

No. PFRD 006/2563

Date 16 March 2020

Re: Notifying the Date of the Annual Unitholders' Meeting of Trinity Freehold and Leasehold Property Fund (TNPF) for the year 2020 and the Record Date to Determine the Names of Unitholders having the Right to Attend the Meeting

To: The President
Stock Exchange of Thailand

According to Article 70 of the Notification of the Capital Market Supervisory Board No. TorNor. 36/2562, the management company must convene a unitholders' meeting as annual meeting within 4 months after the end of each fiscal year with the first annual meeting starting for the fiscal year ending on or after 31 December 2018.

Principal Asset Management Company Limited ("Management Company"), as the Management Company of Trinity Freehold and Leasehold Property Fund, acronym "TNPF", ("Fund"), would like to notify the schedule of the Annual Unitholders' Meeting for the year 2020, to be held on 28 April 2020, at 9.30 a.m., at Eastin Grand Hotel Sathorn, Bangkok, at Surasak 1 Conference Room, on 11th Floor, located at No. 33/1, South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok 10120, in order to consider the matters according to the following agendas:-

Agenda 1: Chairman's matters for acknowledgement (For Acknowledgement);

Agenda 2: To approve the minutes of the Annual Unitholders' Meeting for the year 2019 (For Consideration);

Agenda 3: To acknowledge the report of the Fund's operation and course of action for future management of the Fund (For Acknowledgement);

3.1 Proceedings according to the resolution of the Annual Unitholders' Meeting for the year 2019

As the Annual Unitholders' Meeting for the year 2019 held on 26 March 2019 resolved to approve (1) an extension of temporary lease agreement with the current lessee for another 3 years which the details and condition of the lease must not be less favorable than the current temporary lease agreement. In this connection, the Management Company was authorized to negotiate with the

lessee and to enter into the relevant agreement as proposed; and (2) the Management Company was authorized to open a bid for recruiting the new lessee in the last year of the lease term.

After the Unitholders' Meeting, the Management Company negotiated with the lessee and entered into the relevant agreement with the new conditions compared with the previous conditions as follows:

	new conditions	previous conditions
Lease Term	3 years (1 May 2019 – 30 April 2022)	1 year (1 May 2018 – 30 April 2019)
Rental and Service Fee	Rental of land and building is 2,450,000.00 Baht per month (no VAT); and the rental of public utility is 1,050,000.00 Baht per month (exclusive of VAT) totalling 3,500,000 Baht per month (exclusive of VAT)	Rental of land and building is 2,000,000.00 Baht per month (no VAT); and the rental of public utility is 2,000,000.00 Baht per month (inclusive of VAT) totalling 3,869,158.88 Baht per month (exclusive of VAT)
Property Improvement	18,000,000 Baht (for the whole lease term 3 years). The improved construction becomes the ownership of the Fund as from the construction commencement. If the actual expense is less than the whole amount as specified in the agreement, the lessee agreed to pay the difference and relevant expenses to the Fund.	None
Total Benefit	146,646,000 Baht throughout the lease term or 48,882,000 Baht per year (totaling 144,000,000 Baht or 48,000,000 Baht per year after deduction of VAT)	48,000,000 Baht (46,429,906.66 Baht after deduction of VAT)
Payment of rental and guarantee of rental payment	Paid in advance on every 6 th day of month Cheque must be deposited with the Fund for rental advance payment.	Paid in advance on every 1 st day of month

	new conditions	previous conditions
		Cheque must be deposited with the Fund for rental advance payment.
Other		

The Management Company had considered and had opinion that the total benefit received by the Fund was not less favourable than the previous lease agreement, accordingly, the Management Company entered into the addendum for extension of the lease term with the lessee according to such conditions on 29 April 2019.

3.2 Condition of Property Market

Thai Economy in 2019 and Trend in 2020

Based on the report on condition of Thai economy in 4th quarter of the year 2019 and the trend in 2020 of the Macroeconomic Strategy and Planning Office, National Economic and Social Development Council¹ held the press conference on 17 February 2020, it appeared the details that, in 2019, Thai economy expanded by 2.4% decelerating from the expansion in 2018 by 4.2%. The export value decreased by 3.2%, private sector consumption and whole investment would expand by 4.5% and 2.2% respectively. The general inflation on average would be at 0.7% and the current account surplus would be at 6.8% of GDP.

Thailand's economy trend of the year 2020 was expected to expand by 1.5-2.5%, slowing down due to the limitation of COVID-19 pandemic, draught problem and delay of budget. However, there were the supporting factors from

- 1) Gradual improvement of world economy and trade according to the decrease of pressure from trade barrier measures and Brexit;
- 2) Satisfactory expansion of household expenditure and investment of both public sector and private sector;
- 3) The drive from public sector measures;
- 4) Low expansion base in the last quarter of 2019

The export value was expected to expand by 1.4%, private sector consumption and investment would expand by 3.5% and 3.6% respectively. The general inflation on average would be at 0.4-1.4% and the current account surplus would be at 5.3% of GDP.

¹The interested unitholders can see more details at www.nesdc.go.th

Market of the Retail trade Area in Bangkok²

Based on the report on the study of Market of the Retail trade Area in Bangkok of 4th quarter of the year 2019, of Phoenix Property Development and Consultancy Co., Ltd. (“Phoenix”), it provided information as follows:

In 2019, the retail trade area was approximately 204,200 square meters, which was in Bangkok and its surrounding area. The whole retail trade area in Bangkok and retail trade area was approximately 8,450,660 square meters. Moreover, the area of approximate 107,900 square meters would be provided in 2020 or the area of approximate 515,000 square meters would be provided in 2020-2022.

Foreign tourists were another group of customers of the retail trade area projects. Some shopping centres located in the mid area of Bangkok increase their world class brand-name shops to attract the foreign tourists. The retail trade market in 2019 slowed down, Thai Retailers Association expected that retail trade market in 2019 would expand approximately by 2.8% in the same direction of Thailand’s economy.

Proportion of each category of retail trade area and the area when compared with the whole retail trade area and surrounding areas.

Category	Areas					Whole areas
	Mid area of Bangkok	Surrounding area of Mid area of Bangkok	Eastern Outer Area	Western Outer Area	Northern Outer Area	
Shopping centres	14.0%	13.1%	14.4%	6.4%	11.5%	59.3%
Department stores	0.7%	3.2%	0.2%	0.0%	0.0%	4.1%
Hyper markets	0.5%	2.4%	2.2%	2.4%	2.4%	9.9%
Specialty stores	0.1%	1.1%	1.2%	2.0%	2.0%	5.9%
Community malls	2.3%	4.1%	2.7%	3.8%	3.8%	15.7%
Entertainment complex	0.0%	0.7%	0.1%	0.1%	0.1%	1.4%
Retail trade supporting areas	2.6%	1.0%	0.0%	0.0%	0.0%	3.6%
Whole areas	20.2%	25.6%	20.9%	14.7%	18.6%	100.0%

The online channel is the important factor directly affecting the retail trade. Many operators of retail trade tried to increase their proportion of online sale of goods by developing their own online channel for sale of goods. The retail trade area in the future will not greatly increase when compared with those in the past because the retail trade area is not the first choice for buying goods anymore. This will affect the fixing of rental of area.

² The interested unitholders can see more details of immoveable property at www.phoenixproperty.co.th

Market of Hotel in Bangkok

The overall market of hotel in Bangkok in 2019 and 2018 was quite stable, the overall average occupancy rate was approximate at 85%, total rooms were approximately 79,700.

However, tourism was the business sector directly affected by Corona Virus pandemic (or COVID-19). Based on the information of international passengers at Suvarnabhumi Airport (the main airport and main entrance and departure point) in January and February 2020, it was found that, in January 2020, there were total 1,854,370 international passengers, slightly decreased when compared with January 2019, having 1,865,929 international passengers. The effect was clearer in February when there were 978,633 international passengers, when compared with 1,754,425 international passengers in 2019 or decreased by 44.22%.

At the beginning of this year, the major effect was due to the fact that China's government prohibiting Chinese people (one of main market of tourism of Thailand) to travel outside China in order to control COVID-19 spreading including the spreading of COVID-19 in Korea and Japan. However, at the end of February 2020, there was the spreading of COVID-19 in Europe and USA, accordingly, it affected tourism market of Thailand until the situation improves.

If it is in line with the forecast of many groups, the situation of the spreading of COVID-19 in Thailand likely improves in summer which may be more distinct in June 2020. Therefore, the factor directly affecting market of tourism is the spreading of COVID-19 in the home countries of tourists which are mainly the countries in cold-weather zone. Moreover, market of tourism may depend on the inbound tourism of Thai people more.

3.3 Condition of Property

In order to be in line with the schedule for holding of the Annual Unitholders' Meeting of the Fund, the Management Company adjusted the period of annual inspection of property condition which was previously in August of every year to be in February in order for the Unitholders' Meeting to acknowledge the most current condition of property. In the inspection of property condition at this time, the Management Company and the Trustee had jointly taken action on 27 February 2020, the property condition was as follows:

- 1) The general condition of the property was normal, there was damage due to normal usage, which should be improved according to its useful life;
- 2) The property in part of hotel, there was damage due to normal usage, which should be improved to be in good condition to be ready for providing the service the guests;
- 3) The property in part of service apartment was in the same condition as hotel, which should be improved to be in good condition to be ready for providing the service the guests;
- 4) The property in part of Mall 1, there was preparation of area to support the zoning of new lessee;
- 5) The property in part of Mall 1, there was damage due to normal usage;

6) The lessee started to improve the property as proposed in the condition of lease agreement renewal. However, the work operated by the lessee or under operation of the lessee has not yet inspected and/or examines for acceptance by the Fund.

3.4 Relaxation for the rental payment due to the situation beyond control

As from the lease agreement renewal as notified in Clause 3.1, the lessee had complied with the renewed lease agreement. Later, on 27 February 2020, the lessee sent the letter seeking for relaxation for the rental payment due to the spreading of COVID-19 pandemic which affected the business of tourism and hotel, including the concern about the spreading in community which affected the lessee's business operation resulting from the situation beyond control. Therefore, the Management Company considered the proposal on relaxation of the lessee. After discussion with the Trustee of the Fund, there was the conclusion as follows:

Period (month/year)	Rental according to the agreement	Lessee's Proposal	Conclusion	Remark
Mar.2020	3,500,000.00	1,000,000.00	1,000,000.00	1) In 2020 (Mar-May) the rental decreases amounting 5.5 Million Baht, the decreased amount is totaling 32 Million Baht from the rental according to the agreement (36.5 Million Baht); 2) The unpaid rental, i.e. 36.5 Million Baht will be paid in the amount of 550,000 Baht per month in addition to the lease agreement from the period of January 2021 to October 2021, which will be fully paid according to the amount as indulgent when the rental for the
Apr.2020	3,500,000.00	2,000,000.00	2,000,000.00	
May 2020	3,500,000.00	2,000,000.00	2,000,000.00	
Jun.2020	3,500,000.00	2,000,000.00	3,500,000.00	
Jul.2020	3,500,000.00	2,000,000.00	3,500,000.00	
Aug.2020	3,500,000.00	2,000,000.00	3,500,000.00	
Sep.2020	3,500,000.00	2,000,000.00	3,500,000.00	
Oct.2020	3,500,000.00	2,000,000.00	3,500,000.00	
Nov.2020	3,500,000.00	2,000,000.00	3,500,000.00	
Dec.2020	3,500,000.00	2,000,000.00	3,500,000.00	
Jan.2021	3,500,000.00	4,000,000.00	4,050,000.00	
Feb.2021	3,500,000.00	4,000,000.00	4,050,000.00	
Mar.2021	3,500,000.00	4,000,000.00	4,050,000.00	
Apr.2021	3,500,000.00	4,000,000.00	4,050,000.00	
May.2021	3,500,000.00	4,000,000.00	4,050,000.00	
Jun.2021	3,500,000.00	4,000,000.00	4,050,000.00	
Jul.2021	3,500,000.00	4,000,000.00	4,050,000.00	
Aug.2021	3,500,000.00	4,000,000.00	4,050,000.00	

Period (month/year)	Rental according to the agreement	Lessee's Proposal	Conclusion	Remark
Sep.2021	3,500,000.00	4,000,000.00	4,050,000.00	period of October 2021 is due; 3) According to the lessee's proposal, there will be unpaid rental in the amount of 8 Million Baht when the lease agreement expires.
Oct.2021	3,500,000.00	4,000,000.00	4,050,000.00	
Nov.2021	3,500,000.00	4,000,000.00	3,500,000.00	
Dec.2021	3,500,000.00	4,000,000.00	3,500,000.00	
Jan.2022	3,500,000.00	4,000,000.00	3,500,000.00	
Feb.2022	3,500,000.00	4,000,000.00	3,500,000.00	
Mar.2022	3,500,000.00	4,000,000.00	3,500,000.00	
Apr.2022	3,500,000.00	4,000,000.00	3,500,000.00	

The above-mentioned relaxation on the rental payment will not affect the Net Asset Value (NAV) of the Fund because the Fund realized the revenue according to the straight line accrual basis and the rental throughout the lease agreement term is still the same but it will affect the amount of dividend for the performance during 1 January-30 June 2020 which will decrease from the forecast. However, it will be higher than the forecast for the performance as from 1 July 2020, onwards.

The Management Company will follow up and evaluate the situation from time to time in order to further consider the appropriate course of action

3.5 Guideline for managing the Fund in the future

Based on the resolution of the Annual Unitholders' Meeting for the year 2019 held on 26 March 2019, where the Meeting approved (1) an extension of temporary lease agreement with the current lessee for another 3 years which the details and condition of the lease must not be less favorable than the current temporary lease agreement, which was carried out and notified in Agenda 3.1; and (2) the Management Company was authorized to open a bid for recruiting the new lessee in the last year of the lease term.

The Management Company would like to notify the unitholders that the Management Company will cause the lessee to strictly comply with the lease agreement and will start to open a bid for recruiting the new lessee again in the midyear of 2021 which was the last year of the lease agreement's term as resolved by the Unitholders' Meeting.

Resolution

This agenda is for acknowledgement, therefore, there is no resolution.

Agenda 4: To acknowledge the financial status, operating result and financial statement for fiscal year ending 31 December 2019 which has been audited and given the opinion by the auditor (For Acknowledgement);

The financial status and the operating result appearing in the financial statement for fiscal year ending on 31 December 2019 which has been audited and given opinion by the Fund's auditor contain the details as follows:

4.1 According to the financial statement for fiscal year ending on 31 December 2019 which has been audited and given opinion by the Fund's auditor, the Fund's total assets were 1,056,133,019 Baht, the total liabilities were 744,390 Baht, the net assets were 1,055,388,629 Baht, the deficit was 332,718,131 Baht and the asset value per unit was 7.2072 Baht. In 2019, the Fund's total income was 43,518,388 Baht, comprising of rental in the amount of 43,476,635 Baht, interest in the amount of 41,753 Baht and none of other incomes. The Fund had the net income in the amount of 36,161,426 Baht and the net assets from operating result increased in the amount of 41,161,426 Baht.

4.2 Important Financial Information

4.2.1 Information of price of securities as of 31 December 2019³

Closing Price	2.98	Baht/Unit
Market Capitalization	436,373,320	Baht
Trading Value	2,310	Baht/day
Unit Value	7.2072	Baht/Unit
Net Asset Value (NAV)	1,055,388,629	Baht

³ Latest trade was on 27 December 2019

4.2.2 Record of Dividend Payment

Period of Operating Result	Book Closing Date	Date of Dividend Payment	Baht/Unit
24 Feb - 30 Jun 2011	31 Aug 2011	15 Sep 2011	0.2650
1 Jul - 30 Sep 2011	30 Nov 2011	16 Dec 2011	0.1890
1 Oct - 31 Dec 2011	29 Feb 2012	15 Mar 2012	0.1890
1 Jan - 31 Mar 2012	31 May 2012	15 Jun 2012	0.1870
1 April - 30 Jun 2012	3 Sep 2012	14 Sep 2012	0.1890
1 Jul - 30 Sep 2012	7 Dec 2012	21 Dec 2012	0.0895
1 Oct - 31 Dec 2012	15 Mar 2013	29 Mar 2013	0.1900
1 Jan - 31 Mar 2013	29 May 2013	12 Jun 2013	0.1900
1 Apr - 30 Jun 2013	8 Aug 2013	22 Aug 2013	0.1903
1 Jul - 30 Sep 2013	28 Nov 2013	12 Dec 2013	0.1900
1 Oct - 31 Dec 2013	14 Mar 2014	28 Mar 2014	0.1910
1 Jan - 31 Mar 2014	29 May 2014	12 Jun 2014	0.1885
1 April - 30 Jun 2014	10 Sep 2014	24 Sep 2014	0.1875
1 Jul - 30 Sep 2014	27 Jan 2015	10 Feb 2015	0.1350
1 Jan – 31 May 2018	13 Jul 2018	26 Jul 2018	0.5000
1 Jul – 31 Dec 2018	21 Mar 2019	29 Mar 2019	0.1200
1 Jan – 31 May 2019	18 Sep 2019	27 Sep 2019	0.1150
1 Jul – 31 Dec 2019	18 Mar 2020	27 Mar 2020	0.1080

4.2.3 Record of Registered Capital Decrease

No.	Book Closing Date	Date of Fund Return due to Reduction of Par Value	Registered Capital before Reduction of Par Value		Decreased Value		Registered Capital after the Reduction of Par Value	
			Registered Capital (Baht)	Par Value (Baht)	Par Value (Baht)	Par Value (Baht)	Par Value (Baht)	Par Value (Baht)
1	7 Dec 12	21 Dec 12	710,000,000	10.00	7,100,000	0.10	702,900,000	9.90
2	18 Sep 19	27 Sep 19	1,396,892,000	9.90	8,786,040	0.06	1,388,106,760	9.84

4.2.4 Expenses collected from the Fund (1 January - 31 December 2019)

Expenses collected from the Fund*	Amount Unit: Thousand Baht	Percent of NAV
Fund Management Fee	2,263.89	0.215
Trustee Fee	218.73	0.021
Registrar Fee	570.35	0.054
Legal Advisor Fee	834.24	0.079
Advertising, Public Relation and Sale Promotion Expense		
- During the period of initial public offering		
- After initial public offering	-	-
Audit Fee	956.50	0.091
Securities Listing Fee-per year	103.43	0.010
Expense on appraisal	207.28	0.020
Expense on convening Unitholders' Meeting	215.76	0.020
Insurance premium	329.51	0.031
Maintenance expense	480.00	0.045
Hotel License Fee	884.98	0.084
Publication Expense	38.64	0.004
Other expenses	253.65	0.024
Total Expenses **	7,356.96	0.698

Remark: * The fees and expenses will include the value-added tax, specific business taxes and any other similar taxes (if any).

** Excluding commission of securities trading and various fees which incur from securities trading.

Resolution

This agenda is for acknowledgement, therefore, there is no resolution.

Agenda 5: To acknowledge the appointment of the Fund's auditor and remuneration of auditor for fiscal year ending on 31 December 2020 (For Acknowledgement)

The Management Company appointed auditors of PricewaterhouseCoopers ABAS Company Limited as the auditors of the Fund for fiscal year ending on 31 December 2020 where the details of the auditors and remuneration are as follows:

Auditor	Mr. Sa-Nga Chokenitisawat CPA Registration No. 11251 Mrs. Anothai Leekitwattana CPA Registration No. 3442 Miss Sinsiri Thangsombat CPA Registration No. 7352
Location	15 th Floor, Bangkok City Tower, 179/74-80 South Sathon Road, Sathon, Bangkok 10120
Remuneration	The Management Company is considering the remuneration offered by the Auditor and has yet conclude such matter. Therefore, the Management Company will inform the detail of the remuneration of the Auditor for the Unitholders' Meeting's acknowledgement on the Meeting date.
Other expenses	Actual amount paid

Resolution

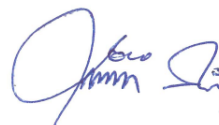
This agenda is for acknowledgement, therefore, there is no resolution.

Agenda 6: To consider other business (if any).

The Management Company will send the invitation letter to the Annual Unitholders' Meeting for the year 2019, including supportive documents of each agenda, to the unitholders prior to meeting no less than 14 days in advance. Th this regard, the Management Company has fixed the Record Date to determine the names of unitholders having the right to attend the meeting on 31 March 2020.

Please be informed accordingly.

Yours sincerely,



(Mr. Suttipan Kreemaha)

Senior Vice President

Head of the Property Fund and
Real Estate Investment Trust Department

Property Fund and Real Estate Investment Trust Department
Tel. 02-018-3446