

Information Memorandum on Related Party Transactions with Persons Related to the REIT Manager

1. Termination of Lease Agreement of disposal asset

1.1. Transaction Date : After obtaining the approval in relevant matters from the meeting of trust unitholders of Dusit Thani Freehold and Leasehold Real Estate Investment Trust (“DREIT”) and the parties satisfied all condition precedent stipulated in the Memorandum of Termination of Lease Agreement of Dusit D2 Chiangmai Hotel.

1.2. Related Parties and Relationship between DREIT and the REIT Manager : The related persons to the REIT Manager of DREIT in this transaction are as follows:

(1) Dusit Thani Public Company Limited (“DTC”) is a major shareholder of the Company, the REIT Manager of DREIT, holding the proportion of approximately 99.99 percent of all the sold shares of the Company and is currently the major trust unitholder of DREIT, holding the proportion of approximately 30.20 percent of the total trust units.

(2) Dusit Thani Management Company Limited (“DMCO” or “Main Lessee”), who is a counterparty in Lease Agreement (Dusit D2 Chiangmai Hotel) between Dusit Thani Freehold and Leasehold Property Fund (“DTCPF”) and DMCO dated 24 December 2010 together with the Letter Subject: Renewal of Lease Agreement (Dusit D2 Chiangmai Hotel) between DTCPF and DMCO dated 1 December 2013, Letter Subject: Renewal of Lease Agreement (Dusit D2 Chiangmai Hotel) between DTCPF and DMCO dated 11 November 2016, Novation Agreement between DTCPF and DREIT dated 29 November 2017, Amendment of the Lease Agreement of Dusit D2 Chiangmai Hotel dated 24 December 2010 between DREIT and DMCO dated 8 December 2017, the Letter Subject:

Renewal of Lease Agreement (Dusit D2 Chiangmai Hotel) between DREIT and DMCO dated 19 November 2019 and Amendment (No. 2) of the Lease Agreement of Dusit D2 Chiangmai Hotel dated 24 December 2010 between DREIT and DMCO dated 21 June 2021 (collective referred to as the “**Lease Agreement of Dusit D2 Chiangmai Hotel**”). In which, DMCO has DTC as a major shareholder where DTC holds the proportion of approximately 99.99 percent of the sold shares of DMCO.

- 1.3. **Characteristics and Scope of Interest of the Person Related to the REIT Manager** : DMCO is considered to be persons with interest by being counter party (as Main Lessee) for the Lease Agreement of Dusit D2 Chiangmai Hotel. Whereby, DREIT and DMCO will agree to terminate such agreement, upon the disposition of Asset of Dusit D2 Chiangmai Hotel to terminate such agreement, in which each party will have no rights to claim for any monies or compensation from other party.
- 1.4. **General Characteristic of the Transaction** : DREIT and DMCO shall agree to terminate such agreement when the Asset of Dusit D2 Chiangmai Hotel is disposed.
- 1.5. **Value of the Transaction and Total Consideration** : The termination of the Lease Agreement of Dusit D2 Chiangmai Hotel has the value of Baht 167,940,000 (One Hundred Sixty-Seven Million Nine Hundred Forty Thousand Baht) calculated from fixed rental that will decrease once the Lease Agreement of Dusit D2 Chiangmai Hotel is terminated which is equivalent to Baht 18,660,000 (Eighteen Million Six Hundred Sixty Thousand Baht) per year throughout the remaining period of the agreement, including the period which DMCO promised to lease assets from DREIT (The remaining period is approximately 9 years).
- 1.6. **Size of the Transaction** : The termination of Lease Agreement of Dusit D2 Chiangmai Hotel is considered as a related party transaction between DREIT and the persons related to the REIT Manager with the transaction size equivalent to or exceeding Baht 20,000,000 or exceeding 3 percent of

the net asset value of DREIT (representing Baht 5,784,435,898.96 (Five Billion Seven Hundred Eighty-Four Million Four Hundred Thirty-Five Thousand Eight Hundred Ninety-Eight Baht Ninety-Six Satang) as at 30 June 2022).

1.7. **Benefits which DREIT will receive from this Transaction** : To proceed in accordance with Agreement to Purchase and to Sell Lands, Buildings and Movable Assets in relation to disposition of Asset of Dusit D2 Chiangmai Hotel and to release the Asset of Dusit D2 Chiangmai Hotel which DREIT considered to sell to Asset World Corp Public Company Limited (“AWC” or the “Offeror”) according to the received offer letter to purchase such asset in the total net purchase price of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to hotel equipment) or as DREIT considered to sell to the purchaser who is a person determined by the REIT Manager at the total net purchase price that will increase total benefits of DREIT not less than 3.8 percent when compared to the Offer received from AWC (that is, the total net purchase price of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in part of hotel equipment) from any obligation under the Lease Agreement of Dusit D2 Chiangmai Hotel.

1.8. **Approval for the Transaction** : The entering into the aforementioned transaction requires the approval from the Meeting of Trust Unitholders of DREIT by a vote of not less than three-fourth of all votes of trust unitholders attending the meeting and having the right to vote pursuant to the Notification of the Office of the SEC SorRor. 26/2555 Re: Provisions concerning Lists and Statements in the Trust Deed of the Real Estate Investment Trust (as amended) (“**Notification of the Office of the SEC SorRor. 26/2555**”).

In counting votes of all trust unitholders having the right to vote, the Company will not include the votes from the trust unitholders with a special interest in the proposed agenda. The details of the trust

unitholders with a special interest in the proposed agenda for resolution will be provided in the invitation letter to the extraordinary general meeting of trust unitholders to be further rendered to trust unitholders.

1.9. Opinion of the REIT :
Manager's Board of
Directors regarding the
Entering into the
Transaction

The Board of Directors of the Company is of the opinion that it is to comply with Draft Agreement to Purchase and to Sell Lands, Buildings and Movable Assets in relation to disposition of Asset of Dusit D2 Chiangmai Hotel which stipulated that DREIT must terminates Lease Agreement of Dusit D2 Chiangmai Hotel, so that upon disposition of the Asset of Dusit D2 Chiangmai Hotel to AWC and/or the purchaser who is a person as determined by the REIT Manager according to the conditions approved by the meeting of the trust unitholders of DREIT (as the case may be), such assets which transfer of the ownership therein to AWC and/or such other purchaser are without any obligations and/or any derogation from grant. Thus, the Lease Agreement of Dusit D2 Chiangmai Hotel shall be terminated whereby DREIT and DMCO agree to terminate such agreement. In this regard, DREIT will receive the compensation from disposition of such assets at the amount of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to hotel equipment) or at the amount which will increase total benefits of DREIT not less than 3.8 percent when compared to the Offer received from AWC (that is, the total net purchase price of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in part of hotel equipment) (as the case may be) in accordance with consideration of initial fixed rental fee which is cancelled for Dusit D2 Chiangmai Hotel and initial fixed rental fee for the remaining initial investment assets, namely, Dusit Thani Laguna Phuket Hotel and Dusit Thani Huahin Hotel ("Remaining Initial Investment Assets") is appropriate. (Please consider details as provided in No. 2.9 below)

1.10. Dissenting opinion of the :
Independent Director

None.

which is different from the
opinion of the Company's
Board of Directors

- 1.11. Previous Related Party :
Transaction
- The conversion of Dusit Thani Freehold and Leasehold Property Fund (“DTCPF”) into Dusit Thani Freehold and Leasehold Real Estate Investment Trust (“DREIT”) and the transfer of assets and liabilities of DTCPF to DREIT in the year 2017.
 - The indirect investment of the Additional Investment Assets No. 1 in the year 2019 and the procurement of benefit from such assets by way of letting and subletting such assets to Dusit Maldives Management Private Limited (“DMM”) with the total value of the Additional Investment Assets No. 1 of approximately Baht 2,360.67 Million or approximately USD 76.92 Million, using the reference exchange rate at Baht 30.69 per 1 US Dollar.
 - Amendment to the Lease Agreements and Undertaking Agreement for Initial Investment Assets and Undertaking Agreement for Additional Investment Assets No. 1 during June 2021 by cancelling the Conditions Concerning the Maintenance of Shareholders’ Equity and other relevant matters.
 - Entering into agreements related to the investment and the procurement of benefits in the Additional Investment Assets No. 2 during April 2022 and the investment in the Additional Investment Assets No. 2 in the extension of Dusit Thani Huahin Hotel during June 2022, which includes the procurement of benefit from such asset by lease and sublease to DMCO and obtaining the Undertaking Agreement on the investment in the Additional Investment Assets No. 2 and the procurement of benefit from the Additional Investment Assets No. 2 from DTC. In this regard, the Additional Investment Assets No. 2 has a total value of approximately 37 Million Baht.

1.12. The Summarized Table : Please consider the details provided in the attachment below.
of Financial Information of
DREIT

2. Amendment to the Lease Agreements of DREIT

2.1. Transaction Date : After obtaining the approval in relevant matters from the Trust Unitholders' Meeting of DREIT and DREIT has entered into the Memorandum of Termination of Lease Agreement of Dusit D2 Chiangmai Hotel.

2.2. Related Parties and Relationship between DREIT and the REIT Manager : The persons related to the REIT Manager of DREIT in this transaction are as follows:

(1) DTC is a major shareholder of the Company who is the REIT Manager of DREIT, holding the proportion of approximately 99.99 percent of all the sold shares of the Company and is currently the major trust unitholder of DREIT, holding the proportion of approximately 30.20 percent of the total trust units.

(2) DMCO has DTC as its major shareholder where DTC holds the proportion of approximately 99.99 percent of the sold shares of DMCO who is a counterparty to the following lease agreements:

- Lease Agreement (Dusit Thani Laguna Phuket Hotel) between DTCPF and DMCO dated 24 December 2010 together with the Letter Subject: Renewal of Lease Agreement (Dusit Thani Laguna Phuket Hotel) DTCPF and DMCO dated 1 December 2013, Letter Subject: Renewal of Lease Agreement (Dusit Thani Laguna Phuket Hotel) DTCPF and DMCO dated 11 November 2016, Novation Agreement between DTCPF and DREIT dated 29 November 2017, Amendment to the Lease Agreement of Dusit Thani Laguna Phuket Hotel dated 24 December 2010 between DREIT and DMCO dated 8 December 2017, the Letter Subject: Renewal of Lease Agreement (Dusit Thani Laguna Phuket Hotel) DREIT and DMCO dated 19 November 2019 and Amendment (No. 2) to the Lease Agreement of Dusit Thani Laguna Phuket Hotel

dated 24 December 2010 between DREIT and DMCO dated 21 June 2021 (collectively referred to as the “**Lease Agreement of Dusit Thani Laguna Phuket Hotel**”); and

- Sublease Agreement (Dusit Thani Huahin Hotel) between DTCPF and DMCO dated 24 December 2010 together with the Letter Subject: Renewal of Lease Agreement (Dusit Thani Huahin Hotel) DTCPF and DMCO dated 1 December 2013, Letter Subject: Renewal of Lease Agreement (Dusit Thani Huahin Hotel) DTCPF and DMCO dated 11 November 2016, Assignment Agreement between DTCPF and DREIT dated 29 November 2017, Amendment of the Sublease Agreement of (Dusit Thani Huahin Hotel dated 24 December 2010 between DREIT and DMCO dated 8 December 2017, the Letter Subject: Renewal of Lease Agreement (Dusit Thani Huahin Hotel) DREIT and DMCO dated 19 November 2019 and Amendment (No. 2) to the Sublease Agreement of Dusit Thani Dusit Thani Huahin Hotel dated 24 December 2010 between DREIT and DMCO dated 21 June 2021 (collectively referred to as the “**Sublease Agreement of Dusit Thani Huahin Hotel**”).

((1) – (2) are collectively referred to as the “**Lease Agreements**”)

2.3. Characteristics and Scope of Interest of the Person Related to the REIT Manager : DMCO has vested interest since it is a counterparty (as lessee/sub-lessee) of the Lease Agreements which will be amended upon the disposition of Asset of Dusit D2 Chiangmai Hotel.

2.4. General Characteristic of the Transaction : The amendment to the Lease Agreements by amending the calculation of initial fixed rental which DREIT will receive from the Remaining Initial Investment Assets after disposition of Asset of Dusit D2 Chiangmai Hotel and termination of Lease Agreement of Dusit D2 Chiangmai Hotel whereby the rental that DREIT will receive from letting of Asset of Dusit

D2 Chiangmai Hotel shall be no longer included. The details are as provided in Enclosure 2.

- 2.5. Value of the Transaction and Total Consideration : The value of the amendment to the Lease Agreements is equivalent to Baht 1,677,060,000 (One Billion Eight Hundred Sixty-Seven Million Sixty Thousand Baht) by calculated from initial fixed rental that DREIT will receive from Remaining Initial Investment Assets which equivalent to Baht 186,340,000 (One Hundred Eighty-Six Million Three Hundred Forty Thousand Baht) per year throughout the remaining period of the Lease Agreements, including the period which DMCO promised to lease/sublease assets from DREIT (The remaining period is approximately 9 years).
- 2.6. Size of the Transaction : The amendment of Lease Agreements of DREIT is considered as a related party transaction between DREIT and the persons related to the REIT Manager with the transaction size equivalent to or exceeding Baht 20,000,000 or exceeding 3 percent of the net asset value of DREIT (representing Baht 5,784,435,898.96 (Five Billion Seven Hundred Eighty-Four Million Four Hundred Thirty-Five Thousand Eight Hundred Ninety-Eight Baht Ninety-Six Satang) as at 30 June 2022).
- 2.7. Benefits which DREIT will receive from this Transaction : Since the current rental for Dusit Thani Laguna Phuket Hotel, Dusit D2 Chiangmai Hotel and Dusit Thani Huahin Hotel (“**Initial Investment Assets**”) consists of total rental which DREIT receives from letting of Initial Investment Assets to DMCO, the Lease Agreements are thus required to be amended to be consistent with the disposition of the Asset of Dusit D2 Chiangmai Hotel and the termination of the Lease Agreement of Dusit D2 Chiangmai Hotel.
- 2.8. Approval for the Transaction : The entering into aforementioned transaction requires the approval from the meeting of trust unitholders of DREIT by a vote of not less than three-fourth of all votes of trust unitholders attending the meeting and

having the right to vote pursuant to the Notification of the Office of the SEC SorRor. 26/2555.

In counting votes of all trust unitholders having the right to vote, the Company will not include the votes from the trust unitholders with a special interest in the proposed agenda. The details of the trust unitholders with a special interest in the proposed agenda for resolution will be provided in the invitation letter to the extraordinary general meeting of trust unitholders to be further rendered to trust unitholders.

**2.9. Opinion of the REIT :
Manager's Board of
Directors regarding the
Entering into the
Transaction**

The Board of Directors of the Company is of the opinion that the amendment to the Lease Agreements in the part of rental calculation is appropriate due to the reason that initial fixed rental which DREIT will receive from the Remaining Initial Investment Assets calculated from proportion of value of the Remaining Initial Investment Assets per total value of Initial Investment Assets.

Projects	Investment Value ¹ (Baht)	Accounted in Percentage	Initial Fixed Rental After Amendment of Lease Agreements (Baht per year)	Accounted in Percentage
Dusit D2 Chiangmai Hotel	362,000,000	9.1	Deducting fixed rental of Baht 18,660,000 per year from initial fixed rental from current Lease Agreements. (As DREIT will disposes the Asset of Dusit D2 Chiangmai Hotel, DREIT and DMCO agree to terminate this lease agreement).	9.1

¹ Dusit Thani Freehold and Leasehold Property (DTCPF) invested in Initial Investment Assets on 24 December 2010. Later, Dusit Thani Freehold and Leasehold Property (DTCPF) converted into Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT) on 8 December 2017.

Dusit Thani Laguna Phuket Hotel	2,715,000,000	90.9	186,340,000	90.9
Dusit Thani Huahin Hotel	900,000,000			
Total	3,977,000,000	100.0	205,000,000	100.0

In addition, by considering the average of earnings before interest, tax, depreciation and amortization (EBITDA) of hotels during 2015 – 2019 (5 years prior to the impact from the outbreak of Coronavirus Disease (COVID-19)). The proportion of rental that DREIT will receive from the Remaining Initial Investment Assets are more than earnings before interest, tax, depreciation and amortization (EBITDA) of hotels during 2015-2019 of the Remaining Initial Investment Assets.

Projects	Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) of hotels in between 2015 – 2019 (Million Baht per year)	Accounted In percentage of	Initial Fixed Rental After Amendment of Lease Agreements (Baht per year)	Accounted in Percentage
Dusit D2 Chiangmai Hotel	33.20	14.6	Deducting fixed rental of Baht 18,660,000 per year from initial fixed rental from current Lease Agreements. (As DREIT will disposes of Asset of Dusit D2 Chiangmai Hotel. DREIT and DMCO agreed to terminate this lease agreement).	9.1

Dusit Thani Laguna Phuket Hotel	109.30	85.4	186,340,000	90.9
Dusit Thani Huahin Hotel	84.87			
Total	227.37	100.0	205,000,000	100.0

Additionally, the aforementioned amendment to the Lease Agreements is for the purpose to be consistent with the disposition of Asset of Dusit D2 Chiangmai Hotel and the termination of the Lease Agreement of Dusit D2 Chiangmai. DREIT will also receive the consideration from disposition of such assets at the amount of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to hotel equipment) or at the amount which will increase total benefits of DREIT not less than 3.8 percent when compared to the Offer received from AWC (that is, the total net purchase price of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in part of hotel equipment) (as the case may be).

2.10. Dissenting opinion of the Independent Director which is different from the opinion of the Company's Board of Directors : None.

2.11. Previous Related Party Transaction : - The conversion of DTCPPF into DREIT and the transfer of assets and liabilities of DTCPPF to DREIT in the year 2017.
- The indirect investment of the Additional Investment Assets No. 1 in the year 2019 and the procurement of benefit from such assets by way of letting and subletting such assets to DMM. The total value of the Additional Investment Assets No. 1 is approximately

Baht 2,360.67 Million or approximately USD 76.92 Million, using the reference exchange rate at Baht 30.69 per 1 US Dollar.

- Amendment to the Lease Agreements and Undertaking Agreement for Initial Investment Assets and Undertaking Agreement for Additional Investment Assets No. 1 during June 2021, by cancelling the Conditions Concerning the Maintenance of Shareholders' Equity and other relevant matters.
- Entering into agreements related to the investment and the procurement of benefits in the Additional Investment Assets No. 2 during April 2022 and the investment in the Additional Investment Assets No. 2 in the extension of Dusit Thani Huahin Hotel during June 2022, which includes the procurement of benefit from such asset by lease and sublease to DMCO and obtaining the Undertaking Agreement on the investment in the Additional Investment Assets No. 2 and the procurement of benefit from the Additional Investment Assets No. 2 from DTC. In this regard, the Additional Investment Assets No. 2 has a total value of approximately 37 Million Baht.

2.12. The Summarized Table : Please consider the details as provided in the attachment below.
of Financial Information
of DREIT

(Attachment)

The Summarized Financial information of DREIT

For the year ended 30 June 2022

Financial information according to DREIT's financial statements audited by KPMG Phoomchai Audit Co., Ltd. for the year ended 30 June 2022 whereby summary details are as follow:

Item (Unit: Thousand Baht)	
Consolidation statement of financial position	As of 30 June 2022
Asset	
Net – Investments in properties	7,647,646
Cash and Cash equivalents	157,509
Rent and other receivables	29,991
Other Assets	58,806
Total Assets	7,893,952
Other payables	26,301
Accrued expenses	5,295
Lease Liabilities	340,107
Long-Term Loan	1,737,454
Total Liabilities	2,109,157
Capital received from trust unitholders	5,309,908
Retaining Earning	349,912
Other Components of trust unitholders' equity	80,615
Net Assets	5,784,435
Consolidation statement of Comprehensive income	As of 30 June 2022
Rental income	234,161
Other income	498
Total Income	234,659
Management fee	7,132
Trustee fee	4,556
Registrar fee	1,612
Professional dee	2,253

Item (Unit: Thousand Baht)	
Amortisation of deferred expenses	6,039
Income tax expense	3,530
Financial costs	32,286
Other expenses	9,029
Net Profits on Investments	162,222
Net realised Gain (Loss) on investments	(1,268)
Gains (losses) on revaluation of investments	(66,164)
The effect of changes in foreign exchange rates	92,249
Increase in net assets resulting from operating	187,039
Exchange differences	55,833
Increase in trust unitholders in net assets from operations and other components of trust unitholders' equity	242,872
Consolidated statement of cash flows	As of 30 June 2022
Net cash from (used in) operating activities	228,624
Net cash from (used in) financing activities	(172,850)
Effect of exchange rate changes on cash and cash equivalents	1,544
Net increase cash and cash equivalents	57,318
Significant Financial Ratios	As of 30 June 2022
Net assets value per unit (Baht)	8.1299
Increase in net assets resulting from operating (Baht/unit)	0.2629
Interest bearing debt to total assets ratio (%)	22.01%
Total liabilities to net assets value ratio (%)	26.72%