



(Translation)

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

**Through electronic meeting media (E-AGM)**

**Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust**

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April 20, 2022 at 14.00 hrs. via electronic meeting media (E- AGM)

Live from Surawong 2 Boardroom, 8<sup>th</sup> floor, 345 Surawong Building, Surawong Road, Suriyawong, Bangrak, Bangkok

**Introduction**

Miss Sathankorn Tangboon-ua ("master of ceremony") started the meeting with her welcoming speech to all Trust unitholders and Proxies, and also introduced boards of directors and executives of Prospect REIT Management Company Limited ("Company" or "REIT Manager"), SCB Asset Management Company Limited ("Trustee"), Prospect Development Company Limited ("Property Manager"), and KPMG Phoomchai Audit Company Limited ("Auditor") for Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust ("PROSPECT REIT" or "Trust") to the meeting.

Boards of directors and executives of Prospect REIT Management Company Limited on behalf of the REIT Manager

- |                                   |  |
|-----------------------------------|--|
| 1. Mr. Vorasit Pokachaiyapat      | Chairman   |
|                                   | Presided as the Chairman of the 2022 Annual General Meeting of Trust Unitholders |
| 2. Ms. Rachanee Mahatdetkul       | Director   |
| 3. Ms. Pakavalee Jearsawatvattana | Independent Director   |
| 4. Ms. Aon-Anong Chaithong        | Chief Executive Officer  |

Representative from SCB Asset Management Company Limited on behalf of the Trustee

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|--------------------------------|--------------------|
| 1. Mrs. Tipaphan Puttarawigorm | Executive Director |
|--------------------------------|--------------------|

Representative from Prospect Development Company Limited on behalf of the Property Manager

- |                         |                 |
|-------------------------|-----------------|
| 1. Mr. Jedsada Penglert | General Manager |
|-------------------------|-----------------|

Representative from KPMG Phoomchai Audit Company Limited on behalf of the Auditor

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|-------------------------------|----------------|
| 1. Ms. Charinrat Noprampa     | Audit Director |
| 2. Mr. Thanathep Lerkittiphan | Audit Manager  |



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Meeting started at 14.00 hrs.

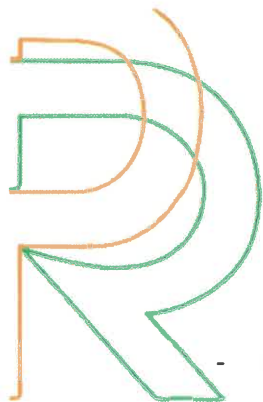
The master of ceremony reported that there were total 140 trust unitholders and Proxies attending this meeting, consisting of 5 trust unitholders and 135 proxies, holding 94,140,100 trust units, accounting for 38.42% of trust units sold to all trust unitholders. It was constituted quorum according to trust deed which required at least 25 trust unitholders, or no less than half of total number of trust unitholders, and it must involve with one-third of total number of trust units sold in each meeting.

The master of ceremony invited Mr. Vorasit Pokachaiyapat, Chairman of Prospect REIT Management Company Limited, on behalf of REIT Manager ("Chairman") to give his opening and welcoming speech to all trust unitholders. He also mentioned that REIT Manager would emphasize the safety for all persons during the ongoing COVID-19 epidemic, so the 2022 Annual General Meeting of Trust Unitholders should be arranged through electronic media (E- AGM) only under the right regulations and rules for the meeting via electronic media. Miss Aon-anong Chaithong, Chief Executive Officer ("Chief Executive Officer"), would present her report according to the meeting agenda.

The master of ceremony announced that the same practices would be done for all levels of trust unitholders in order to maintain good corporate governance. Before the 2022 Annual General Meeting of Trust Holders, the REIT Manager had opened for all trust unitholders to propose the agenda in advance for the 2022 Annual General Meeting of Trust Unitholders through The Stock Exchange of Thailand's website and PROSPECT REIT's website between November 17, 2021 until December 15, 2021, but there was no propose the agenda from any trust unitholders. Although the REIT Manager had already sent an invitation letter with all concerned document by post to all trust unitholders, disclosed the same invitation letter with all concerned document on the PROSPECT REIT's website, and had also notified the news of the disclosure of the invitation on The Stock Exchange of Thailand's website on March 30, 2022, for all trust unitholders to consider all meeting agendas in advance.

The master of ceremony had explained about the meeting agenda to all trust unitholders before going to the details as follows;

- All agenda is an agenda for acknowledgment, voting should not be required.
- Through electronic meeting, all participants could attend the meeting for the whole time, in case of any problem occurred, they could ask for assistance from the REIT Manager support team via telephone 02-079-1811 at any time.
- The REIT Manager had opened for any inquiries or suggestions for each issue from the trust unitholders and proxies through these channels;
  - Channel for chat message: Go to menu "Chat", select "PROSPECT REIT Q&A" as receiver, then type message and immediately send to the system. In case of not selecting PROSPECT REIT Q&A as receiver, the message would not be sent to the system.



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- Channel for voice message: The participants must click on a button of “Raise hand” and unmute the microphone of their device, voice message would be allowed after getting an invitation for conversation, and please mute the microphone after each conversation.

- For sending each inquiries or suggestions, that participant must mention his or her name and surname, including detail of natural trust unitholder or proxy in order be rightly recorded in the meeting report.
- The REIT Manager team would collect all inquiries and suggestions received from Chat message, then forward to the master of ceremony who would read those inquiries and suggestions, and also names of senders.
- PROSPECT REIT would answer only questions related to the concerned agenda in the meantime, those unanswered inquiries would be responded in the end of the meeting. If there're a huge of inquiries, all related answers would be collected and put in the minutes of the meeting.

The Chief Executive Officer had then presented 5 agendas to be considered in the meeting as follows;

**Agenda 1 To acknowledge the operating results of PROSPECT REIT for the fiscal year starting from 1 January 2021 to 31 December 2021**

The Chief Executive Officer had reported the operating results of PROSPECT REIT for the fiscal year starting from 1 January 2021 to 31 December 2021. Details would be as follows;

**Details of Trust Investment Asset**

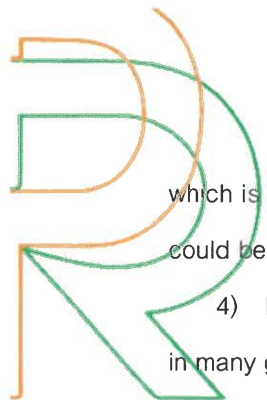
On August 18, 2021, PROSPECT REIT was invested in the sub-leasehold rights of parts of land and buildings in the Bangkok Free Trade Zone, located on Bangna-Trad Road, KM.23. It consists of 63 buildings, 185 units, leasable area 219,116.0 sq. m, which were divided for 1) General Zone 61.3%, 2) Free Zone 38.7%. And, it can be classified in 4 types of asset: 1) Warehouse 55.3%, 2) Stand-alone Factory Building 20.9%, 3) Mini Factory Building 16.9%, and 4) Built-to-Suit Building 6.9%.

**Details of Tenants**

1) Proportion of tenants of the first 5 types of business could be categorized as 14.4% for Paper, 12.7% for Food & Beverage, 11.5% for Recycle, 11.2% for Plastics, 8.7% for Logistics Service Provider, and 41.5% for others.

2) Proportion of tenants of the first 5 nationalities could be classified as 31.7% for Japanese, 17.8% for Thai, 15.9% for Chinese, 9.1% for French, 7.1% for American, and 18.4% for others.

3) Types of buildings could be sorted by its function, and its proportion could be calculated according to types of asset. Bangkok Free Trade Zone is located in the purple zone, which is beneficial for tenants to use every building to operate their business as a factory. Proportion could be based on the tenants' usage as 1) Factory at 70.6%, 2) Warehouse at 22.0%, and 3) Built-to-Suit at 7.4%. It showed that proportion of factory was up to 70.6%



which is a good point for PROSPECT REIT, as the cost of displacement for the tenants of the factory business could be very high, and the displacement could be more difficult than moving out of the warehouse business.

4) Proportion of first 10 tenants was from varied types business, not specific operations, and it was spread in many groups of nationality. It could be ranked as 1. Plastics at 9.0%, 2. Paper at 8.0%, 3. Food & Beverage and 4. Recycle at same 7.4%, 5. Paper at 6.1%, 6. Metal at 2.6%, 7. Logistics Service Provider at 2.1%, 8. Components and 9. Equipment at same 2.0%, 10. Electronics and appliances at 1.9%, and Others at 51.5%.

5) Proportion of leases to expire in 2021 was at 28%, and renewal of leases had been made up to 87.7%. Since before PROSPECT REIT investing in Bangkok Free Trade Zone until establishment of PROSPECT REIT. Percentage of renewal of the tenants' contract had always been higher than 80%. 33% of contracts would expire in 2022, as of the present (20 April 2022) the contract that expire in Q1 of 2022 renewals were made 100%, leases to expire for the year of 2023 at 28.1%, 2024 at 24.2%, 2025 at 1.1%, and 2030 at 7.4% (Built-to-Suit).

#### Details of Occupancy Rate

1) Occupancy Rate on December 31, 2021 was at 93.8%, and on December 31, 2020 at 95%, it was accounting for 1.2% decrease.

#### 2) Occupancy Rate (Based on types of assets)

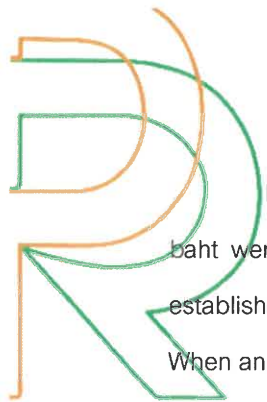
- Warehouse buildings at 93.9% on December 31, 2021, and at 96.8% on December 31, 2020.
- Stand-Alone Factory buildings at 95.8% on December 31, 2021, and at 95.8% on December 31, 2020.
- Mini Factory buildings at 88.1% on December 31, 2021 and at 85.8% on December 31, 2020.
- Built-to-Suit buildings 100% on December 31, 2021, and at 100% on December 31, 2020.

#### Overall performance for the fiscal year starting from 1 January 2021 to 31 December 2021.

Overall performance as of December 31, 2021, PROSPECT REIT could earn 443.2 million baht of income, and 290.7 million baht was increased, it was accounting for 191% when comparing to the result of partial year of 2020 (From August 14, 2020, PROSPECT REIT establishment date, to December 31, 2020) with gained 152.6 million baht of income. When annualized adjustment was made for comparison, it showed that the total income was increased at 11.4%.

Cost of all expenses was 148.8 million baht, 95.7 million baht were increased, accounting for 180% in the partial year of 2020 (From August 14, 2020, PROSPECT REIT establishment date, to December 31, 2020) with total 53.1 million baht for all expenses. When annualized adjustment was made for comparison, it showed that the total expenses were increased at 7.5%.





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PROSPECT REIT had a net investment income (Operating Profit) was 294.4 million baht, 194.9 million baht were increased, accounting for 196% in the partial 2020 (From August 14, 2020, PROSPECT REIT establishment date, to December 31, 2020) had a net investment income (Operating Profit) was 99.5 million baht. When annualized adjustment was made for comparison, it showed that a net investment income was increased at 13.5%.

The master of ceremony announced that the 1<sup>st</sup> agenda is an agenda for acknowledgment, voting should not be required, and had opened for any inquiries or suggestions related to the 1<sup>st</sup> agenda form all trust unitholders.

[Mr. Torpong Krongtrivate] a unitholder attending the meeting, asked about the expected costs of the trust in the future, and how the costs could be controlled in the same level of 2021?

[Chief Executive Officer] had explained that the trust had already set a budget before starting a new fiscal period, the budget set on 2020 and the actual operation year 2021 are quite consistent. And, it was importantly found that when invested assets were invaluable possessions of sponsors, concerned costs would be quite low, the set budgets were always matched with the actual costs.

[Mr. Torpong Krongtriweth] a unitholder attending the meeting, asked about the reduced occupancy rate, when comparing to 98.1% of the quarter 3/2021, and to 93.8% of the quarter 4/2021. What were the causes? Did the trust get replacing tenants?

[Chief Executive Officer] had explained that the reduced occupancy rate, because of two tenants who had an impact from the pandemic of Corona 2019 (Covid-19). The trust had always tried to well support the both tenants, but they eventually terminated their lease agreement in the 4<sup>th</sup> quarter of 2021 due to their difficult situation, the concerned space was totally more than 6,800 sq. m. Thus, there would be more available spaces. At the 2<sup>nd</sup> quarter of 2022. The unitholder could be sure that there would be new tenants with expected income at the end of the 2<sup>nd</sup> quarter or the beginning of the 3<sup>rd</sup> quarter.

[Mr. Torpong Krongtriweth] a unitholder attending the meeting, asked about the possibility of an increasing rental rate, and at the 1st quarter of 2022, 33% of tenants holding contracts until 2022 as the given info all contracts would make a renewal or not?

[Chief Executive Officer] had explained that rental rate from the Bangkok Free Trade Zone has been in Premium level since the beginning, there would be prices of One-Stop-Service for all tenants, so the trust would remain the same rental rate. During the ongoing Covid-19 epidemic, a decrease of rental rate for a short-term period of 3- 6 months was offered to some tenants, but it would not be applied for the whole period of contract. For a renewal of leases to expire in all 4 quarters of 2022, total 33% of leases would expire, as of the present



(April 20, 2022) the contract that expire in Q1 of 2022 renewals were made 100%. But the data as of March 31, 2022 (as at the end of the first quarter) showed that the contract was renewed at 96%. Another leases to expire in the 2<sup>nd</sup> quarters to 4<sup>th</sup> quarters of 2022 has still been in the process of negotiation for more details.

There was no new inquire from any unitholder, the master of ceremony had summarized the 1<sup>st</sup> agenda as below;

The operating results of PROSPECT REIT for the fiscal year starting from 1 January 2021 to 31 December 2021 was acknowledged by the participants, all details were already reported in the meeting.

**Agenda 2 To acknowledge the Financial Statements of PROSPECT REIT for the fiscal year ending 31 December 2021.**

The Chief Executive Officer had reported the Financial Statements of PROSPECT REIT for the fiscal year ending 31 December 2021. Details would be as follows;

**Statement of Financial Position**

- PROSPECT REIT has total assets of 3,623.91 million baht for the fiscal year of 2021, and 3,706.05 million baht for the previous fiscal year of 2020, accounting for a 2.2% decrease, it was caused by assets valuation made on January 31, 2021 which indicated the lower value of assets.
- Total liabilities of 1,228.5 million baht for the fiscal year 2021, and 1,241.5 million baht for the previous fiscal year of 2020, it was an increase of 1.7% caused by repayments of long-term loans.
- Total Net Assets of 2,395.5 million baht for the fiscal year of 2021, and 2,464.6 million baht for the fiscal year of 2020, it was accounting for 2.8% decrease.

**Statement of comprehensive income**

- PROSPECT REIT has net profit on investments was 294.4 million baht for the fiscal year of 2021, and 99.5 million baht for the fiscal year of 2020, it was a 196% increase.
- Total net loss on investments showed loss of 85.1 million baht for the fiscal year 2021 due to an asset valuation made on January 31, 2021.
- Increase in net assets resulting from operations in the fiscal year 2021 to 209.3 million baht from 99.9 million baht of the fiscal year 2020 was accounting for 110%.

**Statement of Cash Flow**

For the fiscal year of 2021, PROSPECT REIT has net cash from operating activities was 332.4 million baht, has net cash used in financing activities of 334 million baht, so has net decrease in cash and cash equivalents of 1.6 million baht. Cash and cash equivalents at 1 January 2021 showed 24.5 million baht and 22.9 million baht as of December 31, 2021.



(Translation)

The master of ceremony announced that the 2<sup>nd</sup> agenda is an agenda for acknowledgment, voting should not be required, and had opened for any inquiries or suggestions related to the 2<sup>nd</sup> agenda form all trust unitholders.

There was no inquire from any unitholder, the master of ceremony had summarized the 2<sup>nd</sup> agenda as below;

The Financial Statements of PROSPECT REIT for the fiscal year ending 31 December 2021 was acknowledged by the participants, all details were already reported in the meeting.

**Agenda 3 To acknowledge the distribution of dividends to PROSPECT REIT Unitholders for the fiscal year ending 31 December 2021.**

The Chief Executive Officer had reported the distribution of dividends to PROSPECT REIT Unitholders for the fiscal year ending 31 December 2021, Details would be as follows;

In 2021, there were 4 payments made to the PROSPECT REIT unitholders.

- The 1<sup>st</sup> payment was for the capital reduction at rate of 0.2808 baht per unit, it had been made on June 10, 2021.
- The 2<sup>nd</sup> payment was for the interim dividend payment for the operation period April 1, 2021 – June 30, 2021 at rate of 0.2350 baht per unit, and for the capital reduction at rate of 0.0520 baht per unit, it had made on September 8, 2021.
- The 3<sup>rd</sup> payment was for the interim dividend payment for the operation period July 1, 2021- September 30, 2021 at rate of 0.2880 baht per unit, it had been made on December 9, 2021.
- The 4<sup>th</sup> payment was made for the interim dividend payment for the operation period October 1, 2021 – December 31, 2021 at rate of 0.2600 baht per unit, it had been made on March 15, 2022.

Summary of payments made to all PROSPECT REIT unitholders was for dividend payment at total rate of 0.7830 baht per unit, the capital reduction at total rate of 0.3328 baht per unit, total was 1.1158 baht per unit. If calculating the rate of payment per year on the IPO price of 10.00 baht per unit, it showed that the rate of payment 11.16 %, if calculating on the market price of 10.70 baht per unit as of the last business day of 2021 (30 December 2021), it showed that the rate of payment 10.04 %

The master of ceremony announced that the 3<sup>rd</sup> agenda is an agenda for acknowledgment, voting should not be required, and had opened for any inquiries or suggestions related to the 3<sup>rd</sup> agenda form all trust unitholders.



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[Mr. Torpong Krongtriweth] a unitholder attending the meeting, asked about, in 2022, Can pay the distribution payment of both dividends and capital reduction to 1 baht/unit as occurred in 2021?

[Chief Executive Officer] explained that the trust has already started on loan repayment in this 2022, so the rate of distribution payment might decrease slightly, as the main expenses of 2021 were about loan repayments, but no repayment had been made before. And, please be informed that there were concerned details in the initial public offering (IPO) about the internal rate of return (IRR) also, which should be at 8- 9% mark on price of 10 baht. In the meantime, the trust has been trying to search for quality assets in order to generate consistent incomes to the trust, and the satisfactory internal rate of return (IRR) that was mentioned in the initial public offering (IPO) would still be expected.

There was no new inquire from any unitholder, the master of ceremony had summarized the 3<sup>rd</sup> agenda as below;

The distribution of dividends to PROSPECT REIT Unitholders for the fiscal year ending 31 December 2021 was acknowledged by the participants, all details were already reported in the meeting.

**Agenda 4 To acknowledge the appointment of an auditor and the determination of the remuneration of an auditor of PROSPECT REIT for the year of 2022.**

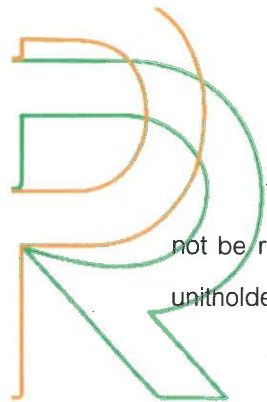
The Chief Executive Officer had reported the appointment of an auditor and the determination of the remuneration of an auditor of PROSPECT REIT for the year of 2022, Details would be as follows;

REIT Manager had considered some auditors before the appointment, recruiting processes were made meticulously by focusing on their qualifications and performances, qualified criterion, ability and disengagement with no gain/ loss or connection related to auditing trust's statements. After all processes done, and KPMG Phoomchai Audit Company Limited, who was the previous auditor of the trust, was selected again, these are a list of licensed auditors;

- |                  |                |                      |
|------------------|----------------|----------------------|
| 1) Ms. Nawarat   | Nithikiatphong | Auditor No. 7789 or, |
| 2) Ms. Chanarat  | Chanwa         | Auditor No. 9052 or, |
| 3) Ms. Charinrat | Noprampa       | Auditor No. 10448    |

One of the aforementioned licensed auditors can audit and express opinions about the PROSPECT REIT's financial statements. Otherwise, other licensed auditors assigned by KPMG Phoomchai Audit Company Limited may perform audit responsibilities and express opinions about the PROSPECT REIT's financial statements instead if any of the aforementioned licensed auditors cannot perform their duties. And, same audit fee as for the year of 2021 would be remained.





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The master of ceremony announced that the 4<sup>th</sup> agenda is an agenda for acknowledgment, voting should not be required, and had opened for any inquiries or suggestions related to the 4<sup>th</sup> agenda from all trust unitholders.

There was no inquire from any unitholder, the master of ceremony had summarized the 4<sup>th</sup> agenda as below;

The appointment of an auditor and the determination of the remuneration of an auditor of PROSPECT REIT for the year of 2022 was acknowledged by the participants, all details were already reported in the meeting.

#### **Agenda 5 To consider other matters (if any)**

As there was no more consideration, the master of ceremony had invited all trust unitholders and proxies to submit more inquiries and suggestions of other issues that were not relevant to the above 4 agenda.

[Mr. Torpong Krongtriweth] a unitholder attending the meeting, asked for the reasons of PROSPECT REIT investing on new assets during the beginning of 2022, and what would be the direction of more investments in the future?

[Chief Executive Officer] had explained that a new asset is located nearby the old project, it located on Bangna-Trad Road, KM.18. It would be an ownership investment of lands and buildings, and there was no financial cost for acquiring the assets, the cash flow from operations would be used for this instead of being invested in the Money Market or Funds which might generate a profit or a yield at 1-2%. The ownership investment could earn a yield around 7-8%. There is a leasable area of 3,087 sq.m. of a 25-year building with its existing tenants in the long-term rental period of 9 years. REIT Manager believed that the location and quality of the property, and the tenants would be keys to valuable assets of the trust.

For the direction of investments in the future, REIT Manager has always been searching for quality assets. The trust had currently changed its name to Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust, which meant that there would be more assets in the form of rights of ownership and lease, in order to gain more liquidity and to expand trust assets size, including more consistent incomes.

[Mr. Torpong Krongtriweth] a unitholder attending the meeting, questioned about the news of the expansion of warehouse and factory for rent in Wang Noi, would it be possible to bring it into the trust?

[Ms. Rachanee Mahatdetkul], Director of Prospect REIT Management Company Limited, had explained that, the expansion of warehouse and factory for rent is a joint venture between Prospect Development Company Limited and FINANSA Public Company Limited under a project named "BFTZ Wang Noi" which's located on Phaholyothin Road, KM.65, had already negotiated with Siam Makro Public Company Limited in order to get a long-term lease of some rental spaces for warehouses and distribution centers. And, the buildings were currently



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under the construction, and might be ready to use around the beginning of 2023. Once there were any offers for Real Estate Investment Trust, PROSPECT REIT would have right of first refusal, so it would be possible for PROSPECT REIT to invest in this project.

[Mr. Torpong Krongtriweth] a unitholder attending the meeting, shared some comments and his appreciation to the management team and all staff, as they had well and smoothly managed PROSPECT REIT throughout the ongoing COVID- 19 epidemic. He had also appreciated the effective online channels of Bangkok Free Trade Zone that allowed to get in touch with the tenants, there were proper functions on the website of PROSPECT REIT which were updated and convenient for all investors, all concerned and completed information were ready there. And also, there were Facebook Page: Prospect REIT Management and Blockdit of REIT Manager who delivered all news and updates about PROSPECT REIT, and offered knowledge about the investments in REIT. Those were very useful channels, but there were still not many followers, hopefully the company would effectively promote the mentioned channels.

There was no more inquiry or suggestion from any unitholder, the master of ceremony invited the Chairman for giving his closing speech, and the meeting was closed at 14.44 hrs.

Yours faithfully,

( Mr. Vorasit Pokachaiyapat )

Chairman of the 2022 AGM

Prospect REIT Management Company Limited

REIT Manager of

Prospect Logistics and Industrial

Freehold and Leasehold Real Estate Investment Trust