

No. WHAIRM 027/2022

23 May 2022

**Subject:** Notification of resolutions of the Board of Directors on the Investment in the Additional Investment Assets and Schedule of Extraordinary General Meeting No. 1/2022 of the Trust Unitholders of Hemaraj Leasehold Real Estate Investment Trust

**Attention:** President  
Stock Exchange of Thailand

**Enclosures:** 1. Capital Increase Report Form  
2. Information Memorandum on the HREIT's Acquisition of Assets and Related Party Transactions between HREIT and Persons Related to the REIT Manager

As the Board of Directors of WHA Industrial REIT Management Company Limited (the "**Company**") in its capacity as the REIT Manager of Hemaraj Leasehold Real Estate Investment Trust ("**HREIT**") (which under the process of changing its name to WHA Industrial Leasehold Real Estate Investment Trust) held a Board of Directors' Meeting on 23 May 2022, the Company hereby notifies the material resolutions of the Board of Directors' Meeting as follows:

**Subject 1: The investment in the Additional Leasehold Right No. 4**

Currently, HREIT has investment in the leasehold right in the Initial Investment Asset, the Additional Investment Assets No. 1, No. 2, and No. 3, totaling 146 units in 7 projects, namely: (1) WHA Eastern Seaboard Industrial Estate 1, (2) Eastern Seaboard Industrial Estate (Rayong), (3) WHA Chonburi Industrial Estate 1, (4) WHA Saraburi Industrial Land, (5) WHA Logistics Park 1, (6) WHA Logistics Park 2, and (7) WHA Logistics Park 4.

Based on HREIT's establishment objectives in raising funds to invest in additional leasehold rights of immovable properties, and procure for benefits from such immovable properties, and in order to generate income and return for HREIT and the Trust Unitholders of HREIT, the Company's Board of Directors has resolved to approve the investment in additional assets by HREIT in order to increase source of revenue and generate return to the Trust Unitholders, whereby HREIT will make an additional investment No. 4 per the details set forth below.

HREIT will make an additional investment in immovable properties No. 4 by leasing lands with factory buildings, warehouse buildings, offices and other constructions located on such lands, including their component parts for 30 years from the commencement date of the lease period with the right to extend the lease for another 30 years, and purchasing any relevant movable properties used for the business operation within the leased properties (the "**Additional Investment Assets**") for 14 units in 7 projects from 3 companies as follows:

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- (1) WHA Eastern Seaboard Industrial Estate Co., Ltd. (for 1 unit in WHA Eastern Seaboard Industrial Estate 1 Project (WHA ESIE 1) and 3 units in WHA Logistics Park 2 Project (WHA LP 2))
- (2) WHA Industrial Building Co., Ltd. (for 1 unit in Eastern Seaboard Industrial Estate (Rayong) Project (ESIE), 1 unit in WHA Chonburi Industrial Estate 1 Project (WHA CIE 1), 1 unit in Hi-Tech Kabin Industrial Estate Project (KABIN), 2 units in WHA Logistics Park 1 Project (WHA LP 1), and 2 units in WHA Logistics Park 4 Project (WHA LP 4))
- (3) Eastern Seaboard Industrial Estate (Rayong) Co., Ltd. (for 3 units in Eastern Seaboard Industrial Estate (Rayong) Project (ESIE)))

(collectively, the “**Asset Owners’ Companies**”)

**Details of Additional Investment Assets** Leasehold right of lands and factory buildings, and leasehold right of lands and warehouse buildings as follows:

1. Leasehold right of lands and factory buildings as follows:
  - 1.1. Detached building factory with a land area of approximately 13 rai 2 ngan 81.50 square wah and a building area of approximately 11,168 square meters; and
  - 1.2. Attached building factory with a land area of approximately 2 rai 3 ngan 28.75 square wah and a building area of approximately 5,124 square meters.

Leasehold right of lands and factory buildings has the total land area of approximately 16 rai 2 ngan 10.25 square wah and the total factory building area of approximately 16,292 square meters.

2. Leasehold right of lands and warehouse buildings with a land area of approximately 19 rai 1 ngan 59.00 square wah and a building area of approximately 31,894 square meters.
3. Ownership in tools, equipment, and work systems of the buildings and other assets relevant there to, in connection with, and necessary for the use of land, factory buildings, and warehouse buildings.

**Remarks:**

- (1) HREIT will request the Asset Owners' Companies to pay rental for the unoccupied leased properties or rental short of the minimum rental rate to HREIT for the period of 3 years from HREIT's investment date or until there is a lessee during such period at the following minimum rental rate:

<b>Attached Building Factory</b>	<b>Detached Building Factory</b>	<b>Warehouse buildings</b>
Baht 168 per square meter	Baht 185 per square meter	Baht 169 per square meter

The payment for rental short of the minimum rental rate shall only be applicable to the agreements entered into after HREIT's investment, while other conditions shall be in accordance with the Undertaking Agreement that HREIT will enter into with the Asset Owner's Companies.

- (2) In the additional investment in the Additional Investment Assets, HREIT will make the investment by entering into:
- (2.1) Land and Building Lease Agreement with the Asset Owner's Companies (who has an ownership over lands and buildings);
  - (2.2) Movable Properties Sale and Purchase Agreement with the Asset Owner's Companies who is the owner of other assets in such project;
  - (2.3) Mortgage Agreement (to accept asset mortgage); and
  - (2.4) Any relevant agreement, such as Property Manager Appointment Agreement, Undertaking Agreement etc.

The details of area of the Additional Investment Assets are summarized as follows:

Approximate total land area as specified in the Land Title Deed (only for the portion to be invested in by HREIT) 35 rai 3 ngan 69.25 square wah

Approximate total leasable building area of the portion to be invested in by HREIT 48,186 square meters

The details are as appeared in the Summary Table of the Additional Investment Assets

**The Summary Table of the Additional Investment Assets<sup>/1</sup>**

Asset Type	Total Detached Building Factory		Total Attached Building Factory		Total Warehouse Buildings	
Nature of Acquisition of HREIT’s Asset (Overview)	Leasehold right of lands and buildings for 30 years from the commencement date of the lease period with the right to extend the lease for another 30 years					
	Land	Total area of approximately 13-2-81.50 rai	Land	Total area of approximately 2-3-28.75 rai	Land	Total area of approximately 19-1-59.00 rai
	Buildings	3 units with a building area of approximately 11,168 square meters	Buildings	4 units with a building area of approximately 5,124 square meters	Buildings	7 units with a building area of approximately 31,894 square meters
Nature of Acquisition of HREIT’s Asset as Classified by Project / Industrial Estate	Eastern Seaboard Industrial Estate (Rayong)	2 units with a total area of approximately 7,408 square meters	WHA Chonburi Industrial Estate 1	1 unit with a total area of approximately 660 square meters	WHA Logistics Park 1	2 units with a total area of approximately 8,844 square meters
		Fully occupied by lessees		Fully occupied by lessees		Fully occupied by lessees
	WHA Eastern Seaboard Industrial Estate 1	1 unit with a total area of approximately 3,760 square meters	Eastern Seaboard Industrial Estate (Rayong)	2 units with a total area of approximately 3,312 square meters	WHA Logistics Park 2	3 units with a total area of approximately 12,623 square meters
				Fully occupied by lessees		Fully occupied by lessees
		Unoccupied	Hi-Tech Kabin Industrial Estate	1 unit with a total area of approximately 1,152 square meters	WHA Logistics Park 4	2 units with a total area of approximately 10,427 square meters
				Fully occupied by lessees		Fully occupied by lessees
Average building age <sup>/2</sup>	Approximately 12.38 years		Approximately 9.12 years		Approximately 6.56 years	

Remarks: <sup>/1</sup>Information as of 31 March 2022

<sup>/2</sup> Average building age as of the prospective investment date by HREIT no later than 1 January 2023

In addition, the details of assets as appeared in the Invitation to the Trust Unitholders' Meeting, the information disclosure form for the offer for sale of Trust Units and/or the prospectus of Trust Units in this third capital increase of HREIT shall be deemed as details of the Additional Investment Assets.

The Company has appointed Asian Engineering Valuation Co., Ltd. and Graphic A Appraisal Co., Ltd. as independent appraisers to appraise the value of the Additional Investment Assets.

The investment in the Additional Investment Assets by HREIT shall be no more than Baht 1,345,890,000 in total (to be paid on the date of HREIT's investment in the Additional Investment Assets), comprised of the rental of lands and buildings and the purchase price of relevant movable properties used for the business operation within the leased properties (exclusive of value added tax, registration fee and specific business tax, and other relevant fees and expenses which shall be borne by HREIT). HREIT shall have the right to extend the lease for another 30 years, where the rental for the renewed period shall not exceed the total amount of Baht 80,000,000 (which shall be paid when the lease agreement is renewed exclusive of value added tax, registration fee and specific business tax, and other relevant fees and expenses which shall be borne by HREIT).

The Company will notify the information of the lessees and appraisal value of the assets to be invested in by HREIT in the Invitation to the Trust Unitholders' Meeting which will be distributed to the Trust Unitholders.

The funds to be used for the investment in the Additional Investment Assets by HREIT will be obtained from both (1) the funds from HREIT's capital increase by the issuance and offering for sale of additional Trust Units and (2) long-term loan. The capital structure to be utilized in the investment in the Additional Investment Assets by HREIT shall be considered from the suitability of HREIT's debt to equity ratio, and the current condition of the capital and bond markets.

In addition, the Company wishes to appoint WHA Industrial Development Public Company Limited ("WHAID"), being one of the major Trust Unitholders of HREIT and the Property Manager for HREIT's current investment assets, as the Property Manager of the Additional Investment Assets with the conditions specified under the Property Manager Appointment Agreement which is to be entered into by and between HERIT and WHAID, and to enter into the Undertaking Agreement with WHAID and/or the Asset Owner's Companies in relation to the Additional Investment Assets.

**Subject 2: The Third Capital Increase of HREIT by the Issuance and Offering for Sale of the Newly Issued Trust Units for the Investment in Additional Investment Assets and/or for Other Purposes as Determined**

**1. The amount of additional capital and Trust Units, and method for determination of offering price of additional Trust Units to be issued and offered for sale**

HREIT currently has 840,134,116 listed Trust Units with a par value per unit of Baht 8.86 each, totaling Baht 7,441,235,892.24, and the Board of Directors of the Company has resolved to

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approve the third capital increase by the issuance and offering for sale of additional Trust Units at the amount of not exceeding 119,500,000 Trust Units in order to utilize the funds from the said capital increase for the investment in the Additional Investment Assets and relevant expenses thereof as detailed in Subject 1 above. In this regard, if there is any fund remaining from the investment in the Additional Investment Assets, HREIT will use the same as its working capital accordingly.

The offering method of Trust Units in this time will be offered through the underwriter and/or the subscription agents, and the price of the Trust Units to be offered for sale in this time will be determined with reference to the appraised value as assessed by an independent appraiser approved by the Office of the SEC, and taking into account other relevant factors, including: (1) conditions of the capital and financial markets during the offer for sale of the Trust Units, (2) the appropriate rate of return for investors, (3) the commerciality of the assets, (4) interest rates, both domestically and on the global market, (5) the rate of return on investments in equity instruments, bonds and other investment options, and (6) results from the survey of institutional investors (Bookbuilding).

When combined the additional Trust Units from the third capital increase of HREIT by the issuance and offering for sale of additional Trust Units at the amount not exceeding 119,500,000 Trust Units, with HREIT's existing 840,134,116 Trust Units, HREIT will have a total of up to 959,634,116 Trust Units.

The details as appeared in the information disclosure form for the offer for sale of Trust Units and/or the prospectus of Trust Units in this third capital increase of HREIT shall be deemed as details of the amount of additional capital and Trust Units for the third issuance and offering for sale of additional Trust Units.

**2. The private placement offering method of parts of Trust Units to certain Trust Unitholders (WHAID and/or WHAID's Connected Persons).**

The Company will offer not exceeding 20 percent of all Trust Units to be issued and offered for sale in this capital increase directly to certain Trust Unitholders namely WHAID and/or WHAID's Connected Persons. The offering for sale and allocation method for additional Trust Units to be issued and offered for sale in the third capital increase and the listing of the newly issued Trust Units on the Stock Exchange of Thailand are as provided in No. 3 below.

**3. The offering for sale and allocation method for additional Trust Units to be issued and offered for sale in the third capital increase and the listing of Trust Units on the Stock Exchange of Thailand.**

In order to comply with the capital increase of HREIT and the offering method of parts of Trust Units specifically to WHAID and/or WHAID's Connected Persons as specified in No. 1 and

No. 2, the offering for sale and allocation method for Trust Units will be proposed in 2 options for the Trust Unitholders' considerations. In the event that the offering method of parts of Trust Units specifically to WHAID and/or WHAID's Connected Persons is approved by the Extraordinary General Meeting of the Trust Unitholders of HREIT, the Company shall propose for consideration No. 3.1 to the Extraordinary General Meeting of the Trust Unitholders of HREIT without further proposal of No. 3.2 for consideration in the Extraordinary General Meeting of the Trust Unitholders of HREIT.

However, if the offering method of parts of Trust Units specifically to WHAID and/or WHAID's Connected Persons is not approved by this Extraordinary General Meeting of the Trust Unitholders of HREIT, the Company shall not propose No. 3.1 to the Extraordinary General Meeting of the Trust Unitholders of HREIT for consideration, but No. 3.2 shall be proposed instead to the Extraordinary General Meeting of the Trust Unitholders of HREIT for consideration.

Details of Nos. 3.1 and 3.2 are as follows:

**3.1 Option 1: The offering for sale and allocation method for additional Trust Units to be issued and offered for sale in the third capital increase and the listing of the newly issued Trust Units on the Stock Exchange of Thailand by the offering for sale of parts of Trust Units specifically to WHAID and/or WHAID's Connected Persons**

**Part 1:** To allocate not less than 50 percent of all additional Trust Units issued and offered for sale in this capital increase to the existing Trust Unitholders whose names appear in the register book of Trust Unitholders in accordance with the proportion of unitholding. However, the additional Trust Units will not be allocated to unitholders whose allocation may render HREIT subject to duties under any foreign law. The existing Trust Unitholders may declare their intention to subscribe for the amount of the additional Trust Units offered for sale in this time at the amount they are entitled to be allocated, more than the amount they are entitled to be allocated, less than the amount they are entitled to be allocated, or they may waive their rights to subscribe for additional Trust Units offered for sale in this time.

Nationalities of non-Thai existing trust unitholders which will be taken into consideration by the Company that will result in HREIT being subject to duties under any such foreign law are preliminarily listed as follows: American, Canadian, Indian, Japanese, Singaporean, English, Swedish, Swiss, French, Israeli, South African, Dutch, Italian, Malaysian (based on the list of nationalities of the trust unitholders from the latest record date of trust unitholders on 5 May 2022). In this regard, the Company reserves the rights to change and/or make an addition to the list in the case where there may be other trust unitholders of other nationalities from the latest record date of trust unitholders.

After the allocation of Trust Units in Part 1 to the existing Trust Unitholders based on their entitlement, the Company may allocate the remaining Trust Units to the existing Trust Unitholders who have declared their intention to subscribe to Trust Units in excess of the amount they are entitled to, as it deems appropriate, at the same time or after the allocation of Trust Units in Part 3 or none. In the event the allocation according to the prescribed ratio results in any existing Trust Unitholders having the right to subscribe for a fraction of a trust unit that cannot be allocated as a full trust unit, such a fraction of a trust unit shall be rounded down to the nearest whole number.

**Part 2:** To allocate the Trust Units to WHAID and/or WHAID's Connected Persons. The number of Trust Units to be allocated to the WHAID and/or WHAID's Connected Persons, when combined with the number of trust units allocated to WHA ID and/or persons of the same group of WHAID under Part 1, shall not exceed 20 percent of all Trust Units to be issued and offered for sale in this capital increase.

**Part 3:** To allocate the remaining Trust Units after the offering for sale in the Part 1 and Part 2 to: (1) persons on a private placement basis, and/or (2) the general public, as it deems appropriate, according to the Notification of the Capital Market Supervisory Board No. Tor Thor. 27/2559 Re: Rules, Conditions, and Procedures for Securities Underwriting, and other related notifications, at the same offering price as which are under Part 1 and Part 2.

In the event that there are Trust Units remaining after the offering for sale through a Private Placement and/or a Public Offering, the Company reserves the right, as it deems appropriate, to allocate the remaining Trust Units to the subscribers who are entitled to subscribe for the additional Trust Units in Part 1 and have declared their intention to subscribe to Trust Units in excess of the amount they are entitled to, at the same time or after the allocation of Trust Units in Part 3 or none.

The details as appeared in the Invitation to the Trust Unitholders' Meeting, information disclosure form for the offer for sale of Trust Units and/or the prospectus of Trust Units in this third capital increase of HREIT shall be deemed as the number of Trust Units to be allocated and the allocation method to each type of investors.

In any event, the above allocation shall not cause any investor or group of persons to become a Trust Unitholder of HREIT holding more than 50 percent of the total number of Trust Units of HREIT issued and sold.

In this regard, the Company shall file an application with the Stock Exchange of Thailand for its approval to list the additional Trust Units issued and offered for sale of HREIT as listed securities within 45 days from the Closing Date of the offer for sale of the Trust Units.



**3.2 Option 2: The offering for sale and allocation method for additional Trust Units to be issued and offered for sale in the third capital increase and the listing of the newly issued Trust Units on the Stock Exchange of Thailand in case there is no offering for sale of parts of Trust Units specifically to WHAID and/or WHAID's Connected Persons**

**Part 1:** To allocate not less than 50 percent of all additional Trust Units issued and offered for sale in this capital increase to the existing Trust Unitholders whose names appear in the register book of Trust Unitholders in accordance with the proportion of unitholding. However, the additional Trust Units will not be allocated to unitholders whose allocation may render HREIT subject to duties under any foreign law. The existing Trust Unitholders may declare their intention to subscribe for the amount of the additional Trust Units offered for sale in this time at the amount they are entitled to be allocated, more than the amount they are entitled to be allocated, less than the amount they are entitled to be allocated, or they may waive their rights to subscribe for additional Trust Units offered for sale in this time.

Nationalities of non-Thai existing trust unitholders which will be taken into consideration by the Company that will result in HREIT being subject to duties under any such foreign law are preliminarily listed as follows: American, Canadian, Indian, Japanese, Singaporean, English, Swedish, Swiss, French, Israeli, South African, Dutch, Italian, Malaysian (based on the list of nationalities of the trust unitholders from the latest record date of trust unitholders on 5 May 2022). In this regard, the Company reserves the rights to change and/or make an addition to the list in the case where there may be other trust unitholders of other nationalities from the latest record date of trust unitholders.

After the allocation of Trust Units in Part 1 to the existing Trust Unitholders based on their entitlement, the Company shall allocate the remaining Trust Units to the existing Trust Unitholders who have declared their intention to subscribe to Trust Units in excess of the amount they are entitled to, as it deems appropriate, at the same time or after the allocation of Trust Units in Part 2 or none. In the event the allocation according to the prescribed ratio results in any existing Trust Unitholders having the right to subscribe for a fraction of a Trust Unit that cannot be allocated as a full Trust Unit, such a fraction of a Trust Unit shall be rounded down to the nearest whole number.

**Part 2:** To allocate the remaining Trust Units after the offering for sale in the Part 1 to: (1) persons on a private placement basis, and/or (2) the general public, as it deems appropriate, according to the Notification of the Capital Market Supervisory Board No. Tor Thor. 27/2559 Re: Rules, Conditions, and Procedures for Securities Underwriting, and other related notifications, at the same offering price as which are under Part 1 and Part 2.

In the event that there are Trust Units remaining after the offering for sale through a Private Placement and/or Public Offering, the Company reserves the right, as it deems appropriate, to allocate the remaining Trust Units to the subscribers who are entitled to subscribe for the

additional Trust Units in Part 1 and have declared their intention to subscribe the Trust Units in excess of the amount they are entitled to, at the same time or after the allocation of Trust Units in Part 2 or none.

The details as appeared in the Invitation to the Trust Unitholders' Meeting, the information disclosure form for the offer for sale of Trust Units and/or the prospectus of Trust Units in this third capital increase of HREIT shall be deemed as the number of Trust Units to be allocated and the allocation method to each type of investors.

In any event, the above allocation by the Company shall not cause any investor or group of persons to become a Trust Unitholder of HREIT holding more than 50 percent of the total number of Trust Units of HREIT issued and sold.

In this regard, the Company shall file an application with the Stock Exchange of Thailand for its approval to list the additional Trust Units issued and offered for sale of HREIT as listed securities within 45 days from the Closing Date of the offer for sale of the Trust Units.

**Subject 3: The loans and the provision of collateral for such loans in the amount of not exceeding Baht 850,000,000 for the investment in the Additional Investment No. 4 and the relevant expenses thereof**

The Board of Directors of the Company deemed it appropriate for HREIT to obtain long-term loans in the amount of not exceeding Baht 850,000,000 and provide collateral in favor of such loans, in order to utilize such loans for the investment in the Additional Investment Assets and relevant expenses thereof as detailed in Subject 1 above from financial institutions. In this regard, the material conditions of the loans and the provision of collateral are as appeared in the Invitation to the Trust Unitholders' Meeting, the information disclosure form for the offer for sale of Trust Units and/or the prospectus of Trust Units in this third capital increase of HREIT.

**Subject 4: The Convocation of the Extraordinary General Meeting of the Trust Unitholders of HREIT**

The Company deemed it appropriate to convene Extraordinary General Meeting No. 1/2022 of the trust Unitholders of HREIT via electronic media (E-EGM) on 28 June 2022. The meeting will be conducted via electronic media from 10.00 hrs. – 12.00 hrs. in accordance with the criteria stipulated under the law relevant to meetings by means of electronic media. However, due to the uncertain situation of the Coronavirus 2019 (COVID-19) pandemic, the Company may change the date, time, and venue of Extraordinary General Meeting No. 1/2022 of the Trust Unitholders of HREIT to comply with the public health standards of the Department of Disease Control, Ministry of Public Health, or any other criteria as prescribed by the government authorities to prevent any risks of spread of the Coronavirus 2019 (COVID-19), and for the safety of the participants, or seek to obtain resolutions from the trust unitholders by any means under as permitted by the relevant laws and rules and regulations as it deems appropriate.

In this regard, the details regarding Extraordinary General Meeting No. 1/2022 of the Trust Unitholders of HREIT are set out in the Invitation to Trust Unitholders' Meeting. The agenda items to be discussed in Extraordinary General Meeting No. 1/2022 of the Trust Unitholders of HREIT are as follows:

- Agenda 1: To consider and adopt the Minutes of the 2022 Annual General Meeting of the Trust Unitholders
- Agenda 2: To consider and approve the investment in the Additional Investment Assets No.4 of HREIT
- Agenda 3: To consider and approve the third capital increase of HREIT by the issuance and offering for sale of the newly issued Trust Units
- Agenda 4: To consider and approve the offering of parts of Trust Units specifically to WHAID and/or WHAID's Connected Persons
- Agenda 5: To consider and approve the offering for sale and allocation method for additional Trust Units to be issued and offered for sale in the third capital increase and the listing of the Trust Units on the Stock Exchange of Thailand:
  - Agenda 5.1 Option 1: The offering for sale and allocation method for additional Trust Units to be issued and offered for sale in the third capital increase and the listing of the Trust Units on the Stock Exchange of Thailand by the offering for sale of parts of Trust Units specifically to WHAID and/or WHAID's Connected Persons; or
  - Agenda 5.2 Option 2: The offering for sale and allocation method for additional Trust Units to be issued and offered for sale in the third capital increase and the listing of the Trust Units on the Stock Exchange of Thailand in case there is no offering for sale of parts of Trust Units specifically to WHAID and/or WHAID's Connected Persons.
- Agenda 6: To consider and approve the loans and the provision of collateral for such loans for the investment in the Additional Investment Assets
- Agenda 7: Other matters (if any).

Now, therefore, the Company hereby informs you that the approval of Agenda 2 to Agenda 4 and Agenda 5.1 require affirmative votes of not less than three-fourths of all Trust Units of Trust Unitholders attending the Meeting and having the right to vote, and the resolutions of the Trust Unitholders' Meeting in Agenda 4 and Agenda 5.1 shall not be objected by the voting of more than 10 percent of all Trust Units of Trust Unitholders attending the Meeting and having the right to vote.

The Trust Unitholders' Meeting to pass resolutions must be attended by at least 25 Trust Unitholders or not less than half of all Trust Unitholders, and the Trust Unitholders presented must collectively hold at least one-third of all Trust Units sold by HREIT to constitute a quorum.

The Company will determine the Record Date of Trust Unitholders eligible to attend the Extraordinary General Meeting No. 1/2022 of the Trust Unitholders of HREIT on 6 June 2022 (Record Date).

The Company will proceed to circulate the Invitation to the Trust Unitholders' Meeting to the Trust Unitholders.

Please be informed accordingly.

Yours respectfully,

(Mr. Krailuck Asawachatroj)

Director

WHA Industrial REIT Management Co., Ltd.

REIT Manager

(F53-4)

**Capital Increase Report Form**  
**Hemaraj Leasehold Real Estate Investment Trust**  
**23 May 2022**

WHA Industrial REIT Management Company Limited (the “**Company**”) in its capacity as the REIT Manager of Hemaraj Leasehold Real Estate Investment Trust (“**HREIT**”) hereby reports the purpose of the capital increase and the allocation of additional Trust Units to be issued and offered for sale by HREIT as follows.

**1. Details of the capital increase**

The Company plans to increase the capital of HREIT by issuing and offering for sale of the Trust Units at the amount of not exceeding 119,500,000 Trust Units. When combined with HREIT's existing 840,134,116 Trust Units, HREIT will have a total of up to 959,634,116 Trust Units. The price of the Trust Units to be offered for sale in this time will be determined with reference to the appraised value as assessed by an independent appraiser approved by the Office of the Securities and Exchange Commission (the “**Office of the SEC**”) and taking into account other relevant factors, including: (1) conditions of the capital and financial markets during the offer for sale of the Trust Units, (2) the appropriate rate of return for investors, (3) the commerciality of the assets, (4) interest rates, both domestically and on the global market, (5) the rate of return on investments in equity instruments, debt instruments and other investment options, and (6) results from the survey of institutional investors (Bookbuilding).

**2. Allocation of additional Trust Units to be issued and offered for sale**

**2.1 Details of the allocation of additional Trust Units**

Option 1: The offering for sale and allocation method for additional Trust Units to be issued and offered for sale in the second capital increase and the listing of the newly issued Trust Units on the Stock Exchange of Thailand in case there is the private placement offering of parts of Trust Units to WHA ID and/or WHA ID's Connected Persons of WHA ID.

The Company expects to allocate up to 119,500,000 additional Trust Units issued and offered for sale, which may be divided into 3 parts as follows:

**Part 1:** To allocate not less than 50 percent of all additional Trust Units issued and offered for sale at this capital increase to the existing Trust Unitholders whose names appear in the register book of Trust Unitholders in accordance with the proportion of unitholding. However, the additional Trust Units will not be allocated to unitholders whose allocation may render HREIT subject to duties under any foreign law. The existing Trust Unitholders may declare their intention to subscribe for the amount of additional Trust Units offered for sale in this time as

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they are entitled to be allocated, more than the amount they are entitled to be allocated, less than the amount they are entitled to be allocated, or they may waive their rights to subscribe for additional Trust Units offered for sale in this time.

Nationalities of non-Thai existing trust unitholders which will be taken into consideration by the Company that will result in HREIT being subject to duties under any such foreign law are preliminarily listed as follows: American, Canadian, Indian, Japanese, Singaporean, English, Swedish, Swiss, French, Israeli, South African, Dutch, Italian, Malaysian (based on the list of nationalities of the trust unitholders from the latest record date of trust unitholders on 5 May 2022). In this regard, the Company reserves the rights to change and/or make an addition to the list in the case where there may be other trust unitholders of other nationalities from the latest record date of trust unitholders.

After the allocation of Trust Units in Part 1 to the existing Trust Unitholders based on their entitlement, the Company may allocate the remaining Trust Units to the existing Trust Unitholders who have declared their intention to subscribe to Trust Units in excess of the amount they are entitled to, as it deems appropriate, at the same time or after the allocation of Trust Units in Part 3 or none. In the event the allocation according to the prescribed ratio results in any existing Trust Unitholders having the right to subscribe for a fraction of a trust unit that cannot be allocated as a full trust unit, such a fraction of a trust unit shall be rounded down to the nearest whole number.

**Part 2:** To allocate the Trust Units to WHAID and/or WHAID's Connected Persons. The number of Trust Units to be allocated to the WHAID and/or WHAID's Connected Persons, when combined with the number of trust units allocated to WHAID and/or persons of the same group of WHAID under Part 1, shall not exceed 20 percent of all Trust Units to be issued and offered for sale in this capital increase.

**Part 3:** To allocate the remaining Trust Units after the offering for sale in the Part 1 and Part 2 to: (1) persons on a private placement basis, and/or (2) the general public, as it deems appropriate, according to the Notification of the Capital Market Supervisory Board No. Tor Thor. 27/2559 Re: Rules, Conditions, and Procedures for Securities Underwriting, and other related notifications, at the same offering price as which are under Part 1 and Part 2.

The summary table of the allocation details of the additional Trust Units issued and offered for sale is as follows:

Allocated to	Number of Trust Units	Ratio (Old:New)	Price (Baht per Unit)	Date and Time for Subscription and Payment	Remarks
Part 1: Existing Trust Unitholders whose names appear in the register book of Trust Unitholders in accordance with the proportion of unitholding. However, the additional Trust Units will not be allocated to unitholders whose allocation may render HREIT subject to duties under any foreign law.	Not less than 50 percent of all Trust Units issued and offered for sale Remark (1)	To be determined Remark (2)	To be determined Remark (1)	To be determined and after obtaining an approval from the Office of the SEC	(3) (5) and (6)
Part 2: WHAID and/or WHAID's Connected Persons	When combined with Part 1, not exceeding 20 of all Trust Units to be issued and offered for sale	-	To be determined Remark (1)	To be determined and after obtaining an approval from the Office of the SEC	(3) (4) and (6)
Part 3: (1) Private Placement, and/or (2) Public Offering	Outstanding Trust Units from the issuance and offering for sale in Part 1 and/or Part 2	-	To be determined Remark (1)	To be determined and after obtaining an approval from the Office of the SEC	(3) and (6)

Remarks:

- (1) The number and the price of the Trust Units to be issued and offered for sale shall be determined with reference to the appraised value as assessed by the independent

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WHA INDUSTRIAL REIT MANAGEMENT COMPANY LIMITED

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appraisers approved by the Office of the SEC, and taking into account other relevant factors, including: (1) conditions of the capital and financial markets during the offer for sale of the Trust Units, (2) the appropriate rate of return for investors, (3) the commerciality of the assets, (4) interest rates, both domestically and on the global market, (5) the rate of return on investments in equity instruments, debts instruments and other investment options, and (6) results from the survey of institutional investors (Bookbuilding).

- (2) Offering ratio will be calculated from the total number of the existing Trust Units before the capital increase, divided by the number of additional Trust Units to be issued and offered for sale in Part 1, at the per unit price to be determined by the Company as per the method provided below.
- (3) The Company will allocate the additional Trust Units to any person or persons in the same group at the amount of not exceeding 50 percent of the total Trust Units sold, whereby the definition of persons in the same group shall be referred to the Notification of the Capital Market Supervisory Board No. TorJor. 49/2555 Re: Issuance and Offer for Sale regarding Units of Real Estate Investment Trust. The information appeared in the information disclosure form for the offer for sale of Trust Units and/or the prospectus is to be considered as the criteria for the allocation of additional Trust Units to each type of investors.
- (4) The allocation of the additional Trust Units in Part 2 is considered as the transaction between HREIT and persons related to the REIT Manager, when combined with the size of the investment transaction in the Additional Investment Assets shall be deemed as a transaction between HREIT and Persons Related to the REIT Manager with the value of not less than 3 percent of the Net Asset Value of HREIT, which requires affirmative votes of not less than three-fourths of all Trust Units of Trust Unitholders attending the meeting and having the right to vote, and the objection votes shall not be more than 10 percent of all Trust Units of Trust Unitholders attending the meeting and having the right to vote according to the Trust Deed and the Notification of the Office of the Securities and Exchange Commission No. Sor Ror. 26/2555 Re: Provisions Relating to Particulars, Terms and Conditions in a Trust Instrument of Real Estate Investment Trust, whereby the Trust Unitholders who have special interest in this transaction shall not have the right to vote. The Information Memorandum on issuance and offering for sale of additional Trust Units between HREIT and person related to the REIT Manager appeared in Enclosure 2.
- (5) The date to determine the Trust Unitholders who are entitled to subscribe for the additional Trust Units (Record Date) is to be determined subsequently, whereby the

Company will notify the Record Date, the allocation ratio and the subscription period through the SET for the Trust Unitholders to be informed.

- (6) The Trustee and/or the Company shall have the power to: 1) determine other details concerning the offering for sale and the allocation of the additional Trust Units, including but not limited to, the number of Trust Units to be issued and offered for sale, final structure of the offering for sale, subscription period, allocation method, offering method, subscription ratio, offering ratio, offering price, condition and subscription method, including other conditions and other details related to the offering for sale, and the allocation of additional Trust Units to the existing Trust Unitholders, and the allocation method in case the existing Trust Unitholders subscribe to Trust Units in excess of the amount they are entitled to, including offering for sale and allocation of the outstanding Trust Units from public offering to other investors, and to have its discretion to consider denying the offering for sale or allocation of the additional Trust Units to any Trust Unitholders, or any investors, or Trust Unitholders whose allocation may render HREIT subject to duties under any foreign law, 2) determine the Record Date, whereby the timeframe and other related details are to be notified through the SET for the Trust Unitholders to be informed, 3) negotiate, agree, prepare, execute, deliver and/or amend, change any applications, waivers and other supporting documents which are necessary and related to the allocation of Trust Units to be issued and offered for sale, including documents and/or any agreements relating thereto, appointment of financial adviser, underwriter, and subscription agent, including to negotiate, contact and/or submit the applications, waivers and other relevant and necessary documents with the Office of the SEC, the SET, the governmental agencies, or the governmental organization, or other persons in relation thereto and the listing of the additional Trust Units as listed securities on the SET, etc., 4) take any actions as necessary or relating thereto in all respects, including to appoint and/or remove any sub-authorized persons to carry out the actions as mentioned above until complete.

In this regard, in the event that there are Trust Units remaining after the offering for sale through a Private Placement and/or a Public Offering, the Company reserves the right, as it deems appropriate, to allocate the remaining Trust Units to the subscribers who are entitled to subscribe for the additional Trust Units in Part 1 and have declared their intention to subscribe to Trust Units in excess of the amount they are entitled to, at the same time or after the allocation of Trust Units in Part 3 or none.

Option 2: The offering for sale and allocation method for additional Trust Units to be issued and offered for sale in the third capital increase and the listing of the newly issued Trust Units on the Stock Exchange of Thailand in case there is no private placement offering of parts of Trust Units to WHAID and/or WHAID's Connected Persons

The Company expects to allocate up to 119,500,000 additional Trust Units issued and offered for sale, which may be divided into 2 parts as follows:

**Part 1:** To allocate not less than 50 percent of all additional Trust Units issued and offered for sale in this capital increase to the existing Trust Unitholders whose names appear in the register book of Trust Unitholders in accordance with the proportion of unitholding. However, the additional Trust Units will not be allocated to unitholders whose allocation may render HREIT subject to duties under any foreign law. The existing Trust Unitholders may declare their intention to subscribe for the amount of the additional Trust Units offered for sale in this time at the amount they are entitled to be allocated, more than the amount they are entitled to be allocated, less than the amount they are entitled to be allocated, or they may waive their rights to subscribe for additional Trust Units offered for sale in this time.

Nationalities of non-Thai existing trust unitholders which will be taken into consideration by the Company that will result in HREIT being subject to duties under any such foreign law are preliminarily listed as follows: American, Canadian, Indian, Japanese, Singaporean, English, Swedish, Swiss, French, Israeli, South African, Dutch, Italian, Malaysian (based on the list of nationalities of the trust unitholders from the latest record date of trust unitholders on 5 May 2022). In this regard, the Company reserves the rights to change and/or make an addition to the list in the case where there may be other trust unitholders of other nationalities from the latestest record date of trust unitholders.

After the allocation of Trust Units in Part 1 to the existing Trust Unitholders based on their entitlement, the Company may allocate the remaining Trust Units to the existing Trust Unitholders who have declared their intention to subscribe to Trust Units in excess of the amount they are entitled to, as it deems appropriate, at the same time or after the allocation of Trust Units in Part 2 or none. In the event the allocation according to the prescribed ratio results in any existing Trust Unitholders having the right to subscribe for a fraction of a trust unit that cannot be allocated as a full trust unit, such a fraction of a trust unit shall be rounded down to the nearest whole number.

**Part 2:** To allocate the remaining Trust Units after the offering for sale in the Part 1 to: (1) persons on a private placement basis, and/or (2) the general public, as it deems appropriate, according to the Notification of the Capital Market Supervisory Board No. Tor Thor. 27/2559 Re: Rules, Conditions, and Procedures for Securities Underwriting, and other related notifications, at the same offering price as which are under Part 1.

The summary table of the allocation details of the additional Trust Units issued and offered for sale is as follows:



Allocated to	Number of Trust Units	Ratio (Old:New)	Price (Baht per Unit)	Date and Time for Subscription and Payment	Remarks
<u>Part 1:</u> Existing Trust Unitholders whose names appear in the register book of Trust Unitholders in accordance with the proportion of unitholding. However, the additional Trust Units will not be allocated to unitholders whose allocation may render HREIT subject to duties under any foreign law.	Not less than 50 percent of all Trust Units issued and offered for sale Remark (1)	To be determined Remark (2)	To be determined Remark (1)	To be determined and after obtaining an approval from the Office of the SEC	(3) (4) and (5)
<u>Part 2:</u> (1) Private Placement, and/or (2) Public Offering	Outstanding Trust Units from the issuance and offering for sale in Part 1	-	To be determined Remark (1)	To be determined and after obtaining an approval from the Office of the SEC	(3) and (5)

Remarks:

- (1) The number and the price of the Trust Units to be issued and offered for sale shall be determined with reference to the appraised value as assessed by the independent appraisers approved by the Office of the SEC, and taking into account other relevant factors, including: (1) conditions of the capital and financial markets during the offer for sale of the Trust Units, (2) the appropriate rate of return for investors, (3) the commerciality of the assets, (4) interest rates, both domestically and on the global market, (5) the rate of return on investments in equity instruments, debts instrument and other investment options, and (6) results from the survey of institutional investors (Bookbuilding).
- (2) Offering ratio will be calculated from the total number of the existing Trust Units before the capital increase, divided by the number of additional Trust Units to be issued and offered for sale in Part 1, at the per unit price to be determined by the Company as per the method provided below.

- (3) The Company will allocate the additional Trust Units to any person or persons in the same group at the amount of not exceeding 50 percent of the total Trust Units sold, whereby the definition of persons in the same group shall be referred to the Notification of the Capital Market Supervisory Board No. Tor Jor.49/2555 Re: Issuance and Offer for Sale regarding Units of Real Estate Investment Trust. The information appeared in the information disclosure form for the offer for sale of Trust Units and/or the prospectus is to be considered as the criteria for the allocation of additional Trust Units to each type of investors.
- (4) The date to determine the Trust Unitholders who are entitled to subscribe for the additional Trust Units (Record Date) is to be determined subsequently, whereby the Company will notify the Record Date, the allocation ratio and the subscription period through the SET for the Trust Unitholders to be informed.
- (5) The Trustee and/or the Company shall have the power to: 1) determine other details concerning the offering for sale and the allocation of the additional Trust Units, including but not limited to, the number of Trust Units to be issued and offered for sale, final structure of the offering for sale, subscription period, allocation method, offering method, subscription ratio, offering ratio, offering price, condition and subscription method, including other condition and other details related to the offering for sale, and the allocation of additional Trust Units to the existing Trust Unitholders, and the allocation method in case the existing Trust Unitholders subscribe to Trust Units in excess of the amount they are entitled to, including offering for sale and allocation of the outstanding Trust Units from public offering to other investors, and to have its discretion to consider denying the offering for sale or allocation of the additional Trust Units to any Trust Unitholders, or any investors, or Trust Unitholders whose allocation may render HREIT subject to duties under any foreign law, 2) determine the Record Date, whereby the timeframe and other related details are to be notified through the SET for the Trust Unitholders to be informed, 3) negotiate, agree, prepare, execute, deliver and/or amend, change any applications, waivers and other supporting documents which are necessary and related to the allocation of Trust Units to be issued and offered for sale, including documents and/or any agreements relating thereto, appointment of financial adviser, underwriter, and subscription agent, including to negotiate, contact and/or submit the applications, waivers and other relevant and necessary documents with the Office of the SEC, the SET, the governmental agencies, or the governmental organization, or other persons in relation thereto and the listing of the additional Trust Units as listed securities on the SET, etc., 4) take any actions as necessary or relating thereto in all respects, including to appoint and/or remove any sub-authorized persons to carry out the actions as mentioned above until complete.

In the event that there are Trust Units outstanding after the offering for sale through a Private Placement and/or Public Offering, the Company reserves the right, as it deems appropriate, to allocate the remaining Trust Units to the subscribers who are entitled to subscribe for the additional Trust Units in Part 1 and have declared their intention to subscribe to Trust Units in excess of the amount they are entitled to, at the same time or after the allocation of Trust Units in Part 2 or none.

The details of the Trust Units appearing in the information disclosure form for the offer for sale of Trust Units and/or the prospectus for the third capital increase of HREIT are to be considered as the number of Trust Units to be allocated for sale to each type of investors.

In any event, the above allocation by the Company shall not cause any investor or group of persons to become Trust Unitholders of HREIT holding more than 50 percent of the total number of Trust Units in HREIT issued and sold, and the Company shall file an application with the Stock Exchange of Thailand for its approval to list the additional Trust Units issued and offered for sale of HREIT as listed securities within 45 days from the Closing Date of the offer for sale of the Trust Units.

**2.2 The Company's proceedings in case there is fraction of Trust Unit from subscription**

In the event that an allocation according to the prescribed ratio results in any existing Trust Unitholders having the right to subscribe for a fraction of a Trust Unit that cannot be allocated as a full unit, such fraction shall be rounded down to the nearest whole number.

**3. Schedule for Trust Unitholders' Meeting to approve the capital increase and allocation of additional Trust Units to be issued and offered for Sale**

The Extraordinary General Meeting No. 1/2022 of the Trust Unitholders of HREIT will be held via electronic media (E-EGM) on 28 June 2022. The meeting will be conducted via electronic media from 10.00 hrs. – 12.00 hrs. in accordance with the criteria stipulated under the law relevant to meetings by means of electronic media. However, due to the uncertain situation of the Coronavirus 2019 (COVID-19) pandemic, the Company may change the date, time, and venue of Extraordinary General Meeting No. 1/2022 of the Trust Unitholders of HREIT to comply with the public health standards of the Department of Disease Control, Ministry of Public Health, or any other criteria as prescribed by the government authorities to prevent any risks of spread of the Coronavirus 2019 (COVID-19), and for the safety of the participants, or seek to obtain resolutions from the trust unitholders by any means under as permitted by the relevant laws and rules and regulations as it deems appropriate.

In this regard, the Company will determine the Record Date of Trust Unitholders eligible to attend the Extraordinary General Meeting No. 1/2022 of the Trust Unitholders of HREIT on 6 June 2022 (Record Date).

**4. Approval of the capital increase and allocation of additional Trust Units by the relevant governmental agencies and the conditions thereto**

After obtaining an approval from the Trust Unitholders for the capital increase of HREIT for investing in Additional Investment Assets No. 4, the Company will propose for an approval on the capital increase of HREIT from the Office of the SEC accordingly.

**5. Objectives of the capital increase and utilization of additional funds**

To invest in the Additional Investment Assets No. 4 in order to increase the source of income and return for the Trust Unitholders, to utilize as the expenses and fees related to the investment in the Additional Investment Assets No. 4. In this regard, if there is any fund remaining from the investment in the Additional Investment Assets No. 4, HREIT will use the same as its working capital accordingly.

**6. Benefits which HREIT will receive from the capital increase and the allocation of additional Trust Units issued and offered for sale**

To enable HREIT to gain additional asset, which will result in the diversification of investment risks. In addition, the investment in such assets will provide an opportunity for HREIT to benefit from upside gains from the newly invested assets. In this regard, the increase in the number of Trust Units will also increase the liquidity in the trading of Trust Units in the SET.

**7. Benefits which the Trust Unitholders will receive from the capital increase**

The size of HREIT will be increased which would attract more investors. The Company expects that it will increase the trading liquidity for the Trust Units in the secondary market, as well as HREIT will be able to diversify the risk in procurement of benefits from immovable properties in addition to the immovable properties that HREIT already invested in.

**8. Other details necessary for the Trust Unitholders to support their decisions in the approval of the capital increase and the allocation of additional Trust Units issued and offered for sale**

- None -

**9. Schedule for Trust Unitholders' Meeting to approve the capital increase and allotment of additional Trust Units issued and offered for sale**

9.1 The Record Date to determine the list of Trust Unitholders who are eligible to attend the Extraordinary General Meeting No. 1/2022 of Trust Unitholders of HREIT is scheduled on 6 June 2022.

- 9.2 The Extraordinary General Meeting No. 1/2022 of the Trust Unitholders of HREIT is scheduled to be held on 28 June 2022 for the approval of the capital increase of HREIT, the allocation of additional Trust Units, and other related matters. The meeting thereof will be commenced via electronic media from 10.00 hrs. – 12.00 hrs. in accordance with the criteria stipulated under the law relevant to meetings by means of electronic media. However, due to the uncertain situation of the Coronavirus 2019 (COVID-19) pandemic, the Company may change the date, time, and venue of Extraordinary General Meeting No. 1/2022 of the Trust Unitholders of HREIT to comply with the public health standards of the Department of Disease Control, Ministry of Public Health, or any other criteria as prescribed by the government authorities to prevent any risks of spread of the Coronavirus 2019 (COVID-19), and for the safety of the participants, or seek to obtain resolutions from the trust unitholders by any means under as permitted by the relevant laws and rules and regulations as it deems appropriate.

The Company hereby certifies that the information contained in this report form is accurate and complete in all respects.

Yours respectfully,

(Mr. Krailuck Asawachatroj)

Director

WHA Industrial REIT Management Co., Ltd.

REIT Manager



**Information Memorandum on the HREIT's Acquisition of Assets and Related Party  
Transactions between HREIT and Persons Related to the REIT Manager**

**1. The Investment in the main Additional Investment Assets No. 4**

1.1 Transaction date : After obtaining the approval from the Trust Unitholders' Meeting of HREIT and/or the Office of the Securities and Exchange Commission ("**Office of the SEC**") for the related issues, and/or all additional Trust Units of HREIT have already been issued and offered for sale, and the parties to the agreements in relation to the acquisition of assets of HREIT have already satisfied all of the condition precedents of such agreements.

1.2 Counterparty and relationship with the REIT : 1) WHA Eastern Seaboard Industrial Estate Co., Ltd. ("**WHA ESIE**");  
2) WHA Industrial Building Co., Ltd. ("**WHA IB**"); and  
3) Eastern Seaboard Industrial Estate (Rayong) Co., Ltd. ("**ESIE**")

(collectively referred to as "**Asset Owners' Companies**") are the owner of the assets in which HREIT intends to invest in the Additional Investment Assets No. 4, whereby WHA ESIE, and WHA IB and ESIE are the subsidiaries of WHA Industrial Development Public Company Limited ("**WHAID**").

In this regards, the Asset Owners' Companies have relationship with HREIT, whereby WHAID is the shareholder in the Company, who acts as REIT Manager of HREIT, at the ratio equivalent to 99.99 percent and also is the major trust unitholder of HREIT, including being the current Property Manager of HREIT.

1.3 Interest of the party related to the REIT Manager : WHAID is the interested person by being one of the major Trust Unitholders of HREIT and being the party whom HREIT wishes to appoint as the Property Manager of the Additional Investment Assets No. 4, after the acquisition of such assets and the Asset Owners' Companies which are the owners of the Additional Investment Assets No. 4 are the subsidiaries of WHAID.

- 1.4 General characteristics of the transaction : 1) HREIT will use the proceeds received from the capital increase and the loan in the investment of the Additional Investment Assets No. 4 through the receipt of 30 year leasehold rights in lands with buildings, factories, warehouses, office buildings and other structures located thereon, including their component part, from the commencement date of lease with the right to extend the lease for another 30 years; and through the purchase of movable properties used for the business operation within the leased properties, at the total value of not exceeding Baht 1,345,890,000 (to be paid on the HREIT's investment date in the Additional Investment Assets No. 4) (exclusive of value added tax, registration fee and specific business tax and other related fees and expenses which shall be borne by HREIT). HREIT shall have the right to extend the lease for another 30 years. The rental fee for the renewed period will be at the total amount of not exceeding Baht 80,000,000 (which shall be paid when the lease agreement is renewed, exclusive of value added tax, registration fee, specific business tax and other relevant fees and expenses which shall be borne by HREIT) whereby the details of the main Additional Investment Assets No. 4 appeared in Clause 1.5.
- 2) HREIT will request the Asset Owners' Companies to pay rental for the unoccupied leased properties and rental short of the minimum rental rate to HREIT for the period of 3 years from HREIT's investment date or until there is a lessee during such period. The conditions are in accordance with the Undertaking Agreement that HREIT will enter into with the Asset Owner's Companies.
- 3) HREIT will appoint WHAID to be the Property Manager of the Additional Investment Assets No. 4.
- 4) This additional investment in the Additional Investment Assets No. 4, HREIT will make the investment by entering into:

- 4.1 Land and Building Lease Agreement with Asset Owners' Companies (which have ownership over lands and buildings);
- 4.2 Moveable Properties Sale and Purchase Agreement with the Asset Owners' Companies which are the owners of other assets in such project;
- 4.3 Mortgage Agreement (to accept asset mortgage); and
- 4.4 Any relevant agreement, such as Property Manager Appointment Agreement, Undertaking Agreement etc.

1.5 Details of the Additional Investment Assets : The Additional Investment Assets No. 4 consist of:

- 1. Leasehold rights of factory lands and buildings as follows:
  - (1) Detached building factory with an area of approximately 13 rai 2 ngan 81.50 square wah and a building area of approximately 11,168 square meters;
  - (2) Attached building factory with an area of approximately 2 rai 3 ngan 28.75 square wah and a building area of approximately 5,124 square meters.

Leasehold right of lands and factory buildings has the total area of approximately 16 rai 2 ngan 10.25 square wah a factory building area of approximately 16,292 square meters.

- 2. Leasehold right of lands and warehouse buildings with an area of approximately 19 rai 1 ngan 59.00 square wah and a building area of approximately 31,894 square meters.
- 3. Ownership in tools, equipment, and work systems of the buildings and other assets relevant there to, in

connection with, and necessary for the use of land, factory buildings, and warehouse buildings.

Total area of the main assets of Additional Investment Assets No. 4 in which HREIT will invest comprises the land of approximately 35 rai 3 ngan 69.25 square wah and factory building and warehouse area of approximately 48,186 square meters.

- 1.6 Transaction Value : 1. Investment transaction in the main Additional and total value of and total value of consideration
- Investment Assets No. 4 is at the total value of not exceeding Baht 1,345,890,000 or not exceeding 11.43 percent of Total Assets of HREIT, accounting to the reviewed financial statements ended 31 March 2022, (to be paid on the HREIT's investment date in the Additional Investment Assets No. 4), which consists of rental fee for lands and buildings and expenses for purchasing the relevant movable properties used for the business operation within the leased properties (exclusive of value added tax, registration fee and specific business tax and other related fees and expenses which shall be borne by HREIT). HREIT shall have the right to extend the lease for another 30 years. The rental fee for the renewed period will be at the total amount of not exceeding Baht 80,000,000 (which shall be paid when the lease agreement is renewed, exclusive of value added tax, registration fee, specific business tax and other relevant fees and expenses which shall be borne by HREIT). The value of the assets to be invested in is calculated to include other related party transactions as follows:
- (1) The Asset Owner's Company will pay rental for the unoccupied leased properties or will pay rental short of the minimum rental rate to HREIT for the period of 3 years from HREIT's investment date or until there is a lessee during such period at the following minimum rental rate:

Attached Building Factory	Detached Building Factory	Warehouse buildings
Baht 168 per square meter	Baht 185 per square meter	Baht 169 per square meter

The conditions are in accordance with the Undertaking Agreement that HREIT will enter into with the Asset Owner's Companies

2. With respect to the consideration payable to the Property Manager, WHA ID will charge a Property Management Fee (exclusive of value added tax) from HREIT, which consists of the following:

(1) Management Fee

Period	Management Fee
1 <sup>st</sup> - 5 <sup>th</sup> year	1.75 percent of the Gross Property Operating Revenue
6 <sup>th</sup> - 10 <sup>th</sup> year	5 percent of the Gross Property Operating Revenue

(2) Lessee procurement fee (in case the Property Manager recommends or procures a lessee)

- a) New lessees with the lease period equals to or more than 3 years, the Property Manager is entitled to a fee which equals to the amount of 1 month rental that HREIT will receive. In the case of a lease less than 3 years, the Property Manager is entitled to a fee calculated on a pro rata basis by comparing the actual rental period to the standard lease period of 3 years. In the case where the period is less than 1 year and the Property Manager procures the lessee by itself, not



engaging or assigning any agent or others to procure the lessee, the Property Manager shall not be entitled to the fee.

- b) Current lessees who will renew the lease agreement and the service agreement with HREIT with the lease period equals to or more than 3 years, the Property Manager is entitled to a fee which equals to the amount of 0.5 month rental that HREIT will receive. In the case of a lease more than 1 year but less than 3 years, the Property Manager is entitled to a fee calculated on a pro rata basis by comparing the actual rental period to the standard lease period of 3 years. In the case where the period is less than or equals to 1 year, and the Property Manager procures the existing lessee to renew the agreements by itself, not engaging or assigning any agent or others to proceed as such, the Property Manager shall not be entitled to any fee.

The conditions are in accordance with the Property Manager Appointment Agreement that HREIT will enter into with WHAID.

- 1.7 Value of assets to be invested : The value of the main Additional Investment Assets No. 4 shall be at the total value of not exceeding Baht 1,345,890,000 (to be paid on the HREIT's investment date in the Additional Investment Asset No. 4), which consists of rental fee for lands and buildings and expenses for purchasing the relevant movable properties used for the business operation within the leased properties (exclusive of value added tax, registration fee and specific business tax and other related fees and expenses which shall be borne by HREIT), and HREIT shall have the right to extend the lease for another 30 years. The rental fee for the

renewed period will be at the total amount of not exceeding Baht 80,000,000 (which shall be paid when the lease agreement is renewed, exclusive of value added tax, registration fee, specific business tax and other relevant fees and expenses which shall be borne by HREIT).

The two independent appraisers, which are Asian Engineering Valuation Co., Ltd. and Graphic A Appraisal Co., Ltd., have appraised the main Additional Investment Assets No. 4 by using Income Approach. In this regard, the price to invest is approximately 5.00 percent higher than the price obtained from the lowest property appraisal report received by the appraisal firms.

- |     |   |   |   |
|-----|---|---|---|
| 1.8 | Criteria for determining the value of the consideration | : | <ol style="list-style-type: none"><li>1. The value of the main Additional Investment Assets No. 4 will be determined by the return rate from the rent and the appraised values obtained by from the appraisal report of the two independent appraisers.</li><li>2. As for the Property Management Fee rate, which shall be specified in the Property Manager Appointment Agreement, shall be in accordance with the agreed rates between HREIT and WHA ID, and based on the financial projections of HREIT prepared by using the Property Management Fee rate as specified in the Property Manager Appointment Agreement, such Property Management Fee calculation shall not diminish the benefit of HREIT while HREIT shall have a reasonable operating margin. The said rate of consideration payable to the Property Manager shall be comparable to the Property Management Fee rate of the other property funds and real estate investment trusts that have similar property management scope of service as HREIT's and the current consideration payable to the Property Manager for Property Management of HREIT.</li></ol> |
| 1.9 | Benefits from the lease of the main                     | : | The investment will increase the income from rental fee and turnover of HREIT, and will also increase the stability and the diversification of risk in the procurement of benefits from   |

- Additional Investment Assets No. 4 : immovable properties, as well as the diversification of the sources of income for HREIT.
- 1.10 Source of fund for the investment in the Additional Investment Assets : Either from the issuance and offering for sale of additional Trust Units at the amount not exceeding 119,500,000 Trust Units or the additional loan at the amount not exceeding Baht 850,000,000, whereby the details of the issuance and offering for sale of additional Trust Units and the loan shall be in accordance with the Invitation to the Trust Unitholders' Meeting in order to approve the transaction.
- 1.11 Approval of transaction : The aforementioned transaction will be considered as a related party transaction between HREIT and the party related to the Company in its capacity of the REIT Manager of a value equivalent to or greater than Baht 20,000,000 or exceeding 3 percent of the Net Asset Value of HREIT, whichever is higher. Under the Trust Deed of HREIT, such transaction must be approved in the Trust Unitholders' Meeting by affirmative votes of not less than three-fourths of all Trust Units of the Trust Unitholders attending the meeting and having the right to vote.
- The Trust Unitholders' Meeting for such resolutions must be attended by at least 25 Trust Unitholders, or not less than half of all Trust Unitholders, and the Trust Unitholders present must collectively hold at least one third of all Trust Units sold by HREIT to constitute a quorum.
- As for vote counting of Trust Unitholders who are entitled to vote, the Company will not include the vote of the Trust Unitholders with a special interest in the transaction under consideration. The details of Trust Unitholders with a special interest in the transaction under consideration appears in the Invitation to the Trust Unitholders' Meeting.
- 1.12 Opinion of the Board of Directors regarding the entering into transaction and the comparison of reasonability between entering into the : 1. HREIT will use the proceeds received from the capital increase and loan in the investment of the Additional Investment Assets No. 4 in order to create an opportunity to generate long-term additional return on investment at a reasonable rate to the Trust Unitholders of HREIT. The Company, therefore, considers the investment in the Additional Investment

transaction with the  
related persons and  
the third party

Assets No. 4 to be in the best interest of HREIT, as it is the investment in properties with potential of generating income, which will increase the benefits for HREIT. The investment has potential to increase the income from rental fee and turnover of HREIT and will also increase the stability and the diversification of risk in the procurement of benefits from immovable properties, as well as the diversification of the sources of income. This will bring benefits to HREIT and the Trust Unitholders of HREIT. The Company is of its opinion that the value of the Additional Investment Assets No. 4, specified at the total amount of not exceeding Baht 1,345,890,000 (to be paid on the HREIT's investment date in the Additional Investment Assets No. 4) which consists of rental fee for lands and buildings and expenses for purchasing the relevant movable properties used for the business operation within the leased properties (exclusive of value added tax, registration fee and specific business tax and other related fees and expenses which shall be borne by HREIT) whereby HREIT shall have the right to extend the lease for another 30 years with the rental fee for the renewed period will be at the total amount of not exceeding Baht 80,000,000 (which shall be paid when the lease agreement is renewed, exclusive of value added tax, registration fee, specific business tax and other relevant fees and expenses which shall be borne by HREIT), is a reasonable price.

2. In addition, the transaction that HREIT will request the Asset Owner's Companies to pay the rental for the unoccupied leased properties and the rental short of the minimum rental rate to HREIT for the period of 3 years from HREIT's investment date or until there is a lessee during such period, which the conditions are in accordance with the Undertaking Agreement that HREIT will enter into with WHAID, are the reasonable price and beneficial to the Trust Unitholders.

3. As for the consideration payable to the Property Manager, in determining the reasonableness of Property Management Fee rate which WHAID will collect from HREIT, the Company has compared the rate of consideration payable to Property Manager which WHAID will collect from HREIT to the property management fee rate of other property funds and real estate investment trusts that have similar property management scope of service as HREIT's with the current consideration payable to the Property Manager Fee for the Property Management of HREIT.

The Company considers that the said fee rate is fair and reasonable and since WHAID is the owner and the manager in the assets which HREIT will additionally invested in as from the beginning, and also is one of the entrepreneurs in Thailand who has experience and expertise in the management of factory buildings and warehouse buildings, and also has expertise in management and is equipped with various teams with experience and efficiency, WHAID can be considered as a professional and experienced property manager being well familiar with the properties to be invested in, which will enable WHA ID to manage the main properties for the benefit of HREIT and its Trust Unitholders.

- 1.13 Dissenting opinion : None  
director of the  
Company which is  
different from the  
opinion of the Board  
of Directors of the  
Company

## **2. The Allocation of Trust Units to WHAID and/or WHAID's Connected Persons**

- 2.1 Transaction date : After obtaining the approval from the Trust Unitholders' Meeting of HREIT and the Office of the SEC for the related



issues, and all the additional Trust Units of HREIT have been issued and offered for sale.

- 2.2 Counterparty and relationship with the REIT : WHAID, who is the shareholder in the Company, who acts as the REIT Manager of HREIT, at the ratio equivalent to 99.99 percent and also is one of the major Trust Unitholders of HREIT, including being the current Property Manager of HREIT.
- 2.3 Interest of the party related to the REIT Manager : WHAID is the interested person by being the shareholder in the Company, who acts as the REIT Manager of HREIT, at the ratio equivalent to 99.99 percent and being one of the major Trust Unitholders of HREIT.
- 2.4 General characteristics of the transaction : The Trust Units will be specifically allocated to WHAID and/or WHAID's Connected Persons. For the number of Trust Units to be allocated to WHAID and/or WHAID's Connected Persons, when combined such number with the portion offered to WHAID and/or WHAID's Connected Persons, the portion offered for sale to the existing Trust Unitholders shall not exceed 20 percent of all Trust Units to be issued and offered for sale at this third capital increase.
- 2.5 Size of the transaction : Not exceeding Baht 215,000,000 which is calculated at the rate of 20.00 percent of the highest funds raised from Trust Unitholders in this capital increase in the investment in Additional Investment Assets by HREIT at the total value of not exceeding Baht 1,345,890,000, exclusive of value added tax, registration fee, and special business tax, as well as other relevant fees and expenses.
- 2.6 Criteria for determining the subscription price of the trust unit to be paid by WHA ID : The price of the Trust Units to be offered for sale in this time will be determined with reference to the appraised value of the Additional Investment Assets No. 4, as assessed by an independent appraiser approved by the Office of the SEC, and taking into account other relevant factors, including: (1) conditions of the capital and financial markets during the offer for sale of the Trust Units, (2) the appropriate rate of return for investors, (3) the commerciality of the assets, (4) interest rates, both domestically and on the global market, (5) the rate of return on investments in equity instruments, debt instruments

and other investment options, and (6) results from the survey of institutional investors (Bookbuilding).

- 2.7 Benefits from the allocation of Trust Units to WHA ID and/or WHA ID's Connected Persons : HREIT is able to precisely determine specific subscribers of Trust Units to comply with the WHAID's covenant of the Trust Unitholding provided to HREIT.
- 2.8 Approval of transaction : The aforementioned transaction will be considered as a related party transaction between HREIT and the party related to the Company in its capacity of the REIT Manager of a value equivalent to or greater than Baht 20,000,000 and/or exceeding 3 percent of the Net Asset Value of HREIT, whichever is higher. Under the Trust Deed of HREIT, such transaction must be approved in the Trust Unitholders' Meeting by affirmative votes of not less than three-fourths of all Trust Units of the Trust Unitholders attending the meeting and having the right to vote.

In addition, the private placement of Trust Units to specific Trust Unitholders shall not be objected by the Trust Unitholders for more than 10 percent of all Trust Units of the Trust Unitholders attending the meeting and having the right to vote under the Undertaking Agreement and Clause 6 of the Notification of the Office of the Securities and Exchange Commission No. Sor Ror. 26/2555 Re: Provisions relating to Particulars, Terms and Conditions in a Trust Instrument of Real Estate Investment Trust.

The Trust Unitholders' Meeting for such resolutions must be attended by at least 25 Trust Unitholders, or not less than half of all Trust Unitholders, and the Trust Unitholders present must collectively hold at least one third of all Trust Units sold by HREIT to constitute a quorum.

As for vote counting of Trust Unitholders who are entitled to vote, the Company will not include the vote of the Trust Unitholders with a special interest in the transaction under consideration. The details of Trust Unitholders with a special

interest in the transaction under consideration appears in the Invitation to the Trust Unitholders' Meeting.

- 2.9 Opinion of the Board : Ratio of the allocation of Trust Units to WHAID is reasonable, of Directors regarding the entering into transaction and the comparison of reasonability between entering into the transaction with the connected persons and the third party : Ratio of the allocation of Trust Units to WHAID is reasonable, due to the fact that the ratio of the allocation will not result in WHAID holding the Trust Units in a way that it has voting right to control votes in the Trust Unitholders' Meeting. The criteria of determination of offering price of Trust Units is the same as the criteria of determination of offering price to the existing Trust Unitholders and to the general public.
- 2.10 Dissenting opinion of the director of the Company which is different from the opinion of the Board of Directors of the Company : None