

14 August 2014

Re. : Connected Transactions

Attn. : Director and Manager
The Stock Exchange of Thailand

Please be informed that the Board of Directors of Land and Houses Public Company Limited held on August 14, 2014, has resolved the connected transaction about the management fees contract which attached here in.

Yours sincerely,

Mr. Adisorn Thananan-narapool
Managing Director

Report of information on connected transaction
Lease Agreement of Centre Point Hotel Ploenchit

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| Contract date | After Board of Directors' approval |
| The related parties | <p>1. Land and Houses Property and Loan Fund II which is the property fund type 4, has been managed by the fund manager, Land and Houses Fund Management Co., Ltd.. As of 30 June 2014 the Fund had the paid-up units in the amount of Bath 1,568.6 million baht as "lessor". The Shareholders consist of</p> <p>1.1 Government of Singapore Investment Corporation Pte. Limited (GIC) hold 50%</p> <p>1.2 Land and Houses Plc. Group hold 50%</p> <p>2. L&H Hotel Management Co.,Ltd. (LHH), the 100% owned subsidiary of L&H Property Co., Ltd. (LHP), which Land and Houses Plc. hold 60% and GIC hold 40%, as "lessee"</p> |
| Connected parties | Government of Singapore Investment Corporation Pte. Limited (GIC), is a major shareholder in LH, holding 16.12% shares. At the same time, GIC is also holding 50% shares in LHPF-II. |
| Transaction type | <p>LHH leases the Property including fixtures, fittings, furniture, systems and related equipment of Centre Point Hotel Ploenchit from the Fund for 1 years and 4 months period, from 1 September 2014 to 31 December 2015. The total rental expenses are not over Baht 151.09 million baht consist of</p> <p>1. Fixed rental fees is calculated 4% in 2014 and 4.5% in 2015 of the asset value.</p> <p>2. Variable rental fees is calculated 85% of rental revenue deduct operation expenses and fixed rental fees, total amount is 72.7 million baht.</p> |
| Total transaction value | The transaction size equal to 0.43 % of Net tangible assets, which calculated from the Company's financial statement as of 31 March 2014 reviewed by the auditor. The Company is required to get approval from the Board of Directors and has to disclose the information to The Stock Exchange of Thailand. |
| Director who do not vote in the Board of Director meeting | Mr. Soong Hee Sang is the representative of GIC did not attend the meeting and vote on this agenda. |
| The Board of Directors' opinion | The Board of Director have considered that the said transaction is a general business term and reasonable, and make it useful for the benefit of the Company. Consequently, the Board of Directors approved the said transaction on 14 August 2014. |
| The Audit Committee's opinion | The Audit Committee have no different opinion from those of Board of Directors. |

**Report of information on connected transaction
Management Fees- Arrange employees for the Centre Point Hotel Ploenchit**

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| Contract date | After Board of Directors' approval |
| The related parties | 1. L&H Hotel Management Co.,Ltd. (LHH), the 100% owned subsidiary of L&H Property Co., Ltd. (LHP), which Land and Houses Plc. hold 60% as "Employer" 2. Q.H. International (QHI), the Quality Houses Plc. (QH)'s 100% owned subsidiary which Land and Houses Plc. hold 24.98% as "Employee" |
| Connected parties | Government of Singapore Investment Corporation Pte. Limited (GIC), is a major shareholder in LH, holding 16.11% shares. At the same time, GIC is also holding 10.77% shares in QH. |
| Transaction type | QHI will be employed to manage the Centre Point Hotel Ploenchit which is leased by LHH for 2 months from 1 November 2014 to 31 December 2014 with estimated amount THB 1.2 million(exclusive of VAT). The Management fees calculated are as following: a. Annual Management Fee = 2% of total revenues b. Incentive Management Fee = 4% of net income as specified in the Management Agreement which are as following: Estimate of Total revenues THB 30.5 million Estimate of Net income THB 13.6 million |
| Total transaction value | The transaction size equal to 0.003% of Net tangible assets, which calculated from the Company's financial statement as of 31 March 2014 reviewed by the auditor. The Company is required to get approval from the Board of Directors and has to disclose the information to The Stock Exchange of Thailand. |
| Director who do not vote in the Board of Director meeting | Mr. Soong Hee Sang is the representative of GIC did not attend the meeting and vote on this agenda. |
| The Board of Directors' opinion | The Board of Director have considered that the said transaction is a general business term and reasonable, and make it useful for the benefit of the Company. Consequently, the Board of Directors approved the said transaction on 14 August 2014. |
| The Audit Committee's opinion | The Audit Committee have no different opinion from those of Board of Directors. |