

## **Minutes of Annual General Meeting 2022 of the Trust Unitholders**

**of**

### **Hemaraj Leasehold Real Estate Investment Trust (HREIT)**

The Meeting was held on 22 April 2022, at 09.00 a.m., Through Electronic Media (E-AGM) in accordance with the rules specified in the laws and announcements related to electronic meeting

#### **Introduction before the Meeting**

The spokesperson welcomed the Trust Unitholders and introduced the attending Board of Directors and executives of WHA Industrial REIT Management Company Limited (the “REIT Manager”), as the REIT Manager of Hemaraj Leasehold Real Estate Investment Trust (“HREIT”), the Legal Advisor and the Meeting’s Secretary, Siam Commercial Bank Asset Management Company Limited (“SCBAM”) as the Trustee of HREIT, the Property Manager of HREIT attending today Meeting as follows:

1. The Board of Directors of WHA Industrial REIT Management Company Limited
  1. Ms. Jareeporn Jarukornsakul Chairwoman of the Board of Directors
  2. Mr. Krailuck Asawachatroj Director
  3. Mr. Phorntep Rattanataipop Independent Director
2. Management of the company
  - Ms. Jarucha Satimanont Managing Director
3. Legal Advisor and the Meeting’s Secretary
  - Mr. Kasamsi Sakunchaisiriwit
4. Siam Commercial Bank Asset Management as Trustee of HREIT
  - Mrs. Tipaphan Puttarawigorm
5. The Property Manager of HREIT from WHA Industrial Development Public Company Limited
  - Mr. David Richard Nardone Chief Executive Officer of Industrial and International

Ms. Jareeporn, acting as the Chairwoman of the Meeting, welcomed the Trust Unitholders to the Annual General Meeting of the Trust Unitholders 2022 and explained the quorum as follows:

In today's Meeting, there were 6 Trust Unitholders attending in person, representing 4,829,000 units, and 186 Trust Unitholders attending by proxy, representing 395,847,889 units. In total, there were 192 Trust Unitholders attending in person and by proxy, representing 400,676,889 units, equivalent to 47.692% of total issued and sold trust units of HREIT, thus constituting the quorum as prescribed in the Trust Deed. The Chairwoman then declared the HREIT's 2022 Annual General Meeting to order.

The Chairwoman invited Mr. Kasamsi Sakunchaisiriwit, the Meeting's Secretary, to explain the meeting procedures and the method of vote counting as follows:

For this Meeting through electronics media (E-AGM), the Company employed the "Inventech Connect" system of Inventech Systems (Thailand) Company Limited, which provides the meeting system in compliance with the standards for electronic conference of the Electronic Transactions Development Agency (ETDA).

Participants could register to attend the Meeting, watch the live streaming, submit questions, vote, and access the voting results in each agenda via the electronic meeting system according to the procedures of electronic meeting via Inventech Connect as enclosed with the Invitation to the Meeting, which had been distributed to the Trust Unitholders.

The Company will proceed with this Meeting according to the meeting agenda as listed in the Invitation to the Meeting.

For the vote counting, a Trust Unitholder is entitled to one vote per unit, whereby the Company will deduct disapproval and abstention votes from the total votes of the Trust Unitholders attending the Meeting. The remaining shall be deemed as approval votes of such agenda.

To cast a vote in each agenda via the e-Voting system, the presenting Trust Unitholders and proxies are asked to press only one of these buttons: (1) approve (green), (2) disapprove (red), or (3) abstain (orange) in each agenda. In this regard, the Company will allocate sufficient time to vote, and participants may change their votes as long as the notification to close the voting for such agenda has yet to be announced by pressing the button (4) revoke the recent vote (blue). In the event that any presenting Trust Unitholders or proxies fail to press any button, the Company will consider the vote as "approve".

For Trust Unitholder who appoints a proxy and has determined his/her vote explicitly in the proxy form A or B, the Company will record such vote in the system and the proxy is not required to vote during the Meeting.

In the case where none of the Trust Unitholders disapproves or abstains their votes for any agenda, it shall be considered that the Meeting is resolved with a unanimous vote.

The number of Trust Unitholders and votes may vary in each agenda as the Trust Unitholders and proxies may attend or leave the Meeting before the Meeting ends.

Prior to voting in each agenda, the Chairwoman or the person appointed by the Chairwoman will give the Trust Unitholders or proxies an opportunity to inquire or share their opinions in issues relevant to such agenda as appropriate. In this regard, participants wishing to inquire shall type their questions via messages by selecting 'Inquiring' menu, then choose an agenda in which they wish to inquire, type in their questions and opinions, and submit the questions. The Company will answer the questions relating to the Meeting agenda. However, if there are several questions, the Company shall reserve a right to consider and choose certain questions as the Company deems appropriate.

The counting of votes shall be conducted promptly. Nonetheless, during the counting, the Chairwoman will proceed with the next agenda and inform the voting result of the previous agenda to the Meeting after the counting of votes for such agenda is completed.

No Trust Unitholders objected to or disagreed with the aforementioned meeting procedures and the method of vote counting. Therefore, it was deemed that the Meeting agreed with the said meeting procedures and the method of vote counting.

The Chairwoman then commenced the Meeting to consider the following agenda.

### **Commencement of the Meeting**

#### **Agenda 1 To consider and certify the minutes of Extraordinary General Meeting No.1/2020 of the Trust Unitholders**

The Chairwoman asked the Meeting that the REIT Manager has hosted the Extraordinary General Meeting No.1/2020 of the Trust Unitholders which was held on 23 June 2020, a copy of which has been sent to the Stock Exchange of Thailand and published on the Trust's website, the details as appeared in Annex 1. The Meeting is asked to approve that meeting minute.

The spokesperson instructed the Trust Unitholders who wished to inquire or share their opinions to type in their questions or opinions and send them to the staff.

There is no other unitholders asking additional question, so The spokesperson asks the Meeting to vote for Agenda 1.

The spokesperson announced that the voting for Agenda 1 was closed and invited the Chairwoman to continue the meeting on the next agenda.

## **Agenda 2 To acknowledge the performance of HREIT for the year 2021**

The Chairwoman invited Ms. Jarucha Satimanont to present the details of this agenda.

Ms. Jarucha presented to the Trust Unitholders the performance as follows:

Overall, HREIT's investment was solely in leasehold rights in lands, factory buildings and warehouses. Classifying by the round of investment, the Initial Investment amounted to 69% of the total leasable area in 2021 while the Additional Investment No.1 made up 14% of the total leasable area in 2021. Meanwhile, the Additional Investment No.2 and No.3 were equivalent to 4% and 13% of the total leasable area in 2021, respectively. The type of buildings in which HREIT invested could be divided as follows: 71% of the total assets invested by HREIT in 2021 being ready-built factory buildings, equivalent to 121 units with a total area of 270,210 square meters; and the remaining 29% being ready-built warehouses, equivalent to 25 units with a total area of 110,422 square meters. In total, HREIT's invested areas were 146 units with a total area 380,632 square meters. The capital structure as of the end of the year consisted of the total assets of Baht 11,771 Million, the total liabilities of Baht 3,979 Million, equivalent to the loan borrowing rate of 31.86% of the total assets, equity of Baht 7,792 Million, and the retained earnings of Baht 767 Million. The Net Asset Value (NAV) per unit stood at Baht 9.2748 while the Distribution Per Unit (DPU) was equivalent to Baht 0.6952. Furthermore, HREIT's credit rating was at BBB+ grade.

In overview, HREIT has invested in assets in 7 different areas based on location. The first 4 are located in industrial estates and industrial zones developed by WHA Industrial Development Public Company Limited ("WHAID") and the Group consisting of WHA Chonburi Industrial Estate 1 (WHA CIE1) totaling 24 units or equivalent to 6% of the overall assets, Eastern Seaboard (Rayong) Industrial Estate (ESIE) totaling 41 units or equivalent to 15%, and WHA Eastern Seaboard Industrial Estate 1 (WHA ESIE1) totaling 38 units or equivalent to 40% of the overall assets. These 3 estates are located in Chonburi and Rayong and were granted privileges from EEC. The last location is the WHA Saraburi Industrial Land (WHA SIL), located in Saraburi, which is a strategic point in transportation to the northern and northeastern regions, totaling 18 units or equivalent to 10% of the overall assets. As for ready-built warehouses, HREIT has invested in 3 WHA Logistics Parks being 2 units in WHA Logistics Park 1, equivalent to 4%, 12 units in WHA Logistics Park 2, equivalent to 15%, and 11 units in WHA Logistics Park 4, equivalent to 10% of the overall assets. These WHA Logistics Parks are located near those industrial estates developed by WHAID Group.

Regarding the occupancy rate and tenant's profile as at the end of 2020, the total occupancy rate of HREIT stood at 90.7% of the leasable area. The occupancy rate of ready-built factories was equivalent to 93.2% of the factories' leasable area while that of ready-built warehouses was equivalent to 84.4% of the warehouses' leasable area. In 2021, HREIT managed to maintain the occupancy rate at approximately 90% of the leasable area per quarter. At the end of the year, HREIT's average occupancy rate stood at 91.1% of the leasable area. The occupancy rate of ready-built warehouses was equivalent to 99.3% of the warehouses' leasable area while that of ready-built factories was equivalent to 87.7% of the factories' leasable area. The tenants of HREIT were from various industries i.e., the automotive industry made up 30%

of the leasable area, followed by the consumer industry totaling 29.2% and the logistics industry totaling 19.9% of the leasable area. The Chinese tenants amounted to 34.9% of the leasable area while the European and the Japanese made up 22.3% and 18.7% of the leasable area, respectively. The top 10 tenants of HREIT came from various industries and nationalities. For instance, ranking first was Saffron Living Co., Ltd., a Chinese tenant operating consumer business, making up 9.4% of the leasable area, followed by Visy Packaging (Thailand) Co., Ltd., an Australian tenant operating packaging business, and DHL Supply Co., Ltd., a German tenant operating logistics business, respectively. The top 10 tenants made up 37% of the leasable area and some of top 10 tenants extended their leases for another 12 years in advance.

As for the distribution of benefit and payment of proceeds from the capital reduction in the previous year, HREIT paid in total Baht 0.6952 of dividend per unit, which was higher than the preceding year. Recently, the payment of distribution for Quarter 4 has been made for Baht 0.1738 per unit on 30 March 2022.

Mr. Kasamsi informed the Meeting that in this agenda, the board of directors resolved to propose the Meeting to acknowledge the performance of HREIT for the year 2021.

As this agenda was only for acknowledgment, there was no voting.

The spokesperson instructed the Trust Unitholders who wished to inquire or share their opinions to type in their questions or opinions and send them to the staff. The Company would collect all the questions and opinions and answer all of them in Agenda 3 which was a related agenda.

### **Resolution**

Mr. Kasamsi informed that the counting of votes for Agenda 1 had finished and, thus, announced the result as follows:

For the resolution of Agenda 1 which was to consider and certify the minutes of the Extraordinary Meeting of the Trust Unitholders No.1/2020, the Meeting's votes were as follows:

Approve	400,676,889	votes	equivalent to	100	percent
Disapprove	0	votes	equivalent to	0	percent
Abstain	0	votes	equivalent to	0	percent

The votes were taken from the total votes of the Trust Unitholders attending in person and casted their votes. Thus, it was deemed that the Meeting resolved to certify the minutes of the Extraordinary Meeting of the Trust Unitholders No.1/2020.

Mr. Kasamsi invited the Chairwoman to proceed with the following agenda.

**Agenda 3 To acknowledge the financial statement of HREIT for the year 2021**

The Chairwoman invited Ms. Jarucha to present the details of this agenda.

Ms. Jarucha explained that the REIT Manager had prepared the financial statement of HREIT for the year 2021 which had already been audited by the certified auditor, details of which could be found in the 2021 Annual Report in the form of QR Code which had been distributed to the Trust Unitholders together with the Invitation to the Meeting.

The statement of financial position and the statement of comprehensive income of HREIT for the year 2021 could be summarized as follows:

HREIT's total assets as of 31 December 2021 stood at Baht 11,771.42 Million, increasing Baht 282.83 Million from the end of the preceding year mainly thanks to the increase in investments at fair value from the annual revaluation of assets totaling Baht 325.39 Million. Meanwhile, the total liabilities as of 31 December 2021 amounted to Baht 3,979.33 Million, declining by Baht 99.45 Million due to the decrease in other liabilities in the amount of Baht 66.73 Million, resulting from withholding tax payable and accrued expenses relating to the Additional Investment No.3 at the end of the year 2020 such transaction. The net assets value (NAV) totaled Baht 7,792.09 Million, rising by Baht 382.28 Million, consisting of capital obtained from the Trust Unitholders totaling Baht 7,024.55 Million and the retained earnings totaling Baht 767.54 Million. The NAV per unit stood at Baht 9.2748, increasing by Baht 0.4551.

Regarding the statement of comprehensive income for the year ended 31 December 2021, HREIT's total income amounted to Baht 764.3 Million, which was increased by Baht 77.81 Million or 11% from 2020 total income, which was mainly attributed to the rise in rental and service income as HREIT managed to raise the occupancy rate of its existing assets, as well as the additional leasable area from the investment at the end of 2020. Meanwhile, the total expenses in 2021 amounted to Baht 198.88 Million, falling Baht 20.29 Million or 9% from 2020 total expenses. The total expenses could be divided into operating expenses which decreased Baht by 7.29 Million, and financial costs which declined by Baht 13 Million due to the refinancing in 2020 which led to the decrease in interest rate. The net investment gain grew by Baht 98.10 Million, consisting of net gain from investment totaling Baht 0.44 Million and net gain from change in fair value of investments totaling Baht 326.72 Million. In total, HREIT's increase in net assets from operations stood at Baht 892.58 Million, increasing by Baht 283.51 Million.

The board of directors resolved to propose to the Meeting to acknowledge the financial statement of HREIT for the year 2021 as per the abovementioned details.

The spokesperson instructed the Trust Unitholders who wished to inquire or share their opinions to type in their questions or opinions and send them to the staff.

Mr. Sakol Sukwanitswichai, a Trust Unitholder, asked the following questions:

1. What is HREIT's plan to take care of its employees during COVID-19 pandemic?
2. How likely is the renewal rate of the lease agreements expiring in the next year to reach 75% as expected and what is the management plan on how to maintain the tenants?

The Chairwoman invited Ms. Jarucha to answer those questions.

For Question 1, Ms. Jarucha explained that with regard to those who were involved in the management of HREIT, both the REIT Manager and the Property Manager planned to rotate the employees coming in to the office to make sure that regardless of the circumstance, there would be employees ready to operate and manage HREIT's businesses. Furthermore, the Property Manager also prepared a plan for industrial estates and industrial zones invested by HREIT whereby an emergency plan in case of tenants infected with COVID-19 in order to prevent the other tenants and place to lessen potential damages to HREIT.

Regarding Question 2, Ms. Jarucha explained that as the lease agreements expiring this year amounted to 54% of the total lease agreements, the REIT Manager had already discussed the renewal plan of leases with the Property Manager. Accordingly, the Property Manager had contacted the tenants approximately 3-6 months prior to the expiration of respective leases to follow up on the tenants' businesses and renewal plans. Therefore, it could be concluded that as the current information, HREIT was confident that it could manage to secure this year's estimated renewal rate of lease agreements more or less as planned.

The spokesperson notified the Meeting that this agenda was only for acknowledgment and therefore, there was no voting. Then, the Chairwoman was invited to proceed with the next agenda.

**Agenda 4 To acknowledge the appointment of auditors of HREIT for the year 2022**

The Chairwoman invited Ms. Jarucha to present the details of this agenda.

Ms. Jarucha reported that the REIT Manager has appointed the HREIT's auditors for 2022 already. The appointed auditors are from PricewaterhouseCoopers ABAS Ltd. (PricewaterhouseCoopers), the names of which are listed as follows:

1. Mr. Boonrueng Lerdwiseswit, Certified Public Accountant No.6552, and/or
2. Ms. Wanvimol Preechawat, Certified Public Accountant No. 9548, and/or
3. Ms. Rodjanart Banyatananusard, Certified Public Accountant No.8435

Whereby, one of the aforementioned persons shall review and give their opinions to HREIT's financial statements. In case such auditors cannot perform the work, Pricewaterhouse shall provide other certified public accountants in Pricewaterhouse to carry out the work.

The remuneration of the auditors for the year 2022 is Baht 825,000 (exclusion of other expenses) which equivalent to the previous year. The remuneration is for auditing the annual and quarterly financial statements.

The spokesperson instructed the Trust Unitholders who wished to inquire or share their opinions to type in their questions or opinions and send them to the staff.

There was no other Trust Unitholders raised any further questions or comment. This agenda was only for acknowledgment and therefore, there was no voting. Then, the Chairwoman was invited to proceed with the next agenda.

**Agenda 5      To consider the other matter (If any)**

The Chairwoman informed that all meeting agenda acknowledged and considered, Any Trust Unitholders would like to propose any further matter to the Meeting for consideration.

Since there was no one proposing any further matter to the Meeting for consideration, the Chairwoman said thanks you to the Trust Unitholders and Trustee for joined the meeting and declared the Annual Trust Unitholder Meeting 2022 adjourned at 09.35 a.m.

Signed \_\_\_\_\_,

(Jareeporn Jarukornsakul )

Chairwoman