



M.D. 073 / 2021

June 23, 2021

Subject : Information on Connected Transactions

Dear : President of the Stock Exchange of Thailand

Kang Yong Electric Public Company Limited, hereby informs you the resolution of the Board of Executive Directors meeting on Wednesday 23 June, 2021, the connected transactions regarding rental or lease of immovable property of not exceed 3 years as followings :-

**Information Disclosure on Connected Transactions regarding rental or
Lease of immovable property of not exceeding 3 years
between
Kang Yong Electric Public Company Limited
and
Smile Super Express Company Limited**

- 1) **Transaction Date:** August 1, 2021 – July 31, 2023
- 2) **Connected Parties:** Kang Yong Electric Public Company Limited (KYE)
Smile Super Express Company Limited (SSE)

3) **Nature of the Transaction**

SSE has rented 2 buildings in the area of 15,068 sqm., located at 67 Moo 11, Debaratna Road Km 20, Bangchalong, Bangplee, Samutprakarn. For operating household electric appliance product warehouse including office for managing and controlling. The lease term is 2 years.

This transaction of lease out of the building was classified as a category 3 connected transaction, defined as a rental or lease of immovable property of not exceeding 3 years. According to the Notification of the Board of Governors of the Stock Exchange of Thailand, Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction B.E.2546

4) **Total value of the transaction**

Total rental amount is 1,431,460 Baht per month and 34,355,040 Baht for 2 years by financial statement as of March 31, 2021 are 0.68% of net tangible assets (NTA ended 31 March 2021 = Baht 8,344,158,325.60). The value of the transaction, less than 3% of net tangible asset. Therefore, the Company has to disclose the information to the SET.

5) Connected Resource.....



บริษัท กันยงอีเลคทริก จำกัด (มหาชน)
KANG YONG ELECTRIC PUBLIC COMPANY LIMITED

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A Group Company of



5) Connected Resource

SSE is an associated company that KYE is shareholder. KYE has entered into a joint venture with 2 subsidiaries of Mitsubishi Electric Corporation, which are

Mitsubishi Electric Kang Yong Watana Company Limited

Mitsubishi Electric Consumer Products (Thailand) Company Limited

where Mitsubishi Electric Corporation is also a major shareholder as KYE.

6) Reasonableness of transaction

The lease of buildings to SSE for use in its service provision is a reasonable transaction because KYE has hired SSE to provide it with this service and the results is that KYE's product management and storage cost incurred from commissioning SSE is lower than the cost of service hired from other outsourced supplier.

7) Opinion of the Boards of Executive Directors

The Board of Executive Directors agreed with the company to access the connected transaction as the above detailed because this is reasonable business transaction.

Yours sincerely,

Takenori Adachi

Vice Chairman of the Board of Directors

Corporate Strategic Planning Office

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