

Translation

Date: 10 November 2017

Subject: Notification of the Board of Directors' Resolutions No. 4/2017 on the Connected Transactions

To: The President of the Stock Exchange of Thailand

Siam Makro Public Company Limited ("the Company") would like to inform that the Company's Board of Directors at the meeting No. 4/2017, held on 10 November 2017, adopted the resolutions on the following connected transactions as follows:-

1. Land lease agreement

1.1. Date of Transaction

Within November 2017

1.2. Term of Agreement

25 years

1.3. Parties Involved

Lessor: Seng Heng Hua Company Limited

Lessee: Siam Makro Public Company Limited

1.4. General Characteristics and Value of the Transaction

The Company has entered into the land lease agreement of 4 title deeds located on Klong Kum Sub District, Bueng Kum District, Bangkok with aggregate area of approximately 4 rai 3 ngarn 0 square wah for a term of 25 years lease. The total value throughout the lease term is Baht 142,204,589.40 which used a market-based valuation. The Company will proceed the land lease registration for a term of 25 years to operate a new Makro store.

1.5. Nature and scope of interest of connected transaction

Seng Heng Hua Company Limited has a major shareholder who is authorized director of Charoen Pokphan Group Company Limited which is the highest level of the major shareholder.

1.6. Interested Directors and/or Directors being connected persons not attending the meeting nor having the right to vote

1. Mr. Korsak Chairasmisak
2. Mr. Pittaya Jearavisitkul
3. Mr. Piyawat Titasattavorakul
4. Mr. Prasert Jarupanich
5. Mr. Adirek Sripratak
6. Mr. Umroong Sanphasitvong
7. Mr. Narong Chearavanont

1.7. Opinion of the Board of Directors

The Board of Directors (excluding the directors with the conflict of interest as aforementioned) considered and viewed that this connected transaction is reasonable and beneficial to the Company.

1.8. Opinion of the Audit Committee

The Company's Audit Committee has no different opinion from the Board of Directors.

2. Trademark and Service Mark License Agreement

2.1. Date of Transaction

1 January 2018

2.2. Term of Agreement

1 year. The agreement renewal shall be made each year continuously.

2.3. Parties involved

Licensor: CP All Public Company Limited ("CP ALL")

Licensee: Siam Makro Public Company Limited ("the Company")

2.4. Type of Transaction

The Company is granted the right to use trademarks and service marks.

2.5. Total Value of Consideration

The Company pays royalty fee of 0.5% of the total gross sales of the first 10 Makro stores or approximately Baht 180,000,000.

2.6. Nature and scope of interest of connected persons

CP ALL is a major shareholder of the Company holding the Company's shares over 10%.

2.7. Company's justification

The Company has been using the trademarks such as "makro", "aro", etc. in operating the businesses including the store layout, product display, and the business management.

Whenever, there is any development of new store layout of “makro” in the country, the Company will obtain knowledge and technique of the business operation resulting in efficiency in the business operation.

2.8. Interested Directors and/or Directors being connected persons not attending the meeting nor having the right to vote

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|---------------------------------|------------------------------|
| 1. Mr. Korsak Chairasmisak | 5. Mr. Adirek Sripratak |
| 2. Mr. Pittaya Jearavisitkul | 6. Mr. Umroong Sanphasitvong |
| 3. Mr. Piyawat Titasattavorakul | 7. Mr. Narong Chearavanont |
| 4. Mr. Prasert Jarupanich | |

2.9. Opinion of the Board of Directors

The Board of Directors (excluding the directors with the conflict of interest as aforementioned) considered and viewed that this connected transaction is reasonable and beneficial to the Company.

2.10. Opinion of the Audit Committee

The Company's Audit Committee has no different opinion from the Board of Directors.

According to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 re: Rules on Connected Transactions, entering into the transactions in item 1 and 2 as mentioned above is considered as connected transactions relating to assets or service which have total amount of Baht 322.20 million. With reference to the Company's Consolidated Financial Statements for the period ending 30 September 2017, the Company's net tangible assets (NTA) is Baht 11,058.26 million. Total value of the transactions is 2.91% which exceeds 0.03% but not exceed 3.00% of the Company's NTA. Therefore, the aforesaid transactions shall be approved by the Board of Directors and disclosed the connected transaction information to the Stock Exchange of Thailand without any approval of the shareholders.

When combining aforementioned connected transactions with other connected transaction in the past 6 months, the total size of connected transaction is Baht 330.20 Million which exceeds 0.3% but not exceed 3.0% of the Company's NTA. Therefore the transaction is not subject to get any approval of the shareholders.

Please be informed accordingly.

Yours faithfully,
Siam Makro Public Company Limited

(Saowaluck Thithapant)
Group Chief Financial and Shared Services Officer

SET & Investor Relations

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