



บริษัท กังยงอิเล็กทริก จำกัด (มหาชน)

KANG YONG ELECTRIC PUBLIC COMPANY LIMITED

67 หมู่ 11 ถ.เทพรัตน์ กม.20 ต.บางไผ่ อ.บางพลี จ.สมุทรปราการ 10540

67 Moo 11, Debaratna Road km.20, Bangchalong, Bangplee, Samutprakarn 10540

Tel : +66-2-337-2900 Fax : +66-2-337-2439-40

URL : http://www.mitsubishi-kye.com

A Group Company of



M.D. 219/2019

November 12, 2019

Subject : Disclosure of the information connected transaction

To : President of the Stock of Exchange of Thailand

Kang Yong Electric Public Company Limited hereby notify that the resolution of Board of Director's meeting No.3/2019, consider and approve the company entering into the connected transactions relating asset or service. The detail as following:-

Information on Connected Transactions relating asset or service

(investment in new die of press part of motor of Electric Fan)

- 1) **Transaction date** : December 2019 – December 2020
- 2) **Connected Parties** Buyer : Kang Yong Electric Public Company Limited (KYE)
Seller : Mitsubishi Electric Trading Corporation (MT)

3) Nature of the Transactions

Investment in assets of molds and die categories for developing new technology of press part of motor for Electric fan, Exhaust fan which are designed and developed by Mitsubishi Electric Corporation (Melco), by purchasing through Mitsubishi Electric Trading Corporation (MT).

4) Total value of the transaction

Total amount Baht 19,490,223 Baht (1 Yen = 0.282467 Baht) or 0.38% of NTA (NTA as of June 30, 2019 = Baht 5,086,507,866)

The size of the transaction that is medium size, it is exceed 0.03% but not exceed 3% of NTA, pursuant the Notification of the Board of Governors of The Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies concerning connected transactions B.E.2546. KYE must take following actions:-

- Seek approval from the Board of Directors' meeting.
- Report and disclosure of information of this transaction to the SET

5) Scope of Interests of Connected Persons

1) Mitsubishi Electric Corporation (Melco) holds 9,048,020 shares or 45.698 % of the registered and paid-up capital of KYE

2) Mitsubishi Electric Trading Corporation (MT) is subsidiary company of KYE's parent (MELCO holds 95.8 % of shares)



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6) Directors who was related person – did not attend nor cast votes at this agenda.

<u>Name</u>	<u>Relevant</u>	<u>Hold KYE shares</u>
1. Mr. Takenori Adachi	Directors who are related person	None
2. Mr. Akira Nakamichi		None
3. Mr. Hirotaka Abo		None
4. Mr. Takeshi Oshima	Directors who are representative of major shareholders	None
5. Mr. Yasumichi Tazunoki		None
6. Mr. Tomohiko Kasai		None

7) Reasonableness of transaction

1. KYE would like to develop new development to improve quality and production cost. In this regard, the subsidiary of Mitsubishi Electric Corporation in Japan has knowledge and expertise in this production technology for a long time. In order to make a proper change of the company's production methods at this time, therefore, it is reasonable to hire the subsidiary of Mitsubishi Electric Corporation to make for KYE

2. When considering the return from the investment, it is able to reduce the quality problems and production costs with ROI 2.0 years regarded as a good return on investment, which is reasonable in the investment

8) Opinion of the Board of Directors and Audit Committee

- To agree with the entering into connected transactions to improve the quality and production cost for respond to the customer needs and good return from the investment

- Opinion of the Board of Directors and Audit Committee which is different -None -

Yours Sincerely,

Mr. Takenori Adachi

President

Corporate Strategic Planning Office

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