

No. L030/2017

August 17, 2017

Subject: Disposition of investment in a subsidiary company

To: President

The Stock Exchange of Thailand

Laguna Resorts & Hotels Public Company Limited (the "Company") would like to inform the Stock Exchange of Thailand ("SET") that Banyan Tree Gallery (Singapore) Pte Ltd. ("BTGS"), a 51 percent subsidiary holding by the Company, has sold its entire investment in Lijiang Banyan Tree Gallery Trading Co., Ltd. ("LBTG"), a wholly owned subsidiary company incorporated in the People's Republic of China as detailed below:

1. Date of transaction: August 17, 2017

2. Parties:

- Buyer: Banyan Tree Services (China) Pte Ltd ("BTSC")
- Seller: Banyan Tree Gallery (Singapore) Pte Ltd. ("BTGS")
- Relationship between buyer and seller: Banyan Tree Holdings Limited ("BTH") is a major shareholder of the Company which directly and indirectly holds 65.8 percent in aggregate of the total issued and paid-up shares of the Company, and also a major shareholder of BTSC which indirectly holds 100 percent of the total issued and paid-up shares of BTSC.

3. Detail of transaction:

- Type of Interest: 51 percent indirect investment in share capital of LBTG
- Type of Business of LBTG: Trading and retail of consumer goods in hotels and resorts
- Total Registered and Paid-up Capital of LBTG: RMB 513,568 or THB 2.6 million equivalent
- Total Net Book Value of LBTG as at June 30, 2017: negative RMB 1.745 million or negative THB 8.7 million equivalent
- Total Investment Cost in LBTG by BTGS (only the portion relating to the Company's 51 percent indirect investment): THB 1.3 million
- Disposal Value: RMB 598,736 or THB 3.0 million equivalent
- Proportion of indirect shareholding in LBTG by the Company:
 - Amount before disposition: 51.0 percent
 - Amount after disposition: -None-

4. General Characteristics of the Transaction:

Given that BTH is the major shareholder of the Company and BTSC, the transaction is considered a connected transaction in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions. However, the highest value of the transaction equals to 0.025 percent of the net tangible assets of the Company as at June 30, 2017 (there has been no connected transaction occurred during the last six-month period). Therefore this transaction is not required (i) the Board of Directors approval; (ii) shareholders approval; and (iii) the disclosure to the SET under the Notification of the Board of Governors of The Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction, 2003.

This report is in accordance with (i) the disclosure of investment disposition in other companies resulting such companies are no longer the Company's subsidiaries, and (ii) the disclosure of the termination of a joint venture of the Company with another company with an investment of 10 percent or more of the paid-up capital of the joint venture company under the Regulation of the Stock Exchange of Thailand Bor.Jor./Por. 11-00 Re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company dated September 15, 1995.

5. Benefit for the Company:

The Company sees the opportunity in disposing LBTG as this disposal will allow the Company to focus on its other hotel investments, property development and other related businesses thereby driving shareholder returns. Thus, this transaction is reasonable and truly aims for the highest benefit of the Company.

Please be informed accordingly.

Sincerely yours,

(Mr. Kuan Chiet)

Vice President – Finance & Administration