



บริษัท น้ำตาลขอนแก่น จำกัด (มหาชน)  
坤敬糖廠有限公司 (大眾)  
KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED

(Translation)

CS no. 099/2016

30 September 2016

Subject : Notification of Connected Transaction

To : The President  
The Stock Exchange of Thailand

Reference is made to the Board of Directors' Meeting No.7/2016 of Khon Kaen Sugar Industry Public Company Limited ("KSL") on 30 September 2016, which made a resolution to approval of the purchase of machinery, equipments, buildings and properties from KK Wood Industry Co., Ltd. ("KKI"). Such transaction is considered a connected transaction which needs to be disclosed to the Stock Exchange of Thailand under the relevant regulation. Details are as follows:

**1. Transaction Date**

1 November 2016.

**2. Related Parties**

KK Wood Industry Co. Ltd. ("KKI").

**3. Relationship**

KSL's major shareholders and directors hold more than 90% of KKI shareholding, with no common directors.

**4. General Characteristics of the Transaction**

KSL will purchase machineries, equipments, building and properties from KKI to conduct sugar sifting business to produce a special type of sugar. Details are as follows:

- |                            |          |                 |
|----------------------------|----------|-----------------|
| - machinery and equipments | value of | 33,614,500 Baht |
| - buildings and properties | value of | 20,570,000 Baht |

<b><u>Total</u></b>		<b><u>54,184,500 Baht</u></b>
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**5. Total Value of the Transaction**

- |                                  |  |
|----------------------------------|--|
| - Total value of the transaction | 54,184,500 (Fifty Four Million and One Hundred Eighty Four Thousand and Five Hundred Baht only). |
|----------------------------------|--|

- |                                      |   |
|--------------------------------------|---|
| - Basis for the value of transaction | Reference to the appraisal reports of the SEC approved independent appraiser, UK Valuation and Agency Co., Ltd., using the method of Depreciated Replacement Cost). |
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## **6. Objectives of Purchase**

- (1) To create opportunity for increase of income and continual return of investment.
- (2) To accommodate customers' needs for special type of sugar.
- (3) To increase long term competitive potential.

## **7. Funding source**

KSL's working capital.

## **8. Size of Transaction**

KSL will purchase machinery, equipments, buildings and properties from KKI value of 54,184,500 Baht. Based on the latest audited consolidated financial statements of KSL as of 31 July 2016, the total size of such transaction is equivalent to 0.40% of KSL's net tangible assets. Therefore, such transaction is regarded a connected transaction under the Notification of the Capital Market Supervisory Board No. Thor Jor. 21/2008 re: Rules on Connected Transactions and the Notification of the Board of Governors of the SET re: Disclosure of Information and Other Acts of Listed Companies concerning Connected Transactions B.E. 2546 which requires approval from the Board of Directors and disclosure to the SET. This transaction size, however, does not meet the minimum size for disclosure to the SET under the Notification of the Board of Governors of the SET re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547.

## **9. Opinion of the Board of Directors.**

The Audit Committee and the Board of Directors, not including the directors who have interest in the transaction, resolve that the purchase of such assets would benefit the KSL in such a way to facilitate the business expansion and to increase long term competitive potential.

## **10. Opinion of the Audit Committee which is different from the opinion of the Board of Directors.**

None.

KSL hereby reports the information on such connected transaction to the Stock Exchange of Thailand for disclosure to the public.

Sincerely yours,

*-Signature-*

(Mr. Dhajjai Subhapholsiri)

Company Secretary



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