

- Translation -

11 June 2020

Subject : Disclosure of connected transaction by a subsidiary

Attention : President

The Stock Exchange of Thailand

Vanachai Group Public Company Limited "VNG" would like to disclose the connected transaction for warehousing service between Vanachai Panel Industries Company Limited (a subsidiary which VNG hold 99.99% of the paid-up shares) with Doctorwood Company Limited (related company). Transaction details are follow as:

1. The date on which the transaction occurred:

1 June 2020

2. The parties involved:

<u>Name</u>	<u>Relationship with the company</u>
Lessee : Vanachai Panel Industries Co., Ltd.	a subsidiary company
Lessor : Doctorwood Co., Ltd.	some shareholders and directors of VNG are also Doctorwood of shareholders and directors

3. The general characteristics of the transaction:

Vanachai Panel Industries Company Limited warehouses for one year from 1 June 2020 till 31 May 2021. The space as the place to stock the finished goods. The detail are follows:

- 3.1 Area 11,090 square meters located at T.Bangpakong, A.Bangpakong, Chachoengsao province
- 3.2 Area 15,760 square meters located at T.Bangpakong and T.Thaklam, A.Bangpakong, Chachoengsao province.

4. The total value of the consideration:

4.1 The value of transaction.

4.1.1 The service of warehouse at the rate 60 Baht per square meter per month, total 26,850 square meters, totaling 19,332,000 Baht for one year.

4.1.2 The service of loading up and loading down of goods and lifting of container of goods, to calculate from the pricing including operation costs amount 30,000,000 Baht per annum.

4.2 Payment term

4.2.1 Paying monthly service of warehouse amount 1,611,000 Baht per month.

4.2.2 Paying monthly service of loading up and loading down of goods and lifting of container of goods amount 2,500,000 Baht per month.

5. Method use in calculation of value:

The mentioned service rate of warehouse is set from the market price - evaluated by The Valuation & Consultants Company Limited.

Assessor	The Valuation & Consultants Company Limited
Method of Valuation	Market Comparison Approach

6. Transaction Volume

6.1 The above transaction is conformed to the related transaction which is the common supporting business that is not in accordance with the market terms. The transaction is in medium size which has value more than 0.03% but less than 3% of book value of net tangible assets (the reviewed of the consolidated financial statements as at 31 March 2020). 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 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
1. VNG and subsidiaries trade among related companies.	25 Feb. 2020	43,000,000.00	0.701% as at 31 Dec.2019
2. Vanachai Panel Industries Co., Ltd. uses the service from Doctorwood Co., Ltd. to store goods in warehouse.	11 June 2020	19,332,000.00	0.325 % as at 31 Mar. 2020
3. Vanachai Panel Industries Co., Ltd. uses the service from Doctorwood Co., Ltd. for loading up and loading down of goods and container lifting.	11 June 2020	30,000,000.00	0.504% as at 31 Mar. 2020
Total		92,332,000.00	1.530%

6.2.2 The receipt of financial assistance

Transaction	Release Date	Value (Baht)	Transaction Size% VS NTA financial statements for the period
Vanachai Panel Industries Co., Ltd. borrow a loan from Doctorwood Co., Ltd	17 Mar. 2020	588,082.19	0.01% as at 31 Dec.2019
Total		588,082.19	0.01%

7. **The list of committees and related shareholders:**

Vanachai Group Public Company Limited (as at 11 June 2020)

<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	31,500,000	2.01
3. Mr. Vasun Jaroenavarat	-	31,500,000	2.01
4. Mr. Wanthana Jaroennawarat	Managing Director	31,500,000	2.01
5. Mr. Suthep Chaipattananavich	Director	-	-
6. Mrs. Siriporn Chaipattananavich	-	31,500,000	2.01
7. Mr. Patta Sahawat	Director	31,500,000	2.01
8. Ms. Phattra Sahawat	Director	31,500,000	2.01
9. Mr. Somprasong Sahavat	Director	31,500,000	2.01
10. Ms. Somjairak Sahavat	-	31,500,000	2.01
11. Mr. Sittiwat Sahawat	Director	31,500,000	2.01
12. Ms. Nipapat Sahawat	-	31,500,000	2.01

Vanachai Panel Industries Company Limited (as at 11 June 2020)

<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	-	1	-
4. Mr. Wanthana	Jaroennawarat	Managing Director	1	-
5. Mr. Suthep	Chaipattananavich	Director	-	-
6. Mrs. Siriporn	Chaipattananavich	-	1	-
7. Mr. Patta	Sahawat	Director	-	-
8. Ms. Phattra	Sahawat	Director	1	-
9. Mr. Somprasong	Sahawat	Director	1	-
10. Mr. Sittiwat	Sahawat	Director	-	
11. Vanachai Group Public Company Limited			429,999,993	99.99

Vanachai Intertrading Group Company Limited (as at 11 June 2020)

<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	Sahawat	Director	1,150,000	10
10. Ms. Somjairak	Sahawat	Director	1,150,000	10
11. Mr. Sittiwat	Sahawat	-	1,150,000	10
12. Ms. Nipapat	Sahawat	-	1,150,000	10

Doctorwood Company Limited (as at 11 June 2020)

<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	Director	1	-
5. Mr. Suthep Chaipattanavanich	Managing Director	-	-
6. Mrs. Siriporn Chaipattanavanich	Director	1	-
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		231,243	99.99

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 a subsidiary because it's required to using service of related company concerned for loading and lifting containers of goods. To prepare and delivery of finished goods for overseas exporting. Hence, this commitment is reasonable and find a purpose the best benefits of us. Rental rates determined by the market value appraised by the Valuation & Consultants Co., Ltd.

Please be acknowledged for your information

Yours Sincerely

(Mr.Wanthana Jaroennawarat)

Director