

No. Kor Bor Ror. 006/2014

May 8, 2014

President

The Stock Exchange of Thailand

Sub : Approval for the provision of business consultancy service and warehouse management service to connected party

Dear Sir,

Please be hereby informed that, Thai Wacoal Public Company Limited has adopted the resolution at its Board of Directors' meeting no.1/2014 on May 8, 2014, authorizing the company to enter into an agreement for providing business consultancy service and warehouse management service, to Morgan De Toi (Thailand) Co., Ltd., a connected party to the company, according to the details as follows :

- (1) Transaction date : Within May, 2014
- (2) Parties involved
 - Service Provider : Thai Wacoal Co., Ltd.
 - Service Recipient : Morgan De Toi (Thailand) Co., Ltd., a connected party to the company
- (3) Transaction details
 - Transaction nature : Provision of business consultancy service and warehouse management service
 - Transaction period : For the period of 8 months (from May 1 – December 31, 2014)
 - Total transaction volume : Remuneration amount of Baht 3,920,000.- classified into:

- Business consultancy fee - Baht 3,640,000.
- Warehouse management fee - Baht 280,000.

Payment term : Monthly payment basis

Remuneration policy :

- **Business consultancy fee** : Depending on the nature and the complexity degree of such service
- **Warehouse management fee** :
Depending on the volume of delivered merchandise

Transaction rationale : To utilize available resources in an efficient manner contributing to further income for the company

(4) Details on relationship nature of connected parties :

: Both having Saha Pathana Inter-Holding Plc. acting as major shareholder

Saha Pathana Inter-Holding Plc. currently holding 21.26% shares in Thai Wacoal Plc. and 12.00% shares in Morgan De Toi (Thailand) Co., Ltd. respectively.

Directors with possible conflict of interests

Mr. Amnuay Bumroongwongtong
(Abstained during the voting session)

(5) General description of Connected Transaction

Type of transaction : Transactions relating to assets and services

Transaction volume : Above transaction came under the scope of connected transactions for listed companies as specified in The Notification of The Capital

Market Supervisory Board No. Tor Chor. 21/2551, regarding rules on connected transactions provided as transactions relating to assets and services having transaction volume of over Baht 1 million but less than Baht 20 million, or more than 0.03% but less than 3% of net tangible assets (NTA), whichever may be greater. Such 0.03% of NTA value by the company as of December 31, 2013, stood at Baht 1.49 million, as against 3% of said NTA of Baht 149.29 million. Accordingly, said transaction volume warranted the company to seek approval from The Board of Directors and to report said information to the SET, without having to seek further approval from the shareholders' meeting.

(6) Opinion by The Board of Directors : In support of the resolution authorizing the company to provide business consultancy service and warehouse management service to another party, by utilizing available resources in an efficient manner contributing to further income for the company. Furthermore, said transaction was considered to be well-justified in terms of cost basis and other factors concerned.

(7) Opinions by The Audit Committee and/or Director significantly different from those by The Board of Directors : - None -

The company hereby reports to the SET accordingly.

Faithfully yours,

Boondee Amnuayskul

(Mr. Boondee Amnuayskul)

Managing Director