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MK 002/2566

28 February 2023

Subject Notification of the Board of Directors' Resolution regarding the Disposition of Assets to Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust and Trust Unit Subscription

To President
The Stock Exchange of Thailand

- Enclosure
1. Details of Assets to be Disposed to Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust and Relevant Agreements
 2. Appraised Value of Assets to be Disposed to Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust
 3. Summary of Undertaking Agreements in Relation to the Disposal of Assets to Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust
 4. Summary of Property Manager Appointment Agreement in Relation to the Disposal of Assets to Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust
 5. Information Memorandum on the Acquisition and Disposition of Assets to Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust

The Board of Directors Meeting of M.K. Real Estate Development Public Company Limited (the "Company") No. 1/2023 held on February 28th, 2023 has passed a resolution to approve Prospect Development Company Limited ("PD"), a subsidiary in which the Company holds 99.99% of shares issued and sold, to enter into transaction of disposition of assets between PD and Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust ("PROSPECT") and other related agreements. In additions, the Company's Board of Directors has passed on a resolution to approve trust unit subscription of PROSPECT in its offering of trust units for the first capital increase as the following:

1. Sub-leasing and Disposal of asset to PROSPECT
 - 1.1 Details of Assets to be Sub-leased and Disposed

The assets to be sub-leased and disposed by PD to PROSPECT consist of:

- 1) Bangkok Free Trade Zone 2
 - Sub-leasehold right over parts of the land with the term of not exceeding 28.0 years from the commencement of the lease to 15 May 2050, with land area of approximately 23-0-95.3 rais
 - Ownership over parts of the buildings, totaling 7 buildings, with total building area of approximately 20,996.0 square meters, and ownership over the relevant movable properties
- 2) Bangkok Free Trade Zone 3
 - Ownership over parts of the land and buildings, totaling 6 buildings, with land area of approximately 53-3-91.2 rais and total building area of approximately 49,133.0 square meters, and ownership over the relevant movable properties

The details of assets to be sub-leased and disposed to PROSPECT including the relevant agreements appear in Enclosure 1.

1.2 Assets Disposal Price

The value of assets to be sold to PROSPECT will be at least 90 percent of the highest appraised value (at least THB 1,591.7 million) but not exceeding THB 1,800.0 million (exclusive of value added tax, registration fee, transfer fee, and other relevant fees and expenses which shall be borne by the trust).

The value of assets to be sold will be considered from appraised value of 2 assets appraised by 2 independent appraisers, which are Siam City Appraisal Company Limited pursuant to the appraisal report dated 31 May 2022 (Appraised value as of 1 December 2022) and 15 Business Advisory Limited pursuant to the appraisal report dated 31 May 2022 (Appraised value as of 1 December 2022). The summary of the appraised value of the 2 appraisers appears in Enclosure 2.

However, the final assets value to be sold will depend on the negotiation between PROSPECT and PD and the demand of institutional investors through book building process.

1.3 Undertaking Agreements in Relation to Assets Disposal

For disposal of the assets to PROSPECT as mentioned above, PD shall enter into the undertaking agreements with PROSPECT, the summary of undertaking agreement with PROSPECT appears in Enclosure 3.

1.4 Appointment to be Property Manager of Disposed Assets

After the disposal of the assets to PROSPECT as mentioned above, PD will be appointed as the property manager to PROSPECT for the disposed assets, which are Bangkok Free Trade Zone 2 and Bangkok Free Trade Zone 3, for the period of 10 years from the date of registration of sub-leasehold right of the land and the date of ownership transfer of the buildings of Bangkok Free Trade Zone 2 and the date of

ownership transfer of the land and buildings of Bangkok Free Trade Zone 3. The Summary of Property Management Appointment Agreement appears in Enclosure 4.

1.5 Authority Given in relation to the Transaction

The Chief Executive Officer is authorized to undertake any other acts relevant to the disposal of the assets to PROSPECT as follows:

1) To negotiate with PROSPECT to determine the form of assets disposal, the terms and conditions on assets disposal to PROSPECT and enter into agreements with PROSPECT, including any amendments to the terms and conditions as appropriate,

2) To negotiate with PROSPECT to determine the final asset value to be sold to PROSPECT by considering the demand of institutional investors through book building process,

3) To consider to dispose or not dispose certain assets if the conditions or the result of negotiations with PROSPECT are deemed not beneficial to the Company and/or its shareholders or will cause too much burden to the Company,

4) Prepare, sign, deliver agreements or commitment in relation to assets disposal to PROSPECT including registration of rights and other related agreements,

5) Negotiate, determine terms and conditions, prepare, sign, and deliver the Property Manager Agreement to be the property manager of the assets sold to PROSPECT, and

6) Approve any matters necessary or relevant to performing the duty or taking the action including entering into agreements or relevant documents in order that the disposition of assets transaction to PROSPECT is successful.

1.6 Transaction Size

The disposition of assets transaction to PROSPECT is considered as the disposition of assets under the Notification of the Capital Market Supervisory Board No. Tor Jor 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (including additional amendments) (the "Notification on Acquisition and Disposition") which the transaction size is 9.06 percent pursuant to the total value of consideration basis, calculated from the audited consolidated financial statement of the Company as of 31 December 2022.

During the past 6 months, there was a transaction of disposal of assets with transaction size totaling 7.12 percent pursuant to the total value of consideration basis. Combining with the disposition of assets transaction to PROSPECT, total transaction size is 16.18 percent. Therefore, the disposition of assets transaction to PROSPECT is considered as the disposition of assets class 2 which the transaction size is equal or more than 15.00 percent but less than 50.00 percent. As a result, the Company is required to disclose information memorandum and send circular notice to shareholders (The details appear in Information Memorandum on the Acquisition and Disposition of Assets to Prospect Logistics and Industrial Freehold and Leasehold Real Estate

Investment Trust (Enclosure 5)). However, the disposition of assets transaction to PROSPECT is not considered as connected transaction of the Company according to the Notification of the Capital Market Supervisory Board No. Tor Jor 21/2551 Re: Rules on Related Transaction (including additional amendments) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction B.E. 2546 (including additional amendments) (the "Notification on Connected Transaction").

2. Trust Unit Subscription

The Company will subscribe PROSPECT's trust unit in its offering of trust units for the first capital increase at the amount the Company is entitled to be allocated or more than the amount the Company is entitled to be allocated, with the subscription amount of not exceeding THB 145.0 million. In this regard, the Company authorized the Chief Executive Officer to have the power to determine the final trust unit subscription amount and to undertake any other acts relevant to the matter.

The highest transaction size of the acquisition of trust's unit transaction will not exceed 0.73 percent pursuant to the total value of consideration basis. During the past 6 months, there was no asset acquisition. The Acquisition of Trust's Unit Transaction is therefore not regarded as an acquisition transaction class 1 – 4 under the Notification on Acquisition and Disposition as the transaction is less than 15.00 percent.

In addition, the acquisition of trust's unit transaction is not considered as the connected transaction according to the Notification on Connected Transaction.

Please be informed accordingly.

Sincerely yours,

M.K. Real Estate Development PCL

-SIGN-

(Mr. Vorasit Pokachaiyapat)

Chief Executive Officer

Details of Assets to be Disposed to Prospect Logistics and Industrial Freehold and Leasehold
Real Estate Investment Trust and Relevant Agreements

Details of Assets

(1) Bangkok Free Trade Zone 2

Bangkok Free Trade Zone 2	
Location	Theparak Road, Bang Sao Thong Subdistrict, Bang Sao Thong District, Samut Prakan Province
Title Deed No.	Title Deed No. 23425, 23427 and 23428 which ChiaoChan Property Company Limited holds ownership over the land
Characteristics of Investment of the Trust	Sub-leasehold right over parts of land and ownership over parts of the buildings in Bangkok Free Trade Zone 2, which consists of 7 buildings, divided into 12 units, and locates in the General Zone, comprising: <ol style="list-style-type: none"> 1) Warehouse 1 Building 3 units 2) Stand-alone Factory 5 Building 5 units 3) Mini-factory 1 Building 4 units
Land Area	Approximately 23-0-95.3 rais (37,181.0 square meters)
Leasable Area	Approximately 20,996.0 square meters
Lease Term	Not exceeding 28.0 years from the commencement of the lease to 15 May 2050
Average Building Age ¹	1.3 years
Building Grade	Grade A
Average Occupancy Rate (As of 3 February 2023) ²	<ul style="list-style-type: none"> - Occupancy rate at 86.7 percent - As of now, the area of warehouse and factory buildings in Bangkok Free Trade Zone 2 has not been fully occupied by tenants as they are new buildings which the construction has been completed and the building construction certificate has been granted in March 2022. However, if on the investment date of PROSPECT, the area of warehouse and/or factory has not been fully occupied by tenants, PROSPECT shall enter into an undertaking agreement with PD which PD (as the asset owner) shall pay the rental to PROSPECT for the unoccupied area of the warehouse and factory on the investment date for the period of 2 years from the investment date of PROSPECT. Other conditions shall be in accordance with the undertaking agreement which PROSPECT will enter into with PD later.

Remark: ¹ Average building age as of 31 March 2023

² Includes the executed lease agreements and/or letter of reservation which the lease term will start after 3 February 2023

(2) Bangkok Free Trade Zone 3

Bangkok Free Trade Zone 3	
Location	Bang Phli District, Samut Prakan Province
Title Deed No.	Title Deed No. 191632, 191634 and 191635 which PD holds ownership over the land
Characteristics of Investment of the Trust	Ownership over parts of the land and buildings in Bangkok Free Trade Zone 3 which consists of 6 warehouse buildings, divided into 23 units, and locates in the Free Zone
Land Area	Approximately 53-3-91.2 rais (86,364.0 square meters)
Leasable Area	Approximately 49,133.0 square meters
Average Building Age ¹	0.4 years
Building Grade	Grade A
Average Occupancy Rate (As of 3 February 2023)	<ul style="list-style-type: none">- Occupancy rate at 29.0 percent- As of now, the area of warehouse and factory in Bangkok Free Trade Zone 3 has not been fully occupied by tenants as the buildings as they are new buildings which the construction has been completed and the building construction certificate has been granted in October 2022. However, if on the investment date of PROSPECT, the area of warehouse and/or factory has not been fully occupied by tenants, PROSPECT shall enter into an undertaking agreement with PD which PD (as the asset owner) shall pay the rental to PROSPECT for the unoccupied area of the warehouse and factory on the investment date for the period of 2 years from the investment date of PROSPECT. Other conditions shall be in accordance with the undertaking agreement which PROSPECT will enter into with PD later.

Remark: ¹ Average building age as of 31 March 2023

Relevant Agreements

(1) Agreements in relation to Bangkok Free Trade Zone 2

- Land Sub-lease Agreement (Bangkok Free Trade Zone 2 – Parts of Title Deed No. 23425, 23427 and 23428)
- Sale and Purchase Agreement of Warehouses, Factories and Office Buildings (Bangkok Free Trade Zone 2)

- Movable Property Sale and Purchase Agreement (Bangkok Free Trade Zone 2)
 - Sub-lease Agreement for Roads in the Bangkok Free Trade Zone 2 Project (Parts of Title Deed No. 23428 and 23425)
 - Service Agreement for Utilities and Roads in the project (Bangkok Free Trade Zone 2)
 - Property Manager Appointment Agreement (Bangkok Free Trade Zone 2)
- (2) Agreements in relation to Bangkok Free Trade Zone 3
- Sale and Purchase Agreement of Land and Buildings (Bangkok Free Trade Zone 3)
 - Movable Property Sale and Purchase Agreement (Bangkok Free Trade Zone 3)
 - Servitude Agreement with Respect to the Roads and Common Utilities in the Project (Bangkok Free Trade Zone 3)
 - Service Agreement for Utilities and Roads in the project (Bangkok Free Trade Zone 3)
 - Property Manager Appointment Agreement (Bangkok Free Trade Zone 3)
- (3) Undertaking Agreements of Prospect Development (Bangkok Free Trade Zone 2 and Bangkok Free Trade Zone 3)
- (4) Undertaking Agreements of FNS Holdings, M.K. Real Estate Development and Prospect Development (Bangkok Free Trade Zone 2 and Bangkok Free Trade Zone 3)

Appraised Value of Assets to be Disposed to Prospect Logistics and Industrial
Freehold and Leasehold Real Estate Investment Trust

The assets to be disposed to PROSPECT were appraised by 2 independent appraisers namely: Siam City Appraisal Company Limited and 15 Business Advisory Limited, based on the income approach method as per the following details:

Assets	Appraised Value Based on the Income Approach (THB million)		Lowest Appraised Value (THB million)
	Siam City Appraisal Co., Ltd. ¹	15 Business Advisory Ltd. ²	
Bangkok Free Trade Zone 2	399.2	390.6	390.6
Bangkok Free Trade Zone 3	1,369.4	1,356.5	1,356.5
Total	1,768.6	1,747.1	1,747.1

Source: ¹ Appraised value by Siam City Appraisal Co., Ltd. pursuant to the appraisal report dated 31 May 2022 (Appraised value as of 1 December 2022)

² Appraised value by 15 Business Advisory Ltd. pursuant to the appraisal report dated 31 May 2022 (Appraised value as of 1 December 2022)

Summary of Undertaking Agreements in Relation to the Disposal of Assets to Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust

1) Undertaking Agreement of Prospect Development

<p>Contract parties</p>	<ul style="list-style-type: none"> ● SCB Asset Management Company Limited as the trustee of Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust (the “Trust”) ● Prospect Development Company Limited (“Prospect Development”) 				
<p>Duties of Prospect Development relating to compensation for guaranteed rental</p>	<ol style="list-style-type: none"> 1. Prospect Development will compensate rental fee and service fee (collectively called “rental fee”) to the Trust for leased assets that has no lessee on the investment date of the Trust (the “Guaranteed Assets”) for a period of 2 years from the start of the lease period under the lease agreement (the “Guarantee Period”) which the minimum rental rate is determined as follows: <table border="1" data-bbox="630 919 1367 1066"> <thead> <tr> <th data-bbox="630 919 997 961">Bangkok Free Trade Zone 2</th> <th data-bbox="997 919 1367 961">Bangkok Free Trade Zone 3</th> </tr> </thead> <tbody> <tr> <td data-bbox="630 961 997 1066">THB 160 per square meter per month</td> <td data-bbox="997 961 1367 1066">THB 170 per square meter per month</td> </tr> </tbody> </table> <p>(the “Minimum Rental Rate”)</p> 2. The contract parties will calculate the guaranteed Rental Fee for the Guaranteed Assets according to clause 1, based on the total area of the Guaranteed Assets at the investment date of the Trust multiplied by the Minimum Rental Rate until the end of the Guarantee Period (the “Guaranteed Rental Fee” However, contract parties agree to have Prospect Development compensating the rental short from the Guaranteed Rental Fee to the Trust throughout the Guarantee Period on a monthly basis with conditions as specified in clause 3 and 4. 3. Under the condition as specified in clause 4, during the Guaranteed Period, if in the event that a tenant enters into a lease and service agreement to lease the Guaranteed Assets, but the Trust receives the total Rental Fee under a lease and service agreement lower than the Guaranteed Rental Fee, Prospect Development will compensate the rental short from the Guaranteed Rental Fee to the Trust 	Bangkok Free Trade Zone 2	Bangkok Free Trade Zone 3	THB 160 per square meter per month	THB 170 per square meter per month
Bangkok Free Trade Zone 2	Bangkok Free Trade Zone 3				
THB 160 per square meter per month	THB 170 per square meter per month				

	<p>4. During the Guarantee Period, if there is a case of any tenants on the Guaranteed Assets defaulting or failing to pay the rental under the lease and service agreement, the Trust shall assume that the revenue from the lease and service agreement shall be calculated in the total rental revenue that the Trust receives from the Guaranteed Assets.</p>
<p>The sub-lease business operation of warehouse and factory building of Prospect Development</p>	<p>Within the sub-lease period (for Bangkok Free Trade Zone 2) and within the period that Prospect Development performs the duty as the property manager for the Trust (for Bangkok Free Trade Zone 3) depending on the case, Prospect Development agrees and will process the same group of persons to agree that the determination of rental fee and service fee charged for sub-leased area assigned to new lessee on the Assets under Restrictions* must not compete with leases to new lessee of sub-leased assets, including not providing any support or benefit to lessees who not commercially compliant in order to incentivize them to enter into the lease and service agreement, and will offer all assets to clients to decide without discrimination on which party's assets, as well as determination of rental fee for comparative building in terms of size, location, model and age to a similar level, to ensure transparency and provide clients with sufficient information to make decisions. The details are in accordance with the Undertaking Agreement of Prospect Development (Prospect Development and the Trust).</p> <p>*Remark: Assets under Restrictions referred to assets for business operation by leasing of Prospect Development and/or the same group of person, which are land, warehouse or commercial and industrial factory that locates within the distance of 5 (five) kilometers from the location of Bangkok Free Trade Zone 2 and Bangkok Free Trade Zone 3, including but not limited to assets that Prospect Development leases from land owner in Bangkok Free Trade Zone 2 and Bangkok Free Trade Zone 3 which Prospect Development operates the leasing to lessee</p>
<p>Right of First Refusal</p>	<p>Within the period specified in this agreement, if Prospect Development wishes to sell, rent, pay, transfer, in whole or in part of the assets in Bangkok Free Trade Zone 2 and Bangkok Free Trade Zone 3 that are not rental business as a general trade to customers for business operations. Prospect Development agreed to grant the Trust the Right of First Refusal to invest in the assets, unless it is the sell, rent, pay, transfer of the assets under the right of first refusal to the same group of persons or lessee or those who wish to</p>

	buy, transfer or lease such assets for use of their business which is not sub-lease of land, warehouse buildings or factory buildings for commercial and industrial or internal restructuring of Prospect Development and/or the same group of persons. The details are in accordance with the Undertaking Agreement of Prospect Development (Prospect Development and the Trust).
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2) Undertaking Agreement of FNS Holdings, M.K. Real Estate Development and PD

Promisor	<ul style="list-style-type: none"> • FNS Holdings Public Company Limited (“FNS Holdings”) • M.K. Real Estate Development Public Company Limited (“MK”) • Prospect Development Company Limited (“Prospect Development”) <p>Collectively the “Promisors”</p>
Promisee	SCB Asset Management Company Limited as the trustee of Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust (the “Trust”)
The maintaining of the Trust’s units holding proportion	<ul style="list-style-type: none"> • To comply with the covenant as specified in the loan agreement between the Trust and the Trust’s Lender (the “Loan Agreement”), the Promisors agree and ensure that their group of associated persons will hold and retain the proportion totally of not less than 15.00% of the total amount of Trust’s units issued and offered throughout the agreed period and not less than the covenant in the Loan Agreement. If the Lender terminates or revises the covenant regarding the Trust’s units holding period to be less than the agreed period, the Promisors agree and ensure that their group of associated persons will hold and retain the proportion throughout the agreed period from the date of Trust’s sub-leasehold right becomes effective. (the “Trust’s unit holding period”) • During the Trust’s units holding period, the Promisors will not sell, transfer, pledge or impose any collateral conditions which causes the held Trust’s units less than the proportion as set forth without prior written consent from the Trust.

Summary of Property Manager Appointment Agreement in Relation to the Disposal of Assets to Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust

Drafts of Property Manager Appointment Agreement (Bangkok Free Trade Zone 2) and Property Manager Appointment Agreement (Bangkok Free Trade Zone 3) have similar major agreement clauses as follows:

Contract parties	<ul style="list-style-type: none"> • Prospect REIT Management Company Limited (“REIT Manager”) • SCB Asset Management Company Limited as the trustee of Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust (the “Trust”) • Prospect Development Company Limited (“Prospect Development”)
Property manager	Prospect Development
Effective date	This agreement shall be effective from the date that the Trust invests in the real estate by the Trust (the “Effective Date”)
Management period	<ul style="list-style-type: none"> • The contract parties agree that the property manager will perform various duties as specified in this agreement for a period of 10 years from the Effective Date of the agreement. (“The first period of management service”) • At the end of the first period of management service or further periods of management service (as the case may be). The REIT manager or the trustee did not notify the breach of contract to the property manager, the parties agree to automatically renew this contract for another 10 years each time, the terms and conditions of the contract being extended to be as stipulated in this contract. However, the term of the management service shall not exceed the sublease period under the Trust’s asset investment contract.
Property management fee	<ul style="list-style-type: none"> • Remuneration for the management of real estate invested by the Trust calculated based on the rental fee and service fee under the sub-lease and service agreements entered with client which the Trust receives on a monthly basis in accordance with the criteria for revenue recognition according to generally accepted accounting standards which will be paid in 3.0 percent of rental and service revenue (exclusive of guaranteed rental fee that Prospect Development paid to the Trust for the guaranteed assets as specified in the undertaking agreement of

Prospect Development with respect to Rental Income Compensation of Prospect Development)

- Remuneration to create incentives for real estate management that the Trust invests for the management of real estate can be calculated from the performance of real estate management at the rate of 5.0 percent of **the real estate management performance*** (excluding compensation for rental fee and service fee that Prospect Development paid to the Trust for guaranteed properties as specified in the undertaking agreement of Prospect Development with respect to Rental Income Compensation of Prospect Development). The Trust agrees to pay compensation to the property manager on a monthly basis by requiring the property manager to prepare an invoice which is the amount at the end of the month calculated from the rent roll report and deliver to the Trust and the Trust will pay compensation as stipulated in the invoice within 15 days from the date the Trust receives the invoice. In this regard, the parties agree to adjust the monthly property manager remuneration upon receipt of the net asset value confirmed by REIT manager and the trustee. And it will be paid in addition to or repayment by adding or offsetting the compensation to the property manager in the next period.

***Remark: the real estate management performance referred to surplus of total revenue deducted by total property management expense of the real estate that the Trust invested before depreciation, amortization, interest and taxes**

- Commission fee (in the event that the real estate management recommend or recruit tenants)
 - (1) New tenant with a rental term equal to or more than 3 years but not exceeding 3 years and 1 month, the real estate management shall receive a fee equal to the rental fee that the Trust shall receive in the amount of 1 month. In case the rental period is less than 3 years, the real estate management is entitled to receive a fee calculated in proportion to the actual rental period compared to the standard rental period of 36 months. In case the rental term is more than 3 years and 1 month but not exceeding 9 years, the real estate management shall receive a fee equal to the rental fee that the Trust shall receive in the amount of 1.5 months. In case the rental term is

more than 9 years, the real estate management shall receive a fee equal to the rental fee that the Trust shall receive in the amount of 2 months.

(2) Existing tenant renews the lease agreement and service agreement with the Trust for a rental period equal to or more than 3 years but not exceeding 3 years and 1 month, the real estate management shall receive a fee equal to the rental fee that the Trust shall receive in the amount of 0.5 months. In case the rental period is less than 3 years, the real estate management is entitled to receive a fee calculated in proportion to the actual rental period compared to the standard rental period of 36 months. In case the rental period is more than 3 years and 1 month but not exceeding 9 years, the real estate management shall receive a fee equal to the rental fee that the Trust shall receive in the amount of 0.75 months. In case the rental period is more than 9 years, the real estate management shall receive a fee equal to the rental fee that the Trust shall receive in the amount of 1 month.

- Expenses incurred from the performance of the property manager under this agreement must be in accordance with the estimated expenses specified in the Trust's annual operating plan. (Shall be amended from time to time) unless the REIT Manager agrees otherwise.

Information Memorandum on the Acquisition and Disposition of Assets to Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust

The Board of Directors Meeting of M.K. Real Estate Development Public Company Limited (the “Company”) No. 1/2023 held on February 28th, 2023 has passed a resolution to approve Prospect Development Company Limited (“PD”), a subsidiary in which the Company holds 99.99% of shares issued and sold, to enter into transaction of disposition of assets between PD and Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust (the “Trust”). In additions, the Company’s Board of Directors has passed on a resolution to approve trust unit subscription of the Trust in its offering of trust units for the first capital increase as the following:

(A) Approved the disposition of assets by approving the following related transactions:

- Approved PD to sub-lease and sell part of assets in Bangkok Free Trade Zone 2 and Bangkok Free Trade Zone 3, which the value of assets to be sold to the Trust will be at least THB 1,591.7 million but not exceeding THB 1,800.0 million (the “Disposition of Assets Transaction”), and to enter into other related agreements
- Approved the Company and PD to enter into an undertaking transaction between PD as promisor and the Trust as promisee and an undertaking transaction between the Company, PD and FNS Holdings Public Company Limited (“FNS”) as promisors and the Trust as promisee, to assure the duty of the Company, PD and FNS towards the Trust
- Approved the Authority of Chief Executive Officer in relation to the disposition of assets to the Trust as the following:
 - Negotiate with the Trust to determine the form of assets disposal, the terms and conditions on assets disposal to the Trust and enter into agreements with the Trust, including any amendments to the terms and conditions as appropriate,
 - Negotiate with the Trust to determine the final asset value to be sold to the Trust by considering the demand of institutional investors through book building process,
 - Consider to dispose or not dispose certain assets if the conditions or the result of negotiations with the Trust are deemed not beneficial to the Company and/or its shareholders or will cause too much burden to the Company,

- Prepare, sign, deliver agreements or commitment in relation to assets disposal to the Trust, including registration of rights and other related agreements,
- Negotiate, determine terms and conditions, prepare, sign, and deliver the Property Manager Agreement to be the property manager of the assets sold to the Trust, and
- Approve any matters necessary or relevant to performing the duty or taking the action including entering into agreements or relevant documents in order that the Disposition of Assets Transaction to the Trust is successful.

The Disposition of Assets Transaction to the Trust is considered as the disposition of assets under the Notification of the Capital Market Supervisory Board No. Tor Jor 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (including additional amendments) (the “Notification on Acquisition and Disposition”) which the transaction size is 9.06 percent pursuant to the total value of consideration basis, calculated from the audited consolidate financial statement of the Company as of 31 December 2022.

During the past 6 months, there were a transaction of disposal of assets with transaction size totaling 7.12 percent pursuant to the total value of consideration basis. Combining with the Disposition of Assets Transaction to the Trust, total transaction size is 16.18 percent. Therefore, the Disposition of Assets Transaction to the Trust is considered as the disposition of assets class 2 which the transaction size is equal or more than 15.00 percent but less than 50.00 percent. As a result, the Company is required to disclose information memorandum and send circular notice to shareholders. However, the Disposition of Assets Transaction to the Trust is not considered as connected transaction of the Company according to the Notification of the Capital Market Supervisory Board No. Tor Jor 21/2551 Re: Rules on Related Transaction (including additional amendments) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction B.E. 2546 (including additional amendments). (the “Notification on Connected Transaction”).

(B) Approved the acquisition of assets by approving the following related transactions:

- Approved the Company to subscribe Trust’s unit in its offering of trust units for the first capital increase (the “Acquisition of Trust’s Unit Transaction”) at the amount the Company is entitled to be allocated or more than the amount the Company is entitled to be allocated, with the subscription amount of not exceeding THB 145.0 million
- Approved the Authority of Chief Executive Officer to determine the final trust unit subscription amount and to undertake any other acts relevant to the matter.

The highest transaction size of the Acquisition of Trust's Unit Transaction will not exceed 0.73 percent pursuant to the total value of consideration basis. During the past 6 months, there was no asset acquisition. The Acquisition of Trust's Unit Transaction is therefore not regarded as an acquisition transaction class 1 – 4 under the Notification on Acquisition and Disposition as the transaction is less than 15.00 percent.

In addition, the Acquisition of Trust's Unit Transaction is not considered as the connected transaction according to the Notification on Connected Transaction.

The Company would like to disclose information regarding the aforementioned transactions as follows:

1. Disposition of Assets Transaction

1.1 Date of Transaction

The Disposition of Assets Transaction will occur after the Trust's unit in its offering of trust units for the first capital increase are issued and offered for sale. The Company expects the Disposition of Assets Transaction will occur within the first quarter of 2023.

1.2 The Relevant Parties

Seller : PD (99.99% owned subsidiary of the Company)
Purchaser : the Trust

1.3 General Information, Type and the Size of Transactions

1.3.1 General Information and Type of Transactions

PD will enter into the Disposition of Assets through sub-leasing and selling part of assets in Bangkok Free Trade Zone 2 and Bangkok Free Trade Zone 3. The value of assets to be sold to the Trust will be at least THB 1,591.7 million but not exceeding THB 1,800.0 million (exclusive of value added tax, registration fee, transfer fee, and other relevant fees and expenses which shall be borne by the Trust).

The value of assets to be sold will be considered from appraised value of 2 assets appraised by 2 independent appraisers namely: Siam City Appraisal Company Limited and 15 Business Advisory Limited. The appraised value is as follows:

Assets	Appraised Value Based on the Income Approach (THB million)		Lowest Appraised Value (THB million)
	Siam City Appraisal Co., Ltd. ¹	15 Business Advisory Ltd. ²	
Bangkok Free Trade Zone 2	399.2	390.6	390.6
Bangkok Free Trade Zone 3	1,369.4	1,356.5	1,356.5
Total	1,768.6	1,747.1	1,747.1

Source : ¹ Appraised value by Siam City Appraisal Co., Ltd. pursuant to the appraisal report dated 31 May 2022 (Appraised value as of 1 December 2022)

² Appraised value by 15 Business Advisory Ltd. pursuant to the appraisal report dated 31 May 2022 (Appraised value as of 1 December 2022)

However, the final assets value to be sold will depend on the negotiation between the Trust and PD and the demand of institutional investors through book building process.

1.3.2 Transaction Size

The calculation of transaction size under the Notification of Acquisition and Disposition, is calculated from the audited consolidated financial statement as of 31 December 2022 as follows:

- (1) The Value of Net Tangible Assets

Not Applicable

- (2) Net Operating Profits

Not Applicable

- (3) Total Value of Consideration

$$\begin{aligned} \text{Transaction Size} &= \frac{\text{Disposal Price}}{\text{Book Value of Total Assets}} \\ &= \frac{\text{Not exceeding THB 1,800.00 million}}{\text{THB 19,864.6 million}} \\ &= \text{Not exceeding 9.06 percent} \end{aligned}$$

- (4) Value of Securities Issued for the Payment of Assets

Not Applicable

Based on the calculation above, the highest value of transaction size calculated based on total value of consideration basis is not exceeding 9.06 percent.

During the past 6 months, there were a transaction of disposal of assets with transaction size totaling 7.12 percent pursuant to the total value of consideration basis. Combining with the Disposition of Assets Transaction to the Trust, total transaction size is 16.18 percent. Therefore, the Disposition of Assets Transaction to the Trust is considered as the disposition of assets class 2 which the transaction size is equal or more than 15.00 percent but less than 50.00 percent.

1.4 Detail of the Disposed Assets

The detail of the disposed assets are as follows:

(1) Bangkok Free Trade Zone 2

Bangkok Free Trade Zone 2										
Location	Theparak Road, Bang Sao Thong Subdistrict, Bang Sao Thong District, Samut Prakan Province									
Title Deed No.	Title Deed No. 23425, 23427 and 23428 which Chiaochan Property Company Limited holds ownership over the land									
Characteristics of Investment of the Trust	Sub-leasehold right over parts of land and ownership over parts of the buildings in Bangkok Free Trade Zone 2, which consists of 7 buildings, divided into 12 units, and locates in the General Zone, comprising: <table border="0" style="margin-left: 20px;"> <tr> <td>4) Warehouse</td> <td>1 Building</td> <td>3 units</td> </tr> <tr> <td>5) Stand-alone Factory</td> <td>5 Building</td> <td>5 units</td> </tr> <tr> <td>6) Mini-factory</td> <td>1 Building</td> <td>4 units</td> </tr> </table>	4) Warehouse	1 Building	3 units	5) Stand-alone Factory	5 Building	5 units	6) Mini-factory	1 Building	4 units
4) Warehouse	1 Building	3 units								
5) Stand-alone Factory	5 Building	5 units								
6) Mini-factory	1 Building	4 units								
Land Area	Approximately 23-0-95.3 rais (37,181.0 square meters)									
Leasable Area	Approximately 20,996.0 square meters									
Lease Term	Not exceeding 28.0 years from the commencement of the lease to 15 May 2050									
Average Building Age ¹	1.3 years									
Building Grade	Grade A									
Average Occupancy Rate (As of 3 February 2023) ²	<ul style="list-style-type: none"> - Occupancy rate at 86.7 percent - As of now, the area of warehouse and factory buildings in Bangkok Free Trade Zone 2 has not been fully occupied by tenants as they are new buildings which the construction has been completed and the building construction certificate has been granted in March 2022. However, if on the investment date of the Trust, the area of warehouse and/or factory has not been fully occupied by tenants, the Trust shall enter into an undertaking agreement with PD which PD (as the asset owner) shall pay the rental to the Trust for the unoccupied area of the warehouse and factory on the investment date for the period of 2 years from the investment date of the Trust. Other conditions shall be in accordance with the undertaking agreement which the Trust will enter into with PD later. 									

Remark: ¹ Average building age as of 31 March 2023

² Includes the executed lease agreements and/or letter of reservation which the lease term will start after 3 February 2023

(2) Bangkok Free Trade Zone 3

Bangkok Free Trade Zone 3	
Location	Bang Phli District, Samut Prakan Province
Title Deed No.	Title Deed No. 191632, 191634 and 191635 which PD holds ownership over the land
Characteristics of Investment of the Trust	Ownership over parts of the land and buildings in Bangkok Free Trade Zone 3 which consists of 6 warehouse buildings, divided into 23 units, and locates in the Free Zone
Land Area	Approximately 53-3-91.2 rais (86,364.0 square meters)
Leasable Area	Approximately 49,133.0 square meters
Average Building Age ¹	0.4 years
Building Grade	Grade A
Average Occupancy Rate (As of 3 February 2023)	<ul style="list-style-type: none">- Occupancy rate at 29.0 percent- As of now, the area of warehouse and factory in Bangkok Free Trade Zone 3 has not been fully occupied by tenants as the buildings as they are new buildings which the construction has been completed and the building construction certificate has been granted in October 2022. However, if on the investment date of the Trust, the area of warehouse and/or factory has not been fully occupied by tenants, the Trust shall enter into an undertaking agreement with PD which PD (as the asset owner) shall pay the rental to the Trust for the unoccupied area of the warehouse and factory on the investment date for the period of 2 years from the investment date of the Trust. Other conditions shall be in accordance with the undertaking agreement which the Trust will enter into with PD later.

Remark: ¹ Average building age as of 31 March 2023

1.5 Total Value of Consideration

Total value of consideration received from the Disposition of Assets Transaction to the Trust will be at least THB 1,591.7 million but not exceeding THB 1,800.0 million (exclusive of value added tax, registration fee, transfer fee, and other relevant fees and expenses which shall be borne by the Trust).

However, the final assets value to be sold will depend on the negotiation between the Trust and PD and the demand of institutional investors through book building process.

1.6 Value of Assets to be Disposed

The value of assets of PD to be disposed regarding the Disposition of Assets Transaction will be at least THB 1,591.7 million but not exceeding THB 1,800.0 million. However, the final assets value to be sold will depend on the negotiation between the Trust and PD and the demand of institutional investors through book building process.

1.7 Criteria Used to Determine the Consideration Value

Criteria used to determine the consideration value of disposed assets regarding the Disposition of Assets Transaction are:

- (1) The appraised value by independent appraisers approved by the Securities and Exchange Commission (SEC)
- (2) Market condition of capital market during the offering period of trust units
- (3) The appropriate return to Trust investors
- (4) The potential for commercial value of the disposed assets
- (5) Domestic and international interest rate
- (6) Return from investment in equity instruments and debt instruments including other alternative investment
- (7) The demand of institutional investors through book building process

1.8 Expected Benefits to the Company and/or PD

PD will receive consideration from disposition of assets and property management fee from the Trust. The proceeds can be used for PD's business plan such as investing in new projects, repaying debts and loans from financial institutions, or using as working capital.

1.9 Objectives for the Use of Proceeds

PD may use the proceeds from the disposition of assets to the Trust to invest in new projects, repay debts and loans from financial institutions, or use as working capital.

However, the objectives for the use of proceeds as mentioned are PD's current business plan which can be adjusted as deemed appropriate at the time.

1.10 Conditions Precedent of the Transaction

The Disposition of Asset Transaction will occur after the Trust's unit in its offering of trust units for the first capital increase are issued and offered for sale.

1.11 Opinion of the Board of Directors on the Transaction

The Board of Directors Meeting of the Company No. 1/2023 held on February 28th, 2023 has passed a resolution to approve PD to enter into the Disposition of Assets Transaction and other transaction related to the Disposition of Assets Transaction. The Board of Director of the Company opined that the transactions are reasonable and in the best interest for the Company and its shareholders. PD may use the proceeds from the disposition of assets to the Trust to invest in new projects, repay debts and loans from financial institutions, or use as working capital which reduce the financial support to PD by the Company in the long run.

1.12 Opinion of the Audit Committee and/or the Director which is Different from the Opinion of the Board of Director According to the Details in 1.11

The Audit Committee attended the Board of Directors Meeting of the Company No. 1/2023 held on February 28th, 2023. After consideration, the Audit Committee's opinion is not different from that of the Board of Directors of the Company according to the details in 1.11. Therefore, the Company's Board of Directors approves PD to enter into the transactions.

2. Acquisition of Assets

2.1 Date of Transaction

The Acquisition of Trust' Units Transaction will occur during the trust unit subscription period of the Trust's first capital increase which is during 8 – 14 March 2023.

2.2 The Relevant Parties

Seller	:	Prospect REIT Management Company Limited
Purchaser	:	The Company

2.3 General Information, Type and the Size of Transaction

2.3.1 General Information and Type of Transaction

The Company will enter into the Acquisition of Trust' Units Transaction of the Trust's first capital increase at the amount the Company is entitled to be allocated or more than the amount the Company is entitled to be allocated, with the subscription amount of not exceeding THB 145.0 million.

However, the final Trust's units subscription amount will depend on the final offering price which will be determined by the demand of institutional investors through book building process.

2.3.2 Transaction Size

The calculation of transaction size under the Notification of Acquisition and Disposition, is calculated from the audited consolidated financial statements as of 31 December 2022 as follows:

(1) The Value of Net Tangible Assets

$$\begin{aligned} \text{Transaction Size} &= \frac{\text{Increase in the Company's trust units holding portion} \\ &\quad \text{after the Right Offering x NTA of the Trust}}{\text{NTA of the Company}} \\ &= \frac{\text{Not exceeding 1.25 x THB 2,373.1 million}}{\text{THB 6,208.3 million}} \\ &= \text{Not exceeding 0.48} \end{aligned}$$

(2) Net Operating Profits

Not applicable as the Company has net operating loss for the year ended 31 December 2022

(3) Total Value of Consideration

$$\begin{aligned} \text{Transaction Size} &= \frac{\text{Trust's units subscription amount}}{\text{Book value of total assets}} \\ &= \frac{\text{Not exceeding THB 145.0 million}}{\text{THB 19,883.7 million}} \\ &= \text{Not exceeding 0.73} \end{aligned}$$

(4) Value of Securities Issued for the Payment of Assets

Not applicable

Based on the calculation above, the highest value of transaction size calculated based on total value of consideration basis is not exceeding 0.73 percent. During the past 6 months, there was no asset acquisition. The Acquisition of Trust's Unit Transaction is therefore not regarded as an acquisition transaction class 1 – 4 under the Notification on Acquisition and Disposition as the transaction is less than 15.00 percent.

2.4 Detail of the Acquired Assets

The Company will subscribe trust units of the Trust's first capital increase at the amount the Company is entitled to be allocated or more than the amount the Company is entitled to be allocated, with the subscription amount of not exceeding THB 145.0 million.

2.5 Total Value of Consideration

The highest Trust's units subscription amount subscribed by the Company is not exceeding THB 145.0 million

However, the final Trust's units subscription amount will depend on the final offering price which will be determined by the demand of institutional investors through book building process.

2.6 Value of Assets to be Acquired and Criteria Used to Determine the Consideration Value

The final Trust's units subscription amount will depend on the final offering price which will be determined by the demand of institutional investors through book building process.

2.7 Expected Benefits to the Company

The Company will benefit by receiving dividend and capital gain in case the price of Trust's units increases in the future.

2.8 Source of Fund for the Acquisition of Trust's Units Transaction

The Company will use the proceeds from working capital and/or bridging loan from financial institution to acquire Trust's units.

2.9 Conditions Precedent of the Transaction

- None -

2.10 Opinion of the Board of Directors on the Transaction

The Board of Directors Meeting of the Company No. 1/2023 held on February 28th, 2023 has passed a resolution to approve the Company to enter into the Acquisition of Trust's Units Transaction. The Board of Directors of the Company opined that the transaction is reasonable and in the best interest for the Company. The Company will benefit by receiving dividend and capital gain in case the price of Trust's units increases in the future.

2.11 Opinion of the Audit Committee and/or the Directors which is Different from the Opinion of the Board of Director According to the Detail in 2.10

The Audit Committee attended the Board of Directors Meeting of the Company No. 1/2023 held on February 28th, 2023. After consideration, the Audit Committee's opinion is not different from that of the Board of Directors of the Company according to the detail in 2.10. Therefore, the Company's Board of Directors approves the Company to enter into the transaction.