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25 February 2019

Subject : Disclosure of connected transaction

Attention : President

The Stock Exchange of Thailand

Vanachai Group Public Company Limited "VNG" and subsidiaries hereby agreed to disclose the related transactions relating to regular business practice and supporting to regular business practice of related companies as following:

1. The date on which the transaction occurred:

Year 2019

2. The parties involved:

	<u>Name</u>	<u>Relationship with the company</u>
Purchaser and Seller :	Vanachai Group Plc. and its subsidiaries	-
Purchaser and Seller :	Related companies	} Some shareholders and directors of VNG are related to these companies, as shareholders and directors
	- Vanachai Veneer and Plywood Co., Ltd.	
	- Woodland Co., Ltd.	
	- Maeyai Co., Ltd.	
	- Rich forest Co., Ltd.	

3. The general characteristics of the transaction:

The Company and its subsidiaries made transactions in regular business practice and supported regular business practice of related companies in which has not followed the general terms and conditions. The company and its subsidiaries need to purchase scrap of rubber wood, core scrap of rubber wood, eucalyptus wood for finished goods production and the company sells materials such as rubber wood to related companies to product finished goods. However, the managements applied the similar criteria to make the mutual agreement with third parties by considering the fair price and the highest benefits to the Company and subsidiaries.

4. The total value of the consideration:

4.1 The total value of transaction.

Approximately 43 million Baht in Year 2019.

4.2 Payment term

According to general trade terms and conditions.

5. Transaction Volume

5.1 The above transactions are considered as related transactions in regular business practice and supported regular business practice of related companies in which has not followed the general terms and conditions of trading criteria. Determined by the managements, the similar criteria has been applied to make the mutual agreement with third parties by considering the fair price and the highest benefits to the Company and subsidiaries. The volume of transactions are considered as medium-volume transaction indicating value of more than 0.03% but less than 3% of book value of Net Tangible Asset or NTA (Consolidated Financial Statements as at 31 December 2018). As a result, the Company herein disclosed relevant details to The Stock Exchange of Thailand.

5.2 The details of the transactions that the company and subsidiary companies made with the connected persons the past 6 months are as follow:

5.2.1 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 Oct. 2018 - 30 Dec. 2018)	28 Sep. 2018	700,200	0.01% as at 30 Jun. 2018
2. Woodtek International Co., Ltd. leases warehouse from Firstwood Co., Ltd. (1 Jan. 2019 - 30 Mar. 2019)	27 Dec. 2018	700,200	0.01% as at 30 Sep. 2018
Total		1,400,400	0.02%

5.2.2 The listed company's transactions on assets acquisition of the company and the subsidiary

Transaction	Release Date	Value (Baht)	Transaction Size% VS Value of consideration criteria of financial statements for the period
Particle Planner Co., Ltd. buy machine and equipment from Vanachai Veneer and Plywood Co., Ltd.	13 Nov. 2018	20,250,000	0.12% as at 30 Sep. 2018
Total		20,250,000	0.12%

5.2.3 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
VNG and subsidiaries trade among related companies.	25 Feb. 2019	43,000,000	0.57% as at 31 Dec. 2018
Total		43,000,000	0.57%

6. The detail of connected persons and related persons:

Vanachai Group Public Company Limited (as at 22 February 2019)

<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	31,497,600	2.010
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 Sahavat	Director	31,000,000	1.978
10. Ms. Somjairak Sahavat	-	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 February 2019)

<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	Chaipattanavanich	Director	-	-
6. Mrs. Siriporn	Chaipattanavanich	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	Sahavat	Director	1,150,000	10
10. Ms. Somjairak	Sahavat	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 February 2019)

<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	Chaipattanavanich	Director	-	-
6. Mrs. Siriporn	Chaipattanavanich	Director	510,000	10
7. Mr. Patta	Sahawat	Director	510,000	10
8. Ms. Phattra	Sahawat	Director	510,000	10
9. Mr. Somprasong	Sahavat	Director	510,000	10
10. Ms. Somjairak	Sahavat	Director	510,000	10
11. Mr. Sittiwat	Sahawat	-	510,000	10
12. Ms. Nipapat	Sahawat	-	510,000	10

Vanachai Veneer and Plywood Company Limited (as at 22 February 2019)

<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	Managing Director	1	-
4. Mr. Wanthana	Jaroennawarat	Director	1	-
5. Mr. Suthep	Chaipattanavanich	Director	-	-
6. Mrs. Siriporn	Chaipattanavanich	Director	1	-
7. Mr. Patta	Sahawat	Director	-	-
8. Ms. Phattra	Sahawat	Director	1	-
9. Mr. Somprasong	Sahavat	Director	1	-
10. Ms. Somjairak	Sahavat	Director	-	-
11. Vanachai Intertrading Group Company Limited			199,993	90.91
12. The Vanachai Group of Companies Company Limited			20,000	9.09

Woodland Company Limited (as at 22 February 2019)

<u>List of names</u>		<u>Position</u>	<u>Number of shares</u>	<u>%</u>
1. Mr. Sompop	Sahawat	Chairman	2	-
2. Ms. Yupaporn	Boongate	Director	2	-
3. Mr. Vasun	Jaroenavarat	Managing Director	2	-
4. Mr. Wanthana	Jaroennawarat	Director	2	-
5. Mr. Suthep	Chaipattanavanich	Director	-	-
6. Mrs. Siriporn	Chaipattanavanich	Director	2	-
7. Mr. Patta	Sahawat	Director	-	-
8. Ms. Phattra	Sahawat	Director	2	-
9. Mr. Somprasong	Sahavat	Director	2	-
10. Ms. Somjairak	Sahavat	Director	-	-
11. Vanachai Intertrading Group Company Limited			1,499,986	99.99

Maeyai Company Limited (as at 22 February 2019)

<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	Managing Director	1	-
4. Mr. Wanthana	Jaroennawarat	Director	1	-
5. Mr. Suthep	Chaipattanavanich	Director	-	-
6. Mrs. Siriporn	Chaipattanavanich	Director	-	-
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			169,993	80.95
12. The Vanachai Group of Companies Company Limited			40,000	19.05

Rich Forest Company Limited (as at 22 February 2019)

<u>List of names</u>		<u>Position</u>	<u>Number of shares</u>	<u>%</u>
1. Ms. Yupaporn	Boongate	Director	333,333	17
2. Mr. Wanthana	Jaroennawarat	Director	333,333	17
3. Mrs. Siriporn	Chaipattanavanich	Director	333,333	17
4. Mr. Patta	Sahawat	Director	333,333	17
5. Ms. Phattra	Sahawat	Director	333,333	17

7. Comments from committee and audit committee (VNG committee who has interest in the above transaction on item No. 6 did not attend the meeting to vote)

According to the comments, this transactions are proper as the company and its subsidiaries need to purchase scrap of rubber wood, core scrap of rubber wood, eucalyptus wood for finished goods production and the company sells materials such as rubber wood to related companies to product finished goods. Such transaction is justifiable and for the best benefit of the company.

Please be acknowledged for your information

Yours Sincerely

(Mr.Wanthana Jaroennawarat)

Director