



ทรัสต์เพื่อการลงทุนในอสังหาริมทรัพย์และสิทธิการเช่าดับบลิวเอชเอ พรีเมียม โกรท
WHA Premium Growth Real Estate Investment Trust

The background of the cover is a photograph of a modern industrial building, likely a warehouse or logistics center. The building is white with large windows and a flat roof. In the foreground, there is a blue-tinted overlay that creates a sense of depth. The text "2018 Annual Report" is prominently displayed in the bottom right corner, with "2018" in a large, stylized font and "Annual Report" in a smaller, white font below it. The building's signage, including "XPO Logistics" and "CHANINTR", is visible on the right side of the image.

2018

Annual Report

CONTENTS

1. Real Estate Investment Trust (“REIT” or “Trust”)	16
2. Trustee	18
3. Structure of the Trust	20
4. REIT Manager	21
5. Details of Investment Assets	45
6. Detail of the Assets Invested or Sold in the Accounting Period	53
7. Investment Policy of the Trust	55
8. Key Events Related to the Operation of the Trust	59
9. Loan Policy and Details of the Loan as of the Ending Date of Accounting Year	62
10. Market Overview of Thailand Industrial Property Market	71
11. Information about the Income Guarantee and the Person Giving Guarantee	76
12. Limitation on Allocation of the Trust Units	77
13. Policy and Limitation of Benefit Distribution	78
14. Expense Collected from the Trust	81
15. Opinion of the Trustee	90
16. Transaction Information between the Trust and the REIT Manager or Related Persons of the REIT Manager and Opinion of the REIT Manager	91
Appendix	
Financial Statements for 2018	99

Investors may obtain additional information about WHART from its annual filing (Form 56-1) found in www.sec.or.th or on the website of the REIT Manager (if available).



Message from the Board of Directors

WHA Real Estate Management Co., Ltd.,
in its capacity of REIT Manager

This has been another year when WHART has operated its business in accordance with the objectives to create stability for the trust unitholders. Although a few numbers of lease agreements expired during 2017 - 2018, WHART was still able to maintain most of the existing tenants and procure more tenants for the businesses which allowed WHART to remain at an occupancy rate of 90%. The Committee of the REIT Manager reiterated the principles of diversified investment in respect of tenant, area, Built-to-Suit type and general warehouse and expanded the size of WHART to create opportunities, diversify risks, and improve liquidity of buy-sale transactions for the trust unitholders. Moreover, WHART has gradually decreased interest expenses incurred due to the loans and the issuance of Debentures which resulted in the reduction of the average interest rate from approximately 4.4% since the establishment of WHART to 2.96% at the end of 2018.

WHART's business operation which is strongly guided by such principles has brought about a steady and continuous stream of revenue and returns to which WHART distributed the dividend and the returns of capital from the capital reduction, which is a total of Baht 2.9378 per unit since the establishment of WHART (on 8 December 2014 - 31 December 2018). The Management team and Board of Directors of WHART sincerely hope to efficiently operate your capital and assets and would like to express the upmost gratitude to all its unitholders for investing with us and allowing us to serve you.



Kamthorn Tatiyakavee

Chairman of Board of Director



Piyapong Pinthuprapa

Director and Chief Executive Officer



Zone 1 : Bangna-Trad Area (61%)

WHA Distribution Center Project Ladkrabang
WHA Mega Logistics Center Ladkrabang
WHA Mega Logistics Center Project Km.18
WHA Mega Logistics Center Km.19
WHA Mega Logistics Center Project Km.23
WHA Mega Logistics Center Chonlaphamphichit Km.3 (Ph.1)
WHA Mega Logistics Center Chonlaphamphichit Km.4
WHA Mega Logistics Center Chonlaphamphichit Km.5
DKSH Consumer, DKSH 3M
DKSH Healthcare
WHA-KPN Mega Logistics Center
Project Km.23 (Building A,B)

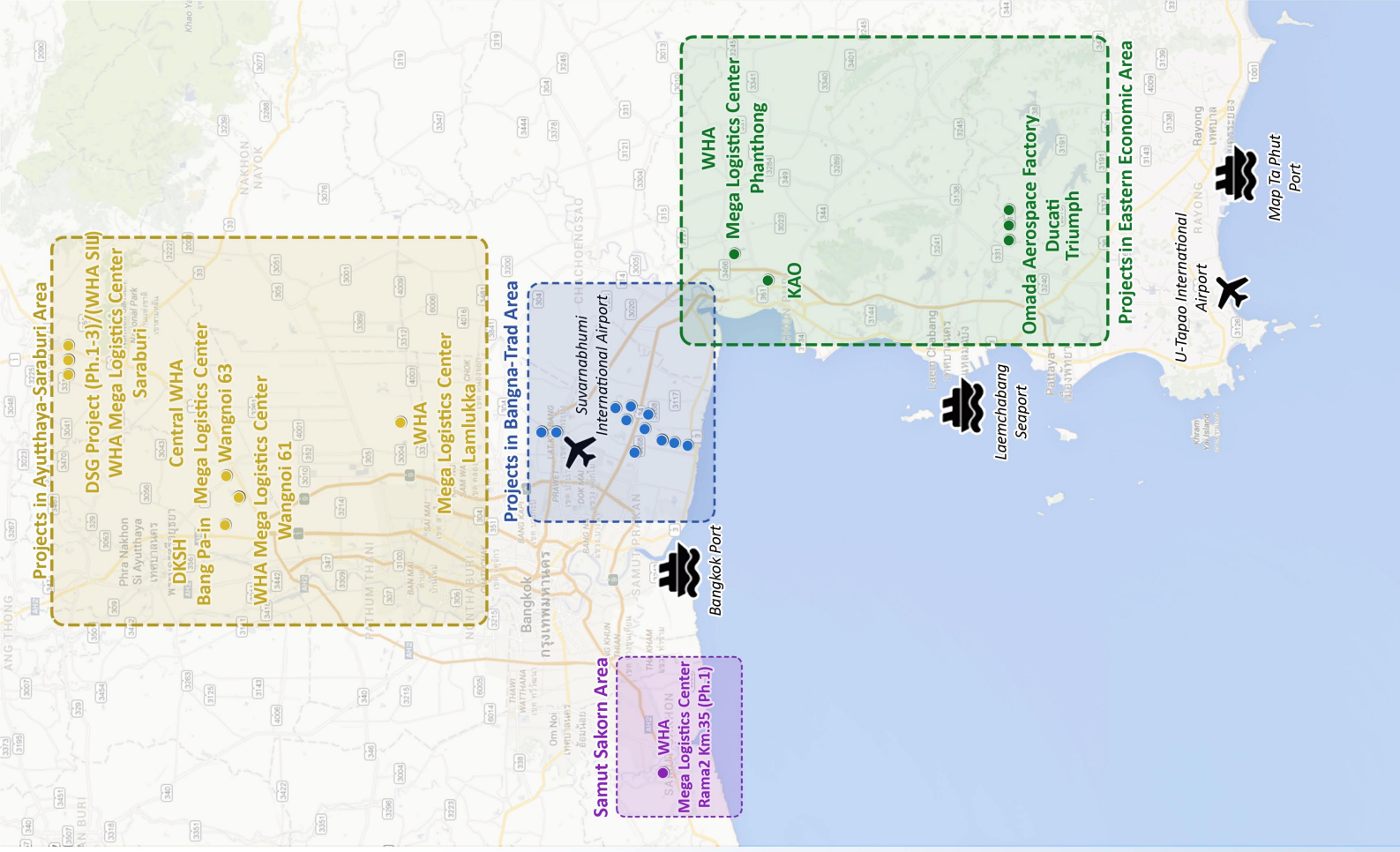
Zone 2 : Eastern Economic Area (13%) (Chonburi-Rayong)

WHA Mega Logistics Center Panthong
KAO
Omada Aerospace Factory
Triumph
Ducati
Zone 3 : Ayutthaya-Saraburi Area (25%)

DKSH Bang Pa-in
DSG Project (Ph.1-3)
DSG Project (WHA SIL)
WHA Mega Logistics Center Lamlukka
WHA Mega Logistics Center Wangnoi 61
WHA Mega Logistics Center Saraburi
Central WHA Mega Logistics Center Wangnoi 63

Zone 4 : Samut Sakhon Area (1%)

WHA Mega Logistics Center Rama 2 Km.35 (Ph.1)





WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust

Financial Overview

Particulars	2018	2017	2016	
Statement of Income (million baht)				
Warehouse rental and service income	1,902.99	1,001.94	648.47	
Other rental and service income	24.18	19.04	2.64	
Undertaking income	51.01	58.39	57.83	
Interest income	1.75	0.84	0.8	
Total income	1,979.93	1,080.21	709.75	
Total expenses	(335.82)	(176.24)	(113.76)	
Profit before financial costs and net gain (loss) from investment	1,644.11	903.97	595.99	
Financial costs	(334.42)	(176.31)	(120.81)	
Net investment income (Profit before net gain (loss) from investment)	1,309.69	727.66	475.18	
Total net gain (loss) from investment	163.32	(49.15)	(95.38)	
Increase net assets from operations during the year (Net profit)	1,473.01	678.51	379.80	
Balance Sheet (million baht)				
Investment in properties at fair value	30,593.97	25,948.85	13,082.76	
Investment in securities at fair value	1,130.71	346.61	181.69	
Cash and cash equivalents	139.66	787.13	285.65	
Other assets	786.98	731.87	372.45	
Total assets	32,651.32	27,814.46	13,922.55	
Borrowing from financial institutions	5,266.70	7,714.40	3,970.00	
Debentures	4,200.00	-	-	
Other liabilities	1,201.29	1,000.74	411.56	
Total liabilities	10,667.99	8,715.14	4,381.56	
Net assets	21,983.33	19,099.32	9,540.99	
Financial Ratio				
Unit outstanding at the end of period	units	2,248,454,220	1,963,977,172	972,142,000
Net assets value per unit	baht/unit	9.777	9.7248	9.8144
Increase in net assets from operations period per unit (net profit per unit)	baht/unit	0.6551	0.3455	0.3907
Current ratio ^{1/}	times	4.86	4.81	3.74
Total liabilities to total assets	%	32.67	31.33	31.47
Total liabilities to net assets value ratio	times	0.49	0.46	0.46
Interest bearing debt to total assets ratio	%	28.99	27.74	28.51
Net debt to EBITDA ratio ^{2/}	times	5.39	7.83	6.14
Interest coverage ratio : ICR	times	4.92	5.13	4.93
Interest Bearing Debt matured in 1 year to total interest bearing Debt	%	0.03	0.03	0.07

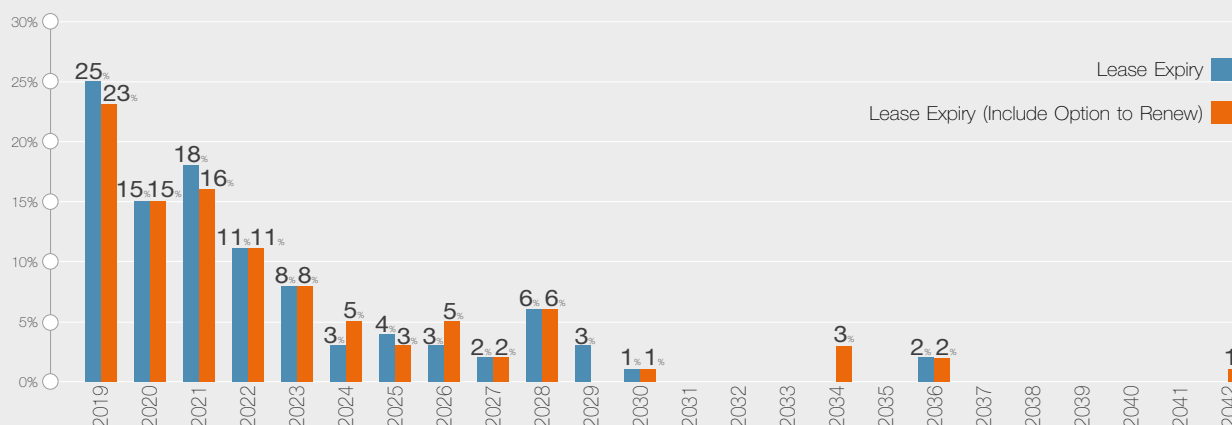
Notes : ^{1/} Current ratio = Current assets / Current liabilities

^{2/} Net debt to EBITDA ratio = Debt - (Cash and cash equivalents + Investment in securities at fair value) / Earnings Before Interest Tax Depreciation and Amortization

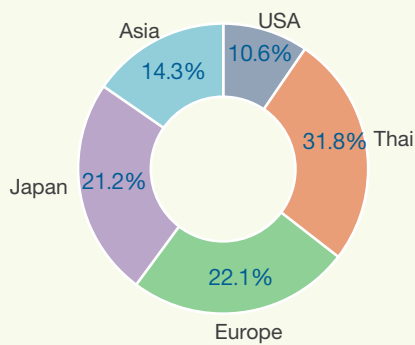
Summary of WHART Tenor Profile

Weighted Average Lease Expiry (WALE) = 3.58 years

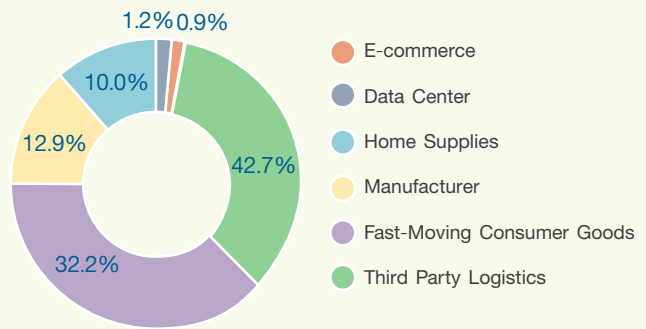
and Weighted Average Lease Expiry (WALE) Include option to renew = 5.20 Ȑ (data based on 31 December 2018)



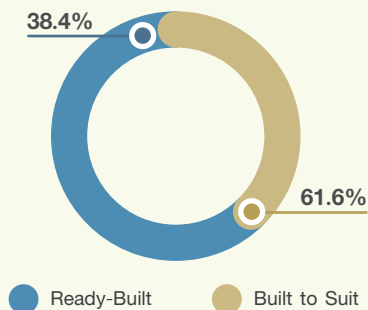
Tenant's Nationality



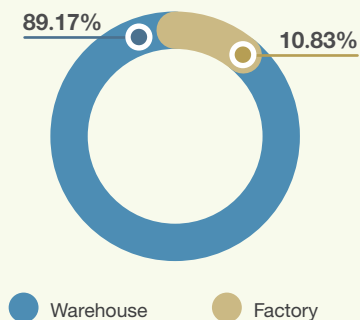
Tenant's Business



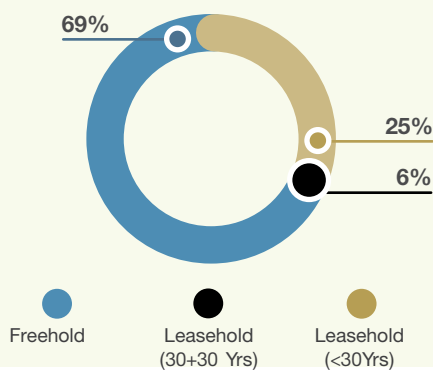
Building Type



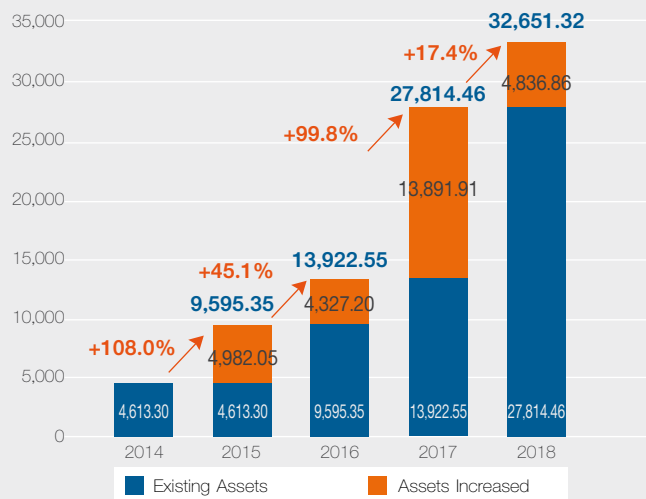
Properties Type



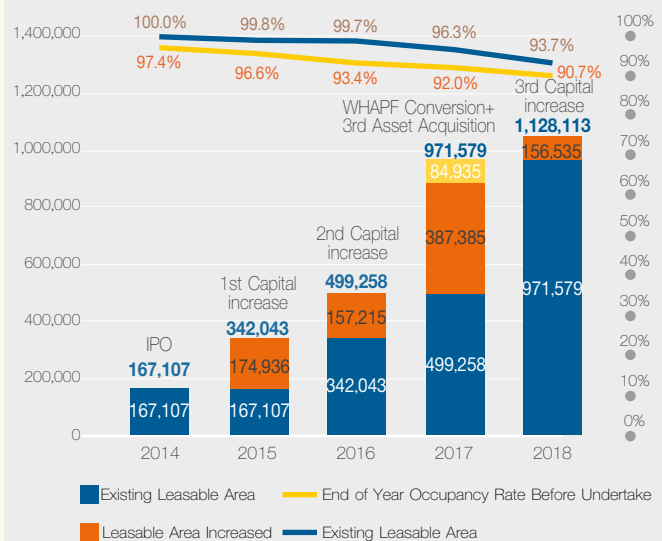
Freehold-Leasehold

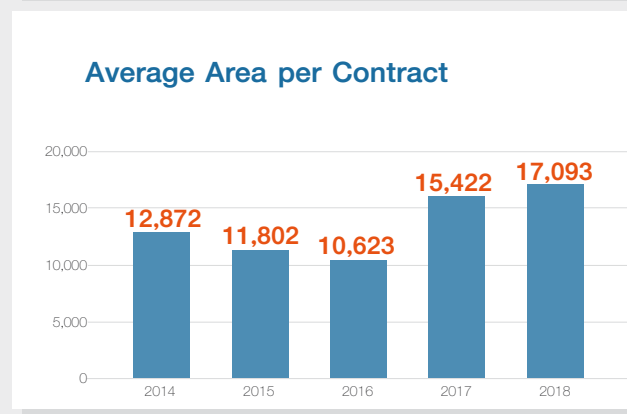
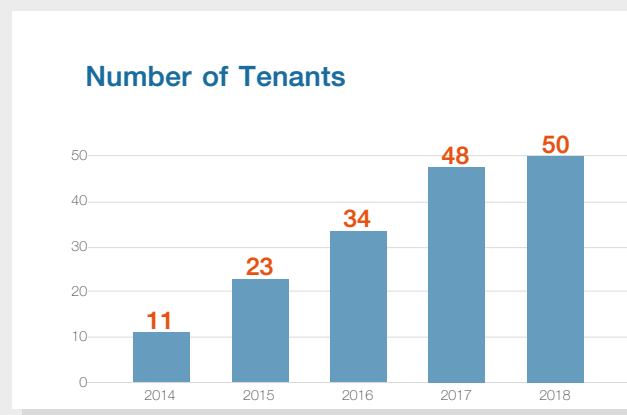
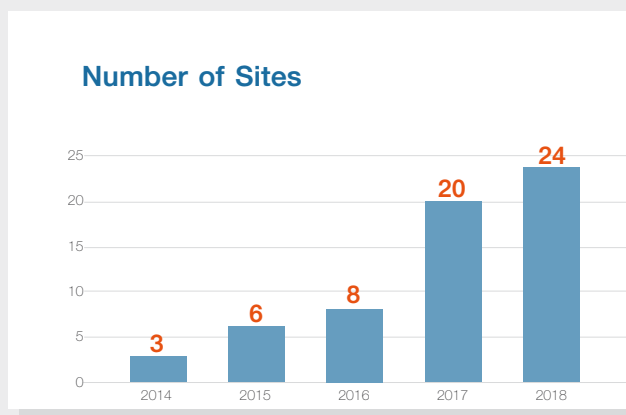
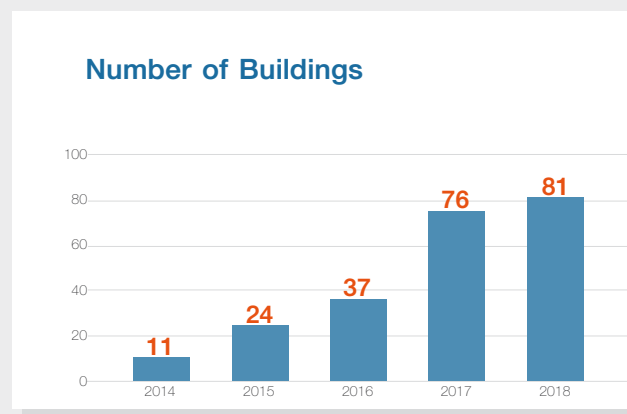
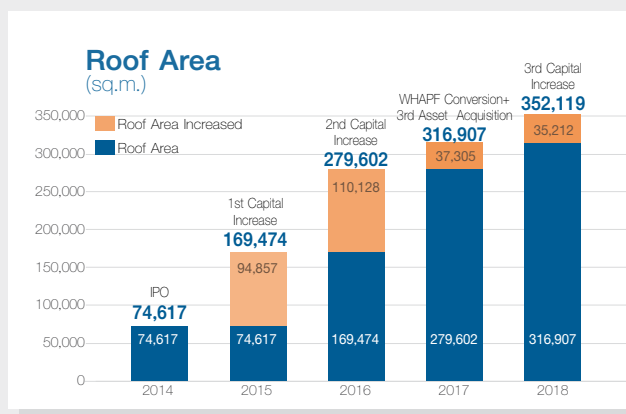


Total Assets (Million Baht)



Warehouse Area and Occupancy Rate (Sq.m.)

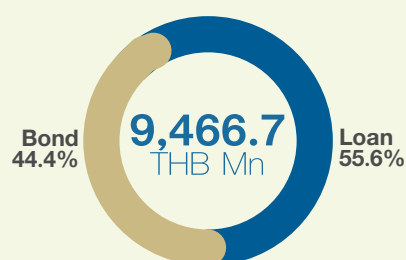




Top 10 Tenants by Area

No.	Tenants	Area (sq.m.)	(%)
1	DKSH (Thailand) Limited	187,582.63	18.52%
2	CRC Thai Watsadu Co.,Ltd.	86,223.61	8.51%
3	DSG International (Thailand) Pcl	77,369.40	7.64%
4	Sino-Pacific Trading (Thailand) Co., Ltd.	45,569.25	4.50%
5	LF Logistics (Thailand) Limited	39,284.97	3.88%
6	Central Department Store Limited	38,826.00	3.83%
7	Kao Commercial (Thailand) Co.,Ltd.	36,522.44	3.61%
8	Thai Beverage Logistics Co., Ltd.	33,450.00	3.30%
9	Logitem (Thailand) Co., Ltd.	29,145.00	2.88%
10	XPO Logistics Worldwide (Thailand) Ltd	28,353.00	2.80%
11	Other Tenants	410,576.99	40.53%

Loan Repayment



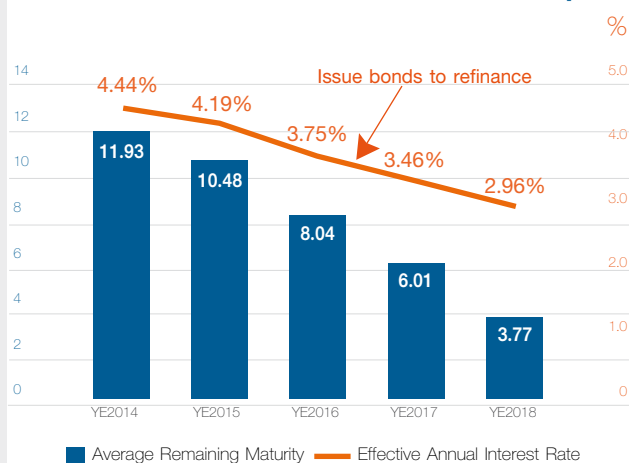
Loan-to-Aalue 28.99%

Total Interest-bearing debt THB 9,466.7 million*

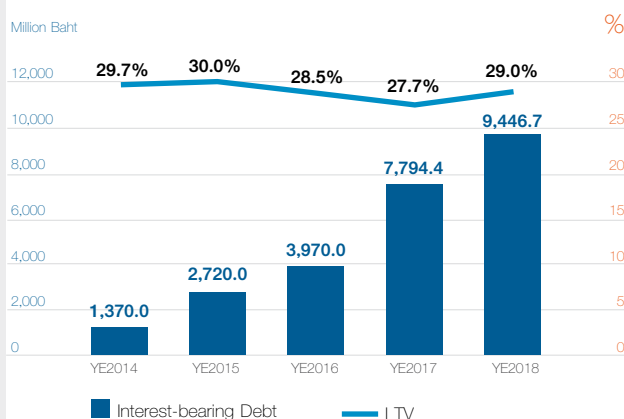
Average Remaining Maturity 3.77 years

Stable Outlook by TRIS Rating **A**

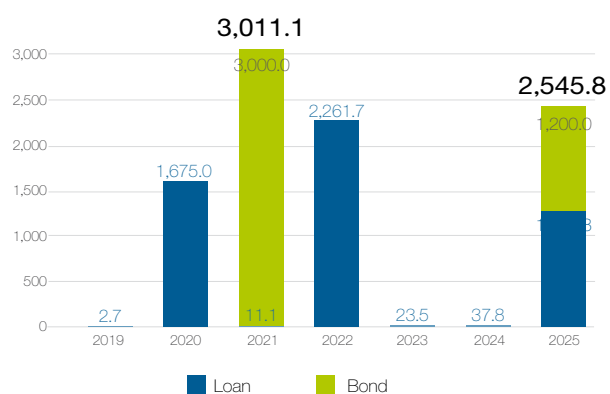
Issue Bond to Reduce Cost of Dept



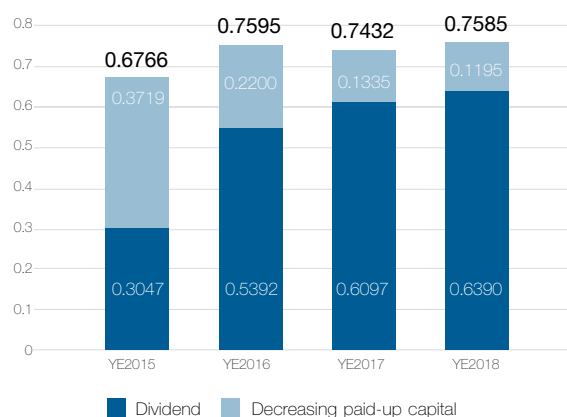
Well Managed LTV%



Maturity Ladder



Distribution per unit



Management Discussion & Analysis

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust's performance:

Description	31 December 2018	31 December 2017	Change (%)
Warehouse occupancy rate before WHA's undertaking (%)	89.20%	94.70%	(5.50%)
Rooftop occupancy rate before WHA's undertaking (%)	9.40%	14.44%	(5.04%)
Warehouse occupancy rate after WHA's undertaking (%)	90.50%	97.40%	(6.90%)
Rooftop occupancy rate after WHA's undertaking (%)	100%	100%	-
Warehouse rental area (square meters)	1,128,113.16	971,578.55	16.11%
Rooftop rental area (square meters)	352,119.29	316,907.29	11.11%
Warehouse rental and service income (million Baht)	1,902.99	1,001.94	89.93%
Other rental and service income (million Baht)	24.18	19.04	27.00%
Undertaking income (million Baht)	51.01	58.39	(12.64%)
Interest income (million Baht)	1.75	0.84	108.33%
Total income (million Baht)	1,979.93	1,080.21	83.29%
Total expenses (million Baht)	(335.82)	(176.24)	90.55%
Net investment income before financial cost			
(profit before financial cost) (million Baht)	1,644.11	903.97	81.88%
Profit before financial cost to total income ratio (%)	83.04%	83.69%	(0.65%)
Interest expense (million Baht)	(334.42)	(176.31)	89.68%
Net investment income (profit before net gain (loss)			
from investment) (million Baht)	1,309.69	727.66	79.99%
Profit before net gain (loss) from investment to total income ratio (%)	66.15%	67.36%	(1.21%)
Total net gain (loss) from investment (million Baht)	163.32	(49.15)	432.29%
Increase in net assets from operations (net profit) (million Baht)	1,473.01	678.51	117.09%
Net profit to total income ratio (%)	74.40%	62.81%	11.59%

Analysis of performance

1. Overview of the Trust's performance

As for the performance of the year ending 31 December 2018, WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust has a total income of 1,979.93 million Baht, which was an increase of 899.72 million Baht or 83.29% from 2017. Total expenses were 335.82 million Baht, which was an increase of 159.58 million Baht or 90.55% from 2017 and total interest expense was 334.42 million Baht, which increased by 158.11 million Baht or 89.68% from 2017. In this regard, in 2017 WHART had successfully converted WHA Premium Factory and Warehouse Freehold and Leasehold Property Fund into a trust ("WHAPF") by receiving the transfer of asset and liabilities of WHAPF and invested in the additional assets on 29 November 2017. As a result, WHART's asset value at cost increased from 13,277.91 million Baht to 26,198.16 million Baht (revenue was fully recognized in 2018). In 2018, WHART has additionally invested in assets for the third capital increase dated on 4 December 2018, therefore the Trust's asset value at cost increased from 26,198.16 million Baht to 30,689.13 million Baht. Moreover, WHART had the net gain from investment (unrealized gain

from the valuation of assets) of 163.62 million Baht, which was an increase of 212.48 million Baht or 432.29% from the same period of previous year. As such, the increase in net assets from operation (net profit) of the WHART in 2018 was 1,473.01 million Baht or 0.6551 Baht per unit, which is an increase of 794.50 million Baht or 117.09% from the same period of previous year.

As of 31 December 2018, the Trust has total assets in the amount of 32,651.32 million Baht and total liabilities of 10,667.99 million Baht whereby the net assets were 21,983.33 million which comprised of capital received from Trust unitholders of 21,624.47 million Baht and retained earnings at the end of the period of 358.86 million Baht, equivalent to the net asset value per unit of 9.7770 Baht.

2. Significant details on the Statement of Income

1) Investment income comprising of:

Description	31 December 2018		31 December 2017	
	million Baht	% of Total income	million Baht	% of Total income
Warehouse rental and service income	1,902.99	96.11%	1,001.94	92.75%
Other rental and service income	24.18	1.22%	19.04	1.76%
Undertaking income	51.01	2.58%	58.39	5.41%
Interest income	1.75	0.09%	0.84	0.08%
Total income	1,979.93	100.00%	1,080.21	100.00%

- Warehouse rental and service income increased due to the additional investment in assets for the third capital increase
- Undertaking income under the Undertaking Agreement derived from WHA Corporation Public Company Limited
- Interest income from saving deposit account of 0.10 - 0.37% per annum

2) Expenses comprising of:

Description	31 December 2018		31 December 2017	
	million Baht	% of Total income	million Baht	% of Total income
Cost of rental and services	93.50	4.72%	31.62	2.93%
Management fee	43.54	2.20%	23.30	2.16%
Trustee fee	34.83	1.76%	22.53	2.09%
Registrar fee	5.95	0.30%	4.19	0.39%
Property management fee	47.52	2.40%	21.70	2.01%
Other expenses	110.48	5.58%	72.90	6.75%
Total expenses	335.82	16.96%	176.24	16.32%

- Costs of rental and services, most of which were the rent and, repair and maintenance fee
- Management fee paid monthly to WHA Real Estate Management Company Limited of a rate not exceeding 0.75% per annum of the net assets (exclusive of value added tax, specific business tax or other similar taxes)
- Trustee fee paid monthly to Kasikorn Asset Management Company Limited in a rate not exceeding 0.75% per annum of the total net assets (excluding value added tax, specific business tax or other similar taxes)
- Registrar fee paid to Thailand Securities Depository Company Limited
- Property management fee paid to WHA Corporation Public Company Limited in accordance with the service agreement
- Other expenses which consisted of:
 - (1) Amortisation of deferred expenses of 98.50 million Baht, equivalent to 89.16% of other total expenses
 - (2) Consulting and professional fee of 1.91 million Baht, which comprised of legal consulting and audit fees, equivalent to 1.73% of other total expenses
 - (3) Other expenses of 10.07 million Baht, equivalent to 9.11% of other total expenses

3) Financial cost

Interest expenses of 334.42 million from which the Trust loaned the financial institution in the amount of 5,266.70 million Baht with an interest rate of f Minimum Loan rate (MLR) - (1.5% - 2.00%) per annum and debenture of 4,200 million Baht

4) Net gain (loss) from investment

Net gain from investment of 163.32 million Baht resulting in the increase of the appraisal value of the assets

3. Significant details on the Balance Sheet

1) Assets

As at 31 December 2018, the Trust had the total asset value of 32,651.32 million Baht, which was an increase of 4,836.86 million Baht or 17.39% from the previous year with significant particulars as follows:

- Investment in properties at fair value of 30,593.97 million Baht, which was an increase of 4,645.12 million Baht or 17.90% from the previous year due to the additional investment in assets for the third capital increase on 4 December 2018

(unit : million Baht)

Assets	31 December 2018	31 December 2017	Change (%)
Investment in properties at fair value	30,593.97	25,948.85	17.90%
Investment in securities at fair value	1,130.71	346.61	226.22%
Cash and cash equivalents	139.66	787.13	(82.26%)
Deferred expenses	351.82	356.94	(1.43%)
Deferred income from operating lease agreement	266.40	236.64	12.58%
Refundable VAT	85.47	89.72	(4.74%)
Other assets	83.29	48.57	71.48%
Total assets	32,651.32	27,814.46	17.39%

2) Liabilities

As at 31 December 2018, the Trust had total liabilities of 10,667.99 million Baht, which was an increase of 1,952.85 million Baht or 22.41% from the previous year with the significant particulars as follows:

- Borrowing from financial institutions - net valued at 5,162.44 million Baht, which decreased by 2,344.41 million Baht or 31.23% from the previous year, due to the repayment of borrowings from the two financial institutions of 4,120 million Baht with the cash received from debentures issuance which was offered on the same day. However, on 30 November 2018 WHART has entered into a loan agreement with the financial institution for the loan amount of 1,675 million Baht which was utilized for the additional investment in assets for the third capital increase.
- Debentures - net valued at 4,195.81 million baht, which increased by 4,195.81 million Baht or 100% from the previous year because WHART issued and offered for sale the Unsecured Bullet-Payment and Unsubordinated debentures with debentureholders representative in the Name-Registered Certificate with value of 3,000 and 1,200 million Baht.

(unit : million Baht)

Liabilities	31 December 2018	31 December 2017	Change (%)
Unearned rental and service income	69.52	106.36	(34.64%)
Deposits received from customers	958.69	882.44	8.64%
Borrowing from financial institutions - net	5,162.44	7,506.85	(31.23%)
Debentures - net	4,195.81	-	100.00%
Accrued expenses	155.21	169.84	(8.61%)
Other liabilities	126.32	49.65	154.42%
Total liabilities	10,667.99	8,715.14	22.41%

3) Net assets

As at 31 March 2018, the Trust has the net assets value of 21,983.33 million Baht, which increased by 2,884.01 million Baht or 15.10% from the previous year, equivalent to the net asset value per unit of Baht 9.7770.

Net Assets	31 December 2018	31 December 2017	Change (%)
Net assets (million Baht)	21,983.33	19,099.32	15.10%
Net assets per unit (Baht)	9.7770	9.7248	0.54%
Unit trust outstanding at the ending of the year (Units)	2,248,454,220	1,963,977,172	14.48%

4. Significant details on the Statement of Cash Flows

(unit : million Baht)

Cash Flows	31 December 2018	31 December 2017	Change (%)
Cash flows from operating activities	(3,494.71)	(2,313.46)	51.06%
Cash flows from financing activities	2,847.24	2,104.34	35.30%
Net decrease in cash and cash equivalents	(647.47)	(209.12)	209.62%
Cash receive from the Fund	-	710.59	(100.00%)
Cash and cash equivalents at the beginning of the year	787.13	285.66	175.55%
Cash and cash equivalents at the end of the year	139.66	787.13	(82.26%)

According to the financial statement for the year ended 31 December 2018, WHART had the total cash and cash equivalent of 139.66 million Baht due to net cash used in operating activities of 3,494.71 million Baht and net cash received from financial activities of 2,847.24 million Baht.

The net cash used in operating activities of 3,494.71 million Baht was because of the purchase of investments in properties and in securities of 4,490.97 and 1,290 million Baht respectively.

The net cash received from financial activities of 2,847.24 million Baht was because of the cash received from unitholders of 2,930.11 million Baht, cash received from borrowing from financial institution of 1,675 million Baht, cash received from debentures issuance of 4,200 million Baht, cash paid for borrowings from financial institutions of 4,122.70 million Baht, cash paid for decrease in value of investment trust from capital reduction of 232.73 million Baht and cash paid for distribution payment of 1,286.38 million Baht.

5. Financial Ratios

1) Significant Financial Ratios

1.1) WHART shall maintain the financial ratio or debt covenant in according to the loan agreements.

Details of which are as follows:

Description	Criteria		Ratio as of 31 December 2018
Interest bearing debt to total assets ratio	%	not exceed 35%	28.99
Interest bearing debt to EBITDA ratio ^{a/}	times	not be more than the ratio of 5.5:1	4.70

Notes: ^{a/} Interest bearing debt to EBITA according to the loan agreements

1.2) WHART shall maintain the financial ratio according to the Provisions governing the rights and duties of the debenture issuers and the debentureholders. Details of which are as follows:

Description	Criteria		Ratio as of 31 December 2018
Interest bearing debt to total assets ratio	%	not exceed 50%	28.99

2) Financial Ratio

Description		31 December 2018	31 December 2017	31 December 2016
Increase in net assets from operations period per unit (net profit per unit)	Baht/unit	0.6551	0.3455	0.3907
Net investment income to total income ratio ^{1/}	%	66.15	67.36	66.95
Current ratio ^{2/}	times	4.86	4.81	3.74
Total liabilities to total assets	%	32.67	31.33	31.47
Total liabilities to net assets value ratio	times	0.49	0.46	0.46
Debt to capital received from unitholders ratio	%	49.33	46.05	46.28
Interest bearing debt to total assets ratio	%	28.99	27.74	28.51
Net debt to EBITDA ratio ^{3/}	times	5.39	7.83	6.14
Interest coverage ratio : ICR (cash basis) ^{4/}	times	13.85	6.70	7.12
Interest coverage ratio : ICR	times	4.92	5.13	4.93
Debt service coverage ratio : DSCR (cash basis) ^{5/}	times	1.06	0.65	1.14
B/E Size to Interest Bearing Debt Ratio	%	-	-	-
Interest Bearing Debt matured in 1 year to total interest bearing Debt	%	0.03	0.03	0.07
Loan from Financial Institution to Total Debt Ratio	%	49.37	88.52	90.61

Notes : ^{1/} Net investment income to total income ratio mean Net investment income (Profit before net gain (loss) from investment) to total income

^{2/} Current ratio means current assets / current liabilities

^{3/} Net debt to EBITDA ratio means Debt deduct by cash and cash equivalent and investments in securities at fair value / Earnings Before Interest Tax Depreciation and Amortization

^{4/} Interest coverage ratio : ICR (cash basis) means cash flows from operating activities^{6/} + interest expense plus tax / interest expense from operating, investment and financing

^{5/} Debt service coverage : DSCR (cash basis) means cash flows from operating activities^{6/} / debt repayment + investment expense + purchase of properties + dividend payment

^{6/} Cash flows from operating activities means net cash (used in) provided by operating activities + purchase (sale) of investments in securities and purchase (sale) of investment in properties.

6. Distribution payment

Distribution payment from the operating result for the year 2018

No.	Operating period	Payment Date	Distribution per unit (Baht)		
			Dividend	Capital Reduction	Total
1	1 January - 31 March 2018	25 May 2018	0.1245	0.0700	0.1945
2	1 April - 30 June 2018	23 August 2018	0.1745	0.0200	0.1945
3	1 July - 30 September 2018	23 November 2018	0.1775	0.0170	0.1945
4	1 October - 15 November 2018	18 December 2018	0.0920	-	0.0920
5	16 November - 31 December 2018	25 March 2019	0.0705	0.0125	0.0830
Total			0.6390	0.1195	0.7585

Distribution payment from the past performance

Since the establishment of WHART on 8 December 2014, WHART has paid dividend distribution 18 times and capital reduction 15 times.

Operating period	Distribution per unit (Baht)			Amount (million Baht)		
	Capital			Capital		
	Dividend	Reduction	Total	Dividend	Reduction	Total
8 December - 31 December 2014	0.0282	-	0.0282	8.76	-	8.76
1 January - 31 December 2015	0.3047	0.3719	0.6766	114.52	117.41	231.93
1 January - 31 December 2016	0.5392	0.2200	0.7592	379.78	149.42	529.20
1 January - 31 December 2017	0.6097	0.1335	0.7432	678.51	141.19	819.70
1 January - 31 December 2018	0.6390	0.1195	0.7585	1,275.01	238.26	1,513.27
Total	2.1208	0.8449	2.9657	2,456.58	646.28	3,102.86

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (WHART)

1. Real Estate Investment Trust (“REIT” or “Trust”)

1.1 Main Points of the Trust

Name of Investment Trust (Thai)	ทรัสต์เพื่อการลงทุนในอสังหาริมทรัพย์และสิทธิการเช่าดั่งบลิวเอชเอ พรีเมียม โกรท
Name of Investment Trust (English)	WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Initial	WHART
REIT Manager	WHA Real Estate Management Company Limited (“the Company”)
Property Manager	WHA Corporation Public Company Limited
Trustee	Kasikorn Asset Management Company Limited
Term of the Trust	Indefinite
Paid-up Capital	Baht 20,612,928,907.27
Type of the Trust	Non-redeemable unit trust from the trust unitholders

1.2 Objective of the Trust

The Trust was established for the purpose of engaging in transactions in the capital market in accordance with all relevant SEC notifications. The objectives of the Trust are the issuance and offering of securities in the category of trust units of the Real Estate Investment Trust (REIT) to investors in accordance with the Notification Tor Jor. 49/2012 and registration of all trust units in the Securities Exchange (“SET”).

After receiving the proceeds from trust offering as well as the loan proceeds and deposits for rental and service, the Trust has invested such proceeds in the main assets of the Trust, and sought for commercial benefits from such assets by renting/leasing areas in such assets and providing services related to the rental or lease of properties. For the procurement of benefits the Company has assigned or appointed WHA Corporation Public Company Limited as a property manager to seek commercial benefits and manage the main invested assets under the policy and the governance of the REIT manager. Such assignment or appointment is in accordance with the Trust Deed and other relevant laws and regulation of the SEC Office. Procurement of commercial benefits of the Trust’s main assets shall be under the control and supervision of the Trustee, Kasikorn Asset Management Company Limited, in order to ensure that the operation of the Company and the property manager are in accordance with the conditions specified in the Agreements appointing the REIT manager and the property manager as well as the rules and conditions described in the Trust Act B.E. 2550 and all other relevant notifications of the SEC Office and SET. In this regard, the REIT shall not operate in such a manner that the REIT will be used in the operation; for examples, a hotel business or a hospital business. In addition, the REIT shall not lease any immovable assets of the Trust to any person(s) whom the REIT has reason to believe that such person(s) will use the immovable assets in a business that is contrary to public morals or is unlawful.

1.3 List of the First 10 Trust Unit Holders As at the Closing Date of the Share Register Book (31 December 2018)

Trust Unit Holders	Number of the Units	Trust Unit Holding Proportion (Approximate %)
Social Security Office	450,822,375	20.05
WHA Corporation Public Company Limited	337,284,043	15.00
Government Pension Fund	122,660,052	5.46
Muang Thai Life Assurance Public Company Limited	102,629,022	4.56
TMB Property Income Plus Fund	66,962,090	2.98
Southeast Life Insurance Public Company Limited	64,467,854	2.87
Bangkok Life Assurance Public Company Limited	62,472,155	2.78
Thai Life Insurance Public Company Limited	46,543,904	2.07
Allianz Ayudhya Assurance Public Company Limited	42,585,075	1.89
Krungthai-AXA Life Insurance Public Company Limited	41,357,795	1.84

2. Trustee

2.1 General Information

Name	Kasikorn Asset Management Company Limited
Location of Head Office	400/22 KASIKORN Bank Building, 6 th and 12 th Floor Phaholyothin Road Samsen Nai Sub-District, Phayathai District Bangkok 10400
Type of Business	Asset management company and trustee
Telephone No.	0 2673 3999
Fax	0 2673 3900
Homepage	www.kasikornasset.com

2.2 Roles and responsibilities of the Trustee

The Trustee has duty to manage the Trust with integrity and prudence as a professional with expertise by providing fair treatment to the trust unitholders and for the best interests of the trust unitholders, and in accordance with the relevant laws, the Trust Deed, the objectives of establishment of the Trust, and the resolution of a meeting of the trust unitholders as well as additional obligations specified in the statement to the trust unitholders (if any).

For performance of its duties, the Trustee shall omit to do any act which is in conflict with the interest of the Trust, regardless of whether such doing is for interest of the Trustee or others, except in the case where the Trustee demands remuneration for his performance as the Trustee or in the case where the Trustee is able to demonstrate that it has fairly and sufficiently managed the Trust as well as disclosed related information to the trust unitholders in advance. And the trust unitholders who acknowledge the information have no objection. In this regard, disclosure of the said information and objection shall be in accordance with relevant rules and notifications of SEC and the SEC office.

Duties of the Trustee under scope of roles and responsibilities as specified in the Trust Deed are as follows;

- (1) Monitor, supervise and manage the REIT manager in managing the Trust and assets in compliance with the Trust deed and relevant regulations.
- (2) Report to the SEC Office in the case where the property manager takes certain actions or fails to take certain actions that will negatively affect the Trust or fails to comply with duties as specified in the agreement and relevant regulations as well as prevent and provide remedy for any damages which may incur to the Trust as it may deem appropriate.
- (3) Attend every meeting of Trust unitholders. In the case where a resolution of a meeting of trust unitholders is needed, the Trustee must response to questions and give an opinion in relation to the operation whether it complies with the Trust Deed and relevant regulations or not. The Trustee shall object and notify trust unitholders if the operation is not according to the Trust Deed and relevant regulations.
- (4) Manage and operate the Trust as necessary to prevent or cease any damages to the benefits of the Trust and trust unitholders as a whole. In the event that the REIT manager cannot perform his duties, the Trustee has the power to appoint a new REIT manager.

- (5) Give an opinion regarding the performance of the REIT manager in the annual report of the Trust in which the REIT manager has the duty to prepare such report to trust unitholders. In this regard, the Trustee shall provide his opinion on whether the performance of the REIT manager is in accordance with terms and conditions as specified in the Trust Deed and other relevant laws, regulations and notifications or not.

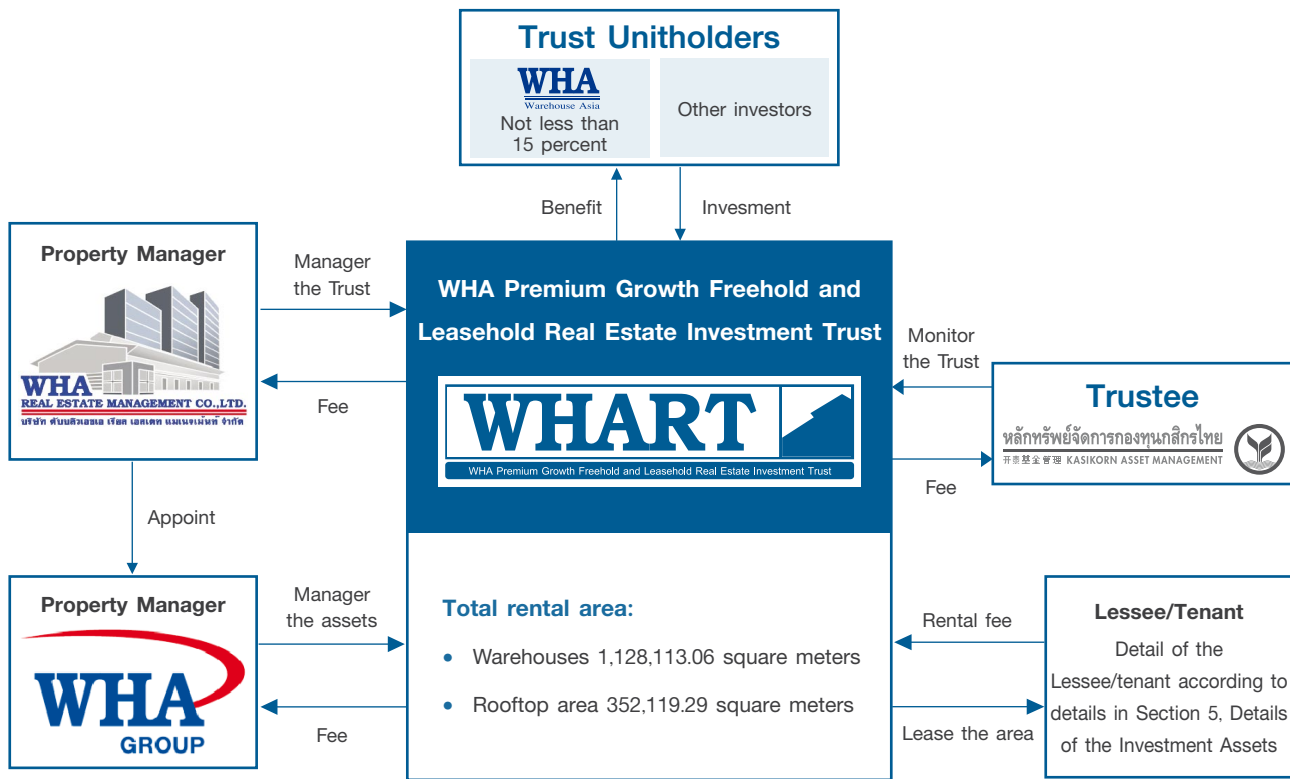
More details of scope of roles and responsibilities of the Trustee can be found in the Trust Deed.

2.3 Fee for performing duties as Trustee

The Trustee is entitled to receive a remuneration at a rate not exceeding 0.75% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net asset value of the Trust

3. Structure of the Trust

Structure of the Trust can be depicted in the diagram below.



According to the structure of the Trust, the Trustee, acting on behalf of the Trust, will invest in properties for benefits of the trust unitholders. Also, the Trustee shall manage and supervise the management of the Trust as well as monitor the investment and disclosure of the Trust's information in accordance with the Trust Deed and other relevant laws.

The Company, as the REIT manager, is responsible for managing the Trust and assets of the Trust under the scope of roles and responsibilities as specified in the Trust deed and the Agreement Appointing the REIT Manager such as managing business operation of the Trust which includes formulating policy, investment strategy, acquiring and disposing assets, borrowing and creating any lien on the assets of the Trust, entering into agreements, budgeting, reporting, investor public relations, controlling operation of the Trust and using the capital of the Trust to invest in main assets for benefits of the holders of trust units. Additionally, the Company will acquire benefits from the Trust's main assets by leasing such assets and provide services relating to rental, and distribute benefits deriving from such income to the holders of trust units.

As for the property management, the Company has appointed WHA Corporation as the property manager to manage immovable properties of the Trust such as managing marketing and procurement of tenants, being responsible for minor repair or maintenance, paying property tax, procuring adequate and appropriate insurance coverage, and preparing accounting record of revenue and expenses from rental and service provision under policy and supervision of the Company which is the REIT Manager.

4. REIT Manager

4.1 Information of the REIT manager

WHA Real Estate Management Company Limited is located at 1121 Moo.3 Thepharak Rd. Thepharak, Muang, Samut Prakan.

The Company, as the REIT manager, is responsible for managing the Trust and assets of the Trust under the scope of roles and responsibilities as specified in the Trust deed and the Agreement appointing REIT Manager. Its scope of roles and responsibilities are such as managing the Trust's business operation including formulating policy, investment strategy, acquiring and disposing assets, borrowing and creating any lien on the assets of the Trust, entering into agreements, budgeting, reporting, investor public relations, controlling operation and utilization of capital to invest in the main assets for benefits of the holders of the Trust units. Additionally, the Company will acquire benefits from the Trust's main assets by leasing such asset and provide services relating to rental. The REIT manager will distribute benefits derived from the main assets to the holders of the Trust units.

4.2 Background and nature of business of the Company

The Company is a limited company registered in Thailand on 23 April 2014 and has registered and paid-up capital of Baht 10,000,000.

Key information of the Company can be summarized as follow.

Material information of WHA Real Estate Management Company Limited	
Name	WHA Real Estate Management Company Limited
Registration No.	0115557007350
Date of Incorporation	23 เมษายน 2557
Address	1121 Moo.3 Thepharak Rd. Thepharak, Muang, Samut Prakan
Telephone number	0-2753-3159
Fax number	0-2753-3527
Registered Capital	Baht 10,000,000 (Consisting of 100,000 common shares at par value of 100 per share)
Nature and scope of business operation	Act as the REIT manager for investment in properties.
Major shareholder (proportion of shareholding)	WHA Corporation Public Company Limited (99.99%)
List of Directors	(1) Mr.Kamthorn Tatiyakavee (Chairman) (2) Mr. Piyapong Pinthuprapa (Director and Chief Executive Officer) (3) Mr. Ratachai Teratanavat (Independent Director)
Authorized Directors	Mr.Kamthorn Tatiyakavee and Mr. Piyapong Pinthuprapa co-sign and affix the Company's seal.
Accounting period	1 January - 31 December

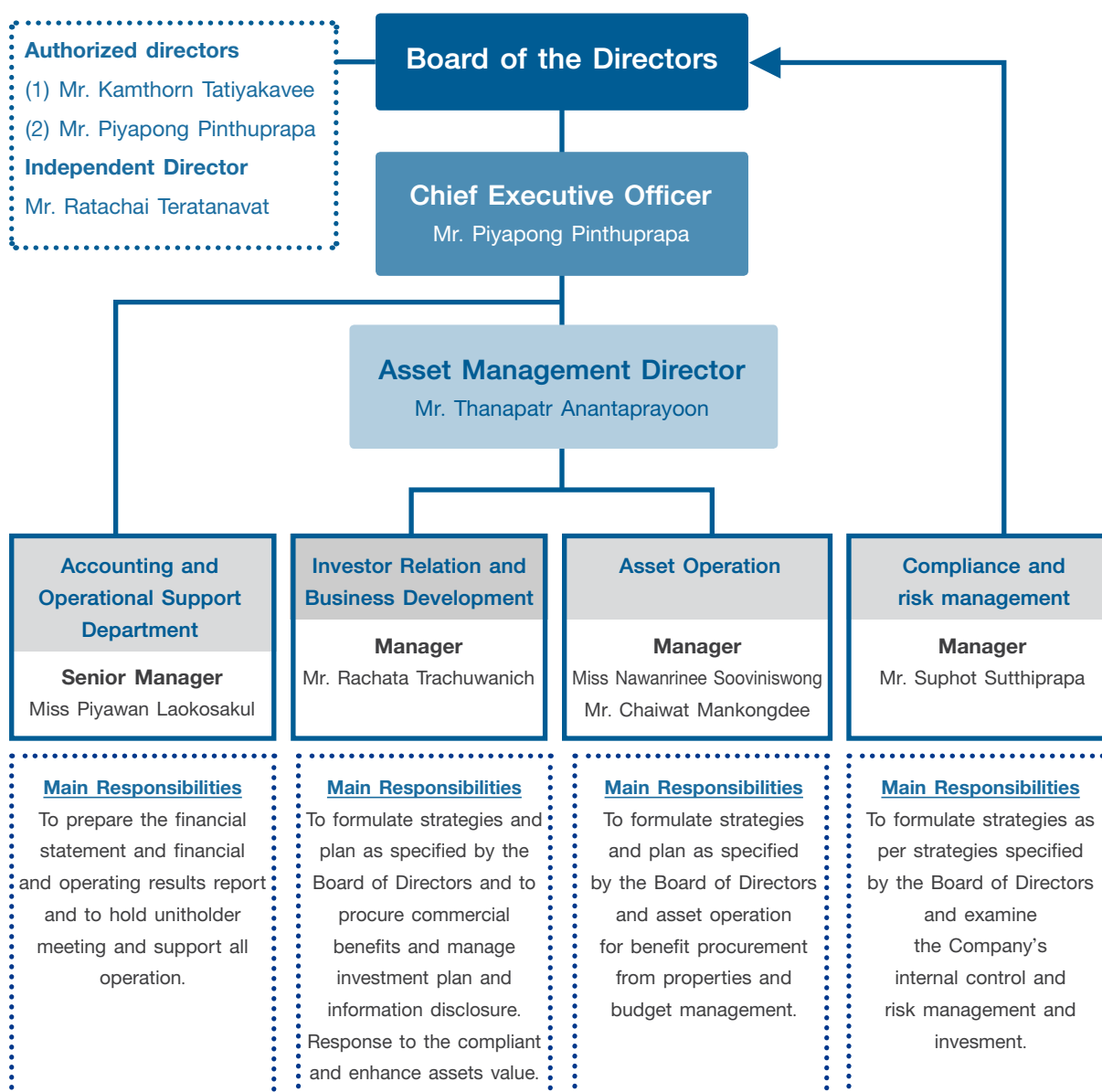
4.3 Shareholding structure of the REIT manager

Top 10 shareholders

Name of shareholders	# of shares	# of share to total paid-up shares (%)
1 WHA Corporation Public Company Limited	99,997	99.997
2 Ms. Chatchamol Anantaprayoon	1	0.001
3 Ms. Jareeporn Jarukornsakul	1	0.001
4 Mr. Piyapong Pinthuprapa	1	0.001
Total	100,000	100.00

4.4. Directors and Executives

Management structure of the Company as the REIT manager is comprised of board of directors and executive officers which can be seen in structure of the management as follow:



4.4.1 Board of Directors

Name	Position	Education	Experience related to investment or properties management
Mr. Kamthorn Tatiyakavee	Chairman (Authorized director)	Master of Business Administration in Finance, Bridgeport Connecticut Connecticut, United States of America	-
Mr. Piyapong Pinthuprapa	Director (Authorized director)	Master of Science in Real Estate, City University, United Kingdom	1. Managed, conducted feasibility studies and analysed investment yield from development of new projects. 2. Conducted feasibility studies and analysed investment yield from development of new projects. 3. Analysed investment yield and submitted reports to SEC.
Mr. Ratachai Teratanavat	Independent director	Master of Business Administration in Finance, California State University, United States of America	-

4.4.2 Executives

Name	Position	Education	Experience related to investment or properties management
Mr. Piyapong Pinthuprapa	Director and Chief Executive Officer	Master of Science in Real Estate, City University, United Kingdom	1. Managed, conducted feasibility studies and analysed investment yield of invested properties. 2. Conducted feasibility studies and analysed investment yield from development of new projects. 3. Analysed investment yield and submitted reports to SEC.
Mr. Thanapatr Anantaprayoon	Asset Management Director	Master of Business Administration, Sukhothai Thammathirat Open University	Managed, surveyed, procured and evaluated invested assets
Miss Piyawan Laokosakul	Senior Manager	Master of Science in Accounting and Finance, Teesside University, United Kingdom	-
Mr. Rachata Trachuwanich	Asset Management Manager	Master of Science in Real Estate Management and Development, Heriot-Watt University, United Kingdom	Analysed and evaluated value of assets, advised and analysed the real estate market, contacted customers and set service fees
Miss Nawarinnee Sooviniswong	Asset Management Manager	Master of Business Administration, Ramkhamhaeng University	Managed and procured tenants for office buildings, retail shops and residences in Bangkok and other provinces prepared annual budgets and supervised the property manager

Name	Position	Education	Experience related to investment or properties management
Mr. Chaiwat Mankongdee	Asset Management Manager	Bachelor of Science (Major Industrial Technology) Suan Dusit Rajabhat	Managed and inspected preventive maintenance, office buildings, shopping center and prepared annual budgets
Mr. Suphot Sutthiprapa	Audit Compliance and Risk Management Manager	Bachelor of Accounting, Sukhothai Thammathirat Open University	-

Board of directors and executives who are authorized to manage the Company must not possess characteristics which are prohibited under the Notifications of Capital Market Supervisory Board concerning Prohibited Characteristics of Personnel in Capital Market Industry. Scope of roles and responsibilities of the board of directors, independent directors, chief executive officers including other departments shall be in accordance with the Company's manual of operating system and internal control which is approved by the Office of SEC.

- **Authorized directors**

Mr.Kamthorn Tatiyakavee and Mr. Piyapong Pinthuprapa co-sign and affix the Company's seal.

- **Scope of roles and responsibilities of the board of directors of the REIT manager**

The board of directors plays important roles in approving vision, strategy, and direction and formulating policy relating to long-term and short-term business operational plan, finance risk management and organization overview as well as monitoring and evaluating efficiency of the operation and performance of personnel to be in accordance with policy and business plan and under the scope as specified in the Agreement appointing REIT manager, the Trust Deed, prospectus, objective and articles of association of the Company, resolution of board of directors, resolution of meeting of trust unitholders including other relevant laws by taking the best benefits of the Trust and trust unitholders into account.

Moreover, the board of directors also plays important roles in managing and monitoring the compliance of the operation and disclosure of conflict of interest according to the guidelines of the SEC Office and other relevant regulatory authorities.

- (n) Perform its duties with integrity (duty of Loyalty), prudence (duty of Care), responsibility (accountability) and morality (ethic) and in accordance with laws, objective and articles of association of the Company as well as resolution of a meeting of trust unitholders.
- (b) Being responsible for management of the business of the Company and the Trust under supervision of the Trustee including formulating strategy and long-term business plan, setting up appropriate organizational system structure and monitoring business operating policy such as investment, performance, annual budget and business plan etc. and considering risk factors which may affect procurement for commercial benefits and operating performance of the Trust, and reviewing transactions which may cause conflict of interest etc.
- (c) Monitor and advise as necessary in order to ensure that performance of the executives and personnel assisting the Company's operation is according to the relevant agreements and regulation regarding duties of the REIT manager.

- (d) Monitor and follow up on the operation of the Company as the REIT manager as well as giving advices as necessary in order to ensure that the operation of the Company is according to targeted plan and obstacles which may incur can be appropriately and timely handled.
- (e) Review, monitor and advise as necessary in order that the Company has efficient system for the operation and internal control to perform the REIT manager's duties.
- (f) Constantly revise and improve policies and key plans related to the performance of the REIT manager to be up-to-date and suitable for the business.
- (g) Evaluate executives' performance as well as provide advices in order to ensure that the executives fully perform their duties as assigned and in accordance with the rules and conditions as specified in the relevant regulations, and for the benefits of the Trust.
- (h) The board of directors may assign any of the directors or other persons to perform duties on behalf of the board of directors. This shall not include an authorization which would enable such director or attorney-in-fact to act in conflict of interest with the Trust.
- (i) Approve decisions in relation to investment and management of the Trust in order to be complied with the Trust Deed and other relevant law and regulations as follows:

(1) Additional investment or acquisition of properties or leasehold properties

For investment in new freehold properties or leasehold right and procurement of commercial benefits from such properties or leasehold right, the board of directors shall consider and ensure that the Company as the REIT manager conducts due diligence on relating information and asset appraisal by appraisal firms. Such investment and procurement shall comply with the notification of the SEC Office as follows:

(1.1) Substance and nature of the transactions shall be as follows:

(1.1.1) The transaction must be as prescribed in the Trust Deed and other relevant laws.

(1.1.2) The transaction must be for the best interest of the Trust.

(1.1.3) The transaction must be reasonable and made at a fair price.

(1.1.4) Fees and expenses of entering into transactions which are collected from the Trust (if any) must be just and reasonable expenses.

(1.1.5) Persons who have conflict of interest with the transaction must not involve in making decision in relation to such transactions.

(1.2) Approval system shall be conducted according to the followings:

(1.2.1) In the case that the person for whom a transaction is entered is not a related person to the Company

(1.2.1.1) The Trustee must approve that the acquisition transaction conforms to terms and conditions as specified in the Trust Deed and other relevant laws.

(1.2.1.2) In case of acquisition of the main assets with total transaction size of at least ten (10) % of total assets of the REIT, it is required to be approved by the board of directors.

(1.2.1.3) In case of acquisition of main assets with total transaction size of at least thirty (30) % of total assets of the REIT, it is required to be approved by a resolution passed at a meeting of trust unitholders by a majority of not less than three-fourths (3/4) of total of the trust unitholders who attend the meeting and have the right to vote.

(1.2.2) In the case that the person for whom a transaction is entered to is a related person to the Company

(1.2.2.1) The Trustee must approve that the acquisition transaction conforms to terms and conditions of the Trust Deed and other relevant laws.

(1.2.1.2) In case of transaction with the value more than Baht one (1) million or (0.03) % of total asset value of the Trust or more, whichever is the greater, it is required to be approved by the board of directors.

(1.2.1.3) In case of the transaction with the value of at least Baht twenty (20) million or three (3) % of total asset value of the Trust or more, whichever is the greater, it is required to be approved by a resolution passed at a meeting of trust unitholders with majority votes of not less than three-fourths (3/4) of total of the trust unitholders who attend the meeting and have the right to vote.

For the consideration of the investment and information disclosure, the Company shall consult with financial advisor to give the opinion regarding such information analysis.

In case where a resolution of a meeting of trust unitholders is required, invitation calling for the meeting of trust unitholders shall contain an opinion of financial advisor to support the trust unitholders' consideration.

- (2) The Company's procurement shall be conducted in accordance with the manual of operating system and internal control.
- (j) Consider and approve the disposal of the main assets and equipment of the Trust whether it is complied with laws, the Trust Deed, notifications and other relevant regulations whereby the board of directors shall consider and ensure that the Company conducts the followings:
 - (1) Prior to the disposal of such main assets, the Company must have the assets to be appraised. Disposal of the main assets must be publicly carried out and contains sufficient information and complies with procedures under the approval system.
 - (2) For disposal of the main assets fallen under following conditions, other than the aforesaid conditions in (J), the disposal must be necessary and reasonable and the approval of the Company's board of directors must also be obtained.
 - (2.1) Disposal of any main assets before the one (1) year from the acquisition date of such main assets.
 - (2.2) Disposal of any main assets of which the Trust has acquired to the previous owner.

4.4.3 Independent directors

- (1) Regarding selection of independent directors of the Company, the independent directors shall at least meet the following qualifications:
 - (1.1) Holding shares of not exceeding one (1) per cent of total number of shares with voting rights in the Company, parent company, subsidiary company, associate company, major shareholders or persons who may have conflict of interest (including related persons under Section 258 of Securities and Exchange Act).
 - (1.2) Neither being nor used to be an executive director, employee, staff, advisor who receives salary from the Company, parent company, subsidiary company, associate company, same-level subsidiary company, major shareholders or persons who may have conflict of interest, unless the foregoing status has already ended for not less than two (2) years.
 - (1.3) Not being a person related by blood or legal registration as a father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Trust or its subsidiary company.
 - (1.4) Neither having nor used to have a business relationship. Having no direct or indirect benefit from, or interest in, the finance and management of the Company, its parent company, subsidiary company, associate company, major shareholder or persons who may have conflict of interest in the manner which may interfere with his independent judgement.
 - (1.5) Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or persons who may have conflict of interest, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company, major shareholder or persons who may have conflict of interest, unless the foregoing relationship has already ended for not less than two (2) years.
 - (1.6) Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two (2) million Baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or persons who may have conflict of interest, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended for not less than two (2) years.
 - (1.7) Not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to major shareholder.
 - (1.8) Not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one (1) per cent of total number

of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary company.

- (1.9) Being able to provide independent discretion and objection to any act of other directors or executives as necessary for the benefits of the Company.
 - (1.10) Being able to attend the board of directors' meetings of the company to make decision on any significant activities of the company.
 - (1.11) Being academically qualified and equipping with proper experiences; or are recognized for their high potentialities and to be well-known.
 - (1.12) Not being a person in the list made by the Stock Exchange of Thailand stating that such persons are inappropriate to serve as an executive according to SET regulations.
 - (1.13) Has never been convicted of violating securities and exchange laws, laws governing the investment business, securities brokering, or credit fanciers, or commercial banking laws, or life or non-life insurance laws, or money laundering laws, or any other financial laws of a similar nature, whether Thai or foreign, in accused of committing wrongful acts relating to trading in shares or the perpetration of deceptions, embezzlement, or corruption.
 - (1.14) Not having any other characteristics which cause the inability to express independent opinions with regard to the Company's business operations.
- (2) Scope of duties and responsibilities of independent directors
- (2.1) Review, monitor and advise as necessary in order to timely prepare financial report and disclose accurate, sufficient and reliable information in the financial report of the Company.
 - (2.2) Review, monitor and advise as necessary in order to establish suitable internal control and operating system to perform duties as the REIT manager.
 - (2.3) Review and give opinion in relation to connected transactions or transactions which may cause conflict of interest with the Trust to be complied with relevant laws and regulations and ensure that the transactions are reasonable and for the best benefit of the Trust.
 - (2.4) Perform any other act as assigned by the Company's board of directors for the benefit of the Turst.
 - (2.5) Review and be aware in order to give opinion as necessary on the following matters:
 - (2.5.1) Connected transactions or transactions which may cause conflict of interest with the Trust.
 - (2.5.2) Weaknesses and matters which must be improved regarding operating and internal control system to perform duties of the REIT manager and the report of progress on improvement.

4.4.4 Meeting of the board of directors

(1) Quorum and voting

In every meeting of the board of directors, a quorum of a board of directors shall consist of more than half of total number of shareholders who attend the meeting themselves. Resolution of the board of directors shall be passed by more than half of the votes of directors who attend the meeting. Directors who have direct or indirect interests must be abstained from voting and must leave the meeting during the deliberation and vote on such matter.

The Chairman will provide opportunity for all directors to express their opinion openly before the voting and concludes resolution of each agenda. Minute of meeting shall be made in written. For convenience of directors and related person, the minute of meeting will be kept in original format together with the invitation calling for the meeting and meeting documentation as well as electronic copy format.

(2) The board of directors must regularly arrange the meeting of the board of directors, at least once every quarter in order to review, acknowledge and approve necessary operations, specifically for the following matters:

- (2.1) Performance of the Company and the Trust
- (2.2) Annual budget, business plan and business strategy of the Trust prepared by the REIT manager with cooperation and support from the property manager.
- (2.3) Progress of operations relating to procurement of commercial benefits according to business and marketing plan designated by the Company with cooperation and support from the property manager as well as any problems and guidelines for resolving the problems.
- (2.4) Guidelines for alleviating risks and other causes which may affect the operation of the Trust.
- (2.5) Operational performance of the following departments i.e. Compliance & Risk Management, Asset Management, Accounting and Operational Support including problems and obstacles which incurred during the operation and guidelines for solutions.
- (2.6) Guidelines on receipt of important disputes and complaints relating to operation of the Trust which must be reviewed by the board of directors.
- (2.7) Weaknesses of operating and internal control system for performing duties as the REIT manager including guidelines and improvement progress.
- (2.8) Connected transactions and other transactions which may cause conflict of interest to the operation of the Trust.
- (2.9) Other matters which must be reviewed and approved by a meeting of trust unitholders.
- (2.10) Other significant matters which are relevant to the operation of the Company and the Trust.

(3) Conflict of Interest

The board of directors realizes importance of conflict of interest, having interest or benefit in the Trust, and related persons to the Company. The board of directors therefore has set up policies to prevent such conflict of interest. The principles are that decision making of the Company as well as operation of the Company's personnel shall be for the best interests of the Trust. Any act which may cause conflict of interest must be avoided. Moreover, the directors and executives must report their conflict of interest and of related persons which may cause conflict to the management of the Trust and the Company.

According to Section 89/1 of Securities and Stock Exchange Act, related persons of directors and executives mean persons as follows:

- (a) In case of an individual, it shall include the spouse, a minor child or an adopted minor child of the director and the executive;
- (b) In case of a juristic person, it shall include a juristic person over which the spouse, a minor child or an adopted minor child of the director and the executive has control.

"Control" means one or more of the following manners:

- (a) Holding of shares with voting right of a juristic person in an amount exceeding fifty (50) percent of total number of the voting rights of such juristic person; or
- (b) Having control of the majority voting rights in the shareholders' meeting of any juristic person, whether directly or indirectly; or
- (c) Having control over appointment or removal of at least half of all directors, whether directly or indirectly.

4.5 Remuneration of the REIT manager

During the term of the Agreement appointing the REIT manager, the Company as the REIT manager will obtain a fee at a rate not higher than 0.75% per year of the NAV of the Trust at the last business day of the month prior to payment of the remuneration as specified in the Trust Deed.

Acquisition fee

In the case of assets of connected persons to the REIT Manager: Not exceeding 0.75% of the value of assets acquired by the Trust.

In the case of other assets: Not exceeding 1.00% of the value of assets acquired by the Trust.

Disposal fees

Not exceeding 0.50% of the value of assets disposed of WHART.

4.6 Policies or strategies of Trust management as assigned by the Trustee

4.6.1 Duties and responsibilities of the REIT manager

The Company, as the REIT manager, is mainly responsible for the management of the REIT which includes investing in the assets and monitoring management of the property manager. The management of the REIT Manager shall be under supervision of the Trustee as follows:

General Duties

- (a) The REIT manager shall exercise its duties with knowledge and skills that may reasonably expected as a professional, and with diligence, care, and loyalty. In this regard, the REIT manager shall exercise its power for the best interest of the unitholders as a whole, and in accordance with this agreement, as well as other relevant laws and additional commitments made to the investors in disclosure documents for the benefit of the unit trust offering to the investors and resolutions of the trust unitholders. The REIT manager shall not perform any act which is in conflict with the interest of the trust unitholders and investors as a whole.
- (b) The REIT manager shall perform its duties in conformity with the principles of business conduct as follows:
 - (1) Having sufficient capital to operate the business and to compensate for any detriment which may occur from performing the duties of the REIT manager.
 - (2) Adequately discloses, gives opinion on, or provides importantly relevant information to investors for making investment decision. In this regard, such information shall be clearly and not be distortion or misleading.
 - (3) Do not exploit any information acknowledged from performing as the REIT manager for its own interest, or in manner of damage or impact on the interests of the Trust.
 - (4) Perform its duty carefully in order to avoid conflicts of interests. In case of inevitableness, the REIT manager shall ensure that the trust unitholders' interest will be treated fairly and appropriately.

For purpose of preventing the conflict of interest between the Trust and the REIT manager which may incur upon performance of its duties as specified in the Trust Deed, the REIT manager shall perform the followings:

- (a) The REIT manager shall not have any interest which may be in conflict with the best interest of the Trust and in the case where any conflict of interest may arise, there must be a measure in place to ensure that the management of the Trust shall be for the best interest of the Trust and the trust unitholders as a whole.
- (b) If the REIT Manager also manages another trust, main assets of such trust shall not be the same type as those of the Trust.
 - (5) Comply with the Securities and Exchange Act, the Trust Act and other relevant laws to the operation of the Trust as well as the code of ethics and standards of professional conduct as defined by the associations relating to securities business or by organizations in connection with securities business recognized by the SEC Office. In addition, the REIT manager shall not support, employ or collaborate anyone to violate the laws and regulations.
 - (6) Cooperate with the Trustee or the SEC Office in performing their duties, and disclose information which may affect the management of the Trust significantly or other information which should be notified to them, specifically on the followings:

- (6.1) Prepare and maintain information and documents related to the management, internal controlling and information disclosure. In event of verification of the Trustee, the REIT manager shall provide information and documentation and examine locations of the assets as requested by the Trustee in order to ensure that the REIT manager performs in accordance with relevant laws and regulations and protect interest of the trust unitholders.
 - (6.2) Prior to establishment of the Trust, the REIT manager shall provide information and documentation in related to the Trust's structure, method of rent, procurement and collection of revenue and expenses collectible from the Trust, service agreement between the Trust, the Company and other persons etc. in order that the Trustee formulates operation plans to efficiently monitor the management, internal controlling and information disclosure of the Trust.
- (c) A REIT manager shall provide indemnity insurance for its performance, as well as the conduct of its directors, executives and personnel, throughout the period of the Agreement appointing the REIT manager.
- (d) In executing a transaction concerning a real estate for the Trust, the REIT manager shall perform the transaction in accordance with the following rules:
 - (1) Ensure that properties disposal agreement or other agreements concerning the properties are prepared correctly and legally binding.
 - (2) Ensure that the investment in properties of the Trust is properly carried out with at least the following procedures:
 - (2.1) assess readiness to manage the properties investment prior to the acceptance to be the REIT manager or prior to the additional investment in properties of the Trust, as the case may be.
 - (2.2) analyse and conduct feasibility study as well as due diligence on the properties in accordance with rules and guidelines on real estate investment trust (REIT) management as prescribed by SEC and the SEC office as well as assess potential risks that may occur upon such property investment and issue guidelines on risk management. In this regard, the risk management is included risk in relation to construction and development of the properties (if any) such as risks which may incur from late construction and inability to procure benefits from such properties.
- (e) The REIT manager shall arrange a trust unitholders' meeting as specified in the Trust Deed.
- (f) The REIT Manager shall take actions on capital increase and decrease of paid-up capital of the Trust by following the reasons and procedures as specified in the Trust Deed.
- (g) In the event of change of the REIT manager, the former REIT manager shall take any necessary action in order that the new REIT manager would be able to perform its duty successfully.
- (h) In the case where an adviser is appointed to provide consultation or recommendation relating to the investment and management of the properties, the REIT manager shall perform in accordance with guidelines as follows:

- (1) Request the adviser to report any conflict of interest on deliberated issues.
 - (2) Not allowing the adviser, who has direct or indirect interest in the deliberated issue, to participate in the consideration of such issue.
- (i) The REIT manager shall prepare a financial statement in conformity with the financial reporting standards as stipulated by laws on accounting profession and submit such financial statement to the SEC Office within 3 months from the end of fiscal year. The financial statement prepared shall be audited by an auditor who has obtained an approval from the SEC Office.
 - (j) Prepare and disclose the Trust's information including information under Section 56 and Section 57 of the Securities and Exchanges Act and other information as specified in the Trust Deed and the Agreement appointing the REIT manager.
 - (k) Prepare and disclose the Trust's information to the Trustee, the SEC Office and trust unitholders as prescribed in the Securities and Exchanges Act, the Trust Deed, and other relevant laws including submit an annual report together with invitation calling for an annual general meeting of trust unitholders. The REIT manager shall provide information and documents related to any act or omission to act as instructed and requested by the SEC Office.
 - (l) Avoid any event which may cause the REIT manager to have no independence especially on selection and due diligence of properties, securities and other services in which the Trust will invest. The REIT manager, directors, executives and manager and personnel of the REIT manager are prohibited to receive brokerage fee, service remuneration (soft commission) or other benefits from the former owner of the property, sponsor, securities seller, service provider and brokerage Company as their own income or for their own interest.
 - (m) The REIT manager shall disclose conflict of interest, benefits and related persons to the REIT manager or Trust's trading parties in the registration statement, a notice calling for a meeting and the annual report of the Trust in order to obtain an approval on transactions and to support consideration of the REIT manager's independence in entering into such transaction as well as reasonableness of the transactions.

Conflict of interest and benefits to be disclosed such as creditor, debtor, surety or warrantee, cross-holding of shares or having the same group of major shareholders or executives, providing or receiving service, mutual trading, and paying expense for each other, and so on.

Duty to manage the Trust

- (a) In order to properly and efficiently manage the Trust, as entrusted by the Trustee, the REIT manager shall arrange a qualitative operating system along with a measurement with efficient checking and balancing operation to entirely support the work under its responsibility.
- (b) Manage the Trust to be in compliance with applicable laws, regulations and the Trust Deed, and in order to conduct in a way that protects interests of trust unitholders.
- (c) Duly and carefully conduct due diligence on the properties in which the Trust will invest and maintain records, information and documents related to the due diligence process and the decision to invest or not to invest in any properties. In this regard, the due diligence on properties in which the Trust will invest shall be conducted according to the due diligence guidelines on guidelines on management of fund or real estate investment fund (REIT).

- (d) Perform necessary actions to ensure that financial and economic value of the Trust's properties are professionally managed and for the best benefits of the trust unit holders, for examples;
- 1) Formulate strategies and policies in relation to risk management and investment in conformity with terms and conditions as specified in the Trust Deed.
 - (2) Determine and control amount of credit facility and creation of obligations of the Trust as specified in the Trust Deed.
 - (3) Invest in properties to meet the objectives of the Trust.
 - (4) Manage cash flow of the Trust.
 - (5) Review benefit distribution policies of the Trust.
 - (6) Provide insurance for any damage which may occur to the Trust's properties of and insurance for the liabilities to third parties at appropriate and sufficient insured amount to ensure that the Trust would be able to seek benefits as before.
 - (7) Formulate plans in relation to apportionment of rental area by type of business of lessors and customers.
 - (8) Undertake any acts to ensure that the lessors and customers comply with the provisions of lease agreements and service agreements.
 - (9) Manage and monitor compliance with laws and regulations relating to invested properties.
 - (10) Manage the rental area such as monitoring the area renting, negotiating lease agreements with the lessors, reviewing rate or rental fee, and terminating and renewing the lease agreements etc.
 - (11) Evaluate and assess any former rental in order to stipulate conditions of rental and services. Prepare lease agreements and service agreements including evaluate accuracy of rental and expenses collection in order to make an accounting entry of allowance for doubtful accounts or bad debt write-off or bad debt recovery (in case rental or service fee is collected after the write-off).
 - (12) Arrange a security system within the invested buildings and assets such as fire alarm system and emergency communication system etc.
 - (13) Formulate policies and plans to manage, maintain and improve the invested buildings and other assets.
- (e) Ensure that the Trust has absolute ownership over the invested assets and leasehold rights including that the agreements into which the Trust enters are correctly prepared, legally binding and enforceable under conditions specified in the agreements.
- (f) Arrange a system for safekeeping of documents and evidence relating to the operation of the Trust, notice calling for a trust unitholders' meeting, registration statement, prospectus, annual report, financial statement and accounting record documents. Monitor the safekeeping of such documents or evidence for its accuracy and completion as well as availability for inspection for the period not less than five (5) years from the date of producing such documents or information.

- (g) Prepare a financial statement, annual report and other information of the Trust for its accuracy and completion and distribute within a specified period of time in the Trust Deed and SECT regulations.

REIT manager shall include directors and executives who have duties in relation to preparation and disclosure of the Trust's information and are jointly responsible for information which is disclosed and distributed to the trust unitholders and investors. The REIT manager must arrange a system to audit and ensure that information in the registration statement, prospectus, notice calling for a trust unitholders' meeting, printed advertisement or other distributing documents are accurate and complete as well as contains sufficient and material information for consideration of investment, and in compliance with relevant laws and regulations.

- (h) Ensure that the trust unitholders obtain accurate and sufficient information in advance prior to vote or approval of any matters within a specified period of time in the Trust Deed and SET regulations.
- (i) Manage and monitor the operation of the Trust to be in accordance with rules or guidelines issued by government entities and other regulatory authorities in connection with the operation of the Trust including SET regulations.
- (j) Distribution the benefits of not less than ninety (90) percent of the adjusted net profit of the financial year to holder of trust units. This shall include net profits based on cash position of the Trust which can deduct repayment of principal of loan and other obligations due to be performed taking into account of cash position (if any). Such distribution shall be made within ninety (90) days from the end of fiscal year or accounting period which the distribution is made, as the case may be. However, if there is accumulated loss, distribution to the trust unitholders cannot be made.

Duty to appoint the property manager to manage properties of the Trust

In the case where the REIT Manager would like to appoint a person to be a property manager to manage the assets of the Trust on its behalf, the REIT Manager has the duty to select the property manager with prudence, to supervise and to monitor the performance of duties of the property manager sufficiently in order to ensure that the property manager is qualified with knowledge, capability, and experience in managing the properties including monitor performance of the property manager to be complied with the Trust Deed, Trust Act and other relevant regulations for the best benefits of the trust unitholders and other investors. In this regard, the REIT manager shall perform, at least, the following:

(1) Selection of the property manager

Appointing the property manager to manage the Trust's properties such as managing sales and marketing and supervising day-to-day operation. In doing so, the REIT manager shall perform, at least, the following conducts:

- (a) Evaluate reputation and past work and experience of the property manager regarding its ability of finding tenants and customers, debt collection, property maintenance, rental management, service provision and internal control system in order to prevent revenue leakage and control expenses disbursement etc.
- (b) Review a suitable remuneration rate for the property manager which shall be based on work competency and comparable to the market rate.
- (c) Arrange mechanism allowing the Trust to adjust the property manager if the property manager has not complied with the conditions of his performance or his management is not satisfactory.
- (d) Arrange a system for monitoring and evaluating the internal controlling system of the property manager in order to ensure efficiency of such system and that the system can prevent or detect any corruption or non-compliance such as having an auditor of the property manager evaluating the internal controlling system and report errors to the REIT manager.

The REIT manager may specify in the Agreement appointing the Property Manager that the property manager shall be liable for any damages which may occur to the benefit of the Trust due to the property manager's negligence.

- (e) If it is found by the REIT manager that the property manager takes certain actions or fails to take certain actions that will result in lack of its creditability to perform tasks and duties in accordance with the Agreement appointing the Property Manager, the REIT manager shall terminate the Agreement appointing the Property Manager and operate or appoint a new property manager.

(2) Monitoring of the property manager's performance

The REIT manager shall have duties and responsibilities to manage and monitor the management and performance of the property manager for the best optimum benefit of the Trust and trust unitholders. In doing so, the REIT manager shall perform, at least, the following conducts:

- (a) The REIT manager shall prepare and approve the Trust's budget which shows certain details of revenues and expenses in each month in order to avoid any unnecessary expenses and set targeted annual and monthly revenues for the property manager as well as monitor revenues and expenses to be in line with the budget plan.
- (b) The REIT manager shall create incentives for the property manager to increase value and yield of the Trust and lower the risks for the trust unitholders.
- (c) The REIT manager shall manage and monitor the operation of the property manager in accordance with strategies and policies in connection with the Trust's management in order to increase income and lower fluctuation of rental income.
- (d) The REIT manager shall design and formulate policies and procedures for operating the procurement of new tenants for the property management and review methods for selecting tenants and customers. The REIT manager shall also formulate plans for tenant's apportionment by types of business (Tenant Mix) and monitor the performance of the property to be in accordance with such policies and plans in order to limit and control risk and the fluctuation of rental income.

- (e) The REIT manager shall consider and review policies regarding rental fee to ensure that it is consistent with current market trend of the rental fee and service fee as well as monitor the performance of the property manager to be in accordance with such policies.
- (f) The REIT manager shall examine expense controlling system for maintaining and repairing equipment and buildings of the property manager to access appropriateness of the repair and replacement and ensure that the expenses are not extravagant and truly benefits the Trust.
- (g) The REIT manager shall access or evaluate appropriateness of procurement controlling system of the property manager to ensure that the payment of goods or services is not extravagant and is worthy. The procurement however shall be made according to the Trust Deed, the registration statement and the prospectus of the Trust.
- (h) The REIT manager shall monitor and control revenue collection operated by the property manager in order to ensure that the Trust fully receives its revenues.
- (i) The REIT manager shall instruct the property manager to monitor and follow up the payment of taxes by tenants and customers according to the laws.
- (j) The REIT manager shall analyze and monitor irregularity of management of the property manager including randomly examine the operation of the property manager without an advanced notice.
- (k) The REIT manager shall regularly monitor and assess internal control system of the property manager.
- (l) The REIT manager shall regularly arrange a meeting with the property manager in order to evaluate and assess the REIT's operation and look for appropriate solutions to resolve such operation problems.

Process and factors in consideration of investment and management of the Trust

In future, the Trust might invest in freehold or leasehold rights apart from the initially invested assets and seek benefits from such properties or leasehold rights. The Company, as the REIT manager shall manage and operate in accordance with the investment policies as specified in the Trust deed and the principles as follows:

Direct Investment in the main properties and equipment

- (1) It must be an acquisition of absolute ownership or possessory rights over properties. In case of possessory right, it shall be one of the followings:
 - (a) Acquisition of properties with Nor. Sor. 3 Gor.
 - (b) Acquisition of leasehold rights with document of title or possessory right (Type Nor. Sor. 3 Gor)
- (2) Properties shall not be subject to any property rights, or there shall be no disputes in relation to the properties unless obtaining written opinions from the Trustee and the REIT manager specifying that such real right or dispute will not materially affect benefit procurement of the Trust and conditions of acquisition benefits the trust unitholders as a whole.

- (3) Entering into agreements for assets acquisition shall not incur any obligation which may cause the Trust not being able to sell the properties with fair price (at time of sale) such as agreement giving the right to first purchase with fixed price etc. or may cause more obligations than obligations in general to the Trust at the time when the lease agreement is being terminated.
- (4) Acquired properties shall be ready for seeking benefit at the value of not less than seventy-five (75) percent of the value of trust units additionally applied for offering including loan proceeds (if any).

The Trust may invest in incomplete projects with investment fund for acquisition and property development not exceeding ten (10) percent of total value of the Trust's assets (after the offering of trust units). The Trust however shall demonstrate sufficient circulating fund for such development and prove that there will be no effect to existence of the Trust.

- (5) Invested assets must be evaluated in compliance with the following principles:
 - (a) It must be a full valuation for the public purpose of disclosing information to investors/ the trust unitholders within period of not over six (6) months before submission of requested by at least two (2) appraisers, and;
 - (b) The appraisers in (a) shall be approved by the SEC Office.
- (6) Value of the acquired properties shall not be less than five hundred (500) million Baht. In the case where capital from fund raising derived from the offering of trust units is less than value of invested assets, the REIT manager must demonstrate sufficient source of fund for the acquisition of the assets.
- (7) In case of acquisition of possessory rights by subleasing properties, renting buildings which a lessor is not an owner of title deed or has possessory right under certificate of utilization, the REIT manager must arrange and provide insurance for any damage which may incur from termination of agreement by owners of assets or persons with possessory rights. Given that the insurance is not arranged, the REIT manager must disclose the risk to investors by specifying in the registration statement of potential effect which may incur to operation and performance of the Trust if the owners or persons with possessory rights terminate agreements.
- (8) In the case where the Trust acquires ownership of properties and the REIT manager would like to procure benefits from such properties by renting to the former owners, rental fee shall be set in accordance with common trade practice as if entering into a transaction with third party.

Indirect investment in the main assets and equipment

- (1) Holding share not less than 99 % of total issued shares and of votes of a company which is specifically set up to operate business in the same manner as the Trust.
- (2) Having measures or systems in place to enable the Trustee and the REIT manager to manage and monitor the operation of the REIT manager to be complied with the Trust Deed, rules specified in the Notification of SEC Tor Jor 49/2555 and other relevant notifications of the SEC Office in the same manner as the direct investment in the main properties and equipment.

Properties to be invested by the Trust must have appraisal values based on a full valuation with verification of documents of title for the public purposes of disclosing information to the investors not exceeding six (6) months prior to the date of filing a request to sell the Trust units, by at least two (2) appraisers whom the property manager and financial advisor (if any) deem appropriate and who have the capabilities to evaluate the value to reflect actual prices as well as possess the following characteristics:

- (a) The appraiser(s) must be approved by the Office of SEC in accordance with notification of the Officer of SEC related to the approval of appraisal companies and the principal appraisers.
- (b) In the case where the properties to be invested are located overseas, the appraiser(s) may be a person on the approved list in which supervisory offices or authorities of its home country approves them to perform the duties as an appraiser. In the case where there is not such an approved list, the appraiser(s) shall possess one of the following characteristics:
 - (1) Being an appraiser whose work is widely accepted in a country where the properties are located
 - (2) Having an universal performance standard and system;
 - (3) Being an international firm

Method of additional acquisition of main properties and equipment of the Trust

The method of additional acquisition of main properties and equipment of the Trust shall comply with the following criteria:

- (1) Prior to each main properties acquisition, the REIT manager shall perform the followings:
 - (a) Conduct due diligence on information and agreements related to the main assets and equipment (if any) including their financial information and legal form of assets in which the Trust will invest and the Trust's ability to acquire and legally own the properties as per applicable laws and regulations of such countries in case that the asset is in foreign countries, for purpose of supporting the consideration of the investment and information disclosure. In case that the owner or the leasehold right owner is related persons to the REIT Manager, the REIT Manager will consult with the financial advisor to give the opinion regarding such information analysis.
 - (b) Evaluation of the main properties shall be made in accordance with the conditions as follows:
 - (1) Appraiser must be approved by the SEC Office in accordance with the notification of the SEC Office on the approval of asset valuation companies and principal appraisals.
 - (2) Appraisers must not be engaged to perform valuation on more than two (2) consecutive occasions.
 - (3) It must be a full valuation with verification of document of title for public purpose of disclosing information to the investors in the following cases:

- (3.1) If the Trust acquires or disposes its main properties, evaluation shall be engaged in advance, within a period not longer than one (1) year.
 - (3.2) If the period of two (2) years from the latest full evaluation date is over.
 - (3.3) If there is an event or change which may materially affect impairment of invested properties.
 - (3.4) When the Trustee or auditor requests.
 - (4) A valuation must be audited on a yearly basis from the latest full valuation date.
 - (5) In the case where the Trust invests in rights to sublease of properties, there shall be a measure to prevent risks or remedy damages which may incur from breach of the lease agreements or when the right under the lease agreement is unenforceable.
- (2) Additional acquisition or disposal of the main properties shall be conducted under approval system and processes to obtain approvals from the Trustee and resolution of a meeting of the trust unitholders, as the case may be, as well as in conformity with the Trust Deed and relevant notifications of SEC and the SEC Office.

4.7 Internal control systems and processes to prevent and manage the conflict of interest

Division of work and responsibilities of each department under the REIT manager

4.7.1 Classification based on nature of work

The Company has been established with an objective to operate its business as a REIT manager according to the Trust Act. The Company divides into 3 main departments to perform its duties as the REIT manager and in accordance with the Trust Deed, the Agreements appointing the REIT manager, resolutions of the meeting of trust unitholders, and other relevant laws and regulations.

The Company's departments including their scope of work and responsibilities can be summarized as follows:

Compliance and Risk Management	Asset Management	Accounting and Operational Support
- Formulate strategies to manage and monitor risks relating to management and investment of the Trust to comply with the Trust Deed and other relevant rules - Supervise and prevent conflict of interest between the Trust and persons who may have conflict - Set up organizational structures and operational guidelines to protect the best interests of the Trust and the trust unitholders as a whole in the event of conflicts of interest	- Formulate plans and strategies and operate for the benefit procurement as well as manage the Trust - Plan, select and consider investment in properties by the Trust including investment in other asset - Conduct due diligence and examine information on properties to be invested - Research and study market conditions for real estate businesses for making investment decisions	- Prepare financial statements and financial and operating results reports - Control, monitor, coordinate, and oversee outsourcing tasks e.g. document preparation and registrar, trust unitholders and distribution payment etc. - Oversee and manage properties and assets - Keep and safeguard information, documents, and evidence related to the Trust

Compliance and Risk Management	Asset Management	Accounting and Operational Support
• Ensure qualifications of personnel related to the Trust's operation to conform with the nature of work and comply with all relevant laws • Evaluate the performance of personnel • Audit the operation of the Trust to be in compliance with the Trust Deed to ensure that all relevant personnel acknowledge changes in all relevant laws and regulations • Review and approve extraordinary expenditure or unbudgeted expenses	• Select appraisers • Formulate strategies for benefit procurement from properties • Formulate marketing plans and sale campaigns along with public relations • Set competitively positioned strategies for targeted returns • Manage investment risks for the Trust • Sell properties of for the Trust • Prepare the Trust's income and expenses forecasts • Manage cash flow of the Trust • Oversee the Trust's borrowings (if any) and borrowing policies • Oversee and review performance of the Property Manager • Oversee the utilization, cleanliness, and security of the Trust's properties • Manage tenants and service recipients • Oversee and manage rental and service fee collections, to assure that the payments are made in a timely manner and in full • Oversee and efficiently manage the Trust's expenditures • Manage and seek knowledgeable and expert personnel • Arrange training and knowledge development to improve efficiency of the Trust's management • Prepare and disclose information to the Securities and Exchange Commission Office, the Stock Exchange, the Trustee, the Trust's unit holders, and the contract counterparties as per the conditions described in the Trust	• Provide operational support such as human resource management, information technology management and computer support, general administration, and procurement

Compliance and Risk Management	Asset Management	Accounting and Operational Support
	Deed, and relevant laws and notifications, or related contracts for instance: preparation of the meetings of the Trust's unit holders, annual reports, the Trust's annual registration statements, as well as information on the REIT Manager and the Trust • Communicate and take care of the Trust unitholders • Handle complaints and dispute resolutions	

4.7.2 Classifications based on the REIT manager's operating systems

In order for the Company to efficiently carry out its duties as the REIT Manager and be qualified under the conditions set forth in the relevant regulations of the Securities and Exchange Commission, the Company has arranged its operating systems according to the described conditions comprising of:

- A system for formulation of the Trust's management policy
- A system for risk management of the Trust's management and administration risks
- A system for managing conflicts of Interest
- A system for recruitment selection of the REIT Manager's personnel, and a selection process for assignees of tasks related to the Trust's operations (if any)
- A system for governing and supervision of the REIT Manager and its personnel
- A system to support the information disclosure of the Trust
- A back office system
- An internal audit and internal control system
- A system for communication with investors and for the handling of investor complaints
- A system for the handling of legal disputes

In each of the systems there are sub-systems of which their details are provided as follows:

Compliance and Risk Management	Asset Management	Accounting and Operational Support
• Processes and procedures for monitoring, controlling, evaluating, and supervising the performance of directors, executives and personnel of the REIT Manager • Process for buy and sale transactions of employees	• Processes and procedures for the consideration and selection of the Property Manager • Processes and procedures for the follow up and evaluation of work performance of the REIT Manager and Property Manager	• Processes for the supervision and control of assets • Processes for the preparation and disclosure of information on the REIT Manager and the Trust in accordance with various agreements and relevant laws

Compliance and Risk Management	Asset Management	Accounting and Operational Support
	• Processes for the monitoring of rental income and service fee collections by the Property Manager • Processes for the monitoring and assessment of expense payables to the Property Manager by the Trust • Communication systems with investors • Processes for the handling of investor complaints • Processes for the handling of legal disputes • Processes and procedures for the consideration and selection of real estate investments • Processes and procedures for the review of appraisal reports • Processes for keeping and safeguarding information, documents, and evidence related to the REIT • Processes and procedures for considering and approving extraordinary expenditures and unbudgeted expenses • Processes for the preparation of income and expense budgets of the Trust • Processes for the supervision and control of assets • A system to support the information disclosure of the Trust • Process for sale, donation and asset disposal • Processes for the control and supervision of outsourcing	• Processes for procurement • Processes for the monitoring of rental income and service fee collections by the Property Manager • Processes for keeping and safeguarding information, documents, and evidence related to the REIT • Processes for the preparation of income and expense budgets of the Trust • Processes for controlling the receipt of income and payment of expenses • Process for sale, donation and asset disposal

- A system for risk management of the Trust's management and administration risks
 - Cooperation with the Trustee
 - A system for managing conflicts of Interest
 - Processes for selection of the REIT Manager's personnel
 - Processes for the monitor and control of the work performance of the REIT Manager
 - Processes for supervising the Property Manager's operations under the Agreement appointing Property Manager
-

5. Details of the Investment Assets

5.1 Investment Assets of the Trust

No.	Location	Period of Investment	Site	Rental Area (Sq.m.)	Land Title	Location	Land Area			Type of Investment	Roof Area (Sq.m.)	Car Parking Area(Sq.m.)
							Rai	Ngan	Sq.Wah			
1	Ladkrabang Bangkok	Initial Investment (IPO)	WHA Ladkrabang Distribution Center Phase 1 and Phase 2	35,092.97	38139	Klong Sampravet, Ladkrabang, Bangkok	35	0	0	Freehold	-	-
2	Bangna-Trad Km.18, Samutprakarn Province	Initial Investment (IPO)	WHA Mega Logistics Center (Bangna-Trad Km.18)	72,179.48	666 and 38919	Bang Chalong, Bang Plee (Bang Plee Yai), Samutprakarn Province	74	2	67	Leasehold	23,976.30	-
3	Bangna-Trad Km.23, Samutprakarn Province	Initial Investment (IPO)	WHA Mega Logistics Center (Bangna-Trad Km.23)	59,835.00	5533, 5534, 8504 and 18265	Bang Saothong, Bang Plee (Bang Plee Yai), Samutprakarn Province	65	0	21.9	Freehold	50,641.04	-
4	Chonlaharnpichit Km.4, Samutprakarn Province	First Capital Increase	WHA Mega Logistics Center (Chonlaharnpichit Km.4)	80,745.55	110571	Bang Pla, Bang Plee, Samutprakarn Province	81	0	15.9	Freehold	68,384.20	-
5	Wangnoi Ayutthaya Province	First Capital Increase	WHA Mega Logistics Center (Wangnoi 61)	61,204.00	28892, 28895, and 28896	Bo ta Lo, Wang Noi, Ayutthaya Province	69	0	16	Leasehold	26,472.05	-
6	WHA Industrial Development Saraburi, Saraburi Province	First Capital Increase	WHA Mega Logistics Center (Saraburi)	32,986.00	50692 and 50693	Nong Pla Mo, Nong Khae Saraburi Province	34	3	12	Freehold	-	-
7	Chonlaharnpichit Km.5, Samutprakarn Province	Second Capital Increase	WHA Mega Logistics Center (Chonlaharnpichit Km.5)	62,105.25	129645	Bang Pla, Bang Plee SamutPrakarn Province	66	2	85	Leasehold	50,143.60	2,378.90
8	Ladkrabang Bangkok	Second Capital Increase	WHA Mega Logistics Center (Ladkrabang)	95,110.00	1482, 42151, 42152, 42153, 42154, 44285, 44286, 42287, 45003 and 45005	Klong Sampravet, Ladkrabang, Bangkok	99	1	51	Freehold	59,986.30	1,350.00



No.	Location	Period of Investment	Site	Rental Area (Sq.m.)	Land Title	Location	Land Area			Type of Investment	Roof Area (Sq.m.)	Car Parking Area(Sq.m.)
							Rai	Ngan	Sq.Wah			
9	Mueang Chonburi, Chonburi Province	Transfer from WHAPF	Kao	42,310.44	5893, 5894, 5914, 119813, 147436 and 147437	Don Hua Lo, Mueng Chonburi, Chonburi Province	46	3	81	Freehold	-	-
10	Amata City Industrial Estate, Rayong Province	Transfer from WHAPF	Triumph (previously, Primus)	14,320.80	3164	Amata City Industrial Estate, Map Yang Phon, Pluak Daeng, Rayong Province	29	3	91.2	Freehold	-	-
11	Bangna-Trad Km.20, Samutprakarn Province	Transfer from WHAPF	DKSH Consumer and DKSH 3M	73,022.44	2813, 9025, 9026, 36752, 36753, 36754, 33043, 33044, 33045, 33046, 33043 and 33044	Sisa Chorakhe Yai, Bang Sao Thong (Bang Plee), Samutprakarn Province	83	0	81	Leasehold	-	-
12	Bang Pa-In Industrial Estate, Ayutthaya Province	Transfer from WHAPF	DKSH Bang pa-in	36,000.00	35483, 35484 and 35485	Bang Pa-In Industrial Estate, Klong Chik, Bang Pa-In, Ayutthaya Province	30	2	53	Freehold	-	-
13	Amata City Industrial Estate, Rayong Province	Transfer from WHAPF	Ducati	20,285.00	20261, 22336, 22337 and 23081	Amata City Industrial Estate, Map Yang hon, Pluak Daeng, Rayong Province	27	1	53.4	Freehold	-	-
14	Bangna-Trad Km.20, Samutprakarn Province	Transfer from WHAPF	Healthcare	52,706.84	813, 23070, 29158, 29325, and 31292	Bang Chalong, Bang Plee (Bang Plee Yai), Samutprakarn Province	47	0	66	Freehold	-	-

No.	Location	Period of Investment	Site	Rental Area (Sq.m.)	Land Title		Location			Land Area		Type of Investment	Roof Area (Sq.m.)	Car Parking Area(Sq.m.)
										Rai	Sq.Wah			
15	WHA Industrial Development Saraburi, Saraburi Province	Transfer from WHAPF	DSG Phase 1 and 2	55,372.40	1111, 1113, 21772 and 36396		WHA Industrial Development Saraburi, Nong Pla Mo and Bua Loi, Nong Khae, Saraburi Province			48	0	26.5	-	-
16	Phan Thong, Chonburi Province	Transfer from WHAPF	WHA Mega Logistics Center (Phan Thong, Chonburi)	38,565.00	18140, 18141, 21706, 2368 and 36035		Pan Thong Nong Kakha, Phan Tong, Chonburi			39	0	18	-	-
17	Bangna-Trad Km.19, Samutprakarn Province	Transfer from WHAPF and Third Additional Investment	WHA Mega Logistics Center (Bangna-Trad)	68,901.95	689 (Partial), 694 (Partial), and 6415 (Partial)		Bang Chalong, Bang Plee, Samutprakarn Province			71	0	5.5	-	2,597.00
18	Chonlahampichit Km.3, Samutprakarn Province	Third Additional Investment	WHA Mega Logistics Center Chonlahampichit Km.3,	47,221.00	106329 (Partial), and 140154		Bang Pla, Bang Plee, Samutprakarn Province			50	0	46.25	37,303.80	2,340.00
19	Lam Luk Ka, Pathum Thani Province	Third Additional Investment	WHA Mega Logistics (Lam Luk Ka) Investment	8,045.64	1346		Lam Luk Ka, Lam Luk Ka District, Pathum Thani Province			12	2	50.5	-	4,124.00
20	Amata City Industrial Estate, Rayong Province	Third Additional Investment	Omada Aerospace Factory (ระยอง)	15,568.79 39798	34269 และ 39798		Amata City Industrial Estate, Map Yang Phon, Pluak Daeng, Rayong Province			25	3	32.4	-	-
21	Amphoe Mueang Samut Sakhon, Samut Sakhon Province	Third Additional Investment	WHA Mega Logistics Center (Rama II Km.35 Phase 1)	14,084.00	134435 (Partial)		Bang Krachao, Amphoe Mueang Samut Sakhon, Samut Sakhon Province			17	1	50	9,100.00	4,858.00



No.	Location	Period of Investment	Site	Rental Area (Sq.m.)	Land Title Title Deed No.	Land Area			Type of Investment	Roof Area (Sq.m.)	Car Parking Area(Sq.m.)
						Rai	Ngan	Sq.Wah			
22	WHA Industrial Development Saraburi, Saraburi Province	Third Capital Increase	DSG WHASIL	39,607.00	36360	15	0	0	Freehold	-	8,964.00
23	Wangnoi, Ayutthaya Province	Third Capital Increase	Central WHA Mega Logistics Center (Wangnoi 63)	86,223.61	30434, 45496 and 45497	96	1	44	Freehold	-	-
24	Bangna-Trad Km.23, Samutprakarn Province	Third Capital Increase	WHA KPN Mega Logistics Center (Bangna-Trad Km.23)	16,620.00	5731 (Partial), 21943 (Partial), 21944 (Partial) and 21946	43	3	0	Leashold	26,112	-
Grand Total				1,128,113.16		1,210	0	67.55		352,119.29	26,611.90

5.2 Value Obtained for the Appraisal Report or Latest Review of the Appraisal Report

5.2.1 Appraisal Value of the Main Investment Assets

The appraised values on the assets for initial investment, the first and second capital increase, the conversion of WHAPF into WHART and the third additional investment and the third capital increase of the Trust were assessed by the independent appraisal which can be summarized as follows:

Asset Location	Type/Form of Investment	Appraised Value Based on Income Approach (Million Baht)	Appraised Value Based on Full Replacement Cost) (Million Baht)
Projects around Bangna-Trad Area	Freehold	10,100.0	7,102.5
	Leasehold	6,674.0	4,152.0
Projects around Chonburi - Rayong Area	Freehold	4,657.0	3,031.7
	Leasehold	-	-
Projects around Ayutthaya-Saraburi Area	Freehold	3,475.0	2,351.4
	Leasehold	1,197.0	730.4
Total		26,103.0	17,368.0

Source: Grand Asset Advisory Co., Ltd. and South East Asia International Co., Ltd. as of 1 March 2018, and 1 May 2018

Methods of Appraisal

As to the full appraisal and review of the appraisal reports for the year 2018, Grand Asset Advisory Co., Ltd. and SouthEast Asia International Co., Ltd. have considered using the Income Approach as their appraisal criterion for preparing the appraisal reports.

Summary of Key Assumptions

The key assumptions used by the appraiser for appraising the value of WHART's assets are summarized as follows.

(1) Projects around Bangna-Trad Area

Assumptions	Year 2018	
Valuation Period	Freehold	Leasehold
Occupancy Rate	95%	95%
Market Rental Rate (Baht per square meter per month) as of the investment date which shall be used for calculation after the termination of the lease agreement	Baht 195-165 per square meter per month	Baht 180-165 per square meter per month
Growth of Market Rental Rate	Increase by 3% every year	Increase by 3% every year
Discount Rate	9.25%	10.0%
Capitalization Rate	7.25%	-

(2) Projects around Chonburi - Rayong

Assumptions	Year 2018
Valuation Period	Freehold
Occupancy Rate	95%
Market Rental Rate (Baht per square meter per month) as of the investment date which shall be used for calculation after the termination of the lease agreement	Baht 360-165 per square meter per month
Growth of Market Rental Rate	Increase by 10% every 3 years / Increase by 3% every year
Discount Rate	9.25% - 9.00%
Capitalization Rate	7.25% - 7.00%

(3) Projects around Ayutthaya-Saraburi Area

Assumptions	Year 2018	
Valuation Period	Freehold	Leasehold
Occupancy Rate	95%	95%
Market Rental Rate (Baht per square meter per month) as of the investment date which shall be used for calculation after the termination of the lease agreement	Baht 430-110 per square meter per month	Baht 165 per square meter per month
Growth of Market Rental Rate	Increase by 10% every 3 years / Increase by 3% every year	Increase by 3% every year
Discount Rate	9.25% - 9.00%	10.0%
Capitalization Rate	7.25% - 7.00%	-

Remark: *The total expenses for repair and maintenance of the assets is 2-1% of total revenue. Reserves for asset improvement is 1% of total revenue. Property Manager Fee is the amount as specified throughout the period of the Agreement Appointed the Property Manager.

The assumption of WHA Ladkrabang Distribution Center Phase 1 and Phase 2 with respect to the rental of the State Railway of Thailand for the installation of electricity poles is reference in the latest lease agreement which states the rental shall increase by 5% every year.

5.2.2 Appraisal Value of the Main Investment Assets of the Third Capital Increase

The appraised value was assessed by the independent appraisal of the investment assets for the Third capital increase which are summarized as follows:

Land, Building and Working System of the Project	Appraised Value based on Income Approach (Million Baht)		Appraised Value based on Full Replacement Cost (Million Baht)	
	SouthEast Asia International Co., Ltd	Grand Asset Advisory Co., Ltd	SouthEast Asia International Co., Ltd	Grand Asset Advisory Co., Ltd
WHA Mega Logistics Center (Rama II Km. 35 Phase 1)	656.3	735	390.813	395.5
Central WHA Mega Logistics Center (Wangnoi 63)	2,234	2,198	1,489.44	1,524.8
WHA KPN Mega Logistics Center (Bangna-Trad Rd. Km. 23)	835.6	863	639.438	561.3
DSG WHASIL	450	462	306.708	271.9
Total	4,175.9	4,258	2,826.402	2,753.5

Source: The appraised value of Grand Asset Advisory Co., Ltd. and South East Asia International Co., Ltd. dated 1 January 2019

Summary of key assumptions

The key assumptions used by the appraisers for evaluating the value of the assets invested by WHART can be summarized as follows.

(1) Projects around Bangna-Trad Area

Assumptions	2018
Valuation Period	Leasehold
Occupancy Rate	95%
Market Rental Rate (Baht per square meter per month) as of the investment date which shall be used for calculation after the termination of the lease agreement	Baht 180 - 165 per square meter per month
Growth of Market Rental Rate	Increase by 10% every 3 years / Increase by 3% every year
Discount Rate	10.00%

(2) Projects around Ayutthaya-Saraburi Area

Assumptions	2018
Valuation Period	Freehold
Occupancy Rate	95%
Market Rental Rate (Baht per square meter per month) as of the investment date which shall be used for calculation after the termination of the lease agreement	Baht 185 - 150 per square meter per month
Growth of Market Rental Rate	Increase by 10% every 3 years / Increase by 3% every year
Discount Rate	9.25% - 9.00%
Capitalization Rate	7.25% - 7.00%

(3) Projects around Rama II, Samut Sakhon

Assumptions	2018
Valuation Period	Freehold
Occupancy Rate	95% and reduce when is close to the end of the lease agreement
Market Rental Rate (Baht per square meter per month) as of the investment date which shall be used for calculation after the termination of the lease agreement	Baht 350 - 300 per square meter per month *
Growth of Market Rental Rate	Increase by 10% every 3 years / Increase by 3% every year
Discount Rate	10.00% - 9.00%

Remark: The Projects in the area of Ayutthaya-Saraburi which were additionally invested by WHART are entirely freehold.

*The market rental rate is varied because the projects are mostly Built-to-Suit.

Additional information

Discount Rate : Assumption of the discount rate for both appraisers depend on the following factors:

- Return from no-risk investment in government bonds
- Risk from investment in assets, operating warehouses businesses
- Risk from type of business, management, marketing, and economic conditions

Capitalization Rate : The difference of assumption between the capitalization rate of both appraisers depends on the following factors:

- Expectation of returns of investor(s)
- Distribution of returns from the real estate investment trust
- Consideration of location and asset conditions and analysis of transfer of assets
- Consideration of growth of income, operating risk including current and future trend of market situations

The financial advisor and the REIT Manager are of the opinion that the discount rate and capitalization rate of both appraisers reflect the return and risk; however, due to differences in their perspectives and the value of all relevant factors the variables differ slightly but are still considered acceptable.

6. Detail of the Assets Invested or Sold in the Accounting Period

6.1 Detail of Investment in Immovable Properties or Leasehold Rights

6.1.1 Detail of the Main Assets in which WHART additionally invests for the Fourth Time or for the Third Capital Increase

As to the third capital increase in 2018, WHART has additionally invested in 4 projects which are (1) WHA Mega Logistics Center (Rama 2 Km. 35 Phase 1) (2) Central WHA Mega Logistics Center (Wangnoi 63) (3) WHA KPN Mega Logistics Center (Bangna-Trad Km. 23) and (4) DSG WHASIL whereby WHART has entered into the agreements with WHA Corporation Public Company Limited, WHA Venture Holding Co., Ltd., Central WHA Alliance Co., Ltd. and WHA KPN Alliance Co., Ltd. Details of which are as follows:

(1) WHA Mega Logistics Center (Rama 2 Km. 35 Phase 1)

Subject	Details of the Assets
Seller	WHA Corporation Public Co., Ltd. is the owner of leasehold rights to warehouse buildings and offices including building constructions and other assets
Date of investment	4 December 2018
Price	Baht 735,362,033 *
Reason for investment	To increase the assets and generate more incomes to WHART as well as diversify investment risks

* The aforesaid price includes registration fee but excludes value added tax.

(2) Central WHA Mega Logistics Center (Wangnoi 63)

Subject	Details of the Assets
Seller	Central WHA Alliance Co., Ltd. is the owner of the land, warehouse buildings including working system, tools and equipment
Date of investment	4 December 2018
Price	Baht 2,358,694,214*
Reason for investment	To increase the assets and generate more incomes to WHART as well as diversify investment risks

* The aforesaid price includes registration fee but excludes value added tax.

(3) WHA KPN Mega Logistics Center (Bangna-Trad Km. 23)

Subject	Details of the Assets
Seller	WHA KPN Alliance Co., Ltd. is the owner of sub-leasehold right and partial sub-leasehold rights to the land and leasehold rights of building construction including freehold right in working system, tools and equipment
Date of investment	4 December 2018
Price	Baht 907,617,799 *
Reason for investment	To increase the assets and generate more incomes to WHART as well as diversify investment risks

* The aforesaid price includes registration fee but excludes value added tax.

(4) DSG WHASIL

Subject	Details of the Assets
Seller	WHA Venture Holding Co., Ltd. is the owner of the land, warehouse buildings including working system, tools and equipment
Date of investment	4 December 2018
Price	Baht 489,293,546 *
Reason for investment	To increase the assets and generate more incomes to WHART as well as diversify investment risks

* The aforesaid price includes registration fee but excludes value added tax.

6.1.2 Details of the Appraisal Prior to the Investment by the Appraisal Firm

The details in accordance with the price specified in the latest appraisal report or the latest review of the appraisal report are stipulated in Clause 7.2.

6.1.3 Expenses Related to the Investment

Expenses related to the investment	(Baht)*
Trust Unit Offering Application Fee	160,500.00
Trust Unit Offering Registration Statement Submission Fee	313,635.62
Other expenses including Trust Unit registrar fees, legal fees, independent appraiser fees, financial advisor fees, underwriting fee, financing costs, engineering inspector fees, auditor fees, prospectus and subscription form printing cost and expenses for marketing the offering of the Trust Units, etc.	111,178,154.76
Total	111,652,290.38

* Inclusion of value added tax.

6.2 Details of the Disposal of the Assets and Leasehold Rights

6.2.1 Date, price, reason and transferee of the assets or leasehold rights, as the case may be

-None-

6.2.2 Details of the appraisal prior to the disposal by the appraisal firm; for examples, appraisal date, price as stated in the appraisal report, appraisal method and name of the appraisal firm etc.

-None-

6.2.3 Profit or loss from the disposal and other related expenses

-None-

6.2.4 Acquired price from the disposed properties or leasehold rights

-None-

7. Investment Policy of the Trust

Investment Policy

In future, the Trust may additionally invest in other immovable properties apart from the aforesaid main investment assets whereby the future investment of the Trust shall comply with the following guidelines:

Investment in immovable properties

- (1) The Trust will focus on the investment in warehouse, distribution centres, and factory or other immovable properties in which the Trust may invest. To additionally invest in the assets, the Trust may consider exercising its right of first refusal in order to invest in assets owned by WHA Corporation or its subsidiaries.

Nonetheless, the Company has been notified by WHA Corporation Public Company Limited (“WHA”) to amend the investment policy of the Trust in the Trust Deed and the right of first refusal of the Trust in the Undertaking Agreement in order to be in accordance with the policy of business operation of WHA. The Company deems this matter important and should be considered by the holders of trust units. Therefore, the Company proposes the matter to the Annual General Meeting for the year 2016 of the trust unitholders for consideration.

The said two amendments are significant issues materially affecting the right of trust unitholders as follows:

1. The amendment to the investment policy of the Trust as proposed by WHA will cause the investment policy of the Trust to not include the investment in ready-built warehouses, distribution centers or factories located in the following areas:
 - (a) industrial estates, industrial zones or industrial parks established, invested and/or developed by Hemaraj and/or its subsidiaries (such areas collectively called “Industrial Areas”);
 - (b) areas developed by Hemaraj and/or its subsidiaries located next to the Industrial Areas, or, if not next to the Industrial Areas i.e. the areas which are close to or vicinity of the Industrial Areas, to accommodate or support the business or expansion of ready-built business in the Industrial Areas of Hemaraj and/or its subsidiaries; and
 - (c) the areas other than (a) and (b) which Hemaraj and/or its subsidiaries has sole ownership or possession right or joint ownership or possession rights between Hemaraj and Hemaraj’s subsidiaries before 13 October 2015 and still holds the ownership or possession at all times. The said areas can be operated for industrial business under the zoning laws. In this regard, the said areas shall be in the documents disclosed to the trustee and REIT Manager.

(The areas in (a), (b) and (c), collectively called “Industrial Areas and Surrounding Areas”)

2. The amendment to the right of first refusal in the Undertaking Agreement is to change the right of first refusal of the Trust owed by WHA i.e. to waive the right of first refusal of the Trust to invest in ready-built warehouses, distribution centers, factories of WHA and its subsidiaries located in the Industrial Areas and Surrounding Areas as well as the warehouses, distribution centers, factories of WHA's subsidiaries which are public companies listed on the Stock Exchange of Thailand and subsidiaries of such public companies.

The amendment to the Trust Deed and Undertaking Agreement requires an affirmative vote from the trust unitholders' meeting with a vote of not less than three-fourths of the total votes of the trust unitholders attending the meeting and having the rights to vote, whereby the trust unitholders who have special interest in this matter shall not have the rights to vote.

In this regard, if the trust unitholders pass a resolution to not approve the amendment to the said investment policy, the investment policy of the Trust will remain unchanged. On the other hand, if the trust unitholders pass a resolution to approve the said amendment, the investment policy of the Trust will be change and the right of first refusal will be waived.

- (2) The Trust may consider investing in other properties other than warehouses and distribution centres provided that the Company as the REIT Manager conducts feasibility study and other relevant variables, and the result of such study indicates that the additional investment would benefit to holders of trust units.
- (3) To additionally invest in the assets, the Company, as the REIT Manager, will conduct feasibility study and an appropriateness of such investment and evaluate potential risks and other related factors so as to ensure that the additional investment will create long-term return to the holders of trust units. During the additional investment, the Company as the REIT manager will comply with guidelines and conditions specified in the relevant agreements as well as disclose sufficient and accurate information to the trust unitholders in order to obtain an approval for the additional investment.
- (4) The Trust may consider an investment by means of shareholding in a company which is specifically set-up to operate business in the same manner as the Trust. Such investment shall comply with the following guidelines;
 - (4.1) the Trust must hold the shares of not less than ninety-nine (99) percent of the total issued shares and not less than ninety-nine (99) percent of total voting right of such company.
 - (4.2) there must be a measure in place to ensure that the REIT manager would be able to manage and operate the business in accordance with the Trust Deed and guidelines specified in the Notification No. Thor Jor. 49/2555 and other relevant notifications of the SEC Office which is similar to the case of direct investment in main assets and equipment.

Investment or Possession of Other Assets apart from Investment in Immovable Properties

In the case where the Trust has excess liquidity, the Trust may invest in other assets apart from investing in the main assets which are immovable properties. Such investment however shall be in compliance with key conditions as follows.

Apart from the main assets, the other assets shall be one of the following assets;

- (1) Government bond
- (2) Treasury bills
- (3) Bond or debenture issued by the State Enterprises or juristic persons established under specific law and unconditionally insured by Ministry of finance for all principal and interest.
- (4) Bank deposit or secondary mortgage corporation
- (5) Certificate of deposits issued by a bank or finance institution which is not structured notes.
- (6) Bill of exchange or promissory notes issued, avaled and guaranteed by a bank, finance institution and credit-fonder company.
- (7) Unit trust or warrants to purchase units of fixed income fund or other funds which has investment policy in debt instruments or deposits. In the case of unit trust of foreign investment fund, it shall be complied with the following conditions:
 - (a) Unit trust of a foreign investment fund must be under the policy and governance of securities regulatory authority which is an ordinary member of International Organization of Securities Commission (IOSCO) or must be unit trust of foreign investment fund trading in stock exchange which is a member of World Federation of Exchanges (WFE)
 - (b) The foreign investment funds must have investment policy in similar types of assets as the REIT
 - (c) The foreign investment funds must be established for public investors.
- (8) Units of real estate investment trust or unit trust of other trusts which are established under Thai laws.
- (9) Instruments of Real Estate Investment Trust established under foreign laws regardless of whether such trust is established as a corporation, trust or other forms. Such Real Estate Investment Trust shall contain the following characteristics:
 - (a) Real Estate Investment Trust is established for public investors and under the policy and governance of securities regulatory authority which is an ordinary member of International Organization of Securities Commission (IOSCO)
 - (b) Its key objective is to invest in immovable properties, ordinary shares of a company listed as a property development company which is a member of World Federation of Exchanges (WFE) and ordinary shares of a company comparable to a real estate development company.
 - (c) Having its securities trading in stock exchange which is a member of World Federation of Exchanges (WFE) or repurchasing by an issuer.

- (10) Future contract only in the case where the purpose of entering into the contract is to prevent the risks of the Trust
- Ratio of investment in other assets shall be in compliance with guidelines specified in the Notification related to investment ratio in assets of general mutual fund issued under Section 117 and 126 (4) of the Securities and Exchange Act.
 - In a case where debtors of securities in which the Trust have invested is in default or under a circumstance of not being able to repay debt, the REIT Manager shall proceed in accordance with guidelines similar to those designated for mutual funds which are issued under Section 117 of Securities and Exchange Act.

Investment in Shares of a Juristic Person who is the Tenant of the Trust's Main Assets

The Trust may invest in shares of a corporation who is a tenant of the Trust's main assets. Such investment shall follow conditions stated in a lease agreement which are (i) rental fee shall be designated with reference to the performance of the Trust's main assets, and (ii) it shall be the investment in a preferred share of not over one (1) share which offers preferred right on approvals of the corporation's operation (Golden Share) as stated in such corporation's article of association whereby the article of association shall specify the right of the Golden Share held by the Trust in order to prevent such corporation from not performing its duties under the lease agreement entered with the Trust or to prevent such corporation from causing any impairment or damage to the Trust's main assets.

8. Key Events Related to the Operation of the Trust

8.1 Third capital increase

In fiscal year 2018, Trust has made the investment for its third capital increase as specified in the Filing Statement of Unit Trust Offering effective on 1 November 2018 with the summary as follows:

- Details of investment properties for the third capital increase are as appeared in Annex I.

No.	Project	Location	Type	Price (Baht)
1.	WHA Mega Logistics Center (Rama 2 Km.35 Phase 1)	Bangkejao Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province	Warehouse, Factory and Office Building	(1) Purchase of Baht 232,400,000 (2) Rental of Baht 495,500,000
2.	Central WHA Mega Logistics Center (Wangnoi 63)	Bo Ta Lo Subdistrict and Lam Ta Sao Subdistrict, Wangnoi District, Phra Nakhon Si Ayutthaya Province	Warehouse and Office Building	Baht 2,351,300,000
3.	WHA KPN Mega Logistics Center (Bangna-Trad Km.23)	Bang Sao Thong Subdistrict, Band Sao Thong District, Samut Prakan Province	Warehouse and Office Building	(1) Purchase of Baht 92,200,000 (2) Rental of Baht 806,100,000
4.	DSG HSIL	Bualoy Subdistrict, Nong Khae District, Saraburi Province	Warehouse, Factory and Office Building	Baht 487,000,000

- The investment date for the third capital increase is 4 December 2018.
- The price of the investment for this capital increase is Baht 4,464,500,000 (Value added tax and transfer registration fee excluded).
- The lessors and sellers of the properties are as follows:
 - WHA Corporation Public Company Limited
 - Central WHA Alliance Company Limited
 - WHA KPN Alliance Company Limited
 - WHA venture holding Company Limited

8.2 Issuance of Debentures

At the Unitholders' meeting held on 27 February 2018, the unitholders approved the issuance and offering of debentures not exceeding Baht 8,000 million.

WHART Trust issued debentures pursuant to the said resolution for the first time in the amount of Baht 4,200 Million on 30 March 2018. The summary of the debentures as follows:

Name of Offeror and Issuer of Debenture	WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (by the Trustee)
Underwriter	Kasikorn Bank Public Company Limited Phatra Securities Public Company Limited
Registrar of Debenture	Bank of Ayudhya Company Limited
Specific Name of Debenture	There are two tranches of Debentures as follows: Debenture of WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust No.1/2018 Tranche 1, matured in 2021 Debenture of WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust No.1/2018 Tranche 2, matured in 2025
Type of Debenture	The Debenture entered in name, unsubordinated and unsecured with a debenture representative
Amount of Offered Debenture	4,200,000 (Four thousand and two hundred thousand) units Dividing into two tranches as follows: Tranche 1: 3,000,000 (Three hundred thousand) units Tranche 2: 1,200,000 (One thousand and two hundred thousand) units
Par value	1,000 (One Thousand) Baht
Offering Price per Unit	1,000 (One Thousand) Baht
Value of Offered Debenture	4,200,000,000 (Four thousand and two hundred million) Baht Dividing into two tranches as follows: Tranche 1: 3,000,000,000 (Three thousand million) Baht Tranche 2: 1,200,000,000 (One thousand and two hundred million) Baht
Term of Debenture	Tranche 1: 3 (Three) years from the issuing date Tranche 2: 7 (Seven) years from the issuing date
Issuing Date	30 March 2018
Maturity Date	Tranche 1: 30 March 2021 Tranche 2: 30 March 2025
Interest Rate	Tranche 1: Fixed rate at 2.26 (Two point two six) percent per year for the entire term of the Debenture Tranche 2: Fixed rate at 3.39 (Three point three nine) percent per year for the entire term of the Debenture
Payment of Interest	Payment will be made every 3 (three) month on 30 March 30 June 30 September and 30 December during the terms of the Debentures. The first date of interest payment will be made on 30 June 2018. The last date of interest payment is the maturity date of each tranche of the Debentures.
Calculation of Interest	The interest to be paid under each tranche of the Debentures is calculated by multiplying (a) the product of the outstanding principal of each unit of such tranche of the Debentures and the interest rate with (b) the number of days for the interest period and divided by 365. The decimal number of the interest shall not exceed 6 digits. (If the seventh digit is equal or more than 5, the sixth digit shall be rounded up).
Repayment of Principal	One time repayment on the maturity date

Right of holders of Debentures to redeem the Debentures prior to the maturity date	None
Right of WHART to redeem Debentures prior to the maturity date	None
Repurchase of Debentures	WHART has the right to repurchase the Debentures from the secondary market at any time. But, if WHART makes a tender offer of the repurchase of the Debentures, WHART shall tender its offer of repurchase of the Debentures to every holder of the Debentures and shall equally repurchase the Debentures from all the holders who wish to sell back the Debentures proportionately to the number offered by WHART. Upon repurchase of the Debentures, the obligations under the Debentures shall be extinguished due to the merge by the operation of law. WHART may no longer offer such Debenture for sale.
Status of Debentures	The Debentures are WHART's indebtedness having the same status for every unit. The holders of the Debentures have the right to receive payment not inferior to the right to receive payment of the ordinary and unsubordinated creditors of WHART, whether presently or in the future except for the debts protected by law to have priority to receive payment.
Registration of Debentures	The Debentures issued this time shall be listed with The Thai Bond Market Association by the issuing date of and shall be maintained as listed securities with The Thai Bond Market Association during the term of the Debentures.

9. Loan Policy and Details of the Loan as of the Ending Date of Accounting Year

9.1 Summary of key conditions of the loans

Loans

	Types of Loan	Loan Facilities (Million: Baht)	Outstanding Balance (Million: Baht)	Terms of the Agreements	Effective Date
1	Short-term loan (P/N)	450.00	None	Not exceeding 180 days from the issuance date of each promissory note or as specified in the loan agreement	None
2	Long-term loan*	1,350.00	1,344.60	Not exceeding 12 years	30 December 2015
3	Long-term loan	1,736.10	1,736.10	Not exceeding 10 years	29 November 2017
4	Long-term loan	511.00	511.00	Not exceeding 10 years	29 November 2017
5	Long-term loan	1,675.00	1,675.00	Not exceeding 2 years	4 December 2018

Note : * Long-term credit facility for the investment in main assets for the capital increase will be divided and repaid within 5 years from the withdrawal date. Also, within the first 4 years, the principle shall be repaid at a rate of not more than 10% of the long-term credit facility amount and the balance will be repaid on the maturity date.

Debentures

	Types of Debenture	Tranche	Total Value (Million: Baht)	Term	Issue Date	Redemption Date
1	Unsubordinated and Unsecured with a debentureholders' representative	2	3,000.00 1,200.00	3 years 7 years	30 March 2018 30 March 2018	30 March 2021 30 March 2025

9.2 Loan Policy

The Trust may obtain a loan or create any encumbrances regardless of whether a security is provided or not. However, the Trust must comply with the provisions of the loan and creation of encumbrances, as specified in the relevant laws and the Trust Deed. In addition, the Trust may obtain the loan or create the encumbrances only for the following purposes:

The Trust shall obtain loans only for the following purposes:

- (1) For additional investment in the main assets and leasehold rights.
- (2) For managing the assets of the Trust.
- (3) For maintenance, repair, or improvement of the assets of the Trust, i.e. properties of the Trust or of which the Trust has leasehold right(s), in order to restore them to a good condition to be ready to use for the benefit and procurement of the Trust.
- (4) For adding onto or constructing additional buildings on existing land owned by the Trust or of which the Trust has leasehold right(s) for the benefit and procurement of the Trust.
- (5) For repayment of loan(s) or other encumbrances of the Trust.
- (6) For other necessary causes which the REIT Manager deems appropriate in order to manage the Trust and for the distributions to the trust unitholders.

The loan shall be carried out by taking the benefit of the trust unitholders into consideration. In the case of the loan for maintenance and improvement of the assets of the Trust or of which the Trust has the leasehold rights as stated in the purpose (3) above or for adding onto or constructing additional buildings on existing land(s) owned by the Trust or of which the Trust has leasehold right(s) as stated in the purpose of (4), the Trust shall also consider the remaining duration of the lease agreements.

In terms of the loan ratio, the Trust shall obtain the loan of not exceeding 35% of the total asset value of the Trust. In the case where the Trust is considered investment grade value of the loan shall not exceed 60% of the total asset value of the Trust.

Special conditions

The Trust may enter into a sale and purchase agreement for derivatives with the objective to prevent foreign exchange rate risk(s) (hedging) and/or interest rate risk(s) which may incur from the loan either in whole or in part. For examples, the Trust may enter into the interest rate swap agreement with commercial banks to prevent risks from uncertainty of interest rate.

Creation of encumbrances on the assets of the Trust are allowed only in the case where it is necessary and related to the management of the Trust's asset as follows:

- (1) The creation of encumbrances related to the key covenants which the Trust is allowed to carry out in compliance with the provisions under the notification Tor Jor. 49/2555 and related amendments such as in the case that the Trust's assets are provided as a security for the loan under the agreement.
- (2) The creation of encumbrances is in the ordinary course of business and is normal for such type of transaction(s).

Method of loan(s) or creation of encumbrances

The Trust shall create the loan or the encumbrance to the Trust's assets by prioritizing the interests of the trust unitholders and shall comply with the following rules and methods for creating the loan and encumbrance as follows:

- (1) The REIT Manager shall consider the necessity and appropriateness for creating the loan or encumbrance over the Trust's assets as well as rules and methods for creating the loan or encumbrance including key commercial terms and conditions. Then, the REIT Manager shall put forward the proposal for the Trustee's approval.
- (2) The Trustee shall be the person who executes and enters into the agreement for creating the loan or encumbrance over the Trust's assets.
- (3) In the event that the Trust is required to provide its assets as a security for the loan, which is considered as creating a new encumbrance over the Trust's assets, it is required to obtain an approval from the resolution of the trust unitholders' meeting.

The Trust is not required to obtain the approval by the resolution of the trust unitholders' meeting in the case of providing an existing security or increasing the security amount over the existing security for the existing lender(s) as specified in the registration statement or the prospectus, or in a case where the existing lender(s) or creditor(s) assigns its right(s) under the Loan Agreement(s) and/or the existing security to an assignee who will become a new lender or creditor.

- (4) In the case that the loan is obtained for maintenance, repair, or improvement of the assets of the Trust or for adding onto or for additional building(s) construction over existing land owned by the Trust or of which the Trust has leasehold right(s) for benefits, The REIT manager shall consider the remaining duration of the lease agreement.

Loan or creation of encumbrances with related person(s) of the Trustee

The Trust may obtain loan(s) by means of applying for loan facilities from related person(s) of the Trustee who may be commercial banks, life insurance companies, casualty insurance companies and/or other juristic persons, or entering into an agreement which has the nature of a loan(s) or creation of encumbrance(s), and/or entering into transactions with such related persons in accordance with rules and other relevant notifications specified by SEC.

The loan of the Trust, by any means, shall not possess the characteristics as follows:

1. Having terms and conditions in the same manner as a perpetual bond(s);
2. Granting the right to convert into equity;
3. Having characteristics of embedded derivatives; and
4. Having characteristics of securitization.

The REIT Manager shall perform the following duties in relation to loans or creation of encumbrances of the Trust:

1. Undertaking any action in order that the Trust complies with subsequent conditions of the Notification of the Securities and Exchange Commission concerning the application for and Approval of Offer for Sale of Newly Issued Debt Securities in the event that the Trust issues any Debentures or other debt securities in the future (if any)
2. Disclosing amount of loan and reserves for repayment of the loan in accordance with the loan agreement or encumbrances incurring from the loan (if any) in the registration statement and prospectus and Form 56-1 every year until all loans are paid off
3. Determination of an appropriate amount of reserve according to Clause 10.8.2 by taking into account the loan amount or encumbrances incurred from the loan, repayment period(s), impact on distribution(s) to the trust unitholders and cash position from unrealized loss(es) incurred from the appraisal or verification of the appraisal of the Trust's assets
4. Allowing the Trust to accumulate reserves over an accounting period which has insufficient liquidity to be carried forward to the next accounting period.

In the case where the Trust indirectly invests in the main asset(s) through a company which the Trust holds shares of, if such a company would like to borrow money, the loan shall possess characteristics as specified above mutatis mutandis.

Summary of the Loan Agreement(s), Details of the Loan Securities and Issuance of the Debentures

In 2018, WHART additionally invested in the main assets for the Fourth time, whereby part of WHART's source of funds are from the loans. WHART has entered into loan agreements with commercial banks, financial institutions, life insurance companies, non-life insurance companies, and other legal entities who can grant credit facilities to WHART including Kasikornbank Public Company Limited, life insurance companies, non-life insurance companies, and other financial institutions who are related to the Trustee (together known as the "Lenders"). The Lenders have proposed various types of loan facilities in an amount of not exceeding Baht 1,780,000,000. The terms and conditions of the loan are in accordance with the Loan Agreements, Loan Security Agreement(s), and other relevant financial documents between the Trust and the Lenders or between related contracting parties. The preliminary details are as follows:

Lender	Kasikornbank Public Company Limited who is related to the Trustee
Borrower	Kasikorn Asset Management Company Limited as the Trustee of WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust ("WHART")
Loan Facility	Total loan facilities of not exceeding 1,780 million Baht which can be divided into: Facility 1: Loan credit not exceeding Baht 1,750 million for the Fourth investment in additional assets Facility 2: Loan credit not exceeding Baht 1,750 million for refinancing the loan as Facility 1 Facility 3: Promissory notes not exceeding Baht 30 million for supporting repayment of the rental and service deposits of the expectedly invested assets
Interest Rate and Fees relating to loan procurement	Total interest rate per year is not excess of Minimum Loan Rate (MLR) (Minimum Loan Rate: MLR) - 1.50% except in the case of default whereby the default interest rate will be equal to the highest interest rate as declared by the Lender, change of laws, market conditions, or financial situations or any rules and regulations Minimum Loan Rate (MLR) for credible and enormous clients is the average interest rate of the loan offered to credible and enormous clients from 4 commercial banks consisted of Kasikornbank Public Company Limited, Bangkok Bank Public Company Limited, Krung Thai Bank Public Company Limited, and Siam Commercial Bank Public Company Limited, whereby such rate(s) may be subject to change upon the notification of each financial institution. In this regard, there may be fees relating to loan procurement as may be specified in the Loan Agreements.
Maturity	Facility 1 : not exceeding 1 year after the initial drawdown date in Facility 1 and the initial drawdown date must not exceed 1 month after the signing date of the loan contract. Facility 2 : not exceeding 1 year after the initial drawdown date in Facility 2 and able to draw loan down after the maturity date of Facility 1. Facility 3 : not exceeding 180 days from the issuance date of each promissory note and the drawdown duration must not exceed 1 year after the signing date of the loan contract in which such period will be reviewed by the Lender every year. In any event, the maturity of short-term loan shall not exceed the maturity date of Facility 2.
Interest Payment	Monthly

Repayment	Facility 1 and 2 : Bullet payment at maturity date
Condition	Facility 3: Repayment shall be made equal to the amount of rental and service deposits paid by the new tenants. The rest of outstanding loan amount shall be repaid at maturity date specified on the promissory note. In this regard, WHART may refinance the whole or part of the loan prior to the maturity date of each credit facility amount. The Company, as the REIT Manager, may consider alternative fund raising by taking the current economic situations into consideration so as to best serve interests of the Trust; for example: the offering of additional trust units, offering of debentures, loan(s) from commercial banks, financial institutions, life insurance companies, casualty insurance companies and/or other juristic persons for repaying the loan.
Key Financial Covenants	- The Borrower shall maintain the ratio of the Funded Interest-Bearing Debt to the total assets of the Trust of not greater than 35 percent - The Borrower shall maintain the ratio of the Funded Interest Bearing Debt to EBITDA prior to interest, financial expenses, tax, depreciation and non-cash expenses write-off of not greater than 5.5 times Details of the calculation are in accordance with the Loan Agreements.
Key Covenants of the Borrower	1. The Borrower agrees that it shall not undertake or conduct any of the following acts, unless it has obtained a prior written consent from the Lender or such act is exempted under the conditions described in the Loan Agreements - Incur any debt with interest or any financial obligation(s), or create any encumbrances with other financial institutions which may materially affect the capability of repaying the loan to the Lender or the return(s) to the Trust unitholders; - Create any other encumbrance(s) against the main assets for the first capital increase including buildings and other immovable properties which may have in the future, except in cases of future assets of the Trust or such creation of encumbrances is for the ordinary course of business whereby it shall be in accordance with the conditions described in the Loan Agreements agreed upon by the parties; - In the case where the Borrower enters into the lease and service agreement with a period of more than three years, the Borrower shall obtain a written consent from the Lender. Except, in certain cases (for example, in a case where the period of the lease and service agreement is more than three years but not exceeding ten years and the monthly rental and service fee of such agreement is higher than those of the previous agreement, as well as there is no advance rental payment, provided that the security money for such lease and service agreement shall not be regarded as an advance payment, etc.) may be undertaken under conditions agreed upon by the Lender and the Borrower. 2. Other covenants which the Borrower shall comply according to the mutually agreed conditions of the loan agreement.

Events of Default	Events of default in any standard agreement(s) and other defaults as described in the Loan Agreements agreed upon by the parties; for examples, an event of default which occurred from the change of the Property Manager (except the changes as specified in the Property Manager Appointment Agreement and such change is in accordance with the resolution of trust unitholders' meeting), default of maturity payment, breach of procedure(s) under the financial document(s), cross default, total loss, nationalization, bankruptcy, end of the effect or cessation to bind of the security and materially unfavorable changes (unless such default can be remedied or exempted within the period permitted under the Loan Agreement(s) and/or is under the exceptions specified in the Loan Agreement(s)).
Premature repayment	Prior to the maturity date, the loan can be fully or partially repaid without any fee(s) and expenses given that the premature repayment date is the same date as each interest payment date whereby it shall be in accordance with the conditions described in the Loan Agreement(s) agreed upon by the parties.
Other terms and conditions	Apart from the aforementioned conditions, the other terms and conditions with respect to the provision of the loan shall be subject to the conditions described in the Loan Agreement(s), Securities Agreement(s) and other financial documents which have been mutually agreed upon by the parties in conformity with the regulations of the Bank of Thailand.

Furthermore, WHART has issued and offered for sale 2 tranches of the newly issued Unsubordinated and Unsecured Debentures with debentureholders' representative in the name-registered certificate, with a total value not exceeding Baht 4,200 million; the Debentures Tranche 1 not exceeding Baht 3,000 million and the Debentures Tranche 2 not exceeding Baht 1,200 million, for repayment of the borrowings from the two financial institution in the amount of Baht 4,120 million. The duties of the debenture issuer according to the Terms and Conditions governing the rights and obligations of the Issuer are summarized as follows:

Covenants of the Issuers: So long as any Debenture remains outstanding, the Issuer shall comply with the following:

1. Operation of the Issuer:

The Issuer shall use its best endeavor to operate its business and procure benefits appropriately and efficiently in compliance with the objectives of WHART and the Trust Deed, and the laws governing the securities and exchange, other relevant laws, rules, regulations or notifications related to the Issuer, these Terms and Conditions, and other documents in relation to the Debentures.

2. Maintaining the Status of Listed Securities:

The Issuer shall use its best endeavor to maintain the status of trust units as listed securities on the Stock Exchange of Thailand.

3. Maintaining Debt to Asset Ratio:

The issuer shall maintain the debt to asset ratio of not greater than 50% of the total asset value at the year end accounting period throughout the entire term of the Debentures.

In this regard, for record and verification purposes, the Issuer shall deliver a report showing debt to asset ratio as at the year end accounting period to the Debentureholders' Representative within 30 days from the date the Issuer submits its financial statement to the Office of Securities and Exchange Commission and the Stock Exchange of Thailand.

The terms specified in this Clause, shall have the meaning as follows:

"Loan" means any loans whereby issuance of any instruments, securities, or entering into an agreement regardless of the form which has the substance or characteristics of a loan.

"Total Asset Value" means total asset value of WHART at the year end accounting period as shown in the balance sheet of the latest audited financial statement.

4. Creation of Security Interests

Starting from the Issue date, the Issuer shall not create or allow the transfer of any asset of the Issuer as a security, whether in whole or in part, except for an Approved Security.

The terms specified in this Clause, shall have the meaning as follows:

"Approved Security" means securities which have been created by the Issuers which are: (1) a preferential right or security created by the operation of law including but not limited to (a) preferential right on account of taxes or fines which are not due or under dispute by the Issuer or (b) preferential right created by court order or court judgement which is not final or pending the lodging of an appeal by the Issuer or (c) preferential right which is deemed as not significant to the ownership of the assets of the Issuers and does not cause a material adverse effect to the assets or (2) a security created in the ordinary course of the business of the Issuer or (3) a security created for a loan (according to the definition in Clause 6.3 of these Terms and Conditions) which is not greater than 20% of total assets of WHART or (4) a security created for the procurement of equipment to use in the ordinary course of business of WHART.

5. Preparation and Delivery of Documents to the Debentureholders' Representative

Once made aware of the occurrence of the following event, the Issuer shall notify the Debentureholders' Representative of such event(s) including any actions taken by the Issuer or proposed to be taken by the Issuer to remedy such event(s) without delay.

- (a) An occurrence of any event of default under Clause 11.1 of the Terms and Conditions
- (b) In an event the Issuer whom a complaint is submitted to the Court or being charged against any contractual liabilities in arbitration proceedings which may have a material adverse effect on the ability of the Issuer to perform its obligation
- (c) Upon a necessary and reasonable request the Debentureholders' Representatives, the Trustee shall supply to the Debentureholders' Representatives the document signed by the Issuer's authorized director(s) (or the person authorized by its authorized director(s)) certifying that , neither (1) an event of default of any event which may constitute an event of default nor (2) any litigation or arbitration process against the Issuer which may have a material adverse effect on the ability of the Issuer to perform its obligation (except for those already notified to the Debentureholders' Representative (if any))

6. Replacement of the Debentureholders' Representative and Registrar

If it is necessary to replace the Debentureholders' Representative and/or Registrar, the Issuer shall arrange the former Debentureholders' Representative and/or Registrar, within 30 (thirty) days from the date on which the new Debentureholders' Representative and/or Registrar is appointed, notify all Debentureholders of such changes as well as the name and address of the Debentureholders' Representative and/or Registrar, and the Issuer shall find a person to be appointed as a new Debentureholders' Representative and/or Registrar (as the case may be) as soon as possible but not later than 90 (ninety) days from the date the Trustee acknowledges of the event due to which such a change of the Debentureholders' Representative and/or Registrar is required.

7. Utilization of capital from the issuance of the Debentures

The Issuer shall use the capital received from the issuance and offer for sale of the Debentures to repay the outstanding balance of the First and Third Loan Agreements, and some portion of the principal of the Fourth Loan Agreement which includes any outstanding interest, break cost (if any), fees and other expenses related to the loan repayment as well as the release of loan security as well as fees and other expenses related to the issuance of the Debentures.

8. Release of Security

Once the Issuer repays the loan with the capital from the issuance and offer for sale of the Debentures as mentioned in Clause 7 above, the Issuer shall release all securities which were provided as collateral under the First and Third Loan Agreements, and some securities provided as collaterals under the Fourth Loan Agreement as soon as possible, but not later than 180 (one hundred eighty) days from the date the Issuer repays the loans according to such loan agreements.

9. Action to be taken for the Debentures Repayment

Prior to the Redemption Date of the Debentures Tranche 1 or Tranche 2 (as the case may be), if the Issuer deems that there is not sufficient funds to repay the financial obligations of the Debentures upon the Redemption Date, the Issuer shall seek sourcing of funds or raise funds by whichever means or procedures, or sell properties of WHART in accordance with the procedures as prescribed by the law or specified in the Trust Deed in order to repay the financial obligations of the Debentures when due.

10. Credit Rating

Within the Issue Date, the Issuer shall arrange for the Debentures rating by a credit rating agency recognized by the Office of SEC throughout the term of the Debentures. However, the rating may change during the term of the Debentures.

11. Registration with the Thai Bond Market Association

Within the Issue date, the Issuer shall submit an application to the Thai Bond Market Association to accept the registration of the Debentures as registered debt instruments and maintain Debentures to be the debt instruments registered with the Thai Bond Market Association at all times during the term of the Debentures.

Combining all the financial obligations from the loans and debt instruments, WHART's total liabilities were Baht 9,466.70 million, (equivalent to 28.99% of the total asset value of WHART) which consisted of existing loans and debt instruments of Baht 7,791.70 million and the loan for the Fourth additional investment in the assets not exceeding Baht 1,675 million.

Nonetheless, the loan balance as of the end of the accounting period for the year 2018 is Baht 9,466.70 million, equivalent to 28.99% of the total asset value of WHART.

9.3 Relationship and Necessity of the Loan from Related Persons and Opinion on Conditions of the Loan Agreement

9.3.1 Relationship between the Trustee and the Lender

Except where the Trust is prohibited to loan from the Trustee's related persons by the notifications of the SEC or other authorities, the Trust may partially or wholly loan from the Trustee's related persons who hold 99.99% of voting shares of the Trust. In doing so, the Trust shall operate in accordance with the relevant notifications.

9.3.2 Reason and Necessity of the Loan from the Trustee's Related Persons

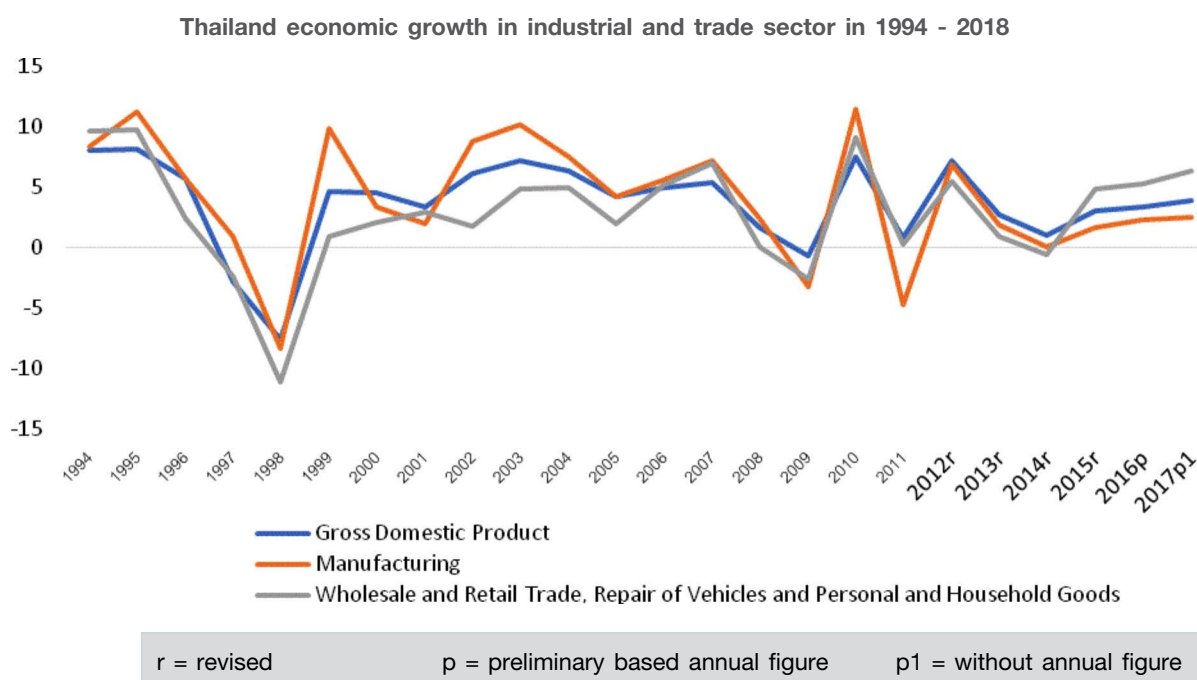
The Company is of the opinion that the loan from related persons of the Trustee must be reasonable and must not affect the benefit of the Trust. It shall be carried out by considering the conditions under the loan agreement which are normal business conditions and benefit the Trust. Moreover, the Lender must have a good understanding in businesses and assets in which the Trust will invest.

9.3.3 Opinion on Conditions under the Loan Agreement

The loan transaction is a transaction with specific characteristics provided to the Trust. For examples, terms and conditions under the loan agreement are in conformity with the specific characteristics of the Trust, reasonable and have no effect to the benefits of the Trust. The conditions under the loan agreement are specified at arm's length basis whereby comparing such a loan agreement to general conditions of other loan agreements which the Trust entered with other lenders who are not related persons of the Trustee, essence of the agreements are similar. Moreover, the agreements share similar types of securities for debt repayment. This indicates that the conditions of the loan agreement as well as the loan transaction are consistent with normal business practice and do not affect the benefits of the Trust. In this regard, the Trustee is not allowed to interfere or manipulate the approval process and stipulation of the loan agreement.

Moreover, the fact that the lender who is not a related person of the Trustee accepts the conditions under the loan agreement indicates that such conditions are consistent with normal business practice and do not affect the benefits of the Trust.

10. Market Overview of Thailand Industrial Property Market



Source: Office of the National Economic and Social Development Board

In 2018, Thailand's economy grew by 4.1 percent which was higher than previous year by 4.0 percent whereby exports and tourism were the major economic contributors. Thailand's exports rose more than 7.7 percent due to continuous growth in global manufacturing sectors which triggered higher demand for Thai-manufactured goods, also private investment has continually grown due to higher capacity utilization. An increase in total investment application value to the Board of Investment and process of the key investment projects were also the key drivers to Thailand's economic growth. Private consumption and private investment grew 4.6 and 3.8 percent respectively.

The Thai industrial sector, which accounts for one-third of Thailand's economic value, is a significant sector and a key driver of Thailand's economy in terms of both value and growth tendency. Furthermore, trade and export sectors as well as automobiles played major roles in supporting Thailand's economic growth which can be seen from the growth numbers during the past 10-15 years.

Thailand's economy is expected to grow by 3.5 - 4.5 percent in 2019 driven by the upswing in private consumption and investment, accelerated rollout of public infrastructure investment in accordance with an increase in budget under Annual Budget Allocation, growth of the tourism industry in respect of number of tourists and revenue from China and Europe, change in trade and industrial policies, and international investment which lessened the impact from the slowdown of the World economy. As for domestic economic stability, it is considered stable. The 2019 inflation rate was approximately 0.5 - 1.5 percent with a continued record of current account surplus. Implementation of infrastructure projects are also being aggressively driven.

The Warehouse Market

The warehouse market in Thailand has growing quite well for 3 to 4 years, with gradually growth for both demand and new location development. Warehouse market is a business that supports the growth of various businesses such as retail, export and manufacture. All of these businesses require warehouse to stock their inventory for both domestic consumption and export. Moreover, warehouse business can support the new business type which is E-Commerce. E-Commerce business requires the warehouse spaces in order to make a storage before deliver to the customers. The nature of warehouse market in Thailand is mostly expand from the strategic locations. The growth of warehouse market is based on the development of public infrastructure such as road, train, port and airport as well as the new development of industrial estates in Thailand. The new coming warehouse supply also comes with the logistic system and management with advance technology, cold-storage warehouse and much more are still in high demand. The new development of warehouse focuses on environmental impact and energy saving.

The warehouse market in Thailand has developed rapidly over the past ten years. It has matured from a collection of old family run traditional warehouses, with ceiling height of no more than 7 meters, with the floor of warehouse located on ground floor. The logistic method using truck to deliver the goods and products, with the height of the truck, so the development of warehouse has raised the warehouse floor to be at least 1.3 - 1.5 meters from ground floor in order to be the same level of the truck and the ceiling height of the warehouse has increased to be from 9 to 12 meters to increase the efficiency of product storage and good ventilation.

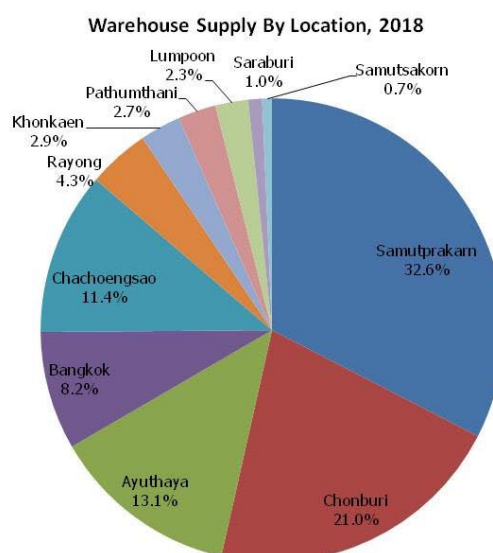
Supply of Warehouse Market

As end of 2018, the warehouse supply was at 4,902,619 square meters, with approximately 518,838 square meters added to supply. The supply has increased by 11.8% from the previous year. The majority of new supply last year was at Ayuthaya Province, representing by 41% of total new supply last year, followed by Chachoengsao Province and Samutprakarn Province, representing by 30% and 14% of total new supply. The highest amount of new supply was in 2014, with approximately 910,504 square meters added to the stock. In 2015, the new supply amount was only at 305,257 square meters. The new supply in 2016 and 2017 was approximately 476,736 square meters and 77,877 square meters, respectively.



Source: Knight Frank Thailand Research & Consulting Department

The majority of supply was at Samutprakarn, representing by 32.6% of total. Lying to the East of the Bangkok Metropolitan area, the province of Samutprakarn is home to several large industrial estates where many of the world's leading MNC's have located their manufacturing plants serving both the domestic and international markets. Its prime appeal is the proximity to Bangkok, and that it is served by infrastructure providing convenient transportation to and from major seaports, airports and by rail. The supply in the second rank was at Chonburi province, represented by 21% of total. Chonburi is developing area, growing in wealth and as well as automotives, is also home to major manufacturers in the petrochemical, electronics, food, white goods and other high value sectors to say nothing of the tourism and real estate industries that the area is popularly known for. Chonburi is the province where the deep sea port (Laem Chabang) is located. Ayuthaya ranked in third, represented by 13.1% of total. Ayuthaya province is highly prized by retailers whose fast moving consumer goods are destined for consumption in local markets throughout the country. In the past, the supply in Chachoengsao was less than the supply in Bangkok. With the majority of new supply added in Chachoengsao, with approximately 156,921 square meters being added last year, made the portion of supply in Samutprakarn being higher than the supply in Bangkok and turn up Chachoengsao Province into the fourth rank instead of Bangkok, represented by 11.4% of total.

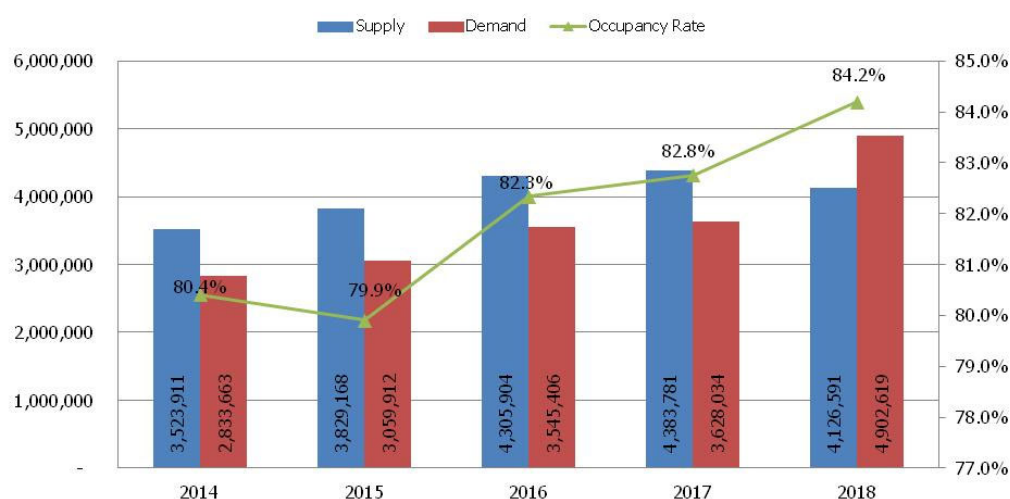


Source: Knight Frank Thailand Research & Consulting Department

Demand of Warehouse Market

As end of 2018, the total occupied space was 4,126,591 square meters out of 4,902,619 square meters. The newly occupied space increased in 2018 from 2017 by 498,557 square meters. The occupancy rate as end of 2018 has climbed up to 84.2%, comparing to 82.8% in 2017.

Supply, Demand and Occupancy Rate of Warehouse, 2012 - 2018



Source: Knight Frank Thailand Research & Consulting Department

At the end of 2018, Bangkok saw the highest occupancy rate for warehouse at 100%, followed by Pathumthani and Lumpoon, with approximately 97% and 94.8%, respectively. Saraburi has the low occupancy rate, representing at 44.6%.

Supply, Demand and Occupancy Rate of Warehouse by Location as end of 2018

Province	Supply	Demand	Occupancy Rate
Samutprakarn	1,596,328	1,435,067	89.9%
Chonburi	1,027,763	773,278	75.2%
Chachoengsao	557,175	414,348	74.4%
Ayuthaya	642,388	557,686	86.8%
Bangkok	404,426	404,426	100.0%
Rayong	211,166	127,626	60.4%
Pathumthani	130,340	126,380	97.0%
Saraburi	47,615	21,256	44.6%
Samutsakorn	33,516	30,162	90.0%
Khonkaen	139,902	130,242	93.1%
Lumpoon	112,000	106,120	94.8%
Total	4,902,619	4,126,591	84.2%

Source: Knight Frank Thailand Research & Consulting Department

Rental Rate of Warehouse Market

The rental rate varies depending on location. As end of 2018, the highest rental rate was shown in Samutprakarn, with approximately THB 190 per square meters, followed by Pathumthanee, with the highest asking rental rate at THB 184 per square meters. Rayong, Chonburi and Chachoengsao, being located in the Eastern Economic Corridor, the three provinces have the highest asking rental rate of approximately THB 180 per square meters. Warehouse rental rate varies on many factors, such as the condition of the warehouse, age of buildings, and specifications.



Source: Knight Frank Thailand Research & Consulting Department

Outlook of Warehouse Market

The outlook of warehouse market is in bright prospect, with the news concerning on potential election in Thailand has boosted business situation on warehouse market. The foreign investors are confident in investing in Thailand. Moreover, the result of the recovery of automobile manufacturing in recent years lead to the expansion of automobile spare parts factories which empowered the opportunity of warehouse market. The progressive in setting up the Eastern Economic Corridor or EEC will be benefited to the warehouse projects located in the EEC, as a consequence of government infrastructures on EEC area such as the development of airport, high speed train and huge port in order to support the projects located in Eastern Economic Corridor (EEC) attract many investors to come and invest in the EEC. Moreover, Laem Chabang Port third phase and Map Taphut third phase will contribute the positive efficiency of logistic system and warehouse market in Thailand, in order to become the industrial and logistics centre of Southeast Asia. There are many leading developers and foreign investors pay more attention in developing industrial estates in the Eastern Economic Corridor (EEC), thus this will have positive effect to the warehouse market located in both EEC area and the area surrounding the EEC area (Bangkok and Samutprakarn).

The US-China trade war seems to be less business threats, as a result of a rise on import tariff between USA and China which potentially attracts several Chinese investors who intend to establish new manufacturing bases in Thailand and export to USA, resulting to the significant increase on warehouse demand. Furthermore, it can be said that Chinese and Thai societies might be quite similar in term of culture, community, food, tourism and religious.

It is importance to use technology and IT system upgrade warehouse business because it could help entrepreneurship to improve efficiency in management process and service, respond customer satisfaction and push up competitive advantage with high increasing competitions in future. Furthermore, making an alliance and joint with offshore company or big Thai company will be an opportunity to make business more strength.

11. Information about the Income Guarantee and the Person Giving Guarantee

-None-

12. Limitation on Allocation of the Trust Units

Limitation on Allocation, Holding and Transfer of the Offered Trust Units

Determine other details of the offering, and the allotment of the additional trust units, including but not limited to, the number of trust units to be issued and offered for sale, structure of the final offering, subscription period, allotment method, offering method, subscription ratio, offering ratio, offering price, condition and subscription method, including other conditions and other details related to the offering, and the allotment of additional trust units to be issued and offered for sale to the existing trust unitholders of WHART, and the allotment method in case the existing trust unitholders subscribe to trust units in excess of the amount they are entitled to, including offering and allotment of the outstanding trust units from public offering to other investors, and to have its discretion to consider allotting or denying the allotment of the additional trust units to any trust unitholders, or any investors, or trust unitholders who are American, Canadian, Japanese or any nationality other than Thai if such offering or allotment of the additional trust units does not comply with the regulation related to offering and allotment of trust unit enforced in Thailand or country of the trust unitholder's nationality, or causing unreasonable burden and operation expenses.

13. Policy and Limitation of Benefit Distribution

The benefit distribution policy of the Trust shall be in accordance with the following criteria:

- 13.1 The REIT Manager shall distribute benefits or return of not less than 90% of the adjusted net profit for the fiscal year. The distribution of the benefit shall include annual distribution and interim distribution (if any). The REIT Manager shall make distribution to the holders of trust units of no more than four (4) times per year. Except, in the case that the Trust increases its capital, the Trust is allowed to conduct the benefit distributions of more than 4 times per year for the benefit of the holders of trust units.

Adjusted net profit means net profit referred to cash position of the Trust which is deducted loan principal repayment and other obligations which become due by taking cash position (if any) into consideration.

- 13.2 In the case where the Trust still has an accumulated loss, the REIT Manager shall make no distribution to the holders of trust units.

- 13.3 Upon the benefit distribution to the trust unitholders in each accounting period, the REIT Manager shall announce the distribution, close the register of trust unitholders in order to specify names of the trust unitholders who are entitled to receive the benefit, and make distribution within the specified period as follows:

- a. For Year-End Distribution,

The REIT Manager shall distribute the benefit within 90 days from the end of the fiscal year. Such benefit shall be distributed within the period of not over 30 days from the closing date of the register of trust unitholders in order to determine the rights of the trust unitholders who are entitled to such benefit.

- b. For Interim Distribution,

The REIT Manager shall distribute the interim benefit (if any) within 90 days from the end of the accounting period of the latest quarter prior to such benefit distribution. Such benefit shall be distributed within 30 days from the closing date of the register of trust unitholders who are entitled to the benefit.

- 13.4 The trust unitholders who are entitled to receive the benefit are those whose names appear in the register of trust unitholders as of the closing date of the register of trust unitholders whereby the benefit to be received must be proportionated to the trust unit holding of each trust unitholder. In the case where it appears that any person(s) holds trust units in excess of the ratio specified in the relevant SEC notifications, such person(s) shall not be allowed to receive the benefit of the trust units which represent the portion in excess of the ratio as specified under the SEC notifications.

Cash Distribution Payment

Since the establishment of WHART on 8 December 2014, WHART has distributed the payments as follows:

- Dividend: 18 times, dividend payout ratio of 2.1208 Baht per unit, totaling to 2,456.58 million Baht
- Capital reduction: 15 times, capital reduction payout ratio of 0.8449 Baht per unit, totaling to 646.28 million Baht

Cash distribution from operation period of year 2014.

No.	Operation Period	Payment Date	Cash Distribution (Baht/unit)		
			Dividend	Decreasing Paid-up Capital	Total
1	8 December - 31 December 2014	29 May 2015	0.0282	-	0.0282
Total			0.0282	-	0.0282

Cash distribution from operation period of year 2015.

No.	Operation Period	Payment Date	Cash Distribution (Baht/unit)		
			Dividend	Decreasing Paid-up Capital	Total
1	1 January - 31 March 2015	29 May 2015	0.1812	-	0.1812
2	1 April - 30 June 2015	25 August 2015	-	0.1860	0.1860
3	1 July - 30 September 2015	18 December 2015	0.0083	0.1807	0.1890
4	1 October - 31 October 2015	18 December 2015	0.0587	-	0.0587
5	1 November - 31 December 2015	15 March 2016	0.0565	0.0052	0.0617
Total			0.3047	0.3719	0.6766

Cash distribution from operation period of year 2016.

No.	Operation Period	Payment Date	Cash Distribution (Baht/unit)		
			Dividend	Decreasing Paid-up Capital	Total
1	1 January - 31 March 2016	27 May 2016	0.0292	0.1610	0.1902
2	1 April - 30 June 2016	25 August 2016	0.1733	0.0217	0.1950
3	1 July - 30 September 2016	25 November 2016	0.1696	0.0249	0.1945
4	1 October - 15 November 2016	20 December 2016	0.0930	-	0.0930
5	16 November - 31 December 2016	22 March 2017	0.0741	0.0124	0.0865
Total			0.5392	0.2200	0.7592

Cash distribution from operation period of year 2017.

No.	Operation Period	Payment Date	Cash Distribution (Baht/unit)		
			Dividend	Decreasing Paid-up Capital	Total
1	1 January - 31 March 2017	23 May 2017	0.1205	0.0740	0.1945
2	1 April - 30 June 2017	23 August 2017	0.1705	0.0240	0.1945
3	1 July - 30 September 2017	22 November 2017	0.1705	0.0240	0.1945
4	1 October - 31 October 2017	12 December 2017	0.0617	-	0.0617
5	1 November - 31 December 2017	23 March 2018	0.0865	0.0115	0.0980
Total			0.6097	0.1335	0.7432

Cash distribution from operation period of year 2018.

No.	Operation Period	Payment Date	Cash Distribution (Baht/unit)		
			Dividend	Decreasing Paid-up Capital	Total
1	1 January - 31 March 2018	25 May 2018	0.1245	0.0700	0.1945
2	1 April - 30 June 2018	23 August 2018	0.1745	0.0200	0.1945
3	1 July - 30 September 2018	23 November 2018	0.1775	0.0170	0.1945
4	1 October - 15 November 2018	18 December 2018	0.0920	-	0.0920
5	16 November - 31 December 2018	25 March 2019	0.0705	0.0125	0.0830
Total			0.6390	0.1195	0.7585
Grand Total			2.1208	0.8449	2.9657

14. Expenses Collected from the Trust

Fees and expenses collected from the Trust are as follows:

Fees and Expenses		For Period of the Trust			Per One Time	
	Ceiling % of NAV per Year (Excluded value added tax)	Expected Rate (Excluded value added tax)	Collection Period	Ceiling % of NAV after Each Transaction (Excluded value added tax)	Expected Rate (Excluded value added tax)	
Total	9.25%	-	-	-	-	
• Fees of the REIT Manager	0.75%	Base Fee : Not over 0.25% per year of the cost of the main assets of the Trust. The cost of the main assets excludes value of the assets sold. And, fee of the main asset leasehold shall be calculated only during the effective period of such leasehold and shall not be over 0.25% per year of values appeared in the account for investment in financial instruments and/or deposit at financial institutions.	Monthly	Actual amount	Acquisition fee In case of related persons of the REIT Manager - Not over 0.75% of value of the assets purchased. <u>Other cases</u> - Not over 1.00% of value of the assets purchased. Disposal fee - Not over 0.50% of value of the assets sold.	
• Fee of the Trustee and properties caretaker	0.75%	Not over 0.25% per year of the cost of the main assets of the Trust. The cost of the main assets excludes value of the assets sold. Fee of main asset leasehold is calculated only during effective period of such leasehold and shall not be over 0.25% per year of values appeared in the account for investment in financial instruments and/or deposit at financial institutions.	Monthly	-	-	

Fees and Expenses	For Period of the Trust			Per One Time	
	Ceiling % of NAV per Year (Excluded value added tax)	Expected Rate (Excluded value added tax)	Collection Period	Ceiling % of NAV after Each Transaction (Excluded value added tax)	Expected Rate (Excluded value added tax)
• Registrar Fee	0.5%	Not over 0.50% per year of the registered capital of the Trust	Monthly	-	-
• Fee of the Property Manager	3.0%	According to the Agreement appointing the property manager (the fee of the property manager includes expenses for minor repair and maintenance ¹ , commission, marketing and sales promotion, premium, central, public utility maintenance and house and land tax)	Yearly	Actual amount	The fees for monitoring the modification of the buildings and the construction and development of the properties shall not exceed two (2) percent of construction value (Only in the case that the REIT Manager authorizes the Property Manager to monitor the construction and development of additional properties and the modification of the properties which are not derived from the Property Manager and/or the related person of the Property Manager.

¹

Expenses for minor Repair or Maintenance mean expenses for maintaining cleanliness, garden maintenance and landscaping, security in the project, including maintenance of equipment within the buildings (during the absence of lessees) and outside the buildings

Minor repair or maintenance includes its services or outsourcing services of the relevant service providers such as;

- Hiring security staffs or a security company
 - Hiring gardeners and a company that carries out garden maintenance and landscaping, including, construction materials for garden maintenance and landscaping.
 - Collecting and disposing of garbage
 - Hiring mechanics and project engineers, managers, or project managers.
- Excluding the following
- Expenses caused by depreciation.
 - Cost of consumable supplies.
 - Repair and installation of systems additionally necessary.
 - Expenses incurred from repairing and maintaining structure of the building (such as poles, beams, walls, floors, roofs) etc.

Fees and Expenses	For Period of the Trust			Per One Time	
	Ceiling % of NAV per Year (Excluded value added tax)	Expected Rate (Excluded value added tax)	Collection Period	Ceiling % of NAV after Each Transaction (Excluded value added tax)	Expected Rate (Excluded value added tax)
• Annual Fees and Expenses for Maintaining the Listed Securities Status	0.05%	Not over 0.05% of paid-up capital	Yearly	-	-
• Fees and Expenses on Auditing and Internal Audit	0.10%	Actual amount	Yearly	-	-
• Fees and/or Expenses in Engineering System Evaluation and for Providing Reports or Research	0.02%	Actual amount	Yearly	-	-
• Interest and Fees from Loans	4.0%	Actual amount	-	-	-
• Financial Advisor Fee	-	-	-	1.0%	Actual amount
• Consulting Fee for Properties Investment such as Overseas Investment etc.	-	-	-	2.5%	Actual amount
• Other Consulting Fees	-	-	-	1.0%	Actual amount
• Fees for sales of the Trust Units	-	-	-	3.0%	Not over 3.0% of value of the offered trust units
• Fees for Loan Procurement and Issuance of the Same Nature	-	-	-	2.0%	Actual amount
• Expenses on Repair and Maintenance of other Properties Other than Minor Repair or Maintenance according to the Agreement Appointing the Property Manager	-	-	-	Actual amount	Actual amount
• Expenses on Marketing and Public Relations	-	-	-	1.0%	Actual amount
• Expense on Meetings of Trust Unitholders and Document Preparation	-	-	-	Actual amount	Actual amount

Fees and Expenses	For Period of the Trust			Per One Time	
	Ceiling % of NAV per Year (Excluded value added tax)	Expected Rate (Excluded value added tax)	Collection Period	Ceiling % of NAV after Each Transaction (Excluded value added tax)	Expected Rate (Excluded value added tax)
Other Expenses					
(1) Fees and/or Expenses on Evaluation and/or Due Diligence on Properties Evaluation	0.01%	Actual amount	Yearly	-	-
(2) Other Expenses Related to Properties Management such as Sales Promotion, Public Utility, Banking and Gas etc.	0.01%	Actual amount	-	-	-
(3) Preparation and Annual Report Printing and Other Documents Related to Trust Unitholders including Translation and Document Distribution Fee	0.01%	Actual amount	-	-	-
(4) Expenses on Preparation, Printing and Distribution Notices, Correspondences, Information, Announcement to Trust Unitholders including Publishing in Newspaper	0.01%	Actual amount	-	-	-
(5) Expenses or fees on Distribution of Benefit to Trust Unitholders, Capital Increase and/or Capital Reduction such as Banking Fee Stamp Duty, Service Fee to Registrar, Postage Stamp, Telephone and Facsimile Bill	0.01%	Actual amount	-	-	-

Fees and Expenses	For Period of the Trust			Per One Time	
	Ceiling % of NAV per Year (Excluded value added tax)	Expected Rate (Excluded value added tax)	Collection Period	Ceiling % of NAV after Each Transaction (Excluded value added tax)	Expected Rate (Excluded value added tax)
(6) Document Fees on Registration of Trust Unitholders and Posting Accounting Entry	0.01%	Actual amount	-	-	-
(7) Expenses Related to an Amendment and Addition to the Trust Deed and/or for Compliance with Laws or Notifications of SEC, the SEC Office and/or other Relevant Laws	0.01%	Actual amount	-	-	-
(8) Fees and/or Other Expenses Related to Operation of the Trust	0.01%	Actual amount	-	-	-
(9) Expenses and/or Fees Related to Trust Establishment such as Trust Registration Fee to be Listed Securities and Agreement Preparation etc.	-	-	-	Actual amount	Actual amount
(10) Agent or Property Brokerage Fee (if any) for Purchase, Disposal and Transfer of Rights	-	-	-	3.0%	Actual amount
(11) Fees or Expenses on Procurement, Acquisition, Disposal or Transfer of the Properties of the Trust such as Expenses on Sale or Transfer of Rights and Transfer Fee etc.	-	-	-	Actual amount	Actual amount

Fees and Expenses	For Period of the Trust			Per One Time		
	Ceiling % of NAV per Year (Excluded value added tax)	Expected Rate (Excluded value added tax)	Collection Period	Ceiling % of NAV after Each Transaction (Excluded value added tax)	Expected Rate (Excluded value added tax)	
(12) Fees, Taxes and Stamp Duty related to Sales of Immovable Properties or Other Assets of the Trust such as Brokerage Fee, which will be Deducted from the Price upon the Sale, Expenses related to Purchase and Sale of the Properties and Transfer of the Securities or Properties etc.	-	-	-	Actual amount	Actual amount	
(13) Fees and/or Expenses on Asset Appraisal	-	-	-	Actual amount	Actual amount	
(14) Fees and/or Expenses on Engineering System Evaluation, Fees on Auditor for Auditin Profit and Loss Statement, and on Preparation of Reports or Research	-	-	-	Actual amount	Actual amount	
(15) Expenses upon Receipt of the Trust Unit Payment such as Banking Fee, Stamp Duty, Postage Stamp, and Telephone and Facsimile Bill	-	-	-	Actual amount	Actual amount	

Fees and Expenses	For Period of the Trust			Per One Time	
	Ceiling % of NAV per Year (Excluded value added tax)	Expected Rate (Excluded value added tax)	Collection Period	Ceiling % of NAV after Each Transaction (Excluded value added tax)	Expected Rate (Excluded value added tax)
(16) Fees on Preparation, Printing of the Subscriptions, Trust Unit Certificates, Receipts, Tax Invoices and Other Forms Related to the Trust, and Expenses on Document Distribution such Documents to Trust Unitholders	-	-	-	Actual amount	Actual amount
(17) Fees on Preparation and Printing of the Prospectus including Translation and Distribution Fees	-	-	-	Actual amount	Actual amount
(18) Expenses on Claim and Proceedings for Debt Collection or Legal Fees for Court Proceedings in order to Protect Rights of Trust Unitholders, the REIT Manager or Trustee which is Related to the Trust	-	-	-	Actual amount	Actual amount



Fees and Expenses	For Period of the Trust			Per One Time		
	Ceiling % of NAV per Year (Excluded value added tax)	Expected Rate (Excluded value added tax)	Collection Period	Ceiling % of NAV after Each Transaction (Excluded value added tax)	Expected Rate (Excluded value added tax)	
(19) Legal Expenses related to the Operation and Management of the Trust including Expenses for Court Proceedings such as Confiscation fees and Compensation Derived from the REIT Manager for Benefits of Trust Unitholders as a whole, Court Fee, Compensation for Third Parties, Mortgage Registration Fee, Discharge of Mortgage Fee, Registration Fee with Department of Land, transaction fee, and Expenses on Agreement Amendment etc.	-	-	-	Actual amount	Actual amount	
(20) Expenses on Legal Proceedings which the Trustee Files against the REIT Manager for its Performance or Claim for Compensation for Benefits of Trust Unitholders as a whole or upon a Request by SEC	-	-	-	Actual amount	Actual amount	
(21) Compensation to Third Parties for Damages Incurred from Operation of the Trust in Excess of Insurance Coverage	-	-	-	Actual amount	Actual amount	

Fees and Expenses	For Period of the Trust			Per One Time	
	Ceiling % of NAV per Year (Excluded value added tax)	Expected Rate (Excluded value added tax)	Collection Period	Ceiling % of NAV after Each Transaction (Excluded value added tax)	Expected Rate (Excluded value added tax)
(22) Fees and/or Expenses on Dissolution of the Trust or Change of the REIT Manager or the Trustee	-	-	-	Actual amount	Actual amount
(23) Remuneration for Liquidator or Supervisor during Registration of Liquidation and Dissolution of the Trust with SEC	-	-	-	Actual amount	Actual amount
(24) Fees, Taxes and/or Other Expenses Related to the Operation of the Trust	-	-	-	Actual amount	Actual amount

15. Opinion of the Trustee



หลักทรัพย์จัดการกองทุนกสิกรไทย
开泰基金管理 KASIKORN ASSET MANAGEMENT



Opinion of the Trustee

To Trust unitholders of WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust ("the Trust")

I, Kasikorn Asset Management Company Limited, as the Trustee of Real Estate Investment Trust, has supervised and monitored the management of the WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust managed by WHA Real Estate Management Company Limited for the accounting period from 1 January 2018 to 31 December 2018.

I am of the opinion that WHA Real Estate Management Company Limited has reasonably and appropriately performed its duties in managing the Trust in accordance with the objectives specified in the Trust Deed, the prospectus and provisions under Securities and Exchange Act B.E. 2535, and Trust for Transactions in Capital Market Act B.E.2550.

Trustee

Kasikorn Asset Management Company Limited

Mr. Vittawat Ajchariyavanich
Executive Vice President
Property Business Management Division

Kasikorn Asset Management Company Limited

18 February 2019

KAsset Contact Center 02-6733888
www.kasikornbank.com

บริการทุกระดับประทับใจ

หนังสือในบริษัทของธนาคารกสิกรไทย

16. Transaction Information between the Trust and the REIT Manager or Related Persons of the REIT Manager and Opinion of the REIT Manager

In 2018, the Trust had invested in the main assets for the fourth capital increase, a related party transaction between the Trust and WHA Corporation Public Company Limited which is a related person of the REIT manager since WHA Corporation Public Company Limited is a major shareholder and controlling person of the REIT manager. Also, WHA Corporation Public Company Limited acts as the property manager of the Trust. Moreover, there are related party transactions between the Trust and the Company acting as the REIT manager of the Trust. Details of the transactions are summarized as follows:

1) WHA Corporation, Central WHA Alliance, WHA KPN Alliance and WHA Venture Holding (together known as “Asset Owner”)

- Major shareholder of the REIT Manager by holding 99.99% of the total shares in the REIT Manager
- Controlling person of the REIT Manager
- Property Manager of WHART

1.1) Purchase price of the Main Asset from the Capital Increase No. 4 in 2018

Type of the Related Party Transaction	- Trustee acting on behalf of WHART shall enter into the Sale and Purchase Agreement of land and building, the Land and Building Lease Agreement, the Sale and Purchase Agreement of a utility system, tools and equipment and the Mortgage Agreement with “WHA Group” for the purpose of the third additional investment in the Main Asset which are: (1) WHA Mega Logistics Center (Rama 2 Km.35 phase 1); (2) Central WHA Mega Logistics Center (Wangnoi 63); (3) WHA KPN Mega Logistics Center (Bangna-Trad Km.23) (4) DSG HSIL
Necessity and Rationale of the Related Party Transaction	- Investment in the Main Assets from the Capital Increase No.4 is viewed as an investment in potential assets due to the readiness of the projects and lessees. Four projects are completely constructed and the quality of warehouses are of the same standard as the existing warehouses of WHART. The projects are conveniently accessible by transportation. That is to say, the area of the warehouse on Bangna-Trad and LiapKhleng Chonlarnpichit Road is a logistic hub which is adjacent to the Suvarnabhumi International Airport and Laem Chabang Port, the key location for transportation of Thailand. The occupancy rate is considerably high for both domestic and international tenants. As for the project in Rama II area, it is located on a major route to the Southern provinces of Thailand connecting Bangkok and the Lower Central Plain to the Southern areas of Thailand. Whereby the Samut Songkhram project’s location is popular

**Opinion of the REIT Manager
and Financial Advisor on
Price and Conditions**

among cold storage businesses. Also, warehouses in Saraburi are the main distribution centers of Fast Moving Consumer Goods or FMCG to be transported to Bangkok because there are convenient routes to travel to Bangkok i.e. Phahonyothin Road and Kanchanaphisek Road as well as the main transportation route to the Northern and Northeastern region of Thailand. All projects in which WHART will invest have the potential to generate revenue which results in the stability of rental revenue and operating performance of WHART and an increase of diversification and decrease of concentration of WHART's source of income which would benefit WHART and its trust unitholders.

- WHART will make the fourth investment in the Additional Assets at a total value not exceeding Baht 4,464.50 million which is higher than the lowest appraised value obtained from the independent appraisals of Baht 4,139.90 million or equivalent to 7.84 percent. This is acceptable as it will enable WHART to invest and become the owner of the high quality warehouses as well as to have a potential to generate income and will create value added to WHART and the Trust Unitholders in the future.
- The total investment of not exceeding Baht 4,464.50 million (excluding value added tax, registration fee and Specific Business tax as well as other relevant fees and expenses) with the right to renew the lease agreement for additional period of 30 years for WHA Mega Logistics Center (Rama II Km. 35 Phase 1), where the rental fees for the renewed period of Baht 50 million, payable on the date of extension of the lease (exclusive of value added tax, registration fees, specific business tax, other relevant fees and expenses) is fair and reasonable and is consistent with the estimation according to the opinion of the Independent Financial Advisor. After this Fourth additional investment, the return for the trust unitholders will not be less than the current return which can be comparable to rate of return of other trust who invest in the same type of assets as WHART (please see additional details in part 2 clause 2.1.9.3: opinion of the financial consultant and the REIT Manager for the rationales of the purchase price)

1.2) Management Fee of the Property Manager

**Type of the Related Party
Transaction**

- Management Fee of the Property Manager
- Trustee, acting on behalf of WHART, hired WHA Corporation as the Property Manager for a period of 30 years
- In 2018, WHART renewed the property management agreements for Kao and Triumph projects which had expired on 13 December 2018 for an additional period of 5 years from 14 December 2018 to 13 December 2023.

**Necessity and Rationale
of the Related
Party Transaction**

**Opinion of the REIT Manager
and Financial Advisor on
Price and Conditions**

- WHA Corporation which is the real estate developer and lessor for Built-to-Suit warehouse, distribution centres and factories and being a service provider for Ready-Built with high standard under Warehouse Farm Project. WHA Corporation has well-rounded experience and expertise in such types of business and its executives have experience in this field for more than 20 years. As such, it is qualified to be the Property Manager of WHART.
- WHA Corporation will request management fee from WHART comprising of the actual expenses and an annual fixed profit at the rate not exceeding 3% per annum of the Net Asset Value (NAV) of WHART.
- The structure of the management fee for the Property Manager is in line with business standard operations (not higher than the management fee of property managers in other property funds and real estate investment trust), which intends to build motivation for the property manager to generate income and manage the cost effectively. The management fee that WHART will pay to WHA Corporation is the rate that reflects, the actual expenses of property management incurred, which is reasonable and fair.
- WHA Corporation is the owner and property manager of the Main Assets. WHA Corporation is one of the most well-rounded experienced and expert in Thailand for the management of warehouses, distribution centres and factories and has expertise in management and operations, know-how and efficient teamwork and familiarity with the Main Assets to be invested by WHART. As such, the appointment of WHA Corporation as the Property Manager for the Main Assets will be for the best benefit of WHART.
- The 30-year term for hiring the Property Manager is appropriate and beneficial for WHART as WHA Corporation is the leader in the business of warehouse rental, distribution centres and factories and can support the property management in the projects under WHART. In addition, the Property Manager Appointment Agreement requires the review of the Property Manager's performance throughout the term (please see additional details in part 2 clause 2.1.9.4: opinion of the financial consultant and the REIT Manager for the rationale of the purchase price).
- The service fees for the renewal of property management agreements for Kao and Triumph projects from 14 December 2018 to 13 December 2023, total of 5 years are Baht 16.08 million (exclusive of value added tax) whereby the service fee increased at a rate of 1.5 percent per annum which is the same rate used for the estimation of additional investment of WHART.

1.3) Rental Income under the conditions set out in the Undertaking Agreement

Type of the Related Party Transaction

- The Asset Owner will pay the rental fee for the unoccupied leasable area of assets in which WHART will invest in this Fourth investment on the Investment Date according to the Undertaking Agreement as follows;
- WHA or WHA KPN Alliance will pay the rental fee for the unoccupied area of the warehouse building no. A2/2 and A3/1 in WHA KPN Mega Logistics Center (Bangna-Trad Km.23) at the rate of Baht 155 per square meter per month for a period of 3 years from the Investment Date;
- In the case where the lease agreement of the warehouse building no. A3/2 in WHA KPN Mega Logistics Center (Bangna-Trad Km.23) expires (the lease agreement will expire on 15 July 2019) and the tenant does not renew the lease agreement or it is under the negotiation period to renew such lease agreement but the tenant does not pay rent, WHA or WHA KPN Alliance will pay rental fees to WHART at the rate of Baht 140 per square meter per month until there is a tenant or until the tenant pays rent (as the case may be) but shall not exceed 31 December 2019.
- WHA will pay the rental fee for the unoccupied rooftop area in WHA Mega Logistics Center (Rama II Km.35 Phase 1) and WHA or WHA KPN Alliance agrees to pay the rental fee for the unoccupied rooftop area in WHA-KPN Mega Logistics Center (Banga-Trad Km.23) on the Investment Date at the rate of Baht 3 per square meter per month for a period of 25 years from the Investment Date or until there is a tenant during that period whereby the rent will increase every 5 years at a rate of 10 percent. The terms are in accordance with the Undertaking Agreement that WHART will enter into with WHA and WHA KPN Alliance. In this regard, during such payment of rent period by WHA, WHART shall give first right to WHA or WHA KPN Alliance and/or persons related to WHA to lease the leasable rooftop area before any third party for a period of no less than 25 years from the date that WHART will additionally invest in the asset, and as such the rental rate shall not be less than the rental rate that WHA currently pays to WHART and will be equal to or not less than the rental rate proposed by any third party to WHART (if any)
- On the date WHART made the fourth additional investment, there were certain areas not being rented out and on the process of seeking a lessee, or there were lease agreements which nearly expire, for the benefit of WHART and Trust Unitholders, the Asset Owner will enter into undertaking agreement with WHART and pay WHART rental for building and roof areas not being rented in such project, according to the rate and period specified in the undertaking agreement.

Necessity and Rationale of the Related Party Transaction

Opinion of the REIT Manager and Financial Advisor on Price and Conditions

- The rental rate is similar to those of neighbouring areas and the market rental rate of the neighbouring warehouses that the appraiser apply for estimation of the value of the assets (please see additional details in part 2 clause 2.1.7.3: the key assumptions) and the said rental is not less than the rate of rental for area and services under similar conditions collected from other lessees.
- Three-year term is a normal business condition for the rental of a warehouse
- The security payment for WHART is a normal business condition for the rental of a warehouse
- The rental rate of roof areas is the same rate as specified in the standard lease agreement of WHA Corporation. It can be considered appropriate as the rental covers the cost of preparation of the roof structure for the solar panels and the profit is as expected and the 25-year lease term is comparable to the term of the Power Purchase Agreement (PPA) with Metropolitan Electricity Authority which is also appropriate as it can ensure certainty of rental income generated to WHART from the roof areas throughout the said period.

2) WHA Corporation Public Company Limited and/or related party of WHA Corporation Public Company Limited

- Major shareholder of the REIT Manager by holding 99.99% of the total shares in the REIT Manager
- Controlling person of the REIT Manager
- Property Manager of WHART

2.1) The right to lease the roof area under the Undertaking Agreement

Type of the Related Party Transaction

- WHA Corporation and/or its related party has the right to lease the roof areas under the Undertaking Agreement as follows:
- For WHA Mega Logistics Center (Rama 2 Km.35 phase 1) and WHA KPN Mega Logistics Center (Bangna-Trad Km.23), WHA Corporation or WHA KPN Alliance and/or its related party has the first right to lease the roof areas for a period of not less than 25 years from the date on which WHART entered into the investment at the rate not lower than the rate that WHA Corporation or WHA KPN Alliance guarantees to pay to WHART and shall be equal to or not lower than the rate offered by the other lessees (if any) depending on which rate is higher ("first right to lease the roof").

**Necessity and Rationale
of the Related
Party Transaction**

**Opinion of the REIT Manager
and Financial Advisor on
Price and Conditions**

- The roof area of WHA Mega Logistics Center (Rama 2 Km.35 phase 1) and WHA KPN Mega Logistics Center (Bangna-Trad Km.23) has not yet been rented out. If it has not been rented out until the date on which WHART enters into the investment, WHA Corporation agreed to pay rental for the roof areas for a period of 25 years from the date on which WHART entered into the investment at the rate specified in the standard lease agreement of WHA Corporation which is 3 Baht per square metre per month and the rent will be increased by 10% every five years.
- The rental rate of the roof areas is the same rate as specified in the standard lease agreement of WHA Corporation. It can be considered appropriate as it covers the cost of preparation of the roof structure for the solar panels and the profit is as expected. The 25-year lease term from the date on which WHART entered into the investment is also appropriate as it can ensure certainty of rental income generated from the roof area to WHART throughout the said period.
- The change of duty under the Undertaking Agreement to ensure the leasehold right to lease the roof can be done under the conditions as agreed in the Undertaking Agreement at the same rental rate as agreed at that time that is deemed appropriate.

3) WHA Real Estate Management Co., Ltd.

- Subsidiary of WHA Corporation
- REIT Manager

3.1) Management Fee

**Type of the Related Party
Transaction**

**Necessity and Rationale
of the Related
Party Transaction**

- Trustee, acting on behalf of WHART, hired WHA Real Estate Management Co., Ltd. as the REIT Manager
- WHA Real Estate Management Co., Ltd. is a subsidiary of WHA Corporation who is the business operator of the warehouse, distribution centres and factories having experience and expertise in that business that can support the operations of WHA Real Estate Management Co., Ltd.
- The executives of WHA Real Estate Management Co., Ltd. have well rounded experience and expertise in the real estate business, and knowledge and understanding of the warehouse, distribution centre and factories business. As such, WHA Real Estate Management Co., Ltd. is suitable to be the REIT Manager.

Opinion of the REIT Manager and Financial Advisor on Price and Conditions

- Management fee to be paid by WHART to WHA Real Estate Management Co., Ltd. consists of the basic rate and the acquisition and disposition fee of Assets as follows:
 - Basic Rate - at the rate not exceeding 0.75% per annum of WHART's Net Asset Value (NAV); and
 - the acquisition fee of Assets:
 - the Assets of related person of WHART: at the rate of not exceeding 0.75% of the WHART's acquired Assets value
 - other Assets: at the rate of not exceeding 1.00% of the WHART's : acquired Assets value; and
 - the disposition fee of Assets: at the rate not exceeding 0.5% of the WHART's disposed Asset value
- The structure of the management fee of the REIT Manager is standard practice in business operations comparable to management fee of property managers in other property funds and real estate investment trusts in Thailand.

4) KASIKORNBANK Public Company Limited and/or subsidiary and/or associates of KASIKORNBANK Public Company Limited

- KASIKORNBANK Public Company Limited is the major shareholder of the Trustee by holding 99.99% of shares in the Trustee

4.1) Loan and Interest

Type of the Related Party Transaction

Necessity and Rationale of the Related Party Transaction

- The Trustee acting on behalf of WHART will borrow money from the financial institution namely Kasikornbank Public Company Limited and/or its subsidiaries and/or its associates. The subsidiaries or associated companies of Kasikornbank Public Company Limited which may be commercial banks, financial institutions, life insurance companies, non-life insurance companies and/or other legal entities who are related to the Trustee may conduct its ordinary business related to assets with similar characteristics as WHART.
- The Trustee acting on behalf of WHART will borrow long and/or short term loans not exceeding the amount of Baht 1,780,000,000. The interest rate is based on MLR (Minimum Loan Rate) which interest rate of the first year shall not exceed the percentage rate of MLR - 1.5 per annum except for some exceptional cases which shall be specified in the loan agreement accordingly.

Opinion of the REIT Manager and Financial Advisor on Price and Conditions

- The REIT Manager will consider whether conditions of the loan agreement are to the best benefit of WHART by comparing the proposal from a related party of the Trustee and other financial institutions, such as the interest rate. In case WHART entered into the loan agreement with any related party of the Trustee and other financial institutions, the conditions of such loan shall be comparable or better than those of other financial institutions. The REIT Manager will consider short-term and long-term benefits to WHART and the Trust Unitholders as the first priority. In this regard, the REIT Manager is of the opinion that the procurement of loans for WHART from the connected person of the Trustee will not create conflict of interests nor alter the benefits of WHART as it is an arm's length transaction which will benefit the trust unitholders of WHART.

5) Kasikorn Asset Management Co., Ltd.

- Trustee of REIT

5.1 Trustee Fee

Type of the Related Party Transaction

Necessity and Rationale of the Related Party Transaction

Opinion of the REIT Manager and Financial Advisor on Price and Conditions

- WHA Real Estate Management Co., Ltd., acting as the REIT Manager will invest in relevant mutual fund under the management of the Trustee by using the remaining cash after investment in the Main Assets from the Fourth Capital Increase.
- WHA Real Estate Management Co., Ltd. may use remaining cash after investment in the Main Assets from the Fourth Capital Increase to invest in the relevant mutual fund under the management of the Trustee to obtain any yield in which investment risk level is not high.
- The REIT Manager will consider conditions and yield from the relevant mutual fund under the management of the Trustee and compare with the proposal from other asset management companies, taking into account WHART and the Trust Unitholders as the first priority.

WHA PREMIUM GROWTH FREEHOLD AND LEASEHOLD REAL ESTATE INVESTMENT TRUST

FINANCIAL STATEMENTS

31 DECEMBER 2018

Independent Auditor's Report

To the Unitholders of WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust

My opinion

In my opinion, the financial statements of WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (the Trust) present fairly, in all material respects, the financial position and the details of investments of the Trust as at 31 December 2018, and its financial performance, changes in net assets, cash flows and significant financial information and ratios for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The Trust's financial statements comprise:

- the balance sheet as at 31 December 2018;
- the statement of details of investments as at 31 December 2018;
- the statement of income for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended;
- the significant financial information and ratios for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Trust in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

PricewaterhouseCoopers ABAS Ltd.

15th Floor Bangkok City Tower, 179/74-80 South Sathorn Road, Bangkok 10120, Thailand

T: +66 (0) 2844 1000 F: +66 (0) 2286 5050, www.pwc.com/th



Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current year. I determine one key audit matter: Valuation of investments in properties. The matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
Valuation of investments in properties Refer to Note 2.4 to the financial statements for accounting policy on investments in properties, Note 4 to the financial statements for critical accounting estimates and judgements and Note 7 to the financial statements for investment properties. As at 31 December 2018, the balance of investments in properties amounted to Baht 30,593.97 million contributing to 93.70% of the Trust's total assets. The Trust assessed its fair value of investments in properties using the income approach by the independent appraisers, in accordance with the accounting policy stated in Note 2.4. I focused on this area because the valuation of investments in properties made by management involved significant judgement and assumptions and management applies estimated future net cash flows which involved assumptions on growth rate, occupancy rate, capitalised rate and discounted rate.	I inquired REIT Manager and independent appraisers to understand the basis used for measurement of valuation of investments in properties. I assessed the competence, capabilities and objectivity of the independent appraisers and verified their qualifications. I assessed the valuation method applied and checked validity of data used in estimation of the expected future cash flows received from leasehold properties as following: - Evaluated the appropriateness of the estimated future cash flows received from independent appraisers by inspected the data inputs with the supporting documentation as follows; - the estimated future net cash flows received from leasehold properties which was estimated from revenue, expenses and net income. - the growth rate by agreeing historical information and supported documents which includes recent renewals rate on lease contract. - the occupancy rate by agreeing average occupancy rate to historical information. - the discount rate by considering the basis of discounted rate and benchmarking them against the same business industries. - Recomputed the valuation of investments in properties based on the expected future cash flows received from the leasehold properties and discounted rate which reflected current market assessments, and checked the accuracy of transactions of the accounting records. Based on the work performed above, I found that the key factors in applying accounting estimates and judgements used by the REIT Manager related to valuation of investments in properties were in the acceptable range.

Other information

The REIT Manager is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the REIT Manager.

Responsibilities of the REIT Manager for the financial statements

The REIT Manager is responsible for the preparation and fair presentation of the financial statements in accordance with TFRSs, and for such internal control as the REIT Manager determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the REIT manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the REIT Manager either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The REIT Manager is responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

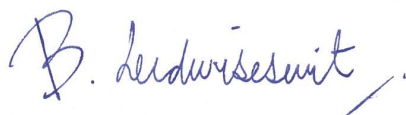
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the REIT Manager.
- Conclude on the appropriateness of the REIT Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the REIT Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the REIT Manager with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the REIT Manager, I determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.



Boonrueng Lerdwiseswit
 Certified Public Accountant (Thailand) No. 6552
 Bangkok
 25 February 2019

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust

Balance Sheet

As at 31 December 2018

	Notes	2018 Baht	2017 Baht
Assets			
Investment in properties at fair value (at cost in 2018: Baht 30,689 million and 2017: Baht 26,198 million)	7	30,593,967,592	25,948,852,083
Investment in securities at fair value (at cost in 2018: Baht 1,118 million and 2017: Baht 340 million)	8	1,130,713,635	346,612,157
Cash and cash equivalents	9	139,661,448	787,127,513
Deferred expenses	10	351,819,746	356,935,839
Deferred income from operating lease agreement		266,402,504	236,641,260
Refundable VAT		85,473,121	89,723,959
Other assets		83,283,161	48,565,514
Total assets		32,651,321,207	27,814,458,325
Liabilities			
Unearned rental and service income		69,524,552	106,364,972
Deposits received from customers		958,687,164	882,438,127
Borrowing from financial institutions - net	11	5,162,441,036	7,506,847,410
Debentures - net	12	4,195,811,408	-
Accrued expenses		155,212,580	169,841,858
Other liabilities		126,318,255	49,645,943
Total liabilities		10,667,994,995	8,715,138,310
Net assets		21,983,326,212	19,099,320,015
Net assets represented by			
Capital received from unitholders	13	21,624,465,775	18,927,083,476
Retained earnings	13	358,860,437	172,236,539
Net assets		21,983,326,212	19,099,320,015
Net assets per unit (Baht)		9.7770	9.7248
Unit trust outstanding at the end of the year (Units)	13	2,248,454,220	1,963,977,172

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Statement of Details of Investments
As at 31 December 2018

Type of investments	Areas	Baht	Baht	fair value
Investments in properties (Note 7)				
Ownership over freehold and leasehold right on land and warehouse buildings				
1. WHA Ladkrabang Distribution Center Phase 1 and Phase 2				
Location	Klong Sam Pravet Subdistrict, Ladkrabang District, Bangkok			
2. WHA Mega Logistics Center (Bangna-Trad Road Km.18)				
Location	Bang Chalong Subdistrict, Bangplee District (Bangplee Yai) Samutprakan			
3. WHA Mega Logistics Center (Bangna-Trad Road Km.23)				
Location	Bang Saotong Subdistrict, Bangplee District (Bangplee Yai) Samutprakan			
4. WHA Mega Logistics Center (Chonlarnpichit Km.4)				
Location	Bangpla Subdistrict, Bangplee District, Samutprakan			
5. WHA Mega Logistics Center (Wangnoi 61)				
Location	Bo Ta Lo Subdistrict, Wangnoi District, Phra Nakorn Si Ayutthaya			
6. WHA Mega Logistics Center (Saraburi)				
Location	Nong Pla Moh Subdistrict, Nong Kae District, Saraburi			
7. WHA Mega Logistics Center (Chonlarnpichit Km.5)				
Location	Bangpla Subdistrict, Bangplee District, Samutprakan			
8. WHA Mega Logistics Center (Ladkrabang)				
Location	Klong Sam Pravet Subdistrict, Ladkrabang District, Bangkok			
9. Warehouse Building Kao				
Location	DonHuaLor Subdistrict, Muang Chonburi District, Chonburi			
10. WHA Mega Logistics Center (Panthong, Chonburi)				
Location	Nong Ga Kha Subdistrict, Panthong District, Chonburi			

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Statement of Details of Investments
As at 31 December 2018

Type of investments		Areas	Cost Baht	Fair value Baht	% of fair value
Investments in properties (Note 7) (Cont'd)					
Ownership over freehold and leasehold right on land and warehouse buildings					
11. Factory Building Triumph					
Location	Amata City Industrial Estate, Mab Yang Pom Subdistrict, Pluakdaeng District Rayong	29-3-91.2 rai	752,039,707	756,000,000	2.38
12. Warehouse Building Ducati					
Location	Amata City Industrial Estate, Mab Yang Pom Subdistrict, Pluakdaeng District Rayong	27-1-53.4 rai	772,040,176	765,000,000	2.41
13. Warehouse Building DKSH Consumer and DKSH 3M					
Location	Srisajorakaeyai Subdistrict, Bangsaotong District, Samutprakarn	83-0-81 rai	1,128,053,457	1,203,000,000	3.80
14. Warehouse Building Healthcare Project					
Location	Bang Cha Long Subdistrict, Bangplee District, Samutprakarn	47-0-66 rai	1,797,042,056	1,805,000,000	5.69
15. WHA Mega Logistics Center (Bangna-Trad KM. 19)					
Location	Bang Cha Long Subdistrict, Bangplee District, Samutprakarn	71-0-5.5 rai	1,439,927,992	1,410,000,000	4.45
16. Warehouse Building DKSH Bang Pa-In					
Location	Bang Pa-In Industrial Estate Khlong Jik Subdistrict, Bang Pa-in District Phra Nakorn Si Ayutthaya	30-2-53 rai	602,041,355	646,000,000	2.04
17. DSG					
Location	Nong Pla Mor & Bualoy Subdistrict, Nongkhae District, Saraburi	48-0-26.5 rai	1,402,036,239	1,395,000,000	4.40
18. WHA Mega Logistics Center (Chonlarnpichit Km. 3)					
Location	Bangpla Subdistrict, Bangplee District, Samutprakarn	50-0-46.25 rai	1,233,058,651	1,232,000,000	3.88
19. WHA Mega Logistics Center (Lumlukka)					
Location	Lumlukka Subdistrict, Lumlukka District, Pathumthani	12-2-50.5 rai	588,412,570	565,000,000	1.78

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Statement of Details of Investments
As at 31 December 2018

Type of investments	Areas	Cost Baht	Fair value Baht	% of fair value
Investments in properties (Note 7) (Cont'd)				
Ownership over freehold and leasehold right on land and warehouse buildings				
20. Omada Areospace Factory (Rayong)	25-3-32.4 rai	972,542,356	895,000,000	2.82
21. WHA Mega Logistics Center (Rama 2 Km.35 Phase 1)				
Location	Bangkajao Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province	735,362,033	735,362,033	2.32
22. DSG HSIL				
Location	Bualoy Subdistrict, Nong Khae District, Saraburi Province	489,293,546	489,293,546	1.54
23. Central WHA Mega Logistics Center (Wangnoi 63)				
Location	Bo Ta Lo Subdistrict and Lam Ta Sao Subdistrict, Wangnoi District, Phra Nakhon Si Ayutthaya Pr	2,358,694,214	2,358,694,214	7.44
24. WHA KPN Mega Logistics Center (Bangna-Trad Km.23)				
Location	Bang Sao Thong Subdistrict, Band Sao Thong District, Samut Prakan Province	907,617,799	907,617,799	2.86
Total investments in properties		30,689,130,669	30,593,967,592	96.44
Investment in securities				
Investment in mutual fund		1,117,727,839	1,130,713,635	3.56
Total investment in securities		1,117,727,839	1,130,713,635	3.56
Total investments		31,806,858,508	31,724,681,227	100.00

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Statement of Details of Investments
As at 31 December 2017

Type of investments	Areas	Cost Baht	Fair value Baht	% of fair value
Investments in properties (Note 7)				
Ownership over freehold and leasehold right on land and warehouse buildings				
1. WHA Ladkrabang Distribution Center Phase 1 and Phase 2				
Location	Klong Sam Pravet Subdistrict, Ladkrabang District, Bangkok			
2. WHA Mega Logistics Center (Bangna-Trad Road Km. 18)				
Location	Bang Chalong Subdistrict, Bangplee District (Bangplee Yai) Samutprakan			
3. WHA Mega Logistics Center (Bangna-Trad Road Km. 23)				
Location	Bang Saotong Subdistrict, Bangplee District (Bangplee Yai) Samutprakan			
4. WHA Mega Logistics Center (Chonlaphamphit Km.4)				
Location	Bangpla Subdistrict, Bangplee District, Samutprakam			
5. WHA Mega Logistics Center (Wangnoi 61)				
Location	Bo Ta Lo Subdistrict, Wangnoi District, Phra Nakom Si Ayutthaya			
6. WHA Mega Logistics Center (Saraburi)				
Location	Nong Pla Moh Subdistrict, Nong Kae District, Saraburi			
7. WHA Mega Logistics Center (Chonlaphamphit Km.5)				
Location	Bangpla Subdistrict, Bangplee District, Samutprakarn			
8. WHA Mega Logistics Center (Ladkrabang)				
Location	Klong Sam Pravet Subdistrict, Ladkrabang District, Bangkok			
9. Warehouse Building Kao				
Location	DonHuaLor Subdistrict, Muang Chonburi District, Chonburi			
10. WHA Mega Logistics Center (Panthong, Chonburi)				
Location	Nong Ga Kha Subdistrict, Panthong District, Chonburi			

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Statement of Details of Investments
As at 31 December 2017

Type of investments	Areas	Cost Baht	Fair value Baht	% of fair value
Investments in properties (Note 7) (Cont'd)				
Ownership over freehold and leasehold right on land and warehouse buildings				
11. Factory Building Triumph				
Location	Amata City Industrial Estate, Mab Yang Porn Subdistrict, Pluakdaeng District Rayong	752,039,707	752,039,707	2.86
12. Warehouse Building Ducati				
Location	Amata City Industrial Estate, Mab Yang Porn Subdistrict, Pluakdaeng District Rayong	772,040,176	772,040,176	2.93
13. Warehouse Building DKSH Consumer and DKSH 3M				
Location	Srisajorakaeyai Subdistrict, Bangsaotong District, Samutprakarn	1,128,053,457	1,128,053,457	4.29
14. Warehouse Building Healthcare Project				
Location	Bang Cha Long Subdistrict, Bangplee District, Samutprakarn	1,797,042,056	1,797,042,056	6.83
15. WHA Mega Logistics Center (Bangna-Trad KM.19) (Excluding Warehouse C and M)				
Location	Bang Cha Long Subdistrict, Bangplee District, Samutprakarn	1,127,051,694	1,127,051,694	4.28
16. Warehouse Building DKSH Bang Pa-In				
Location	Bang Pa-In Industrial Estate Khlong Jik Subdistrict, Bang Pa-in District Phra Nakorn Si Ayutthaya	602,041,355	602,041,355	2.29
17. DSG				
Location	Nong Pla Mor & Bualoy Subdistrict, Nongkhae District, Saraburi	1,402,036,239	1,402,036,239	5.33
18. WHA Mega Logistics Center (Chonlahampichit Km. 3)				
Location	Bangpla Subdistrict, Bangplee District, Samutprakarn	1,233,058,651	1,233,058,651	4.69
19. WHA Mega Logistics Center (Bangna-Trad KM.19) (Warehouse C and M)				
Location	Bang Cha Long Subdistrict, Bangplee District, Samutprakarn	312,876,298	312,876,298	1.19
	NA *			

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Statement of Details of Investments
As at 31 December 2017

Type of investments	Areas	Cost		Fair value		% of fair value
		Baht		Baht		
20. WHA Mega Logistics Center (Lumlukka)						
Location	Lumlukka Subdistrict, Lumlukka District, Pathumthani	588,412,570		588,412,570		2.24
21. Omada Areospace Factory (Rayong)						
Location	Amata City Industrial Estate, Mab Yang Porn Subdistrict, Pluakdaeng District Rayong	972,542,356		972,542,356		3.70
Total investments in properties		26,198,163,077		25,948,852,083		98.68
Investment in securities						
Investment in mutual fund	N/A	340,116,880		346,612,157		1.32
Total investment in securities		340,116,880		346,612,157		1.32
Total investments		26,538,279,957		26,295,464,240		100.00

* WHA Mega Logistics Center (Bangna-Trad KM.19) (Warehouse C and M) Project is located in the same area as item no.15 WHA Mega Logistics Center (Bangna-Trad KM.19) (Excluding warehouse C and M).

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust

Statement of Income

For the year ended 31 December 2018

		2018	2017
	Notes	Baht	Baht
Investment income			
Warehouse rental and service income		1,902,986,968	1,001,941,603
Other rental and service income		24,179,327	19,035,978
Undertaking income		51,009,813	58,390,224
Interest income		1,751,858	840,532
Total income		1,979,927,966	1,080,208,337
Expenses			
Cost of rental and services		93,499,334	31,623,007
Management fee	15, 16	43,542,342	23,299,054
Trustee fee	15, 16	34,833,874	22,528,770
Registrar fee	15	5,945,317	4,185,929
Property management fee	15, 16	47,518,237	21,699,646
Other expenses	17	110,481,389	72,899,346
Total expenses		335,820,493	176,235,752
Net investment income before financial costs		1,644,107,473	903,972,585
Financial costs			
Interest expenses		334,420,046	176,307,225
Net investment income		1,309,687,427	727,665,360
Net gain (loss) from investment			
Net gain from sale of investments	8, 13	2,798,840	343,649
Net unrealised gain (loss) from investment valuation	13	160,521,556	(49,500,303)
Total net gain (loss) from investments		163,320,396	(49,156,654)
Increase net assets from operations during the year		1,473,007,823	678,508,706

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust

Statement of Changes in Net Assets

For the year ended 31 December 2018

	Notes	2018 Baht	2017 Baht
Increase in net assets from operations during the year			
Net investment income		1,309,687,427	727,665,360
Net gain from sale of investments	8, 13	2,798,840	343,649
Net unrealised gain (loss) from investment valuation	13	160,521,556	(49,500,303)
Increase in net assets from operations during the year		1,473,007,823	678,508,706
Issuance of the trust's unit	13	2,930,113,594	9,591,089,430
Decrease in value of investment trust			
from capital reduction	13	(232,731,295)	(130,655,885)
Distribution payment	13, 14	(1,286,383,925)	(580,608,402)
Increase in net assets during the year		2,884,006,197	9,558,333,849
Net assets at the beginning of the year		19,099,320,015	9,540,986,166
Net assets at the end of the year		21,983,326,212	19,099,320,015

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust

Statement of Cash Flows

For the year ended 31 December 2018

		2018	2017
	Notes	Baht	Baht
Cash flows from operating activities			
Increase in net assets from operation during the year		1,473,007,823	678,508,706
Adjustments to reconcile net increase in net assets			
from operations to net cash provided by (used in) operating activities:			
Purchases of investments in properties	7	(4,490,967,592)	(3,107,252,083)
Purchases of securities	8	(1,290,000,000)	(200,000,000)
Sales of securities	8	515,071,000	40,075,889
Increase in deferred income from operating lease agreement		(29,761,244)	(19,699,356)
Decrease (Increase) in refundable VAT		4,250,838	(28,623,666)
(Increase) Decrease in other assets		(34,717,647)	9,662,375
Decrease in unearned rental and service income		(36,840,420)	(25,817,113)
Increase in deposits received from customers		76,249,037	52,358,956
Decrease in accrued expenses		(27,272,973)	(8,700,171)
Increase in other liabilities		76,672,312	5,704,591
Amortisation of deferred expenses	10	98,498,370	64,851,878
Net gain from sale of investments	8, 13	(2,798,840)	(343,649)
Net unrealised (gain) loss from investment valuation	13	(160,521,556)	49,500,303
Financial cost - interest expenses		334,420,046	176,307,225
Net cash used in operating activities		(3,494,710,846)	(2,313,466,115)
Cash flows from financing activities			
Cash received from unitholders	13	2,930,113,594	-
Cash received from borrowing from financial institutions	11	1,675,000,000	3,747,100,000
Cash received from debentures issuance	12	4,200,000,000	-
Cash paid for units issuance	10	(93,382,277)	(175,492,461)
Cash paid for upfront fee from borrowings	11	(15,165,000)	(100,036,550)
Cash paid for debentures issuance	12	(5,258,979)	-
Cash paid for borrowings from financial institutions	11	(4,122,700,000)	(513,700,000)
Cash paid for financial cost - interest expenses		(202,247,337)	(142,263,597)
Cash paid for decrease in value of investment trust from capital reduction	13	(232,731,295)	(130,655,885)
Cash paid for distribution payment	13, 14	(1,286,383,925)	(580,608,402)
Net cash provided by financing activities		2,847,244,781	2,104,343,105
Net decrease in cash and cash equivalents		(647,466,065)	(209,123,010)
Cash receive from the Fund		-	710,594,875
Cash and cash equivalents at the beginning of the year		787,127,513	285,655,648
Cash and cash equivalents at the end of the year	9	139,661,448	787,127,513

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Significant Financial Information and Ratios
For the year ended 31 December 2018

	31 December 2018 Baht	31 December 2017 Baht	31 December 2016 Baht	31 December 2015 Baht	8 December 2014 (date of registration) to 31 December 2014 Baht
Information on operating results (per unit)					
Net assets at the beginning of the period/year	9.7248	9.8144	9.8876	10.0215	-
<u>Add</u> Capital from unitholders	-	-	-	-	10.0000
Income (expenses) from investing activities:					
Net investment income	0.7341	0.6886	0.8272	0.9281	0.0215
Net gain from sale of investments	0.0016	0.0003	-	0.0007	-
Net unrealised gain (loss)					
from investment valuation	0.0900	(0.0468)	(0.1660)	(0.4196)	-
<u>Less</u> Decrease in value of investment trust					
from capital reduction	(0.1185)	(0.1344)	(0.2128)	(0.3667)	-
<u>Less</u> Distribution payment	(0.6550)	(0.5973)	(0.5216)	(0.2764)	-
Total income (expenses) from investing activities	0.0522	(0.0896)	(0.0732)	(0.1339)	0.0215
Net assets at the end of the period/year	<u>9.7770</u>	<u>9.7248</u>	<u>9.8144</u>	<u>9.8876</u>	<u>10.0215</u>
Ratio of net profit to average net assets value during the period/year (%)					
	7.51	6.11	5.64	3.52	0.22
Significant financial ratios and additional significant information					
Net assets at the end of the period/year (Baht)	21,983,326,212	19,099,320,015	9,540,986,166	6,542,391,039	3,114,601,892
Ratios of total expenses to average net assets during the period/year (%)	(1.71)	(1.59)	(1.69)	(1.59)	(0.15)
Ratios of investment income to average net assets during the period/year (%)	10.09	9.73	10.54	9.85	0.46
Ratios of weighted average investment purchases and sales during the period/year to average net assets during the period/year (%)*	22.41	114.88	61.76	137.36	141.47
Average net asset during the period/year (Baht)	19,617,629,847	11,098,133,320	6,736,364,316	3,375,622,773	3,114,601,892

Additional information

* The value of investment purchases and sales during the period/year does not include cash at bank and is calculated by a weighted average basis over the accounting period/year.

The accompanying notes are an integral of these financial statements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

1. Business nature of WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (the Trust) is a real estate investment trust established under the Trust for Transaction in Capital Market Act, B.E.2550 (the Act) in accordance with the Trust Deed signed on 8 December 2014 between WHA Real Estate Management Company Limited as the Trust Settlor and Kasikorn Asset Management Company Limited as the Trustee, with its stated objective being to seek funds from investors, investing mostly in property or property leasehold rights and generating benefit from such properties including to improve, alter, develop or dispose other assets in which the Trust invest or possess whatsoever lease, sub-lease or sale or other process for the benefit of the property and create the revenue and return to the Trust and the unitholders. This includes the investment in other asset or other securities or seek other interest by other means as stipulated in the securities laws or other relevant laws.

On 18 December 2014, the Stock Exchange of Thailand approved the listing of the Trust's investment trusts and permitted their trading from 18 December 2014 onwards.

The Trust is managed by WHA Real Estate Management Company Limited (the REIT Manager), Kasikorn Asset Management Company Limited acts as the Trustee and WHA Corporation Public Company Limited acts as the Property Manager.

These financial statements have been approved by authorised directors of the REIT Manager on 25 February 2019.

2. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

2.1 Basis of preparation

These financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. In addition, the financial statements have been prepared under the basis and format as required by the Thai Accounting Standard No.106 "Accounting for Investment Companies. The primary financial statements which comprise of balance sheet, statement of details of investments, statements of income, changes in net assets, cash flows and significant financial information and ratios are prepared in the full format as required by the Securities and Exchange Commission.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires REIT Manager to exercise its judgement in the process of applying the Trust's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2. Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant changes and are relevant to the Trust.

TAS No. 7 (revised 2017) Statement of cash Flows

TAS No. 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

The REIT Manager assessed and considered that the above revised standards do not have a significant impact on the Trust except for disclosure.

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective.

2.2.2.1 The Federation of Accounting Professions (FAP) has issued new standard, TFRS No. 15 Revenue from contracts with customers. This standard will become effective for annual periods beginning on or after 1 January 2019. The Trust has not early adopted this standard.

TFRS No. 15 provide the requirements for the recognition of revenue. This standard will supersede the following standards:

TAS No. 18 (revised 2017) Revenue

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.

An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Key changes to current practice are:

- The point at which revenue can be recognised may change: some revenue that is revenue currently recognised at a point in time at the end of a contract may have to be recognised over the contract term and vice versa.
- There are new specific rules on licenses, warranties, non-refundable upfront fees and, consignment arrangements.
- As with any new standard, there are also increased in disclosure requirements.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

2. Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.1 The FAP has issued new standard, TFRS No. 15 Revenue from contracts with customers. This standard will become effective for annual periods beginning on or after 1 January 2019. The Trust has not early adopted this standard. (Cont'd)

Entities will have a choice to apply this standard retrospectively in accordance with TAS No. 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures.

The REIT Manager is currently assessing the impact of initial adoption of this standard in detail and has identified the following areas that are likely to be affected:

- Accounting for cost incurred in fulfilling a contract - certain costs which are currently expensed may need to be recognised as an asset under TFRS No. 15

2.2.2.2 Revised financial reporting standards will become effect for annual periods beginning on or after 1 January 2019 and are relevant to the Trust. The Trust has not yet adopt these standards.

TAS No. 40 (revised 2018) Investment Property

TAS No. 40, the amendments clarify that transfers to, or from, investment property can only be made if there has been a supporting evidence to support a change in the usage of such investment property. A change in the usage of investment property occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer.

2.2.2.3 The Trust of financial instruments reporting standards which are effective for annual periods beginning on or after 1 January 2020 consist of the following standards. These standards could be early adopted before the effective date only for the period beginning on or after 1 January 2019.

TAS No. 32	Financial instruments: Presentation
TFRS No. 7	Financial Instruments: Disclosures
TFRS No. 9	Financial Instruments

The above new standards and interpretations will supersede the following standards:

TAS No. 101	Bad and Doubtful Debts
TAS No. 105	Accounting for Investment in Debts and Equity securities
TAS No. 106	Accounting for Investment Companies
TAS No. 107	Financial Instruments: Disclosure and Presentation

TAS No. 32 Financial Instruments: Presentation, provides the requirements for the presentation of the financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities. It applies to the classification of financial instruments, from the perspective of the issuer, into financial assets, financial liabilities and equity instruments; the classification of related interest, dividends, losses and gains; and the circumstances in which financial assets and financial liabilities should be offset.

2. Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.3 The Trust of financial instruments reporting standards which are effective for annual periods beginning on or after 1 January 2020 consist of the following standards. These standards could be early adopted before the effective date only for the period beginning on or after 1 January 2019. (Cont'd)

TFRS No. 7 Financial Instruments: Disclosures, provides the requirements for the disclosure that are intended to enable users to evaluate the significance of financial instruments for an entity's financial position and performance, and to understand the nature and extent of risks arising from those financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity manages those risks.

TFRS No. 9 Financial Instruments, establishes principles for the classification, measurement and derecognition of financial assets and financial liabilities, impairment requirement and hedge accounting as follow:

- Classification and measurement:
 - The classification and measurement of debt instrument financial assets are classified into three categories, which are amortised cost, fair value through profit or loss and fair value through other comprehensive income. Classification of debt assets will be driven by the entity's business model for managing the financial assets and contractual cash flows characteristics of the financial assets.
 - Equity instrument financial assets shall be measured at fair value through profit or loss. An entity can make an irrevocable election to recognise the fair value change in other comprehensive income without subsequent recycling to profit or loss.
 - Financial liabilities are classified and measured at amortised cost. An entity can choose to measure a liability at fair value through profit or loss when the conditions are met.
 - Derivatives are classified and measured at fair value through profit or loss.
- The impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets measured at amortised cost, investments in debt instruments measured at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts are no longer necessary for a credit event to have occurred before credit losses are recognised. The entity always accounts for expected credit losses which involves a three stage approach. Each stage dictates how the entity measures impairment losses and applies the effective interest rate method. Except for trade receivables and contractual assets which apply in TFRS No. 15 and are no significant financial components and lease receivables, they are permitted to measure by simplified approach for credit impaired consideration.
- The objective of hedge accounting is to represent, in the financial statements, the effect of an entity's risk management activities that use financial instruments to manage exposures arising from particular risks that could affect profit or loss (or other comprehensive income, in the case of investments in equity instruments for which an entity has elected to present changes in fair value in other comprehensive income). This approach aims to convey the context of hedging instruments for which hedge accounting is applied in order to allow insight into their purpose and effect.

The REIT Manager is currently assessing the impact of initial adoption of these standards.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

2. Accounting policies (Cont'd)

2.3 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.4 Investments in properties

Investments in properties are stated at fair value with no depreciation charge. The initial costs of properties have been stated at fair value of the acquisition price.

The fair value is based on the appraisal value determined by the independent professional appraisers licensed by the Securities and Exchange Commission Thailand. The REIT Manager will conduct an appraisal of the properties every two years from the date of the appraisal for the purchase or lease of the properties or when there are changes that materially affect the value of such Investment properties and will update appraisals with a review every year after the date of the latest appraisal. The REIT Manager will not appoint any Appraiser to appraise the property or leased property for more than two consecutive times.

A change in the fair value of investment property will be recognised in the statement of income as an unrealised gain or loss as of measurement date.

2.5 Investments in securities

Investments in mutual fund which present in balance sheet are stated at fair value. The fair value is based on net asset value at the close of business on balance sheet date by reference to each management company.

Unrealised gain or loss from investment valuation are recognised in the statements of income as of measurement date.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statements of income. When disposing of part of the investment's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investments.

2.6 Deferred expenses

Deferred expenses comprise the capital unit issuance costs and other directly related expenses as incurred. Deferred expenses are amortised as an expense over a period of 5 years on a straight line basis.

2.7 Deposits received from customer

Customers agree to deposit with the Trust in cash. The security deposit shall be held as security for securing the performance by customers under rental and service agreements. Within 30 days after customers have duly surrendered vacant possession of leased property in clean and good condition to the Trust, the Trust shall return to customer the security deposits without interest, less any unpaid amount and damages occurred to leased property.

2.8 Borrowing

Borrowing is recognised initially at the fair value, net of transaction costs incurred. Borrowing is subsequently stated at amortised cost using the effective yield method.

2. Accounting policies (Cont'd)

2.9 Revenues and expenses recognition

Rental income and service income under operating lease agreement are recognised by using the straight-line method over the rental and service term agreement. Rental and service income which is recognised by straight-line method but is not due for collection is presented under "Deferred income from operating lease agreement" at the end of year.

Land rental expense is recognised by using the straight-line method over the rental term agreement. Land rental expense which is recognised by straight-line method but is not due for payment is presented under "Accrued expense".

Interest income and expenses are recognised on an accrual basis.

2.10 Income taxes

The Trust is exempted from Thailand corporate income tax. No provision for corporate income tax has been made in financial statements.

2.11 Distribution

For distribution payment to unitholders, the REIT manager will approve to pay distribution and set unitholders register's book closed date.

2.12 Reclassification

Comparative figures have been adjusted to conform with changes in presentation in the current year. The effects of the reclassifications are as follows:

	As at 31 December 2017		
	As previous reported Baht	Reclassification increase (Decrease) Baht	Amount after reclassification Baht
Balance Sheet			
Investment at fair value	26,295,464,240	(26,295,464,240)	-
Investment in properties at fair value	-	25,948,852,083	25,948,852,083
Investment in securities at fair value	-	346,612,157	346,612,157
Statement of income			
Cost of rental and services	-	31,623,007	31,623,007
Other expenses	104,522,353	(31,623,007)	72,899,346

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

3. Distribution policy

The Trust has a policy to pay distributions to unitholders as follows:

- (1) The REIT Manager shall pay distributions to unitholders that, in aggregate, amount to not less than 90% of adjusted net profit for the year. The distributions should be divided into a year-end distribution and an interim distribution (if any). The REIT Manager shall pay distributions to unitholders no more than 4 times a year, unless the Trust increases capital.

The adjusted net profit means the net profit of the Trust determined on a cash basis including loan repayments made in accordance with loan agreements and other due commitment (if any).

- (2) In case the Trust has accumulated losses, the REIT Manager will not pay the distributions to the unitholders.

In considering the payment of interim distribution, if the value of interim distribution per unit to be paid is lower than or equal to Baht 0.10, the REIT Manager reserves the right not to pay distribution at that time and to bring such distribution forward for payment together with the next distribution payment.

The REIT Manager will arrange a distribution payment as mentioned to the unitholders within 90 days after the closing of the financial year.

4. Critical accounting estimates and judgements

The Trust makes estimates and assumptions concerning the future. The result of accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value of investments in properties

The fair value of investments in properties that are not traded in an active market is determined by using discounted expected future cash flows received from investments in properties by the appropriate discount rate which reflect related risks. The Trust engages independence appraiser to assess the fair value of properties.

5. Capital risk management

The Trust's objectives when managing capital are to safeguard the Trust's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Trust may adjust the amount of distribution paid to unitholders, return capital to unitholders, issue new shares or sell assets to reduce debt.

6. Financial risk management

6.1 Financial risk factors

As at 31 December 2018, the principal financial risks faced by the Trust are interest rate risk, credit risk, and liquidity risk. The Trust has no currency risk because there is no transaction in foreign currency.

6.1.1 Interest rate risk

Interest rate risk is the risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial instruments. The financial assets that potentially subject the Trust to the interest rate risk are deposit with banks and borrowing from financial institutions.

6.1.2 Credit risk

Credit risk is the risk that counterparties might not discharge their obligation causing the Trust to incur a financial loss. Credit risk arises from risk in the collectability of lease rental from counterparties.

The Trust has no significant concentrations of credit risk because the Trust has tenants who are in various business and good financial position. Additionally, the Trust has a policy to collect in advance rental deposits from customers as a collateral in case of default. The REIT Manager is of the opinion that the Trust does not have credit risk other than that provided in the allowance for doubtful accounts as presented in the financial statements. The estimate for allowance for doubtful accounts (if any) encompasses consideration of past collection experiences, customers' deposits and other factors such as the local economic conditions.

6.1.3 Liquidity risk

The trust maintains sufficient cash to prudently manage its liquidity risk. The Trust manages the availability of funding through an adequate amount of fund obtain from the unitholders and borrowing from financial institution which are sufficient for the Trust's activities.

6.2 Fair value

Fair value estimate

The Trust uses the market approach to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

In applying the above-mentioned valuation techniques, the Trust endeavors to use relevant observable inputs as much as possible. TFRS No. 13 Fair Value Measurement establishes a fair value hierarchy and categorise such inputs into three levels as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table presents the assets that are measured at fair value at 31 December 2018.

	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Assets				
Investments in securities				
- Investment in mutual fund	- 1,130,713,635	-	-	1,130,713,635
Investment properties	-	-	30,593,967,592	30,593,967,592
Total assets	- 1,130,713,635	-	30,593,967,592	31,724,681,227

There were no transfers between Levels during the year.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

6. Financial risk management (Cont'd)

6.2 Fair value (Cont'd)

Valuation techniques used to derive Level 2 fair values

Level 2 investment in mutual fund are fair valued based on net asset value at the close of business on balance sheet date as reference to each management company.

Changes in Level 2 fair values are analysed at each quarterly reporting date by the REIT Manager and Trustee using inputs that are directly observable (that is, as prices) or indirectly (that is, derived from prices) for the changes in fair value of those assets.

Fair value measurements using significant unobservable inputs (Level 3)

	Investments In properties Baht
Opening balance at 1 January 2018	25,948,852,083
Purchases of investments	4,490,967,592
Net unrealised gain from investment valuation	154,147,917
Ending balance at 31 December 2018	<u>30,593,967,592</u>

Valuation processes

REIT Manager has assessed the valuations of assets required for financial reporting purposes, including Level 3 fair values. The independent appraiser has reported directly to the REIT Manager. The REIT Manager has reviewed and evaluated appropriateness of the assumptions in valuation, then explain the reasons for the changes in fair valuation to Trustee to review those information. In case of changes in the assumptions that would expectedly result in significant changes in fair value of the assets, REIT Manager will consider to adjust the fair value accordingly.

The main information that the appraiser use for fair value assessment Level 3 such as discounted cash flow was determined from the location of project, ability to generate revenue cash flow, competitive market and return rate with no risk. The appraiser applied 9.00% - 10.00% of discounted cash flow for assets that was measured by base on yield rate from government bond plus business risk, service, market and economy.

7. Investments in properties

The movements of investments in properties can be analysed as follows:

	2018 Baht	2017 Baht
Beginning balance	25,948,852,083	13,082,759,659
Purchases of investments	4,490,967,592	3,106,889,875
Transfer of investments in properties from the Fund	-	9,813,000,000
Direct cost related to the transfer of investments from the Fund	-	362,208
Net unrealised gain (loss) from investment valuation	154,147,917	(54,159,659)
Ending balance	<u>30,593,967,592</u>	<u>25,948,852,083</u>

The Trust has mortgaged some of properties amounting to Baht 12,008 million as collateral against loan agreements with the financial institutions, as described in Note 11.

During the year, the Trust engaged an independent valuer to appraise/review the investments properties of the Trust by using the Income Approach Technique. The result revealed that the fair value of the investments in properties of the Trust as of 31 December 2018 was Baht 30,593.97 million, resulting in unrealised gain from such assessment amounting to Baht 154.15 million which was recorded in the statement of income.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

2018
Annual Report

7. Investments in properties (Cont'd)

The Trust has invested in land, warehouse building, factory and office building which the details of investments are as follows:

Originally owned	Project	Total Area (Rai-Ngan- Sq wah)	Ownership	Specification of buildings	Utilisable area (Sq.m.)	Parking lots utilisable area (Sq.m.)	Roof utilisable area (Sq.m.)	Acquisition/ latest review Date	Acquisition/ Latest review Cost Baht	The latest appraisal/ review date	Appraisal/ review value Baht	Unrealised Gain (loss) Baht
1)	WHA Ladaabang Distribution Center Phase 1 and Phase 2 Project	35-0-0	Freehold	A warehouse building and office building	35,092.97	-	-	01 March 2017	1,043,000,000	01 March 2018	990,000,000	(53,000,000)
2)	WHA Mega Logistics Center (Bangna-Trad Road Km. 18) Project	74-2-67	Leasehold	7 warehouse buildings and rooftops	72,179.48	-	23,976.30	01 March 2017	1,451,800,000	01 March 2018	1,377,000,000	(74,800,000)
3)	WHA Mega Logistics Center (Bangna-Trad Road Km. 23) Project	65-0-21.9	Freehold	3 warehouse buildings and office buildings and rooftops	59,835.00	-	50,641.04	01 March 2017	1,880,000,000	01 March 2018	1,805,000,000	(75,000,000)
4)	WHA Mega Logistics Center (Chonlaphamphit Km. 4) Project	81-0-15.9	Freehold	5 warehouse buildings and office buildings and rooftops	80,745.55	-	68,384.20	01 March 2017	2,451,100,000	01 March 2018	2,679,000,000	227,900,000
5)	WHA Mega Logistics Center (Wangno 61) Project	69-0-16	Leasehold	5 warehouse buildings and office buildings and rooftops	61,204.00	-	26,472.05	01 March 2017	1,226,700,000	01 March 2018	1,197,000,000	(29,700,000)
6)	WHA Mega Logistics Center (Saraburi) Project	34-3-12	Freehold	3 warehouse buildings and office buildings	32,986.00	-	-	01 March 2017	852,000,000	01 March 2018	869,000,000	17,000,000
7)	WHA Mega Logistics Center (Chonlaphamphit Km. 5) Project	66-2-85	Leasehold	5 warehouse buildings and office buildings, parking lots and rooftops	62,105.25	2,378.90	50,143.60	01 March 2017	1,485,000,000	01 March 2018	1,452,000,000	(33,000,000)
8)	WHA Mega Logistics Center (Ladkrabang) Project	99-1-51	Freehold	8 warehouse buildings and office buildings, parking lots and rooftops	95,110.00	1,350.00	59,986.30	01 March 2017	2,639,000,000	01 March 2018	2,821,000,000	182,000,000
9)	WHA Mega Logistics Center (Chonlaphamphit Km. 3) Project	50-0- 46.25	Leasehold	5 warehouse buildings, office buildings and parking lots	47,221.00	2,340.00	37,303.80	29 November 2017	1,233,058,651	01 March 2018	1,232,000,000	(1,058,651)
10)	WHA Mega Logistics Center Project (Bangna-Trad Km.19)	71-0-5.5	Leasehold	14 warehouse buildings, office building and parking lots	68,901.95	2,597.00	-	29 November 2017	1,439,927,992	01 March 2018	1,410,000,000	(29,927,992)
11)	WHA Mega Logistics Center Project (Lunluka)	12-2-50.5	Freehold	1 warehouse building, cold Storage, office building and parking lot	8,045.64	4,124.00	-	29 November 2017	588,412,570	01 March 2018	565,000,000	(23,412,570)
12)	Omada Arespace Factory Project (Rayong)	25-3-32.4	Freehold	1 factory building and office building	15,568.79	-	-	29 November 2017	972,542,356	01 March 2018	895,000,000	(77,542,356)
13)	Warehouse Building Kao Project	46-3-81	Freehold	3 warehouse buildings and office buildings	42,310.44	-	-	29 November 2017	1,148,029,573	01 May 2018	1,164,000,000	15,970,427
14)	WHA Mega Logistics Center Project (Panfong, Chonburi)	39-0-18	Freehold	4 warehouse buildings	38,565.00	-	-	29 November 2017	1,085,027,951	01 May 2018	1,077,000,000	(8,027,951)
15)	Factory Building Triumph Project	29-3-91.2	Freehold	1 factory building and office building	14,320.80	-	-	29 November 2017	752,039,707	01 May 2018	756,000,000	3,960,293

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

7. Investments in properties (Cont'd)

The Trust has invested in land, warehouse building, factory and office building which the details of investments are as follows: (Cont'd)

Project	Total Area (Rai-Ngan- Sq wah)	Ownership	Specification of buildings	Utilisable area (Sq.m.)	Parking lots utilisable area (Sq.m.)	Roof utilisable area (Sq.m.)	Acquisition/ lastest review Date	Acquisition/ Lastest review Cost Baht	The latest appraisal/ review date	Appraisal/ review value Baht	Unrealised Gain (loss) Baht
Originally owned (Cont'd)											
16) Warehouse Building Ducati Project	27-1-53.4	Freehold	2 factory buildings and office building	20,285.00	-	-	29 November 2017	772,040,176	01 May 2018	765,000,000	(7,040,176)
17) Warehouse Building DKSH Consumer and DKSH 3M Project	83-0-81	Leasehold	4 warehouse buildings ¹ , office building and 1 warehouse and office building	73,022.44	-	-	29 November 2017	1,128,053,457	01 May 2018	1,203,000,000	74,946,543
18) Warehouse Building Healthcare Project	47-0-66	Freehold	2 warehouse buildings	52,706.84	-	-	29 November 2017	1,797,042,056	01 May 2018	1,805,000,000	7,957,944
19) Warehouse Building DKSH Bang Pa-In Project	30-2-53	Freehold	1 warehouse building and office building	36,000.00	-	-	29 November 2017	602,041,355	01 May 2018	646,000,000	43,958,645
20) DSG Project	48-0-26.5	Freehold	1 factory, office building and warehouse building	55,372.40	-	-	29 November 2017	1,402,036,239	01 May 2018	1,395,000,000	(7,036,239)
Acquired during the year											
21) WHA Mega Logistics Center (Rama 2 Km.35 Phase 1)	17-1-50	Leasehold	1 warehouse building, factory, office building and parking lots	14,064.00	4,858.00	9,100.00	04 December 2018	735,362,033	-	-	-
22) DSG HSIL	15-0-0	Freehold	1 warehouse building, factory, office building and parking lots	16,620.00	8,964.00	-	04 December 2018	489,293,546	-	-	-
23) Central WHA Mega Logistics Center (Wangnoi 63)	96-1-44	Freehold	1 warehouse building, factory and office building	86,223.61	-	-	04 December 2018	2,358,694,214	-	-	-
24) WHA KPN Mega Logistics Center (Bangna-Trad Km.23)	43-3-0	Leasehold	2 warehouse buildings, factory and office building	39,607.00	-	26,112.00	04 December 2018	907,617,799	-	-	-
Unrealised gain from investment revaluation										154,147,917	

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

7. Investments in properties (Cont'd)

Increase (decrease) in financial asset and gain (loss) in statement of income based on changes significant assumptions are presented as follows:

	2018 Million Baht Increase (decrease)
Increase 0.5% on discount rate	(1,144)
Decrease 0.5% on discount rate	1,227
Increase 0.5% on capitalised rate	(452)
Decrease 0.5% on capitalised rate	520

8. Investment in securities

The movements of investment in properties can be analysed as follows:

	2018 Baht	2017 Baht
Beginning balance	346,612,157	181,685,041
Purchases of investments	1,290,000,000	200,000,000
Sales of investments	(515,071,000)	(40,075,889)
Net gain from sale of investment	2,798,840	343,649
Net unrealised gain from investment valuation	6,373,638	4,659,356
Ending balance	<u>1,130,713,635</u>	<u>346,612,157</u>

9. Cash and cash equivalents

As at 31 December 2018 and 2017, the Trust has the details of cash and cash equivalents as follow:

	2018		2017	
	Principal Baht	Interest rate per annum %	Principal Baht	Interest rate per annum %
Cheque on hand	7,799,988	-	3,456,125	-
Bank				
Saving accounts				
Kasikorn Bank Public Co., Ltd.	104,958,848	0.37	783,648,455	0.37
Bank of Ayidhuya Public Co., Ltd.	-	0.10	2,002	0.10
Current accounts				
Kasikorn Bank Public Co., Ltd.	63,469	-	20,931	-
Bank of Ayidhuya Public Co., Ltd.	26,839,143	-	-	-
Total cash and cash equivalents	<u>139,661,448</u>		<u>787,127,513</u>	

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

10. Deferred expenses

The capital unit issuance costs are recorded as deferred expenses and are amortised as expense over a period of 5 years on a straight-line basis. Details of movements are as follows:

	2018 Baht	2017 Baht
Beginning balance	356,935,839	246,295,256
Addition during the year	93,382,277	175,492,461
Amortisation during the year	(98,498,370)	(64,851,878)
Ending balance	<u>351,819,746</u>	<u>356,935,839</u>

11. Borrowing from financial institutions - net

As at 31 December 2018, the Trust has the borrowings from many financial institutions in Thailand in a total amount of Baht 5,267 million (31 December 2017: Baht 7,714 million). The Trust had borrowing balance after deduction of the upfront fee and repayment of the borrowings was Baht 5,162 million (31 December 2017: Baht 7,507 million). The details are as follows:

On 12 December 2014, the Trust had contracted with two financial institutions for acquiring the initial properties and/or refinancing the borrowings that the Trust used for acquiring the initial properties. The borrowing facility is not over than Baht 1,470 million. Total maturity period is not over than 12 years and no repayment required for the first 5 years and the maturity date is on 15 December 2026. The borrowings have interest rates for years 1st - 5th not over than MLR - 2.00% per annum and at the year 6th - 12th equal MLR+/- the spread be further agreed, with the repayment for principal and interest within specified period in agreement.

On 25 December 2015, the Trust had contracted with two financial institutions for the purpose of financing part of the acquisition by the Trust of the first additional main assets and/or supporting deposit return for lease and/or service of the area in the first additional main assets to be invested by the Trust and/or refinancing the borrowings of the Trust. The borrowing facility is not over than Baht 1,400 million. Total maturity period is not over than 10 years and no repayment required for the first 5 years and the maturity date is on 29 December 2025. The borrowings have interest rates for years 1st - 5th not over than MLR - 1.50% per annum and at the year 6th - 10th equal MLR+/- the spread be further agreed, with the repayment for principal and interest within specified period in agreement.

On 2 December 2016, the Trust had contracted with a financial institution for the purpose of financing part of the acquisition by the Trust of the second additional main assets and/or supporting deposit return for lease and/or service of the area in the second additional main assets to be invested by the Trust and/or refinancing the borrowings of the Trust. The borrowing facility is not over than Baht 1,350 million. Total maturity period is not over than 5 years and the maturity date is on 6 December 2021. The borrowings have interest rates for years 1st - 5th not over than MLR - 1.50% per annum, with the repayment for principal and interest within specified period in agreement.

On 24 November 2017, the Trust had contracted with a financial institution for the purpose of financing part of the acquisition by the Trust of the additional main assets and/or repayment loan transferred from the Fund from conversion of the Fund and/or supporting deposit return for lease and/or service of the area in the additional main assets to be invested by the Trust and/or refinancing the borrowings of the Trust. The borrowing facility is not over than Baht 4,061 million. Total maturity period is not over than 5 years and the maturity date is on 28 November 2022. The borrowings have interest rates for years 1st - 5th not over than MLR - 1.50% per annum, with the repayment for principal and interest within specified period in agreement.

On 30 March 2018, the Trust had settled the borrowings from two financial institutions in a total amount of Baht 4,120 million using cash received from debentures which were issued on the same date.

On 30 November 2018, the Trust had contracted with a financial institution for the purpose of financing part of the acquisition by the Trust for the third additional main assets and/or supporting for returning of lease and/or service deposits of the area in the third additional main assets to be invested by the Trust and/or refinancing the borrowings of the Trust. The borrowing facility is not over than Baht 1,780 million. Total maturity period is not over than 2 years and the maturity date is on 3 December 2020. The borrowings have interest rates for the first to second year not over than MLR minus 1.50% per annum, with the repayment for principal and interest within specified period under agreement.

11. Borrowing from financial institutions - net (Cont'd)

The borrowings are secured over the following:

- a) Secured by mortgaging some of the Trust's lands, warehouse buildings and office buildings and constructions (Note 7).
- b) The conditional assignment of leasehold right of land or registration of land lease agreement (Note 7).
- c) The conditional assignment of transferred collection rights of rental agreement under long-term lease agreement to liabilities under borrowing from financial institutions.
- d) The conditional assignment of rights under insurance policies.
- e) Others (if any) as stipulate in the loan agreement between the Trust and the Lenders.

The Trust is under the debt covenant requires the Trust to maintain the financial ratio and other requirements as stipulate in the borrowing agreement.

The detail of borrowing from financial institutions is as follows:

	2018		2017	
	Carrying amounts Baht	Fair value Baht	Carrying amounts Baht	Fair value Baht
Borrowing from financial institutions	5,266,700,000		7,714,400,000	
<u>Less</u> Deferred upfront fee from borrowings	<u>(104,258,964)</u>		<u>(207,552,590)</u>	
Borrowing from financial institutions - net	<u>5,162,441,036</u>	<u>5,162,441,036</u>	<u>7,506,847,410</u>	<u>7,506,847,410</u>

The fair value of borrowings equal their carrying amount, as the impact of discounting is not significant.

The borrowings have effective interest rate at the Balance Sheet date of 3.10% - 4.28% (As at 31 December 2017: 3.79% - 4.28%).

The detail of maturity of the borrowing from financial institutions is as follows:

	2018 Baht	2017 Baht
Less than 5 years	3,974,047,730	5,078,543,480
Between 5 years and 10 years	1,292,652,270	2,635,856,520
	<u>5,266,700,000</u>	<u>7,714,400,000</u>

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

11. Borrowing from financial institutions - net (Cont'd)

The movements in the borrowings can be analysed as follows:

	2018 Baht	2017 Baht
Beginning balance	7,506,847,410	3,845,622,973
Addition	1,675,000,000	3,747,100,000
Transferred from the Fund	-	511,000,000
Repayment	(4,122,700,000)	(513,700,000)
<u>Less</u> Upfront fee from borrowings	(15,165,000)	(100,036,550)
<u>Add</u> Amortised upfront fee from borrowings	118,458,626	16,860,987
Ending balance	<u>5,162,441,036</u>	<u>7,506,847,410</u>

Borrowing facilities

The Trust has the following undrawn committed borrowing facilities:

	2018 Baht	2017 Baht
Floating rate - expiring less than 1 year	480,000,000	450,000,000

12. Debentures - net

The debentures is as follows:

	2018 Carrying amounts Baht	Fair value Baht
Debentures	4,200,000,000	
<u>Less</u> Deferred upfront fee from debentures	(4,188,592)	
Debentures - net	<u>4,195,811,408</u>	<u>4,195,811,408</u>

The fair value of debentures equal their carrying amount, as the impact of discounting is not significant.

The debentures have effective interest rate at the Balance Sheet date of 2.20% - 3.40%.

Maturity of the debentures:

	2018 Baht
Less than 5 years	3,000,000,000
Between 5 years and 10 years	1,200,000,000
	<u>4,200,000,000</u>

The movements of debentures can be analysed as follows:

	2018 Baht
Beginning balance	-
Additions	4,200,000,000
<u>Less</u> Underwriting fee	(5,258,979)
<u>Add</u> Amortisation underwriting from bond	1,070,387
Ending balance	<u>4,195,811,408</u>

12. Debentures, net (Cont'd)

At the Unitholders' meeting held on 27 February 2018, the unitholders approved the issuance and offering of debentures not exceeding Baht 8,000 million.

During the year ended 31 December 2018, the Trust issued and offered 2 tranches of name-registered certificate of unsubordinated and unsecured debentures without early redemption and with assigned representatives amounting to Baht 3,000 million and Baht 1,200 million to investors based on the announcement made by The Securities and Exchange Commission. The proceeds from the issuance of debentures will be spent to repay the existing debts which help reduce the Company financial costs. The debentures have a par value of Baht 1,000 per unit and interest is paid every 3 months. The repayment of principal is due on the maturity date.

13. Unitholders' equity

As of 31 December 2018 and 31 December 2017, there were 2,248,454,220 units of Baht 9.1676 par value registered, issued and paid-up and 1,963,977,172 units of Baht 9.2861 par value registered, issued and paid-up, respectively.

Movements in capital account are as follows:

	2018		2017	
	Number of trust units	Amount Baht	Number of trust units	Amount Baht
Trust units registered, issued and paid-up	2,248,454,220	21,624,465,775	1,963,977,172	18,927,083,476
Beginning balance	1,963,977,172	18,927,083,476	972,142,000	9,466,649,931
Issued of trust units	284,477,048	2,930,113,594	-	-
Issued of trust units for transferred from the Fund	-	-	991,835,172	9,591,089,430
Reduction of investment trust value	-	(232,731,295)	-	(130,655,885)
Ending balance	2,248,454,220	21,624,465,775	1,963,977,172	18,927,083,476

At the Board of Directors of WHA Real Estate Management Co., Ltd. held by the REIT Manager of the Trust on 26 February 2018, they approved the capital reduction of par value at the rate of Baht 0.0115 per unit totaling Baht 22,585,737. The reduction of registered capital was paid to unitholders on 23 March 2018.

At the Board of Directors of WHA Real Estate Management Co., Ltd. held by the REIT Manager of the Trust on 27 April 2018, they approved the capital reduction of par value at the rate of Baht 0.0700 per unit totaling Baht 137,478,402. The reduction of registered capital was paid to unitholders on 25 May 2018.

At the Board of Directors of WHA Real Estate Management Co., Ltd. held by the REIT Manager of the Trust on 26 July 2018, they approved the capital reduction of par value at the rate of Baht 0.0200 per unit totaling Baht 39,279,543. The reduction of registered capital was paid to unitholders on 23 August 2018.

At the Board of Directors of WHA Real Estate Management Co., Ltd. held by the REIT Manager of the Trust on 29 October 2018, they approved the capital reduction of par value at the rate of Baht 0.0170 per unit totaling Baht 33,387,612. The reduction of registered capital was paid to unitholders on 23 November 2018.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

13. Unitholders' equity (Cont'd)

Movements in retained earnings are as follows:

	2018 Baht	2017 Baht
Beginning balance	172,236,539	74,336,235
Net investment income	1,309,687,427	727,665,360
Net gain from sale of investments	2,798,840	343,649
Net unrealized gain (loss) from investment valuation	160,521,556	(49,500,303)
Distribution payment (Note 14)	(1,286,383,925)	(580,608,402)
Ending balance	<u>358,860,437</u>	<u>172,236,539</u>

14 Distributions

The details of distribution payment for the year ended 31 December 2018 are as follow:

No.	The operation for period	Payment date	Per trust unit Baht	Total Baht
1	1 November 2017 - 31 December 2017	23 March 2018	0.0865	169,875,376
2	1 January 2018 - 31 March 2018	25 May 2018	0.1245	244,502,708
3	1 April 2018 - 30 June 2018	23 August 2018	0.1745	342,714,017
4	1 July 2018 - 30 September 2018	23 November 2018	0.1775	348,605,952
5	1 October 2018 - 15 November 2018	18 December 2018	0.0920	180,685,872
				<u>1,286,383,925</u>

15. Expenses

The management fee, acquisition fee, trustee fee, registrar fee and property management fee, are calculated as follows:

Management fee

The REIT Manager is entitled to receive a monthly management fee from the Trust at a rate not exceeding 0.75% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net asset value of the Trust as calculated by the REIT Manager and verified by the Trustee.

Acquisition fee

The REIT Manager will receive an acquisition fee at a rate not exceeding 0.75% of the acquired properties of the Trust in case of the properties from related persons of the REIT Manager and not exceeding 1.00% of the acquired properties of the Trust in case of the properties from others.

Trustee fee

The Trustee is entitled to receive a monthly remuneration at a rate not exceeding 0.75% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net asset value of the Trust as calculated by the REIT Manager and verified by the Trustee.

Registrar fee

The fee for the Investment Unit Registrar shall be at a rate not exceeding 0.50% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net assets value of the Trust as calculated by the REIT Manager and verified by the Trustee.

Property management fee

Fee and expenses of the Property Manager shall be payable to the Property Manager on a yearly basis according to the Property Management Agreement between the Trust and the Property Manager (exclusive of value added tax, specific business tax or any other similar tax). The rate shall not exceed 3.00% per annum of the net assets value of the Trust.

16. Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Trust, including holding entities, subsidiaries and fellow subsidiaries are related parties of the Trust. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Trust that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Trust and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The relationship among major related parties can be summarised as follows:

- WHA Real Estate Management Company Limited is a REIT Manager of the Trust.
- Kasikorn Asset Management Company Limited is the Trustee of the Trust.
- WHA Corporation Public Company Limited is the unitholder, parent company of the REIT Manager and property manager of the Trust.
- Kasikorn Bank Public Company Limited is a parent company of the Trustee of the Trust.

The following significant transactions were carried out with related parties:

a) Income and expenses

	2018	2017
	Baht	Baht
<u>Income</u>		
<u>Undertaking income</u>		
WHA Corporation Public Company Limited	49,893,418	58,390,224
<u>Interest income</u>		
Kasikorn Bank Public Company Limited	1,748,007	840,532
<u>Expenses</u>		
<u>Management fee</u>		
WHA Real Estate Management Company Limited	43,542,342	23,299,054
<u>Trustee fee</u>		
Kasikorn Asset Management Company Limited	34,833,874	22,528,770
<u>Property management fee</u>		
WHA Corporation Public Company Limited	47,518,237	21,699,646
<u>Interest expense</u>		
Kasikorn Bank Public Company Limited	165,618,792	61,556,522

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

16. Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

b) Outstanding balances

	2018 Baht	2017 Baht
<u>Deposit at bank</u>		
Kasikorn Bank Public Company Limited	105,022,317	783,669,386
<u>Other assets</u>		
WHA Corporation Public Company Limited	43,060,743	35,775,278
<u>Accrued expenses</u>		
WHA Real Estate Management Company Limited	7,981,801	14,080,902
WHA Corporation Public Company Limited	2,026,875	1,792,471
Kasikorn Asset Management Company Limited	6,385,441	5,075,932
Kasikorn Bank Public Company Limited	63,254,488	106,643,839
<u>Borrowing from financial institutions</u>		
Kasikorn Bank Public Company Limited	3,922,100,000	4,997,100,000

17. Other expenses

	2018 Baht	2017 Baht
Amortisation of deferred expenses	98,498,370	64,851,878
Consulting and professional fee	1,909,536	3,225,879
Other expenses	10,073,483	4,821,589
Total other expenses	<u>110,481,389</u>	<u>72,899,346</u>

18. Information regarding sale and purchase of investments

During the year ended 31 December 2018, the Trust has purchased and sold investments amounting to Baht 5,266 million, representing 22.41% of the average net asset during the year.

19. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as that makes strategic decisions.

The Trust operates in business which is the investment in property and the business is only operated in Thailand. Income and expenses from this segment are the same amount with the statement of income. Therefore, the presentation of segment information is not necessary.

WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust
Notes to the Financial Statements
For the year ended 31 December 2018

20. Commitments

As at 31 December 2018 and 2017, the Trust entered into the long-term agreement for property management fee and leasehold land. The future aggregate minimum payments under these agreements are as follows:

	2018 Baht	2017 Baht
No later than 1 year	83,993,200	79,976,141
2 - 5 years	356,215,892	327,060,266
Over 5 years	2,122,342,023	2,062,703,174
Total	<u>2,562,551,115</u>	<u>2,469,739,581</u>

21. Events after the reporting period

On 25 February 2019, the board of directors' meeting of WHA Real Estate Management Company Limited, the REIT Manager of the Trust unanimously approved the following agenda;

- To approve the capital reduction at the par value of Baht 0.0125 per trust unit totaling to Baht 28.11 million. The reduction of registered capital will be paid to the unitholders on 25 March 2019.
- To approve the dividend payment for the performance from 16 November 2018 to 31 December 2018 at the rate of Baht 0.0705 per trust unit totaling Baht 158.51 million. The dividend will be paid to unitholders on 25 March 2019.



WHA Real Estate Management Company Limited
1121 Moo. 3 Theparak Rd., T. Theparak
A. Muang Samutprakarn 10270
Tel. : +66(0) 2-753-3159
Fax. : +66(0) 2-753-3527
Email : whart@wha-rem.co.th