

(Translation)

CS 0297/2019

August 13, 2019

Subject: Connected transaction : Renewal of a hotel management advisor agreement

Attn: President

The Stock Exchange of Thailand

With reference to the Board of Directors' Meeting No 5/2019 of Quality Houses Public Company Limited ("the Company") held on August 13,2019 at the meeting room 7th Floor Q.House Lumpini Building, South Sathorn Road, Bangkok has resolved to approve a subsidiary to renew a hotel management advisor agreement to Mandarin Hotel ("the Hotels") that is owned by The Mandarin Hotel Public Company Limited ("Mandarin"). This transaction is classified as the connected transaction with the following details:

Transaction date : After the approval of the Board of Directors' meeting.

Connected parties : Employee : The Subsidiary of Quality Houses Public Company Limited ("the Subsidiary")
Employer : The Mandarin Hotel Public Company Limited ("Mandarin")

Transaction description : Renewal of a hotel management advisor agreement which also granted the right to use the brand "Centre Point" for one year (1 October 2019 - 30 September 2020), with a renewal option upon mutual agreement.

The Board of Directors shall authorize the management to have power to negotiate, agree and enter into any terms and conditions of such agreement and other related agreements and any other details as the management deem appropriated.

Value of connected Transactions : The remuneration is based on 2% of total revenues (excluding some categories of revenues that have already declared in the hotel management advisor agreement) which is approximately Baht 8 Million per year (1 October 2019 - 30 September 2020). The remuneration is calculated from forecasted total revenues of the Hotels, with the following details :

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(Unit: Million Baht)

Year	2019 (Oct-Dec)	2020 (Jan-Sep)
Total Revenue	109	305

- Type and size of transaction : This transaction is considered normal support business without any trade condition. The calculate size of this transaction is 0.031% which is more than 0.03% but less than 3% of the net tangible assets (“NTA”) based on the Company’s consolidated financial statement as of June 30, 2019. The size of transaction is considered as a medium size. Therefore, the Company is required to get the approval from the Board of Directors and has to disclose the information to the Stock Exchange of Thailand.
- Criteria for determining remuneration : The remuneration is based on fees that the Subsidiary similar to remunerations paid by other companies to operators in the same business.
- Details of the connected persons : 1) Ms. Piengchai Harnpanich and the connected person are the major shareholders of The Mandarin Hotel Public Company Limited in the portion of 55.85% and Ms. Piengchai Hampanich is in the position of Chairman of the Board of Directors and Managing Director of The Mandarin Hotel Public Company Limited, as well as being the mother of Mr. Anant Asavabhokhin, the major shareholders of Land and Houses Public Company Limited which is the major shareholders of Quality Houses Public Company Limited.
2) Mrs. Suwanna Bhuddhprasart is Director of The Mandarin Hotel Public Company Limited and Quality Houses Public Company Limited and the Subsidiary.
- The connected director : Mrs. Suwanna Bhuddhprasart did not attend the meeting and she had no right to vote in this agenda.
- The Board of Directors’ Opinion : The Board of Directors’ meeting has considered and given opinion that the connected transaction is reasonable and it is a normal operation business of the Subsidiary.

(Translation)

The opinion of the Audit Committee : None
and/or the directors that different from
The Board of directors.

Please be informed accordingly.

Sincerely yours

Apinya Jarutrakulchai

(Ms. Apinya Jarutrakulchai)

Senior Executive Vice President

Corporate Secretary Department

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