



บริษัท วนชัย กรุ๊ป จำกัด (มหาชน)
VANACHAI GROUP PUBLIC COMPANY LIMITED

สำนักงาน : 2/1 ถนนวงศ์สว่าง แขวงวงศ์สว่าง เขตบางซื่อ กรุงเทพมหานคร 10800 โทร. 0 2913 2180-9, 0 2585 4900-3 แฟกซ์ : 0 2587 0516, 0 2587 4732

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Minutes of Annual General Meeting of Shareholders 2024

of

Vanachai Group Public Company Limited

This Annual General Meeting of shareholders of Vanachai Group Public Company Limited is held on Wednesday, 24 April 2024 at 10.00 hrs., at Phra Visanu Room, 3rd Floor, The Asawin Grand Convention Hotel at No. 88 Vibhavadi Rangsit Road (Kamphaeng Phet 6), Kwaeng Talad Bangkhen, Khet Laksi, Bangkok.

Company has set date to determine list of shareholders who can participate the Annual General Meeting 2024. On 18 March 2024 (Record Date), Mr. Aruck Tungtrakool, Company Secretary announces at the early meeting that 24 shareholders attend the meeting by themselves and they have 308,592,858 shares. There are 16 proxies attend the meeting and they have 1,167,920,774 shares. Consequently, total shareholders and proxies who attend this meeting are 40 people have 1,476,513,632 shares in total, that is 85.09000% of total shares which have already been sold in total of 1,735,237,480 shares. These would therefore be considered as a full quorum in accordance with company regulation clause No. 26 - "requiring shareholders and proxies of shareholders who attend meeting (if any) not less than 25 persons or not less than half of total number of shareholders. And there must be cumulative shares not less than 1/3 of total number of shares which have already been sold. These would therefore be considered as a full quorum.

Company Secretary makes an announcement introducing board of directors, management executives, auditor and legal consultant who are listed as follows;

Board of Directors consists of 15 members and 14 members (in 93.33%) participated the meeting;

1. Mr. Sompop	Sahawat	Chairman
2. Police General Soontorn	Saikwan	Independent Director and Audit Committee
3. Mr. Suebtrakul	Soonthornthum	Vice Chairman and Independent Director
4. Mr. Kraithip	Krairiksh	Chairman of the Audit Committee and Independent Director
5. Mr. Praphan	Anaman	Independent Director and Audit Committee
6. Ms. Yupaporn	Boongate	Vice Chairman
7. Mr. Wanthana	Jaroennawarat	Managing Director
8. Mr. Suthep	Chaipattanavanich	Director
9. Mr. Patta	Sahawat	Director
10. Ms. Phattrat	Sahawat	Director

11. Mr. Somprasong	Sahavat	Director
12. Mr. Sittiwat	Sahawat	Director
13. Mr. Surapong	Dumrisilp	Director
14. Mr. Vichai	Nivespathomwat	Director

Absence director: Police General Visanu Prasattongsoth, Independent Director and Audit Committee

The company has no other subcommittee.

Executives who attend the meeting:

1. Mr. Wanthana	Jaroennawarat	Managing Director
2. Mr. Somprasong	Sahavat	CFO
3. Mr. Aruck	Tungtrakool	Company Secretary
4. Mrs. Prapaporn	Sringam	Executive Manager

The auditor who attends the meeting:

Mr. Ampol Chamnongwat Certified Public Accountant No. 4663, the company's auditor in 2023, is from SAM NAK-NGAN A.M.C. Company Limited.

To comply with good guidelines for shareholders meeting of listed company in vote counting of this meeting, the company therefore invites representatives from Dharmniti Law Office Company Limited, the legal advisor, to be responsible for vote counting and to supervise this shareholder meeting in accordance with laws and company regulations.

Legal Consultant

Mrs. Phatcharawadi Boonpaniad Dharmniti Law Office Company Limited

The Company's Secretary informed the Meeting that under Article 27 of the Articles of Association of the Company which relates to the general meeting of shareholders and voting procedures, one share carries one vote, and that resolutions of the general meeting of shareholders shall be passed for each agenda item by the following votes:

Agenda items 1, 3, 4, 5, 6 and 7 shall be approved by resolutions of the general meeting of shareholders by majority votes of shareholders who attend the Meeting and cast their votes.

Agenda items 8 shall be approved by resolutions of the general meeting of shareholders by a vote of no less than three-fourths of the total number of votes of shareholders who attend the Meeting and are entitled to vote.

The company may inform the voting practice as follows:

1. In voting, each agenda is in practice of raising hands. In case of any disapproved or abstained, shareholders would fill in the ballot paper which is given by the officers at registration. The officers will collect ballot paper only when there are disapproved and abstained. However, this is apart from the agenda 5 on the consideration of director election to replace the directors who retired by rotation - the officers would collect all ballots of approved, disapproved and abstained.
2. In vote counting, the company will deduct the number of disapproved and abstained votes from the total votes which present at the meeting. The remainder will be taken as the affirmative votes subjected to that meeting. In addition, the votes of shareholders who have given their intentions in accordance with the proxy form will also be counted as specified.

The company informs shareholders for acknowledgement as follows:

Company Secretary informs the meeting that after the company has offered shareholders to propose agenda for the Annual General Meeting of Shareholders 2024 and to send candidates for board members election in advance between 1 October 2023 to 31 December 2023 - there are no shareholders proposing any agenda or any candidates.

After Company Secretary has already informed on voting method and other various matters at the meeting, Mr. Sompop Sahawat, Chairman of the meeting, is later invited to open the meeting.

Mr. Sompop Sahawat, Chairman of the meeting, welcomes and thanks all shareholders for their attendance, and opens the meeting. Chairman delegates Mr. Aruck Tuntrakool, Company Secretary, to conduct the meeting.

Company Secretary commences the meeting regarding the agenda as follows;

Agenda 1 To consider and certify the Minutes of the Annual General Meeting of Shareholders 2023 held on 24 April 2023

Company Secretary proposes the meeting on Minutes of the Annual General Meeting 2023 held on 24 April 2023 for verification - according to the report of the Annual General Meeting of Shareholders 2023 which has been distributed to shareholders along with meeting invitation letter (see Enclosure 2).

The meeting has no further questions.

Company Secretary proposes the meeting to consider certifying the minutes of the Annual General Meeting of shareholders 2023 which held on 24 April 2023.

In this agenda, there is 4 additional shareholder (holding 592,000 shares), and the total number of shareholders is 44 persons (total shares in this agenda are 1,477,106,032 shares).

The meeting has consideration, and the voting is as follows;

Approved	1,477,106,032	Votes	equivalent to	100.00000%
Disapproved	0	Votes	equivalent to	0.00000%
Abstained	0	Votes		
Void Ballots	0	Votes		

The meeting has unanimous solution and approves the minute of the Annual General Meeting 2023 held on 24 April 2023 in accordance with the chairman representative proposes.

Agenda 2 To acknowledge the Annual Report 2023 of the Board of Directors

Company Secretary requests Managing Director, Mr. Wanthana Jaroennawarat, to report to the meeting for acknowledgement on company performance for the year 2023. The report can be summarized as follows;

1. Financial status summary year 2023 compared to year 2022 - based on consolidated financial statements.
 - The company and the subsidiaries have total assets 18,568 million Baht (1,560 million Baht decrease), total liabilities 11,234 million Baht (1,425 million Baht decrease), total shareholders' equity 7,334 million Baht (135 million Baht decrease).
2. Information analysis on company performance year 2023 compared to year 2022 is as follows:
 - The company and the subsidiaries have income from the total sales 14,148 million Baht (1,010 million Baht increase), cost of sales 11,822 million Baht (1,268 million Baht increase), gross profit 2,326 million Baht (258 million Baht decrease), and year profit of company shareholders 27 million Baht (690 million Baht decrease).
 - The company and the subsidiaries have year profit 45 million Baht comparing to year 2022 when year profit was 742 million Baht (697 million Baht decrease or in 94%). The major reasons of the decrease are as follows;
 1. Total sales revenue increased by 1,010 million Baht, because the sales volume of MDF Board and Particleboards increased by 28% and 18%, respectively. Meanwhile, the average selling price of MDF Board and Particleboard decreased by 13% and 17%, respectively.
 2. Cost of sales in 11,822 million Baht increases in 1,268 million Baht; due to increasing sales volume.

- Company in the group have production capacity to produce MDF Board in equivalent to 1,380,000 cubic meters per year.

In 2023, company in the group have actual production at 1,392,907 cubic meters compared to year 2022 on the actual production of 1,229,711 cubic meters. The increased production of 163,196 cubic meters is equivalent to 13%.

- Company in the group have production capacity to produce Particle Board in equivalent to 840,000 cubic meters per year.

In 2023, company in the group have actual production at 685,571 cubic meters compared to year 2022 on the actual production of 576,442 cubic meters. The increased production of 109,129 cubic meters is equivalent to 19%.

3. The expenses of project investment year 2023 are as follows:

Solar Roof installation investment project at Saraburi plant (Phase 3 and 4), which has been operated by Vanachai Group Public Company Limited on 63 million Baht investment with total electrical capacity in total of 1.801 MWp, will be able to operate in the 2nd quarter of year 2024. This mission will create electrical capacity from Solar Rooftop in 15.204 MWp for the company and the subsidiary companies.

4. For anti-corruption policy year 2023, the company insists the directors, managements and company employees on anti-policy practice that there will be no giving, offering or receiving any assets, gifts, hospitality or any expenses from customers/business alliances or any people who are involved with company business that could affect the decision making on the performances with bias/ hesitation/ conflict of interest. And informing letters have been given to stakeholders of all companies for cooperation in refraining from giving gifts on all occasions.

At the meeting, there are some questions and the company informs as follows;

- Mr. Nirun Jitprakorb, shareholder, questions on information of Vanachai Energy Industries Company Limited (subsidiary); how much approximate revenue is, and whether the company would increase electrical capacity same as Vanachai Energy Industries Company Limited.
- Mr. Wanthana Jaroennawarat, the Managing Director informs as follows;

Vanachai Energy Industries Company Limited (subsidiary) engages in business of generating electricity from biomass fuel - located at Surat Thani plant. Its fuel is mainly from wood bark and wood dust which generate electricity in 9.9 MW; 8.1 MW to Vanachai Panel Industries Company Limited (subsidiary) at Surat Thani plant and the remaining of 1.8 MW for internal operation. Company additionally has further project at another plant on behalf of Vanachai Energy Industries Company Limited to produce more electricity from biomass fuel on the capacity of 9.9 MW - this mission is still on EIA process.

- Mr. Paiboon Paspornthong, shareholder, questions on company operation of Vanachai Energy Industries Company Limited (subsidiary) - how it can save money value or increase more profits.
- Mr. Wanthana Jaroennawarat, the Managing Director informs as follows;

Vanachai Energy Industries Company Limited has operation performance year 2023 in profits approximately 120 million Baht - this reflects that the company saves electricity expense. As a result, profits in the consolidated financial statements also increase to the company and its subsidiaries. In addition, electricity selling price of Vanachai Energy Industries Company to Vanachai Panel Industries Company Limited refers to the same electricity selling price of Provincial Electricity Authority which generates to Vanachai Panel Industries Company Limited. For prices of wood bark and wood dust, bought from Vanachai Panel Industries Company Limited, which are the main cost to produce electricity for Vanachai Energy Industries Company Limited - price will be referred to market price without cost of transportation since both companies are located within the same plant. Obviously, this can also reduce cost of fuel which is the main cost in electricity operation.

For Solar Rooftop installation investment will be electricity cost saving at Chonburi, Saraburi and Surat Thani plants where Solar Rooftop are installed. Furthermore, cost of investment to install Solar Rooftop will have privilege from BOI that is half of the investment value can be used as a deduction for the corporate income tax which the company must pay - this will save investment cost and have payback period on each project investment approximately within 3.5 years.

The meeting has acknowledged the company performances according to Annual Report year 2023 of Board of Directors.

Agenda 3 To consider and approve the company's balance sheet and income statements for the fiscal year ended 31 December 2023

Company Secretary informs details of company balance sheet and income statements for the year ended 31 December 2023 which has been audited and verified by Certified Public Accountant ("CPA"), and has been reviewed by the audit committee and approved by Board of Directors. Details can be summarized as follows;

1. For summary balance sheet of the company as of 31 December 2023 compared to year 2022; the company has total assets 11,377 million Baht (51 million Baht decrease), total liabilities 4,098 million Baht (304 million Baht decrease) and shareholders' equity 7,279 million Baht (253 million Baht increase).

2. The company income statements for the year 2023 compared to year 2022, the company has sales revenue 5,434 million Baht (191 million Baht increase), cost of sales 4,401 million Baht (375 million Baht increase), gross profit 1,033 million Baht (184 million Baht decrease) and total comprehensive income for the year 426 million Baht (197 million Baht decrease).

The meeting has no further questions.

Company Secretary proposes the meeting to approve the balance sheet and income statements year 2023 which is ended as of 31 December 2023.

The meeting has consideration, and the voting is as follows;

Approved	1,477,033,232	Votes	equivalent to	100.00000%
Disapproved	0	Votes	equivalent to	0.00000%
Abstained	72,800	Votes		
Void Ballots	0	Votes		

The meeting has unanimous solution and approves company balance sheet and income statements for the year ended 31 December 2023 as proposed by the representative of meeting chairman.

Agenda 4 To consider approve the allocation of profit for the 2023

Company Secretary informs the meeting that the consolidate financial statement of the Company for accounting period year 2023 for the year ended 31 December 2023, the company and its subsidiaries have performance with profit for the year - attributable to the shareholders of the company, in the amount of 26,658,755.52 Baht.

The Board considered and requested that the meeting for approval on dividend allocation in 0.02 Baht per share. This is subjected to shares entitled to receive dividends in 1,735,237,480 shares in total of 34,704,749.60 Baht which is 130.18% of year profit. This amount refers to the consolidated financial statements year 2023 of the company shareholders which corresponds to the company dividend policy to pay dividend no less than 40% of the net profit of the consolidated financial statements on each period - after deducting all reserves which law and the company have set. This also includes deficit (if any). Nonetheless, there are some factors - such as statutory requirements, financial condition, cash flow, liquidity, terms and conditions of the contract, the investment plan of the company and the subsidiaries, and all any future necessities - to be in consideration. The payment is due on 17 May 2024.

The meeting has no further questions.

Company Secretary proposes the meeting to approve profit allocation of year 2023.

In this agenda, there is 1 additional shareholder (holding 40,000 shares), and the total number of shareholders is 45 persons (total shares in this agenda are 1,477,146,032 shares).

The meeting has consideration, and the voting is as follows;

Approved	1,477,146,032	Votes	equivalent to	100.000000%
Disapproved	0	Votes	equivalent to	0.000000%
Abstained	0	Votes		
Void Ballots	0	Votes		

The meeting has unanimous solution and approves profit allocation of year 2023 as dividend and payment due on 17 May 2024 as proposed by the representative of meeting chairman.

Agenda 5 To consider and approve the election of directors replace those retiring by rotation

Company Secretary informs the meeting that, referring to Article No. 12 of the Company Regulations, at every Annual General Meeting of Shareholders, one-third of directors who retired by rotation could re-occupy the positions. Five directors who must retire by rotation in this time are listed as follows;

List of names		Position
1. Mr. Suebtrakul	Soonthornthum	Vice Chairman and Independent Director
2. Mr. Suthep	Chaipattanavanich	Director
3. Mr. Somprasong	Sahavat	Director
4. Mr. Sittiwat	Sahawat	Director
5. Mr. Vichai	Nivespathomwat	Director

The persons who have been nominated for this time have passed assessment process of the Board of Directors. Those nominated persons are in qualification and appropriate for the company business.

Company Secretary informs the meeting that the company gives shareholders an offer to propose list of shareholders to be considered for Board of Director election in the Annual General Meeting of Shareholders year 2024 from 1 October 2023 to 31 December 2023. However, there are no listed names being proposed by the shareholders to be considered for Board of Directors election.

To select directors, apparently the process is not through nomination committee since the company has not yet appointed any nomination committee. Nonetheless, Board of Directors has considered criteria in various aspects including qualifications, business experiences related to the company operation, expertise from a variety of professions, and also their previous performances as directors.

Board of Directors has made consideration that the persons being proposed to be independent directors are qualified conforming to law with requirements relating to independent directors.

Board of Directors considers Mr. Suebtrakul Soonthornthum, who are qualified as Independent Directors with more than nine years of directorship, are capable for giving self-sufficient advices and their qualifications are in accordance with relevant rule and regulations. They, as the directors, have brought their knowledge and expertise for valuable guidance to the company business.

Board of Directors has considerations and has approval to elect five directors who retired by term to return to be directors in another term. In terms of information of their history, information of holding ordinary shares in the company, information of Board of Directors or executive positions in any listed companies/ companies/ other enterprises - all these details are defined in the meeting invitation letter page 20 - 27 for participants of shareholder meeting to consider an election regarding directors who retired by term return to be directors for another term.

The meeting has no further questions.

Company Secretary proposes the meeting to approve the election of directors who retired by rotation to return as directors for another term.

The meeting has consideration, and the voting is as follows;

Name of Director	Type of Director	Approved equivalent to	Disapproved equivalent to	Abstained	Void Ballots
1. Mr. Suebtrakul Soonthornthum	Vice Chairman Independent Director	1,477,115,912 99.99796%	30,120 0.00204%	0	0
2. Mr. Suthep Chaipattananavich	Director	1,470,933,752 99.57944%	6,212,280 0.42056%	0	0
3. Mr. Somprasong Sahavat	Director	1,470,933,752 99.57944%	6,212,280 0.42056%	0	0
4. Mr. Sittiwat Sahawat	Director	1,470,938,192 99.57974%	6,207,840 0.42026%	0	0
5. Mr. Vichai Nivespathomwat	Director	1,477,114,032 99.99783%	32,000 0.00217%	0	0

The meeting solution, by the majority votes of shareholders who attend the meeting and cast their votes, approves all 5 directors to return their positions for another term as proposed by the representative of meeting chairman.

Agenda 6 To consider and approve the remuneration of directors

The company secretary informs at the meeting concerning the company clause no.13 and Public Company Limited Act year 1992 on section 90 that directors have rights to receive remuneration from company in money rewards, meeting allowance, gratuity, bonus or other benefits which have been approved by the meeting of shareholders.

The company secretary informs at the meeting concerning director's remuneration in 2023, and the company already paid 4,440,000 Baht which includes monthly compensation and annual rewards - details are as specified in the annual report on page no. 83 under clause monetary remuneration (1) director's remuneration. And referring to the Annual General Meeting of Shareholders year 2023 held on 24 April 2023, the payment of director's remuneration was approved not more than 6,000,000 Baht.

In year 2024, Board of Directors reviews the compensations for independent directors and also audit committee of not more than 6,000,000 Baht. This is in equivalent to year 2023. The details are as follows;

Monthly compensation per year not more than 3,300,000 Baht

Yearly gratuity not more than 2,700,000 Baht

The Chairman shall consider the allocation of the amount.

There are no any additional privileges for the directors - except for the monthly compensation and annual bonus.

The meeting has no further questions.

Company Secretary proposes the meeting to approve the directors remuneration for year 2024.

The meeting has consideration, and the voting is as follows;

Approved	1,477,116,032	Votes	equivalent to	99.99797%
Disapproved	30,000	Votes	equivalent to	0.00203%
Abstained	0	Votes		
Void Ballots	0	Votes		

The meeting solution, by the majority votes of shareholders who attend the meeting and cast their votes, approves the payment of directors' remuneration for year 2024 of no more than 6,000,000 Baht that includes monthly remuneration and annual bonus for Independent Directors and Audit Committees as proposed by the representative of the meeting chairman. The Chairman will subsequently consider the allocation.

Agenda 7 To consider and approve the appointment of the company's auditors and determine the audit fee for year 2024

Company Secretary informs the meeting that to comply with the company regulations in clause no. 29 to no.33 and Public Company Act, B.E. 2535 section 120, the Annual General Meeting of Shareholders, would need to appoint company auditor and to determine the audit fees amount every year. And to reappoint the same auditor, this is also acceptable.

Audit committees have reviewed to select company auditor from SAM NAK-NGAN A.M.C. Company Limited to be the company auditor of year 2024. This is due to the fact that SAM NAK-NGAN A.M.C. Company Limited has audited the financial statements for the company and the subsidiaries in consecutive years, and SAM NAK-NGAN A.M.C. is able to give feasible advices to the company throughout the years. The remuneration has been subsequently reviewed for the auditor year 2024 in 955,000 Baht, which has increased from year 2023 in 38,000 Baht or 4.14%.

Board of Directors meeting agrees on the suggestions of the Audit Committees and approves on appointing the company auditor with audit expense of year 2024. The details which are proposed to the shareholders are clarified as follows;

1. Board of Directors, with suggestions from the Audit Committee, proposes to appoint the following auditors from SAM NAK-NGAN A.M.C. Company Limited as the company auditor for the fiscal year 2024. List of names is as follows;

1. Mr. Ampol Chamnongwat CPA. No. 4663 or
(He signed to certify the Company's financial statements for the years 2018-2023, totaling 6 years).
2. Ms. Praphasri Leelasupha CPA. No. 4664 or
(She signed to certify the Company's financial statements for the years 2013-2017, totaling 5 years).
3. Mr. Naris Saowalagsakul CPA. No. 5369 or
(He has never signed to certify the Company's financial statements).
4. Ms. Gunyanun Punyaviwat CPA. No. 12733 or
(She has never signed to certify the Company's financial statements).
5. Mr. Burin Prasongsamrit CPA. No. 12879
(He has never signed to certify the Company's financial statements).

The above proposed auditors are autonomous and do not have any interest that could result in the conflict of interest with the company/ subsidiary companies/ executives/ major shareholders or related persons.

2. The approval on auditing fees for company financial statements year 2024 is 955,000 Baht, which has increased from year 2023 in 38,000 Baht or 4.14%.

Company Secretary informs the meeting on audit fee and review fee of company consolidated financial statements for the year 2024 in 400,000 Baht. Audit fee and company financial statements review fee of 9 subsidiaries are in total of 2,825,000 Baht. Therefore, the total audit fees for the company and the subsidiaries are 4,180,000 Baht. These audit fees include audit service and other services such as audit as per requirement from Board of Investment (BOI) for the company and 1 subsidiary which costs 140,000 Baht. The total amount is 4,320,000 Baht.

The meeting has no further questions.

Company Secretary proposes the meeting to approve the company auditor selection and identify audit fee for year 2024.

In this agenda, there is 1 additional shareholder (holding 6,000 shares), and the total number of shareholders is 46 persons (total shares in this agenda are 1,477,152,032 shares).

The meeting has consideration, and the voting is as follows;

Approved	1,477,152,032	Votes	equivalent to	100.000000%
Disapproved	0	Votes	equivalent to	0.000000%
Abstained	0	Votes		
Void Ballots	0	Votes		

The meeting has unanimous solution and approves to appoint Mr. Ampol Chamnongwat (CPA. No. 4663) or Ms. Praphasri Leelasupha (CPA. No. 4664) or Mr. Naris Saowalagsakul (CPA. No. 5369) or Ms. Gunyanun Punyaviwat (CPA. No. 12733) or Mr. Burin Prasongsamrit (CPA. No. 12879) from SAM NAK-NGAN A.M.C. Company Limited to be the company auditor for the fiscal year 2024 and to receive the audit fee in 955,000 Baht as proposed by the representative of meeting chairman.

The meeting acknowledges the audit fee and review fee of the company consolidated financial statements for the year 2024 in total of 400,000 Baht. The meeting also acknowledges the audit fee and financial statements review fee of 9 subsidiaries in total of 2,825,000 Baht. The total audit fee of the company and the subsidiaries is 4,180,000 Baht. The mentioned audit fee is the audit fee service and other services which the audit fee is required by Board of Investment (BOI) for the company and 1 other subsidiary in 140,000 Baht. The total is 4,320,000 Baht.

Agenda 8 Other

At the meeting, there are enquiries and recommendations as follows;

- Mr. Niran Jitprakorb, shareholder, inquires as follows;

1. Questioning on business performance year 2023 which has less net profit from year 2022, and questioning on business performance direction of the 1st quarter year 2024 and the entire year 2024.

- Mr. Wanthana Jaroennawarat, the Managing Director informs as follows;

Business performance year 2023 has profit decreased from year 2022 - this could be explained in overall details that MDF Board and Particleboard which are the main company revenue has been effected. MDF Board has market share in the middle east where the market has major demand, but in year 2023, there are impacts from war and transportation cost has increased. In practice, the approximate selling price and transportation cost generally have to be agreed in 2-3 months before delivery - but when delivery is due while transportation cost increases, the selling price obviously has to be reduced. Consequently, the average selling price of year 2023 has tremendously decreased from year 2022.

Year 2024, company has adapted to and closely followed situations in order to estimate selling price to be consistent with the situation - however, this must also be in consideration not to offer over selling price while market is still competitive. Otherwise, company product will not be able to compete in the market. In the 1st quarter of year 2024, MDF Board is still in good situation while Particleboard has been impacted since COVID-19 until today. Particleboard should have reach at the lowest point in 2023 and its situation should gradually improve.

Company just has launched new product called OSB. During its installation and machine assessment, there was COVID-19, the operation project obviously has to be relatively extended. And when our production can be operated, there is another market problem; OSB producers in Europe and Russia export OSB to sell in South Korea where is also our main company market. Therefore, this market is rather competitive while the selling price has decreased in year 2023. The company uses only 30% from total production to produce OSB. Situation from now should improve as the international market starts to improve - especially in China where there are more needs. In term of domestic market where sales volume is still limited, the market eventually has been expanding. All these should give better progress direction.

In term of retail through branches of Vanachai Woodsmith Company Limited (subsidiary), operated since year 2020, there is an impact from COVID-19 during 2021 - 2022 and to open more branches have to be delayed. At present, there are approximately 40 branches operating while the target is to reach 60 branches for break-even point.

Year 2024 operation is expected for better performance than year 2023.

- Mr. Paiboon Paspanthong, shareholder, inquires as follows;

1. According to financial statements, company has revenue from overseas sales in more than 80% of total sales revenue. Hence, there is risk on exchange rate from export sales which is in foreign currency. This is also loan risk from financial institutes in Thai Baht currency. If we rather loan in US dollar from financial institutes, would this protect exchange rate risk in certain level?

- Mr. Wanthana Jaroennawarat, the Managing Director informs as follows;

We have studied and discovered that loan from financial institutes in Baht currency gives significant less loan interest than to loan in US dollar. For risk of the exchange rate from importing major raw material, the company rather purchases raw material within the country - therefore, risk from import is least. This matter can also be compensated with export sales. Loaning in Baht currency is apparently the best solution.

2. According to the annual company performance each year, net profit has been exceedingly fluctuated. What would be the company directions for better consistent net profit and for shareholders with better returns.

- Mr. Wanthana Jaroennawarat, the Managing Director informs as follows;

In the past years, company rather invests in projects of main product in order to remain as market leader in industrial producer of MDF Board and Particleboard, and also to create company growth - these consequently have created more loan debt from investment projects. At present, investment in such major products have been decreased. And for better performance and consistency - the company rather invests in finished goods which require not much financing. The market of company major products, which are raw material of continuous industry, depend on timing that the selling price of products varies and depends on market competition - these, obviously, cause uncertain profit rate. In contrary, the profit rate of finished goods, such as Laminated Flooring, is rather stable - however, the sales ratio is still not extensive and sales needs to be reinforced. In order to have invariable profit margin, finished goods would need to generate more sales through branch retails and OEM. And in term of long-term loan debt, due between 3-5 years from now, the company will further collect benefits from the investment.

3. In order to decrease cost and increase production capacity, whether the company has any investment plans in automatic machinery to replace workforce.

- Mr. Wanthana Jaroennawarat, the Managing Director informs as follows;

Company has already invested in automatic and modern technology for production which particularly require less manpower.

The meeting is closed at 11.10 hrs.

Signature _____ - Signed - _____ Chairman of the meeting
(Mr. Sompop Sahawat)