

To : Managing Director
The Stock Exchange of Thailand

Date : 13 November, 2023

Re : Disclosure of a connected transaction of Shangri-La Hotel Public Company Limited

The Board of Directors of Shangri-La Hotel Public Company Limited (the “Company”) would like to inform you of the following resolution passed at its Board of Directors’ Meeting No. 5/2023 held on 13 November, 2023:

- The renewal of HR Training Services Agreement (Shangri-La Academy Online) with Shangri-La International Hotel Management Pte. Ltd. for another period of 3 years from 1 January, 2024 – 31 December, 2026, be approved.

The mentioned transaction constitutes a connected transaction of the Company pursuant to the “Notification of the Capital Market Supervisory Board No. TorChor. 21/2008 Re: Rules on Connected Transactions” and “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 Transactions, A.D. 2003”. The Board of the Company hereby discloses the Information Memorandum in respect of the said connected transaction for your information.

Yours faithfully,

Mrs. Pavinee Meensuk
Director

Shangri-La Hotel Public Company Limited
Registration No. 0107537001773
Information Memorandum Regarding the Connected Party Transaction

1. The transaction and parties involved:

The Company's Board of Directors meeting resolved at its meeting No. 5/2023 held on 13 November, 2023, approving the Company to renew HR Training Services Agreement (Shangri-La Academy Online) (the "Agreement") with Shangri-La International Hotel Management Pte. Ltd. (the "Service Provider") for another period of 3 years starting from 1 January, 2024 – 31 December, 2026.

2. Purpose of the Agreement:

As the Company operates two hotels under the brand Shangri-La Group, the Company is required to ensure that all colleagues are trained on a standard of service and product knowledge to be able to provide services to guest with the Shangri-La Standard at all time.

By entering into this Agreement with the Service Provider who develops all courses and have them available online that all colleagues of Shangri-La Hotel, Bangkok ("SLBK") and Shangri-La Hotel, Chiang Mai ("SLCM") can learn anywhere and anytime. This online platform will also be used for administration, tracking and delivery of e-learning courses.

3. Total value of the transaction:

The service fees which the Company agrees to pay the Service Provider will be 1.0% of the actual monthly basic pay incurred by each of SLBK and SLCM in respect of its employee headcount.

The estimated service fees for 1 January, 2024 – 31 December, 2026 is Baht 11.43 million representing approximately 0.15% of the Company's Net Tangible Asset Value ("NTA") as at 30 September, 2023 (the NTA of the Company as at 30 September, 2023 was Baht 7,443.93 million). The Company has entered into the similar agreements with the Service Provider to engage the service of the Service Provider for the past six months which were approved by the Board of Directors Meeting No. 3/2022 on 9 May 2022 and disclosed the matter to the Stock Exchange of Thailand on the same day as follows:

- For the period of 1 January, 2022 to 31 December, 2023 with the service fees of Baht 5.55 million representing approximately 0.08% of the Company's NTA as at 30 September, 2023.

Therefore, the total value of the connected transaction previously approved by the Board of Directors Meeting No. 3/2022 including the estimated value of this Agreement will be Baht 16.98 million which represents approximately 0.23% of the Company's NTA as at 30 September, 2023. Therefore, the total value of this connected transaction is more than 0.03% but lower than 3% of the Company's NTA. Accordingly, the Company is required to seek approval from Board of Directors and disclose the transaction to the Stock Exchange of Thailand.

4. Relationship of the related parties with the Company or its subsidiaries:

The Company is a 73.61% indirectly owned subsidiary of Shangri-La Asia Limited ("SA") through its subsidiaries. The Service Provider is an indirect wholly-owned subsidiary of SA through its subsidiaries and is therefore a connected person of the Company. Furthermore, Mr. Chan Kong Leong and Mr. Wu Hoi Fai Alfred, who are directors of the Service Provider, are also directors of the Company.

5. Opinion of the Board of Directors of the Company:

The following directors of the Company have not participated in voting for the approval of the said transaction:

1. Mr. Chan Kong Leong (a common director of the Company and the Service Provider)
2. Mr. Wu Hoi Fai Alfred (a common director of the Company and the Service Provider)

The Board of Directors of the Company including the Audit Committee and the independent directors are of the view that the terms including the service fees are fair and reasonable and in the interest of the Company and its shareholders as a whole.