

**Information Memorandum on WHART Trust's Related Party Transaction  
(Persons Related to the REIT Manager)**

**1. Transaction date**

After obtaining the approval from the trust unitholders' meeting

**2. Counterparty and relationship with WHART Trust**

The related person for this transaction is WHA Corporation Public Company ("WHA"). WHA is the party to the Undertaking Agreement dated 12 December 2014 and is a related party to WHART Trust by being a major shareholder, holding approximately 99.99 percent of the Company, which is the REIT Manager of WHART Trust, the major trust unitholder of WHART Trust holding 120,963,422 trust units representing 18.28% of the total trust units sold (as of 17 March 2016), and the current property manager of WHART Trust.

**3. General characteristics of the transaction**

In April 2015, WHA acquired shares of Hemaraj Land and Development Public Company Limited ("Hemaraj") at 92.88 percent. Presently, Hemaraj is in the process of delisting from being the listed company of the Stock Exchange of Thailand. The business nature of Hemaraj and WHA is quite similar i.e. business of leasing out real estate consisting of warehouses, distribution centers or factory buildings. WHA's business comprises of those developed according to the need of customers and ready built while Hemaraj's business is to mostly develop ready built factory and ready built warehouses. In order that the business of WHA and Hemaraj is not duplicated, WHA's board of directors passed a resolution to set the business policy of WHA and Hemaraj with respect to warehouses, distribution centres and factory buildings. The details appear in WHA's letter in Enclosure 3.

Hemaraj is in the process of setting up a real estate investment trust ("Hemaraj Trust"). The business policy of Hemaraj set forth by WHA is applied for setting the investment policy of Hemaraj Trust to correspond the business policy of Hemaraj i.e. both Hemaraj and Hemaraj Trust have the policy to invest in ready built factory and ready built warehouse located in industrial estates, industrial zones or industrial parks established developed by Hemaraj and/or its subsidiaries or areas related to or next to such areas as well as the roof of such areas.

However, in order that the investment policy of WHART Trust corresponds to the business policy of WHA and that the business policy of WHART Trust and that of Hemaraj Trust in relation to ready built factory and ready built warehouse located in industrial estates, industrial zones or industrial parks established developed by Hemaraj or its subsidiaries or areas related to or next to such areas is not duplicated, WHA requested Trustee and REIT Manager to consider amending the investment policy of WHART Trust as detailed in Enclosure 4 and amending the right of first refusal in the Undertaking Agreement as detailed in Enclosure 5 to correspond the business policy of WHA. The business policy of WHA and Hemaraj is effective on 13 October 2015, the day on which the board of director of WHA passed a resolution to set forth the business policy of WHA and Hemaraj.

The adjustment of the investment policy of WHART Trust and to the right of first refusal as requested by WHA will need to amend the Trust Deed, clause 8.1.1 paragraph one and the Undertaking Agreement clause 3.1 as detailed in the proposed amendment in Enclosures 4 and 5. The said two amendments are significant issues materially affecting the right of trust unitholders as follows:

1. The amendment to the investment policy of WHART Trust as proposed by WHA will cause the investment policy of WHART Trust does not include the investment in ready built warehouses, distribution centers or factory buildings located in the following areas:

- (a) industrial estates, industrial zones or industrial parks established, invested and/or developed by Hemaraj (such areas collectively called "Industrial Areas")

- (b) areas developed by Hemaraj located next to the Industrial Areas, or, if not next to the Industrial Areas, the areas which are close to or vicinity of the Industrial Zone to accommodate or support the business or expansion of ready built business in the Industrial Areas of Hemaraj;
- (c) the areas other than (a) and (b) which Hemaraj has sole ownership or possession right or joint ownership or possession right between Hemaraj and Hemaraj's subsidiaries before 13 October 2015<sup>1</sup> and still holds the ownership or possession at all times. The said areas may be operated for industrial business under the zoning law. 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 Undertaking Agreement is to change the right of first refusal of WHART Trust owed by WHA i.e. to waive the right of first refusal of WHART Trust to invest in ready built warehouses, distribution centers, factory buildings of WHA and its subsidiaries located in the Industrial Areas and Surrounding Areas as well as the warehouses, distribution centers, factory buildings of WHA's subsidiaries being public companies listed on the Stock Exchange of Thailand and subsidiaries of such public companies.

#### **4. Size of the transaction and consideration**

The calculation of the transaction size or value of assets from acquisition and disposal as a result of the amendment to the Trust Deed and the Undertaking Agreement may not be made since the amendment to the investment policy is not an acquisition or disposal of assets and does not fix the timing for investment. It is only to set out the investment policy of WHART Trust with respect to the type or characteristic of assets WHART Trust will invest in.

However, the amendment to the Undertaking Agreement falls within the characteristic of the related transaction where the transaction size must be taken into consideration for obtaining approval from the trust unitholders. Although the transaction size or value of assets as a result of the amendment to the Trust Deed and the Undertaking Agreement may not be calculated, the right so changed will have restriction. The Company therefore is of the opinion that the said amendment to the Undertaking Agreement should be approved by the trust unitholders pursuant to the highest transaction size rule under the Trust Deed, Clause 12.2.3.

#### **5. Nature and scope of interest of related person**

WHA as the related person has interest in the adjustment of the investment policy of WHART Trust and amendment to the right of first refusal as requested by WHA that ready built warehouses, distribution centers or factory buildings located in Industrial Areas and Surrounding Areas<sup>2</sup> are not subject to the first right of WHART Trust. As a result, the WHA or its subsidiaries shall not offer ready built warehouses, distribution centers or factory buildings located in Industrial Areas and Surrounding Areas<sup>3</sup> to WHART Trust in case WHA or its subsidiaries wish to sell such assets to other persons.

#### **6. Benefit WHART Trust may receive**

The investors are able to select to invest in the assets suitable to their desired risk and return by themselves. Upon having been amended, the investment policy of WHART Trust is obviously different from Hemaraj Trust in term of type of assets, location and average period of agreements.

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<sup>1</sup> 13 October 2015 is the day on which the day on which the board of director of WHA passed a resolution to set forth the business policy of WHA and Hemaraj with respect to warehouses, distribution centres and factory buildings.

<sup>2</sup> Please see the definition "Industrial Areas and Surrounding Areas" above

<sup>3</sup> Please see the definition "Industrial Areas and Surrounding Areas" above

## 7. Approval of the transaction

The amendment to the Undertaking Agreement requires an affirmative vote from a 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 unitholders who have special interest in this matter shall not have the rights to vote. A quorum of the meeting at which the resolution is to be obtained must comprise at least 25 trust unitholders or not less than one-half of the total number of trust unitholders holding in aggregate at least one-third of the total number of issued trust units.

The trust unitholders who have special interest in this matter and may not vote in this agenda as of the book closing date on 17 March 2016 are as follows:

Name	Number of Trust Units Held	Percentage
WHA Corporation Public Company Limited	120,963,422	18.28%
Miss Jareeporn Jarukornsakul	801,000	0.12%
Miss Jaruwan Jarukornsakul	297,400	0.04%
Mr. Somyos Anantraprayoon	1,051,000	0.16%
Mr. Montchai Pinthuprapa	200,000	0.03%
Miss Nalin Anantraprayoon	100,000	0.02%
Miss Piyawan Laokosakul	1,000	0.00%
Mr. Rachata Trachuwanich	40,000	0.01%
Mrs. Vipavee Chalernsaphayakorn	30,000	0.00%
Total	123,976,822	18.66%

## 8. Opinion of the Board of Directors of the REIT Manager regarding the Entry into the Transaction

The amendment to the investment policy of WHART Trust and the right of first refusal of WHART Trust in the Undertaking Agreement is to waive the right to investment in Hemaraj's assets since WHART Trust is unable to investment ready built factories and ready built warehouses situated in the Industrial Areas and Surrounding Areas<sup>4</sup> as well as the warehouses, distribution centers and factory buildings of WHA's subsidiaries being public companies listed on the Stock Exchange of Thailand and subsidiaries of such public companies. Although WHART Trust waives the right to make the investment, in term of diversification, the investors may make their own investment whereby the investors may select to invest in the assets suitable to their risk and return by investing in the trust corresponding to the investment policy. Therefore, the Company is of the opinion that the amendment to the investment policy of WHART Trust and the Undertaking Agreement is the significant matter affecting the trust unit holders as stated above. This Meeting of trust unit holders is necessary to be held so that the Meeting may consider whether to allow the amendment of the investment policy of WHART Trust and the Undertaking Agreement as requested by WHA or not.

## 9. Opinion of the Independent Director which is different from the opinion of the Board of Directors

After consideration, the Independent Director has opinion not being different to that of the Board of Directors of the Company.

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

<sup>4</sup> Please see the definition "Industrial Areas and Surrounding Areas" in page 2.

Yours sincerely,

A handwritten signature in blue ink, consisting of a stylized, cursive letter 'P' followed by a vertical stroke and a horizontal crossbar.

(Piyapong Pinthuprapa)  
Director  
WHA Real Estate Management Co., Ltd.  
REIT Manager