

- Translation -

No. GL/2021/001

19 February 2021

Subject: The Connected Transaction: The entering into the Service Agreement with Central Pattana Public Company Limited ([Revised](#))

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. 1/2021 of Grand Canal Land Public Company Limited (the "Company") held on 19 February 2021, 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 2021 to 31 December 2022. 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 19 February 2021 by setting the effective date of Service Agreement from and on 1 January 2021.

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 2021 to 31 December 2022.

Details of the service fee to be paid to CPN are shown below.

- 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
- 2% of the net revenues of the Company (Incentive Fee)
- In the event that CPN procures and/or leads the process of business investment or the divestment, payment and transfer of real estates to the Company, CPN will receive such fee at the rate of 1.5% of the Company's total additional investment and at the rate of 0.75% of the Company's receipt from the transaction.

The minimum and maximum of the monthly service fees are not less than Baht 4 million and not exceed Baht 7 million respectively.

4. Gross transaction value

The sum of the maximum service fees paid during the two-year contract term will not exceed Baht 168 million, or equivalent to 1.21% of the net value of tangible assets based on the consolidated financial statements of 31 December 2020. Combined with the 1.68% in other connected transactions of the past six months (17 August 2020 – 18 February 2021), the total size of such transaction will be 2.89% which is higher than 0.03% but not exceeding 3% of the net tangible asset value of the Company.

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 underlying services. [Such transaction is made to support ordinary business under general commercial conditions.](#)

6. Opinions of the Board and the Audit and Corporate Governance Committee

Excluding directors with vested interests in this transaction, [all of](#) the Board and the Audit and Corporate Governance 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:

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