

No. ARM2024045

13 September 2024

**Subject:** Invitation to Trust Unitholders Meeting of Trust Unitholders of ALLY Freehold and Leasehold Real Estate Investment Trust No.1/2024

**To:** Trust unitholders  
ALLY Leasehold Real Estate Investment Trust

Enclosures:

1. Registration methods, attendance, and appointing proxy
2. Proxy form
3. Profile of the independent director of the REIT Manager, for appointing as a proxy by the trust unitholders
4. Acceptance form for attending the meeting
5. List of major Trust Unitholders as of the Record Date on 28 August 2024 for determining the Trust Unitholders who are entitled to attend the Meeting
6. Personal Data Privacy Policy.

The meeting of the Board of Directors of ALLY REIT Management Company Limited (“**the Company**”), as a REIT Manager of of ALLY Freehold and Leasehold Real Estate Investment Trust (“**ALLY**” or “**The Trust**”) has notified to the Stock Exchange of Thailand on 13 August 2024, Notification of Trust Unitholders Meeting No. 1/2024 will be held on 30 September 2024, at 10.00 a.m. onwards (Registration will be commenced at 09.30 a.m.) via Electronic Meeting. All trust unitholders are hereby invited to attend the meeting through electronic method on the date and at the time mentioned, to consider the agenda as follows.

**Agenda 1** To acknowledge the minutes of the 2024 Annual General Meeting of Trust Unitholders

**Facts and rationale:**

The REIT Manager had prepared with the preparation of acknowledge the minutes of the 2024 Annual General Meeting of Trust Unitholders in the form of submitting the annual performance report on April 1, 2024, instead of holding the 2024 annual general meeting, which is in accordance with the Securities and Exchange Commission Announcement No. Sor. 20/2023 and the Capital Market Supervisory Board Announcement No. Tor. 33/2023.

**REIT Manager’s Opinion**

The REIT Manager deems it appropriate to propose to the unitholders to approve the Trust’s 2023 annual performance report in the form of submitting the annual performance report on April 1, 2024, instead of holding the 2024 annual general meeting.

Agenda 2 To consider and approve the amendment to the Trust Deed to be in the case of capital structure arrangement of the trust for investment of ALLY

**Facts and rationale:**

Due to the situation of Thai economic outlook for 2024, it is likely to expand at a higher rate than the previous year. It is supported by the domestic demand and tourism sector, which has improved in terms of both the number of tourists and private sector's consumption that continuously expand although it has slowed down from 2023 which expanded quite high, along with the government's spending stimulus policy that will increase again in the remaining period of the year. Currently, the overall financial situation remains stable, the private sector's borrowing costs through commercial banks and bond market are at a high level, business and household loans have expanded at a slower pace, resulting in the current interest rate still being in line with the economic trend that is trending towards the potential and maintaining the economic and financial stability.

The trust was established on November 26, 2019, as a trust from the conversion of Crystal Retail Growth Leasehold Property Fund and acquired the assets and liabilities of the property fund on December 2, 2019, pursuant to the transfer of rights and obligations under the Undertaking Agreement. The trust is a non-redemption type with no project life expectancy. The objective is to raise funds from investors and borrow money from financial institutions to invest in core assets by purchasing and/or renting and/or sub-leasing and/or accepting transfers of leasehold rights and/or sub-leasehold rights in core assets, under the credit granting agreement between the trusts and Bangkok Bank Public Company Limited, dated December 2, 2019 (the "Loan Agreement"), divided into two credit limits as follows: (a) the 1<sup>st</sup> credit limit - not exceeding 2,764 million baht (two billion seven hundred and sixty-four million baht); and (b) the 2<sup>nd</sup> credit limit - not exceeding 1,261 million baht (one billion two hundred and sixty-one million baht). Details of the loan disbursement for investment in additional assets and interest rates are as follows:

No.	Additional investment assets	Acquisition value (Million Baht)	Interest rate According to the loan Agreement
1	Additional investment assets No.1, 10 projects 1) Crystal Design Center Project 2) The Crystal Ekamai-Ramintra Project 3) The Crystal SB (Ratchapruerk) Project 4) Amorini Ramintra Project 5) I'm Park Chula Project 6) Plearnary Mall Watcharapol Project	2,764.00	1) Fixed interest at 3.85% per annum from the withdrawing date of the first credit facility to 2 December 2021 2) MLR - 2.15 per annum from 3 December 2021 until 2 December 2024; and

No.	Additional investment assets	Acquisition value (Million Baht)	Interest rate According to the loan Agreement
	7) Sammakorn Place Ramkhamhaeng (West) Project 8) Sammakorn Place Rangsit Project 9) Sammakorn Place Ratchapruerk Project 10) The Scene Town In Town Project		3) MLR - 2 per annum from 3 December 2024 onwards until the settlement is completed
2	11) Kad Farang Village Project 12) The Crystal Chaipayruerk Project 13) The Prime Hua Lamphong Project 14) Happy Avenue Donmuang Project	390.00 280.00 171.8 225.45	1) Fixed interest at 4.25% per annum from the withdrawing date of the second credit facility to 2 December 2021 2) MLR - 2 per annum from 3 December 2021 until 2 December 2024; and 3) MLR - 1.75 per annum from 3 December 2024 onwards until the settlement is completed

As of June 30, 2024, the Trust is required to pay interest on the first loan at the rate of 4.95 percent per annum and the second loan at the rate of 5.10 percent per annum (MLR interest rate data is at the rate of 7.10 percent per annum, which the Bank has announced for general use on April 29, 2024).

From the economic situation and capital market situation which are volatile from the increase of interest rates, resulting in the trust having higher financial costs in the interest expense, the trust manager considered the source of funds to be used as a source of funds for additional investing in core assets in the future, together with the value of core assets that the trust considers to invest is not yet consistent with the capital market situation, including if the additional investment in core assets has a source of funds from loans, it will result in the trust having higher financial cost burden. However, the trust manager has considered the trust liquidity from accumulated profits and rental deposits, considering that if the trust additional invests in core assets with a source of funds from the trust's excess liquidity, it will be appropriate according to the economic situation and consistent with the good return estimate from the core assets that will be additional invested in.



Currently, the trust deed and amended specify the consideration of future investment in core assets from two sources of funds:

- (1) Raising funds by issuing and offering trust units and
- (2) Borrowing money, issuing debentures, or incurring other debts with similar nature.

The trust proposes to consider amending the trust deed in the case of the trust's capital structure by considering 3 additional sources of funds, namely:

- (1) Retained earnings
- (2) Deposits from rental and services and
- (3) Money obtained from the sale of core assets.

In this regard, the Trust capital structure with sources of funds from rental deposits and the above-mentioned sources of funds to additional invest in core assets, the trust manager will use its best efforts to consider in order to be consistent with the trust's cash position, such as:

- (1) Management of deposits from rental and services to consider the trust's cash position so as not to affect the rights in the case of a refund of rental deposits for the lessee under the trust's management at a rate of not less than 70 percent of the trust's deposits from rental and services amount, referring to the most recently disclosed trust's financial statements. In the event that the cash position is less than 70 percent of the trust's rental deposit amount, the trust must take action to maintain the cash position to be as specified within 180 days.
- (2) Management of the gradual refund of rental deposits that the trust considers for additional investing in core assets (if any). Every year, the trust will gradually refund rental deposits that are considered for additional investment in core assets in the future in full amount before the expiration of leasehold rights of the core assets that will be invested in.

However, the trust's consideration of sources of funds for additional investment in assets in the future must be in accordance with the form of offer for sale of trust units, terms and conditions of trust deed, as well as the relevant criteria and announcements of SEC board.

In this regard, the meeting of trust management committee resolved to propose to the trust unitholders' meeting to consider approving the amendment of trust deed in case of capital structure of the trust for investment in ALLY Freehold and Leasehold Real Estate Investment Trust, with the following details:

<u>Current of Capital Structure Arrangement for Investment of ALLY</u>	<u>Amended of Capital Structure Arrangement for Investment of ALLY</u>
<p>1 Establishment of a Trust</p> <p>1.2.3 For future investment in core assets after the first investment in additional investment assets.</p> <p>( 1 ) The REIT manager may consider investing in the core assets in the future by issuing and offering new trust units and/or borrowing money, including issuing and offering instruments with the true meaning or substance as a loan. The money from the above actions will be transferred to the trust’s account in the name of the trustee for safekeeping and will be invested in the core assets in the future. In the case of issuing and offering new trust units, the trust manager will list the newly issued trust units as the listed securities on the Stock Exchange.</p>	<p>1 Establishment of a Trust</p> <p>1.2.3 For future investment in core assets after the first investment in additional investment assets.</p> <p>( 1 ) The REIT manager may consider investing in the core assets in the future by issuing and offering new trust units and/or borrowing money, including issuing and offering instruments with the true meaning or substance as a loan <u>and/or retained earnings, which will be considered in accordance with the trust’s cash position and/or money obtained from the sale of core assets and/or the use of Deposits from rental and services for investment in the core assets. Such actions must be in accordance with the resolutions of the meeting of company’s board of directors’, resolutions of the unitholders’ meeting and/or form of offer for sale of trust units. The trust must have available rental deposit management system when the lessee exercises the right to reclaim the rental deposit.</u> The money from the above actions will be transferred to the trust’s account in the name of the trustee for safekeeping and will be invested in the core assets in the future. In the case of issuing and offering new trust units, the trust manager will list the newly issued trust units as the listed securities on the Stock Exchange.</p>

If the trust receives approval from the unitholders’ meeting to amend the trust deed, in the case of capital structure of the trust for investment in ALLY Freehold and Leasehold Real Estate Investment Trust, the trust manager and trustee will proceed to amend the trust deed by amending and/or updating the information and details related to the trust’s capital structure in the trust deed. Such amendment to the trust deed will be clearly beneficial to the trust and unitholders and will not impair the rights of the unitholders, as specified in the trust deed and in accordance with the relevant laws, regulations, announcements and rules.

## REIT Manager's Opinion

The amendment of trust deed in the case of the trust capital structure for investment in ALLY Freehold and Leasehold Real Estate Investment Trust consists of adding source of funds to additional invest in core assets in the future, aimed to be of the best benefit to the trust because the trust will be able to consider the source of funds appropriately for the assets that the trust will invest in the future, such as the value of the core assets that the trust will invest in, the interest burden according to the credit granting agreement, the trust's financial cost, and the capital market situation, as well as liquidity management to generate returns from additional long-term investing in core assets with the trust. The trust manager will carefully consider investment opportunities and arrange an appropriate capital structure by investing only in assets or projects that have cash flow and can increase cash flow for the trust. At the same time, the trust manager will have measures to consider the source of funds in line with the trust's cash position in order to generate additional income and returns for the trust and be benefit unitholders continuously in the long term.

And the unitholders' meeting should have a resolution to consider approving the amendment of the trust deed in the case of the capital structure of the trust for investment in ALLY Freehold and Leasehold Real Estate Investment Trust, as proposed.

## Trustee's Opinion

If the trust receives approval from the unitholders' meeting to amend the trust deed, in the case of capital structure of the trust for investment in ALLY Freehold and Leasehold Real Estate Investment Trust, the trust manager and trustee will proceed to amend the trust deed by amending and/or updating the information and details related to the trust's capital structure in the trust deed. Such amendment to the trust deed will be clearly beneficial to the trust and unitholders and will not impair the rights of the unitholders, as specified in the trust deed and in accordance with the relevant laws, regulations, announcements and rules.

## Resolutions:

As the entering into such transaction by ALLY must be approved in the Trust Unitholders' Meeting with the affirmative vote of not less than three-fourths of all Trust Units of the Trust Unitholders attending the Meeting and having the right to vote in accordance with the Trust Deed. The vote counting of all attendance eligible, provided that the Trust Unitholders Meeting No. 1/2024 must be attended by at not less than one-half of all Trust Unitholders, and must have a collective number of not less than one-third of all Trust Units sold, to constitute a quorum;



In this regard, the Trust Unitholders of ALLY are hereby invited to attend the Meeting on the date and at the time and place specified in this Invitation. The Trust Unitholders may consider the Registration Methods, Attendance, and Proxy Appointment as detailed in **Enclosure 1** and **Enclosure 2**.

The Trust Unitholders No. 1/2024 must be attended by Trust Unitholders, or their proxies (if any), or not less than one-half of all Trust Unitholders, and must have a collective number of not less than one-third of all Trust Units sold, to constitute a quorum.

For the Trust Unitholders who are unable to attend the Meeting in person and wish to appoint a proxy to attend the Meeting and vote on their behalfs in this Meeting, please complete and execute the Proxy Form attached to this Invitation, the details of which are as appeared in **Enclosure 2**, with a duty stamp in the amount of Baht 20 duly affixed. The Trust Unitholders may give proxy to the Independent Director of the REIT Manager to attend the Meeting and vote on their behalfs in this Meeting. The Profiles of Independent Directors of the REIT Manager in Support of the Appointment of Proxy of the Trust Unitholders are as detailed in **Enclosure 3**. The details and proxy form for which must be delivered to the REIT Manager of ALLY Freehold and Leasehold Real Estate Investment Trust at the Crystal Design Center Project (CDC), 3<sup>rd</sup> floor, Building D, No. 888 Praditmanutham Road, Klong Chan Sub-district, Bangkok District, Bangkok 10240.

Should you have inquiries or questions regarding the proxy appointment, please contact the investor relations official at Tel. 0-2101-5161 on working days during business hours.

Please be informed accordingly.

Sincerely yours,

ALLY Freehold and Leasehold Real Estate Investment Trust

(Mr. Kavin Eiamsakulrat)  
Chief Executive Officer  
ALLY REIT Management Company Limited, as the REIT Manager