



DREIT -1102/2022

21 November 2022

Subject: Invitation to the Extraordinary General Meeting of Trust Unitholders No.1/ 2022 of Trust Unitholders of Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT)

Attention: Trust Unitholders
Of Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT)

Enclosure:

1. Information Memorandum on Asset Details of Dusit Thani Freehold and Leasehold Real Estate Investment Trust in the part of Dusit D2 Chiangmai Hotel which will be disposed
2. Summary of Appraisal Report of Asset of Dusit Thani Freehold and Leasehold Real Estate Investment Trust in the part of Dusit D2 Chiangmai Hotel which will be disposed of the Appraisers
3. Summary of Draft Agreement to Purchase and to Sell Lands, Buildings and Movable Assets in relation to Dusit D2 Chiangmai Hotel
4. Information Memorandum on Disposition of Asset of Dusit Thani Freehold and Leasehold Real Estate Investment Trust in the part of Dusit D2 Chiangmai Hotel to Sub TCC Hotel Chiangmai Company Limited
5. Information Memorandum on Disposition of Asset of Dusit Thani Freehold and Leasehold Real Estate Investment Trust in the part of Dusit D2 Chiangmai Hotel according to the conditions approved by the meeting of the trust unitholders of DREIT
6. The Amendment of Lease Agreements of DREIT
7. Opinion Report of the Independent Financial Advisor on Related Party Transactions with Persons Related to the REIT Manager
8. Information Memorandum on Related Party Transactions with Persons Related to the REIT Manager
9. Guidelines for attending the Extraordinary General Meeting through Electronic Media (E-EGM) and Appointment of Proxy
10. Registration Form for attending the Extraordinary General Meeting through Electronic Media (E-EGM)
11. Proxy Forms
12. Information of the Independent Director of Dusit Thani Property REIT Company Limited for Trust Unitholders' Proxy
13. List of Trust Unitholders



As Dusit Thani Properties REIT Company Limited (the “Company” or the “REIT Manager”), the REIT Manager of Dusit Thani Freehold and Leasehold Real Estate Investment Trust (“DREIT”), has convened the meeting of the Company’s Board of Directors No. 9/2021 on 14 December 2021 resolved to approve (1) The disposition of Asset of DREIT in the part of Dusit D2 Chiangmai Hotel to Sub TCC Hotel Chiangmai Company Limited as a purchaser (“SUB TCC”) (2) The termination of lease agreements of the disposed asset and the amendment of relevant lease agreements and (3) The determination the date of holding the Extraordinary General Meeting of Trust Unitholders of DREIT No.1/2022 in such matter and the determination of the list of trust unitholders eligible to attend the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022 (Record Date). The details appear in the notification letter No. DREIT-1201/2021 Subject; Notification of the Resolutions of the Board of Directors of the Company regarding the Disposition of Asset of Dusit Thani Freehold and Leasehold Real Estate Investment Trust, Termination of Lease Agreements of the Disposed Asset, Amendment of Relevant Lease Agreements and Determination the date of holding the Extraordinary General Meeting of Trust Unitholders of DREIT No.1/2022 dated 14 December 2021. Subsequently, the Company’s Board of Directors, at the Company’s Board of Directors Meeting No. 1/2022 on 21 January 2022, was resolved to approve the revocation of the Board of Directors' approval in (1) – (3) above. As a result, the determination of the list of trust unitholders eligible to attend the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022 (Record Date) was cancelled, by considering the of the best interests of the trust unitholders. As at that period, DREIT and SUB TCC were still in the process of considering important terms and conditions related to the disposition of Asset of DREIT above and it is not possible to predict the deadline for consideration and agreement on such terms and conditions to be exact. The details appear in the Notification Letter No. DREIT-0104-2022 Subject: Notification of Cancellation of the Extraordinary General Meeting of Trust Unitholders of Dusit Thani Real Estate and Leasehold Investment Trust (DREIT) No. 1/2022 dated 24 January 2022.

In this regard, from the Covid-19 disease situation, the “**Pandemic**” which affects the management of all types of real estate operation. The impact of the Pandemic has continued to affect hotel businesses since the beginning of 2020. However, since the Centre of COVID-19 Situation Administration has announced the cancellation of registration through the Thailand Pass system and the cancellation of measures requiring foreign tourists to obtain health insurance for entering Thailand since July 2022 onwards. As a result, hotels in many areas in Thailand have started to continuously increase occupancy rates, while hotels in some areas still have stable occupancy rates. Thus, the rent per room per night (average) “Revpar” has a slight change compared to the figure before the month when the registration through the Thailand Pass system was canceled.

As the above reasons that tourism pattern, proportion, type and number of tourists have been a lot of change after the Pandemic began to unravel, according to the number of tourists since July 2022, and as



DREIT has objectives and purpose to generate long-term consistent returns under appropriate risk levels in “Finance and Investment, Market, and Property Development”. In this regard, the Company’s Board of Directors Meeting resolved that the disposition of Asset of DREIT in the part of Dusit D2 Chiangmai Hotel should be considered, to be consistent with the objectives and purpose of generating long-term consistent returns under the appropriate risk level for DREIT, which is the most beneficial under the current situation.

The Company held the Board of Directors Meeting No. 5/2022 on 21 October 2022 at 10:00 to consider important terms and conditions and matters related to the disposition of Asset of DREIT in (1) – (3) above again and has considered the appropriateness of the transaction and the operation under the principles that are best beneficial to the trust unitholders and DREIT. In this regard, the Company deemed it appropriate to convene the Extraordinary General Meeting of Trust Unitholders No.1/2022 of DREIT on 14 December 2022 at 10.00 through the electronic media (E-EGM) in accordance with criteria specified in the laws on the electronic media. The Company would like to invite the trust unitholders to attend the meeting as per such date, time through the electronic media (E-EGM), to consider the matters according to the following Agendas:

Due to the fact that the Agendas to be presented for approval in the Extraordinary General Meeting of Trust Unitholders No. 1/2022 of DREIT in Agenda 1 or Agenda 2 and Agenda 3 are related Agendas and are conditional to one another. Therefore, in order to comply with the disposition of the Asset of Dusit D2 Chiangmai Hotel according to the conditions under Agenda 1 and Agenda 2, and for the best benefit to the trust unitholders and DREIT, the Company agrees to specify the voting conditions for Agenda 1, Agenda 2 and Agenda 3 to be proposed to the trust unitholders for consideration as follows:

If Agenda 1 is approved by the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022, the Company will propose Agenda 3 to the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022 for consideration and Agenda 2 will not be proposed for further consideration at the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022.

If Agenda 1 is not approved by the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022, the Company will propose Agenda 2 to the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022 for consideration. If the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022 considers and resolves to approve the implementation under Agenda 2, the Company will then propose Agenda 3 to the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022 for further consideration.

However, If the disposition of the Asset of Dusit D2 Chiangmai Hotel, both in the case of Agenda 1 and Agenda 2, is not approved by the Extraordinary General Meeting of Trust Unitholders No. 1/2022, Agenda 3 will not be proposed to the Extraordinary Meeting of Trust Unitholders No. 1/2022 for further consideration.



In addition, since the Agendas to be proposed for approval in the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022 in Agenda 1 or Agenda 2 and Agenda 3 are related Agendas and are conditional to one another. Therefore, the transaction will be proceeded only after the Extraordinary Meeting of Trust Unitholders No. 1/2022 has a resolution to approve the transaction under Agenda 1 or Agenda 2 (either Agenda), and Agenda 3 only. However, if Agenda 1 or Agenda 2 (as the case may be) is approved by the Extraordinary Meeting of Trust Unitholders No. 1/2022 but Agenda 3 does not obtain an approval from the Extraordinary General Meeting of Trust Unitholders of DREIT No. 1/2022, it shall be deemed that Agenda 1 or Agenda 2 (as the case may be) previously approved by the trust unitholders meeting has been cancelled.

Agenda 1 To consider and approve the disposition of Asset of Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT) in the part of Dusit D2 Chiangmai Hotel to Sub TCC Hotel Chiangmai Company Limited

Background and Rationale

On 15 October 2021, the Company received written offer letter from Asset World Corp Public Company Limited (“AWC” or the “Offeror”) offers to purchase 7 plots of land, title deed no. 2503, 12432, 12433, 12434, 12435, 20166 and 20167, map sheet no. 4846 IV 0076-9, dealing file no. 391, 1170, 1171, 1172, 1173, 1773 and 1774, parcel no. 2687, 2686, 2685, 2684, 2654, 2683 and 2655 (Respectively), located at Chang Khlan Sub-District, Mueang Chiang Mai District, Chiang Mai Province with total area of 2 Rai 2 Ngan 65 Square Wah with buildings and movable properties used in hotel operation of Dusit D2 Chiangmai Hotel (the “**Asset of Dusit D2 Chiangmai Hotel**”), which is one of the main assets that DREIT currently invested in, from DREIT. The details of Asset of Dusit D2 Chiangmai Hotel which will be disposed are as provided in the Enclosure 1 delivered to the trust unitholders together with this Invitation Letter.

In this regard, the Company has further negotiated with AWC on the important terms and conditions of draft Agreement to Purchase and to Sell Lands, Buildings and Movable Assets for Dusit D2 Chiangmai Hotel, where AWC, will allow SUB TCC to purchase the Asset of Dusit D2 Chiangmai Hotel from DREIT. The total net purchase price is of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to hotel equipment) (For the purpose of interpretation, “**Total Net Purchase Price**” means the price that the Offeror desires to pay in order to acquire the ownership of lands and buildings, including movable assets which are the Asset of Dusit D2 Chiangmai Hotel, which is s equivalent to Baht 450,000,000 (Four Hundred Fifty Million Baht) only, excluding the other expenses incurred from the process to sell of the Asset of Dusit D2 Chiangmai Hotel of DREIT, for instance, advisor fees and transaction fees. Moreover, DREIT as the owner will be solely responsible for the tax liabilities in relation to such sale which the seller is responsible under the laws.



Therefore, DREIT shall be responsible for the expense of DREIT, incurred during the process to sale and incurred after the sale has been completed). However, SUB TCC and DREIT will be equally responsible for all related registration fees (the “Offer”) with conditions precedent for the sale and registration of the transfer of ownership of Asset of Dusit D2 Chiangmai Hotel as specified in draft Agreement to Purchase and to Sell Lands, Buildings and Movable Assets for Dusit D2 Chiangmai Hotel. The summary of the draft Agreement to Purchase and to Sell Lands, Buildings and Movable Assets for Dusit D2 Chiangmai Hotel details as shown in Enclosure 3 delivered to the trust unitholders together with this Invitation Letter (“**Agreement to Purchase and to Sell with SUB TCC**”).

In this regard, the consideration of the meeting of the Company regarding the Offer specified in the letter received from AWC together with draft Agreement to Purchase and to Sell with SUB TCC as discussed and negotiated with AWC. The Company resolved to propose to the trust unitholders to consider and approve the disposition of the Asset of Dusit D2 Chiangmai Hotel to SUB TCC. In this respect, the REIT Manager has appointed an appraiser approved by the Office of the Securities and Exchange Commission (the “**Office of the SEC**”), namely Graphic A Appraisal Company Limited to appraise the value of the Asset of Dusit D2 Chiangmai Hotel which will be disposed.

The appointed appraiser conducted an asset appraisal on 30 September 2022 adopted Income Approach Method and Discounted Cash Flow Method as criteria to appraise the asset value of the Asset of Dusit D2 Chiangmai Hotel to SUB TCC, in which case the REIT Manager shared the same opinion with the appointed appraiser that the appraised value calculated by the Income Approach Method is an appropriate method used for comparing the disposition value of the assets that will be disposed, as it is the method that takes into account the ability to obtain income from service fees in relation to hotel rooms, income which arises from food and beverage, income which arises from various facilities and relevant expenses in relation to the assets, by considering the net income that will be obtained by DREIT pursuant to DREIT’s structure during the period of which DREIT may seek benefit from the Asset of Dusit D2 Chiangmai Hotel. In addition, the appraised value calculated by the Discounted Cash Flow Method is also an appropriate method used for comparing the disposition value of the assets that will be disposed, as it is the method that takes into account the future cash flows that the asset will provide for calculating the market value of assets according to international valuation principles.

The appraisal reports thereof are summarized as follows:



Appraiser	Graphic A Appraisal Company Limited
Appraisal Date	30 September 2022
Method of Appraisal	The appraised value calculated by the Income Approach Method
Appraised Value by the Income Approach Method	Baht 441,000,000 (Four Hundred Forty-One Million Baht)
Appraised Value by the Discounted Cash Flow Method	Baht 419,060,000 (Four Hundred Nineteen Million Sixty Thousand Baht)

The details of the appraised values of the Asset of Dusit D2 Chiangmai Hotel appraised by the Appraisers are provided in Enclosure 2 delivered to the trust unitholders together with this Invitation Letter.

The disposition of the Asset of Dusit D2 Chiangmai Hotel to SUB TCC is considered as the disposition of Asset of DREIT with the value of Baht 450,000,000 (Four Hundred Fifty Million Baht). 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 SEC SorRor. 26/2555**”) and in accordance with the Trust Deed, the transaction size of such disposition calculated on the basis of the total value of the consideration paid or received is equivalent to 5.70 percent of the total asset value of DREIT (as at 30 June 2022, the total asset value of DREIT representing Baht 7,893,951,567.45 (Seven Billion Eight Hundred Ninety-Three Million Nine Hundred Fifty-One Thousand Five Hundred Sixty-Seven Baht Forty-Five Satang)); therefore the approval of trust unitholders’ meeting of DREIT is not required to enter into such transaction.

However, the Company views that the aforementioned transaction is a transaction in relation to the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT according to the details in Agenda 3 which is an important transaction with the related persons of the REIT Manager. Thus, the Company deems it appropriates that such disposition of the Asset of Dusit D2 Chiangmai Hotel and the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT according to the details in Agenda 3 should be approved by the trust unitholders in both matters. However, as the size of transaction of disposition of the Asset of Dusit D2 Chiangmai Hotel at this time, having value not exceeding 30 percent of the total asset value of DREIT, it requires approval from the trust unitholders’ meeting of DREIT by a majority vote of all votes of trust unitholders attending the meeting and having the right to vote. The Information Memorandum on Disposition of the Asset of Dusit D2 Chiangmai Hotel to Sub



TCC Hotel Chiangmai Company Limited is as provided in Enclosure 4 delivered to the trust unitholders together with this Invitation Letter.

In this regard, the disposition of the Asset of Dusit D2 Chiangmai Hotel to Sub TCC as a purchaser shall be under the following conditions:

- (1) The purchaser has received approval from its board of directors' meeting and/or shareholders' meeting and the evidence thereof has been submitted to DREIT.
- (2) DREIT has received approval from the board of directors' meeting of its REIT Manager and the evidence thereof has been submitted to the purchaser.
- (3) DREIT has received approval from its unitholders' meeting, approving the sale of Asset of Dusit D2 Chiangmai Hotel in accordance with terms and conditions herein and other relevant actions.
- (4) Any conditions precedent to be agreed upon by the purchaser and DREIT in writing (if any).

In this regard, the Company hereby requests for trust unitholders' approval of the disposition of the Asset of Dusit D2 Chiangmai Hotel including any action in compliance with the relevant conditions in relation to the disposition of the Asset of Dusit D2 Chiangmai Hotel to Sub TCC Hotel Chiangmai Company Limited as per details prescribed above and to authorize the Company and/or the Trustee to act as follows:

- (1) To determine disposition method, asset details, method of asset appraisal and the appropriate price of the Asset of Dusit D2 Chiangmai Hotel, insofar as they are not contrary to or inconsistent with the resolutions of the Trust Unitholders' Meeting and/or orders or guidance of the Office of the SEC, the Stock Exchange of Thailand and/or any relevant agencies, as well as to contact the Office of the SEC, the Stock Exchange of Thailand, governmental agencies or governmental organizations or any persons for such performance, etc.;
- (2) To negotiate, prepare, sign, deliver and/or amend any agreements or commitments representing the disposition of the Asset of Dusit D2 Chiangmai Hotel and/or Agreement to Purchase and to Sell Lands, Buildings and Movable Assets in relation to Dusit D2 Chiangmai Hotel and/or agreements and/or documents relating to the disposition of the Asset of Dusit D2 Chiangmai Hotel upon DREIT's obtaining of approval from the trust unitholders for the disposition of the Asset of Dusit D2 Chiangmai Hotel, as well as to contact with the Office of



the SEC, the Stock Exchange of Thailand, governmental agencies or governmental organizations or any persons for such performance, etc.; and

- (3) To perform any actions necessary for or relating to the above to complete such performances, as well as to appoint and/or to remove sub-authorized persons for the aforementioned performances under (1) and/or (2) in order to complete such performances.

In this regard, once DREIT received trust unitholders' approval, DREIT and Sub TCC will sign the Agreement to Purchase and to Sell with SUB TCC and will proceed with the disposition of the Asset of Dusit D2 Chiangmai Hotel thereafter

REIT Manager's Opinion

The trust unitholders should consider approving the disposition of the Asset of Dusit D2 Chiangmai Hotel to Sub TCC Hotel Chiangmai Company Limited, at the Total Net Purchase Price of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to hotel equipment), including any action in compliance with the relevant conditions in relation to the disposition of the Asset of Dusit D2 Chiangmai Hotel as it will be beneficial to DREIT due to the following reasons:

1. The disposal value of the Asset of Dusit D2 Chiangmai Hotel is appropriate, as the price has been determined by the negotiation between the Offeror and the REIT Manager. Moreover, such price is within the range of the appraised value of the appointed appraiser and is a realization of capital gain from asset appreciation from the date of investment of DREIT (Dusit Thani Freehold and Leasehold Property Fund ("DTCPF") invested in Dusit D2 Chiangmai Hotel at Baht 362,000,000 (Three Hundred Sixty-Two Million Baht) on 24 December 2010. Later, DTCPF converted into DREIT on 8 December 2017 (on an accounting basis, DREIT realized such capital gain from asset appreciation through the appraised value of the asset on an annual basis over the past period. Thus, the capital gain from asset appreciation will be different from the profit in the accounting record).

2. The disposition of the Asset of Dusit D2 Chiangmai Hotel will reduce uncertainty risk in circumstance of the outbreak of the Pandemic that had to adjust after the Pandemic began to unravel, whereby the REIT Manager may consider using the cash flow received from the disposition of such asset as working capital to increase the liquidity of DREIT and/or using cash flow to partially pay off the loan and/or using cash flow as a source of funds for property renovation.



3. The value of disposition of the Asset of Dusit D2 Chiangmai Hotel is expected to be not less than fair price as recorded in a financial statement, which may help to adjust the price of trust units traded in the stock exchange to become closer to the net asset value.

4. The disposition of the Asset of Dusit D2 Chiangmai Hotel is in line with the strategy of the REIT Manager which is to reduce excessive dependence on a particular group of tourists.

The Company is of the opinion that such transaction is in accordance with the Trust Deed of DREIT and relevant laws and the disposition of the Asset of Dusit D2 Chiangmai Hotel to Sub TCC Hotel Chiangmai Company Limited is for the best benefit of DREIT as per the reasons aforementioned.

Accordingly, to carry out such actions efficiently, it is appropriate for the trust unitholders to approve the authorization to the Company and/or the Trustee to act as presented above. Upon receiving trust unitholders' approval, the Company will proceed thereafter.

Trustee's Opinion

The disposition of the Asset of Dusit D2 Chiangmai Hotel of DREIT to SUB TCC at the Total Purchase Price of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to hotel equipment) (For the purpose of interpretation, "Total Net Purchase Price" means the price that the Offeror desires to pay in order to acquire the ownership of lands and buildings, including movable assets which are the Asset of Dusit D2 Chiangmai Hotel, which is equivalent to Baht 450,000,000 (Four Hundred Fifty Million Baht) only, excluding the other expenses incurred from the process to sell of the Asset of Dusit D2 Chiangmai Hotel of DREIT, for instance, advisor fees and transaction fees. Moreover, DREIT as the owner will be solely responsible for the tax liabilities in relation to such sale which the seller is responsible under the laws. Therefore, DREIT shall be responsible for the expense of DREIT, incurred during the process to sale and incurred after the sale has been completed) at this time, as proposed to consider by the REIT Manager aforementioned, having the transaction size of such disposition calculated on the basis of the total value of the consideration paid or received is equivalent to 5.70 percent of the total asset value of DREIT (as at 30 June 2022, the total asset value of DREIT representing Baht 7,893,951,567.45 (Seven Billion Eight Hundred Ninety-Three Million Nine Hundred Fifty-One Thousand Five Hundred Sixty-Seven Baht Forty-Five Satang)); therefore the approval of trust unitholders' meeting of DREIT is not required to enter into such transaction. However, the REIT Manager wishes to request for approval in this Agenda from trust unitholders' meeting of DREIT by a majority vote of all votes of trust unitholders attending the meeting and having the right to vote.



The Trustee has considered and viewed that the voting in this Agenda is not contrary to the Trust Deed of DREIT and relevant laws.

For the disposition of such assets at total value of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to hotel equipment) .which is the price within the range of the appraised value of the appointed appraiser. However, the Trustee would like to emphasize the trust unitholders to consider voting in this Agenda with careful consideration as the Trustee considered and viewed that the period in which the appointed appraiser used to determine the assumption of the appraised fair value of cash flow of such assets may be under the circumstance of an outbreak of Coronavirus Disease (COVID-19) which directly affected the hotel businesses, which may be another significant factor that the trust unitholders should take into consideration of advantage, disadvantage, worthiness, risk and chance of receiving long term benefits from DREIT for voting in this Agenda as well.

Voting

As the transaction is a transaction in relation to the termination of lease agreement of disposal asset and the amendment of relevant lease agreements and sublease agreements of DREIT according to the details in Agenda 3 which is an important transaction with the related persons of the REIT Manager. Thus, the Company deems it appropriates that such disposition of the Asset of Dusit D2 Chiangmai Hotel and the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT according to the details in Agenda should be approved by the trust unitholders in both matters but as the size of transaction of disposition of the Asset of Dusit D2 Chiangmai Hotel at this time, having value not exceeding 30 percent of the total asset value of DREIT which requires approval from the trust unitholders' meeting of DREIT by a majority vote of all votes of trust unitholders attending the meeting and having the right to vote.

In respect of the counting of such votes of all trust unitholders having the right to vote, the Company will not include the votes from the trust unitholders with special interests in the matter proposed for voting. In this regard, there is no trust unitholder with a special interest in the proposed Agenda.

Agenda 2 To consider and approve the disposition of Asset of Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT) in the part of Dusit D2 Chiangmai Hotel according to the conditions approved by the meeting of the trust unitholders of DREIT

At present, the REIT Manager has not received any additional purchase proposals from interested purchasers. However, due to Agenda 2 that the Company deems that provided the disposition of the Asset of Dusit D2 Chiangmai Hotel to SUB TCC as detailed in Agenda 1 above does not obtain an approval from trust unitholders. For the best benefit of the trust unitholders and DREIT that will receive from such disposition of the



assets which is appropriate for this situation that uncontrollable variables affecting hotel industry in Chiangmai have not begun to unravel, and to achieve the flexibility and consistent with the asset management strategy of DREIT in the disposition of the Asset of Dusit D2 Chiangmai Hotel, as well as reducing the cost from convening the meeting of the trust unitholders. Therefore, the meeting of the Company's Board of Directors resolved to propose to the trust unitholders of DREIT for consideration and approval the disposition of the Asset of Dusit D2 Chiangmai Hotel by giving the REIT Manager the authority to negotiate and enter into the terms and conditions of the disposition of the Asset of Dusit D2 Chiangmai Hotel with the purchaser who is a person as the REIT Manager deems appropriate without having to arrange a meeting of the trust unitholders again, under the condition that such person shall not be the persons related to the REIT Manager and subject to the conditions relating to the purchase price that the offer relating to the purchase of the price from such person shall result that DREIT receiving an increase in total benefits of not less than 3.8 percent when compared to the purchase price received by DREIT from AWC as detailed in Agenda 1 above, including under the conditions relating to the purchase of assets in the Dusit D2 Chiangmai Hotel, which when the Company considers that it is similar to the conditions in the draft Agreement to Purchase and to Sell with SUB TCC.

The details of the appraised values of the Asset of Dusit D2 Chiangmai Hotel appraised by the Appraisers are as provided in Agenda 1 above.

The disposition of the Asset of Dusit D2 Chiangmai Hotel to the purchaser, who is to a person as determined by the REIT Manager is considered as the disposition of asset of DREIT with the increase in value of not less than 3.8 percent of Baht 450,000,000 (Four Hundred Fifty Million Baht). Pursuant to the Notification of the Office of the SEC SorRor. 26/2555 and in accordance with the Trust Deed, the REIT Manager expected that the transaction size of such disposition calculated on the basis of the total value of consideration paid or received is equivalent to 5.92 percent of total asset value of DREIT (as at 30 June 2022), the total asset value of DREIT representing Baht 7,893,951,567.45 (Seven Thousand Eight Hundred Ninety-Three Million Nine Hundred Fifty-One Thousand Five Hundred Sixty Seven Baht Forty-Five Satang). The REIT manager will proceed according to the conditions authorized by the trust unitholders meeting of DREIT this time.

However, the Company views that the aforementioned transaction is a related transaction to the termination of lease agreement of disposal asset and the amendment of relevant lease of DREIT according to the details in Agenda 3 which is important transaction with the related persons of the REIT Manager. Thus, the Company deems it appropriates that such disposition of the Asset of Dusit D2 Chiangmai Hotel and the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT according to the details in Agenda 3, both transactions should be approved together by the trust unitholders



but as the size of transaction of the disposition of the Asset of Dusit D2 Chiangmai Hotel at this time, having value not exceeding 30 percent of the total asset value of DREIT which requires approval from the trust unitholders' meeting of DREIT by a majority vote of all votes of trust unitholders attending the meeting and having the right to vote. The Information Memorandum on the disposition of the Asset of Dusit D2 Chiangmai Hotel according to the conditions approved by the meeting of the trust unitholders of DREIT, is as provided in Enclosure 5 delivered to the trust unitholders together with this Invitation Letter.

For the disposition of Asset of Dusit D2 Chiangmai Hotel of DREIT in this Agenda 2, as the REIT Manager has not received any additional purchase proposals from interested purchasers, to be in line with asset management strategy of DREIT, which when approved by the trust unitholders' meeting, the REIT Manager shall act for the successful disposal of the Asset in the Dusit D2 Chiang Mai Hotel, with the following conditions:

- (1) To appoint a specialist company to prepare details, procedures, and conditions for the sale of assets in the Dusit D2 Chiang Mai Hotel
- (2) The REIT Manager to prepares details of the conditions for the sale of assets in the Dusit D2 Chiang Mai Hotel with a specialist company to provide information for interested purchasers
- (3) To consider conditions of the offer to purchase from interested purchasers (if any)
- (4) To negotiate the details of the purchase offer to obtain the best benefit (if any)

In this regard, the disposition of the Asset of Dusit D2 Chiangmai Hotel of DREIT to a person as determined by the REIT Manager in accordance with the conditions approved by the trust unitholders' meeting shall be under the following conditions:

- (1) The purchaser has received approval from its board of directors' meeting and the evidence thereof has been submitted to DREIT.
- (2) DREIT has received approval from the board of directors' meeting of its REIT Manager and the evidence thereof has been submitted to the purchaser.
- (3) DREIT has received approval from its unitholders' meeting, approving the sale of the Asset of Dusit D2 Chiangmai Hotel in accordance with terms and conditions herein and other relevant actions.
- (4) Any conditions precedent to be agreed upon by the purchaser and DREIT in writing (if any).



In this regard, the Company hereby requests for trust unitholders' approval of the disposition of the Asset of Dusit D2 Chiangmai Hotel including any action in compliance with the relevant conditions in relation to the disposition of the Asset of Dusit D2 Chiangmai Hotel as per details prescribed above and to authorize the Company and/or the Trustee to act as follows:

(1) To determine disposition method, asset details, method of asset appraisal and the appropriate price of the Asset of Dusit D2 Chiangmai Hotel, insofar as they are not contrary to or inconsistent with the resolutions of the Trust Unitholders' Meeting and/or orders or guidance of the Office of the SEC, the Stock Exchange of Thailand and/or any relevant agencies, as well as to contact the Office of the SEC, the Stock Exchange of Thailand, governmental agencies or governmental organizations or any persons for such performance, etc.;

(2) To negotiate, prepare, sign, deliver and/or amend any agreements or commitments representing the disposition of the Asset of Dusit D2 Chiangmai Hotel and/or Agreement to Purchase and to Sell Lands, Buildings and Movable Assets in relation to Dusit D2 Chiangmai Hotel and/or agreements and/or documents relating to the disposition of the Asset of Dusit D2 Chiangmai Hotel upon DREIT's obtaining of approval from the trust unitholders for the disposition of the Asset of Dusit D2 Chiangmai Hotel, as well as to contact with the Office of the SEC, the Stock Exchange of Thailand, governmental agencies or governmental organizations or any persons for such performance, etc.; and

(3) To perform any actions necessary for or relating to the above to complete such performances, as well as to appoint and/or to remove sub-authorized persons for the aforementioned performances under (1) and/or (2) in order to complete such performances.

In this regard, once DREIT received trust unitholders' approval, the Company will proceed with the disposition of the Asset of Dusit D2 Chiangmai Hotel under the process and conditions approved by the trust unitholders thereafter.

REIT Manager's Opinion

The trust unitholders should consider approving the disposition of the Asset of Dusit D2 Chiangmai Hotel, at an increase in value of not less than 3.8% of the Baht 450,000,000 (Four Hundred Fifty Million Baht) resulting DREIT to receive an increase in total benefits of not less than 3.8 percent when compared to the purchase price received by DREIT from AWC as per the details provided in Agenda 1, including any action in compliance with the relevant conditions in relation to the disposition of the Asset of Dusit D2 Chiangmai Hotel as it will be beneficial to DREIT more than Agenda 1 due to the following reasons:



1. The disposal value of the Asset of Dusit D2 Chiangmai Hotel is appropriate, as the price has been determined by the negotiation between the Offeror and the REIT Manager. Moreover, such price is within the range of the appraised value of the appointed appraiser and is a realization of capital gain from asset appreciation from the date of investment of DREIT (Dusit Thani Freehold and Leasehold Property Fund (“DTCPF”) invested in Dusit D2 Chiangmai Hotel at Baht 362,000,000 (Three Hundred Sixty-Two Million Baht) on 24 December 2010. Later, DTCPF converted into DREIT on 8 December 2017 (on an accounting basis, DREIT realized such capital gain from asset appreciation through the appraised value of the asset on an annual basis over the past period. Thus, the capital gain from asset appreciation will be different from the profit in the accounting record).

2. The disposition of the Asset of Dusit D2 Chiangmai Hotel will reduce uncertainty risk in circumstance of the outbreak of the Pandemic began to unravel, whereby the REIT Manager may consider using the cash flow received from the disposition of such asset as working capital to increase the liquidity of DREIT and/or using cash flow to partially pay off the loan and/or using cash flow as a source of funds for property renovation.

3. The value of disposition of the Asset of Dusit D2 Chiangmai Hotel is expected to be not less than fair price as recorded in a financial statement, which may help to adjust the price of trust units traded in the stock exchange to become closer to the net asset value.

4. The disposition of the Asset of Dusit D2 Chiangmai is in line with the strategy of the REIT Manager which is to reduce excessive dependence on a particular group of tourists.

The Company is of the opinion that such transaction is in accordance with the Trust Deed of DREIT and relevant laws and the disposition of the Asset of Dusit D2 Chiangmai Hotel is for the best benefit of DREIT as per the reasons aforementioned.

Accordingly, to carry out such actions efficiently, it is appropriate for the trust unitholders to approve the authorization to the Company and/or the Trustee to act as presented above. Upon receiving trust unitholders' approval, the Company will proceed thereafter.

However, since the REIT Manager has not received any offers from interested purchasers who meet the conditions in this Agenda, therefore, despite the approval under this resolution, DREIT may not be able to dispose of the Asset of Dusit D2 Chiangmai Hotel due to the negotiation, purchase price, as well as specifying the details of the agreement to purchase and to sell of asset and other related transactions. This may



cause no interested purchasers to buy the Asset of Dusit D2 Chiangmai Hotel according to the resolution approved in this Agenda.

Trustee's Opinion

The disposition of the Asset of Dusit D2 Chiangmai Hotel of DREIT as proposed to considered by the REIT manager with the increase in value of not less than 3.8 percent of Baht 450,000,000 (Four Hundred Fifty Million Baht), shall result that DREIT receiving an increase in total benefits of not less than 3.8 percent when compared to the purchase price received by DREIT from AWC aforementioned, having the transaction size of such disposition calculated on the basis of the total value of the consideration paid or received is equivalent to 5.70 percent of the total asset value of DREIT (as at 30 June 2022, the total asset value of DREIT representing Baht 7,893,951,567.45 (Seven Billion Eight Hundred Ninety-Three Million Nine Hundred Fifty-One Thousand Five Hundred Sixty-Seven Baht Forty-Five Satang)); therefore the approval of trust unitholders' meeting of DREIT is not required to enter into such transaction. However, the REIT Manager wishes to request for approval in this Agenda from trust unitholders' meeting of DREIT by a majority vote of all votes of trust unitholders attending the meeting and having the right to vote.

The Trustee has considered and viewed that the voting in this Agenda is not contrary to the Trust Deed of DREIT and relevant laws.

For the disposition of the Asset of Dusit D2 Chiangmai Hotel of DREIT to the Purchaser, who is to a person as determined by the REIT Manager is considered as the disposition of asset of DREIT with the increase in value of not less than 3.8 percent of Baht 450,000,000 (Four Hundred Fifty Million Baht).which is the price within the range of the appraised value of the appointed appraiser. However, the Trustee would like to emphasize the trust unitholders to consider voting in this Agenda with careful consideration as the Trustee considered and viewed that the period in which the appointed appraiser used to determine the assumption of the appraised fair value of cash flow of such assets may be under the circumstance of an outbreak of Coronavirus Disease (COVID-19) which directly affected the hotel businesses, which may be another significant factor that the trust unitholders should take into consideration of advantage, disadvantage, worthiness, risk and chance of receiving long term benefits from DREIT for voting in this Agenda as well.

Voting

As the transaction is a transaction in relation to the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT according to the details in Agenda 3 which is an important transaction with the related persons of the REIT Manager. Thus, the Company deems it



appropriates that such disposition of the Asset of Dusit D2 Chiangmai Hotel and the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of according to the details in Agenda 3 should be approved by the trust unitholders in both matters but as the size of transaction of disposition of the Asset of Dusit D2 Chiangmai Hotel at this time, having value not exceeding 30 percent of the total asset value of DREIT which requires approval from the trust unitholders' meeting of DREIT by a majority vote of all votes of trust unitholders attending the meeting and having the right to vote.

In respect of the counting of such votes of all trust unitholders having the right to vote, the Company will not include the votes from the trust unitholders with special interests in the matter proposed for voting. In this regard, there is no trust unitholder with a special interest in the proposed Agenda.

Agenda 3 To consider and approve the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT, which is a related party transaction between DREIT and the persons related to REIT Manager

Background and Rationale

Currently, the rental fee for main assets invested by DREIT in Dusit Thani Laguna Phuket Hotel, Dusit D2 Chiangmai Hotel and Dusit Thani Huahin Hotel ("**Initial Investment Assets**") is a rental fee which calculated all together of lands and buildings rental fee and furniture and equipment rental fee that DREIT received from letting Initial Investment Assets to Dusit Management Company Limited ("**DMCO**" or the "**Main Lessee**").

In case of the disposition of such DREIT's assets, DREIT and DMCO who is the Main Lessee of Dusit D2 Chiangmai Hotel, shall agree to terminate 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 (collectively referred to as the "**Lease Agreement of Dusit D2 Chiangmai Hotel**") to terminate such agreement. In this regard, each party shall have no right to claim for any monies or compensation from the other



party. In this regard, it is proposed to the trust unitholders to consider and approve the termination of the Lease Agreement of Dusit D2 Chiangmai Hotel.

Moreover, following the termination of the Lease Agreement of Dusit D2 Chiangmai Hotel, the calculation of the fixed rental fee and/or variable rental fee that DREIT will receive from the Initial Investment Assets will be changed whereby the rental received from the Asset of Dusit D2 Chiangmai Hotel will be excluded. In other words, DREIT will only receive the fixed rental fee and/or variable rental fee from the remaining Initial Investment Assets, namely, Dusit Thani Laguna Phuket Hotel and Dusit Thani Huahin Hotel (“**Remaining Initial Investment Assets**”). In this regard, it is proposed to the trust unitholders at this time to consider and approve the amendment of the Relevant Lease Agreements of DREIT which are:

- (1) 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) dated 1 December 2013, Letter Subject: Renewal of Lease Agreement (Dusit Thani Laguna Phuket Hotel) dated 11 November 2016, Novation Agreement between DTCPF and DREIT dated 29 November 2017, Amendment of 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) dated 19 November 2019 and Amendment (No. 2) of 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
- (2) 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) dated 1 December 2013, Letter Subject: Renewal of Lease Agreement (Dusit Thani Huahin Hotel) dated 11 November 2016, Novation 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) dated 19 November 2019 and Amendment (No. 2) of the Sublease Agreement of Dusit Thani Laguna Phuket 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**”)



The amendment of the Lease Agreements to be proposed to trust unitholders to consider and approve can be summarized as follows:

No.	Item	Initial Fixed Rental Fee Under Current Lease Agreements of Initial Investment Assets	Initial Fixed Rental Fee After Amendment of Lease Agreements
1.	Lease Agreement of Dusit D2 Chiangmai Hotel	Baht 205,000,000 per year	Deducting the fixed rental fee of Baht 18,660,000 per year from the initial fixed rental fee under the current Lease Agreements of Initial Investment Assets. (As DREIT will dispose the Asset of Dusit D2 Chiangmai Hotel, DREIT and DMCO agree to terminate this lease agreement).
2.	Lease Agreement of Dusit Thani Laguna Phuket Hotel		Baht 186,340,000 per year
3.	Sublease Agreement of Dusit Thani Huahin Hotel		

The details are as provided in [Enclosure 6](#) delivered to the trust unitholders together with this Invitation Letter.

As Dusit Thani Public Company Limited (“DTC”) is a major shareholder of the Company and the REIT Manager of DREIT, holding the proportion of approximately 99.99 percent of all the sold shares of the Company; is a current major trust unitholder of DREIT, holding the proportion of approximately 30.20 percent of the total trust units; and is also a major shareholder of DMCO, who is a current main lessee of Dusit Thani Laguna Phuket Hotel, Dusit D2 Chiangmai Hotel and Dusit Thani Huahin Hotel, holding the proportion of approximately 99.99 percent of the sold shares of DMCO; therefore the termination of Lease Agreement of Dusit D2 Chiangmai Hotel and the amendment of the Lease Agreements of DREIT is considered as a related party transaction between DREIT and the persons related to the REIT Manager.



The termination of the Lease Agreement of Dusit D2 Chiangmai Hotel and 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 (“**Highest Transaction Size Basis**”). The transaction size of the termination of Lease Agreement of Dusit D2 Chiangmai Hotel and the amendment of Lease Agreements is equivalent to Baht 167,940,000 (One Hundred Sixty-Seven Million Nine Hundred Forty Thousand Baht) and the transaction size of the amendment of Lease Agreements is equivalent to Baht 1,677,060,000 (One Billion Six Hundred Seventy-Seven Million Sixty Thousand Baht) or accounted to 31.90 percent of the net asset value (net asset value of DREIT as at 30 June 2022 is equivalent to 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)). In this regard, the termination of the Lease Agreement of Dusit D2 Chiangmai Hotel and the amendment of Lease Agreements of DREIT 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 SEC SorRor. 26/2555. The Information Memorandum on Related Party Transactions with Persons Related to the REIT Manager is as provided in Enclosure 8 and the REIT Manager has appointed Baker Tilly Corporate Advisory Services (Thailand) Ltd. as independent financial advisor to render opinions and analyze information relating to such transaction as supporting information for consideration and approval of the relevant Agendas. The opinion of the independent financial advisor is as provided in Enclosure 7 delivered to the trust unitholders together with this Invitation Letter.

In this regard, the Company hereby requests for trust unitholders' approval of the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT, which is a related party transaction between DREIT and the persons related to REIT Manager, including any action in compliance with the relevant conditions in relation to the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT to make the operation successful as per details prescribed above and to authorize the Company and/or the Trustee to act as follows:

(1) To determine details of the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT, insofar as they are not contrary to or inconsistent with the resolutions of the Trust Unitholders' Meeting and/or orders or guidance of the Office of the SEC, the Stock Exchange of Thailand and/or any relevant agencies, as well as to contact with the Office of the SEC, the Stock Exchange of Thailand, governmental agencies or governmental organizations or any persons for such performance, etc.;

(2) To negotiate, prepare, sign, deliver and/or amend any agreements or commitments representing the termination of lease agreement of disposal asset and/or the amendment of relevant lease



agreements of DREIT and/or agreements and/or documents relating to the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT upon DREIT's obtaining of approval from the trust unitholders for the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT, as well as to contact the Office of the SEC, the Stock Exchange of Thailand, governmental agencies or governmental organizations or any persons for such performance, etc.; and

(3) To perform any actions necessary for or relating to the above to complete such performances, as well as to appoint and/or to remove sub-authorized persons for the aforementioned performances under (1) and/or (2) in order to complete such performances.

In this regard, once DREIT received trust unitholders' approval, the Company will proceed with the termination of the lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT thereafter.

REIT Manager's Opinion

The trust unitholders should consider approving the termination of lease agreement of disposal asset as it is to comply with Agreement to Purchase and to Sell Lands, Buildings and Movable Assets in relation to the disposition of the Asset of Dusit D2 Chiangmai Hotel which stipulated that DREIT must terminate 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 in accordance with the conditions approved by the trust unitholders' meeting (as the case may be). The assets transferred to AWC and/or the purchaser will be 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 will agree to terminate such agreement. In this regard, by the disposition of such asset, DREIT will receive the compensation from the disposition of such assets in the amount of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to hotel equipment) or in the amount resulting DREIT to receive an increase in total benefits of not less than 3.8 percent when compared to the purchase price received by DREIT from AWC (that is to say, the net value Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to 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 is appropriate.

The trust unitholders should consider approving the amendment of relevant lease agreements of DREIT as it is appropriate due to the reason that initial fixed rental which DREIT will receive from the Remaining



Initial Investment Assets calculated from the proportion of the 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 dispose the Asset of Dusit D2 Chiangmai Hotel, DREIT and DMCO agree to terminate this lease agreement).	9.1
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 Pandemic). 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.

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

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 dispose the 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 the Asset of Dusit D2 Chiangmai Hotel and the termination of the Lease Agreement of Dusit D2 Chiangmai. DREIT will also receive the consideration from the disposition of such assets at the amounts of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to hotel equipment) or in the amount resulting DREIT to receive an increase in total benefits of not less than 3.8 percent when compared to the purchase price received by DREIT from AWC (that is to say, the net value of Baht 450,000,000 (Four Hundred Fifty Million Baht) (excluding VAT in relation to hotel equipment) (as the case may be).



The Company is of the opinion that such transaction is in accordance with the Trust Deed of DREIT and relevant laws and the disposition of the Asset of Dusit D2 Chiangmai Hotel is for the best benefit of DREIT as per the reasons aforementioned.

Accordingly, to carry out such actions efficiently, it is appropriate for the trust unitholders to approve the authorization to the Company and/or the Trustee to act as presented above. Upon receiving trust unitholders' approval, the Company will proceed thereafter.

Trustee's Opinion

The Trustee is of the opinion that the termination of lease agreement of disposal asset and the amendment of relevant lease agreements of DREIT, which is a related party transaction between DREIT and the persons related to REIT Manager is not contrary to the Trust Deed of DREIT and relevant laws.

Voting

The entering into such transactions by DREIT is considered as related party transactions with the persons related to the REIT Manager with the total size of the transaction from Baht 20,000,000 or exceeding 3 percent of the net asset value of DREIT, whichever is higher. As a result, entering into such transaction requires approval from the Trust Unitholders' Meeting of DREIT by a vote of not less than three-fourths of all votes of the trust unitholders attending the meeting and having the right to vote.

In respect of the counting of such votes of all trust unitholders having the right to vote, the Company will not include the votes from the trust unitholders with special interests in the matter proposed for voting.

The trust unitholders who have special interests in this matter and may not vote in this Agenda (as of the date of determination of the list of trust unitholders eligible to attend the Extraordinary General Meeting of Trust Unitholders No. 1/2022 of DREIT (Record Date) which is 8 November 2022) are specified in the List of Trust Unitholders, the details of which are provided in Enclosure 13.

Agenda 4 Other matters (if any).

The trust unitholders are cordially invited to attend the meeting at the date, time and method as aforementioned. In this regard, the Company will begin the meeting through electronic media from 10.00 hrs. on 14 December 2022. In case trust unitholders decided to attend the meeting through the electronic media (E-EGM), the trust unitholders or proxies please submit the Registration Form for attending the meeting through electronic media (E-EGM). The details are as provided in Enclosure 10 of this Invitation Letter and please



present evidence of your identification as per the details provided in Enclosure 9 and submit to “The REIT Manager of Dusit Thai Freehold and Leasehold Real Estate Investment Trust” No. 319, 29th Floor, Chamchuri Square Tower, Phayathai Road, Pathumwan Sub-district, Pathumwan District, Bangkok 10330 or E-mail: ir@dtcreit.com within 8 December 2022 or request to attend the meeting via website or QR Code as details in Enclosure 9 from 7 December 2022 until 14 December 2022 when the meeting is finish. After the verification of the list of trust unitholders eligible to attend the Extraordinary General Meeting of Trust Unitholders No. 1/2022 of DREIT (Record Date) which is 8 November 2022, the Company will deliver the username and password for the program used for entering into the extraordinary general meeting through the electronic media (E-EGM) to the trust unitholders or proxies through the E-mail that submitted to the Company. In case any trust unitholder is unable to attend the meeting in person and wishes to authorize a person to attend the meeting and cast the vote on your behalf at this meeting, please complete and sign a Proxy Form attached to this Invitation Letter, the details of which are provided in Enclosure 11, and duly affix the stamp duty of Baht 20. The trust unitholders may give proxy to the Independent Director of the Company to attend the meeting and vote on their behalf in this meeting. Information on Independent Directors of the Company for Trust Unitholders' Proxy is as provided in Enclosure 12.

For the trust unitholders' benefits, please study the procedures of registration and guidelines for attending the meeting through the electronic media (E-EGM) as per the details provided in Enclosure 9 delivered to the trust unitholders together with this Invitation Letter. If any trust unitholder has any questions relating to extraordinary general meeting through the electronic media (E-EGM) or inquiries relating to the proxies, please contact the Investor Relations, Dusit Thani Properties REIT Company Limited, Tel. 02-200-9999 Ext. 3681 – 3684 during office hours and business days.

Yours respectfully,

Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT)
by Dusit Thani Property REIT Company Limited as REIT Manager

(Mr. Voranon Asavakittimetin)

Managing Director