

- Translation -

No. GL/2019/009

8 August 2019

Subject: The Connected Transaction: The entering into the Service Agreement with Central Pattana Public Company Limited

To: The President
The Stock Exchange of Thailand

Enclosure: Information on the Connected Transaction: The entering into the Service Agreement with Central Pattana Public Company

According to the Board of Directors' Meeting No. 3/2019 of Grand Canal Land Public Company Limited (the "Company") held on 8 August 2019, the Board of Directors passed the resolution to approve the entering into the Service Agreement with Central Pattana Public Company Limited ("CPN"), a connected party, for business consulting, setting policies, as well as, advising on business operation. The agreement will be effective for two years from 1 January 2019 to 31 December 2020. Details are shown in the enclosure.

Your acknowledgment of these matters would be appreciated.

Sincerely,

-Somphoch Thitipalati-
(Mr. Somphoch Thitipalati)
Company Secretary

Information on the Connected Transaction

Re: The entering into the Service Agreement with Central Pattana Public Company Limited

1. Date, month, year of the Transaction

The Meeting passed the resolution on 8 August 2019 by setting the effective date of Service Agreement from and on 1 January 2019.

2. Name of related party and its relationship with the Company

Service receiver: Grand Canal Land Public Company Limited and its subsidiaries (the "Company")

Service provider: Central Pattana Plc. or its subsidiaries ("CPN")

Relationship: CPN is a major shareholder and controlling person of the Company, indirectly holding 4,389,418,545 shares or equal to 67.53% of the total issued and outstanding shares of the Company through CPN Pattaya Company Limited.

3. General characteristics of the transaction

The Company will engage CPN to provide business management, setting policies, as well as, advising on business operation. The agreement will be effective for two years from 1 January 2019 to 31 December 2020. A Service Fee to CPN amounted to 3% of the Company's revenues from rental and service income including revenues from rental and service income arising from property assets managed by the Company. The minimum and maximum of the monthly service fees are not less than Baht 4 million and not exceed Baht 6 million respectively. As CPN provided its services since 1 January 2019, such service fee from January 2019 to July 2019 shall be accumulated and will be paid together with the service fee in August 2019.

4. Gross transaction value

The sum of the maximum service fees paid during the two-year contract term will not exceed Baht 144 million, or equivalent to 1.21% of the net value of tangible assets based on the consolidated financial statements of 30 June 2019.

5. Basis for calculating the total transaction value and other compensation

Based on the service provider's expenses in proportion to the effort that the service provider makes in providing the underling services.

6. Opinions of the Board and the Audit Committee

Excluding directors with vested interests in this transaction, the Board and the Audit Committee have concurred that services provided by CPN are beneficial to the Company's business operations as CPN has know-hows and long experience in property development business. In addition, the service fee and the terms and conditions of the service agreement are appropriate. The Board therefore approved the entering into the service agreement between the Company and CPN. This approval was made in the absence of the directors with vested interests, who held no voting rights on this matter, consisting of the following persons:

- 1) Mr. Sudhitham Chirathivat Chairman
- 2) Mr. Preecha Ekkunagul Director