

GUNKUL 64/135

10<sup>th</sup> November 2021

**Subject:** Disclosure on Connected Transaction of Land Lease

**To** : Managing Director of Stock Exchange of Thailand

The Board of Directors Meeting of Gunkul Engineering Public Company Limited ("the Company") No. 9/2021 held on 10<sup>th</sup> November 2021, has a resolution of the meeting regarding the connected transaction regarding the land lease by approving the subsidiary to enter into a land lease agreement with Great Miracle Asset Co., Ltd. for using as an office. The lease term is 22 years (including construction period) from 1<sup>st</sup> January 2022 – 31<sup>st</sup> December 2043, with total rental value approximately 50,500,000.00 baht. This is considered a connected transaction according to the Notification of the Stock Exchange of Thailand. The details of the information are as follows.

**1. Transaction Date** : 1<sup>st</sup> January 2022 – 31<sup>st</sup> December 2043

**2. Contractual Parties**

Lessee : GUNKUL's Subsidiary

Lessor: Great Miracle Asset Co., Ltd ("GMA"), which owns land.

Business of the lessor : Develop allocate and lease the real estate.

**Relationship:**

Name	Relationship	GMA	GUNKUL / subsidiaries
1. Mr. Gunkul Dhumrongpiyawut	Authorized Directors	√	-
	Shareholder	√	√ (328,696,670 shares) *
2. Miss Sopacha Dhumrongpiyawut	Authorized Directors	-	√
	Shareholder	√	-
3. Miss Naruechon Dhumrongpiyawut	Authorized Directors	-	√
	Shareholder	√	√ (431,193 shares) **

The number of paid-up shares of GUNKUL is 8,882,530,974 shares.

\* From GUNKUL shareholders' list as of 21<sup>st</sup> October 2021, holding 3.7005% of the paid-up capital.

\*\* From GUNKUL shareholders' list as of 21<sup>st</sup> October 2021, holding 0.0049% of the paid-up capital.

**3. Nature of transaction:**

The subsidiary will enter into a land lease agreement totaling 1 location, located at Dusit District, Bangkok Province for using as an office. The lease term is 22 years (including construction period) from 1<sup>st</sup> January 2022 – 31<sup>st</sup> December 2043, with total rental value approximately 50,500,000.00 baht.

**4. Total value and criteria used to determine the transaction value:**

The total value of the 22-year lease agreement (including construction period) has a transaction size of 50,500,000.00 baht or equivalent to 0.0057% of the Company's net tangible assets according to the financial statements as of 30<sup>th</sup> September 2021, amounting to 8,791,842,000.00 baht. The rental price is in accordance with the lease agreement agreed between each other.

The criteria that used to determine the total value of the transaction or the rental price are based on the market price or the fair price based on the appraised value from an independent appraiser. The terms of the contract are in accordance with normal conditions that can be compared with transactions with other unrelated parties.

**5. Attendance and voting at the meeting:**

Directors who are connected persons or directors who have conflicts of interest under Clause 2. did not attend the meeting and did not vote at the Board of Directors' meeting in considering the said agenda.

**6. Nature and scope of conflict of interest of connected persons in entering into the transaction:**

Such items have a total value of 50,500,000.00 baht, which is worth more than 20,000,000.00 baht and having the transaction size equal to 0.0057%, which is more than 0.03% but not more than 3% of the Company's net tangible assets according to the financial statements as of September 30, 2021. According to the criteria, a higher value is chosen as the item size, 0.0057%; therefore, it is considered as a connected transaction under the Notification of the Stock Exchange of Thailand; Subject: The Disclosure of Information and Practice of Listed Companies Concerning the Connected Transaction Type of "transactions related to assets or services: Level 2" that the Company is required to disclose information to the Stock Exchange of Thailand.

**7. Opinion of the Board of Directors Related to the Transaction:**

The subsidiary is necessary to lease land as part of the business operations of the Company and the Group, which such transactions are reasonable and the rental price is based on the market price or the fair price based on the appraised value from an independent appraiser. However, the terms of the contract are in accordance with normal conditions that can be compared with transactions with other unrelated parties.

**8. Opinions of the Audit Committee and / or Directors which are different from the opinion of the Board of Directors under Clause 7:**

-None-

Please be informed accordingly.

Sincerely yours,

(Mr. Somboon Aueatchasai)  
Chief Executive Officer

Miss Chantra Jongjamareeseethong / Miss Tanawan Patana-anek

Company Secretary / Assistant Manager, Company Secretary Section

Office of Chief Executive Officer

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