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No. SPI 21/2563

May 14, 2020

Re: Notification of the Board of Directors' Resolutions regarding the Assets Disposition of Strategic Hospitality Extendable Freehold and Leasehold Real Estate Investment Trust ("SHREIT"), the Connected Transaction of SHREIT and the Person Related to the REIT Manager, the Dissolution of SHREIT and Call for Extraordinary General Meeting of Trust Unitholders No. 1/2020 of SHREIT (Revised)

To: The President
The Stock Exchange of Thailand

The Board of Directors' Meeting No. 7/2020 of Strategic Property Investors Company Limited ("the Company"), as the REIT Manager of Strategic Hospitality Extendable Freehold and Leasehold Real Estate Investment Trust ("SHREIT"), which was held on 14 May 2020 has considered and approved the significant issues as follows:

1. The Board of Directors' Meeting has approved the disposition of 100% share of Strategic Hospitality Holding Limited ("SHH") and Strategic Hospitality Holding Limited 2 ("SHH2"), currently held by SHREIT, following the offer from LT Rubicon Limited ("LTB" or "the Offeror")

The Company, as the REIT manager of the SHREIT, received an offer letter from the Offeror to propose the acquisition of 100% of all issued and subscribed share capital of SHH and SHH2 which is held by SHREIT. The offered price from the Offeror is USD 118,000,000 or approximately THB 3,795.824 M or value per trust unit of THB 6.00-6.30 after the repayment of outstanding bank debt (Reference exchange rate as of 17 Mar 2020 = THB 32.168 per USD 1) and the value per trust unit is before any adjustments based on foreign exchange rate, net working capital, all other liabilities and relevant costs at the date of the transaction.

The sale of SHH and SHH2's share capital to the Offeror is considered the Assets Disposition of SHREIT and the Offeror's ultimate beneficiary owner is Mr. James Lim, who is also one of the executive directors of the Company. Therefore, the transaction for the sale of share capital that SHREIT hold in SHH and SHH2 to the Offeror constitutes the Connected Transaction of SHREIT and the Person Related to the REIT Manager.

In this regard, the Company has appointed an independent asset appraisal company, which is on the approved list of the asset appraisal companies of the Office of the Securities and Exchange Commission, to appraise the assets of the 3 hotels which SHREIT has invested.

The date of valuation was on 31 December 2019 with the details as follows:

Name of Hotel	Ibis Saigon	Capri by Frasers	Pullman
Appraiser	Savills and Nexus	Savills and Nexus	KJPP Willson dan Rekan and Knight Frank
Valuation Date	31 December 2019	31 December 2019	31 December 2019
Appraised Period	10 years	10 years	11 years
Valuation Method	DCF	DCF	DCF
Fair Value	USD 14,700,000	USD 23,700,000	Rp 1,397,850,000,000 (or USD 92,677,186) ^{/2}
Fair Value (THB)	THB 472,869,600 ^{/1}	THB 762,381,600 ^{/1}	THB 2,981,239,727 ^{/2}
Total	THB 4,216,490,927 (or USD 131,077,186)		

Remark: /1 Reference exchange rate as of 17 March 2020 = THB 32.168 per USD 1, the day at which LTB used to calculate the offered price.

/2 Reference exchange rate as of 17 March 2020 = RP 15,083 per USD 1. The fair value equals to USD 92,677,186 then multiplies the exchange rate of THB 32.168 per USD 1.

The value of the disposed asset of SHREIT is referred from the offered price from the Offeror, USD 118,000,000 or approximately THB 3,795.824 M (Reference exchange rate as of 17 March 2020 = THB 32.168 per USD 1). The transaction size is calculated according to the related notification to the transaction. Based on the total value of consideration received, the disposition of asset has the transaction size of 87.20% of SHREIT's Total Assets (As of 31 December 2019, SHREIT's Total Assets was THB 4,353.02 M) and the connected transaction of SHREIT and the person related to the REIT Manager has the transaction size of 134.95%

of SHREIT's Net Asset Value (As of 31 December 2019, SHREIT's Net Asset Value was THB 2,812.77 M).

The entering to the aforementioned transaction is the acquisition and disposition of assets with the transaction size equal to or higher than 30% of SHREIT's Total Assets and the connected transaction of SHREIT and the person related to the REIT Manager with the transaction size equal to or higher than THB 20 M and/or 3% of SHREIT's Net Asset Value.

The Company has appointed Asset Pro Management Co., Ltd., as an independent financial advisor, to provide an opinion and analyze information relating to the transaction in order to support the relevant resolutions. The opinion of the independent financial advisor will be included in the invitation to the trust unitholders' meeting that will be circulated to the trust unitholders for further consideration and approval.

2. The Company's Board of Directors hereby deems it appropriate to call for the trust unitholders' meeting to consider and approve the transaction as mentioned above, including the authorization to the Board of Directors of the Company to enter into negotiations and/or agreements, to determine, amend, change the details or conditions of, to execute the related agreements, memorandum, and documents, and to undertake any appropriate and necessary acts with respect to the sale of SHH and SHH2's share to the Offeror.
3. Moreover, the Company's Board of Directors has resolved to approve to schedule the date of Extraordinary General Meeting of the Trust Unitholders No. 1/2020 of SHREIT on 25 June 2020 at 10:00 a.m., at the Company Head Office, Sathorn Meeting Room, M Floor, Empire Tower, No. 1, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120, having the agenda items as follows:

Agenda Item 1: To consider and acknowledge the minutes of 2020 Annual General Meeting of the Trust Unitholders of SHREIT dated 27 April 2020;

Agenda Item 2: To consider and approve the assets disposition of Strategic Hospitality Extendable Freehold and Leasehold Real Estate Investment Trust by selling shares of SHH and SHH2 to the Offeror with respect to the relevant conditions, including the authorization to the Board of Directors of the Company to enter into negotiations and/or agreements, to determine,

amend, change the details or conditions of, to execute the related agreements, memorandum, and documents;

Agenda Item 3: To consider and approve the connected transaction of SHREIT and the person related to the REIT Manager;

Agenda Item 4: To consider and approve the capital reduction of SHREIT;

Agenda Item 5: To consider and approve the dissolution, liquidation, and appointment of a liquidator of SHREIT;

Agenda Item 6: To consider and approve the delisting of the trust units of SHREIT from being listed on the Stock Exchange of Thailand (SET); and

Agenda Item 7: Other Businesses (if any)

4. The Company will prescribe the list of trust unitholders eligible to attend Extraordinary General Meeting of the Trust Unitholders No. 1/2020 of SHREIT (Record Date) on 29 May 2020.

Please be informed accordingly.

Yours Sincerely,

-Signed-

(Mr. Christophe, Wybe, Angelo FORSINETTI)

Managing Director

Strategic Property Investors Company Limited

as the REIT Manager