Name : Brent Joe Cosens Consulting Co.,Ltd.

Method of valuation : Market comparison approach

The appraisal value : Baht 12,337,200

The proposed purchase price is Baht 12,000,000 (lower than the appraisal value)



PJW
PANJAWATTANA PLASTIC

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3. Transaction volume

The above transaction is conformed to related transaction which is the transaction of assets or service in middle size in value more than 0.03% but less than 3% of book value of tangible assets (the reviewed of the consolidated financial statement as at 30 September 2018). Therefore, the company would need to disclose this information to The Stock Exchange of Thailand.

In addition, such transaction is also considered as an acquisition transaction of the related company's assets of the listed company. This is according to the announcement of Capital Market Supervisory Board No. Tor Jor20/2551 Re: Significant Rules on the Transactions to the Acquisition and Disposition of Assets and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547. Nonetheless, the calculated value of the transaction under these criteria has the maximum calculated value which is less than 15%, therefore, the company is not required to process any matter.

4. Details of Related Parties

Mr. Pirun Hemmontharop, Board member and a major shareholder of PJ Composite Co.,Ltd, is also a Board member of Panjawattana Plastic Public Company Limited, and is a shareholder representing 6.22 percent of authorized and paid-up share capital as at 3 December 2018.

5. Source of Fund

Operating cash flow of the company and shall not impact core business operation.

6. Interested Director

The Company's directors; namely, Mr. Pirun Hemmontharop Board member of Panjawattana Plastic Public Company Limited did not attend the meeting and vote on this agenda.

7. Board of Director's opinions

The Purchasing of these used machines is to support sales in the early of next year. The purchasing of brand new machines requires high investment. Moreover, it saved time and cost of sourcing. The transaction is reasonable and has value lower than appraisal value from the Independent appraiser.

8. Opinion of the Audit Committee which is different from Opinion of the Board of Directors under Clause 6.

-None-



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Please be informed accordingly.

Sincerely yours,

(Mrs. Prim Chaiyawat)

Company's Secretary