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28 March 2019

Subject : Disclosure of connected transaction by a subsidiary company

To : President

The Stock Exchange of Thailand

Vanachai Group Public Company "VNG" would like to disclose the connected transaction for renting of warehouse between Woodtek International Co., Ltd. (a subsidiary which VNG hold 99.97% of the paid-up shares) and Firstwood Co., Ltd. (related company). Details of the transaction are as follows:

1. The date on which the transaction occurred:

1 April 2019

2. The parties involved:

<u>Name</u>	<u>Relationship with the company</u>
Lessee : Woodtek International Co., Ltd.	a subsidiary company
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:

Woodtek International Co., Ltd. rents the space and service warehouse, 5,400 square meters and the office space 116 square meters at the rate 40 Baht and 150 Baht per square meters per month respectively for three months from 1 April 2019, till 30 June 2019. The rental space as the place to stock the products of companies's group for transferring to customers.

To process warehouse leasing, the contract period is subjected to 3 months. Since Firstwood Co., Ltd. (the lessor) plans to develop the land and to renovate buildings of the rental warehouse, the leasing contract can be renewed in every 3 months. And because the staffs of warehouse operation have to administrate the document and to manage the finished goods in the rental warehouse, it is a necessity to rent a warehouse office for staffs to do operation and also to store documents.

4. The total value of the consideration:

4.1 The total value of transaction.

4.1.1 The rent and service of warehouse at the rate 648,000 Baht per quarter.

4.1.2 The rent and service of office at the rate 52,200 Baht per quarter.

Grand total 700,200 Baht per quarter.

4.2 Payment term

Paying monthly rental at 233,400 Baht per month.

5. Method use in calculation of value:

VNG is compared its to the market value of the other office near area in year 2004. Firstwood Co., Ltd. (a related company) does not have to raise the price of rent and service until the present.

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 (Consolidated financial statements as at 31 December 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 January 2019 - 31 March 2019)	27 Dec. 2018	700,200	0.01% as at 30 Sep. 2018
2. Woodtek International Co., Ltd. leases warehouse from Firstwood Co., Ltd. (1 April 2019 - 30 June 2019)	28 Mar. 2019	700,200	0.01% as at 31 Dec. 2018
Total		1,400,400	0.02%

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

Transaction	Release Date	Value (Baht)	Transaction Size% VS NTA 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	0.26% as at 30 Sep. 2018
Total		20,250,000	0.26%

6.2.3 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%

7. The list of committees and related shareholders

Vanachai Group Public Company Limited (as at 27 March 2019)

List of names	Position	Number of shares	%
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	2.01
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

Woodtek International Company Limited (as at 27 March 2019)

List of names	Position	Number of shares	%
1. Mr. Sompop Sahawat	Chairman	1	-
2. Ms. Yupaporn Boongate	Director	1	-
3. Mr. Vasun Jaroenavarat	Director	1	-
4. Mr. Wanthana Jaroennawarat	Managing Director	1	-

<u>List of names</u>		<u>Position</u>	<u>Number of shares</u>	<u>%</u>
5. Mr. Suthep	Chaipattananavich	Director	1	-
6. Mrs. Siriporn	Chaipattananavich	-	1	-
7. Mr. Patta	Sahawat	Director	-	-
8. Ms. Phattra	Sahawat	Director	1	-
9. Mr. Somprasong	Sahavat	Director	-	-
10. Ms. Somjairak	Sahavat	-	-	-
11. Vanachai Group Public Company Limited			19,993	99.97

Vanachai Intertrading Group Company Limited (as at 27 March 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	Chaipattananavich	Director	-	-
6. Mrs. Siriporn	Chaipattananavich	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 27 March 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

<u>List of names</u>		<u>Position</u>	<u>Number of shares</u>	<u>%</u>
5. Mr. Suthep	Chaipattananavich	Director	-	-
6. Mrs. Siriporn	Chaipattananavich	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

Firstwood Company Limited (as at 27 March 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	Director	1	-
4. Mr. Wanthana	Jaroennawarat	Managing Director	1	-
5. Mr. Suthep	Chaipattananavich	Director	-	-
6. Mrs. Siriporn	Chaipattananavich	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			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)

They are of the opinion that the proposal is suitable for the Woodtek International Co., Ltd. (subsidiary company) because it's required to leases the space and service warehouse, as the place to stock the products of companies's group for transferring to customers. Hence, this commitment is reasonable and find a purpose the best benefits of us. The rental rates unchanged. This makes the expense of the same.

Please be acknowledged for your information

Yours Sincerely

(Mr.Wanthana Jaroennawarat)

Director