

Summary of Asset Appraisal Report Made by Independent Appraisers

At BA.0101/2559

9 May 2559

Re: Summary of the valuation  
Attn: Manager  
WHA REIT

As Bangkok Property Appraisal has instructed to evaluate the subject property, we have completed the valuation report following the purpose of valuation. Details of the method, assumption and limitation of the valuation have been issued in the valuation report. The Details of valuation are as follows:

Client Name	WHA REIT
Type of Property	Leasehold Right of the Land with Building
Location	Address: 888, 888/1-888/12 and 888/14-888/18Moo 7 Bang Pla Sub-district, Bang Phli District, Samut Prakarn Province
Land Document	Sub-Lease Agreement on Title Deed No. 129645 with total area of 66-2-85 rai or 26,685 sq wah
Building	Total 13 items consisting of 5 items of warehouse with 2-storey office and other buildings
Encumbrance	Sub lease (15 years period) with Sino – Pacific Trading (Thailand) Company Limited
Purpose of valuation	To know the Current Market Value for Public Purpose
Principle of valuation	To set Market Value
Method of valuation	Income Approach
Date of valuation	1 March 2559
Market Value as of Date of Valuation by Income Approach	Baht 1,370,000,000.- (-Baht One Billion Three Hundred and Seventy Million Only-)
Market Value as of Date of Investment by REIT by Income Approach	Baht 1,387,000,000.- (-Baht One Billion Two Hundred and Eighty Seven Million Only-)
Market Value as of Date of Investment by REIT include Roof Rental Contract	Baht 1,405,000,000.- (-Baht One Four Hundred and Five Million Only-)

Bangkok Property Appraisal Co., Ltd and valuer have confirmed that neither company nor valuer have any benefits or interest directly or indirectly with this valuation and evaluate the property under the standard and ethic of the professional formats.

To consideration



With sincerely

(Mr. Shookiat Payabvipapong)

Managing Director

## **WHA Mega Logistics Center Chonlaharnpichit Km.5**

### **Valuation by Income Approach**

#### **Discounted Cash Flow Technique**

##### **Valuation Assumption**

According to the subject property is land with warehouse which can generate the revenue from lease contract of netable area and/ or holding property. Any issues of assumptions or conditions which will be affected to the revenue and expenses referring to the market and document from the client. Therefore, we applied the Income Approach (Discounted Cash Flow Technique) under the assumption of:-

##### **1. Rental Assumption**

The subject property is a warehouse which located in industrial area and responded to the demand of the goods storage business. The competition in this area is high as a number of warehouse supply located. According to the information from the property management staff, rental document, detail of rent and trend and condition of rental growth, we found that the rental rate in this area is in-line with the market which having ranged of Baht 150 – 180 per sq meter per month depending on the location, building condition, floor loading capacity, facilities, utilities and rent conditions. We applied the rental rate at Baht 160 per sqm per month.

The escalation rate of rental rate is set at 10% for every 3 years.

##### **2. Occupancy Rate Assumption**

According to document checking and market survey, we found that an occupied area of 47% is long term contract with 20 years period and will be expired in 2577.

We set an occupancy rate for 2559 – 2583 at 92.5% and 2584 – 2586 at 90% onward.

##### **3. Revenue Assumption**

Rent revenue and service revenue can divided to 2 parts of 1) area which occupied along the contract period according to lease contract and 2) rent revenue from remaining net area which will be collected when the some lease contracts are expired.

##### **4. Expenses Assumption**

For the warehouse operation, cost of expenses for operation and maintenance is responded by lessee, except some expenses will be responded by the lessor. Any expenses which will respond by lessor will be referred to the actual expenses or ratio of total revenue and document from client. We set the expenses as follows:-

Cost of Operation	Expenses
- Operation Cost	According to the Property management contract, but not over 3% of total revenue
- Land Lease Fee	According to Lease Contract
- Maintenance Cost	1% of total revenue
- CAPEX	1% of total revenue

Remark:: According to the Sub Lease Contract between Arunwongrat Company Limited (Lessor) and WHA Corporation Public Company Limited (Lessee) on 25 March 2556 has been issued that the Sub Lessee must transfer the leased land to lessor in As Is condition included factory, warehouse, infrastructure and other improvement and the lessor agreed to respond in any fees, taxes, fees and any expenses which related to the transferring of buildings.

## 5. Discount Rate

Discount Rate is considering to the location of the project, the potential to revenue generating included non-risk return. We set the Discount Rate for the subject property at 10.5% by considering to the government bond and business risk, operating risk, market risk and economy.

### Summary of the Market Value by Income Approach (Discounted Cash Flow Technique)

According to above assumption, we evaluated the Market Value of the subject property by Income Approach at Baht 1,370,000,000.- (Baht One Billion Three Hundred and Seventy Thousand Only)

### Summary of the Market Value by Cost Approach (Depreciation Replacement Cost)

According to the factors that affected to the subject property and market comparable by Market Comparison Approach include cost of building by Depreciation Replacement Cost,

Market Value of the Subject Property is Baht 920,646,000.- (Baht Nine Hundred Twenty Million Six Hundred and Forty Six Thousand Only).

Market Value of Land is Baht 68,241,000.- (Baht Sixty Eight Million Two Hundred and Forty One Thousand Only)

Market Value of Building is Baht 852,405,000.- (Baht Eight Hundred Fifty Two Million Four Hundred and Five Thousand Only)



At BA.0102/2559

10 May 2559

Re: Summary of the valuation  
Attn: Manager  
WHA REIT

As Bangkok Property Appraisal has instructed to evaluate the subject property, we have completed the valuation report following the purpose of valuation. Details of the method, assumption and limitation of the valuation have been issued in the valuation report. The Details of valuation are as follows:

Client Name	WHA REIT
Type of Property	Land with Building
Location	Address No. 7 /1-17 IDC Project Road (Entrance to Containing and Packaging Selecting Road) Klong Sam Prawet Sub-district, Lad Krabang District, Bangkok
Land Document	Title Deeds No. 1482,42151-42154,44285-44287,45003 and 45005, totaling 10 items Total area of 99-1-51 rai or 39,751 sq wah
Building	Total 9 items consisting of 8 items of warehouse and 2-storey office and other improvement
Encumbrance	1.) Title deeds no. 1482, 42151-42154 and 44285-44287 On mortgaged to Siam Commercial Bank Public Company Limited 2.) Title deeds no. 45003 and 45005 are no encumbrance 3.) Title deeds no. 1482,42151-42154 have been leased with 10 years period (total 5 items) by Honda Logistics Asia Company Limited (between mortgage period)
Purpose of valuation	To know the Current Market Value for Public Purpose
Principle of valuation	To set Market Value
Method of valuation	Income Approach
Date of valuation	1 March 2559
Market Value as of Date of Valuation by Income Approach	Baht 2,540,000,000.- (-Two Billion Five Hundred and Forty Million Only-)
Market Value as of Date of Valuation by Cost Approach	Baht 1,803,640,000.- (-One Billion Eight Hundred and Three Million Six Hundred Forty Thousand Only-)
Market Value as of Date of Investment by REIT by Income Approach	Baht 2,586,000,000.- (-Two Billion Five Hundred and Eighty Six Million Only-)
Market Value as of Date of Investment by REIT include Roof Rental Contract	Baht 2,603,000,000.- (-Two Billion Six Hundred and Three Million Only-)

Bangkok Property Appraisal Co., Ltd and valuer have confirmed that neither company nor valuer have any benefits or interest directly or indirectly with this valuation and evaluate the property under the standard and ethic of the professional formats.

To consideration

## **WHA Mega Logistics Center Ladkrabang**

### **Valuation by Income Approach**

#### **Discounted Cash Flow Technique**

##### **Valuation Assumption**

According to the subject property is land with warehouse which can generate the revenue from lease contract of netable area and/ or holding property. Any issues of assumptions or conditions which will be affected to the revenue and expenses referring to the market and document from the client. Therefore, we applied the Income Approach (Discounted Cash Flow Technique) under the assumption of:-

##### **1. Rental Assumption**

The subject property is a warehouse which located in industrial area and responded to the demand of the goods storage business. The competition in this area is high as a number of warehouse supply located. According to the information from the property management staff, rental document, detail of rent and trend and condition of rental growth, we found that the rental rate in this area is in-line with the market which having ranged of Baht 145 - 200 per sq meter per month depending on the location, building condition, floor loading capacity, facilities, utilities and rent conditions. We applied the rental rate at Baht 160 per sqm per month.

The escalation rate of rental rate is set at 10% for every 3 years.

##### **2. Occupancy Rate Assumption**

According to document checking and market survey, we found that an occupied area of 47% is long term contract with 10 years period and will be expired in 2566.

We set an occupancy rate for 2559 – 2568 at 95% onward.

##### **3. Revenue Assumption**

Rent revenue and service revenue can divided to 2 parts of 1) area which occupied along the contract period according to lease contract and 2) rent revenue from remaining net area which will be collected when the some lease contracts are expired.

#### 4. Expenses Assumption

For the warehouse operation, cost of expenses for operation and maintenance is responded by lessee, except some expenses will be responded by the lessor. Any expenses which will respond by lessor will be referred to the actual expenses or ratio of total revenue and document from client. We set the expenses as follows:-

Cost of Operation	Expenses
- Operation Cost	According to the Property management contract, but not over 3% of total revenue
- Land Lease for electricity wire Fee	According to Lease Contract with escalation of 10% every 3 years
- Maintenance Cost	1 % of total revenue
- CAPEX	1 % of total revenue
- Selling Expenses	3% of Property Selling Value on Year 2568

#### 5. Discount Rate

Discount Rate is considering to the location of the project, the potential to revenue generating included non-risk return. We set the Discount Rate for the subject property at 9.5% by considering to the government bond and business risk, operating risk, market risk and economy.

#### 6. Capitalization Rate

According to the slowdown of economic and the investment return rate of each property depending on the growth of revenue, risk of occupied rate, operation and rental rate, we assumed Capitalization Rate on year of selling expenses at 7%.

#### Summary of the Market Value by Income Approach (Discounted Cash Flow Technique)

According to above assumption, we evaluated the Market Value of the subject property by Income Approach at Baht 2,540,000,000.- (Baht Two Billion Five Hundred and Forty Million Only)

#### Summary of the Market Value by Cost Approach (Depreciation Replacement Cost)

According to the factors that affected to the subject property and market comparable by Market Comparison Approach include cost of building by Depreciation Replacement Cost,

Market Value of the Subject Property is Baht 1,803,640,000.- (Baht One Billion Eight Hundred and Three Million Six Hundred Forty Thousand Only).

Market Value of Land is Baht 596,265,000.- (Baht Five Hundred Ninety Six Million Two Hundred Sixty Five Thousand Only)

Market Value of Building is Baht 1,207,375,000.- (Baht One Billion Two Hundred and Seven Million Three Hundred Seventy Five Thousand Only)





**Valuation Report  
for  
WHA Corporation Public Company Limited**

**5 warehouse for rent**

**with the total lettable area of 62,105.25 sq.m.**

**at no. 888, 888/1-12 and 888/14 -18 Moo 4**

**"WHA Mega Logistics Cholahan Pichitr, km. 5" project**

**Rural highway branching from Highway no. 3 (km. 49+035)-  
Banbangkasi (Sor Por 1011)**

**Bangpla Sub-district, Bangplee District, Samut Prakan  
Province**

**Ref. no. 59-10145 (1) GL**

Prepared by:



GRAND ASSET ADVISORY CO., LTD.

1350/279-283 Fl. 16, Thairong Tower, Pattanakarn Road

Suanluang Sub-district, Suanluang District,

Bangkok 10250

Tel.02-719-4500 Fax.02-719-5070-71

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**11 May 2016**



## Valuation Report

Client : WHA Corporation Public Company Limited

Ref. no. : 59-10145 (1) GL

**Executive Summary****Ref. no.** : 59-10145 (1) GL**Client** : WHA Corporation Public Company Limited**Valuation Purpose** : Public**Property Detail**

: The subject property comprises 5 warehouses with the total lettable area of 62,105.25 sq.m. The details are as follows

- **Land details:** Sub-leasehold Right of land represented by 1 title deed with a total land area of 66 rai 2 ngan 85.0 sqw. or 26,685.0 sqw. The existing lease periods are 27.08 years and 26.33 years as of the date of valuation and the date of REITs investment, respectively.
- **Building details:** the subject property comprises 5 warehouse for rent with the total lettable area of 62,105.25 sq.m., with following details.

No.	Description	Area (sq.m.)
1	Warehouse building A, no. 888, 888/1	9,461.00
2	Warehouse building B, no. 888/2-3	7,156.00
3	Warehouse building C, D, no. 888/4-6, 888/9-11	28,952.25
4	Warehouse building E, F, no. 888/7-8	9,380.00
5	Warehouse building G, no. 888/12, 888/14	7,156.00
<b>Net Lettable Area</b>		<b>62,105.25</b>

Electrical system, water supply system, air conditioning system and fire protection system.

## Valuation Report

Client : WHA Corporation Public Company Limited

Ref. no. : 59-10145 (1) GL

**Executive Summary (Con'd)****Property Detail (Con'd)**• **Other 10 buildings including**

No.	Description	Area (sq.m.)
1	Canteen 1, no. 888/16	264.00
2	Canteen 2, no. 888/18	186.40
3	Guardhouse 1, no. 888/15	4.00
4	Guardhouse 2, no. 888/17	4.00
5	Guardhouse 3	4.00
6	Shaded parking	561.20
7	2-m fenced wall with swung steel gate, the fence has a width of	1,308.16 m.
8	Concrete road and pavement	40,717.90
9	30-m pylon signage	1.00 set
10	Project name signage	23.68

**Address**

: at no. 888, 888/1-12 and 888/14 -18 Moo 4 "WHA Mega Logistics Cholahan Pichitr, km. 5" project Rural highway branching from Highway no. 3 (km. 49+035)-Banbangkasi (Sor Por 1011) Bangpla Sub-district, Bangplee District, Samut Prakan Province

**Land Title Certificate**

: title deed no. 129645

**Type of Ownership**

: Leasehold

**Registered Owner**

: 1. Mr. Suphachoke Meeampol 2. Mrs. Sasiwimon Meeampol 3. Mrs. Pattaraporn Worasab dated on 25 March 2013

**Encumbrance**

: Contract no.1: 30-leasing between Mrs. Areerat Meeampol (lessor) and Aroonwongrat Co., Ltd. (lessee) with the existing periods of 27.08 years and 26.33 years as of the date of valuation and the date of REITs investment, respectively, dated on 26 March 2013

Contract no. 2: 30-subleasing between Aroonwongrat Co., Ltd. (sublessor) and WHA Corporation Public Company Limited (sublessee) with the existing periods of 27.08 years and 26.33 years as of the date of valuation and the date of REITs investment, respectively, dated on 26 March 2013



Valuation Report

Client : WHA Corporation Public Company Limited

Ref. no. : 59-10145 (1) GL

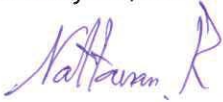


**Executive Summary (Con'd)**

<b>Encumbrance (Con'd)</b>	: <u>Contract no.3</u> : 15-year subleaseing between WHA Corporation Public Company Limited (sublessor) and Sino-Pacific Trading Co., Ltd. (sublessee) from 1 August to 31 July 2029 dated on 1 April 2013
<b>Registered Building Owner</b>	: WHA Corporation Public Company Limited
<b>Date of Valuation</b>	: 1 March 2016
<b>Valuation Criteria</b>	: Open Market Value
<b>Valuation Approach</b>	: Income Approach
<b>Open Market Value on the 27.08-year leasehold basis</b>	: THB 1,397,000,000 (One Thousand Three Hundred and Ninety Seven Million Baht Only)
<b>Open Market Value as of the Date of REITs Investment, as of 1 December 2016, with the existing lease period of 26.33 years</b>	: THB 1,405,000,000 (One Thousand Four Hundred and Five Million Baht Only)

**Remark** : The executive summary must be adopted in conjunction with the valuation detail limitations stated in the full valuation report.

For and on behalf of  
Grand Asset Advisory Co., Ltd.

(signature).....

(Nattanan Rungruang)

Key Valuer no.268

SEC Qualified Key Valuer

Inspector and Valuer : Mr. Somchai Boobhadard  
Reviewer : Mr. Nattanan Rungruang  
Typewriter : Miss Nareerat Srikham

**Assumptions as of the date of REITs investment on 1 December 2016.**  
**The subject property has the existing lease period of 26.33 years**

**Revenue projection**

Grand Asset Advisory Co., Ltd. estimated revenues, expenses, occupancy rate, rental income growth rate, etc. partially from the document provided by the client in conjunction with market information and our in-house database with the following details.

**Rent and occupancy rate**

The subject property comprises 5 warehouses with the total lettable area of 62,105.25 sq.m.

No.	Description	Area (sq.m.)
1	Warehouse building A, no. 888, 888/1	9,461.00
2	Warehouse building B, no. 888/2-3	7,156.00
3	Warehouse building C, D, no. 888/4-6, 888/9-11	28,952.25
4	Warehouse building E, F, no. 888/7-8	9,380.00
5	Warehouse building E, F, no. 888/7-8	9,380.00
<b>Total Lettable Area</b>		<b>62,105.25</b>

**Other revenue**

No.	Building	Description	No. of Unit
3	Warehouse building C, D, no. 888/4-6, 888/9-11	Rack	31,998 units
		Pallet	20,000 units

**Average rental rate:** Based on our survey of nearby warehouses, the rental rates were ranged from 90-170 Baht/sq.m./month. This information was, therefore, applied to the valuation.

Building	Rent (Baht/sq.m./month)		
	2016 (1-31 Dec)	2017-2042 (1 Jan-31 Dec)	2043 (1 Jan-30 Nov)
Warehouse A1/1, A1/2 Warehouse A2/1, A2/2	150	3% growth p.a.	3% growth p.a.
Warehouse B	150	3% growth p.a.	3% growth p.a.
Warehouse C1, C2, D1, D2	190	3% growth p.a.	3% growth p.a.
Warehouse E and F	150	3% growth p.a.	3% growth p.a.
Warehouse G	150	3% growth p.a.	3% growth p.a.



**Occupancy rate:** Based on our survey of nearby warehouses, average occupancy rates of nearby warehouses were ranged from 64%-100%. The main occupiers were consumer product manufacturers, both domestic and international. The estimated occupancy rates are

Building	Occupancy rate (%)			
	2016 (1-31 Dec)	2017	2018-2028	2029-2043 (1 Jan-30 Nov)
Warehouse A1/1, A1/2, A2/1, A2/2	95%	95%	95%	95%
Warehouse B	100%	100%	95%	95%
Warehouse C1, C2, D1, D2	100%	100%	100%	95%
Warehouse E and F	100%	95%	95%	95%
Warehouse G	100%	95%	95%	95%

**Revenue from letting area for solar roof**

Based on the information provided by the client, some 50,143.60 sq.m. of the total roof area of 57,579.86 sq.m., is suitable to letting of a solar cell installation with the following rent detail.

Period	Rent (Baht/sq.m./month)
1 December 2016 - 30 November 2021	3.00
1 December 2021 - 30 November 2026	3.30
1 December 2026 - 30 November 2031	3.63
1 December 2031 - 30 November 2036	3.99
1 December 2036 - 30 November 2041	4.39

We assume revenue from letting rooftop area for solar power production will begin on 1 December 2016 with the given rental rate provided by WHA Corporation Public Company Limited

**Operating and management expense**

Operating expenses comprise Property Management Fee, Repair and Maintenance, Reserved for Capex with the following details.

**Property Management Fee** is based on information provided including utility expense (electricity and water), project management fee, cleaning, security, insurance, commission fee and miscellaneous. We estimate this item will cost 3,404,000 Baht in 2016 or 279,475 in December 2016 and increase 1.5% per annum onward.

*The followings are our assumptions based on information provided by the client*

**Repair and maintenance** 1.0% of total revenue

**Land rent expense** is based on the land lease agreement.

**Reserved for Capex** 1.0% of total revenue (Except revenue from letting roof area for solar power production)

**Discount Rate**

Considering revenue generating potential, expense, competitor, economic condition and demand/supply, investment yield and risk-free rate, we determine discount rate for this project at 10.0% derived from risk-free rate of the Government Bond at 4% + risk premium at 6.0% for incremental business risk.

**Summary of Valuation as of the Date of REITs Investment, as of 1 December 2016 with the existing lease period of 26.33 years**

Grand Asset Advisory estimated operating revenue-expense by elements and management expense with resemble business to refine our assumption. We were of the opinion that the Open Market Value on the REITs investment date is **THB 1,405,000,000 (One Thousand Four Hundred and Five Million Baht Only)**



**Valuation Report  
for**

**WHA Corporation Public Company Limited**

**8 warehouses for rent**

**with the total lettable area of 95,110.00 sq.m.**

**at no. 7/1-17 ICD road**

**"WHA Mega Logistics Center Ladkrabang" project**

**Klongsam Prawes Sub-district, Prawes District, Bangkok**

**Ref. no. 59-10144 (1) GL**

Prepared by:



GRAND ASSET ADVISORY CO., LTD.

1350/279-283 Fl. 16, Thairong Tower, Pattanakarn Road

Suanluang Sub-district, Suanluang District,

Bangkok 10250

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**11 May 2016**



**Executive Summary**

**Ref. no.** : 59-10144 (1) GL

**Client** : WHA Corporation Public Company Limited

**Valuation Purpose** : Public

**Property Detail**

: The subject property comprises 8 warehouses for rent with the total lettable area of 95,110.00 sq.m. The details are as follows

- **Land details:** the subject land plot is represented by 10 title deeds with the total land area of 99 rai 1 ngan 51.0 sqw. or 39,751.0 sqw.
- **Building details:** the subject property comprises 8 warehouses for rent with the total lettable area of 95,110.00 sq.m., with following details.

No.	Description	Area (sq.m.)
1	Warehouse building A1 and A2, no. 7/16 and 7/15	20,025.00
2	Warehouse building B1 and B2, no. 7/14 and 7/13	9,747.00
3	Warehouse building C1 and C2, no. 7/12 and 7/11	9,747.00
4	Warehouse building D1 and D2, no. 7/10 and 7/9	9,747.00
5	Warehouse building E1 and E2, no. 7/8 and 7/7	9,747.00
6	Warehouse building F1 and F2, no. 7/6 and 7/5	9,747.00
7	Warehouse building G1 and G2, no. 7/4 and 7/3	9,747.00
8	Warehouse building AAL, no.7/1 and 7/2	16,603.00
<b>Net Lettable Area</b>		<b>95,110.00</b>

with M&E works including electrical system, water supply system, air conditioning system and fire protection system.



**Executive Summary (Con'd)****Property Detail (Con'd)**

- Other 5 buildings including

No.	Description	Area (sq.m.)
1	Canteen, no. 7/17	252.00
2	Relax building	68.00
3	2-m fenced wall with a width of	1,993.00 m.
4	Concrete road and pavement	66,411.50
5	20-m pylon signage	1.00 set

**Address**

: at no. 7/1-17 ICD road "WHA Mega Logistics Center Ladkrabang" project, Klongsam Prawes Sub-district, Prawes District, Bangkok

**Land Title Certificate**

: Title deed no. 1482, 42151, 42152, 42153, 42154, 44285, 44286, 44287, 45003 and 45005 totaling 10 issues

**Type of Ownership**

: Freehold

**Registered Owner**

: WHA Corporation Public Company Limited

**Encumbrance**

1. Eight of Title deed no. 1482, 42151, 42152, 42153, 42154, 44285, 44286 and 44287 are mortgaged to Siam Commercial Bank Public Company Limited
2. Other 2 Title deed no. 45003 and 45005 are not mortgaged to any financial institution
3. Part of 5 Title deed no. 1482, 42151, 42152, 42153 and 42154 with a total land area of 20 rai 2 ngan 59.0 sqw. or 8,259.0 sqw. and a 2-storey warehouse no. 7/1-2 have been subjected to a 10-year land and building lease contract between WHA Corporation Public Company Limited (lessor) and Honda Logistics Asia Co., Ltd. (lessee) from 1 September 2013 to 31 August 2023.

**Registered Building Owner**

: WHA Corporation Public Company Limited

VALUATION REPORT

CLIENT : WHA CORPORATION PUBLIC COMPANY LIMITED

REPORT NO. : 59-10144 (1) GL



**Executive Summary (Con'd)**

<b>Date of Valuation</b>	: 1 March 2016
<b>Valuation Criteria</b>	: Open Market Value
<b>Valuation Approach</b>	: Income Approach is employed as a main valuation method while Cost Approach is also employed as a reviewed method.
<b>Open Market Value</b>	: THB 2,355,000,000 (Two Thousand Three Hundred and Fifty Five Million Baht Only)
<b>Open Market Value as of the Date of REITs Investment</b>	: THB 2,421,000,000 (Two Thousand Four Hundred and Twenty one Million Baht Only)

**Remark** : The executive summary must be adopted in conjunction with the valuation detail limitations stated in the full valuation report.

For and on behalf of  
Grand Asset Advisory Co., Ltd.

(signature).....

(Nattanan Rungrueang)

Key Valuer no. 268

SEC Qualified Key Valuer

Inspector and Valuer : Mr. Somchai Boobhadard

Reviewer : Mr. Nattanan Rungrueang

Typewriter : Miss Kamonwan Onmo

**Assumptions as of the date of REITs investment on 1 December 2016****Revenue projection**

Grand Asset Advisory Co., Ltd. estimated revenues, expenses, occupancy rate, rental income growth rate, etc. partially from the document provided by the client in conjunction with market information and our in-house database with the following details.

**Rent and occupancy rate**

The subject property comprises 8 warehouses with the total lettable area of 95,110.00 sq.m.

No.	Description	Area (sq.m.)
1	Warehouse building A1 and A2, no. 7/16 and 7/15	20,025.00
2	Warehouse building B1 and B2, no. 7/14 and 7/13	9,747.00
3	Warehouse building C1 and C2, no. 7/12 and 7/11	9,747.00
4	Warehouse building D1 and D2, no. 7/10 and 7/9	9,747.00
5	Warehouse building E1 and E2, no. 7/8 and 7/7	9,747.00
6	Warehouse building F1 and F2, no. 7/6 and 7/5	9,747.00
7	Warehouse building G1 and G2, no. 7/4 and 7/3	9,747.00
8	Warehouse building AAL, no.7/1 and 7/2	16,603.00
<b>Total Lettable Area</b>		<b>95,110.00</b>

**Other revenues**

No.	Building	Description	No. of Unit
1	Warehouse building B1 and B2, no. 7/14 and 7/13	Rack	10,526 units
		Tunnel	36 sq.m.
2	Warehouse building D 2/1	Rack	2,702 units
3	Warehouse building E1 and E2, no. 7/8 and 7/7	Rack	10,526 units
		Tunnel	36 sq.m.

**Remark** : 1) Other revenues were included as part of rent from current tenants of those buildings.

2) Tunnel equipment installed between building B and E



**Average rental rate:** Based on our survey of nearby warehouses, the rental rates were ranged from 90-170 Baht/Sq.m./month. This information was, therefore, applied to the valuation.

Building	Rent (Baht/Sqm./month)		
	2016 (1-31 Dec)	2017	2018 and years afterward
Warehouse A	150	155	3% growth p.a.
Warehouse AAL	180	185	3% growth p.a.
Warehouse B, C, D, E, F and G	150	155	3% growth p.a.

**Occupancy rate:** Based on our survey of nearby warehouses, average occupancy rates of nearby warehouses were ranged from 64%-100%. The main occupiers were consumer product manufacturers, both domestic and international. The estimated occupancy rates are

Building	Occupancy rate (%)			
	2016 (1-31 Dec)	2017	2018	2019 and years afterward
Warehouse A	100%	100%	95%	95%
Warehouse B, C, D, E, F and G	100%	97%	95%	95%
Warehouse AAL	100%			95%





### **Revenue from letting area for solar roof**

Based on the information provided by the client, some 59,986.30 sq.m. of the total roof area of 92,272.50 sq.m. is suitable to letting of a solar cell installation with the following rent detail.

Period	Rent (Baht/Sq.m./month)
1 December 2016 - 30 November 2021	3.00
1 December 2021 - 30 November 2026	3.30
1 December 2026 - 30 November 2031	3.63

*We assume revenue from letting rooftop area for solar power production will begin on 1 December 2016 with the given rental rate provided by WHA Corporation Public Company Limited*

### **Operating and management expense**

Operating expenses comprise Property Management Fee, Repair and Maintenance, Reserved for Capex with the following details.

**Property Management Fee** is based on information provided including utility expense (electricity and water), project management fee, cleaning, security, insurance, commission fee and miscellaneous. We estimate this item will cost 5,630,000 Baht in 2016 or 469,212 in December 2016 and increase 1.5% per annum onward.

*The followings are our assumptions based on information provided by the client*

**Repair and maintenance** 1.0% of total revenue

**Reserved for Capex** 1.0% of total revenue (Except revenue from letting roof area for solar power production)

**Sale commission** 1.5% of property value at reversion period



**Discount Rate**

Considering revenue generating potential, expense, competitor, economic condition and demand/supply, investment yield and risk-free rate, we determine discount rate for this project at 9.25% derived from risk-free rate of the Government Bond at 4% + risk premium at 5.25% for incremental business risk.

**Capitalization Rate**

This is determined by asset worth if the owner prefers to quit in relation to net cashflow from the business. The return on investment are ranged from 7% - 12%, we determine this project will have 7.5% capitalization rate thanks to its location, physical condition, marketability and development potential.

**Summary of Valuation as of the Date of REITs Investment**

Grand Asset Advisory estimated operating revenue-expense by elements and management expense with resemble business to refine our assumption. We were of the opinion that the Open Market Value on REITs investment date is **THB 2,421,000,000 (Two Thousand Four Hundred and Twenty One Million Baht Only)**