

30 November 2020

Re: Invitation to the 2020 Annual General Meeting of Unitholders of Samui Buri Property Fund (SBPF)
(Adjourned Meeting)

To: Unitholders of Samui Buri Property Fund (SBPF)

Enclosures:

1. Copy of the minutes of the 2019 Annual General Meeting of Unitholders of Samui Buri Property Fund (SBPF)
2. Copy of the Fund's financial statement for the fiscal year ending on 30 June 2020
3. Instructions on registration, attendance and proxy
4. Proxy form
5. Map of the meeting venue
6. Prepaid return envelope

Reference is made to the 2020 Annual General Meeting of Unitholders of the Property Fund held by Principal Asset Management Company Limited ("Management Company") as the management company of Samui Buri Property Fund or "SBPF" in short ("Fund"), on 28 October 2020 at 9.30 AM at Eastin Grand Hotel Sathorn Bangkok, Surasak 1 Ballroom, 11th Floor, 33/1 South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok 10120. As after an hour passed from the time for which the meeting was scheduled, there were a total of 65 Unitholders attending the Meeting, both in person and by proxy, representing 23,500,676 investment units or equivalent to 28.38 percent of the total number of investment units sold (that is, 82,800,000 units), which was less than one-third of the total number of investment units of the Fund, and therefore failed to constitute a quorum pursuant to the Fund Management Project and the Securities and Exchange Act, B.E. 3535 (1992) (as amended). This resulted in the Management Company being unable to proceed with the Meeting under the law and required to adjourn the 2020 Annual General Meeting of Unitholders of the Fund, as detailed in the information memorandum re: notification of adjournment of the 2020 Annual General Meeting of Unitholders of Samui Buri Property Fund (SBPF) (due to lack of quorum), dated 28 October 2020.

In this regard, the Management Company considers it appropriate to reschedule the meeting date and hereby informs you that the 2020 Annual General Meeting of Unitholders of the Fund (SBPF) (adjourned meeting) shall be held on 17 December 2020 at 9.30 AM at Eastin Grand Hotel Sathorn Bangkok, Surasak 2 and 3 Ballroom, 11th Floor, 33/1 South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok 10120 to consider matters in accordance with the following detailed meeting agenda:

Agenda 1: Matters to be informed by the chairman to the Meeting (For Acknowledgement)

The delivery of letter of request for resolutions of unitholders and the resolution results

As the Management Company has sent the letter No. PFRD 012/2563 RE: Request for Resolution of Unitholders of Samui Buri Property Fund (SBPF) dated 19 June 2020 (“Letter of Request for Resolution”), to the Unitholders of the Fund to request the Unitholders to pass the resolution in regard to the proposal of Samui Buri Beach Resort Company Limited (“Lessee”) to consider approving or disapproving the exemption of rental payment as proposed by the Lessee or as the Management Company deemed appropriate. The Management Company requested the Unitholders to cast their votes and return the voting form to the Management Company by 20 July 2020. The Unitholders returned the voting form to the Management Company in the total number of 45 persons, holding altogether 37,845,220 units which is equivalent to 45.71 percent of the Fund’s total units sold. (82,800,000 units). In this regard, the Unitholders have resolved as follows:

Agenda 1 : To consider approving or disapproving the exemption of rental payment as proposed by the Lessee (For Approval)

The Unitholders resolved to disapprove the exemption of rental payment as proposed by the Lessee, with the number of votes as follow:

Approve	6,301,700 units	or	equivalent to	21.59 percent*
Disapprove	22,073,700 units	or	equivalent to	75.64 percent*
Abstain	807,300 units	or	equivalent to	2.77 percent*
Void Ballot	0 units	or	equivalent to	0 percent*

*Percentage of the total number of units of the Unitholders responding and having the right to cast their votes is 29,182,700 units. In this Agenda, the Unitholders who have the conflict of interest which have no right of voting are Samui Beach Resort Co., Ltd. holding 6,285,500 units and Miss Pornpat Praprutchob holding 2,377,020 units.

Agenda 2 : To consider approving or disapproving the exemption of rental payment as the Management Company deemed appropriate (For Approval)

The Unitholders resolved to disapprove the exemption of rental payment as the Management Company deemed appropriate, with the number of votes as follow:

Approve	6,636,600 units	or equivalent to	22.74 percent*
Disapprove	21,758,800 units	or equivalent to	74.56 percent*
Abstain	777,300 units	or equivalent to	2.66 percent*
Void Ballot	10,000 units	or equivalent to	0.04 percent*

* Percentage of the total number of units of the Unitholders responding and having the right to cast their votes is 29,182,700 units. In this Agenda, the Unitholders who have the conflict of interest which have no right of voting are Samui Beach Resort Co., Ltd. holding 6,285,500 units and Miss Pornpat Praprutchob holding 2,377,020 units, and there is a Unitholder who does not cast their vote, holding 10,000 units.

Since the Unitholders have resolved to disapprove the exemption of the rental payment as proposed by the Lessee and as the Management Company deemed appropriate, the Management Company considered that it is appropriate to propose the future management of the Fund to the Meeting of Unitholders as per details specified in Agenda 3.

Agenda 2: To certify the minutes of the 2019 Annual General Meeting of Unitholders of the Fund (For Consideration)

As the Management Company arranged for the holding of the 2019 Annual General Meeting of Unitholders of Fund on 25 October 2019, the Management Company has prepared and disclosed the minutes of the 2019 Annual General Meeting of Unitholders of the Fund as required by law. Therefore, the Management Company considered that it is appropriate to propose that the Meeting of Unitholders consider certifying the minutes of the 2019 Annual General Meeting of Unitholders of the Fund.

Management Company's opinion

The Management Company has deemed it appropriate to propose to the Unitholders to consider and certify the minutes of the 2019 Annual General Meeting of Unitholders of the Fund, held on 25 October 2019, as proposed since the record of the said minutes has been correctly prepared.

Resolution

This agenda item requires a resolution passed by a majority of votes out of the total number of investment units held by the Unitholders present at the meeting and entitled to vote.

There are no Unitholders with special interest on this agenda.

Agenda 3: To acknowledge the report on the Fund's operation and future management of the Fund (For Acknowledgement)

3.1 Conditions of Properties

From the annual property inspection on 22 July 2020, the hotel has closed down its business since April 2020 up until present (on 23 September 2020), the properties are overall in a normal condition and the Lessee has arranged for security guard(s) to look after the properties as appropriate.

Moreover, the Lessee has modified the properties in accordance with the conditions of the Property Lease Agreement dated 26 July 2018. The Management Company has entered and conducted a preliminary inspection on the modified properties and considered that the Lessee has proceeded pursuant to the asset improvement plan. Besides, the Lessee has conducted property improvement in addition to the plan and budget specified in the annexures to the Property Lease Agreement. That was because there were additional damages in the actual conditions of the properties than those in the past assessment result. The Management Company is in the process of examining the amount of work and the value of the asset improvement plan if they are in accordance with the agreed plan.

3.2 Tourism and hotel market conditions in Samui Island and future tendency

Due to the 2019 coronavirus (COVID-19) outbreak in China since late 2019 which has rapidly spread to several countries around the world, several countries including Thailand have implemented strict measures to prevent the spreading. State of emergency was declared on 25 March 2020 and has been in effect from 26 March 2020 onwards. Subsequently, on 26 May 2020, the declaration of state of emergency was expended for another time until 30 June 2020. Under such declaration of state

of emergency, the Government has issued several measures including travel restrictions and closure of businesses and activities that pose a risk of spreading the disease.

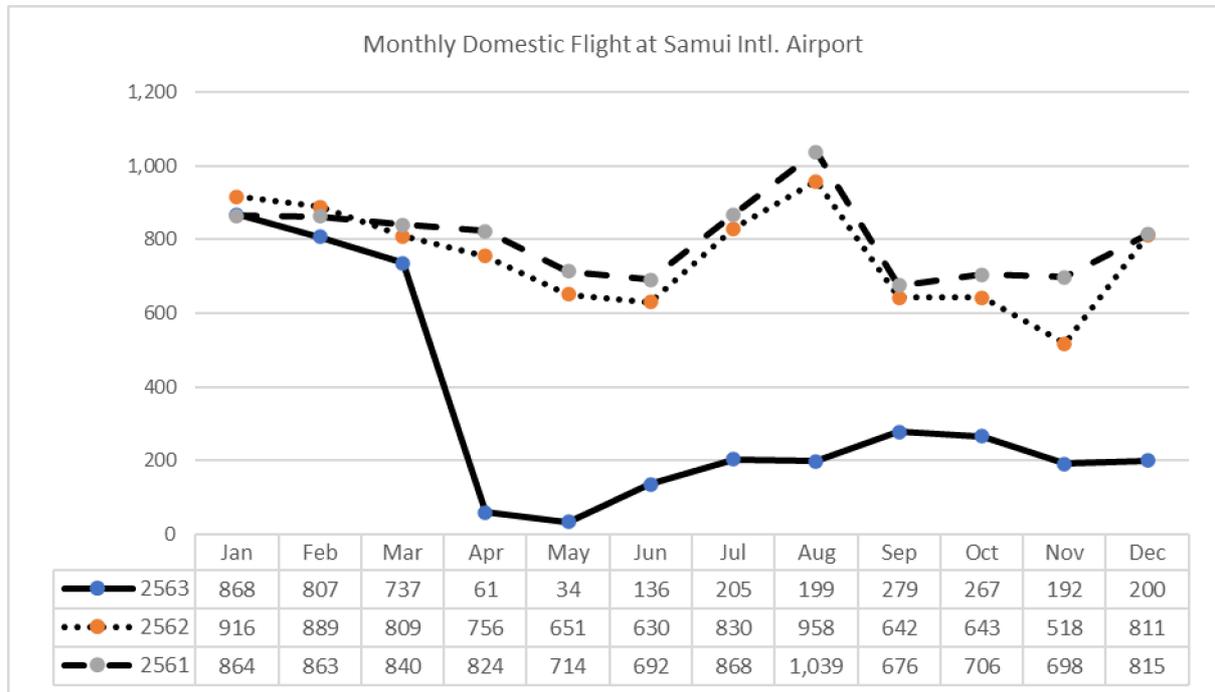
Moreover, on 7 April 2020, the Provincial Governor of Surat Thani Province issued the Order of Surat Thani Province No. 2193/2563 (2020) RE: Urgent Measures to Prevent the Spreading of 2019 Coronavirus (COVID-19) (No. 9) requiring hotels and places for alike residential services, except for the hotels that are used by the Government as field hospitals or for any other governmental benefits, to close down from 8 April 2020 to 30 April 2020 which was extended to 31 May 2020 following the extension of the state of emergency declaration.

Although the Provincial Governor of Surat Thani Province issued the Order of Surat Thani Province No. 2727/2563 (2020) RE: Urgent Measures to Prevent the Spreading of 2019 Coronavirus (COVID-19) (No. 15) dated 2 May 2020 allowing hotels to open only hotel room and restaurant or dining room services and requiring them to strictly comply with the conditions for prevention of the spread from 3 May 2020 onwards until there is any change, the Civil Aviation Authority of Thailand issued a notification to extend the period during which international flights with passengers were temporarily prohibited from coming into Thailand from 1 May 2020 up until 30 June 2020.

Although Bangkok Airways which was the main airline for travelling to and from Samui has resumed its services since 15 May 2020, it would not cause any positive effect on the tourism industry in Samui anytime soon.

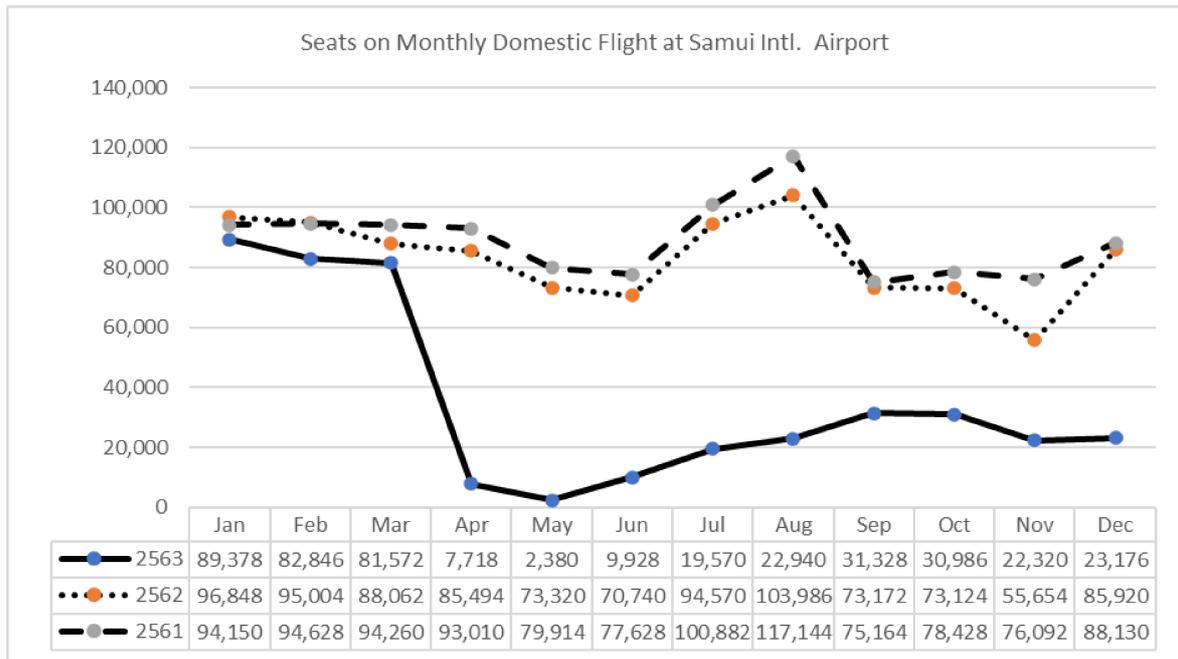
On 23 October 2020, Koh Samui Municipality organized a press conference on discovery of a patient with confirmed COVID-19 infection – a foreign woman living on Samui Island who returned from France on 30 November 2020, was quarantined in Samut Prakan Province, and was subsequently tested negative for coronavirus twice. On 15 October 2020, she travelled to the Embassy of France and returned with her family, consisting of her husband and son, to Samui Island via Bangkok Airways Flight PG167. On 17 October 2020, she suffered body aches and pains, and on 20 October 2020, she received treatment at a private hospital and was checked for coronavirus. On 22 October 2020, the test result came out positive for coronavirus and was confirmed by the Medical Sciences Center. She was then picked up from her home for treatment at Koh Samui Hospital in compliance with the Ministry of Public Health's standards for disease control. Her husband and son were also admitted to the hospital and tested but were negative for coronavirus. Currently, the patient and her family are still being treated in Koh Samui Hospital. As of the date on which the Management Company prepared this letter, the patient and her family are in quarantine and there is no other progress.

3.2.1 Conditions of tourism and hotel industry

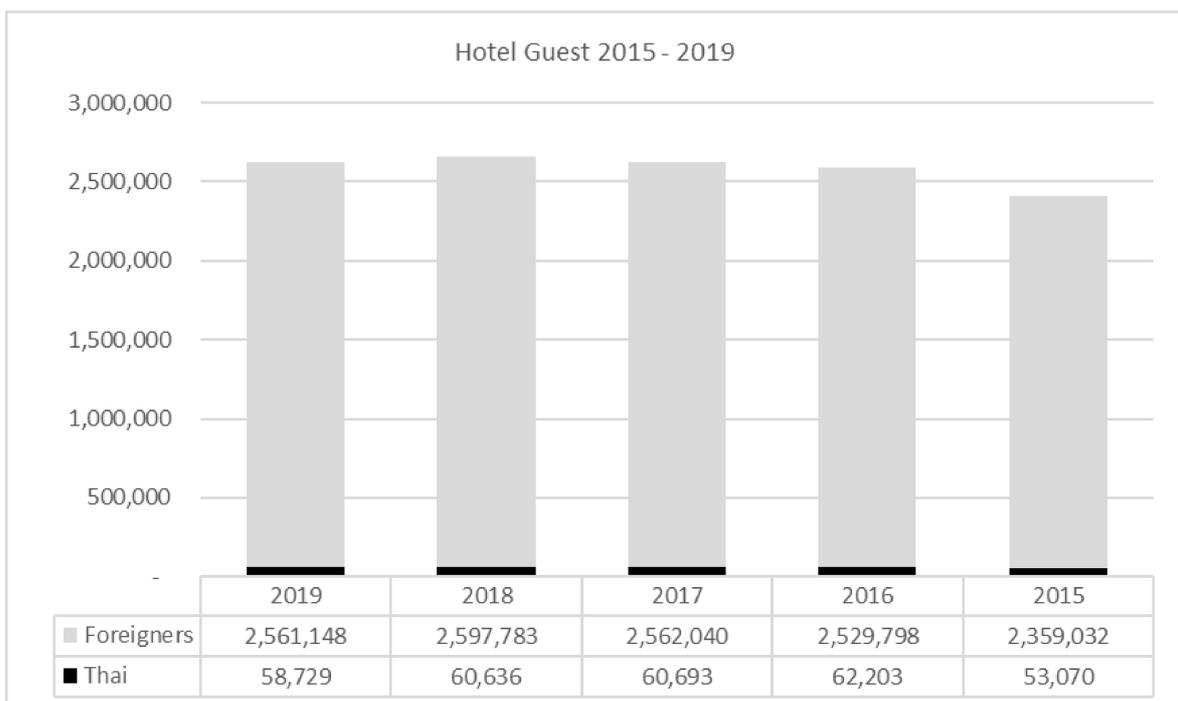


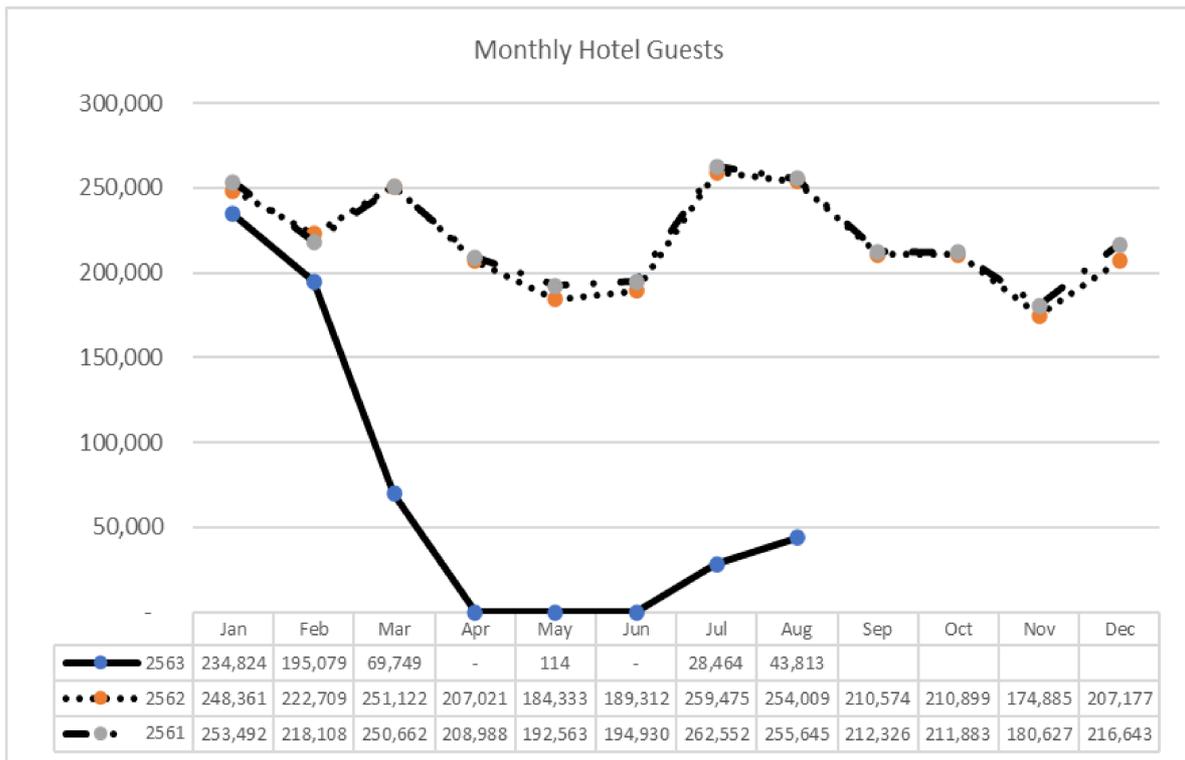
According to the information from the Tourism Authority of Thailand¹, it was found that there were 199 flights as per the monthly flight plan of Samui International Airport in August 2020, which decreased from 205 flights in July 2020, whereby cargo flights were included in these figures. Based on such information, it was found that the number of flights decreased from 958 and 1,039 flights during the same month in 2019 and 2018 causing the decrease in the number of passenger seats from 103,986 and 117,144 seats in August 2019 and 2018 to only 22,940 seats in August 2020.

¹ as at 2 November 2020



With respect to the proportion of tourists staying in hotels during 2015 – 2019, most of the tourists staying in hotels of approximately 97 percent were foreign tourists. Therefore, hotel business in Samui Island having foreign tourists as guests would suffer direct impacts from the outbreak of the disease, travel bans including the disease outbreak situation in, and impacts on the economies of, the countries of origin such as China and European countries.





The number of tourists staying in hotels that was shown as zero in the above diagram resulted from the measure to close hotels in Surat Thani Province as mentioned above. The number of tourists staying in hotels in August 2020 decreased from an average of 250,000 tourists in the same month of 2019 and 2018 to only 43,813 tourists. However, the number of tourists increased to 59,343 tourists in September 2020 and then decreased to 57,107 tourists in October 2020, with almost all of them being Thai tourists. The increase in the number of tourists staying in hotels in July 2020 onwards resulted from the Government’s campaign(s) and measures to promote Thai people’s travelling and tourism. Although the relevant authorities have relaxed several measures including allowing hotels to resume their services, the extension of the temporary ban on international flights to Thailand still cause negative impacts on the tourism industry.

3.2.2 Tendency in 2020 and 2021

With respect to the tourism industry in Samui Island, the main businesses which are connected to tourism being hotels, restaurants, tour services and others rely mainly on foreign tourists. Therefore, in considering the tendency of the hotel business on Samui Island, the key factors are mainly the impacts of the outbreak of the disease on the economies and the recovery of foreign markets.

Although during the beginning of the outbreak, the relevant authorities had tried to turn to the markets that had not yet been impacted such as India and Russia as to compensate the losing of Chinese and European tourists, it subsequently appeared that both India and Russia also suffered no less severe impacts than other countries.

This disease outbreak has widely caused impacts around the globe as well as several airlines have to temporarily shut down, cancel flights and lay off employees. It could be said that the economic impacts are greater than the direct impacts on health.

Tendency of hotel business in 2020 and 2021 is as follows:

1. It is believed that during the second half of 2020 and the whole 2021, tourism in Thailand (including Samui Island) needs to mainly rely on domestic market. The main issue that should be considered is Thai economy is highly dependent on exports and tourism. The economic impacts in Thailand and groups of countries which are the main market would of course affect the domestic manufacturing sectors that rely on such markets. Therefore, the domestic purchasing power during the second half of the year may still not be strong enough to support Thailand's tourism.

2. In the past, there were only 2 – 3 percent of Thai tourists in the hotel industry in Samui Island. Speed expansion of this group of tourists to grow by 15 – 20 times of such percentage in order to compensate foreign tourists within a limited period of time (12 – 18 months) is unlikely possible under the purchasing power deterioration due to the condition of Thai economy.

3. The Government allowing hotels to resume their services, airport to reopen and airlines to resume their services does not mean there will be tourists who will travel and use the services.

4. During late 2020, domestic tourisms will likely be short-distance travels within driving distance where crowded public transportations will be avoided. Samui Island may not be the tourists' destination during this period.

5. Social distancing measure will be the main factor that will cause higher travel expenses. That is because public transportation operators need to implement social distancing; therefore, they cannot sell all existing seats.

6. Moreover, there are news saying the Chinese Government will still prohibit Chinese people from travelling to other countries but will allow domestic travels instead in order to stimulate the Chinese economy itself. That will cause direct impacts as China is an important tourism market of Thailand.

7. The group of nearby countries also starts to have 'Travel Bubble' policy allowing travels between the contracting countries without having to quarantine for 14 days pursuant to the current measure. However, there has not yet been a conclusion that will lead to actions.

8. The key factor which will support the recovery of tourism is the vaccine or the medical measure that is able to deal with the outbreak and treat the illness efficiently. That should take 1 – 2 more years.

9. Thailand's and global tourism industry may have to take around 3 – 4 more years to get back to the same level before the outbreak.

3.3 Current operation

The Management Company received a letter of request for temporary waiver of rental fees from the Lessee according to the Letter No. SMB6303/001 dated 27 March 2020 under which the Lessee informed that the Lessee has suffered impacts from the COVID-19 outbreak situation. Such letter can be summarized as follows:

1. It has been necessary for the Lessee to cease its operation and have the employees temporarily stop working from 27 March 2020 onwards until the situation gets back to normal.

2. During this period, the Lessee still arranges security guard(s) to look after the properties at its best.

3. The Lessee requested that the Fund consider to preliminarily assist by waiving the rental fees for April 2020 to December 2020.

4. The Lessee requested that all cheques for advance rental fees that were placed with the Fund be cancelled.

5. The Lessee requested that the situation is assessed with the Fund again within October 2020.

6. If the disease outbreak situation and the tourism condition gets better or the Lessee is able to resume its hotel operation before the period during which the Lessee requested for waiver of rental fees, the Lessee will consider to further proceed in accordance with the Agreement.

Thereafter, the Lessee had coordinated with the Fund in order to discuss and explain the process to assess if the situation is normal. The situation assessment criteria can be summarized as follows:

1. The Government's orders requiring the close-down of hotels and businesses relating to tourism such as restaurants are cancelled resulting in hotels being able to resume their normal operations.

2. The orders to prohibit flights, travelling and international entries and exits and to quarantine, etc. are cancelled.

3. The International Samui Airport is open as normal.
4. The numbers of flights and passengers entering Samui Island are not less than 50 percent of the figure during the same period in the previous year.

If the above 4 criteria are met, the Lessee agreed to start to pay rental fees within 60 days as per the rental fee rate under the Agreement as at the payment date and such payment shall be considered the rental fee for the month in which the rental fee is paid.

In this regard, the Management Company considered that an appropriate waiver of rental fees would be for no more than October 2020. Therefore, it proposed that the unitholders consider as follows:

1. Waiver of rental fees for the period from April 2020 to October 2020
2. The Lessee to remain having duties to look after the properties to be in good conditions and ready for use.

Therefore, the Management Company has sent a letter of request for resolutions of Unitholders according to the details appearing in Agenda 1 as informed to the Meeting above. The Unitholders had resolved not to approve the waiver of rental fees as requested for by the Lessee and as the Management Company considered appropriate. As a result, the Management Company has to proceed further in accordance with the terms and conditions of the Property Lease Agreement.

Initially, the Management Company has appointed Siam City Law Offices DR Limited as legal counsel in this case. On 31 June 2020, the legal counsel has filed a complaint to the inquiry officer at Koh Samui Police Station, Surat Thani Province, requesting for prosecution against the Lessee and its authorized director on offences arising from the uses of cheques since the Management Company was unable to cash 4 pre-dated cheques for rental fees during April – July 2020. The inquiry officer received the complaint as the criminal case no. 716/2563 (2020). Subsequently, on 4 August 2020, the Management Company already sent a demand notice to the Lessee demanding for the outstanding rental fees. The Management Company will further proceed to enforce the Agreement as per the legal rights to which the Fund is entitled. That includes filing a lawsuit with the competent court.

3.4 Impacts on the Fund

3.4.1 Financial status of the Fund

The Fund's revenue was from the Property Lease Agreement that was made with the Lessee. Under the current Property Lease Agreement, the annual rental fee is close to the Fund's expenses. Since the COVID-19 outbreak occurred causing direct impacts on the tourism and hotel industry, the Fund's financial status suffered impacts.

In the past seeking of lessees, it appeared that no offer was made. Therefore, it was necessary to renew the Property Lease Agreement with the original Lessee. Although, in the past, Central Group had contacted to make a lease offer with the same rental fee and the same lease term with those currently received by the Fund. The Management Company considered that in seeking new lessee to commence during November 2020, there may not be any lease offer which is beneficial to the Fund. Also, under the current situation of tourism and hotel industry, it may be possible that the current Lessee will not renew the Agreement and deliver the properties back to the Fund as to reduce its costs.

If so, the Fund's financial status during 2020 – 2022 which the Management Company assessed based on the assumptions that the Fund will not receive the rental fees until the end of 2020 and will start to receive the rental fees pursuant to the Agreement from January 2021 up until the end of the lease term under the Property Lease Agreement (July 2021) and will not be able to seek for a new lessee, and although the Management Company will refrain from collecting management fees, will be as follows:

	2020	2021	2022
Income			
Rental fees	1,800,000	4,900,000	0
Interest	4,000	4,000	4,000
Total Income	1,804,000	4,904,000	4,000
Expense			
Management Fee	2,743,050	0	0
Trustee Fee	648,000	648,000	648,000
Registrar Fee	540,000	540,000	540,000
Legal Advisor Fee	240,000	240,000	240,000
Audit Fee	930,000	930,000	930,000
Registration Fee -Annual Basis	107,000	107,000	107,000

	2020	2021	2022
Property Appraisal Fee	125,000	125,000	125,000
Expense for Unitholders' Meeting	350,000	350,000	350,000
Insurance Premium	280,000	280,000	280,000
Other Expense	120,000	120,000	120,000
Total Expenses	6,549,950	3,340,000	3,340,000
Net Income before property and land tax	-4,745,950	1,564,000	-3,336,000
Gross Cash (1 January)	6,582,257	1,836,307	3,400,307
Net Cash (31 December)	1,836,307	3,400,307	64,307

The Fund still has an obligation to pay the annual house and building tax of 2018 and 2019 in the total amount of approximately THB 12 million. Such tax has not yet been assessed nor levied by Koh Samui Municipality. Once it is levied, the Fund's liquidity will immediately be negative.

The current financial status of the Fund is exposed to the risk in relation to limited liquidity. It cannot support the fluctuations that may occur in the future including unexpected events. For example, if it is necessary to enforce the Agreement against the Lessee, the Fund's financial status might be a restriction to proceed with legal measures.

3.4.2 Property value of the Fund

The Management Company has appointed Real Estate Appraisal Company Limited to be appraiser of market value of properties for 2020 on 16 March 2020. From the situation occurred, the Fund has suffered impacts from the decrease in property values due to the business condition. The Fund determined that the Income Approach shall be mainly used in the appraisal of market values of the Fund's properties as it is an investment in income generated properties and the Income Approach is standard for market value appraisal of this type of properties. However, under abnormal circumstances, the appraisal using the Income Approach will cause a significant change in the market value, especially in this case where it is expected that the properties might not be able to general incomes anytime soon.

On the other hand, if the Replacement Cost Approach is used (which property funds do not use such approach in determining the market values of its properties), it will be found that the construction costs may not change significantly. However, there may be an issue to consider with regard to

the land price because, under the current situation, land sale and purchase may not occur. The surveyed market value may not reflect the sale and purchase price of a sale and purchase that could actually occur.

Under uncertain circumstances, the Forced Sell Value may be the value that correspond to the situation inferior to the Income Approach as it is the value or the price at which it is expected to be sold.

The market values of properties as per the appraisal are as follows:

- | | | | |
|----|-------------------|-----|----------------|
| 1. | Market Value | THB | 399.00 million |
| 2. | Forced Sell Value | THB | 299.25 million |

Comparing the past market values, it is found that the market value of the Fund's properties tended to decrease continuously. That was caused by high competition in the tourism and hotel industry. The significant decrease in 2020 was caused by the COVID-19 outbreak situation causing global travel to stop short.

Market values of properties (Million Baht)

Year	2016	2017	2018	2019	2020
Market values	667.50	646.60	601.40	536.80	399.00

3.5 Future operation

The Management Company will arrange for a bidding as to seek for a lessee or purchaser. Phoenix Property Development and Consultancy Co., Ltd. has been appointed as the Bid Manager with the following duties:

1. providing advice on, and assisting in, the preparation of bidding conditions;
2. providing advice on, and assisting in, the preparation of bidding documents;
3. representing the Fund in contacting investors, advertising and publicizing the bidding;
4. representing the Fund in taking the interested investors to view the properties, gathering questions and coordinating with the Fund in responding to the questions;
5. representing the Fund in receiving the bids/offers, summarizing and presenting the bid result to the Fund; and
6. providing advice to the Fund on the negotiation of the terms and conditions.

Preliminary bidding conditions

Those who are interested may submit their bid/offer to lease or purchase the properties on the following conditions:

1. Property lease
 - 1) Lease term of 30 years
 - 2) Fund to deliver the properties on an as is where is basis
 - 3) Lessee to be responsible for all expenses for property modifications

2. Property purchase
 - 1) Minimum purchase price of THB 400 million
 - 2) Fund to deliver the properties on an as is where is basis

Bidding schedule

1 November 2020 – 31 January 2021	Opening for the interested persons to receive the bidding conditions and information, visit and view the properties for bid preparation
11 February 2021	Bid/offer submission
9 May 2021	Extraordinary Meeting of Unitholders to consider the bid result

Remark: The schedule may be subject to changes as appropriate.

In the case where no property lease or purchase offer is made, the Management Company will proceed to close the properties and request for an approval from the Office of the Securities and Exchange Commission to stop its annual operations as to cease or reduce as much annual operating costs as possible. Meanwhile, the Management Company will further proceed to find the appropriate and most beneficial way for the unitholders. Also, the Management Company will convene the meeting of the Unitholders to consider approving such actions again.

Management Company’s opinion

The Management Company has deemed it appropriate to propose to the Unitholders the report on the Fund’s operation and future management of the Fund for acknowledgement.

Resolution

This agenda item is for acknowledgement and no vote casting is required.

Agenda 4: To acknowledge the financial status and the performance of the Fund and the financial statement for the accounting year ending on 30 June 2020 as audited and opined by the auditor (For Acknowledgement)

4.1 The financial status and the performance of the Fund as appearing in the financial statement for the accounting year ending on 30 June 2020 as audited and opined by the Fund's auditor can be summarized as follows:

Summary of the balance sheet

Total assets	THB 408,747,170
Total liabilities	THB 17,271,223
Net assets	THB 391,475,947
Net assets per unit	THB 4.7279
Number of units outstanding as at the end of the year	82,800,000 units

For the past 2019 accounting year, the Fund's net assets were THB 391,475,947 which decreased from those of the previous accounting year being THB 530,892,856 by approximately 26.26 percent and its net worth was THB 4.7279 per investment unit.

Summary of the income statement

Total income	THB 7,203,723
Total income	THB 8,820,632
Net investment income (expense)	THB (1,616,909)
Net unrealized (loss) profit from investments	THB (137,800,000)
Net (decrease) increase in net assets from operations	THB (139,416,909)

The Fund's total revenues were THB 7,203,723 and it suffered an investment loss of THB 1,616,909. Moreover, there was an investment accounting loss due to the decrease in the property

appraisal price from THB 536,800,000 in the previous year to THB 399,000,000 in 2020. That amounted to the decrease in value by THB 137,800,000 or approximately 25.67 percent.

Summary of the cashflow statement

Net cash provided by (paid for) operating activities	THB (1,713,745)
Cash flows from financing activities (Dividend paid)	THB 0
Net increase (decrease) in cash and cash equivalents	THB (1,713,745)
Cash and cash equivalents as at the beginning of the year	THB 8,239,320
Cash and cash equivalents as at the end of the year	THB 6,525,575

For the past 2019 accounting year, the Fund refrained from dividend payment and its cash and cash equivalents as at the accounting year end were THB 6,525,575. The Management Company will consider managing such money as appropriate.

4.2 Material financial information

4.2.1 Securities price as at 30 June 2020²

Closing Price	2.50	THB / Investment Unit
Market Price	207,000,000	THB
Trading Value	470	THB / Day
Investment Unit Value	4.7279	THB / Investment Unit
Net Asset Value (NAV)	391,475,947.15	THB

4.2.2 History of dividend payments

No.	Period of Performance for Dividend Payment	Date of Dividend Payment	Dividend Payment Rate (per Investment Unit)
No. 1	22 Jul – 31 Dec 2010	15 Mar 2011	0.2902
No. 2	1 Jan – 30 Jun 2011	20 Sep 2011	0.3224
No. 3	1 Jul – 31 Dec 2011	9 Mar 2012	0.3375
No. 4	1 Jan – 30 Jun 2012	24 Sep 2012	0.3375

² Last trade was on 26 June 2020.

No.	Period of Performance for Dividend Payment	Date of Dividend Payment	Dividend Payment Rate (per Investment Unit)
No. 5	1 Jul – 31 Dec 2012	15 Mar 2013	0.3500
No. 6	1 Jan – 30 Jun 2013	23 Sep 2013	0.3500
No. 7	1 Jul – 31 Dec 2013	28 Mar 2014	0.3500
No. 8	1 Jan – 30 Jun 2014	26 Sep 2014	0.0800

4.2.3 History of registered capital reduction

- None -

4.2.4 Expenses charged from the Fund (1 July 2019 – 30 June 2020)

Fund's Direct Expenses*	Amount Unit : Baht Thousand	Percentage of Net Asset Value
Management Fee	3,087.86	0.622
Fund Supervisor Fee	617.57	0.124
Registrar Fee	514.64	0.104
Expenses of Advertising, Public Relations and Sale Promotion		
- During Initial Public Offering		
- After Initial Public Offering	-	-
Legal Fee	909.75	0.183
House and Land Tax	310.63	0.063
Audit Fee	945.50	0.190
Fee of Listing in SET - Annual Basis	103.64	0.021
Insurance Premium	277.41	0.056
Expense for Unitholders' Meeting	213.59	0.043
Other Expenses	40.03	0.008
Total Expenses **	7,020.62	1.414

Remark: * Fees and expenses are already inclusive of Value Added Tax, Special Business Tax or other similar taxation (if any).

** This is exclusive of underwriting/arranger fee and fees arising from securities trading and doubtful account transactions. With respect to the annual property appraisal cost, it was charged from the Fund after 30 June 2020. Therefore, such transaction does not appear in this accounting period but it will appear in the accounting year ending on 30 June 2021 which may be higher than the amount with respect to the past normal year as it is a total amount of 2020 and 2021.

Management Company's opinion

The Management Company has deemed it appropriate to propose to the Unitholders the financial status and the performance of the Fund and the financial statement for the accounting year ending on 30 June 2020 as audited and opined by the auditor for acknowledgement.

Resolution

This agenda item is for acknowledgement and no vote casting is required.

Agenda 5: To acknowledge the appointment of the Fund's auditors and audit fees and expenses for the accounting year ending on 30 June 2021 (For Acknowledgement)

The Management Company has appointed the auditor of PricewaterhouseCoopers ABAS Ltd. to be the Fund's auditor for the accounting year ending on 30 June 2021. The details of the auditors and the audit fee are as follows:

Auditors	Mr. Sa-nga Chokenitisawat CPA Registration No. 11251 Miss Wanvimol Preechawat CPA Registration No. 9548 Mr. Kan Tanthavirat CPA Registration No. 10456
Location	15 th Floor, Bangkok City Tower, 179/74-80 South Sathorn Road, Sathorn District, Bangkok 10120
Fees*	THB 940,000 Divided as per each accounting period as follows: <ul style="list-style-type: none"> • Review the financial statements for the three-month ending on 30 September 2020: THB 160,000 • Review the financial statements for the half-year period ending on 30 December

	2020: THB 160,000 <ul style="list-style-type: none"> Review the financial statements for the nine-month period ending on 31 March 2021: THB 160,000 <ul style="list-style-type: none"> Audit the financial statements for the accounting year ending on 30 June 2021: THB 460,000
Other expenses	As actually paid

Management Company's opinion

The Management Company has deemed it appropriate to propose to the Unitholders the appointment of the Fund's auditors and audit fees and expenses for the accounting year ending on 30 June 2021 for acknowledgement.

Resolution

This agenda item is for acknowledgement and no vote casting is required.

Agenda 6: To consider and approve the proposal on payment process of outstanding rental fees as proposed by the Lessee (For Consideration)

Reference is made to the Management Company's letter of request for resolutions of Unitholders per the details shown in Agenda 1 as informed to the Meeting above. The Unitholders resolved to disapprove the exemption of rental payment as proposed by the Lessee and as the Management Company deemed appropriate. As a result, the Lessee currently has outstanding rental fees payable to the Fund in the total amount of THB 4,500,000 (exclusive of VAT) (rental fees for April 2020 – October 2020).

As the current overall conditions of the tourism and hotel business in both Samui Island and Thailand are still continuously suffering the impacts from the COVID-19 outbreak, the Lessee has been required to close the hotel from April 2020 up until present. Therefore, the Lessee has no liquidity to pay its outstanding rental fees to the Fund.

Subsequent to the Unitholders' resolutions to disapprove the exemption of the rental payment in the direction sought by the Lessee or as deemed expedient by the Management Company, the

Management Company discussed with the Lessee regarding payment process of outstanding rental fees. One of the directions in the preliminary discussion is that the Lessee shall compensate for the Unitholders' benefits in the form of cash vouchers so that the Unitholders can utilize the leased property. According to the points for consultation on how the Lessee shall pay the outstanding rental fees, the Management Company researched on practices for this case by discussing with the Fund's auditors and legal advisor, as well as initially discussing with the Securities and Exchange Commission; however, it has not come to a clear conclusion and details.

The Management Company later received letter No. SMB 18092563-1 regarding the proposal on the Property Lease Agreement, dated 18 September 2020. The Lessee notified the Fund of the current condition of the hotel and it is uncertain as to when the hotel business operation will be resumed although the Lessee plans to reopen the hotel service in January 2021. Subsequently, the Lessee has outstanding rental fees and the rental fees to be accrued until expiration of the lease term under the Property Lease Agreement in the total amount of THB 10,800,000 (excluding VAT). The Lessee therefore requests that the Fund consider the proposal on payment process of outstanding rental fees as follows.

1. Reduction of the entire outstanding fees from THB 10,800,000 (excluding VAT) to THB 4,800,000 (excluding VAT). The Lessee will make payment of the reduced rental fees in the following installments:

- 1st tranche of THB 1,000,000 (excluding VAT) to be paid by 1 December 2020;
- 2nd tranche of THB 1,000,000 (excluding VAT) to be paid by 31 July 2021;
- 3rd tranche of THB 1,000,000 (excluding VAT) to be paid by 30 June 2022;
- 4th tranche of THB 1,800,000 (excluding VAT) to be paid by 31 December 2022.

2. Long-term lease for 30 years with the rental rate of no less than the current rate under the Property Lease Agreement. This is to enable the Lessee to request financial support from a financial institution since the Lessee has carried out asset improvement with a higher value than the agreed limit under the Property Lease Agreement, but the Lessee is unable to utilize the property during the lease term under the Property Lease Agreement.

After receiving the said letter, the Management Company discussed with the Lessee about the details and process in the proposal, and eventually came to a conclusion involving two directions for payment of the outstanding rental fees and property lease proposal. The Lessee would like to exercise its

right as the Fund' Unitholder to request that the Management Company presents the Lessee's proposal to the Meeting of Unitholders of the Fund in the 2020 Annual General Meeting of Unitholders of the Fund, as follows.

1. Proposal on payment process of the outstanding rental fees

1.1 Compensation benefits for the Unitholders in the form of cash vouchers as previously discussed

The Lessee requests that the Management Company proposes to the Unitholders to consider compensation benefits, with the following details:

- 1) The Lessee requests for waiver of payment of the outstanding rental fees for April 2020 - December 2020 in the total amount of THB 5,900,000 (excluding VAT).
- 2) The Lessee agrees to pay rental fees under the Property Lease Agreement for the period starting from January 2021 until expiration of the lease term thereunder in July 2021, at the rate of THB 700,000 (excluding VAT) per month.
- 3) With respect to the outstanding rental fees for which waiver is sought in clause 1), the Lessee agrees to provide compensation benefits directly to the Unitholders in the form of cash vouchers for use of services in Samui Buri Beach Resort, with the following details.

Outstanding rental fees (April 2020 – December 2020)	THB 5,900,000
Total number of investment units	82,800,000 units
Average value	THB 0.0713 per unit
Compensation conditions/methods	<ul style="list-style-type: none"> • Cash voucher is worth THB 100 each. • Any Unitholder shall receive one cash voucher worth THB 100 for every 1,200 investment units held. • Any Unitholder holding less than 1,200 investment units shall receive one cash voucher worth THB 100.
Total number of cash vouchers	69,133 vouchers
Total value of cash vouchers	THB 6,913,300

4) The Management Company will coordinate the distribution of said cash vouchers to the Unitholders.

1.2 Cash payment, together with request for debt reduction and payment period extension.

1) The outstanding rental fees for April 2020 - October 2020 and the rental fees to be accrued under the Property Lease Agreement for November 2020 - July 2021 in the total amount of THB 10,800,000 (excluding VAT) are to be reduced to THB 5,500,000 (excluding VAT).

2) The Lessee requests that it pay the reduced rental fees in the following installments:

- 1st tranche of THB 1,000,000 (excluding VAT) to be paid by 1 December 2020;
- 2nd tranche of THB 1,000,000 (excluding VAT) to be paid by 31 July 2021;
- 3rd tranche of THB 1,000,000 (excluding VAT) to be paid by 30 June 2022;
- 4th tranche of THB 1,000,000 (excluding VAT) to be paid by 31 December 2022;
- 5th tranche of THB 1,500,000 (excluding VAT) to be paid by 30 June 2023.

2. Property lease proposal

The Lessee proposes that it rents the property from the Fund. The details of the lease term and principal conditions are shown below.

Lease term	30 years	
Rent	Fixed rent (monthly)	Variable rent (yearly) Fund/Lessee's share of net operating profit (%)
1st – 3rd year	THB 700,000	-
4th – 5th year	THB 700,000	20/80
6th – 10th year	THB 1,000,000	30/70
11th – 20th year	THB 1,200,000	40/60
21st – 30th year	THB 1,500,000	50/50

1. The Lessee agrees to, by 30 April 2021, submit to the Fund a total of 12 post-dated checks to pay for the fixed rent (monthly) in the 1st year (for August 2021 - July 2022).

2. The Fund will appoint an auditor to review the Lessee's account for the purposes of profit and loss calculation and variable rent calculation.

3. The operating profit to be used in the profit share calculation means the operating profit after deducting improvement expenses (approved by the Fund before improvement is carried out) and fixed rent in the applicable year.

4. The Lessee agrees to pay the Fund a profit share once a year (except for the 1st – 3rd year of the lease term) within October of every year (that is, within 90 days from the end of the lease year).

Nevertheless, given the fact that the Management Company was unable to proceed with the 2020 Annual General Meeting of Unitholders of the Fund on 28 October 2020 under the law due to lack of a quorum and was necessitated to postpone the meeting to this date, the Management Company is required to organize a general bidding to seek for a lessee or purchaser of Samui Buri Beach Resort, which is the Fund’s property. Phoenix Property Development and Consultancy Co., Ltd., a real estate consultant, has been appointed to act as the Bid Manager for the Fund’s property with the details as shown in the information memorandum re: notification of the bid opening for sale or lease of property of Samui Buri Property Fund (SBPF), dated 30 October 2020. The bidding schedule is indicated in Agenda 3 and additional information and conditions on offer submission will be available to interested parties from 1 November 2020 onwards. This is the opportunity to seek for a purchaser or lessee of the Fund’s property in time after the current Property Lease Agreement expires, which will create maximum benefit for the Unitholders and the Fund.

The Lessee has informed the Management Company that it would like to withdraw the lease proposal and may consider submitting a lease offer in the bidding process. This results in no requirement to consider the above property lease proposal at this meeting. The Management Company will consider holding an extraordinary general meeting of Unitholders of the Fund following acknowledgment of the bidding result and propose that the Unitholder’s Meeting consider the said bidding result and approve further action involving the Fund’s property.

Legal advisor’s opinion

The Fund’s prospectus with respect to the Management Company’s rights, duties and responsibilities prescribes that the Management Company shall have the right to manage the Fund’s assets to be in accordance with the law on securities and exchange, as well as any other relevant notifications, and in compliance with the investment objectives, criteria and limitations, approved projects, and agreements that have been made. The Management Company shall oversee and manage the Fund with

honesty, knowledge, expertise, and standard or professional care and vigilance for the utmost benefit of all Unitholders pursuant to the Notification of Capital Market Supervisory Board No. TorNor. 36/2562 Re: Property Fund Management, dated 25 April 2019.

Therefore, the Management Company has no authority to exercise its discretion in agreeing to the waiver of outstanding rental fees or rent reduction requested by the Lessee as such action is not in accordance with the lease agreement and will result in the Fund losing the right to receive full payment under the lease agreement. Furthermore, even though the current Property Lease Agreement is made for the purpose of extension of the lease term from that prescribed under the temporary lease agreement, the material lease terms and conditions were originally approved by the Unitholders' Meeting. Therefore, change to the lease terms and conditions which result in adverse effects on the Fund is under the Unitholders' authority to approve by a resolution of the Unitholders' Meeting.

If the Unitholders' Meeting resolves to disapprove both directions as proposed by the Lessee, the Fund, by the Management Company, will be required to enforce the claim for payment by the Lessee of all outstanding rental fees, together with interest, under the Property Lease Agreement, by taking civil and criminal judicial actions against the Lessee for breach of the Property Lease Agreement and cheque related offense, respectively. In this regard, the Management Company has appointed a lawyer to proceed with filing of a complaint with the inquiry officer of Koh Samui Police Station, Surat Thani Province, to take legal action against the Lessee and its authorized directors.

Moreover, the current Property Lease Agreement contains the 2nd extension of the lease term under the temporary lease agreement, dated 30 January 2017, for which the Fund, Lessee and relevant parties made a compromise agreement in court to settle the dispute between them on 30 January 2017. The compromise agreement prescribes that the temporary lease agreement shall be an integral part thereof. The temporary lease agreement gives the parties an opportunity to extend the lease term thereunder, and when the extended temporary lease expires, the Lessee is obligated to return possession of the property and transfer the hotel business license and any other existing licenses used in the hotel business operation to the Fund or its designee within the timeframe determined by the Fund. As the current Property Lease Agreement is for extension of the lease term under the temporary lease agreement, the Fund may enforce return of the leased property and transfer of the hotel business license and any other licensed used in the hotel business operation in the Lessee's possession to the Fund or its designee upon expiration of the extended temporary lease, without the need to bring a new action. The Fund, as the judgment creditor, is entitled to petition to the court for execution in accordance with the

compromise agreement and consent judgment. Nonetheless, as the extension of the lease term under the current Property Lease Agreement involves several terms and conditions different from those under the temporary lease agreement annexed to the compromise agreement, there is a risk that this could be challenged as to it being an entering into of a new lease agreement instead of an extension of the lease term under the temporary lease agreement. If the court views the said challenge favorably, the Fund would not be able to enforce return of the leased property and transfer of the required licenses to the Fund under the temporary lease agreement which is an integral part of the compromise agreement. The Fund will have to take action under the law by filing a new action to evict the Lessee from the property, which will necessitate funding and time to proceed.

Management Company's opinion

The Management Company considered the effects on the Fund and benefits that the Unitholders will receive from both courses of action, which can be summarized as follows.

	Effects on the Fund	Effects on the Unitholders
1. Compensation benefits for the Unitholders in the form of cash vouchers	<ul style="list-style-type: none"> The cash vouchers will not be counted as the Fund's income. The outstanding rental fees of THB 5,900,000 will be written off as bad debt. The Fund will begin recognizing rental income from January 2021 until expiration of the agreement in the total amount of THB 4,900,000. 	<ul style="list-style-type: none"> The Unitholders will receive cash vouchers directly in lieu of outstanding rental fees. Due to the reduced rental fees, it is expected that the Unitholders might not receive dividends.
2. Cash payment with request for debt reduction and payment period extension	<ul style="list-style-type: none"> The outstanding rent for which reduction is sought in the amount of THB 5,300,000 will be written off as bad debt. The Fund will receive debt payment in cash installments in the total amount of THB 5,500,000 within a period of 30 	<ul style="list-style-type: none"> Due to the reduced rental fees, it is expected that the Unitholders might not receive dividends.

	<p>months.</p> <ul style="list-style-type: none"> The dividends will be calculated based on profit and loss and paid in accordance with the criteria specified in the prospectus. 	
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In this case, the Management Company is of the view that the effects on the Fund from following both courses action are slightly different as to write-off of outstanding rental fees in the amount of THB 5,900,000 and amount of THB 5,300,000. However, there is significant difference in rental fees to be received by the Fund in cash, that is, the Fund will receive a total rent of THB 4,900,000 within seven months with respect to the course of action where the Unitholders will be compensated for their benefits in the form of cash vouchers, while the Fund will receive a total rent of THB 5,500,000 within 30 months in the event of cash payment with request for debt reduction and payment period extension.

Considering the effects on the Fund’s Unitholders, the Management Company views that, the Fund will have to write off bad debt which might result in the Fund having no operating profit to be paid as dividends to the Unitholders. With respect to compensation benefits for the Unitholders in the form of cash vouchers, the Unitholders will be entitled to receive cash vouchers for utilization of the property pro rata to their existing investment ratio or at least at the value of THB 100. For cash payment with request for debt reduction and payment period extension, the Unitholders will not be entitled to receive any other benefits to compensate for nonreceipt of dividends from the Fund.

In summary, the Management Company opines that the course of action where the Unitholders are to be compensated in the form of cash vouchers will enable the Unitholders to receive more and direct benefits in comparison to the course of action where payment is to be made in cash, with the request for debt reduction and payment period extension.

Nonetheless, if the Unitholders resolve to disapprove both directions, the Management Company will further proceed with enforcing the terms and conditions of the Property Lease Agreement.

This agenda item which includes the proposal for the Fund’s Unitholders’ consideration and resolution is divided into two sub-agenda items due to their continuous nature. However, if the Unitholders resolve to approve action following the direction proposed in Agenda 6.1, the matter in

Agenda 6.2 will not be considered, and the Management Company will further propose the matter in Agenda 6.3 for the Unitholders' consideration and acknowledgement.

Agenda 6.1: To consider and approve the compensation benefits for the Unitholders in the form of cash vouchers (For Approval)

For this agenda, the Management Company hereby proposes to the Unitholders to consider approving or disapproving the compensation benefits for the Unitholders in the form of cash vouchers, with the details shown below.

- 1) The Lessee requests for waiver of payment of the outstanding rental fees for April 2020 - December 2020 in the total amount of THB 5,900,000 (excluding VAT).
- 2) The Lessee agrees to pay rental fees under the Property Lease Agreement for the period starting from January 2021 until expiration of the lease term thereunder in July 2021, at the rate of THB 700,000 (excluding VAT) per month.
- 3) With respect to the outstanding rental fees for which waiver is sought in clause 1), the Lessee agrees to provide compensation benefits directly to the Unitholders in the form of cash vouchers for use of services in Samui Buri Beach Resort, with the following details.

Outstanding rental fees (April 2020 – December 2020)	THB 5,900,000
Total number of investment units	82,800,000 units
Average value	THB 0.0713 per unit
Compensation conditions/methods	<ul style="list-style-type: none"> • Cash voucher is worth THB 100 each. • Any Unitholder shall receive one cash voucher worth THB 100 for every 1,200 investment units held. • Any Unitholder holding less than 1,200 investment units shall receive one cash voucher worth THB 100.
Total number of cash vouchers	69,133 vouchers
Total value of cash vouchers	THB 6,913,300

- 4) The Management Company will coordinate the distribution of said cash vouchers to the Unitholders.

Legal advisor's opinion

As the waiver of payment of the outstanding rental fees per the Lessee's proposal means the Fund will be managed in the direction which does not go in accord with the agreement made by the Fund, which will result in the Unitholders' loss of receivable benefits, it is therefore not under the Management Company's authority to consider under relevant rules and the prospectus for offering for sale of the investment units. This action requires a resolution of the Unitholders.

If the Lessee wishes to provide cash vouchers directly to the Unitholders as compensation benefits, with the Management Company being responsible for distributing them to the Unitholders, the cash voucher value shall neither be regarded as the Fund's income nor acceptance of rental debt payment with other assets because it is provision of benefits to the Unitholders, not debt repayment under the lease agreement to the Fund, as the lessor. It is also not deemed as dividend payment to the Unitholders as dividend payment is made from the Fund's retained earnings or net profit in the event that the Fund's profit meets the criteria prescribed under clause 7 of the prospectus. If the Unitholders' Meeting resolves to approve the Fund to take action in the said direction, which includes granting the Lessee waiver of payment of the outstanding rental fees, the outstanding rental debt shall be deemed to have been extinguished upon an agreement between the Fund and Lessee in writing. The terms and conditions of the waiver of debt repayment and rental debt payment must be in accordance with the resolution of the Unitholders' Meeting.

Management Company's opinion

The Management Company is of the view that the Fund will be affected by the write-off of the outstanding rental fees for April 2020 - December 2020 in the total amount of THB 5,900,000, constituting loss of rental income under the Property Lease Agreement, which may result in the Fund having no operating profit that could be paid as dividends to the Unitholders. However, the Unitholders will be entitled to receive cash vouchers for utilization of the property pro rata to their existing investment ratio or at least at the value of THB 100 to compensate for non-payment of dividends by the Fund to the Unitholders through following such course of action.

Therefore, providing compensation benefits to the Unitholders in the form of cash vouchers is the course of action that directly and better benefits the Unitholders in comparison with cash payment with request for debt reduction and payment period extension. Furthermore, the Lessee agrees

to pay rent from January 2021 until expiration of the lease term under the agreement in July 2021 at the rate of THB 700,000 per month. The Fund will be able to recognize rental income in the total amount of THB 4,900,000 within seven months, which, when comparing with the cash payment with the request for debt reduction and payment period extension, the Fund will be able to receive rental payment within 30 months. The Management Company views that the fact that the Fund can begin recognizing rental income starting from January 2021 until expiration of the lease term under the agreement will be more beneficial to the Fund and Unitholders.

Resolution

This agenda item requires a resolution passed by a majority of votes out of the total number of investment units held by the Unitholders present at the meeting and entitled to vote.

Unitholders with special interest

Based on the list of the Fund's Unitholders as of 7 October 2020, the Unitholders with special interest which are not entitled to vote on this agenda are Samui Buri Beach Resort Company Limited, holding 85,500 investment units, and Ms. Pornpat Praprutchob, holding 12,920 investment units, or equivalent to an aggregate of 0.12 percent of the total number of issued investment units of the Fund, that will not be included by the Management Company in the vote counting for this agenda item.

Agenda 6.2: To consider and approve debt reduction and payment period extension (For Approval)

If the Unitholders resolve to disapprove the proposal per this Agenda 6.2, the Management Company will further proceed with enforcement of the terms and conditions of the Property Lease Agreement.

For this agenda, the Management Company requests that the Unitholders consider approving or disapproving the debt reduction and payment period extension, with the details shown below.

1) The outstanding rental fees for April 2020 - October 2020 and the rental fees to be accrued under the Property Lease Agreement for November 2020 - July 2021 in the total amount of THB 10,800,000 (excluding VAT) are to be reduced to THB 5,500,000 (excluding VAT).

2) The Lessee requests that it pay the reduced rental fees in the following installments:

- 1st tranche of THB 1,000,000 (excluding VAT) to be paid by 1 December 2020;
- 2nd tranche of THB 1,000,000 (excluding VAT) to be paid by 31 July 2021;
- 3rd tranche of THB 1,000,000 (excluding VAT) to be paid by 30 June 2022;
- 4th tranche of THB 1,000,000 (excluding VAT) to be paid by 31 December 2022;
- 5th tranche of THB 1,500,000 (excluding VAT) to be paid by 30 June 2023.

Legal advisor's opinion

The reduction of the entire rental debt as proposed by the Lessee is considered management of the Fund that does not conform to the agreement made by the Fund, which will result in the Unitholders' loss of receivable benefits. This matter is therefore not under the Management Company's authority to consider under relevant rules and the prospectus for offering for sale of the investment units. This action requires a resolution of the Unitholders, like the case in Agenda 6.1 above. If the Unitholders' Meeting resolves to approve taking action in the direction stated in this agenda item, the Fund and Lessee shall enter into an addendum to the Property Lease Agreement for the purposes of reduction of the total rental fees thereunder and determination of the conditions for payment of the reduced rental fees, the subject matter of which shall be in accordance with the resolution of the Unitholders' Meeting.

Management Company's opinion

The Management Company views that the reduction of the outstanding rental fees from the original amount of THB 10,800,000 to THB 5,500,000 will result in the Fund being affected by the bad debt write-off of the THB 5,300,000 outstanding rental fees. This is considered loss of rental income under the Property Lease Agreement, which may result in the Fund's having no operating profit that could be paid as dividends to the Unitholders, like the case in Agenda 6.1 above. In this case, the Unitholders will not receive any other benefits to compensate for suspension of the Fund's dividend payments, in comparison with the course of action in which the Unitholders are to be compensated for benefits in the form of cash vouchers for use of services in Samui Buri Beach Resort. In addition, the Lessee requests that it pay the reduced rental fees in five installments commencing from December 2020 to June 2023, as a result, the Fund will be able to recognize the rental income under the agreement in the amount of THB

5,500,000 within 30 months, which is a significantly longer period than following the direction in Agenda 6.1. Therefore, the Management Company opines that the debt reduction and payment period extension may affect the Fund's liquidity, causing it to be unable to recognize the total rental income under the Property Lease Agreement in the near future or to handle possible future fluctuation, and that the Fund's financial status may be a limitation in the Fund's operation afterwards.

Resolution

This agenda item requires a resolution passed by a majority of votes out of the total number of investment units held by the Unitholders present at the meeting and entitled to vote.

Unitholders with special interest

Based on the list of the Fund's Unitholders as of 7 October 2020, the Unitholders with special interest which are not entitled to vote on this agenda are Samui Buri Beach Resort Company Limited, holding 85,500 investment units, and Ms. Pornpat Praprutchob, holding 12,920 investment units, or equivalent to an aggregate of 0.12 percent of the total number of issued investment units of the Fund, that will not be included by the Management Company in the vote counting for this agenda item.

Agenda 6.3: To consider and acknowledge withdrawal of the Lessee's property lease proposal (For Acknowledgement)

As the Management Company has indicated the reason and necessity for arranging the bidding in accordance with the schedule stated in Agenda 3 and the Lessee has informed the Management Company of the withdrawal of its property lease proposal, in which case the Lessee may further consider submitting an offer in the bidding process, consideration of this agenda is not required due to change in facts and circumstances.

The Management Company will hold an extraordinary general meeting of Unitholders of the Fund and propose that the Unitholder's Meeting consider the bidding result and approve further action involving the Fund's property.

Management Company's opinion

The Management Company deemed it appropriate to report the withdrawal of property lease proposal as previously proposed by the Lessee due to change in facts and circumstances.

Resolution

This agenda item is for acknowledgement and no vote casting is required.

Agenda 7: Other matters (if any)

The Management Company would like to invite the Unitholders of the Fund to attend the meeting on the date and at the time and venue indicated herein, as shown on the map of the meeting venue, **Enclosure 5**. The Unitholders are requested to review the instructions on registration, attendance and proxy, as detailed in **Enclosure 3**. Any Unitholder who cannot attend the meeting in person and wishes to appoint a proxy to attend and vote at this meeting, kindly fill out and sign the proxy form, per **Enclosure 4**. A proxy may be granted to the Fund Manager by sending the Management Company the proxy form affixed with THB 20 (twenty baht) stamp duty, as shown in **Enclosure 4**, together with supporting documents, **by Wednesday, 16 December 2020**. The Management Company has attached herewith a prepaid return envelope, as per **Enclosure 6**.

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

**Minutes of the Annual General Meeting of Unitholders of
Samui Buri Property Fund (SBPF) for the Year 2019
on Friday 25 October 2019 at 9.30 a.m.**

**at Eastin Grand Hotel Sathorn, Bangkok, Surasak 1 Conference Room, on 11th Floor
at No. 33/1, South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok 10120**

Attendees:

Management Company

Mr. Suttipan Kreemaha	Chairman of the Meeting / Senior Vice President, Head of the Property Fund and Real Estate – Investment Trust Department / Property Fund Manager
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Expert

Mr. Thiti Kumnerddee	Legal Advisor from Kompas Law Ltd.
Mr. Vullope Techakasin	Tax Legal Advisor from Siam City Law Offices Limited
Miss Pitchabsorn Whangruammit	Tax Legal Advisor from Siam City Law Offices Limited

Trustee

2 representatives from Citibank N.A. Bangkok

Auditors

2 representative from Pricewaterhouse Coopers ABAS Limited

Witness to the Vote Count

Miss Parima Anussornnitisarn	Representative of Kompas Law Ltd.
Miss Pimpare Sukcharoen	Representative of Unitholders

The Meeting commenced at approximately 9.30 a.m.

Mr. Thiti Kumnerddee, Legal Advisor, assigned by the Chairman, informed the Meeting that, at this Meeting, there were 37 Unitholders, holding the aggregate number of 1,056,165 investment units, who attended the Meeting in person, and there were 25 Unitholders, holding the aggregate number of 32,182,418 investment units, who attended the Meeting by proxy. In total, there were 62 Unitholders who attended the Meeting in person and by proxy holding the aggregate number of 33,238,583 investment units, equivalent to 40.1432 percent which exceeded 1/3 of the total investment units sold (82,800,000 units), thus, the quorum

was formed in accordance with the Notification of the Capital Market Supervisory Board No. ThorNor. 36/2562, Re: The Management of Property Fund together with Section 129/2 of Securities and Exchange Act B.E.2535 he declared the Meeting open.

Then, he thanked all Unitholders for attending the Meeting. He also thanked the representatives from Citibank N.A. Bangkok, the Fund's Trustee, and representatives from Pricewaterhouse Coopers ABAS Limited, auditor of the Fund, for being the witnesses of this Meeting.

Mr. Thiti Kumnerdee, Legal Advisor, explained to the Meeting that, in voting on each agenda, 1 investment unit would be treated as 1 vote. The number of votes, a Unitholder had corresponded to the number of units held by him or granted to him as a proxy only. In passing a resolution in each agenda, for the convenience of vote counting, there would be statement to the Meeting asking, "if there was any Unitholder who disagreed or abstained from voting on the agenda". A Unitholder who wished to cast disapproval vote or abstain from voting was required to mark the ballot and present himself by raising hand. The officer would collect such ballot where the ballot was given to the unitholder during his/her registration. With respect to the Unitholders who did not disapprove or abstain from voting, all of their votes would be treated as approval votes. With regard to the ballot not showing clear intention of voter, or the ballot with many markings in boxes or the crossed ballot or corrected ballot without the initial at such marking would be deemed as a void ballot. In counting votes, the total votes of the Unitholders attending the Meeting and having the right to vote, would be deducted by the disapproval and abstention votes. If any agenda without disapproval and abstention votes, it would deem that the Meeting unanimously resolved to approve or agree as proposed in such agenda.

In this regard, for the transparency of vote counting, the representative from Kompas Law Ltd., the Fund's Legal Advisor, and a representative from the Unitholders were invited to witness the vote counting process. Miss Pimpare Sukcharoen, a proxy, proposed herself to witness the same. For this meeting, there would be proposed information to the Unitholders as specified in the invitation letter. The Management Company would present the detail of each agenda and would ask the Unitholders for their mutual resolution. In case the Unitholder wished to give opinion or have inquiry aside from the considering matter, should give opinion or have inquiry in the end of the Meeting.

Then, Mr. Suttipan Kreemaha, Senior Vice President, Head of the Property Fund and Real Estate – Investment Trust Department of the Management Company, as the Chairman of the Meeting, conducted the Meeting according to the agendas as follows:

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

The Chairman informed the Meeting as follows:

1. Convening of Annual General Meeting of Unitholders

As the Capital Market Supervisory Board issued the Notification of the Capital Market Supervisory Board No. TorNor. 36/2562 RE: the Management of the Fund, dated 25 April 2019, where the Notification prescribes that

“The management company must convene a unitholders’ meeting as annual meeting within 4 months after the end of each fiscal year of the Fund to report to the unitholders’ meeting to acknowledge at least the following matters:

- (1) Important matters in relation to management of the Fund and future management plan of the Fund;
- (2) Fund’s financial status and operating result of the Fund in the previous fiscal year where at least the audited financial statements and the auditor’s opinion must be presented;
- (3) Appointment of the Fund’s auditor and remuneration of auditor.

The convening of an annual general meeting as prescribed in the first paragraph must start from the fiscal year ending on or after 31 December 2018 but not later than 30 December 2019. The management company must convene the meeting within 4 months after the end of such fiscal year.”

Therefore, the Management Company will convene the Annual General Meeting of Unitholders for year 2019 as the first annual unitholders’ meeting of the Fund according to the abovementioned rules

2. Land and Building Tax Act, B.E. 2562

The Chairman asked Mr. Thiti Kumnerddee, Legal Advisor, to give clarifications to the Meeting.

Mr. Thiti Kumnerddee, Legal Advisor, clarified to the Meeting by making a comparison of material contents between the previous Building and Land Tax Act and the Land and Building Tax Act, B.E. 2562, as follows.

Issue	Previous Building and Land Tax Act	Land and Building Tax Act B.E. 2562	Note / Effect on the Fund
Tax base	Annual value (the amount for which the property should be leased on a yearly basis)	Total value of land or building (appraisal value)	Generally, the annual value is rent of the property received by the Fund and is lower than the Fund’s property value. This change causes the tax base to be higher and may increase tax burden for the Fund.

Issue	Previous Building and Land Tax Act	Land and Building Tax Act B.E. 2562	Note / Effect on the Fund
Tax rate	12.5 percent of the annual value	0.15-1.20 percent of the tax base (depending on property usage)	<p>The tax rate for the Fund's property will not exceed 1.20 percent of the total value of the Fund's land or building. However, at present, the royal decree determining the actual collecting tax rate has not yet been promulgated. Therefore, an exact increased tax burden of the Fund cannot be determined.</p> <p>Section 94(5) of the Land and Building Tax Act B.E. 2562 prescribes the tax rate in the first two years for land or building being used in any manner other than for agricultural and residential purposes as follows:</p> <p>(1) for value of tax base not exceeding 50 million baht, the tax rate of 0.3 percent shall apply;</p> <p>(2) for value of tax base exceeding 50 million baht, but not more than 200 million baht, the tax rate of 0.4 percent shall apply;</p> <p>(3) for value of tax base exceeding 200 million baht, but not more than 1 billion baht, the tax rate of 0.5 percent shall apply.</p>
Period for tax return filing and tax payment	Tax return must be filed by February of every year, and tax payment must be made within 30 days from the date of receipt of assessment notice	Official sends the taxpayer an assessment form by February of every year. Tax payment must be made by April of every year.	

No unitholder gave opinion or had any inquiry, accordingly, the Meeting acknowledged as informed by the Chairman.

Agenda 2: To approve the minutes of the Unitholders’ Meeting No. 1/2560 (For Consideration)

The Chairman stated that, the Management Company has held the Unitholders’ Meeting No.1/2017 on 14 July 2017, the Management Company correctly prepare the Minutes of the Unitholders’ Meeting which was sent to the Unitholders together with the Meeting Invitation Letter. Therefore, the Management Company proposed the Unitholders’ Meeting to consider and approve the Minutes of such Unitholders’ Meeting.

Mr. Thiti Kumnerddee, Legal Advisor, explained voting procedure in this agenda to the Meeting that, to approve the matter in this agenda, a majority vote of the total votes of the Unitholders who attended the Meeting and had their right to vote was required. In this agenda, none of the Unitholder had conflict of interest. The Chairman then asked the Meeting to vote.

Resolution The Meeting approved the minutes of the Unitholders’ Meeting No. 1/2017 on 14 July 2017, with the number of votes as follows:

Approve	32,916,484	units	or	equivalent to	97.8438	percent*
Disapprove	0	units	or	equivalent to	0	percent*
Void Ballots	725,400	units	or	equivalent to	2.1562	percent*

**Percentage of total number units of the unitholders attending the Meeting and having the right to cast their votes*

In this agenda, there were additional unitholders attending the Meeting in a total number of 7 persons, holding altogether 403,301 units. The total investment units of the unitholders who attend the Meeting and have the right to vote are 33,641,884 units.

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

1 Koh Samui tourism and hotel market overview

According to the data from Tourism Authority of Thailand, in 2018, Koh Samui had 2,736,759 tourists, divided into 60,796 Thais and 2,676,963 foreigners. The numbers of tourists in 2017 and 2018 slightly increased from previous years by approximately 1.07 and 1.63 percent respectively. Likewise, the numbers of hotel-staying tourists were relatively unchanged. In 2018, there were a total of 2,658,419 hotel-

stayin tourists, which slightly increased from 2017 in the numbers of 2,622,733 tourists. In 2018, there were 60,636 Thai hotel-staying tourists, decreasing from the previous years in the numbers of 60,693 tourists. Meanwhile, in 2018, there were 2,597,783 foreign hotel-staying tourists, close to the numbers of the previous year, which were 2,562,040 tourists. In contrast with relatively stable tourist numbers in 2017 and 2018, there were a total of 22,388 rooms on Koh Samui in 2018, an increase from 21,739 rooms in 2017. In comparison to the year 2014, where the numbers of the rooms were 19,970 rooms, it indicates that the number of rooms on Koh Samui has grown by 2,418 rooms, or approximately 12.11 percent, in the past five years. There was a minor increase in the average duration of stay on Koh Samui from 4.01 days in 2017 to 4.25 days in 2018. However, when considering in the past five years, it shows that the average duration of stay remained stable at approximately 4.11 days. In 2018, the average occupancy rate was at approximately 74.84 percent, which was an improvement. In the previous five years, the average occupancy rates fell in the 70 percent range. However, the calculation of the occupancy rate is based on available rooms, excluding the rooms, which was unavailable for renovation, resulting in it being like there are high occupancy rates for hotels on Koh Samui. Moreover, the calculation of these occupancy rates does not take into account decreased room prices due to rising competition.

2 Property condition

According to the annual property inspection carried out on 23 August 2019, the overall property condition is normal wear and tear. Due to coastal weather conditions, deterioration of the property is at a faster rate and more than that of properties located in urban areas. The Lessee has carried out renovation on the Property as proposed in the conditions on lease agreement renewal. The Management Company entered the Property to conduct an initial inspection and found that the Lessee actually performed according to plan, with additions to the work plan and budget as it found that there was additional damage to the actual Property from previously assessed. The Management Company is in the course of procuring an advisory engineer to verify whether the volume and value of work are in accordance with the agreement. Nevertheless, due to deterioration of the Property found in the actual inspection being more than in the assessment, the Management Company will discuss with the advisory engineer (pending procurement) about the scope of work and budget required in renovating the Property to be in merchantable quality to further prepare a work plan and propose to unitholders for consideration.

3 Property and Land Tax

3.1 Payment of Property and Land Tax of the Fund

On 28 July 2010, the Fund made a property purchase contract to buy 5 plots of land with the total area of 13 rai 27 sq.wah; buildings and facility system for Samui Buri Beach Resort Hotel business (former name “Mercure Samui Buri Resort Hotel”) from Samui Buri Beach Resort Co., Ltd., the owner of the property, which the Fund initially invested with the value of 828,000,000 Baht for utilization of such property

by lease. On the same day at the Office of Land Department of Surat Thani Province, Koh Samui Branch, two property lease agreements, i.e. Land and Buildings Lease Agreement; and Facilities System, Furnitures and Fixture Lease Agreement between the Fund and Samui Buri Co., Ltd. (“Lessee”) were legally registered and signed. The terms of both lease agreements are for the period of 15 years from July 28, 2010 to July 27, 2025. According to the conditions of the agreements, it is the responsibility of the Lessee to pay Property and Land Tax, Local Tax, Signboard Tax and other Taxes required by the Government. However, subboth lease agreements were cancelled with effective date on April 4, 2015.

Through the period of both lease agreements since July 28, 2010, Samui Buri Beach Resort Co., Ltd., as former Lessee, has continuously paid all Property Land Tax as per the assessment and collection by Koh Samui Municipality Office, details as shown below:

Tax Year	Paid Property and Land Tax (Baht)	Remarks
2010	467,276	Fully paid as evaluated and collected by Koh Samui Municipality Office.
2011	522,148	Fully paid as evaluated and collected by Koh Samui Municipality Office.
2012	449,208	Fully paid as evaluated and collected by Koh Samui Municipality Office.
2013	428,270	Fully paid as evaluated and collected by Koh Samui Municipality Office.
2014	382,018	Fully paid as evaluated and collected by Koh Samui Municipality Office.
2015	360,580	The Fund has terminated Lease Agreement with effective on April 4, 2015.
2016	431,010	The Fund has terminated Lease Agreement with effective on April 4, 2015.
Total	3,040,510	

3.2 5-Year Backdate Property and Land Tax Assessment

Later, on April 24, 2017 the letter of Koh Samui Municipality Office RE: Notification of Payment of Property and Land Tax of the year 2013 (Additional Payment) to the year 2017 was sent to the Fund. The main content was that in the Tax Year of 2016, Koh Samui Municipality Office found the fact that the Fund and Samui Buri Beach Resort Co., Ltd. had made the 15-year lease agreement from July 28, 2010 to July 27, 2025 with the total rental fee of 724,800,000 Baht, which is 48,320,000 Baht per year. In such case, the Fund, as property owner, is responsible to pay Property and Land Tax treated with the annual rental fee of lease agreement as annual valuation, according to Section 8 Paragraph 3 of the Property and Land Tax Act B.E. 2475. Based on rental fee from the lease agreement dated July 28, 2010, Koh Samui Municipality Office then considered the annual property and land tax evaluation at the amount of 6,040,000 Baht per year. However,

Samui Buri Beach Resort Co., Ltd., on behalf of the Fund, had submitted the incorrect Property and Land Tax Report, resulting in Koh Samui Municipality Office having the full right to re-evaluate the property and land tax not exceeding 5-year backdated according to Section 24 of the Property and Land Tax Act 2475 B.E and the Fund being liable to pay additional property and land tax as follows:

Tax Year	Paid Property and Land Tax (Baht)	Additional Property and Land Tax (Baht)
2013	428,270	5,611,730
2014	382,018	5,657,982
2015	360,580	5,679,420
2016	431,010	5,608,990
2017	6,040,000	
2018	(Not yet assessed and collected)	
Total	7,641,878	22,558,122

3.3 Submission the Appeal to Reject the Assessment of the Property and Land Tax

On May 8, 2017, the Fund has submitted the appeal to reject the assessment of the property and land Tax to the Appeal Committee for cancellation of the letter RE: Notification of Property and Land Tax Payment Year 2013 (Additional Payment) to Year 2017. Later, on July 26, 2017, the Appeal Committee has sent the letter notifying the writ for assessment of property and land tax to the Fund to make payment of additional property and land tax assessed by Koh Samui Municipality Office. The Fund had paid the Property and Land Tax for the year 2013 (Additional Payment) to year 2017 as well as surcharge according to the law in the total amount of 31,457,935 Baht to Koh Samui Municipality Office. The said amount was for 28,598,122 Baht as the Property and Land Tax for the year 2013 (Additional Payment) to year 2017; and 2,859,813 Baht as the surcharge for maintain the right to appeal to the Central Tax Court for the assessment of the Property and Land Tax for the year 2013 (Additional Payment) to year 2017.

In this regard, the Management Company has assigned Siam City Law Office as the lawyer to file a lawsuit against Koh Samui Municipality Office to the Central Tax Court to revoke the assessment of the Property and Land Tax for the year 2013 (Additional Payment) to year 2017 by Koh Samui Municipality Office and to revoke the decision of the Appeal Committee as well as to reclaim the Property and Land Tax for the year 2013 (Additional Payment) to Year 2017 overcharged by Koh Samui Municipality Office in the amount of 31,026,925 Baht of and the interest of 7.5% per year from the end of the three-month period after the end of the lawsuit until the date Koh Samui Municipality Office repays the complete amount to the Fund. The Fund had filed the lawsuit to the Central Tax Court on September 8, 2017 as Undecided Case No. Por 182/2560 between Samui Buri Property Fund as the plaintiff and Koh Samui Municipality Office as defendant.

Later, the Central Tax Court has rendered the judgement on May 23, 2018 as Decided Case No. Por 77/2561. The Court's judgement is summarized as follows:

“Samui Buri Beach Resort Co., Ltd. who is responsible to submit the Property and Land Tax Report on behalf of the Fund, never showed the lease agreement dated July 28, 2010 as attachment to Koh Samui Municipality Office which caused the incorrect submission of the property and land tax report, resulting in Koh Samui Municipality Office being entitled to re-evaluate the backdate property and land tax. Moreover, Koh Samui Municipality Office has the authority to evaluate the annual charge based on the annual rental fee mentioned in the lease agreement dated July 28, 2010. Due to the property's condition remained the same, the additional amount for annual charge is reasonable. Moreover, the rental fee in the lease agreement dated July 20, 2017 is made freely by the plaintiff which is unreasonable, and the fact that the plaintiff has no right to request for Property and Land Tax reduction, the assessment of the Property and Land Tax for the year 2013 (Additional Payment) to year 2017 by Koh Samui Municipality Office and the decision of the Appeal Committee are legal. Koh Samui Municipality Office is not required to return the paid property and land tax for the year 2013 (additional payment) to year 2017 and interest to the Fund. The Court Judgement is case dismissed.”

The Fund had filed an appeal against the Central Tax Court's judgment. Subsequently, on 22 July 2019, the Central Tax Court rendered the judgment of the Court of Appeal for Specialized Cases which affirmed the Central Tax Court's judgment, with reasons summarized as follows:

“The valuation of property and land tax for the year 2013 to the year 2017 by the defendant's competent officer and the decision of Koh Samui Municipality Mayor are duly. The defendant is not required to return the property and land tax to the plaintiff. However, it is illegitimate that the Central Tax Court failed to render a judgment ordering the return of surcharge overpaid by the plaintiff for the property and land tax of the year 2014. The defendant is therefore required to return the overpaid surcharge to the plaintiff in accordance with the complaint. The Judgment shall be affirmed, but the defendant shall return the overpaid surcharge made by the plaintiff in the payment of property and land tax for the year 2014 in the amount of 80 satang to the plaintiff, together with 7.5 percent interest per annum accrued from the expiry of the 3-month period until the case becomes final. The costs at the appellate stage shall be vested with the State.”

The Fund has filed a petition for extension of time to file a Dika appeal and petition for permission to file a Dika appeal. The Central Tax Court rendered an order allowing the Fund to file a Dika appeal and a petition for permission to file a Dika appeal within 24 November 2019.

The Fund had paid the Property and Land Tax for the year 2013 (Additional Payment) to the year 2017 and the surcharge in the amount of 31,457,035 Baht but the Fund had also exercised the right to file a lawsuit to the Central Tax Court against Koh Samui Municipality Office to return the overpaid Property and Land Tax in the total amount of 31,026,925 Baht. The reclaimed amount is less than the paid amount

because the Fund still has to pay the unpaid Property and Land Tax for the year 2017 in the amount of 431,010 Baht to Koh Samui Municipality Office. Therefore, the total amount reclaimed in the lawsuit is 31,026,925 Baht.

Subsequently, the Chairman asked Mr. Vullope Techakasin, Tax Legal Advisor from Siam City Law Offices Ltd., to give clarifications to the Meeting.

Mr. Vullope Techakasin, Tax Legal Advisor from Siam City Law Offices Ltd., clarified to the Meeting as follows. The said case is currently in the course of petition for extension of time to file a Dika appeal and the Management Company is still considering guidelines for further action. He opined that the assessment of building and land tax was not righteous for the supporting reasons as follows.

1. The tax return filing for tax assessment was complete and correct. It was the mistake made by Koh Samui Municipality officer who failed to record the details of the lease agreement, and therefore retroactive assessment of tax could not be done.

2. The tax base should be calculated based on the value for which the property might be leased. Therefore, the hotel value should be considered based on the occupancy rate and actual utilization, which would be lower than the rent under the 2010 lease agreement.

3. In 2015, the Fund terminated the lease agreement with the Lessee. Therefore, since tax year 2015 - 2017, the rent under the 2015 lease agreement could not be included in the assessment. The annual value should be computed based on the current lease agreement which its rent is suitably deemed as the true value of the property.

4. For the actual economic conditions since 2010, there were incidents continuously affecting tourism such as the coup d'état and Samui Airport closure, which resulted in the value for which the property might have been leased being lower. It was not expedient to assess tax for tax year 2013 - 2017 based on information in 2010.

The procedure of building and land tax filing specifies that there are two practical methods. The first method is for the taxpayer to complete the municipality's tax form and file it with the municipality. The second method is for the municipal officer to call the taxpayer in to give information and clarifications to the officer and the officer will fill out the tax form as deemed appropriate. With respect to the Fund's case, the Fund reported complete information, but the officer did not mention the lease agreement as, at that time, the officer would assess the annual value of property as it was a hotel business. Nonetheless, the officer changed the practice to assess the annual value of property in kind of leased property by drawing a comparison from the Supreme Court's judgment in 2016 since the assessed annual value is higher.

Subsequently, Mr. Vullope Techakasin, Tax Legal Advisor, answered the question from Mr. Anu Wongsarakit, unitholder, that the direction for the appeal of the case at the Dika appeal stage must be to challenge the Court of Appeal's judgment by using the existing information and evidence that the inferior court did not raise for consideration, e.g. closure of the property for repair without a full-year utilization which was

one of the grounds to reduce tax base. The Supreme Court’s consideration may take approximately one year. With regard to the effects from the promulgation of the Land and Building Tax Act B.E. 2562, even though the tax base is higher, the tax calculation rate decreases. According to calculation, it likely results in decrease in the amount of payable tax. In addition, the tax base under the Land and Building Tax Act B.E. 2562, is calculated based on the property value according to the appraisal price of the Treasury Department. Therefore, the officer does not have the authority to exercise their discretion as compared to when the previous law was in effect. This should be enabling the Fund to conduct clearer tax planning.

The Chairman answered the question from Mr. Wanchai Lertsrijatuporn, volunteer for shareholders' right protection and proxy from the Thai Investors Association, that the property’s appraisal price, calculated using the cost approach, based on the market values of the land and building, is approximately 614 million baht, consisting of the land price of approximately 274 million baht and the building and structure price of approximately 180 million baht.

Mr. Vullope Techakasin, Tax legal Advisor, answered the question from Mr. Sunton Raksantiwong, that if the Supreme Court reversed or amended the judgment in favor of the Fund. The best-case scenario is the Fund would receive a refund of the building and land tax with interest at 7.5 percent per annum upon the lapsing of the period of three months accrued from the date on which the case becomes final. To what extent the Supreme Court will rule, and whether the Fund will receive a refund and in what amount, are subject to the court’s discretion. The question from Mr. Anu Wongsarakit was answered as follows. The interest involving the tax refund starts being chargeable from the end of the 3-month period from the date of the final judgment. If Koh Samui Municipality refunded tax to the Fund within the 3-month period from the date of the final judgment, the Fund would not be entitled to receive interest.

4 The Fund’s Operation and Future Management Plan

4.1 Property Utilization

At present, the Management Company had the temporary lease agreement with Samui Buri Co., Ltd. (“Lessee”), for a term of three years, with the main conditions summarized below:

Lease Conditions		Remarks
Lease Term	3 years (1 August 2018 to 31 July 2021)	The temporary lease term is extended from 1 year to 3 years.
Rental Fee	1 st Year: 500,000 Baht per month or equivalent to 6,000,000 Baht per year;	The current rental fee is in the amount of 600,000 Baht per month.

Lease Conditions		Remarks
	<p>2nd Year: 600,000 Baht per month or equivalent to 7,2000,000 Baht per year;</p> <p>3rd Year: 700,000 Baht per month or equivalent to 8,4000,000 Baht per year;</p>	<p>The rental fee of the 1st year has decreased in the total amount of 1,200,000 Baht.</p> <p>The rental fee of the 2nd year is equal to the current rental fee.</p> <p>The rental fee of the 3rd year is higher than the current rental fee in the amount of 1,200,000 Baht.</p> <p>The average rental fee throughout the 3 years term is equal to the current temporary rental fee.</p>
Investment for Improvement of Property	<p>The Lessee pays for the investment to improve the property in the total amount of not less than 3,000,000 Baht.</p> <p>If the Lessee invests for the improvement of property in the amount of less than 3,000,000 Baht, the Lessee must pay the difference to the Fund in addition to the rental fee.</p> <p>The Fund will consider and approve the plan and budget of the improvement and will check the volume and value of the completed work.</p>	<p>No terms and conditions on the investment for improvement of property were mentioned in the former temporary lease agreement.</p>
Termination of Lease Agreement prior to the Expiration of Lease Term	<p>If the Fund wishes to lease the property to a new lessee or sell the property to an interested buyer, the Fund can terminate the Lease Agreement prior to the expiration of Lease Term and the Lessee must deliver the possession of the leased property and transfer the license for hotel business operation and other licenses to the Fund or to the person determined by the Fund.</p>	

Lease Conditions		Remarks
Property and Land Tax	The Fund and the Lessee will jointly pay the property and land tax. The Lessee agrees to pay for 30% and the Fund agrees to pay for 70% of the tax as assessed by the government.	According to the former temporary lease agreement, the Fund shall solely be responsible for all property and land tax.

According to the Unitholders' Meeting's resolution approving the Fund to compromise with the Lessee and to sell the Fund's property, the Fund made a temporary lease agreement with a term of six months with the Lessee during the seeking of a buyer. Subsequently, it appears that no offers were made to purchase the Fund's property. The Fund then extended the temporary lease agreement for another one year to seek a new lessee. However, it turns out that the bidder for tenancy of the Fund's property failed to submit complete supporting detail and documentation as requested by the Management Company. The Management Company was unable to consider the said bidder's offer. Currently, the Management Company still has not acquired a new lessee. The Management Company therefore considered the matter and renewed the temporary lease agreement with the Lessee for another three years. In renewing the said lease agreement, the Management Company took into consideration the directions for investment and operations of a hotel operator, the Fund's property condition, current rental rate, and early termination conditions involving the lease agreement, as detailed above, which gives the Fund an opportunity to accept lease and/or purchase offers for the property during the term of the agreement. The view is that the renewal of the temporary lease agreement is beneficial to the Fund.

4.2 Plan for future operations

The Management Company has directions for future operations as follows.

4.2.1 Seeking a buyer

For the sale of the Fund's property, the market condition and property condition as of the date of the sale of property must be taken into account as investors will consider the total investment value in the property. The investors will have to invest in order to exploit the property in accordance with their objectives, where not only the property value, but also the investment value involving property improvement, must be considered. The Management discussed with the advisory engineer to calculate the initial investment value in the improvement of the Fund's property so that it has enough standard for the operation of hotel chain business. It appears that the said investment value is approximately 100-130 million baht. Therefore, the Fund's trade price must be calculated by deducting the investment value for the property improvement and be mainly subject to the real estate market condition at the time. For these reasons, the trade price of the Fund's property may not be as high as anticipated by the unitholders and Management Company and may be lower than the replacement value.

4.2.2 Seeking a new lessee who can offer reasonable returns to the Fund

As the Fund's property has been deteriorating, but the Fund has no and is unable to seek investment funds to improve the property, letting out the Fund's property to a new lessee requires the condition on which the new lessee improves the property, similar to the condition of the current temporary lease agreement. However, with respect to the property lease agreement between the Fund and the new lessee, the Management Company will determine a higher investment value for the property improvement and a longer lease term than those indicated in the current temporary lease agreement to be in line with the directions for investment and business operation of the new lessee.

Presently, the Management Company is open for every direction of operation above whether it is selling or letting out the property on a long-term basis. The Management Company contacted real estate agents to carry out a process seeking persons interested in purchasing or renting the Fund's property. However, the Management Company has not received any clear and definite offers. The cancellation of the lease agreement and closure of the property from use may not be an appropriate approach because this action will incur costs and expenses during the said closure, for example, the cost of hiring security guards, and will cause the property to deteriorate more quickly. This will result in an increase in investment value for the property improvement and a decrease in rental price. For these reasons, in the event that the Fund has not been able to seek a new lessee who accepts the condition of investment for property improvement and agrees to rent the property on a long-term basis as determined by the Fund, the Management Company is of the view that allowing the Lessee to rent the property under the arrangements and conditions of the current temporary lease agreement is likely to be a direction least adversely affecting the Fund.

The Chairman answered the question from Mr. Anu Wongsarakit, unitholder, as follows. The revenue per available room (RevPar) from the Lessee's business operation is approximately 1,300-1,500 baht. With respect to the Lessee's operating results, the Lessee suffers an operating loss of approximately 2 million baht per annum. With regard to the inspection of the property improvement in accordance with the condition in the current temporary lease agreement, the Management Company assigned the advisory engineer to conduct an inspection to check whether property improvement has actually been carried out and is in accordance with the investment value determined in the agreement. For other approaches to exploit the property, the Management Company considered hiring a hotel chain business operator to manage the Fund's property. However, the Office of the Securities and Exchange Commission ("SEC Office") considers a hotel a business, not a real property. The law relating to property fund management prescribes that a property fund shall exploit a real property that is a hotel building by letting out the entire hotel to a hotel operator only. Even though various property funds discussed with the SEC Office to push for a change of this idea, they were not successful. Although there are no limitations in such case, the Fund has limitations regarding investment funds for property improvement as the Fund is unable to take out a loan or increase its capital in order to invest in the property improvement. The Fund therefore cannot take action in that direction. For these reasons, there are two possible approaches to exploit the Fund's property as mentioned above. The question from Mr. Suntorn

Raksantiwong, unitholder, was answered as follows. The Management Company examined the Lessee's operating results from the annual financial statements submitted to the Ministry of Commerce and conducted a random inspection on the occupant register by calculating the Lessee's total income for the year based on occupancy data according to the occupant register. The amount of income according to such calculation corresponds with the amount of income shown in the annual financial statements filed with the Ministry of Commerce.

The Chairman gave additional clarifications to the Meeting that the Management Company once received an offer to rent the property from a business operator of the Centara Group affiliate, but the said offer did not contain conditions that would provide more benefits to the Fund than the terms and conditions of the current temporary lease agreement.

Mr. Methee Anadirekkul, unitholder, said that even though the Lessee showed good operating results and had the capacity to pay a higher rental rate than the current rate, the Fund was unable to seek another lessee and did not have the bargaining power over the Lessee with respect to determination of a higher rental rate. Subsequently, he asked about the forced sell price of the property at present as he opined that the amount of the Fund's expenses and the property trade price should be mainly determined with reference to the market value of the property instead of the appraisal price thereof.

The Chairman answered the question from Mr. Methee Anadirekkul, unitholder, that the forced sale price of the property was approximately 200-250 million baht. The appraiser appraised the said price by calculation based on 35 percent of the appraisal price.

Mr. Teerawat Wongwanich, proxy, requested that the Chairman provide details relating to the most recent bidder for the property and asked the Management Company to closely monitor the Lessee's operating results.

The Chairman answered the question from Mr. Teerawat Wongwanich, proxy, as follows. The Fund received the most recent offer to purchase the property in 2018 with the purchase price of 550 million baht. However, on the date prior to the Unitholders' Meeting in which the bid was to be considered, the bidder revoked the bid. The Fund received the most recent offer to rent the property in 2018 from an operator of the Centara Group affiliate offering rent at 600,000 baht per month, the same rate that the Fund receives from the current Lessee, without accepting the conditions of investment for property improvement and long-term lease agreement.

The Chairman answered the question from Mr. Anu Wongsarakit, unitholder, regarding the rent structure under the current temporary lease agreement and guidelines for converting the Fund into a real estate investment trust ("REIT"), as follows. As the current temporary lease agreement is on a short-term basis,

only fixed rent is determined. If a long-term agreement is entered into in the future, both fixed rent and variable rent may be determined in accordance with the lessee's operating results. The advantage of the conversion from the Fund into REIT is that REIT can take out a loan and increase its capital in order to invest in property improvement. REIT can also purchase an additional property. If the additional property acquired is located in the area with a different tourist season from the area in which the current property is located, it will enable distribution of income. The additional property acquired must not be the same type of property as the main property of another REIT under management of the same REIT manager. However, there are still limitations where REIT is required to exploit a real property that is a hotel building by letting out the entire property to a hotel operator only. With regard to the rules on dividend payment, REIT must pay dividends to trust unitholders at the rate of no less than 90 percent of the net profit.

Mr. Anu Wongsarakit, unitholder, expressed an additional opinion that as REIT may purchase an additional property, it should be open to acquiring a property in good condition which can generate more revenue for REIT. This will result in the ability to pay dividends to the trust unitholders in the future. Therefore, he asked the Management Company to consider this matter and conduct research on guidelines on conversion of the Fund into REIT.

Mr. Tuan Phatihatakorn, unitholder, gave his opinion that if the Fund was unable to find a solution for the best interest of the unitholders, the Fund might have to consider an absolute solution, e.g. structure demolition and sale of only the Fund's land, in order to distribute the money from the land sale to the unitholders.

Mr. Methee Anadirekkul, unitholder, gave his opinion that the Fund should not convert into REIT or make additional investment. The Fund should solve the problem by letting out the property on a long-term basis or selling the property, whether it is both land and structure, or land only.

The Chairman said that, presently, the Management Company was open to receive both offers to purchase and to rent the property. However, there has not been any person interested in purchasing or renting the Fund's property. If the Management Company receives a clear and definite offer, it will hold a Unitholders' Meeting to further consider the offer to purchase or rent. Subsequently, the question from Mr. Methee Anadirekkul, unitholder, was answered as follows. The Lessee has not made an offer to enter into a long-term lease agreement with the Fund. When the current temporary lease agreement is close to expire, the Management Company will negotiate with the Lessee on this matter.

Mr. Somkiat Saleepattana, unitholder, asked for opinions from major unitholders or their proxies, regarding the guidelines for investment in the Fund. Mr. Thiti Kumnerddee, legal consultant, said that expression of an opinion at the meeting was the right of and was subject to each unitholder's wish. Additionally,

the proxies might have been assigned proxy only to attend the meeting but have no power to give an opinion on the matter in question.

Mr. Somkiat Saleepattana, unitholder, gave his opinion that as the Management Company was unable to manage the Fund in accordance with its goals, the Management Company should consider reducing the Fund's management fee.

The Chairman gave clarifications on the opinion of Mr. Tuan Phatihatakorn, unitholder, involving the consideration to sell the Fund's land or let out the Fund's property on a long-term basis, that the Management Company was able to carry out a process seeking a buyer or new lessee of the property to enter into a long-term lease agreement in accordance with the resolution of the previous Unitholders' Meeting.

The Chairman then said that as no other unitholders expressed their opinions, it shall be deemed that the Meeting acknowledged the Fund's operation report and guidelines for future operations as proposed.

Agenda 4: To acknowledge the financial status, operating result and financial statement for fiscal year ending on 30 June 2019 which has been audited and given opinion by the auditor (For Acknowledgement);

The Chairman reported the financial status, the operating result and the financial statements for fiscal year ending on 30 June 2019 which has been audited and given opinion by the auditor which can be summarized as follows:

According to the balance sheets, the Fund's total assets were 547,971,160 Baht, the total liabilities were 17,078,304 Baht and the net assets were 530,892,856 Baht or equivalent to the asset value per unit of 6.4117 Baht. Currently, the Fund has the total investment units sold at the year-end in number of 82,800,000 units. According to the profit and loss statements, in 2019, the Fund's total income was 7,204,286 Baht, net loss from investment was 12,703,897. Moreover, there is an account loss from investment since the assessed value of property decreased from 601,400,000 baht to 536,800,000 baht, in 2019, calculated decrease as 64,600,000 baht or 10.74 percent. In 2019, the Fund did not declare dividend and had cash and cash equivalents at the end of fiscal year at 8,239,320 baht which the Management Company will consider appropriate operation. For the statement of cashflow, the net cash from operating activities was 1,853,227 Baht, net cash used in financing activities (Dividend paid) was 32,400,000 Baht, net increase in cash and cash equivalents were 7,027,592 Baht. In addition, on the first day of 2019, Fund's cash and cash equivalents were 10,092,547 Baht, and at year-end of 2019, Fund's cash and cash equivalents were 8,239,320 Baht. The details

are specified in the financial statements for fiscal year ending on 30 June 2019 which was sent to the unitholders together with the meeting invitation letter.

Then, the Chairman informed the Meeting that, agenda 4 is for acknowledgement, accordingly, there is no passing of resolution.

Agenda 5: To acknowledge the appointment of the Fund's auditor and auditing expense for fiscal year ending on 30 June 2020 (For Acknowledgement)

The Chairman informed the Meeting that the Management Company appointed auditors of PricewaterhouseCoopers ABAS Company Limited as the auditors of the Fund for fiscal year ending on 30 June 2020 with the details as follows:

Auditor	Mr. Sa-Nga Chokenitisawat CPA Registration No. 11251 Mrs. Anothai Leekitwattana CPA Registration No. 3442 Mrs. Anutai Poomsurakul CPA Registration No. 3873
Location	15 th Floor, Bangkok City Tower, 179/74-80 South Sathorn Road, Sathon, Bangkok 10120
Remuneration	930,000 Baht
Other expenses	Actual amount paid

The Chairman additionally clarified to the Meeting that the auditor's current increased workload due to monthly closing entries caused an increase in the auditor's remuneration. Nonetheless, the Management Company accepted the suggestion of Mr. Suntorn Raksantiwong, unitholder, regarding the consideration and selection of another auditor with qualifications as prescribed by the SEC Office, which may charge remuneration at a lower rate than the current auditor in order to reduce the Fund's expenses.

Then, the Chairman informed the Meeting that, agenda 5 is for acknowledgement, accordingly, there is no passing of resolution.

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

The Chairman answered the question from Mrs. Laksunee Siripathummat, unitholder, as follows. The personnel of the company offering the Fund's investment units for sale to the unitholders are not the Fund's current management team. The Management Company's fee is calculated based on the Fund's net property value. If the Fund's net property value decreases, it naturally results in a decrease in the Management Company's fee. The Chairman accepted the suggestion on reduction of the Fund's expenses, e.g. the

Management Company's management fee and auditor's remuneration, so that it is consistent with the Fund's financial standing. With respect to publicity of the previous real property bidding, the Management Company assigned CBRE (Thailand) Co. Ltd. to act as agent and bid manager. CBRE (Thailand) Co. Ltd. reached out to domestic and international investors. Moreover, the Management Company publicized it on the Stock Exchange of Thailand's official website, Management Company's website and by newspaper announcements. At present, the Management Company publicizes the sale and letting of the property through several real estate agencies such as CBRE (Thailand) Co. Ltd., Jones Lang LaSalle (Thailand) Ltd. and Knight Frank Chartered (Thailand) Co. Ltd., to investors interested in purchasing or renting the Fund's property.

Mr. Somkiat Saleepattana, unitholder, commented that the Fund's property lease agreement should contain a rent structure consisting of fixed rent and variable rent. The Chairman accepted the suggestion for further consideration.

Mr. Thiti Kumnerddee, Legal Advisor, answered the question from Mr. Somkiat Saleepattana, unitholder, that at this time, there were a total of 106 unitholders attending this Meeting in person and by proxy, representing a total of 36,043,485 investment units, or 43.5308 percent.

Mr. Wanchai Lertsrijatuporn, proxy from the Thai Investors Association, gave his opinion to the Meeting that the opinions, questions and suggestions of the unitholders at this Meeting shall be accurately and completely recorded, together with the names of the unitholders who raised those questions or suggestions. He was of the view that the unitholders' opinions were useful and might be used in the following Unitholders' Meeting. Then, the Chairman clarified to the Meeting as follows. According to the standard for the preparation of minutes of unitholders' meeting, questions and suggestions of the unitholders, together with other details, must be accurately and completely recorded, regardless of whether the unitholders attend the meeting in person or by proxy. The said minutes of unitholders' meeting will be posted on the Stock Exchange of Thailand's website within 14 days from the date of the unitholders' meeting.

The Chairman answered the question from Mr. Wanchai Lertsrijatuporn, proxy from the Thai Investors Association, as follows. The increase (decrease) in account payable from related parties of 1,107,028 baht in the cash flow statement is the amount received by the Fund from the insurance company as the hotel suffered damage from floods. The hotel carried out repair of the damaged portion and advanced the costs, and later received reimbursement from the insurance company.

The Chairman answered the question from Mr. Anu Wongsarakit, unitholder, as follows. The costs involving the legal consultant and lawyer are divided into two portions: legal advisory fees included in the regular costs as the Fund is required to make available a legal consultant, and lawyer's fees specifically for legal cases. If the Fund considers it and views that the filing of a Dika appeal to challenge the assessment of house and land tax by Koh Samui Municipality will be beneficial to the Fund, the Fund will incur the lawyer's

fees. The amount of lawyer's fee for filing the Dika appeal will be lower than the amount of lawyer's fees for litigation at the court of first instance stage and appellate stage.

Mr. Thiti Kummerddee, legal consultant, answered the question from Mr. Teerapol Veerapanchai, unitholder, that according to new house and land tax rates, the Fund must pay tax at the rates between 0.3-0.5 percent of the appraisal value. The said tax rates are on the sliding scale basis and the appraisal price is appraised by the Treasury Department. Subsequently, the Chairman answered the question from Mr. Teerapol Veerapanchai, unitholder, as follows. Presently, the Treasury Department appraised the land price (particularly land plots with title deeds), together with building and structure, at 83,231,906 baht. This price does not include the price of land with Nor Sor 3 Gor certificate. The Management Company does not have the details on this subject but estimates the total price of no more than 120 million baht.

Mrs. Laksunee Siripathummat, unitholder, expressed her opinion that the increase in house and land tax chargeable to the Fund was due to failure of the Management Company which pushed the said tax burden on to the Lessee. The Chairman said that he was not involved in the negotiation of the lease agreement in 2010 so he did not know the true cause for determining that the Lessee shall bear the house and land tax. However, he assumed that the determination of that contractual clause might have been to enable the Fund to clearly calculate returns to be paid to the unitholders.

The Chairman answered the question from Mr. Anu Wongsarakit, unitholder, that the Fund's loss was divided into two categories: 1) operating loss and 2) loss from a valuation of property. At present, the Fund is suffering loss from decrease in the appraisal price. If rent increases, the appraisal price will also increase, resulting in decrease in loss suffered by the Fund. Moreover, loss from the valuation of property affects net profit calculation for the purpose of dividend payment to the unitholders.

The Chairman answered the question from Mr. Tara Chonpranee, unitholder, that, currently, the Management Company did not manage any REIT or property fund investing in hotels other than this Fund.

Mr. Tara Chonpranee, unitholder, suggested that the Management Company consider converting the Fund into REIT. The Chairman accepted the said suggestion for further consideration and clarified to the Meeting that conversion of a property fund into REIT might be carried out only upon acceptance of the conversion offer by both the transferring fund (transferor) and receiving trust (transferee). Upon conversion, the holders of investment units in the property fund will become new unitholders in REIT, and the unitholders will receive newly issued trust units from REIT, not cash.

The Chairman asked that whether there were any Unitholders to have any further questions or not.

There was no additional inquiry of any Unitholder, and no other business to be considered, therefore, the Chairman declared the Meeting closed at approximately 11.35 a.m.



(Mr. Suttipan Kreemaha)
Chairman of the Meeting

SAMUI BURI PROPERTY FUND

STATUTORY FINANCIAL STATEMENTS

30 JUNE 2020



Independent Auditor's Report

To the Unitholders of Samui Buri Property Fund

My opinion

In my opinion, the financial statements of Samui Buri Property Fund ("the Fund") present fairly, in all material respects, the financial position of the Fund as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The Fund's financial statements comprise:

- the balance sheet as at 30 June 2020;
- the details of investments as at 30 June 2020;
- the statement of income for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended;
- significant financial information and ratios for the year then ended; and
- a summary of significant accounting policies and other notes.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Fund in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I determine one key audit matter: valuation of investment in properties. These matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



Key audit matters	How my audit addressed the key audit matter
<p><i>Valuation of investment in properties</i></p> <p>Refer to significant accounting policies no. 3.3 and notes to financial statements no. 9, the fair value of investment properties were carried at Baht 399 million as at 30 June 2020 with unrealised loss from investments of Baht 137.8 million.</p> <p>The investment properties comprises of the land, buildings (except sport club), public utilities, furniture and equipment for hotel business.</p> <p>Valuations of investment properties were carried out by independent appraiser.</p> <p>There were significant judgements and estimates to be made in relation to the valuation of investment properties. The valuations was based on Income Approach.</p> <p>The most significant judgements and estimates affecting all the valuations of investment properties include estimated rental income, discount rate, which was determined from business type, the location of project, ability to generate income, competitive market and risk-free return rate. The appraiser applied discounted cash flow for valued asset based on yield rate of government bond plus market, operational, and liquidity risk.</p> <p>The unrealised loss was incurred from lower estimated rental income, which was unfavourably reflected from lower demand of customers and fixed costs.</p> <p>The significant estimation could result in material effect to investment in properties at fair value, which is why I have given specific audit focus and attention to this area.</p>	<p>All investment properties are appraised by an independent valuer, who hold a recognised relevant professional qualification by the Securities and Exchange Commission and has recent experience in the segment of the investment properties valued.</p> <p>I assessed the competence, independence and objectivity and verified their qualifications.</p> <p>I obtained the valuation reports and agreed fair value in valuation report to accounting record. I discussed directly with external valuer and challenged on the appropriateness of the methodology and assumptions used. The property information in the valuation was tested by tracing a sample of data inputs underpinning the valuation for properties, including rental income and related cost/ expenses with lease agreement of Mercure Samui Buri Resort. I, therefore, held a discussion with the Fund's management to ensure the appropriateness, completeness and correctness of data input by the valuer.</p> <p>In addition, I challenged the unfavourable movements in the valuation and obtained the explanations and related reference of supporting evidences from independent valuer.</p> <p>From procedures mentioned above, I found that the management's significant judgements and estimates were appropriated in an acceptable range.</p>



Other information

The Fund's management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the Fund's management.

Responsibilities of the Fund's management for the financial statements

The Fund's management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRSs, and for such internal control as the Fund's management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Fund's management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Fund's management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Fund's management is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund's management.
- Conclude on the appropriateness of the Fund's management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Fund's management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Fund's management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the Fund's management, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, reading 'Sa-nga Chokenitisawat', written in a cursive style.

Sa-nga Chokenitisawat
Certified Public Accountant (Thailand) No. 11251
Bangkok
27 August 2020

Samui Buri Property Fund**Balance Sheet****As at 30 June 2020**

	Notes	2020 Baht	2019 Baht
Assets			
Investment in properties at fair value (at cost Baht 828,000,000)	9	399,000,000	536,800,000
Cash and cash equivalents	10	6,525,575	8,239,320
Rental receivable and accrued rental income, net	11	1,200,000	1,100,000
Other receivable		1,795,988	1,661,000
Prepaid expenses		144,782	148,298
Other assets		80,825	22,542
Total assets		408,747,170	547,971,160
Liabilities			
Accrued expenses	14	17,271,223	15,964,671
Other payable		-	1,107,028
Other liabilities		-	6,605
Total liabilities		17,271,223	17,078,304
Net assets		391,475,947	530,892,856
Net assets:			
Capital received from unitholders (82,800,000 units, Baht 10 each)	12	828,000,000	828,000,000
Deficits	12	(436,524,053)	(297,107,144)
Net assets		391,475,947	530,892,856
Net assets value per unit (Baht)		4.7279	6.4117
Number of units outstanding at the end of the year (units)		82,800,000	82,800,000

The notes to financial statements from pages 11 to 20 are an integral part of these financial statements.

Samui Buri Property Fund
 Details of Investments
 As at 30 June 2020

Type of investment	Cost		Fair value		Percentage of investment	
	2020	2019	2020	2019	2020	2019
	Baht	Baht	Baht	Baht	%	%
Investment in properties (Note 9)						
Land and Buildings						
1) 5 plots of land, total area of 13-0-27 rai,						
2) buildings, total area of 15,772.86 sqm. with facilities, swimming pool, dining room, and parking area for hotel business	828,000,000	828,000,000	399,000,000	535,800,000	100	100
Total investment in properties	<u>828,000,000</u>	<u>828,000,000</u>	<u>399,000,000</u>	<u>535,800,000</u>	<u>100</u>	<u>100</u>

The notes to financial statements from pages 11 to 20 are an integral part of these financial statements.

Samui Buri Property Fund
Statement of Income
For the year ended 30 June 2020

	Notes	2020 Baht	2019 Baht
Investment income			
Rental income	9	7,200,000	7,200,000
Interest income		3,723	4,286
Total income		7,203,723	7,204,286
Expenses			
Management fee	13, 14	3,087,864	3,696,567
Trustee fee	13	617,573	740,942
Registrar fee	13, 14	514,644	616,095
Professional fee		1,855,251	1,777,913
Doubtful debt expense	11	1,800,000	-
Other expenses		945,300	13,076,666
Total expenses		8,820,632	19,908,183
Net investment (expenses)		(1,616,909)	(12,703,897)
Net (loss) from investments			
Net unrealised (loss) from investments	9	(137,800,000)	(64,600,000)
Total net (loss) from investments		(137,800,000)	(64,600,000)
Net (decrease) in net assets from operations		(139,416,909)	(77,303,897)

The notes to financial statements from pages 11 to 20 are an integral part of these financial statements.

Samui Buri Property Fund
Statement of Changes in Net Assets
For the year ended 30 June 2020

	<u>Note</u>	<u>2020 Baht</u>	<u>2019 Baht</u>
(Decrease) in net assets from operations during the year			
Net investment (expenses)		(1,616,909)	(12,703,897)
Net (loss) from investment	9	<u>(137,800,000)</u>	<u>(64,600,000)</u>
Net (decrease) in net assets from operations		<u>(139,416,909)</u>	<u>(77,303,897)</u>
(Decrease) in net assets during the year			
Net assets at the beginning of the year		<u>530,892,856</u>	<u>608,196,753</u>
Net assets at the end of the year		<u><u>391,475,947</u></u>	<u><u>530,892,856</u></u>

The notes to financial statements from pages 11 to 20 are an integral part of these financial statements.

Samui Buri Property Fund
Statement of Cash Flows
For the year ended 30 June 2020

	Note	2020	2019
		Baht	Baht
Cash flows from operating activities			
Net (decrease) in net assets from operations		(139,416,909)	(77,303,897)
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash provided by operating activities:			
Interest income		(3,723)	(4,286)
Net unrealised loss from investment	9	137,800,000	64,600,000
Doubtful debt expense	11	1,800,000	-
(Increase) in rental receivable and accrued rental income		(1,900,000)	(1,100,000)
(Increase) in other receivable		(134,988)	(1,661,000)
Decrease in prepaid expenses		3,516	10,593
(Increase) decrease in other assets		(58,510)	12,769
Increase in accrued expenses		1,306,552	12,479,926
(Decrease) increase in other payable		(1,107,028)	1,107,028
(Decrease) increase in other liabilities		(6,605)	759
Cash flows from operating activities		(1,717,695)	(1,858,108)
Cash received from interest income		3,950	4,881
Net cash used in operating activities		(1,713,745)	(1,853,227)
Net (decrease) in cash and cash equivalents		(1,713,745)	(1,853,227)
Cash and cash equivalents at the beginning of the year		8,239,320	10,092,547
Cash and cash equivalents at the end of the year		6,525,575	8,239,320

The notes to financial statements from pages 11 to 20 are an integral part of these financial statements.

Samui Buri Property Fund
 Significant Financial Information and Ratios
 For the year ended 30 June 2020

	2020	2019	2018	2017	2016	2015
	Baht	Baht	Baht	Baht	Baht	Baht
Operating performance (per unit)						
Net assets value at the beginning of the year	6,4117	7,3453	8,3227	7,2504	9,9193	10,2682
<u>Add</u> Income (expenses) from investment activities:						
Net investment (expenses) income	(0.0195)	(0.1534)	(0.4315)	0.7003	(0.1705)	(0.1888)
Net unrealised (loss) gain from investments	(1.6643)	(0.7802)	(0.5459)	0.3720	(2.4984)	(0.0801)
Total income (expenses) from investment activities	(1.6838)	(0.9336)	(0.9774)	1.0723	(2.6689)	(0.2689)
<u>Less</u> Dividend paid	-	-	-	-	-	(0.0800)
Net assets value at the end of the year	4,7279	6,4117	7,3453	8,3227	7,2504	9,9193
Ratio of net (decrease) increase in net assets from operations to average net assets value during the periods/year (%)	(28.0678)	(13.0877)	(12.5082)	14.4116	(27.6721)	(2.5730)

Significant financial ratios and additional information

Net assets value at the end of the year (Baht)	391,475,947	530,892,856	608,196,753	589,121,091	600,334,485	821,318,438
Ratio of total expenses to average net assets value during the year (%)	1.7758	3.3705	6.6196	(6,9421)	1.7674	7.9341
Ratio of investment income to average net assets value during the year (%)	1.4503	1.2197	1.0978	0.4701	-	6.1273
Ratio of weighted average investment purchase and sale during the year to average net assets value during the year (%)	-	-	-	-	-	-
Average net assets value during the year (Baht)	496,715,497	590,658,601	646,958,367	616,075,821	798,578,989	865,310,598

The notes to financial statements from pages 11 to 20 are an integral part of these financial statements.

1 General information

Samui Buri Property Fund (“the Fund”) was registered on 22 July 2010 with indefinite expiration date. The purpose of the Fund is to raise funds from the investors to invest in properties which consist of land, buildings (except sport club), with facilities, swimming pool, dining room, and parking area for hotel business.

As at 30 June 2020, the major unitholder is Government Savings Bank, holding 24.15% of total authorised units.

Principal Asset Management Company Limited is the Fund’s Management Company (“the Management Company”). Citibank N.A. has been appointed as the Fund’s Trustee.

On 22 April 2019, the Management Company had informed the Securities and Exchange Commission to change its name from “CIMB Principal Asset Management Company Limited” to “Principal Asset Management Company Limited”.

These financial statements were authorised for issue by authorised manager of the Management Company on 27 August 2020.

2 Significant events during the current period

The outbreak of Coronavirus Disease 2019 (“COVID-19 outbreak”) in early 2020, it has resulted in adverse effects on operating results for the year ended 30 June 2020 particularly on the rental businesses.

The adverse effects from COVID-19 outbreak may lead to early termination, breach or renewal of certain existing lease contracts as well as affect new contract signing, and rental income in the coming periods. The Fund’s management is now paying close attention to the development of the COVID-19 outbreak situation and its impact on the leasing market, performing relevant assessments and taking proactive measures for remediation.

3 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

3.1 Basis of preparation

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. In addition, the financial statements have been prepared under the basis and format as required by the Thai Accounting Standard No. 106 “Accounting for Investment Companies”. The primary financial statements (i.e. balance sheet, the details of investments, statement of income, statement of changes in net assets, statement of cash flows and significant financial information and ratios) are prepared in the full format as required by the Securities and Exchange Commission.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

3 Accounting policies (Cont'd)

3.1 Basis of preparation (Cont'd)

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5 to the financial statements.

An English language version of the financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3.2 Revised accounting standards, revised financial reporting standards, and related interpretations

The Fund has adopted revised financial reporting standards that are effective for accounting periods beginning or after 1 January 2019 and are relevant to the Fund. These revised standards do not have a significant impact on the Fund.

The Fund has not adopted new and revised financial reporting standards that are effective for accounting periods beginning or after 1 January 2020. The management of the Management Company is currently assessing the impact of initial adoption of these standards.

The Fund has not adopted accounting guidance for Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust which was endorsed by the Securities and Exchange Commission that are effective for accounting periods beginning or after 1 January 2020.

3.3 Investment in properties

Investment in properties consist of land, building (excluding sport club) with facilities, swimming pool, dining room, and parking area for hotel business which held to earn rentals or for capital appreciation and not used in the ordinary business of the fund.

Investment in properties are initially measured at cost, including transaction costs and borrowing cost.

Investment in properties are subsequently measured at fair value, with change in fair value under fair value model being recognised in profit or loss.

The fund should be recognised expense after initially measured as assets when it is probable that the future economic benefits associated with the asset will flow to the fund.

The Management Company measured their fair value as at first balance sheet date at the acquisition cost of the properties. At the subsequent balance sheet dates, they are presented at fair value which is based on appraisal value by independent valuers approved by the Securities and Exchange Commission. The Management Company will conduct appraisal of properties every two years from the date of the appraisal for purchase or lease of the properties and will conduct a review of appraisal every year after the date of the latest appraisal. The Management Company will not appoint any appraiser to appraise the property or leased property for more than 2 consecutive times.

3 Accounting policies (Cont'd)

3.4 Cash and cash equivalents

Cash and cash equivalents includes deposits held at call, short-term highly liquid investments with maturities of three months or less from the date of acquisition and are not used as collaterals.

3.5 Leases

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

3.6 Rental receivable

Rental receivable is carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful accounts based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the rental receivable and the amount expected to be collectible. Bad debt are written-off during the year in which they are identified and recognised in statement of income as the Fund's expenses.

3.7 Revenues and expenses recognition

Rental income under operating leases is recognised in the statement of income on the straight-line basis over the lease term.

Interest income is recognised on an accrual basis based on the effective interest rate.

Other income are recognised on an accrual basis in accordance with the substance of the relevant transactions.

Expenses are recognised on an accrual basis.

3.8 Income taxes

The Fund is exempted from Thailand corporate income tax. No provision for corporate income tax has been made in the accompanying financial statements.

3.9 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as board of directors that makes strategic decisions.

4 Financial risk management

4.1 Financial risk factors

The Fund exposes to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

Interest rate risk

The Fund has interest rate risk from borrowings and debentures at fixed and floating interest rates.

Credit risk

Credit risk is the risk that counterparties might not discharge their obligation causing the Fund to incur a financial loss. Credit risk arises from risk in the collectability of lease rental from counterparties. The Fund have a concentration of credit risk with respect to an account receivable as it has only one customer. The carrying amount of financial assets as recorded in balance sheet represents the Fund's maximum exposure to credit risk.

Liquidity risk

The Fund manages sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities.

4.2 Fair value estimation

The following table presents the financial assets that are measured at fair value, excluding where its fair value is approximating the carrying amount as at 30 June 2020 and 2019 are as following:

	2020	2019
	Level 3	Level 3
	Baht	Baht
	<u> </u>	<u> </u>
Investment in properties	399,000,000	536,800,000
Total	<u>399,000,000</u>	<u>536,800,000</u>

Fair values are categorised into hierarchy based on input used as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

4 Financial risk management (Cont'd)

4.2 Fair value estimation (Cont'd)

Transfer between fair value hierarchy

During the year, there was no transfers within the fair value hierarchy.

Valuation processes

The Management Company arranges the valuation of investment in properties by independent professionally qualified valuer ("independent valuer") who hold a recognised relevant professional qualification and has recent experience in the segment of the investment properties valued. The independent valuer reports directly to the Management Company. For financial reporting purpose, the Management Company reviews the valuation performed by the independent valuer. Review of valuation process and result is held between the Management Company and the Trustee which will evaluate in each accounting period, in line with the Fund's reporting dates.

The main information that the appraiser used for fair value assessment Level 3 such as discount rate was determined from business type, the location of project, generated cash flow, competitive market and risk-free return rate. The appraiser applied 12% of discounted cash flow for valued asset based on yield rate of government bond plus market risk, operational risk, and liquidity risk.

Changes in fair value are analysed at each reporting date by the Management Company and the Trustee. As part of this review, the Management Company presents valuation assumption of the independent valuer to explain the reasons for changes in fair value.

There were no changes to the valuation techniques during the year.

5 Critical accounting estimates, assumptions and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fair value of investment in properties

The fair value of investment in properties that are not traded in an active market is determined by using discounted expected future cash flows received from investment in properties by the appropriate discount rate which reflect related risks. The Fund engages independent appraiser to assess the fair value of properties.

Allowance for doubtful accounts

The Management Company considers an allowance for doubtful accounts to reflect impairment of account receivable relating to estimated losses resulting from the inability of customers to make required payments. The allowance for doubtful accounts is significantly impacted by the Management Company's assessment of future cash flows, such assessment being based on consideration of historical collection experience, known and identified instances of default and consideration of market trends.

6 Capital risk management

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Fund may adjust the amount of dividends paid to unitholders, return capital to unitholders, issue new units or sell assets to reduce debt (if any).

7 Dividend payment policy

Regulations, policy and criteria for paying dividends to unitholders are as follows:

- 1) If the Fund has net profit in each year, the Fund shall pay dividend to unitholders at the rate of no less than 90 percent of the adjusted net profit for the year ended. The adjusted net profit means the net profit that deducts unrealised gain from appraisal or reviewed appraisal of real estate or leasehold rights to real estate including other adjustments to align with cash status of the Fund according to the guideline of Securities and Exchange Commission.
- 2) If the Fund has accumulated profits, the Fund may pay dividend to unitholders out of the accumulated profits provided that dividend payment under (1) must not cause increase in its deficit in the period which dividend is paid.

In considering the payment of dividends, if the value of interim dividend per unit to be paid is lower than or equal to Baht 0.10. The Fund reserves the right not to pay dividend at that time and to bring such dividend forward for payment together with the year end dividend payment.

8 Segment information

The Fund operates in business which is the investment in properties and the business is only operated in Thailand. Income and expenses from this segment are the same amount with the statement of income. Therefore, the presentation of segment information is not necessary.

9 Investment in properties at fair value

	2020	2019
	Baht	Baht
Investment in properties at the beginning of the year	536,800,000	601,400,000
Net unrealised (loss) from the revaluation of investment at fair value	<u>(137,800,000)</u>	<u>(64,600,000)</u>
Investment in properties at the end of the year	<u>399,000,000</u>	<u>536,800,000</u>

On 28 July 2010, the Fund invested in properties, the Mercure Samui Buri Resort sized of 88 rooms, consisted of 1) 5 plots of land, total area is 13-0-27 rai, 2) buildings, total area is 15,772.86 sqm. close to the river with beach width of 6.5 metre with facilities, swimming pool, dining room and parking area for hotel business. The land and building are located at 26/24, Soi Wat Nha Pra Lan, Tambon Mae Nam, Amphur Koh Samui, Surat Thani.

9 Investment in properties at fair value (Cont'd)

Amounts recognised in profit and loss that are related to investment in properties for the year ended 30 June 2020 and 2019 are follows:

	<u>2020</u>	<u>2019</u>
Rental income	7,200,000	7,200,000
Direct operation expense that did not generate rental income	277,409	416,083

The Fund has an operating lease agreement in respect of Commercial Real Estate that consists of land, building (excluding sport club) with facilities, swimming pool, dining room, and parking area for hotel business. The term of the agreement is initially 3 years starting from 1 August 2018 onward. As at 30 June 2020, future minimum rental income to be generated under this operating lease is as follows.

	<u>In Million Baht</u>
Due within 1 year	8.30
Due within 2 years - 3 years	0.70

The Fund hired an independent appraiser, Real Estate Appraisal Co., Ltd., to appraise its investment in properties by using the Income Approach derived from cumulative of present value of net income based on the period of 10 years and its present value of such assets at the end of year 10th, report dated 15 May 2020. The valuation technique used significant unobservable inputs such that the Fund classified the fair value measurement as Level 3 of fair value hierarchy according to TFRS13 Fair value measurement.

As at 30 June 2020, the Fund adjusted investment in properties to fair value of Baht 399 million (2019 : Baht 536.8 million) and recognised net unrealised loss from investment in the statement of income for the year ended 30 June 2020 at Baht 137.8 million (2019 : unrealised loss of Baht 64.6 million).

Sensitivity analysis for each significant assumptions

	<u>Impact on fair value increase/ (decrease) 2020 Million Baht</u>
Discount rate	
Discount rate, decrease of 0.50 percent	14.60
Discount rate, increase of 0.50 percent	(14.00)
Capitalisation rate	
Capitalisation rate, decrease of 0.50 percent	12.00
Capitalisation rate, increase of 0.50 percent	(10.80)
Rental growth rate	
Rental growth rate, decrease of 0.50 percent	(11.20)
Rental growth rate, increase of 0.50 percent	11.40

10 Cash and cash equivalents

	Principal		Interest rate per annum	
	2020 Baht	2019 Baht	2020 %	2019 %
Deposits in bank saving account - Citibank N.A.	6,525,575	8,239,320	0.05	0.05
Total cash and cash equivalents	<u>6,525,575</u>	<u>8,239,320</u>		

11 Rental receivable and accrued rental income, net

	2020 Baht	2019 Baht
Rental receivable	1,800,000	-
<u>Less</u> Allowance for doubtful account	(1,800,000)	-
Rental receivable, net	-	-
Accrued rental income	1,200,000	1,100,000
Total rental receivable and accrued rental income, net	<u>1,200,000</u>	<u>1,100,000</u>

12 Unitholders' equity

As of 30 June 2020 and 2019, there are 82,800,000 units of Baht 10 par value registered, issued and paid-up.

	2020		2019	
	Number of units	Baht	Number of units	Baht
Units registered				
Issued and paid-up	<u>82,800,000</u>	<u>828,000,000</u>	<u>82,800,000</u>	<u>828,000,000</u>
Capital received from unitholders				
Beginning balance for the year	82,800,000	828,000,000	82,800,000	828,000,000
Issue of units	-	-	-	-
Ending balance for the year	<u>82,800,000</u>	<u>828,000,000</u>	<u>82,800,000</u>	<u>828,000,000</u>

Movements in deficits for the year ended 30 June 2020 and 2019 are as follows:

	2020 Baht	2019 Baht
Beginning balance	(297,107,144)	(219,803,247)
<u>Less</u> Net investment (expenses)	(1,616,909)	(12,703,897)
Net (loss) from investments	(137,800,000)	(64,600,000)
Ending balance	<u>(436,524,053)</u>	<u>(297,107,144)</u>

13 Fees

The management fee, trustee fee, and registrar fee are calculated as follows:

Management fee

The Management Company is entitled to receive a monthly management fee from the Fund at a rate not exceeding 1.00% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net assets value of the Fund as calculated by the Management Company and verified by the Trustee.

Trustee fee

The Trustee is entitled to receive a monthly remuneration at a rate not exceeding 0.50% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net assets value of the Fund as calculated by the Management Company and verified by the Trustee. The foregoing does not include other expenses as actually incurred such as the expenses for the inspection of the Fund's assets.

Registrar fee

The Registrar fee shall be at a rate not exceeding 0.10% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net assets value of the Fund as calculated by the Management Company and verified by the Trustee.

14 Related party transactions

Enterprises and individuals that, directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Fund, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Fund. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Fund that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Fund and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Types of relationship of related company are as follows:

<u>Name of company</u>	<u>Type of relationship</u>
Principal Asset Management Co., Ltd.	The Fund's Management Company and Registrar

14 Related party transactions (Cont'd)

The following significant transactions were carried out with related party:

Significant income and expenses for the years then ended 30 June 2020 and 2019 were as follows:

	2020	2019
	Baht	Baht
<u>Principal Asset Management Co., Ltd.</u>		
Management fee	3,087,864	3,696,567
Registrar fee	514,644	616,095

Balances with related party as at 30 June 2019 and 2018 were as follows:

	2020	2019
	Baht	Baht
<u>Principal Asset Management Co., Ltd.</u>		
Accrued management fee	627,517	280,333
Accrued registrar fee	104,586	46,722

15 Lawsuit

On 24 April 2017, the Fund received the notice from the Koh Samui City Municipality to pay additional property tax from 2013 to 2017, thereafter the Fund appealed to the Koh Samui City Municipality for the property tax re-assessment on 8 May 2017 and also informed this matter to unitholders in the Unitholders' Meeting no. 1/2017.

On 10 August 2017, the Fund received the final consideration from the Koh Samui City Municipality to pay the additional taxes in the total amount of Baht 31,457,935. Therefore, the Fund had paid such taxes to the Koh Samui City Municipality on 31 August 2017 and recognised to statement of income for the year ended 30 June 2018.

On 18 August 2017, the Fund had appointed Siam City Law Offices Limited to launch the civil lawsuit against the Koh Samui City Municipality with the Central Tax Court as a Black Case No. Por 182/2017 on 8 September 2017 for claiming of the revocation of the property tax re-assessment including refund the taxes' payment from the Koh Samui Citi Municipality.

On 22 July 2019, the Central Tax Court dismissed the case that the Fund claimed the revocation of the property tax re-assessment including refund the taxes' payment from the Koh Samui Citi Municipality as a Black Case No. Por. 182/2017 and a Red Case No. Por. 77/2018.

**How to register and authorize proxy for Unitholders' Meeting of
Samui Buri Property Fund
Thursday December 17, 2020 at 9.30 AM at Surasak 2 and 3 Ballroom, 11th Floor
Eastin Grand Hotel Sathorn Bangkok
33/1 South Sathorn Road, Yannawa Subdistrict, Sathorn District, Bangkok 10120**

1. Registration

- Unitholders or proxy can register and submit documents or evidences to be verified at the meeting from 8.00 AM of Thursday December 17, 2020 onwards.

2. Attending the meeting in person

As an individual

- Show the Unitholder's valid national or governmental ID card or ID cards issued by the government or passport.

As a juristic entity

- The juristic entity Unitholder must authorize the proxy to attend the meeting and vote in accordance with the Proxy form as attached.

3. Authorization of proxy

- The Unitholder must authorize only one proxy to attend the meeting and vote in accordance with the Proxy form as attached.
- For convenience, please submit the Proxy form and documents or evidences to the Company at least 1 day before the meeting and make sure to fill in all required information and affix appropriate signatures. Should there be any corrections of important information, the Unitholder must sign their name at every correction. The proxy must be affixed with the duty stamp of Baht 20. The Management Company has already arranged for a return envelope for the Unitholder.

Required documents for proxy authorization

(1) If the grantor is an individual, the grantor shall submit the following documents:

- The Proxy form signed by the grantor.
- Copy of the grantor's valid national or governmental ID card or ID cards issued by the government or passport (if the grantor is a foreigner) affixed with signature to certify the true copy by the grantor.
- Copy of the proxy's valid national or governmental ID card or ID cards issued by the government or passport (if the proxy is a foreigner) affixed with signature to certify the true copy by the proxy.
- The proxy must show valid national or governmental ID card or ID cards issued by the government or passport (if the proxy is a foreigner) to register.

(2) If the grantor is a juristic entity, the grantor shall submit the following documents:

- The Proxy form signed by the authorized representative(s) who act on behalf of the juristic entity according to the juristic entity certificate along with the seal (if applicable).
- Copy of the authorized representative's valid national or governmental ID card or ID cards issued by the government or passport (if the authorized representative(s) of a juristic person is a foreigner) affixed with signature(s) to certify the true copy by the authorized representative(s).
- In the case where the grantor is a juristic entity registered in Thailand, a copy of the juristic entity certificate issued within 3 months by the Department of Business Development, Ministry of Commerce, and affixed with signature(s) of the authorized representative(s) to certify the true copy together with the seal of a juristic entity be affixed (if any).
- In the case where the grantor is a foreign juristic entity, a copy of the juristic entity certificate specifying the authority of its representative(s), issued by a governmental unit of the country where a juristic entity is located, within 3 months and affixed with signature(s) of the authorized representative(s) to certify the true copy.
- In the case of foreign juristic entity, non-English documents must have an English translation attached when submitted and the authorized representative(s) who act on behalf of the juristic entity must sign and certify the correctness of the translation.
- Copy of the proxy's valid national or governmental ID card or ID cards issued by the government or passport (if the proxy is a foreigner) affixed with signature to certify the true copy by the proxy.
- The proxy must show valid national or governmental ID card or ID cards issued by the government or passport (if the proxy is a foreigner) to register.

หนังสือมอบฉันทะ

PROXY

เขียนที่ _____

Written at

วันที่ _____ เดือน _____ พ.ศ. _____
Date Month Year

① ข้าพเจ้า

I/We

อยู่บ้านเลขที่ _____

Residing at

ถนน _____

Street

ตำบล/แขวง _____ อำเภอ/เขต _____ จังหวัด _____ รหัสไปรษณีย์ _____
Tambol/Khwaeng Amphur/Khet Province Postal Code

②

เป็นผู้ถือหน่วยลงทุนของ กองทุนรวมอสังหาริมทรัพย์ สมุยบุรี (SBPF) โดยถือหน่วยลงทุนจำนวนทั้งสิ้นรวม _____ หน่วย
being a Unit Holder of Samui Buri Property Fund (SBPF) holding a total amount of _____ units,
และออกเสียงลงคะแนนได้เท่ากับ _____ เสียง
and being entitled to the voting rights in total of _____ vote(s).

③

ขอมอบฉันทะให้

อายุ _____ ปี

อยู่บ้านเลขที่ _____

ถนน _____

Hereby appoint

years, residing at

Street

ตำบล/แขวง _____ อำเภอ/เขต _____ จังหวัด _____ รหัสไปรษณีย์ _____
Tambol/Khwaeng Amphur/Khet Province Postal Code

หรือผู้จัดการกองทุน

Or the fund manager

นายสุทธิพันธ์ กริมหา

อายุ 57 ปี

อยู่บ้านเลขที่ 99/399

ถนน _____

Mr. Suttipan Kreemaha age years, residing at

Street

ตำบล/แขวง นากะลิ้อ อำเภอ/เขต พระสมุทรเจดีย์ จังหวัด สมุทรปราการ รหัสไปรษณีย์ 10290
Tambol/Khwaeng Amphur/Khet Province Postal Code

เป็นผู้แทนของข้าพเจ้าเพื่อเข้าประชุมสามัญผู้ถือหุ้นของกองทุนรวมอสังหาริมทรัพย์ สมุยบุรี ประจำปี 2563 (ครั้งที่เลื่อนมา) ในวันที่ 17 ธันวาคม 2563 เวลา 09.30 น. ณ ห้องประชุมสุรศักดิ์ 2 และ 3 ชั้น 11 โรงแรมอีสติน แกรนด์ สาทร กรุงเทพฯ เลขที่ 33/1 ถนนสาทรใต้ แขวงยานนาวา เขตสาทร กรุงเทพฯ 10120 หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

to be my/our Proxy to attend and vote on my/our behalf at the 2020 Annual General Meeting of Unitholders (Adjourned Meeting) on 17 December 2020 at 09.30 hrs. at Surasak 2 and 3 Room, Floor 11, Eastin Grand Hotel Sathorn Bangkok at No. 33/1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120, or any adjournment at any date, time and place thereof.

④

ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมครั้งนี้ ดังนี้

I/We hereby authorize the Proxy to vote on my/our behalf at the meeting as follows:

(1) วาระที่ 1 : เรื่องที่ประธานแจ้งให้ที่ประชุมทราบ (เพื่อทราบ)

Agenda 1 : Matters to be informed by the chairman to the Meeting (For Acknowledgement)

(2) วาระที่ 2 : รับรองรายงานการประชุมสามัญผู้ถือหุ้นหน่วยลงทุนของกองทุนรวม ประจำปี 2562 (เพื่อพิจารณา)

Agenda 2 : To certify the minutes of the 2019 Annual General Meeting of Unitholders of the Fund (For Consideration)

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นควร
(a) To grant my/our Proxy to consider and vote on my/our behalf as he/ she deems appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้าดังนี้
(b) To grant my/our Proxy to vote at my/our desire as follows:
- | | | |
|---------------------------------|------------------------------------|-------------------------------------|
| <input type="checkbox"/> รับรอง | <input type="checkbox"/> ไม่รับรอง | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

(3) วาระที่ 3 : รับทราบรายงานการดำเนินการของกองทุนรวมและแนวทางการจัดการกองทุนรวมในอนาคต (เพื่อทราบ)

Agenda 3 : To acknowledge the report on the Fund's operation and future management of the Fund (For Acknowledgement)

(4) วาระที่ 4: รับทราบฐานะการเงิน ผลการดำเนินงานของกองทุนรวม และงบการเงินสำหรับปีบัญชีสิ้นสุด ณ วันที่ 30 มิถุนายน 2563 ที่ผ่านการตรวจสอบและแสดงความเห็นจากผู้สอบบัญชีแล้ว (เพื่อทราบ)

Agenda 4 : To acknowledge the financial status and the performance of the Fund and the financial statement for the accounting year ending on 30 June 2020 as audited and opined by the auditor (For Acknowledgement)

(5) วาระที่ 5: พิจารณารับทราบการแต่งตั้งผู้สอบบัญชีของกองทุนรวมและค่าใช้จ่ายในการสอบบัญชี สำหรับปีบัญชีสิ้นสุด ณ วันที่ 30 มิถุนายน 2564 (เพื่อทราบ)

Agenda 5 : To acknowledge the appointment of the Fund's auditors and audit fees and expenses for the accounting year ending on 30 June 2021 (For Acknowledgement)

(6) วาระที่ 6: เพื่อพิจารณาข้อเสนอแนวทางการชำระค่าเช่าค่างและข้อเสนอการเช่าทรัพย์สินตามที่ผู้เช่าเสนอ (เพื่อพิจารณา)

Agenda 6 : To consider and approve the proposal on payment process of outstanding rental fees as proposed by the Lessee (For Consideration)

6.1 เพื่อพิจารณาอนุมัติการชดเชยผลประโยชน์แก่ผู้ถือหุ้นหน่วยลงทุนในรูปแบบของบัตรกำนัลเงินสด (เพื่ออนุมัติ)

6.1 To consider and approve the compensation benefits for the Unitholders in the form of cash vouchers (For Approval)

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นควร
(a) To grant my/our Proxy to consider and vote on my/our behalf as he/ she deems appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้าดังนี้
(b) To grant my/our Proxy to vote at my/our desire as follows:
- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

6.2 เพื่อพิจารณาอนุมัติการลดหนี้และการขยายระยะเวลาการชำระหนี้ (เพื่ออนุมัติ)

6.2 To consider and approve debt reduction and payment period extension (For Approval)

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นควร
(a) To grant my/our Proxy to consider and vote on my/our behalf as he/ she deems appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้าดังนี้
(b) To grant my/our Proxy to vote at my/our desire as follows:
- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

6.3 เพื่อพิจารณารับทราบการถอนข้อเสนอการเช่าทรัพย์สินตามและผู้เช่าเสนอ (เพื่อทราบ)

6.3 To consider and acknowledge withdrawal of the Lessee's property lease proposal (For Acknowledgement)

(7) วาระที่ 7 : เรื่องอื่น ๆ (ถ้ามี)

Agenda 7 : Other matters (if any)

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นควร
(a) To grant my/our Proxy to consider and vote on my/our behalf as he/ she deems appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้าดังนี้
(b) To grant my/our Proxy to vote at my/our desire as follows:

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

5 การลงคะแนนเสียงของผู้รับมอบฉันทะในวาระใดที่ไม่เป็นไปตามที่ระบุไว้ในหนังสือมอบฉันทะนี้ให้ถือว่า การลงคะแนนเสียงนั้นไม่ถูกต้อง และไม่ถือเป็นการลงคะแนนเสียงของข้าพเจ้าในฐานะผู้ถือหน่วยลงทุน

Voting by the Proxy on any agenda that does not coincide with my/our instructions specified on this Proxy Form shall be invalid and not my/our votes as a Unitholder.

6 ในกรณีที่ข้าพเจ้ามิได้ระบุความประสงค์ในการออกเสียงลงคะแนนในวาระใดไว้ หรือระบุไว้ไม่ชัดเจน หรือในกรณีที่ประชุมมีการพิจารณาหรือลงมติในเรื่องใดนอกเหนือจากเรื่องที่ระบุไว้ข้างต้น รวมถึงกรณีที่มีการแก้ไขเปลี่ยนแปลงหรือเพิ่มเติมข้อเท็จจริงประการใด ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

In case I/we have not specified my/our voting instruction in any agenda or not clearly specified or in case the meeting considers or passes resolutions in any matters other than those specified above, including in case there is any amendment or addition of any fact, the proxy shall have the right to consider and vote on my/our behalf as he/she may deem appropriate in all respects.

กิจการใดที่ผู้รับมอบฉันทะได้กระทำไปในการประชุม เว้นแต่กรณีที่ผู้รับมอบฉันทะไม่ออกเสียงตามที่ข้าพเจ้าระบุในหนังสือมอบฉันทะ ให้ถือเสมือนว่าข้าพเจ้าได้กระทำเองทุกประการ

Any business carried out by Proxy at the said meeting, except in case that the Proxy does not vote according to my/our intention(s) specified in the Proxy Form, shall be deemed as having been carried out by myself/ourselves in all respects.

ลงชื่อ/Signed ผู้มอบฉันทะ/Grantor
(.....)

ลงชื่อ/Signed ผู้รับมอบฉันทะ/Proxy
(.....)

หมายเหตุ/Remark

1 ผู้ถือหน่วยลงทุนที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าร่วมประชุมและออกเสียงลงคะแนน โดยไม่สามารถแบ่งแยกจำนวนหน่วยลงทุนให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้

The Unitholder appointing the Proxy must authorize only one proxy to attend and vote at the meeting and may not split the number of investment units to several proxies for splitting votes.

2 กรุณาติดอากรแสตมป์ 20 บาท

Please affix duty stamp of Baht 20.

แผนที่ของสถานที่จัดประชุม

Map of the meeting venue

ห้องประชุมสุรศักดิ์ 2 และ 3 ชั้น 11 โรงแรมอีสติน แกรนด์ สาทร กรุงเทพฯ
เลขที่ 33/1 ถนนสาทรใต้ แขวงยานนาวา เขตสาทร กรุงเทพฯ

Surasak 2 and 3 Room, Floor 11, Eastin Grand Hotel Sathorn Bangkok

At 33/1 South Sathorn Rd., Yannawa, Sathorn, Bangkok

