

Ref: PLC 2020/003

February 3, 2020

Subject: Disclosure of Connected Transaction Information Regarding Area rental agreement

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. 2/2019, which held on 20 February 2019, approved P.J. Composite Co.,Ltd to area rental agreement. This transaction is considered as the connected transaction regarding the rental of immovable property for not exceeding 3 years. The Company hereby discloses and reveals the detail of the transaction as below:

1. General Description of the Transaction

Sublease of the P.J. Composite Co.,Ltd Lease Agreement dated April 15, 2019

Date of Transaction : 1 July 2019

Names of Parties involved : Tenant : P.J. Composite Co.,Ltd

P.J. Composite Co.,Ltd has the same director and shareholder with the Company who is Mr. Pirun Hemmondharop. He holds a 6.22 percent of share in the Company. He is also a director and direct and indirect shareholder in P.J. Composite Co.,Ltd by holding 15.38 percent of share in P.J. Composite Co.,Ltd and 97.99 percent of share in Composite holding Co.,Ltd which Composit holding Co.,Ltd holds 76.92 percent of share in P.J. Composite Co.,Ltd.

Transaction : To present the Company have to area rental agreement with P.J. Composite Co.,Ltd the land with the area of 1,500 Square meters, total term 2-years 7 months (1 July 2019 - 1 February 2022). The agreement detail is as follows

Rent Asset	Location is at 46 Moo 2, Khlong Khut Ban Bo Road, Chai Mongkol Subdistrict, Mueang Samut Sakhon District Samut Sakhon Province 74000.
Utility Space	1,500 Square meters
Term	2 years 7 months
Rental Fee	PJ Composites Co.,Ltd will pay rental fee 2 years in the rate of Baht 157,500 per month (105 baht per Square meters)
Total Rental Fee	For 31 months, total rental amount is not exceeding Baht 4,885,600 (excluding other duties, fees and property tax)



2. Total Value and Criteria Used in Determining a Transaction's Total Value

Total value of transaction is 4,885,600 Baht, the transaction is considered as connected party transaction as prescribed the Notification of the Board of Governor of the Securities Exchange of Thailand re: Disclosure of Information and other Acts of Listed Companies Concerning the Connected Transactions 2003, greater than Baht 1 million but less than Baht 20 million, is categorized as a medium size transaction and required to be approved by the Board of Directors and revealed to the Stock Exchange of Thailand.

3. Details of Related Parties

3.1 Mr. Pirun Hemmondharop is Vice Board of Pirector of Panjawattana Plastic Public Company Limited, and major shareholder, representing 6.22 percent of authorized and paid-up share capital as at 3 January 2019

Mr. Pirun Hemmondharop is a director jointly sign with the company seal affixed of P.J. Composite Co.,Ltd and [direct and indirect shareholder in P.J. Composite Co.,Ltd by holding 15.38 percent of share in P.J. Composite Co.,Ltd and 97.99 percent of share in Composite holding Co.,Ltd which Composit holding Co.,Ltd holds 76.92 percent of share in P.J. Composite Co.,Ltd.](#)

3.2 Rationale to Enter into The Transaction

Panjawattana Plastic Public Company Limited ("the Company") leased the space from Yuen Yong Foam Industry Co.,Ltd from 1 March 2019 to 1 February 2022 To support the work transferred from Chon Buri Including sales growth and there Location near Samut Sakhon factory Utility Space 3,000 – 3,500 Square meters However for the Company fully used.

4. Interested Director

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

5. Board of Director's opinions

The Board of Directors and The Audit Committee have considered the connected transaction is reasonable and beneficial is reasonable [and rental price is not lower than the actual rental price paid to Yuen Yong Foam Industry Co.,Ltd.](#) The Board of Directors meeting has approved this transaction regarding the renew land rental agreement made between Panjawattana Plastic Public Company Limited with PJ Composites Co.,Ltd.

6. 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