

No. WHAIRM 015/2567

8 May 2024

Re: Summary of significant Issues by way of questions and answers from two-way communication of WHA Industrial Leasehold Real Estate Investment Trust for the Year 2024.

To: Trust Unitholders of WHA Industrial Leasehold Real Estate Investment Trust

WHA Industrial REIT Management Company Limited (the "Company") in its capacity of the REIT Manager of WHA Industrial Leasehold Real Estate Investment Trust ("Trust") prepared and disclosed the information of the Trust to the Trust Unitholders by way of two-way communication, and the Trust Unitholders might ask questions and inquiries from 10 April 2024 to 24 April 2024. The Company prepared and disclosed a summary of significant Issues by way of questions and answers as follows:

As the Trust presently is indebted to the financial institutions in the amount of Baht 4,334,212,822 (end of year 2023), please clarify the following issues to anticipate the returns in the future of the Trust Unitholders

1. Whether the trust needs to pay off the debt before the leasehold expires?
2. Because the Trust has a policy to pay dividends at the rate of 90% of adjusted profits, how much cash from the operation in each year does the Company plan to use to pay the principal?
3. When does the Company expect to start paying the principal? When will the principal be paid to Baht 0?
4. In the case of using cash from operations to pay the principal, how much effect on the dividend per unit does the Company anticipate?

Company's Answer

As of December 31, 2023, the Trust had the loans due to the financial institutions in the net amount of Baht 4,334, 212,822. For the repayments of the loans to the said financial institutions, the Trust must pay the full amount before or on the expiry date of leasehold right. For the repayment plan in each year, the Trust shall consider the liquidity, cash status, loan amount and conditions in the loan agreement. Therefore, the starting date of the principal installment payment and the completion date of the principal payment cannot be anticipated. Therefore, the effect on the unitholders' returns per unit depends on the principal amount to be repaid to the financial institutions and the number of units at that time.

Questions from the Trust Unitholders

If the lease agreement expires, will this cause the value of the Trust to 0? Will the value of trust unit in the market 0? Will the dividend payment be stopped? If the Trust wishes to renew the lease agreement, whether the fund raising is needed? Does during the lease term the value of trust unit gradually decrease?

Company's Answer

The Trust has invested in a leasehold right with a lease term of 30 years and has received a promise from the lessor to extend the lease term for another 30 years. If the Trust wishes to exercise its right to extend the lease agreement, the Trust must notify the lessor in advance in the 21st to 25th years of the lease term so that the Trust has sufficient time to consider raising funds to pay the rent and leasehold registration fees for the extended lease term before the expiration of the leasehold right in the 30th year. Such fund raising may be loans and/or equity and/or accrued profits from operation, etc.

At the expiration of the lease term or extended lease term (as the case may be) of every project, and there is no extension of new investment, the value of the Trust and the price of unit trust in the market will decrease to 0. During the lease term, the Trust will pay benefits in the form of dividends and/or capital returns, as the case may be. When the lease term expires and the Trust does not make additional investments, the Trust will have no profit to pay dividends to the Trust Unitholders. However, since the Trust was established and made its first investment in 2016, the Trust has made additional investments 4 times, which increased the value of the Trust.

Questions from the Trust Unitholders

Why does the Trust record "Net loss (gain) from change in fair value of investments" in the category of "Net cash generated from (used in) operating activities", and How does "Net loss (gain) from change in fair value of investments" affect the cash flow? Does this item not have an affect only the account or not?

Company's Answer

Net loss (gain) from change in fair value of investments is an accounting item that does not affect on the cash flow. Therefore, this item must be adjusted (added back) for the increase in net assets from operation during the year to get the net cash generated from (used in) operating activities.

Please be informed accordingly

Yours sincerely,

(Mr. Krailuck Asawachatroj)

Director

WHA Industrial REIT Management Company Limited

REIT Manager of WHA Industrial Leasehold Real Estate Investment Trust