



MANDARIN HOTEL

SINCE 1965

MAN011/2020

August 14, 2020

Subject: The connected transaction concerning the Mandarin Hotel hired Quality House Public Company Limited or subsidiary company to manage the Mandarin Hotel
Attention The President of the Stock Exchange of Thailand

Pursuant to the Board of Directors' meeting of the Mandarin Hotel Public Company Limited (the company) No.4/2020 on August 14, 2020 has passed the resolution to approve the Quality House Public Company Limited or its subsidiary (the Connected Company) to be hired to manage the Mandarin Hotel Bangkok The transaction is entering into the connected transaction as detailed following.

- Transaction Date** : The Board of Directors will determine the date of transaction after the approval from the Board of Directors' meeting.
- The connected parties** : The employer is Mandarin Hotel Public Company Limited (the Company)
The employee is Quality House Public Company Limited
or its subsidiaries of Quality House Public Company Limited (the Connected Company)
- The Characteristic of the transaction** : The Mandarin Hotel Public Company Limited hired the Connected Company to manage the Hotel for one year (from October 1, 2020 to September 30, 2021) with the right to extend the Contract upon the agreement. The connected company will receive the management fee equal 2% of the total revenue from operation of the Hotel which is approximately 8.16 million Baht for the period of one year. The Board of Directors empowered the President and Managing Director Miss Piengjai Harnpanich to have the authorize to negotiate and give a signature including the negotiation power to determine the management fee for the Hotel and other details as deemed appropriated.
- Total value of connected Transection** : The compensation of normal operation is 2 % of total revenue excluding some type of revenue that specified in the Hotel's management contract which is approximately 8.16 million Baht for one year.
The projection of the revenue from operation can be summarized as following:



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Year	(million Baht)	
	2020	2021
	Oct – Dec	Jan-Sep
Total Revenue	107	301

Criteria for determining remuneration :The remuneration is based on fees that the subsidiary generally charge to other companies. This is similar to remunerations paid by other companies to operators in the same business.

Details of connected persons

- 1 Miss Piengjai Harnpanich and the connected person are the major shareholders of the Mandarin Hotel Public Company Limited in the portion of 55.85 % and Miss Piengjai Harnpanich is in the position of Chairperson of the Board of Directors,
- 2 Miss Piengjai Harnpanich is the mother of Mr. Anant Asavabhokhin is the major shareholder of Land and House Public Company Limited, Land and House Public Company Limited is the major shareholder of connected company
- 3 Mrs. Suwanna Bhuddhprasart is Executive Director of Mandarin Hotel Public Company and Quality House Public Company Limited or subsidiary company (connected company).

Characteristics and scope of interests of connected person :The Connected Company will be hired to manage the Hotel and the hotel has the right to use the Brand Name Centre Point. The remuneration for normal operation for the period of one year in total amount of 8.16 million Baht.

Interested Directors

- 1 Miss Piengjai Harnpanich was not present in the meeting and she has no right to vote in this agenda.
- 2 Mrs. Suwanna Bhuddhprasart was not present in the meeting and she has no right to vote in this agenda.

Opinion of the Board of Directors :The Board of Directors' meeting considered that the entering into such a connected Transaction is reasonable and beneficially to the Hotel business and can increase more revenue for the Hotel. The brand name of " Centre Point " is well known for the target group of the Hotel will ensure to find more business for the Hotel



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Opinion of the Audit : The Audit Committee and /or the Company's Directors did not have any
Committee and / or different opinion of the Board of Directors.
the Company's Directors
which are different
from the Board of
Directors

Type of the transaction : The transaction is considered as a connected transaction in compliance with notification of Board of Directors of the Stock Exchange of Thailand Re: Disclosure of information and other Acts of Listed Company concerning the Connected Transaction BE 2546. This transaction is considered normal support business without any trade condition. The value of the connected transaction is equal 1.58 % of value of net asset of the company from financial statement of the company which has been audited by auditor on March 31,2020 which is more than 0.03% but less than 3% of non fixed asset. As of consideration the transaction size's value is not more than 20 million Baht. The size of transaction is important. Therefore the transaction has to be approved from the Board of Directors in the meeting and disclose the information of the transaction to the Stock Exchange of Thailand.

Please be informed accordingly.

Yours sincerely,

(Mrs. Suwanna Bhuddhprasart)

Executive Director