

Information Memorandum on the Related Party Transactions of TICON Freehold and Leasehold Real Estate
Investment Trust and the Related Party (Persons Related to the Trustee)

1. Transaction date : After obtaining the approval from the Unitholders' Meeting of TREIT for the related issues and without the dissenting votes of more than one fourth of all Investment Units sold. The parties to the agreements in relation to the loan of TREIT have already satisfied all of the condition precedents of such agreements.
2. Counterparty and relationship with TREIT : Persons Related to the Trustee, which may be securities companies, commercial banks, financial institutions, and/or insurance companies that are related to the Trustee pursuant to the relevant laws and regulations.
3. Interest of Persons Related to the Trustee : Persons Related to the Trustee have interest in the transaction as persons whom TREIT wishes to obtain a loan for the investment in the additional assets and/or TREIT's existing loan repayment and/or to make a payment to unitholders in the case where TREIT cannot proceed with the investment in the Assets under Right to Invest in the amount of not less than Baht 3,500 million in accordance with the resolution of the Extraordinary Trust Unitholders' Meeting of TREIT No. 1/2017.
4. General characteristics of the transaction : TREIT will obtain a loan, which may be secured, from Persons Related to the Trustee and will utilize such loan for the investment in the additional assets and/or TREIT's existing loan repayment and/or to make a payment to unitholders in the case where TREIT cannot proceed with the investment in the Assets under Right to Invest in the amount of not less than Baht 3,500 million in accordance with the resolution of the Extraordinary Trust Unitholders' Meeting of TREIT No. 1/2017.
5. Conditions for the loan : with the material conditions and details as specified in the invitation to the Meeting.

6. **Size of the transaction and consideration** : The outstanding principal of loan as will be proposed to the unitholders for their approval in Agenda 7 when combine with the outstanding principal of debentures issued by TREIT as will be proposed to the unitholders for their approval in Agenda 6 at any time shall not exceed Baht 10,000 million with the interest rate, the interest payment and the collaterals related to the loan as agreed upon by TREIT and lenders.
7. **Criteria for determining the value of the consideration** : The conditions of the loan, including the interest rate, the interest payment and the collaterals related to the loan will be reasonable and will not prejudice the interest of TREIT. The terms and conditions specified in the related agreements will be on an arm's length basis, and the transaction costs imposed on TREIT will be fair and reasonable, in comparison to the credit rating of TREIT, interest and principal payment ability, loan term, collateral, seniority of creditor, the interest rate paid by TREIT in the past, and the rate charged on other borrowers. Parties with special interest in the transaction shall not be involved in the decision to enter into such transaction. The entry into such transaction will primarily take into account the benefits of TREIT and Trust Unitholders, such as the consideration, amount, interest rate, term of the loan and term of payment, etc.
8. **Benefits from loan** : For the flexibility of TREIT's operation and the most appropriate and efficient method of financial cost management, when market environment might not allow the issuance and offer for sale of debentures whether in whole or in part as proposed in the previous matter or in the case where obtaining a loan is more beneficial to TREIT than issuing and offering debentures and The capital structure of TREIT will be determined by the suitability of the debt ratio of TREIT and the current market condition of equity and debt.
9. **Approval of the transaction** : Requiring affirmative votes from the Unitholders' Meeting of not less than the majority vote which is exceeding the half of all Investment Units of the Unitholders attending the Meeting and having the right to

vote. If TREIT obtains a loan from Persons Related to the Trustee, this transaction might be deemed as a conflict of interest between TREIT and the Trustee, therefore, the Unitholders' Meeting shall not resolved with the dissenting votes of more than one fourth of all Investment Units sold. Provided that the counting of such votes of all persons having the right to vote, the REIT Manager will exclude the votes from Persons Related to the Trustee.

The details of Unitholders with special interest in the proposed transaction for resolution will be provided in the invitation to the Meeting.

10. Opinion the REIT : The unitholders should consider and approve the loans and the provision of related collateral for the investment in the additional assets and/or TREIT's existing loan repayment and/or making a payment to unitholders in the case where TREIT cannot proceed with the investment in the Assets under Right to Invest in the amount of not less than Baht 3,500 million in accordance with the resolution of the Extraordinary Trust Unitholders' Meeting of TREIT No. 1/2017 and approve the REIT Manager to be an authorized person to determine the details of terms or other conditions of loans and the provision of collateral and negotiate, prepare, sign, submit and/or amend any documents related to the loan and the provision of collateral and perform any related transaction so as to ensure a success in the aforementioned loan and the provision of collateral. The capital structure to be used for investment the additional assets and/or TREIT's existing loan repayment and/or making a payment to unitholders in the case where TREIT cannot proceed with the investment in the Assets under Right to Invest in the amount of not less than Baht 3,500 million in accordance with the resolution of the Extraordinary Trust Unitholders' Meeting of TREIT No. 1/2017 will be determined by the suitability and the current market condition of debt.

In this regard, these loans will support TREIT in having more flexibility and efficient financial structure.

The REIT Manager is of the opinion that such loan transaction which may be entered into with Bangkok Bank Public Company Limited which is a Person Related to the Trustee (which may cause a conflict of interests with TREIT) does not conflict with TREIT's Trust Deed and applicable laws, the REIT Manager also seek for the loan offer from other financial institutions to compare the conditions such as interest rate, loan period and collateral (if any), so that TREIT will obtain the best loan offer for the utmost benefit of the unitholders.

11. Dissenting opinion of the : None.

Audit Committee and/or the director of the REIT Manager which is different from the opinion of the Board of Directors of the REIT Manager

12. The Previous Related Party Transactions of TREIT : 1. Trustee was the one supervising the payment of service fee for financial advisor, fee for underwriting and firmed underwriting of Trust Units, interest expenses and fee for other financial services to Bangkok Bank Public Company Limited.

2. Bangkok Bank Public Company Limited may be required to invest in Trust Units according to the agreements on firmed underwriting of Trust Units.

3. Bangkok Bank Public Company Limited was the lender of TREIT for the loan for the investment in the assets invested by TREIT.

13. List of the management and the first 10 Unitholders as at the record date

1. List of the management

The executive officers of the REIT Manager, consist of:

Mr. Peerapat Srisukont Managing Director

Mr. Bhumpharn Arunthammakul Head of Finance and IR

Ms. Namtip Panjan Head of Accounting

Mr. Chansak Thamsombatdee Head of Business Development

2. The first 10 Trust Unitholders (as at 8 March 2018 which is the record date for the rights to attend the 2018 Annual General



Meeting of Unitholders (Record Date)) as appeared in Enclosure
7.

14. The Summarized Financial : Please consider the details as appeared in the attachment below.
Information

Attachment

Table of Summarized Financial Information

Financial information from audited financial statements of TREIT for the year ended 31 December 2015, 31 December 2016 and reviewed financial statement for the year ended 31 December 2017 by EY Office Limited

| Statement of Financial Position | 2015 | 2016 | 2017 |
|---|-----------------------------|-----------------------------|-----------------------------|
| (Unit : THB Thousand) | (As of 31 December 2015) | (As of 31 December 2016) | (As of 31 December 2017) |
| | Audited | Audited | Audited |
| Assets | | | |
| Investments in properties at fair value | 7,260,760 | 7,351,650 | 30,450,600 |
| Investments in securities at fair value | 310,271 | 270,555 | 141,813 |
| Cash and cash at banks | 3,296 | 41,049 | 1,168,439 |
| Accounts receivable | | | |
| From rental and service | 45,560 | 43,647 | 68,055 |
| From interest | 368 | 468 | 380 |
| Other | 2,983 | 7,527 | 19,239 |
| Deferred expenses | 61,759 | 51,974 | 95,254 |
| Other assets | 2,440 | 4,406 | 17,524 |
| Total assets | 7,687,437 | 7,771,276 | 31,961,304 |
| Liabilities | | | |
| Short-term loans | - | - | 3,739,966 |
| Accrued property tax | 4,437 | 15,495 | 52,962 |
| Accrued expenses | 35,438 | 27,293 | 91,737 |
| Accrued interest | - | - | 18,899 |
| Withholding taxes payable | 53,243 | 6,172 | 18,504 |
| Advance receipts for rental and service | - | - | 2,282 |
| Deposits from rental and service | 169,698 | 151,850 | 761,829 |
| Long-term loans | 1,819,000 | 1,819,000 | - |
| Debentures | - | - | 1,800,000 |
| Other liabilities | 4,306 | 4,597 | 7,032 |
| Total liabilities | 2,086,122 | 2,024,407 | 6,493,211 |
| Net assets | | | |
| Trust registered and capital from the unitholders | 5,542,063 | 5,542,063 | 25,423,452 |
| Retained earnings | 59,252 | 204,806 | 44,641 |
| Net assets | 5,601,315 | 5,746,869 | 25,468,093 |
| Net Assets and Liabilities | 7,687,437 | 7,771,276 | 31,961,304 |

| Statement of income | 2015 | 2016 | 2017 |
|--|-----------------------------|-----------------------------|-----------------------------|
| (Unit : THB Thousand) | (Ended 31 December 2015) | (Ended 31 December 2016) | (Ended 31 December 2017) |
| | Audited | Audited | Audited |
| Investment income | | | |
| Rental and service income | 366,158 | 563,070 | 587,408 |
| Interest income | 2,540 | 3,885 | 3,715 |
| Income from rental and service guarantees | 41,325 | 62,054 | 515 |
| Income from forfeiture of rental and service deposits | 5,575 | 24,995 | 3,598 |
| Other income | 49 | 1,771 | 9 |
| Total income | 415,647 | 655,775 | 595,245 |
| Expenses | | | |
| Trust management fee | 44,410 | 60,508 | 65,026 |
| Trustee fee | 3,694 | 5,892 | 6,803 |
| Registrar fee | 1,474 | 2,273 | 2,354 |
| Professional fees | 496 | 590 | 1,882 |
| Operating expenses | 28,118 | 99,995 | 59,821 |
| Amortization of deferred expenses | 12,479 | 15,185 | 15,478 |
| Interest expenses | 38,423 | 74,208 | 74,785 |
| Total expenses | 129,094 | 258,651 | 226,149 |
| Net investment income | 286,553 | 397,124 | 369,096 |
| Net realised gains on investments | 211 | - | - |
| Net unrealised gains (losses) on investments | (126,500) | 90,890 | (142,250) |
| Total realised and unrealised gains (losses) on investments | 160,264 | 488,014 | 226,846 |

| Statement of cash flows | 2015 | 2016 | 2017 |
|--|-----------------------------|-----------------------------|-----------------------------|
| (Unit : THB Thousand) | (Ended 31 December 2015) | (Ended 31 December 2016) | (Ended 31 December 2017) |
| | Audited | Audited | Audited |
| Net cash flows from (used in) operating activities | (3,149,204) | 454,429 | 1,209,131 |
| Net cash flows from (used in) financing activities | 2,928,756 | (416,676) | (81,742) |
| Net increase (decrease) in cash and cash at banks | (220,448) | 37,753 | 1,127,389 |

| Financial Ratio | 2015 | 2016 | 2017 |
|--|--------------------------|--------------------------|--------------------------|
| | (As of 31 December 2015) | (As of 31 December 2016) | (As of 31 December 2017) |
| | Audited | Audited | Audited |
| NAV per unit (THB) | 9.88 | 10.14 | 9.79 |
| Increase (Decrease) in NAV per unit (THB) | (0.14) | 0.26 | (0.35) |
| Debt to Total Asset Value (%) ⁽¹⁾ | 23.66 | 23.41 | 17.33 |
| Debt to Net Asset Value (%) ⁽¹⁾ | 32.47 | 31.65 | 21.75 |
| Number of units issued - end of year (Units) | 566,800,000 | 566,800,000 | 2,602,387,048 |

Note: (1) Calculated from interest bearing debt