

## ANNUAL REPORT 2021

12 – Month Accounting Period

Trinity Freehold and Leasehold Property Fund

For the Period of 1 January 2021 – 31 December 2021

Dear All Unitholders,

Principal Asset Management Company Limited hereby submits Annual Report 2021 of Trinity Freehold and Leasehold (Mutual Fund) from January 1, 2021 to December 31, 2021 to all unitholders.

According to the audited financial statement as of 31 December 2021 certified by the auditor, the Total Asset of the Fund is 851,041,962 Baht, with Total Debt of 1,487,135 Baht and Total Net Asset Value of 849,554,827 Baht. Total Accrued Loss of the Fund is 538,551,933 Baht and Net Asset Value (NAV) per unit is 5.8016 Baht.

In 2021, the Total Income of the Fund is 13,284,167 Baht which are from 13,276,923 Baht of Lease Fee and 7,244 Baht of the Interest without other income. The Fund has loss from Net Income at 16,798,144 Baht and Net Asset is decreased by the operation is 23,798,144 Baht.

The Thai economy in 2021 grew by 1.6 percent in comparison to the decrease of 6.2 percent in 2020. The overall values of exports, private consumption, and investment increased by 18.8 percent, 0.3 percent, and 3.4 percent, respectively. The inflation rate in general was at an average of 1.2 percent, and the current account deficit stood at 2.2 percent of the gross domestic product (GDP).

The Thai economy in 2022 is expected to expand by 3.5 – 4.5 percent. It is expected that exports in US dollars will expand by 4.9 percent, and private consumption and investment in total will expand by 4.5 percent and 3.8 percent, respectively. The inflation rate in general will be at an average of 1.5 – 2.5 percent, and the current account surplus will stand at 1.5 percent of the GDP.

The situation of retail space market projects in Bangkok and its vicinity as of Q4 have been in a positive direction throughout Q3 to the middle of December 2021. Although they have not returned to the normality prior to the existence of the monitoring measures in response to the COVID-19 pandemic, quite several lessees or shops who could no longer bear the expense burden as their earnings have been decreasing since 2020 gradually closed down and seek for returning the leased space. These include the lessees selling fashion items who can sell online, and small-scale restaurants with only a few branches. However, the lessees operating brand-named shops or having many branches continue to expand their branches.

The service of restaurants in the retail space projects gradually improved in Q3 – Q4; although use of service still was limited under Social Distancing requirement, comparing to Q2 the increase of income appears, while barely comparable to the period of occurrence of the COVID-19. The operators who are project owners have changed how they charged rents to be based on the sales volume both during the COVID-19 pandemic period and in the long term.

Refer to the information of the Tourism Authority of Thailand, in 2021 there was a total number of 427,869 tourists entering Thailand, decreased from 6,692,000 tourists in the previous year. The average number of tourists during 2017 – 2019 stood at approximately 37.89 million. This is the result of the COVID-19 pandemic which directly affects international travels.

For the serviced Apartment at the end of Q3 of 2021, CBRE (Thailand) Company Limited (“CBRE”) disclosed that the occupancy rate increased by 0.8 percent, compared to the previous quarter, or increased by 3.7 percent from the same period of 2020, as a result of the decrease in demand in the daily occupancy market, in conjunction with rent reduction to maintain customer bases.

CBRE anticipates that the serviced apartment market will have a limited growth, and its recovery may be seen from the middle of 2022 onwards.

Finally, Principal Asset Management Company Limited hereby thanks all unitholders for your trust in managing your investment in the Fund. The Company will manage the Fund considering utmost benefit of unitholders under corporate governance for your satisfaction.

Respectfully Yours,

Principal Asset Management Company Limited

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## SECTION 1

### MANAGEMENT OF TRINITY FREEHOLD AND LEASEHOLD PROPERTY FUND

## TRINITY FREEHOLD AND LEASEHOLD PROPERTY FUND FACT SHEET

Name of the Fund (Thai)	กองทุนรวมอสังหาริมทรัพย์และสิทธิการเช่าตึกรินทร์
Name of the Fund (English)	Trinity Freehold and Leasehold Property Fund
Abbreviation	TNPF
Project Type	Listed non-redemption Freehold and Leasehold Property Fund
Investment Type	Freehold and Leasehold Property
Project Life	Not specified
Listing Date	March 8, 2011
Investment Capital	1,388,106,760 Baht
Management Company	Principal Asset Management Company Limited
Trustee	TMBThanachart Bank Public Company Limited
Registrar	Thailand Securities Depository Co., Ltd. (TSD)

### Objectives of the Investment

The objective of the Fund is to raise funds from general investors, both local and foreign individual and juristic person. The Fund will use such funds to purchase, lease and/or sub-lease immovable property whereby the Fund will accept the transfer of freehold right and/or leasehold rights and or sub-leasehold rights of property and to seek benefits from such property by leasing, sub-leasing, transferring and/or selling the property which the Fund had invested in or possesses, including but not limiting to leasing or subleasing the property to an operator to operate as a serviced apartment, hotel and shopping center. The Fund may renovate, change including construction and/or develop property by accepting the transfer of construction permit and/or to seek or accept the transfer of other permits such as hotel license (in case where the law permit) and/or to do any other acts which are related and necessary for the benefits of property and to generate income and returns to the Fund and the Unitholders of the Fund, including making investment in other assets and/or other securities, and/or to seek other benefits by other means as prescribed by relevant securities law and/or any related laws.

## POLICY, BUSINESS OUTLOOK, BENEFITS MANAGEMENT

### Characteristics of the Property and Location Details

#### *The First Investment*

On February 24, 2011, the Fund acquired the full rights of many assets by purchasing of

- Land, Glow Trinity Silom Building and Glow Trinity Silom Arcade, including public utilities system, furniture and all related equipment from Trinity Asset Company Limited;
- Condominium Units of the Plaza, including public utilities system and all related equipment from Trinity Assets Company Limited.

#### Details of Property from the Initial Investment

- 1) Two plots of Land with the total area of 2 Ngan 94<sup>6/10</sup> Square Wah which is the location of Glow Trinity Silom Building purchased from Trinity Assets Co., Ltd. as details below:

Title Deed No.	Land No.	Survey No.	Area (Rai)	Location
3147	73 (68)	531	0-1-96 <sup>4/10</sup>	Silom Sub-district (Sathorn) Bangrak District, Bangkok
43104	544 (59)	5333	0-0-98 <sup>2/10</sup>	Silom Sub-district (Sathorn) Bangrak District, Bangkok

- 2) Buildings:

- 2.1) Name: Glow Trinity Silom Building  
 Location: 150 Soi Pipat 2, Silom Road, Bangrak District, Bangkok  
 General Information: Glow Trinity Silom Building is located on a 1 Ngan 96<sup>4/10</sup> Square Wah land. It is a 6-storey and 1 basement floor building with a total of 78 rooms (including connecting room) details as shown below:

Area	Number of rooms	Area (Square Meter)	% of total area
1. Room area	78	3,170	57.50
- Superior	19	418	7.60
- Deluxe	29	928	16.80
- Connecting room (split to make 26 rooms)	26	1,664	30.20
- Junior Suite	2	70	1.30
- Exclusive Suite	2	90	1.60
2. Restaurant area	-	270	4.90
3. Car parking area	-	939	17.00
4. Common area	-	1,139	20.60
<b>Total</b>		<b>5,518</b>	<b>100.00</b>

Glow Trinity Silom Building is a hotel property for businessmen, tourists both Thai and International. Granted the hotel license on December 7, 2013 from Ministry of Interior per the Hotel Act 2004. Located in Soi Silom 5 as famous known as 'Soi LalaiSub', which is the Central Business District of Bangkok, with convenience in access through 3 main roads: Naradhiwas Rajanagarindra – 150 meters in the East; Sathorn – 250 meters in the North via Sathorn Soi 8 (Soi Pipat); and Silom – 180 meters in the South. These 3 roads are the prime location of business buildings, such as Q. House Sathorn, Sathorn City Tower, Empire Tower, State Tower, and Head Office of many banks, for example, Bangkok Bank, UOB and Standard Chartered Bank (Thailand). It is also the area of Shopping Center, Silom Complex, and locations of many Embassies: Belgium, Singapore, Australia, France. More convenience with BTS Chongnonsee Station only 150-meter far and MRT Silom Station just the nearest at only 1.01 Km. away. On June 18, 2009, Invision Hospitality Co., Ltd. was assigned as project management. Early in 2009, the building has been renovated and modernized for better service and operation. Currently, there are totally 83 rooms (104 keys).

- 2.2) Name: Glow Trinity Silom Arcade  
Location: Certain Area on Building Number 150 Soi Pipat 2, Silom Road, Bangrak District, Bangkok

General Information: Certain Area on the 1<sup>st</sup> floor of Glow Trinity Silom Building with net lettable area of 372.05 Square Meters. Currently, approximately 128.00 Square Meters of the area is leased to 2 shops; and the amount of 244.05 Square Meters is to restaurants.

2.3) Name: Plaza Building

Location: 425 Soi Sirijulsawake (Silom 5), Silom Road, Bangrak District, Bangkok

General Information: Comprised of the Plaza Building, public utilities system, fixtures and equipment related to the Plaza Building which are at the unit Numbers 425/128 (Basement) and 425/129 (1<sup>st</sup> Floor) of Trinity Complex Condominium Project situated on the Land Deed No. 530 Plot No. 455 Survey No. 413 of Silom Sub-district (Sathorn), Bangrak District, Bangkok; including public utilities system installed and in-use in the building, fixtures and equipment related to the business operation of the Plaza under Trinity Assets Company Limited.

To generate income, it is considered to improve the current Condominium Units of the Plaza and leased to retail commercial tenants. Management Company of the Fund proposed for the opinions from legal advisor and independent engineer to connect the Condominium wall with Tritip 2 Building. The plan has been confirmed not breaching any construction law and granted the construction permission already.

### ***The First Additional Investment***

On August 29, 2013, the Fund has made additional investment in more assets for ownership and rental rights of

- Land, Tritip 2 Building including public utilities system, fixtures and equipment related to the Building from Mrs. Vina Cherdboonyachart;

- The 30-year Lease right of 5 Condominium units (Mall 3 area) in Trinity Complex Building, including public utilities system, fixtures and equipment related to the Building from Trinity Assets Company Limited and Tritip Complex Company Limited.

#### Details of the Property from the 1<sup>st</sup> Additional Investment

- 1) Two plots of land with the total area of 2 Ngan 1 Square Wah which is the location of Tritip 2 Building from Mrs. Vina Cherdboonyachart, details as follows:

Title Deed No.	Land No.	Survey No.	Area (Rai)	Location
12746	527	2389	0-1-0	Silom Sub-district (Sathorn), Bangrak District, Bangkok
12747	528	2390	0-1-1	Silom Sub-district (Sathorn), Bangrak District, Bangkok

#### 2) Buildings

- 2.1) Name: Tritip 2 Building  
 Location: 22-24 Soi Pipat, Silom Road, Silom Sub-district, Bangrak District, Bangkok  
 General information: Tritip 2 Building is a 7-storey and 1-basement building located on a plot of land area of 2 Ngan 1 Square Wah with the total of 72 rooms (31-38 Sq. Meter Studio room type) details as below:

Area	Number of rooms	Area (Square Meter)	% of total area
1. Room area	72	2,608.30	56.70
2. Shops area	70	844.89	18.40
3. Common area	-	1,144.81	24.90
<b>Total</b>		<b>4,598.00</b>	<b>100.00</b>

Tritip 2 Building is in Soi Silom 5 area known as 'Soi LaLaiSub'. It is a serviced apartment on the 2<sup>nd</sup> to the 7<sup>th</sup> floors for businessmen and tourists, Thai and International; while on the

basement and partial of the 1<sup>st</sup> floor served as commercial purpose with total of 70 shops of which Villa is a Supermarket among other 69 individual tenants. Due to the building is in great potential to generate more income as for the Unitholder's benefit, the Management Company of the Fund considers acquiring for the permission to operate this building as a hotel in the future.

- 2.2) Name: The Mall Area3
- Location: 425, 425/1-4 Soi Sirijulsawake (Silom 5), Silom Road, Bangrak District, Bangkok
- General Information: Comprised of 5 Condominium units on the 1<sup>st</sup> floor of Trinity Complex Condominium with the total area of approximately 979.86 Square Meter served as the commercial purpose, details as below:

Details	Area (Square Meter)	% of Total Area
Commercial Area/ Leased Area	638.26	65.14
Common Area	341.60	34.86
<b>Total</b>	<b>979.86</b>	<b>100.00</b>

The Mall 3 Area is on the 1<sup>st</sup> floor of Trinity Complex Condominium of the Land Plot Title Deeds Number 530, Silom Sub-district (Sathorn), Bangrak District, Bangkok. Currently the area is for commercial operation.

**Assets Value of the Fund (As of December 31, 2021)**

Asset Details	Initial Investment		The First Additional Investment	
	Trinity Silom Building	Plaza Building	Tritip 2 Building	Trinity Complex Condominium
Type	6-storey Building (Hotel and Leased Area under the names 'Glow Trinity Silom' and 'Glow Trinity Silom Arcade')	2 Condominium Units (Leased Area for business under the name 'Mall 1')	7-storey Building (Serviced Apartment and commercial area under the name 'Tritip2 Building')	Leased Right of 5 Condominium Units of Trinity Complex Condominium (Leased Area for commercial under the name 'Mall 3')
Location	150 Soi Pipat 2, Silom Road, Bangrak District, Bangkok	425 Soi Sirijulsawake (Silom 5), Silom Road, Bangrak District, Bangkok	22-24 Soi Pipat, Silom Road, Silom Sub-district, Bangrak District, Bangkok	Condominium Unit no. 425, 425/1-4 of Trinity Complex Condominium, Soi Sirijulsawake, Silom Road, Silom Sub-district, Bangrak District, Bangkok
Appraiser	Real Estate Appraisal Co., Ltd.			
Appraised Value from the Valuation report	836,000,000 Baht			
Date of Appraisal	August 17, 2021			
Duration of Appraisal	No time limit due to the Fund invests in ownership			23-year period
Appraisal Method	Income Approach			

Details of the assets' appraised value is provided at the website of the Management Company: [www.principal.th](http://www.principal.th)

***Details of Investments in Assets or Assets Leasehold Right for the period of January 1, 2021 to December 31, 2021***

There is no additional investment in any property

***Details of the Selling or Transferring the Leasehold Rights of Property for the period of January 1, 2021 to December 31, 2021***

There is no selling or transferring the leasehold rights of property

***Acquisitions from the operations of the properties***

Currently, the Fund procures benefits from the property by offering a turn-key lease to Trinity at Silom Company Limited, Silom All Company Limited, and Trinity Assets Co., Ltd. ("Lessee") with a contractual term of 3 years from 1 May 2019 to 30 April 2022.

By the approval from the Unitholders on reduction of the rental rate for May 2020 to April 2021 from THB 3,500,000 per month to THB 200,000 per month (excluding VAT) in accordance with the written resolution returned to the Management Company by 10 August 2020, the Fund and the Lessee therefore entered into the addendum to the property lease agreement, dated 31 August 2020, with the terms and conditions pursuant to such Unitholders' resolution.

Subsequently, the Management Company sent the Fund's Unitholders Letter No. PFRD 031/2564 dated 12 July 2021, to request the resolution from the Unitholders on the approval for the extension of the rent reduction period, which the Management Company determined the return of written resolution from the Unitholders to the Management Company by 29 July 2021. The Unitholders had the resolution for the approval or extension the rent reduction period to until the expiration of the current temporary lease agreement (April 2022), The details are as follows.

1. Extension of the rent reduction period for May 2021 to April 2022 from THB 3,500,000 per month to THB 200,000 per month (excluding VAT).
2. Waiver of all of the outstanding rent (reduced portion) per clause 1.

Due to the outbreak of coronavirus disease 2019 (COVID-19), assessment of the near future situation results in uncertainty. To prevent the Fund from losing the rental income which will affect the Fund, the Management Company considered on this matter and temporarily extended the turn-key lease period for Silom All Company Limited (“Lessee”) with a contractual term of one year from 1 May 2022 to 30 April 2023 and a monthly rate of THB 200,000 (excluding VAT).

***Names and addresses of the tenants of the Property***

Silom All Co., Ltd.  
425 Soi Sirijulsawake, Silom Road  
Silom Sub-district, Bangrak District  
Bangkok

***Names and addresses of the Income Guarantors to the Fund***

None

***Future Operations Plan***

The assessment of the near future situation results in uncertainty due to the outbreak of COVID-19. Therefore, preventing the Fund from losing rental income, the Management Company considered extended the turn-key lease period for the Lessee with a contractual term of one year from 1 May 2022 to 30 April 2023 at a monthly rate of THB 200,000 (excluding VAT).

As the extended current temporary lease agreement will expire on 30 April 2023, the Management Company will begin seeking for a new lessee in the middle of 2022 to achieve a conclusion to be proposed to the Unitholders for consideration in an extraordinary general meeting expected to be held in December 2022.

## REAL ESTATE INDUSTRY OVERVIEW 2021

### Thailand Economy in 2021 and Outlook 2022<sup>1</sup>

The Thai economy in 2021 grew by 1.6 percent in comparison to the decrease of 6.2 percent in 2020. The overall values of exports, private consumption, and investment increased by 18.8 percent, 0.3 percent, and 3.4 percent, respectively. The inflation rate in general was at an average of 1.2 percent, and the current account deficit stood at 2.2 percent of the gross domestic product (GDP).

The Thai economy in 2022 is expected to expand by 3.5 – 4.5 percent by key factors support from increase in domestic demand, recovery of tourism sector, continuous growth of exports, and driving forces from government investment.

It is expected that exports in US dollars will expand by 4.9 percent, and private consumption and investment in total will expand by 4.5 percent and 3.8 percent, respectively. The inflation rate in general will be at an average of 1.5 – 2.5 percent, and the current account surplus will stand at 1.5 percent of the GDP.

### Retail Space Market Area in Bangkok

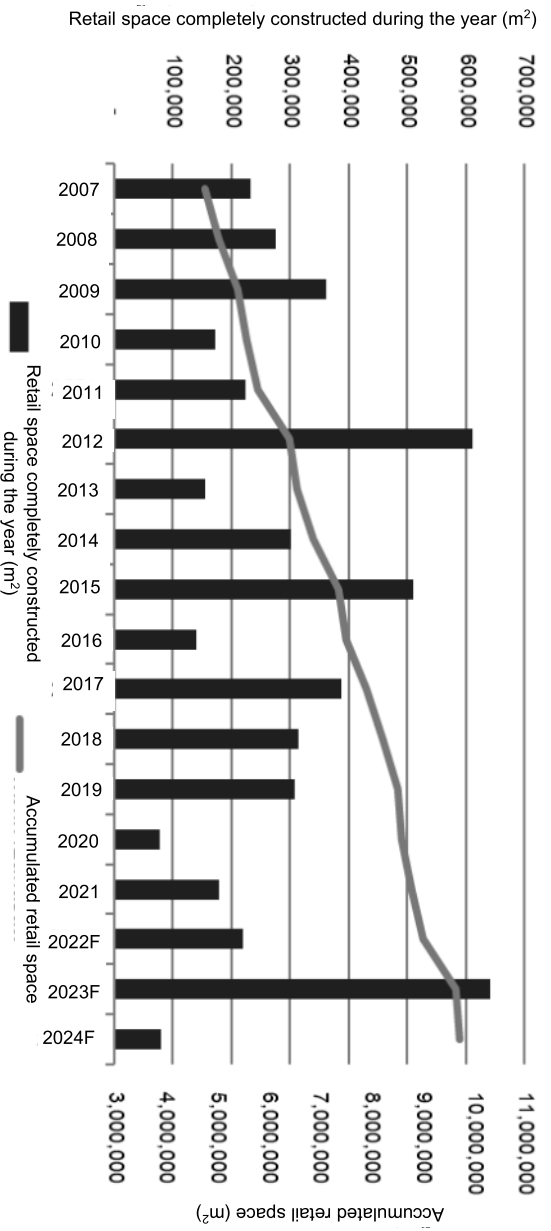
Refer to the study by Phoenix Property Development and Consultancy on the retail space market in Bangkok and its vicinity as of Q4, the situation of retail space market projects in Bangkok and its vicinity as of Q4 have been in a positive direction throughout Q3 to the middle of December 2021. Although they have not returned to the normality prior to the existence of the monitoring measures in response to the COVID-19 pandemic, quite several lessees or shops who could no longer bear the expense burden as their earnings have been decreasing since 2020 gradually closed down and seek for returning the leased space. These include the lessees selling fashion items who can sell online, and small-scale restaurants with only a few branches. However, the lessees operating brand-named shops or having many branches continue to expand their branches.

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<sup>1</sup> Condition of the Thai economy in Q4 of 2021 and tendency in 2022. Office of the National Economics and Social Development Council. 21 February 2022

Certain parts of the projects being closed for renovation, including redecoration, can be continually seen, especially in large-scale shopping centers in the city center, with the loss of some tourist customers due to the COVID-19 situation. This is because the lessees operating those shops suffer the lack of income; even though some retail space project owners allow rent reduction by 30 – 60 percent, some lessees still seek to return the leased space.

### Overview of retail space market in Bangkok and its vicinity as of Q4 2021



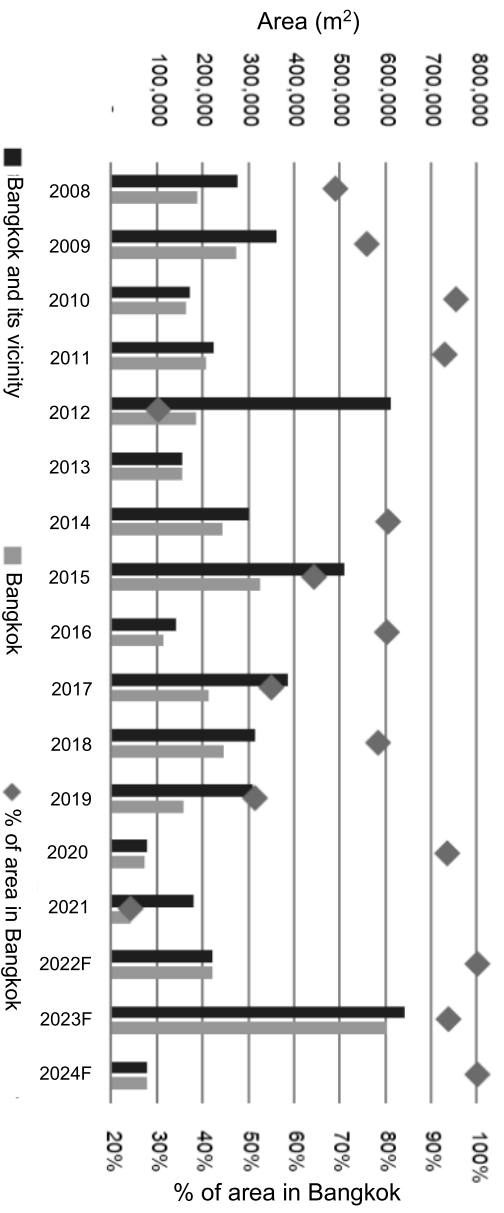
Source: Phoenix Property Development and Consultancy

For the market of retail space in Bangkok and its vicinity in Q4 2021, there was a total of 41,420 square meters of newly opened retail space, as a result, there were only 94,700 square meters of newly opened retail space in total throughout 2021, which, even though very scant compared to the past several years, is more than last year by approximately 21 percent. However, this does not mean that operators have confidence in the economic condition and Thai people's purchasing power. Most of the projects are community malls located in the outer Bangkok areas with a clear target market on people in the areas surrounding the projects, not downtown workers and foreign tourists.

Community malls in the outer Bangkok areas may suffer the issue of the lessees' inability to continue their businesses in the long term because of the impact occurring in the previous year and continuing to 2021. The projects existing under a lease agreement may opt not to renew the lease agreement upon its expiry, especially community malls located not far away from shopping centers or bigger

retail space projects. Newly opened shopping centers in any province, as well as those under renovation, have entirely remodeled space for lease by no longer separating the lessees' zone from the mall's zone. Service users may not be able to distinguish in which part of the shopping centers they are walking. The proportion of restaurants has also been apparently increased, and the lessee zoning in different styles has been clearer.

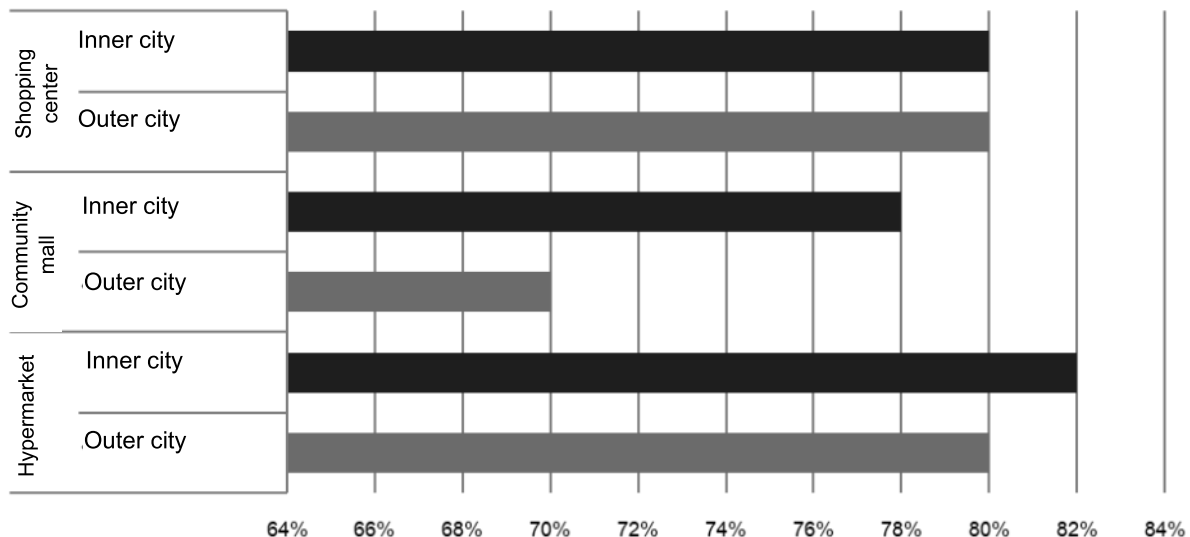
#### Newly opened retail space comparison on a yearly basis



Source: Phoenix Property Development and Consultancy

The majority of the retail space projects available for use in Bangkok and its vicinity are clearly those located in Bangkok. In some years, there may be large-scale retail space projects open for business outside Bangkok but still in continuous areas or areas connected to Bangkok. Most of the new retail projects to open for business outside Bangkok will be located along Kanchanaphisek Road or Outer Ring Road and Ratchaphruek Road. The retail space projects opened for business along these routes in the past 10 years, as well as those to open in the future, included and will include large-scale shopping centers, hypermarkets, specialty stores and community malls.

### Average occupancy rates of each type of retail space project

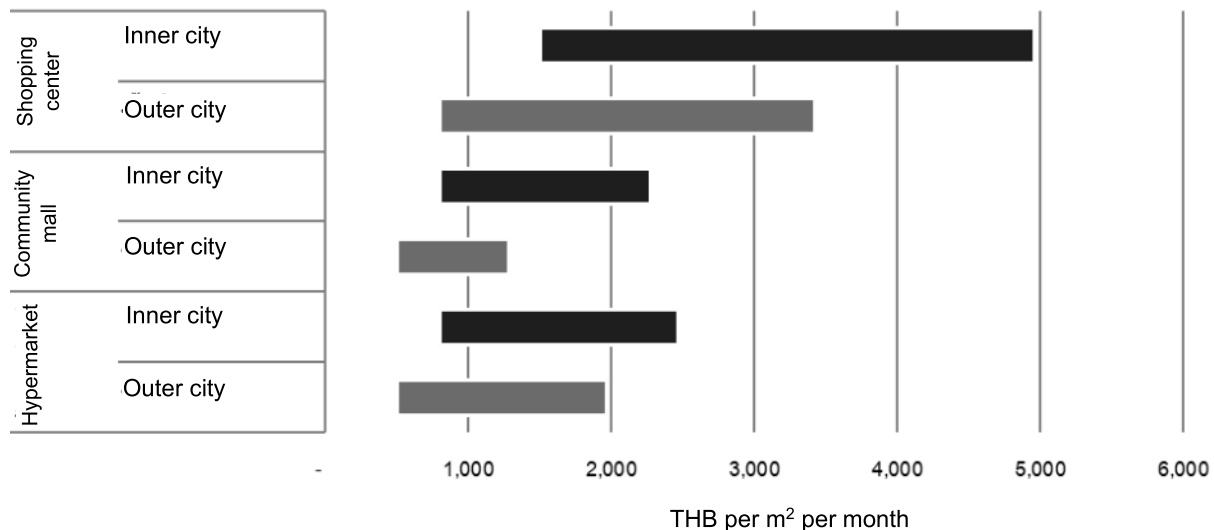


Source: Phoenix Property Development and Consultancy

With respect to occupancy rates in some projects, particularly small projects or projects with not much leased space, such as community malls and hypermarkets, more spaces have become available because several lessees requested cancelation of lease agreements, consequentially resulting in decrease in the overall average occupancy rates in certain areas. Even though the overall occupancy rates of various types of retail space projects remained quite high, but they decreased by approximately 5 – 10 percent from before, depending on project locations and forms.

Certain shops or brands owned by major operators or operators who recently entered Thailand are continuously expanding their branches, in contrast with small and medium operators who can no longer bear the expense burden as their earnings are decreasing. More available spaces in retail space projects can be seen now compared to the previous year. Despite the end of the year being festive, celebration season, because of the COVID-19 situation, the atmosphere was not quite vigorous as it should have been. Nonetheless, there was some spending as a result of the government stimulant measures and from people who needed relief from COVID-19.

### Average rents of each type of retail space project



Source: Phoenix Property Development and Consultancy

The average rents of each type of retail space project vary, and their locations also affect the rents. For community malls in the outer Bangkok areas or its vicinity, rental fees cannot be charged as high compared to those for projects located nearer to the inner-city areas. Many operators who are project owners are attempting to maintain rental fees at the equivalent rates as before; rents may be reduced but only temporarily or rent reduction period may be fixed for a certain period of time.

The service of restaurants in the retail space projects gradually improved in Q3 – Q4; although use of service still was limited under social distancing requirements, there was an apparent increase in income compared to Q2, while barely comparable to the period of occurrence of the COVID-19. The operators who are project owners have changed how they charged rents to be based on the sales volume both during the COVID-19 pandemic period and in the long term.

### Summary of overview and tendency in the future

1. The retail space projects have not recovered or returned to normal in 2021 and must be constantly monitored in 2022.
2. The retail space market will still be continuously affected until the social distancing measure is no longer a concern.

3. The retail space projects in the city center areas having some customers who are foreign tourists will not recover until foreigners are allowed to freely enter Thailand.
4. Many lessees needed to close down their businesses, both temporarily and permanently, in the past 1 – 2 years.
5. Rentals and occupancy rates will continually decrease compared to the period prior to COVID-19 occurrence.
6. Redecoration in retail space projects or renovation of some zones therein still constantly occurs.
7. The number of community malls to open for business in the future will still be more than the numbers of other retail space projects.
8. Lessees who have online sales channels will reduce the space renting in retail space projects.
9. Restaurant areas within various types of retail space projects will increase.

### **Hotel and Serviced Apartment Business in Bangkok**

Refer to the information of the Tourism Authority of Thailand<sup>2</sup>, there was a total number of 427,869 tourists entering Thailand in 2021, decreased from 6,692,000 tourists in the previous year. The average number of tourists during 2017 – 2019 stood at approximately 37.89 million. This is the result of the COVID-19 pandemic which directly affects international travels.

The international travel restrictions include entry ban for travelers from certain countries or areas, determination of qualifications for travelers entering the country, for example, vaccination requirement, as well as mandatory 14-day self-quarantine upon arrival, causing a significant decrease in international travels for tourism purposes across the world.

Relaxation of the government's control measures for the outbreak, progress in thorough vaccination covering all provinces, and implementation of tourism stimulus packages by way of country opening policy without quarantine requirement and area restrictions (Test & Go) are significant factors which will help the tourism sector recover.

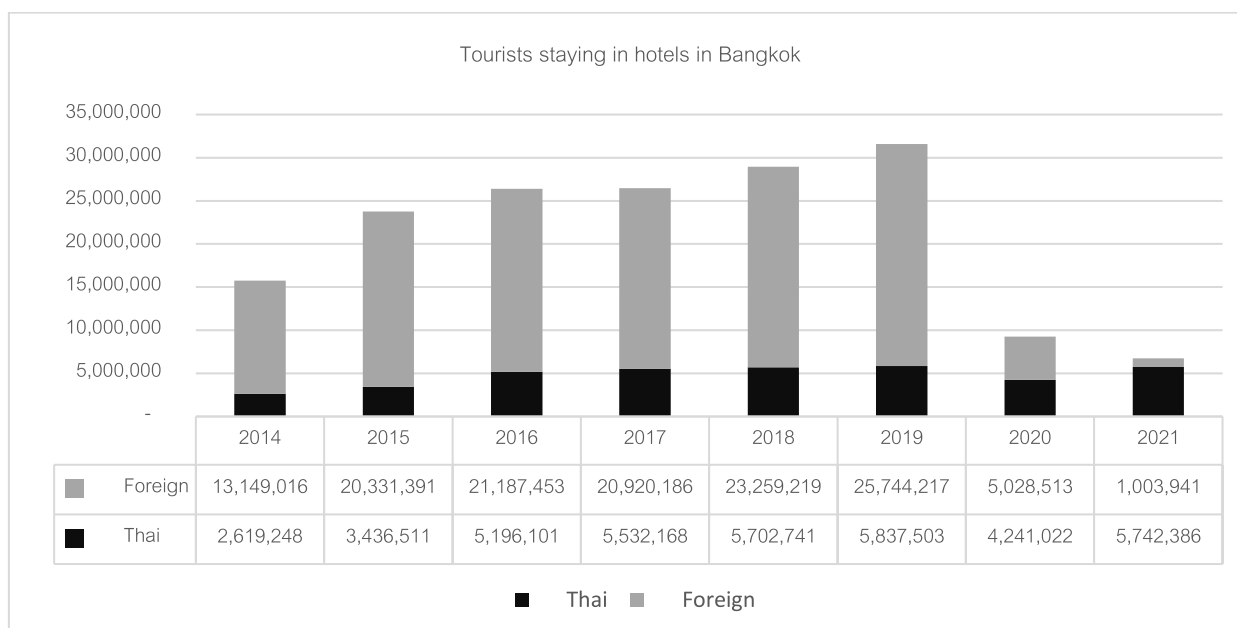
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<sup>2</sup> As of 10 February 2022



The foregoing decrease is crucial and affects the country's tourism industry.

The numbers of tourists staying in hotels in Bangkok are also going in the same direction.



For the serviced apartment<sup>3</sup> as at the end of Q3 of 2021, CBRE (Thailand) Company Limited ("CBRE") disclosed that the occupancy rate increased by 0.8 percent, compared to the previous quarter, or increased by 3.7 percent from the same period of 2020, as a result of the decrease in demand in the daily occupancy market, in conjunction with rent reduction to maintain customer bases.

<sup>3</sup>Market View, CBRE (Thailand) Co., Ltd. [www.cbre.co.th](http://www.cbre.co.th)

The number of Japanese nationals, the main force driving the long-term occupancy market, decreased by 2.4 percent, compared to the same period of the previous year.

CBRE anticipates that the serviced apartment market will have a limited growth, and its recovery may be seen from the middle of 2022 onwards.

## **RISK FACTORS**

### ***Direct Risks on the Fund or Unitholders***

#### **1. General Risks**

Fluctuations in the Thai economy, political, social and business in general including inflation, interest rate, exchange rates, consumer price, property prices and monetary and fiscal policies of the government, Bank of Thailand and other government agencies Influencing finances and investments performance of the Fund. General economic downturn and the decline in consumer demand may negatively impact significantly on results of operations and financial position of the Fund or tenants of Trithip 2 and Mall 3, which will effect on the income of the Fund.

#### **2. Risks from Natural Disaster, Accident and Terrorism**

If the assets that the Fund invested facing natural disasters such as earthquakes or floods or other disasters on the asset that the Fund will be investing and cause damages of property that need to repair to rectify such damages on a costly and timely manner as well as the Fund may lose significant amount of money in such period of time, which makes the operation of the Fund in the event of serious disruption. Therefore, caused to the property of the Fund that will be investing having a significant impact on the business, performance and the financial condition of the Fund.

However, the Fund has procured insurance on the property of the Fund including further investment which are all risks insurance (excluding terrorism), business interruption including public liability insurance. Also, to prevent some serious incidents such as fire drill and testing the alarm system and the evacuation and so on be arranged regularly.

### 3. *Risk from the entering into investment of the Fund*

Before investing in the real estate, the fund manager has made a detailed study of the property by checking the relevant documents (Due Diligence) such as detail study on the report of the appraiser and reports that detailed engineering of the property, including the appointment of legal counsel. Studies to determine the license documents related to real estate, however, such actions do not guarantee that such property does not damage or deteriorated that may require costly improvements or repairs. The report of the appraiser and engineering reports on the real estate that the fund managers use as basis to evaluate and monitor the property may be defective, incorrect due to certain defect of the real estate may be difficult to detect or cannot be found due to limitations in the audit including the techniques used in the investigation or other factors that limit the examination of both appraisers and engineers.

In addition, in the process of Due Diligence, the Fund Manager has appointed legal counsel for review of building permits, rules and regulations related to Real Estate. The detailed study and examination of relevant documents (Due Diligence), the fund manager may not be able to cover all aspects. This may result that there might be costs or obligations with respect to the Fund to correct it.

### 4. *Risk from changes in accounting standard or relevant laws and regulations*

Performance of the Fund may be affected by the effect of the new accounting standards or improvement of accounting standards. This is a factor that the Fund cannot control or predict. For any amendment of legal regulatory provisions, regulations, policies and / or orders from government agencies or agencies authorized by law including laws relating to the business of the Fund. Taxes and fees for the purchase or sale or transfer of ownership of real estate or leasehold are the events that cannot be predicted, therefore unable to assess the impact of such changes. And also cannot guarantee that such changes will not affect the performance of the Fund or the ability to pay dividends of the Fund.

### 5. *Risk on the Investment Unit i.e. (a) price of the investment unit may change after initial offer (b) lack of liquidity in investment unit trading in the Stock Exchange of Thailand (c) declining in the net asset value if the offer price of the additional issuance lower than the net asset value per unit in the period of pre and during IP*

After the registration of additional investment units offered in the first capital increase of the Fund on the Stock Exchange of Thailand. Unitholders may experience any of the following events:

- (a) the trading price of the units may decline after the registration of investment units on the Stock Exchange of Thailand and may not correspond to the net asset value per unit of the Fund. The trading price of the units depending on several factors such as the performance of the Fund. The volatility of the Stock Exchange of Thailand and the volume of investment. The impact of external factors, many of which are factors that the Fund has no control such movements or changes in foreign exchange, domestic and foreign interest rates, exchange rate or policy measures either directly or indirectly affect the import or export of foreign currency. Economic conditions of the country and international. Risk factors for performance and business in general. Political factors, volatility of the consumer product market. Regulatory, taxes and other government policies including impact of changes in macroeconomic factors such as urban planning. The affected by natural disasters, disease outbreaks, as well as cases of unrest in the country.

Then, the investor may not be able to sell the units at a price offering of investment units. Or the net asset value per unit of the Fund, including no guarantee mechanism that the changes in external factors will not have significant impact on the trading price of the units of the Fund.

- (b) Units of the Fund may not be illiquid in the secondary market, depending on the frequency and volume of investment in the Stock Exchange of Thailand and the needs of buyers - sellers (bid-offer), which the amount needed of the buyer - seller (bid-offer) may be caused by several factors, of which the Fund has no control, such as the demand of the market and size of the Fund.
- (c) The Fund may proceed to the issuance of additional investment units. The offering price of the Units may be less than the net asset value per unit of the Fund at that time. Resulting in the net asset value per unit of the Fund's value dropped after the issuance of such additional units.

6. *Risk from the net asset value (NAV) of the Fund may not be the real value that the Fund will receive if all the asset were sold out or dissolvent of the Fund*

Net Asset Value (NAV) of the Fund, that referred to in this report have been calculated based on information from the valuation of the investment. And such value may not be the real value of the Fund would receive if it sold the property or the dissolvent of the Fund.

7. *Risk of Property Fund compare to other types of mutual fund*

The Fund has to invest in real estate more than 75 percent of the net asset value of the Fund that make investments concentrated in real estate. While the other types of mutual fund's policy are more diversified investments in various financial instruments.

8. *The Fund will invest in leasehold property for Mall 3 that the value of leasehold rights may decrease during the remaining period and resulting in declining of the value of the investment unit of the Fund accordingly*

The Fund will invest in leasehold property for Mall 3 which the value of leasehold rights may decrease during the lease remaining period due to the valuation of leasehold, changes in the occupancy rate and / or rental rates and / or utility services in three areas, malls or any other reason beyond the control of the Fund. The change in value of leasehold may impact significantly on the net asset value of the Fund, value of the investment unit and / or dividends of the Fund at the end.

***Risks that impact on the ability to procure benefit of the Fund from leasing the asset***

1. *Risk on the Income of the Fund resulting from factors that impact on the ability to pay rent of the lessee*

Income from the assets of the Fund, which the Fund invests, by the assets leased out for a period of time from the date on which the Fund invests.

However, the performance of the Lessee may be reduced due to various reasons such as improving the image of the assets that the Fund invested to satisfy the clients. Quality of service provided and maintenance of the assets of the Fund in good condition. Or if there are any events which significantly affect the economy and tourism industry of the country, resulting in significant negative impact on the results of operations and financial condition of tenants, which could subsequently affect the ability to pay rent to the fund.

2. *Risk from significantly decline of the number of the tenants of the property that the Fund invest additionally due to higher competition*

In the future, there could be new construction of serviced apartments, hotel and / or mall or renovation of existing serviced apartments, hotel and / or mall by other entrepreneurs within the

proximity to the location of the property that the fund to invest additionally, which results in higher competition of the rooms and / or shopping centers in the area and may result in decreasing in the use of the property that the fund to invest additionally. If this occurred, it may cause lessee of Trithip 2 (excluding commercial space located on the partly ground floor and basement of Trithip 2 building) that having revenue from the rooms services and rent from Mall 3 and commercial space located on the ground floor part, and the basement of the Trithip 2 building to be affected, which affects their ability to pay the rent that may be declined and may subsequently affect their ability to pay rent to the fund.

3. *Risk on having new contractual party(ies)*

In the event of termination of the lease agreement of the property that the Fund invested additionally; and cannot continue to lease the property of the fund additional investment for the period of three years from the date of the investment or during the lease period, In the case of a lease renewal with the lease terms as well as conditions set in the agreement between the Fund and the lessee or the expiry of the lease agreements. The Fund may enter new lease agreements with a third party instead of the original two lessees. In such cases, New lease conditions may be less favorable than under the original lease agreement such as the terms that the Fund may receive the less rental amount.

4. *Risk due to ability to pay rent of the lessees during the income guarantee period of the lessees*

The Fund will receive rent from tenants under the lease agreement is the major source of income of the Fund. The Fund may be at risk from the financial status and ability to pay the rent of the lessee that do not pay rent or terminate the lease prior to the expiry of the agreement and the Fund cannot find a replacement, which may affect income of the Fund.

5. *Risk on the income of the Fund after the Income Guarantee Period*

At the end of the guaranteed income period provided by Trinity Asset Co., Ltd. to the Fund. The Fund may be directly affected by the ability of tenants to pay rent and might affect the payment of dividends to the unitholders.

6. *Risk associated with major maintenance of the asset that the Fund invest additionally*

For serviced apartments, hotel, commercial space and shopping, it is imperative that need to be repaired and / or improve the property to look fresh, modern and in line with customer satisfaction at

all times. As a result, the service receiver and the customer continue interesting in and utilizing the services in the property that fund to invest additionally.

In the normal cases, improvements or maintenance, or annual inspection and minor maintenance are not causing a negative impact on the operating results of the Fund's assets. If the inspection or maintenance, which is a major repair in the case that there are damages in the Trithip 2 building and Mall 3 or structural improvement or renovation of the Trithip 2 building and Mall 3 including changing the major utilities systems of the Trithip 2 building and Mall 3, this could impact significantly on the business, operating results and financial position of the Fund.

However, major maintenance or structural improvement or renovation of the property that fund invested additionally will provide good result in the business of the property that fund invested in the long term, the Fund will procure to provide budget for relevant cost, planning, timeframe in advanced. Study on impact on income and expected return from the major maintenance or structural improvement or renovation including improve or changing of the major utilities systems of Trithip 2 building and Mall 3. In order to shorten the time to take action and reduce the impact that might have on the operation of the property that the Fund invests additionally and the customers. Repairment of the Trithip 2 building and Mall 3 are to be carried out only in the improvement area, the Fund will be affected only in the area under repairment.

However, the Trithip 2 building was recently renovated and repaired during the year 2011 - 2012, so the impact of major repairs of the Trithip 2 building may not be reflected in the near-term.

7. *Risk associated to Expropriated of the entire or part of the property under the Expropriation Act and the Fund cannot utilize as per investment objective and impact on the Fund's performance*

If the asset that the Fund invested was expropriated in whole or in part that is material. The Fund has the right to take any actions in order to receive the compensation amount as per rules and procedures set out in the Expropriation Act 2530 (as amended) as well as other relevant laws ("**the Law on Expropriation**").

In the case mentioned above, the Fund may receive compensation that that less than business loss which is expected from investing in the property. This will significantly impact on the business, performance and financial position of the Fund. Resulting that the Fund may not be able to utilize the property as per the Fund investment objective and expected revenue will be changed significantly.

#### 8. *Risk associated to Insurance*

Some of the risks that might be exposed to the property or business in the property that the Fund invests additionally, the Fund may not be insured against such risks, even though the Fund can procure such insurance, the premium may not be worth to do so compared to economic benefit of the Fund. Or events that are not covered under the insurance policy, such as terrorism or expropriation. The damages may exceed the amount covered by the policy or the Fund cannot claim in full amount as per the policy. This could negatively impact on the business, financial status, performance and status of the Fund significantly.

However, under the lease agreement. The Fund agreed to provide fire and casualty insurance and other necessary and appropriate under the regulations specified by the agencies to cover any damages that may occur to the property that the Fund invests including all risks insurance, (Not including any of the risks posed by flooding or damages resulting directly or indirectly from or due to the uprising, terrorism, revolution, etc.), business interruption insurance and third party liabilities insurance, the details are as defined in Article 7.

#### 9. *Risk on ability to pay dividend*

The operation of the fund will affect the ability of the Fund to pay dividends. The implementation is based on several factors, including economic conditions domestic and abroad. The ability of management to manage the property. The cost of property management, other expenses, competitiveness, changes in laws and regulations related to property, natural disasters, political situation etc. Therefore, there is a risk that investors will not receive the dividend as forecasted in the year that the incident occurred, or the Fund cannot maintain its level of dividend payment or increasing such payment in the following years. The ability to pay dividend of the Fund is also subject to ability to pay rent of the lessee of Trithip 2 building and Mall 3 in order to keep up with the rent as per relevant agreements. And also the ability of Trinity Asset Co., Ltd. to pay the rent for and on behalf of the lessees. The ability of the Fund to enforce collateral or force to perform according to the undertaking agreements and / or lease agreement (as the case may be) as per steps and within reasonable time when the case of agreement termination occurred is also another factor that may affect the ability to pay dividends of the Fund with the risks associated with the ability to pay dividends of the Fund, resulting in investor risk not to receive dividends as estimated or the Fund will not be able to maintain its level of dividend or increase the dividend in the following years.

Also, in any fiscal year that the fund occurred the actual cost of improving the image (Renovation) and / or the cost of procurement of furniture, materials and equipment (FF & E) for the assets of the Fund,

the dividend payment of the Fund in those fiscal years will be reduced significantly compared to the dividend of the fund in the fiscal year of the Fund that do not have such expenses.

*10. Risk from Breach of the Main Lease Agreement*

As the Fund invests in Mall 3 which is the investment in leasehold property and to sublease to Silom All Co., Ltd. to procure benefits. Although the property of the Fund been registered for a period of 30 years lease at the Office of Land Department, The Fund is also exposed to the risk that may arise from the breach of contract that the Trinity Asset Co., Ltd. and Trithip Complex Co., Ltd, who are the ultimate owners of Mall 3 breach the terms and conditions of the lease agreement as registered and no corrective action taken and compliance with the contract within a specified time (i.e. if the owner of Mall 3 construct or build upon any part of the Mall 3 that impede or obstruct the Fund to sublease the space or if the owner of the Mall 3 modify or construct on the leased property without compliance with the laws or regulations, and later there was the fact that there was an order from the government to demolish to comply with the law). Such cases will inevitably result in a lease area of Mall 3 between the Fund and the Trinity Asset Co., Ltd. and Trithip Complex Co., Ltd. terminated. The termination of the lease agreements will result that the Fund is not entitled to sublease the Mall 3, which makes the fund lost income from subleasing out to the sublessee and will affect the income of the Fund as well as payment of dividends to the unitholders in the end.

However, to prevent such risks that may arise, The Fund has specified the conditions in the lease agreement of Mall 3 with Trinity Asset Co., Ltd. and Trithip Complex Co., Ltd., who are the owners of Mall 3 that in case that the landlord breached the lease agreement of Mall 3 and no corrective action taken and compliance with the agreement within the stipulated time. As a result, the Fund cannot utilize Mall 3, then, the Fund has the right to terminate the lease agreement. The Fund is entitled to demand compensation from damages per the law from the landlord. Including the beneficial loss of the Fund that is unable to use the leased property as per the remaining lease period as defined in the lease agreement of Mall 3. Details of the conditions as per the lease agreement of Mall 3.

***Additional Risks that impact on beneficial procurement of the Fund in utilizing the leased asset***

*1. Risk from changing in popularity in tourism and services of Trithip 2 building and Mall 3*

Since the Fund invests in real estate for tourism and services sector, therefore, if the popularity of tourists in tourism and services have been changed, it may affect the number of tourists who come to the project. If the project cannot change the form or image of the project accordingly, it could affect

the revenues and earnings of the tenants and the results of operations and financial position of the Fund at the end.

2. *Risk from the Fund cannot utilize the private road of Trinity Complex Condominium as per the Allowance to Utilize the Road and Walkway with Trinity Complex Condominium Juristic Office and risk on ability to perform as per certification to buy back the asset*

Currently, Trithip 2 building and Mall 3 having access to and from Trithip 2 building and Mall 3 via public way at the side of the Trithip 2 building and a private road, which is part of the Trinity Complex Condominium.

In current conditions, the service receiver, visitor in Trithip 2 building or retail customers are mostly used the private road of the Trinity Complex Condominium as the main access to Soi Narathiwat 3. Co-usage of the road or way with the co-owners of the Trinity Complex Condominium must receive the written consent from the Trinity Complex Condominium Juristic Entity. If in the event that cannot access via such private road, Trithip 2 building will be only accessible via the public way on the side of the building, which is the only accessibility. And the visitors in Trithip 2 building or retail customers may not be convenient. This could affect revenues and earnings of the Tenants of the Trithip 2 building and the impact on the operations and financial position of the Fund at the end.

Therefore, for the Fund to utilize the the private road continuously, the Fund has entered into an allowance of usage of road agreement with Trinity Complex Condominium with monthly expenses of 20,000 Baht, the agreement does not define term of the contract. (the Fund already have such allowance agreement with the Trinity Complex Condominium Juristic Office for the asset in the first investment)

In addition, Trinity Asset Co., Ltd. agreed to the Fund that for the entire period that the Fund is the owner of the land, Trithip 2 building and Mall 3 and furniture, material and equipment, if the Trinity Complex Condominium breach the allowance of usage of road agreement or the case hat such agreement ended by any reasons Trinity Asset Co., Ltd. agreed to take any neccessary action so that the service receiver and visitor of Trithip 2 building can utilize the accessibility in order to make the service receiver, visitor in building Trithip 2 building or customers of retailers can access via Soi Narathiwat 3. However, if the company cannot continue to allow guests or visitors cannot utilize accessibility after Trinity Asset Co., Ltd. has taken any necessary action to provide the service receiver, visitor in Trithip 2 building the accessibility. If the Fund continue to see that the Trithip 2 building cannot be used as good as previous or Trinity Asset Co., Ltd. did not procure for service receiver or

visitor to use the accessibility within the period specified by the agreement, Trinity Asset Co., Ltd. agreed to buy back the Trithip 2 building and furniture, material and equipment from the Fund with price not less than the appraised value of such property. The management company will arrange for a valuation after the decision to sell the asset has been made and the valuation report shall be for a period not exceeding six months from the date of disposition of the property.

Hence, the repurchase of the property, as mentioned above, set up for the event that the Fund continue to see the Trithip 2 building cannot be utilized as good as the original, so the fund will sell the Trithip 2 building and furniture, material and equipment back to Trinity Asset Co., Ltd. does not constitute a sale of assets by the Fund in accordance with the rules and procedures defined in applicable securities laws.

However, if the assets in other cases, the sale of such property shall be in accordance with the rules and procedures defined in applicable securities laws.

In performing its duties under the certification of Trinity Asset Co., Ltd. to purchase the property from the Fund may expose to the risk of ability to perform their duties, since it needs to have money to buy back on the price that determined by the Fund.

3. *Risk from the Fund cannot use the link between the condominium units and Trithip 2 building and risk on ability to perform as per certification to buy back the asset*

Currently, service users and visitor in the commercial space of Trithip 2 building (first floor and basement) can access via the link between the condominium units of the shopping center. (Suite No. 425/128 and 425/129), which the physical aspect of the connected area is common area of the Trinity Complex Condominium which Mrs. Vina Cherdboonyachart has leased the area to use as a commercial space and as link to access to the Trinity Complex Condominium as per Lease Agreement which was made between Trinity Complex Condominium and Mrs. Vina Cherdboonyachart. if the Fund invested in land and Trithip 2 building, Mrs. Vina agreed and certify to provide rights to utilize the link to access to the condominium units and Trithip 2 building for the benefit of beneficial procurement including being used as accessibility to and from the condominium units and Trithip 2 building as long as the Fund is the owner of right in the land, Trithip 2 building without demanding and additional expenses from the Fund.

Although Mrs. Vina Cherdboonyachart agreed and certify the Fund to use the link above without any limitation period. The right to use the link above is to be in accordance with the lease agreement between the Trinity Complex Condominium Juristic Office and Mrs. Vina Cherdboonyachart, which is for a period of only three years, and conditions to renew from time to time with a term of three years, albeit at a meeting of the co-owners of the Trinity Complex Condominium has approved the lease, and gave Mrs. Vina Cherdboonyachart to renew the lease every three years, but the Fund's risk in the event that the lease agreement between the Trinity Complex Condominium Juristic Office with Mrs. Vina Cherdboonyachart may be terminated with any reasons, which will result in termination of the right to use the link of the Fund and causing the service receiver and visitor in Trithip 2 building inconvenient to commute between the condominium units and Trithip 2 building which may affect the number of service receiver and the number of retailers that rent retail outlets and will affect the earnings of the Fund at the end.

In this part of Trinity Asset Co., Ltd. has entered into an Undertaking Agreement to assure the Fund that if a problem occurs in such cases, which resulted in the right to use the link terminated, Trinity Asset Co., Ltd. will take any necessary action to provide the service receiver and visitor in Trithip 2 building can utilize other space and accessibility that having similar condition and usage close to the original space and link. The Company shall be solely responsible for the costs. If funds continue to see that the Trithip 2 building cannot operate as good as it was, or that the Company does not undertake to provide the space and link for the service receiver and visitor in Trithip 2 building within a period determined by the Fund. The Company agreed to buy back the building and furniture, material and equipment of the Trithip 2 building from the Fund at a price not less than the appraised value of such property. This certification reduces the risk that may occur but there is still a risk on ability to perform their duties, since it needs to have money to buy back on the price that determined by the Fund.

***Additional Risk that affects beneficial procurement of the Fund in relation to ability of the Lessee to beneficial procurement of the leased asset***

***1. Risk from the proximity constructed building***

Currently, condominium unit which is the shopping center having a form beneficial procurement by open for retail tenants to rent space to trading and open the wall of Trithip 2 building that been constructed close to the shopping center building for mutual benefit through commercial nature of such construction. Legal and independent engineering consultant of the opinion that it was implemented as per the relevant rules or laws and been permitted to constructed as per the construction permit. However, it may in the future for any reason such buildings are required to put

up solid wall. This may affect the pattern of benefits provided in the leased property and the rental income of the Fund.

However, if the Fund is required to build up a solid wall, the Fund can implement quickly and will not having much impact on the structure and financing of the building because the building is a shopping center in which the Fund invests having entrance and exit in the front of the building next to the road within the project. Tenants or customers who contacted the shopping center remains convenient.

## **LEGAL DISPUTES**

The Fund has no legal disputes in the past year.

## SECTION 2

### MANAGEMENT AND CORPORATE GOVERNANCE

## INFORMATION OF INVESTMENT UNITS, SECURITIES AND BONDS ISSUED BY THE FUND

### Investment Units

Capital	1,396,892,800 Baht
PAR	9.84 Baht for 71,000,000 Units
	9.14 Baht for 75,434,000 Units
Numbers of Investment Units	146,434,000 Units
Type of Investment Units	Name Certified
IPO Price	10.00 Baht (1 <sup>st</sup> IPO)
	9.20 Baht (1 <sup>st</sup> Additional IPO)
Registered Cap	1,388,106,760 Baht

### Securities Price as of 31 December 2021

Closing Price	1.97 Baht per unit
Market Capital	288,474,980 Baht
Volume	197 Baht per day
Unit Value	5.8016 Baht per unit
Net Asset Value (NAV)	849,554,827 Baht

## Information of Unitholders

Unitholders as of 5 July 2021. Type of Book Closing: XM

### Top 10 Major Unitholders

No.	Major Unitholders	Numbers of Share (Share)	%
1.	Mrs. Vina Cherdboonyachart	46,906,197	32.03
2.	Mr. Narongsak Maitreepoj	4,130,200	2.82
3.	Mr. Vitch Samuttarak	4,000,000	2.73
4.	Mr. Pitch Samuttarak	4,000,000	2.73
5.	Ms. Janpen Cheeranon	3,260,870	2.23
6.	Pra Boromthartjedi Kanchanapisek Foundation	3,043,500	2.08
7.	Industry Umnuaoychai Co., Ltd.	2,174,000	1.48
8.	Mr. Yanyong Juanuwattanakul	2,174,000	1.48
9.	Ubolratana Foundation	2,000,000	1.37
10.	Mrs. Pranee Pha-oernchoke	1,974,200	1.35

### Major Unitholder (Holding 10% and above by the same group of investors)

No.	Major Unitholders	Numbers of Share (Share)	%
1.	Mrs. Vina Cherdboonyachart	46,906,197	32.03

### Group of Major Unitholders with significant influence on management policy or Management Company

None

### Capital Reduction

No.	Book Closing Date	Distribution Pay Out	Registered Cap before Reduction		Devalued		Registered Cap after Reduction	
			Registered Cap (Baht)	Share Value (Baht)	Registered Cap (Baht)	Share Value (Baht)	Registered Cap (Baht)	Share Value (Baht)
1	7 Dec 12	21 Dec 12	710,000,000	10.00	7,100,000	0.10	702,900,000	9.90
2	18 Sep 19	27 Sep 19	1,396,892,000	9.90	8,786,040	0.06	1,388,106,760	9.84

### Dividend Payment Record

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

## Payment of Dividend Policy

In case where the Fund is profitable as per criteria to pay out dividend, the Fund has Policy of Dividend payment to Unitholders at least once a year with details as follows:

- (1) In case where the Fund has net profit in any accounting period, the Management Company shall pay out dividends to Unitholders not less than 90% of the net profit not including the unrealized profits from the Appraisal or Review of Appraisal of the immovable properties or the right to lease out the immovable properties of that accounting period, including other adjustments from the lists below:
  - 1.1 The difference between acknowledged lease income of straight-line profit and loss statement and the actual lease income per the lease agreement;
  - 1.2 The difference between acknowledged lease expense of straight-line profit and loss statement and the actual lease expense per the lease agreement;
  - 1.3 Other additional details announced by the Securities and Exchange Commission of Thailand (SEC).
- (2) In case where the Fund has an accumulated profit in any accounting period, the Management Company may pay out the dividends to the Unitholders from the said accumulated profit.

The payment of dividend must not cause any increased accumulative loss to the Fund in the accounting period in which the dividend is paid out.

### *Payment of Dividend for the Accounting Period*

The Management Company shall notify the payment of dividends and the name lists of the Unitholders who are entitled to receive the dividend on the closing date; and will pay the said dividend to the Unitholders within 90 days from either the end of the annual accounting period or the end of the accounting period of which the dividend payment, depending to the case.

If the Management Company cannot pay the dividend by the mentioned periods of time, the Management Company shall inform in writing to the SEC and all the Unitholders. In case the delay of dividend payment is from the mistake of the Management Company, it is the responsibility of the Management Company to pay not less than 7.5% of interest rate from the announced date of payment until the actual payment date to the Unitholders.

### *Payment of Interim Dividend*

The Management Company shall notify the payment of dividend and the name lists of Unitholders who are entitled to receive the dividend on the closing date; and will pay the dividend within 30 days from the Closing Date of the dividend payment.

### *Additional Conditions*

For the payment of the interim dividend, the rate of dividend is subject to the consideration of the Management Company. If the value of the interim dividend announced to be paid is lower or equal to 0.10 Baht, the Management Company reserves the right not to pay that interim dividend and shall accumulate for the next payment of dividend.

The Management Company shall conduct this dividend payment policy, except when the SEC, SET and/or any agencies authorized by law has made amendment, change, add, order, approval and/or leniency to this policy, the Management Company shall proceed accordingly.

## **MANAGEMENT STRUCTURE**

### **Management Company**

Principal Asset Management Company Limited  
44 CIMB Thai Bank Building 16<sup>th</sup> Floor, Langsuan Road,  
Lumpini, Pathumwan, Bangkok 10330  
Tel. 0-2686-9500 Fax 0-2657-3167  
Website: [www.principal.th](http://www.principal.th)

Principal Asset Management Company Limited is one of the companies within Principal Asset Management Bernhard, Malaysia that provide full service in respect of Fund Management which comprises of mutual fund, private fund, provident fund and property fund.

Principal Asset Management Bernhard holds 99.99% in Principal Asset Management Thailand also being a shareholder in Principal Asset Management in Singapore and Indonesia. Principal Asset Management Bernhard Malaysia is a corporate of the 2 leading financial institutes in both regional and global level which are

Principal Financial Group holds 60%

CIMB Group, Malaysia holds 40%

Therefore, this made The Management Company be ready to provide asset management service with global standard under supporting from CIMB Group and Principal Financial Group.

Currently, Principal Asset Management Thailand is the asset management company that ready to provide services that cover all sectors which are individual, SMEs, large scale business and corporate including government agencies under strong investment networks that connect all regions in the world. This gives The Management Company advantage in investment information with unique investment management by stocks selection process including both qualitative and quantitative, fundamental analysis and strict investment discipline frameworks and modern technology that supporting development in investment innovation and product creation.

Under compliance and risks control and good governance under the concept of TRUST, The Management Company emphasizes on how to ensure that the investors can reach their financial goal and creating good return in long-term with cautious investment under proper risks management.

### Principal and concept

**T**

**Think** = positive think to find solution and commitment to solve problems

**R**

**Respect** = honestly respect the others

**U**

**Unleash** = continue to learn and develop

**S**

**Show** = courage, creative and quick response

**T**

**Teamwork** = work as a team for the best result

## **Name of Directors and Management of Principal Asset Management Company Limited**

### Directors

- |  |                                |
|--|--------------------------------|
| 1. Mr. Julian Christopher Vivian Pull  | Chairman of the Board          |
| 2. Mr. Juan Ignacio Eyzaguirre Baraona | Director                       |
| 3. Ms. Chong Chooi Wan                 | Director                       |
| 4. Mr. Jason Leong Kok Yew             | Director                       |
| 5. Mr. Jumpon Saimala                  | Director                       |
| 6. Ms. Wilaiporn Liwagasemsan          | Audit and Independent Director |
| 7. Mr. Boonsak Chiempricha             | Audit and Independent Director |

### Management

- |                           |                                    |
|---------------------------|------------------------------------|
| 1. Mr. Jumpon Saimala     | Chief Executive Officer            |
| 2. Ms. Brenda Choo        | Chief Operation Officer            |
| 3. Mr. Supakorn Tulyathan | Chief Investment Officer           |
| 4. Mr. Tor Indhavivadhana | Chief Business Development Officer |

### Property Fund Manager

1. Mr. Suttipan Kreemaha
2. Mr. Kriangsak Moolkaew

### Fund Managers – Fund Liquidity Management

1. Mr. Supakorn Tulyathan
2. Ms. Chanaikan Swadirurk
3. Mr. Piyasak Duangbunditkun

## ***Rights, Duties and Responsibilities of the Management Company***

Management Company has its rights, duties and responsibilities as follows:

- 1) The right to administer and manage the Fund in accordance with the objectives, investment criteria and restrictions of the Project as approved, as well as the commitments between the Unitholders of the Fund and the Management Company and various agreements which have been made.

- 2) The right to instruct the Investment Unit Registrar to reject the transfer the investment unit, in case that those transfers have been conflicted to the transfer conditions.
- 3) The right to resign as the Management Company as specified under the “Change of Management Company”.
- 4) The right to veto (Veto Rights) any act or decision of the Investment Committee or a resolution of Unitholders or the management procedures which is in contravention of the laws, regulations rules, and/or ethics and/or the Project or which may have an adverse effect on the reputation of or cause damage to the Management Company or the interest of the Fund.
- 5) The right to manage the Fund in the following cases:
  - The right to terminate the Project and/or the Fund in case of the resignation of the Management Company with the conditions as mutually agree and the Fund cannot find new Management Company in the specific time.
  - The right to proceed in accordance with the stipulations of the Project and/or as announced, prescribed, approved, permitted, relaxed, or instructed by the Office of the SEC Committee, the SEC and/or any other competent authority under law.
  - The right to amend, supplement, change the Project, in cases where it is otherwise changed, amended, supplemented, announced, prescribed, approved, permission, relaxed, and/or instructed by the Office of the SEC, the SEC Committee and/or any other competent authority under law.
  - The right to sell/distribute/dispose/transfer properties wholly or partially of the Fund as deems appropriate in case of a lack of liquidity.
  - The right to manage the Fund with a view to accomplishing the objectives of the Fund and maintaining the benefits of the Unitholders, given that the Securities Law and/or any other relevant laws are not contravened.
- 6) The right to appoint the trustee of the Fund, who has qualifications as prescribed in the Notification of the Office of the SEC regarding qualifications of trustees of property fund as well as to change the trustee of the Fund and appoint other trustee in replacement pursuant to the conditions for the change of the trustee specified in the fund scheme, given that such change shall be approved by the Office of the SEC.
- 7) Other right as specified by the Office of the SEC, the SEC Committee and/or any other competent authority under laws and regulations.

- 8) The Management Company shall arrange the commitment between Unitholders and the Management Company, other agreements on behalf of the Fund under the Securities Law and/or any other relevant laws.
- 9) The Management Company shall deliver, distribute and make available the up-to-date prospectus and the fund scheme in accordance with the following criteria and procedures:
  - (1) Prior to the offering of Investment Units to the public, the Management Company shall deliver the prospectus to the Office of the SEC at least one (1) business day prior to the date for the delivery or the distribution of the prospectus to the public. And the Management Company shall deliver such document via Mutual Fund Report and Prospectus (MRAP) of the Office of the SEC. Should there be any change to such details, the Management Company shall proceed to update such details without delay, given that such update shall be done via MRAP.
  - (2) In the offering of Investment Units, the Management Company shall sufficiently arrange the distribution of material details of Investment Units and the Fund to investors. Regarding to the details of the fund scheme, the Management Company shall make them ready for the examination and for the request by investors, given that such details shall be up-to-date.
  - (3) Upon the expiry date of the offering period, the Management Company shall make available the prospectus in the part of the Project details at every business place of the Management Company to be accessed by public; and the Management Company shall provide the copy of the same upon the request of the Unitholder. In the case that Investment Units of the Fund are the securities listed on the SET, and if there is any amendment to the fund scheme, the Management Company shall give notice of such amendment to the SET without delay after the date that the Office of the SEC approves the amendment to the fund scheme or the date of the rendering of the resolution to amend the fund scheme as the case may be until the dissolution of the Fund.
- 10) The Management Company shall arrange the registration of pool of asset with the Office of the SEC within 15 days from the date of ending initial offering.
- 11) The Management Company shall arrange the listing of Investment Units of the Fund as listed securities on the SET within 30 days from the date of registration of the Fund.
- 12) The Management Company shall bring the money of the Fund to invest in the real properties or other properties as well as seeking benefit from the purchase, lease, distribution, transfer of the leasehold right, sale, order for the transfer and improvement of the real properties or other properties that the Fund has invested in accordance with the policy, objectives, criteria, conditions and procedures specified in the fund scheme and in accordance with the rules and criteria prescribed in the Notification of the SEC Committee and the Notification of the Office of the SEC.

- 13) In the case that the fact is known to the Management Company that any Person of the Same Group holds more than 1/3 of Investment Units of all sold Investment Units, the Management Company will proceed in accordance with the prescription in the Notification of the Office of the SEC.
- 14) The Management Company shall allocate the profit of the Fund to pay dividend to the unitholders in accordance with the criteria and procedures specified in the fund scheme and in accordance with the prescription of the Office of the SEC.
- 15) The Management Company shall procure the insurance policy for the Fund in accordance with the prescription and criteria in the Notification of the Office of the SEC.
- 16) The Management Company shall arrange the Appraisal of the properties in accordance with the prescription and criteria in the Notification of the Office of the SEC.
- 17) To appoint the trustee of the Fund, who has qualifications as prescribed in the Notification of the Office of the SEC regarding qualifications of trustees of property fund.
- 18) To separate the properties of the Fund from the properties of the Management Company and bring the Fund's properties to the possession of the trustee and/or Thai Securities Depository Co., Ltd.
- 19) To arrange for the investment of the Fund to gain revenue and benefits and bring such revenue and benefits to the possession of the trustee.
- 20) To appoint one or several individuals or juristic persons as advisors of the Fund. However, the advisors of the Fund shall not participate in making any decisions concerning investment or sell, or shall not participate in property management or lease of property. The Management Company shall prepare and submit the report for appointment or termination the agreement within 15 days from the date of appointment or termination and shall submit the copy of such agreement to the Trustee within 5 days from the date of execution of agreement.
- 21) To appoint the Property Fund Manager responsible for making decision to invest or to distribute the real properties or the leasehold right, given that such person shall be approved by the Office of the SEC.
- 22) To appoint the Liquidity Fund manager responsible for making decision to invest or distribute the properties in Clause for the liquidity management of the Fund, given that such person shall be approved by the Office of the SEC.
- 23) To appoint the Investment Units Registrar (can be the Management Company itself) as well as to change the Investment Units Registrar of the Fund and appoint other Investment Units Registrar,

who has qualifications as prescribed by the Office of the SEC, in replacement, and give notice of such appointment to the Office of the SEC.

- 24) To appoint the Appraisal Company, given that such Appraisal Company shall be those in the list approved by the Office of the SEC to appraise or review the Appraisal for the properties invested by the Fund. The Management Company shall deliver the copy of such Appraisal Report and supporting documents to the Trustee and to the Office of the SEC within 15 days from the date of receipt of such report.
- 25) To appoint the Property Manager (if any), given that the Property Manager shall have the qualifications and possess no prohibited characteristics prescribed in the Notification of the Office of the SEC.
- 26) To appoint the auditor of the Fund, given that the auditor must have qualifications and does not possess prohibited characteristics per the Notification of the Office of the SEC regarding rules for approval of auditors, as well as to change the auditor and appoint other auditor who have qualifications as prescribed by the Office of the SEC, in replacement and give notice of such appointment to the Office of the SEC.
- 27) In the case that the Management Company wishes to appoint the underwriter to distribute Investment Units, such underwriter shall not have the relationship of the Person of the Same Group with the owner, the lessor, the transferor of the leasehold right and the grantor of the right in the real properties to be invested by the Fund.
- 28) To appoint other persons to perform other duties related to the Fund, e.g. construction supervisor, expert, estimator, building inspector, cleaning service provider and construction contractor etc.
- 29) To deliver a summary of significant information concerning the investment or the disposal of ownership or leasehold rights in real properties of the Fund to the Unitholders and the Office of the SEC within fifteen (15) days from the date of such investment or disposal of ownership or leasehold rights in real properties, and to provide such significant information at an open place at the Management Company and the head office of the trustee within fifteen (15) days from the date of investment or disposal of ownership or leasehold rights in real properties. Such summary shall be substantially in accordance with the notification of the Office of the SEC.
- 30) To immediately deliver the following documents to the trustee upon the investment or the dispose of the real properties and the leasehold right:
  - (1) The document showing the ownership or the possession of the real properties and the agreement regarding the purchase, lease, receipt of the transfer of the leasehold right or the grant of the right in the real properties, as the case maybe.

- (2) The agreement in writing showing the disposal of the real properties or the leasehold right of the real properties.

The Management Company will give the notice of the possession of the real properties to the trustee within five (5) business days from the possession date of such real properties together with disclose such information at the office of the Trustee within 15 days after the date of investment or disposition of the asset.

31) To provide the copy of the following agreements to the trustee:

- (1) Agreement to appoint the Appraisal Company within five (5) days from the execution date or from the date of appointment of the trustee in the case that the appointment of the Appraisal Company prior to the appointment of the trustee, as the case may be.
- (2) Agreement to appoint the Property Manager (if any) and the agreement to appoint the advisor (if any) within five (5) business days from the execution date thereof.

32) To collect, follow up, proceed and order every person with duties under the appointment agreements, e.g. Property Manager, advisor and construction supervisor etc. To prepare, deliver and complete every report and/or any proceeding as specified in the appointment agreements and/or as prescribed by the investment committee and/or as per the request of the Unitholders and/or the competent agency.

33) To sell, dispose of, distribute or transfer the properties whether in whole or in part of the Fund as proper.

34) To perform other duties prescribed by the Securities Law to be the duties of the Management Company.

35) If the Investment Units of the Fund have been approved to be listed securities on the Stock Exchange of Thailand, the Management Company shall deliver the summary of significant information under the preceding paragraph to the Stock Exchange of Thailand in lieu of taking action under the first paragraph within the next business day from the date of purchase, lease, disposal or transfer of leasehold rights in immovable properties of the Fund or within such other period as prescribed by the Stock Exchange of Thailand.

36) To calculate the value of the properties, Net Asset Value and the Value of Investment Units pursuant to the Notification of the Office of the SEC regarding the criteria, conditions and procedures for the establishment and the management of the mutual fund or any criteria and procedures prescribed by the Office of the SEC.

- 37) To give notice to the Unitholders in the case that any change or any situation occurs after the date of the calculation of the properties' value, the Net Asset Value and the Value of Investment Units, which materially affects the properties of the Fund.
- 38) To prepare a financial statement of the Fund in accordance with the accounting standards specific to the investment business and accounting standards prescribed by the accountant council, and to prepare a report of the Fund which has the required by the Office of the SEC at the end of every financial year; and deliver such report to the Unitholders whose names appear in the register of Unitholders and the Office of the SEC within four (4) months from the end of the financial year.
- 39) The Management Company shall increase or decrease the capital of the Fund in accordance with criteria and procedures specified in the Fund Scheme.
- 40) To proceed the litigation, both civil and criminal procedures on behalf of the Fund including the appointment of representative to do such litigation.
- 41) To attend the meeting and voting on the properties, rights and other benefits for the benefit of the Fund's benefit.
- 42) The right to amend, supplement, change the Fund Scheme.
- 43) The Management Company shall dissolve the Fund as per the specification in the Fund Scheme.
- 44) Upon dissolution of the Fund, the Management Company shall appoint a liquidator approved by the Office of the SEC to dispose of the assets of the Fund, pay the debts of the Fund, collect and distribute money or assets to Unitholders in the proportion of their respective Unitholding per the register of Unitholders, as well as inform the Trustee thereof.
- 45) The Management Company shall receive and pay the fees and expenses and/or other compensation as specified in the Fund Scheme.
- 46) The Management Company shall conduct any proceeding to achieve the objectives of the Fund and maintain the benefit of unitholders in general in accordance with the scope, duties and responsibilities of the Management Company, given that such proceeding shall not violate Securities Law and/or any relevant laws.

#### ***Conditions for Replacement of the Management Company***

The Fund may replace the Management Company upon the occurrence of the following events and/or upon the approval of the Office of the SEC:

- (1) When the Unitholders of the Fund pass a resolution by a majority vote representing more than one-half of the total number of Investment Units sold to replace the Management Company, the Unitholders shall give a notice in writing to the Management Company of not less than ninety (90) days in advance. If such change of Management Company is not resulting from the mistake or gross-negligence of the Management Company and the term of being Management Company has not been 5 years from the date of establishment of the Fund, the Management Company shall be entitled to receive the compensation for the remaining years out of 5 years based on the last month Net Asset Value. This compensation shall be waived only upon the acceptance of both The Management Company and the Fund.

The Unitholders must notify Management Company in written form not less than 5 days in advanced, unless the Management Company agreed to shorten the said notification period.
- (2) If there is a change and amendment in the management policy as specified in the Project according to a resolution of Unitholders' meeting or an amendment to the Securities and Exchange Act, notifications of the SEC, notifications of the Office of the SEC and/or other relevant laws, which causes the Management Company to be unable to comply with those notifications, instructions, regulations and rules because such change imposes more duty on the Management Company and the Management Company does not want to accept such duty, the Management Company reserves the right not to accept the duty to manage the Fund, given that the Management Company must give prior written notice to the Unitholders of its intention not to perform the duties. The Management Company shall propose a new Management Company who is fully qualified according to the Securities Law with approval of the Office of the SEC except in the case that the Unitholders wish to find a new Management Company on their owns. In this regard, the Unitholders shall complete the appointment of the new Management Company within 90 days from the date of receiving the notice from the Management Company.
- (3) If there is a change in policy, management procedures, operations, administration of the Fund, or material change in structure of Unitholders (the change of the names of Unitholders or the change to the holding of Investment Units by the Unitholders or the Person of the Same Group which is equivalent to five percent (5%) of all Investment Units sold), or in any other case which causes the Management Company to be no longer desirous of performing its duties, the Management Company reserves the right not to accept the duty of managing the Fund, given that the Management Company must notify the Unitholders in writing of its intention not to continue performing the duties (resignation). The Management Company shall propose a new Management Company who is fully qualified according to the Securities Law with approval of the Office of the SEC except in the case that the Unitholders wish to find a new Management

Company on their owns. In this regard, the Unitholders shall complete the appointment of the new Management Company within 90 days from the date of receiving the notice from the Management Company.

- (4) In the case that the license for the operation of the securities business in the type of mutual fund management of the Management Company is revoked and the Management Company is unable to continue performing its duties as the Management Company.

Replacement of Management Company, if it is the case that specified by law that approval from SEC is required, Management Company shall apply for such approval and remain functional until the new Management Company is appointed. However, if the Management Company notifies its resignation under (2) and (3) and the Fund and/or the Unitholders is unable to replace new management company within 90 days from the date of receiving the notice from the Management Company, the Management Company reserves the right to dissolve the Fund.

## **Trustee**

TMBThanachart Bank Public Company Limited  
3000 Phahol Yothin Road, Chom Phon Sub-district,  
Chatuchak District, Bangkok 10900  
Tel. 0-2299-1111 Fax: 0-2299-1278  
Website: [www.ttbbank.com](http://www.ttbbank.com)

### ***Rights, Duties and Responsibilities of the Trustee***

The trustee has the rights, duties and responsibilities under this Project as follow:

- 1) To receive remuneration for being the trustee at the rate specified in the agreement to appoint the trustee has entered with the Management Company.
- 2) To supervise the Management Company to strictly comply with Section 125 of the Securities and Exchange Act B.E. 2535, Announcement, Notification of SEC, Office of SEC and Capital Market Advisory Board that issued as per the said Act both currently in effect and to be notified in the future. To notify the Management Company if the Management Company fails to comply the above laws.
- 3) If the Management Company does any act that causes damage to the Fund or fails to perform its duties under Section 125, the Securities Law and the terms of the approved Fund Management

Project, the trustee shall make a detailed report thereon and submit it to the Office of the SEC within five (5) days from the date on which the trustee is aware of such circumstance.

- 4) To deposit the properties of the Fund by separating the properties of the Fund from the properties of the Trustee under the supervision of the trustee and monitor the expense of the Fund to be in accordance with the agreement between the Management Company and the Trustee.
- 5) To complete the inspection of real properties of the Fund per the timeframe as follows:
  - (1) Within thirty (30) days from the date of receiving a notice of possession of real property from the Management Company.
  - (2) Every year after the last inspection by the trustee.
- 6) To correctly, completely and truthfully record the condition of any real property from the inspection of such properties, within 30 days since the beginning date of the inspection.
- 7) To notify the Management Company within five (5) business days from the date the trustee has found that any real property of the Fund has any material defect.
- 8) To notify the Management Company to conduct a new Appraisal immediately when the trustee is of the view that any circumstance or change has occurred which has a material effect on the value of the real properties of the Fund.
- 9) To verify that the investment or disposal of real properties or leasehold rights of the real properties of the Fund comply with the Project and the criteria prescribed by the Securities Law.
- 10) To approve the appropriate insurance against all losses which the Fund will be a beneficiary.
- 11) To give opinion on the operational result of the Fund in the report of the Fund.
- 12) For the assets invested in by the Fund which are real properties, the Management Company shall keep the documents of right in the real properties invested in by the Fund, namely land title deeds or certificates of utilization, agreements on sale of real property, lease agreements or agreements for the transfer of leasehold right in real property as well as insurance policies, at the office of the Trustee of the Fund, except for assets which, by their nature, cannot be kept at the office of the Trustee or where the Management Company and the Trustee agree otherwise.
- 13) To take delivery or delivery the documents regarding investing or divesting of the asset by the Fund to be in accordance with the Fund Scheme and Notification of the Office of the SEC.
- 14) To certify that the calculation of the value of the properties, Net Asset Value and the Value of Investment Units is correct and in accordance with the criteria prescribed by the Office of the SEC.
- 15) To prepare and deliver the following reports to the Management Company:

- (1) Detail on incomes and expenses of from the bank account, depository at every of the last “business day” of SET and commercial banks;
  - (2) Report on the investment of the Fund specified the type and status of the fund at the end of Business Day;
  - (3) Report on the detail of securities purchase and sale (if any).
- 16) To proceed under the clause 14 and 15 above, the Trustee shall use the information obtained from the Management Company or any other relevant person.
- 17) Report certified by the Trustee under clause 14 and the report prepared by the Trustee under clause 15 is deemed to be approved from the Management Company if the Management Company fails to object within 180 days from the date of reporting.
- 18) To file the case enforcing the Management Company to perform its duty or to claim damages in compensation to the damages caused by the Management Company for the benefit of all Unitholders or upon the receipt of the order from the Office of the SEC.
- 19) In the case the Management Company appoints the liquidator, such liquidator shall proceed in accordance as follows:
  - (1) deliver the account and supporting documents of the Fund to the liquidator within 5 days from the date of dissolution of the Fund;
  - (2) deposit the properties of the Funds until the completion of the liquidation;
  - (3) monitor the liquidator to comply with the Section 130 of the Securities and Exchange Act B.E. 2535 (1992), as amended and shall inform the Office of the SEC upon the non-compliance by the liquidator;
  - (4) distribute the fund and other assets to the Unitholders per their Investment Units ratio in the register book of Investment Units.
- 20) Deposit and the properties of the Fund and receive the income from the operation of the Fund and deposit it in the account of the Fund.
- 21) Pay the expense of the Fund as instructed by the Management Company.
- 22) To have such other rights, duties and responsibilities as specified in the agreement to appoint the trustee.
- 23) To perform other duties as prescribed by the SEC committee or the Office of the SEC as duties of trustees.
- 24) To be responsible for the damages to the Management Company or any expenses incurred from the mistake or gross-negligence of the Trustee under the Securities and Exchange Act B.E. 2535 (1992), as amended. Such mistake results from the non-compliance and gross-negligence conduct

committed by the Trustee or the Trustee's employee, representatives or agent. Such damages shall include the damages from the delay of the Trustee in approving the matters as specified as obligations of the Trustee under the agreement to appoint Trustee or the Fund Scheme.

- 25) To allow the representative of the Management Company or the auditor to inspect the properties of the Fund, documentations and accounts of the Fund which in possession of the Trustee at all time within the business hour of the Trustee and to facilitate the Management Company in proceeding the duty under the relevant agreement and the Fund Scheme and to deliver the documents as instructed by the Management Company to the Unitholders and other person who is eligible to request such documents.
- 26) To be responsible for the damages to the Fund due to the act, omission to act by fraudulent, gross negligence which is inconsistent with the obligations under the relevant agreement entering with the Management Company.

#### ***Conditions for replacement of the Trustee***

Management Company as representative of the Fund may replace Trustee upon occurrence of the following events and upon the approval of the Office of the SEC.

- (1) When either the Management Company or the Trustee wishes to terminate the Trustee Appointment Agreement by giving written notice of such termination to the other party not less than ninety (90) days prior to the effective date of termination of the Trustee Appointment Agreement.
- (2) The Management Company or the Trustee fails to perform the duties or responsibilities as prescribed in the Trustee Appointment Agreement. In such event, the Trustee or the Management Company may terminate such agreement by giving prior written notice of such termination to the other party with a period not less than thirty (30) days. In the case where the Trustee fails to perform the obligations under such agreement with or without intention, willful or gross negligence, the Trustee shall compensate the Fund and the Management Company including other expenses incurred from changing the trustee. In the case where the Management Company fails to perform the obligations under such agreement, with or without intention, willful or gross negligence, the Management Company shall be responsible for the expenses and compensation for the damages to the Trustee.
- (3) There is a change in any condition of the Project or an amendment to the Securities Law or any other circumstance causes the Management Company and the Trustee to be unable to agree on the amendment of the Trustee Appointment Agreement to comply with such change or amendment because such change or amendment imposes more duties on the Trustee and the Trustee does not want to accept such duties. In such event, the Trustee shall have the right to terminate the Trustee

Appointment Agreement by giving written notice thereof to the Management Company not less than ninety (90) days in advance.

- (4) The Unitholders of the Fund pass a resolution by a majority vote representing more than half of the total number of Investment Units sold, requesting the replacement of the Trustee. Such request to the Management Company shall be made not less than 90 days.
- (5) The Trustee lacks any qualification under the notifications of the Office of SEC regarding the qualifications of trustees of mutual funds and the amendments thereto (if any). In such event, the Management Company shall notify the Trustee in writing to make a rectification within fifteen (15) days from the day following the date on which the Management Company is or should reasonably be aware of such disqualification or the date on which such disqualification is discovered from the inspection of the Office of SEC. The Management Company shall also notify such rectification to the Office of SEC within three (3) business days following the date the Trustee completes the rectification.

If the Trustee fails to make the rectification within such prescribed period, the Management Company shall seek permission to replace the Trustee from the Office of SEC within fifteen (15) days from the day following the expiry date of the rectification period. When permission is obtained from the Office of SEC, the Management Company shall appoint a new Trustee in place of the former Trustee immediately unless otherwise instructed by the Office of SEC.

- (6) The Trustee unduly discloses information relating to the management of the Fund or any other information relating to the management of the Fund in a manner that causes or may cause damage to the Fund or the Management Company or obtains any benefit for the Trustee itself, or another person enjoys any benefit because of such undue disclosure. In such event, the Management Company may terminate the Trustee Appointment Agreement by giving written notice of not less than fifteen (15) days in advance to the Trustee. The Trustee must be responsible to the Management Company and/or the Fund for any expenses and/or damages including expenses incurred because the Management Company must contact and/or procure another person to perform duties as a new Trustee, or any other expenses which are or might be incurred in connection with the replacement of the Trustee.
- (7) When any person proposes, or files a petition to the Court or any other relevant authority about the Trustee (a) for the dissolution of the Trustee's business or any other similar purpose; or (b) for the reorganization, composition or relaxation of debt payment, management of properties, liquidation or any other similar request under the current or future laws or under various regulations.
- (8) When a government authority or agency believes, the Trustee has committed a mistake or gross negligence and gives a notice thereof to the Management Company or makes an announcement to the public.

In all cases, the replacement of the Trustee shall require prior permission of the Office of SEC. Since the Securities and Exchange Act B.E. 2535 provides that the Fund must have a trustee, if the Trustee is discharged from its duties under Clause 13.2 “Conditions for Replacement of Trustee”, the Trustee must fully perform the duties of a trustee until the completion of the transfer and delivery of all assets and documents and evidence of the Fund to the new Trustee or as instructed by the Management Company or the Office of SEC, including any other necessary arrangements for the proper and complete transfer and delivery of all assets and documents to the new Trustee within a reasonable time to ensure continuous performance of duties.

In the case of expiration of Trustee Appointment Agreement due to termination by the Trustee, if the Management Company is unable to find new trustee to replace the same Trustee within the expiration date of the Trustee Appointment Agreement, such Trustee shall remain their position as a Trustee until there is a replacement of trustee. If such Trustee will receive the fee in proportion including any other expenses incurred from the operation of Trustee duty until their duty as a Trustee is ceased.

For the cease of being Trustee, the Trustee shall collect and transfer all properties and documentation of the Fund to the new trustee or proceed other duty as advised by the Management Company or the Office of the SEC within 15 business days from the day of cease to be a trustee.

### **Place of Custody of Assets of the Fund**

TMBThanachart Bank Public Company Limited  
3000 Phahol Yothin Road, Chom Phon Sub-district,  
Chatuchak District, Bangkok 10900  
Tel. 0-2299-1111 Fax: 0-2299-1278  
Website: [www.ttbbank.com](http://www.ttbbank.com)

In the case of change of the Trustee, the Management Company shall keep the properties at the office of the Trustee where the Management Company establishes or the office new trustee.

However, for the assets invested in by the Fund which are real properties, the Management Company shall keep the documents of right in the real properties invested in by the Fund, namely land title deeds or certificates of utilization, agreements on sale of real property, lease agreements or agreements for the transfer of leasehold right in real property as well as insurance policies, at the office of the Trustee of the Fund, except for assets which, by their nature, cannot be kept at the office of the Trustee or where the Management Company and the Trustee agree otherwise.

**Auditor**

Mr. Sa-Ngar Chokenitisawat	Certified Auditor No. 11251
Ms. Wanwimol Preechawat	Certified Auditor No. 9548
Ms. Rojjanart Panyathananusart	Certified Auditor No. 8435

Price Waterhouse Cooper ABAS Company Limited  
179/74-80, Bangkok Tower, Floor 15, South Sathorn Road  
Tung Mahamek Sub-district, Sathorn District, Bangkok  
Tel. 0-2344-100 and 0-2824-5000  
Fax. 0-2286-5050

**Registrar**

Thailand Securities Depositories Co., Ltd.  
62 The Stock Exchange of Thailand Building, Ratchadapisek Road,  
Klongtoey Sub-district, Klongtoey District, Bangkok 10110  
Tel: 0-229-2800 Fax: 0-2359-1259

**Appraisal**

Real Estate Appraisal Co., Ltd.  
32/166 CP Park Lane, Nual Chan Road,  
Bueng Kum Sub-District, Bueng Kum District, Bangkok 10230  
Tel: 0-2946-2675-7

**Penalized and Fined Records**

On February 19, 2013, The Office of Securities and Exchange Commission had a letter no. Kor Lor Tor For Khor 298/2556 regarding fining for not comply with the law. Such letter stated that Management Company has breach article 117 and 125 (1) of the Securities and Exchange Act 2535 B.E. as follows:

1. During February 27, 2012 to July 17, 2012 Management Company did not perform as per rules, conditions and procedure as specified in the notification of Capital Market Supervisory Board. Management Company did not have proper compliance on investment for the cautious

investment management for the best interest of unitholder by not undertaking due diligence before entering into investment.

2. During May 17, 2012 to February 27, 2013 Management Company, as being the Management Company of the Mercure Samui Property Fund (Mercure Fund), did not properly manage the Fund as specified in the notification of the Capital Market Supervisory Board by not control about the Income Guarantee as the Fund was approved.

3. During February 27, 2012 to December 25, 2012 Management Company did not perform as per rules, conditions and procedure as specified in the notification of Capital Market Supervisory Board. Which are (1) did not control and checking on payment of the Fund (2) did not perform the asset annual inspection by preparing invested asset registration properly and correctly (3) did not arrange for Revenue Guarantee Agreement and did not follow and monitor the guarantors to comply with the agreement (4) did not properly disclose information in the Fund Project and Prospectus.

Management Company accepted the penalty and fine as per the Committee's resolution in the meeting No 1/2556 dated February 2013 Order No 12/2556.

## **CORPORATE GOVERNANCE AND COMPLIANCE**

### **Corporate Governance Policy**

The Management Company strictly complies with Securities Law, announcements, regulations, rules, order or circular notice as amended or enacted by S.E.C., Capital Market Supervisory Board, office of S.E.C. and the stock exchange.

The Management Company stipulated a variety of policies for Corporate Governance such as report on conflict of interests, policy for fund operation, code of conduct for fund operation. The Management Company stipulated a variety of policies for Corporate Governance such as report on conflict of interests, policy for fund operation, code of conduct for fund operation.

## Corporate Social Responsibility

The Management Company strictly complies with Securities Law, announcements, regulations, rules, order or circular notice as amended or enacted by S.E.C., Capital Market Supervisory Board, office of S.E.C. and the stock exchange.

## Internal Control and Risk Management

The Management Company strictly complies with Securities Law, announcements, regulations, rules, order or circular notice as amended or enacted by S.E.C., Capital Market Supervisory Board, office of S.E.T. and the stock exchange. Apart from Real Estate Investment Committee, The Management Company also established Compliance and Risk Management Department which is separated from Real Estate Investment Committee and reports directly to the Board of Directors and CIMB Group.

## Inter-connected Transactions

*Transactions of the Fund with the Management Company and other connected party to the Management Company during the period of January 1, 2021 to December 31, 2021*

No.	Name of Connected Party	Relationship with the Fund	Details of Transaction
1	Principal Asset Management Co., Ltd.	The Management Company of the Fund	Receiving the management fee from the Fund

The investors can directly verify the transaction with the Management Company. Some parts of public information are shown in the attached Financial Statement of the Fund. Name lists of Management of the Management Company and the Fund can be found at website [www.principal.th](http://www.principal.th)

*Transactions of the Fund with Trustee and other connected party to the Trustee during the period of January 1, 2021 to December 31, 2021*

No.	Name of Connected Party	Relationship with the Fund	Details of Transaction
1	TMBThanachart Bank Public Company Limited	Trustee	Receiving the trustee fee from the Fund

*Soft Commission Report*

There is no soft commission

*Sales Commission from order to sell or purchase security*

There is no Sales Commission from order to sell or purchase security

*Voting guidelines and voting execution*

Investors can examine voting guidelines and voting execution in the companies' Shareholders Meeting in the calendar year from website of the Management Company [www.principal.th](http://www.principal.th)

## SECTION 3

### FINANCIAL STATUS AND PERFORMANCE

## IMPORTANT FINANCIAL INFORMATION

### Performance of Trinity Freehold and Leasehold Property Fund For the period from 1 January 2021 to 31 December 2021

#### Summary of Net Asset Value and Value of Investment Unit as of 31 December 2021

Net Asset Value	849,554,827	Baht
No. of Investment Unit	146,434,000	Units
Value per Unit	5.8016	Baht

#### Information regarding borrowing of the Fund as of 31 December 2021

	Market Value (Baht)*1	% NAV
<b>Domestic Securities or Assets</b>		
Investment Units		
Trinity Freehold and Leasehold Property Fund	836,000,000	98.40
Bank Deposit	14,052,149	1.65
<b>Others</b>		
Other Assets	989,813	0.12
Other Debts	(1,487,135)	(0.17)
<b>Net Asset Value</b>	<b>849,554,827</b>	<b>100.00</b>
Remark: *1 total market value including accrued interest		

*Summary of Investment in Debt, Deposit or Semi Debt of the Fund*

Bonds	Market Value (Baht)*	% NAV
(A) Thai and Foreign Government Bonds		
- Thai Government Bonds	- None-	-None-
- Foreign Government Bonds	- None-	-None-
(B) Bonds that Bank or Credit Fancier is Issuer, Payer, Aval, Certified or Guarantor	14,055,693	1.65
(C) Investment Grade Bonds	- None-	- None-
(D) Under Investment Grade Bonds	836,000,000	98.40
Remark: * value based on market price including accrued interest		

*Details of all Bonds and Rating in Port*

Item	Issuer	Insurer /Guarantor/Certifier	Due Date	Rating	Principal / Face Value	Market Value * <sup>1</sup>
1 Investment Unit	Trinity Assets Co., Ltd.	-	-	N/A	1,384,378,885	836,000,000
2 Bank Deposit	TMBThanachart Bank Public Co., Ltd.	-	-	N/A	14,052,149	14,055,693
Remark: * <sup>1</sup> Market Value including Interest receivable						

### Fund Expense

For the period of 1 January 2021 to 31 December 2021

Fund's Direct Expenses *	Unit Thousand Baht	% of NAV
Fund Management Fee	1,883.16	0.217
Trustee Fee	181.95	0.021
Registrar Fee	462.18	0.053
Legal Advisor Fee	360.90	0.042
Adverts, PR and Sale Promotion		
- During IPO	-	-
- After IPO	-	-
Audit Fee	817.80	0.094
SET Registration Fee	94.57	0.011
Appraisal Expense	203.30	0.023
Insurance Premium	332.93	0.038
Common Area Charge	480.00	0.055
Hotel License Fee	848.71	0.098
Journals and Publication Fee	103.61	0.012
Other expense	46.38	0.005
<b>Total Expenses ***</b>	<b>5,815.49</b>	<b>0.669</b>

#### Remarks

\* Fee and expenses already include VAT, Specific Business Tax and other Taxes and Duties (if any)

\*\*Excluding credit loss – accrued lease fee and other fees related to stocks/securities trade and estimated credit loss (if any).

## APPENDIX 1

### REPORT OF CERTIFIED AUDITOR, AUDITED FINANCIAL STATEMENT

**TRINITY FREEHOLD AND LEASEHOLD PROPERTY FUND**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2021**



## **Independent Auditor's Report**

To the unitholders of Trinity Freehold and Leasehold Property Fund

### **My opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of Trinity Freehold and Leasehold Property Fund (the Fund) as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the accounting guideline for the Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust established by the Association of Investment Management Companies and endorsed by the Securities and Exchange Commission.

### **What I have audited**

The Fund's financial statements comprise:

- the statement of financial position as at 31 December 2021;
- the statement of details of investments as at 31 December 2021;
- the statement of comprehensive 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; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

### **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 Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions 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 judgement, 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. The 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 the matter.

Key audit matter	Audit procedures
<p><b><i>Valuation of investment in properties</i></b></p> <p>Refer to Note 4.1 to the financial statements for 'Accounting policy on investments in properties', Note 6 'Critical accounting estimates and judgements' and Note 7 'Investments in properties at fair value'.</p> <p>As at 31 December 2021, investments in properties were presented at the fair value of Baht 836 million, contributing to 98.23% of the Fund's total assets. The Fund Manager assessed the fair value of investments in properties using an income approach method by independent appraisers, according to the accounting policy stated in Note 4.1.</p> <p>I focused on this area because the valuation of investments in properties made by Fund Manager involved significant judgement and assumptions. The Fund Manager applied estimated future net cash flows which involved significant assumptions, such as growth rate, occupancy rate, capitalised rate, estimated future income and expense, and discounted rate.</p>	<p>I discussed with the Fund Manager and independent appraisers to understand the basis used to measure the investments in properties' valuation.</p> <p>I assessed the independent appraisers' competence, capabilities and objectivity and verified their qualifications.</p> <p>I assessed the valuation method applied and checked validity of data used in the estimation of the expected future cash flows received from the properties:</p> <ul style="list-style-type: none"> <li>• Evaluated the appropriateness of the future cash flow estimates from independent appraisers by reviewing the data inputs with these supporting documentations: <ul style="list-style-type: none"> <li>- the estimated future net cash flows received from these investment properties by agreeing with the estimated revenue, expenses and net income.</li> <li>- the growth rate of revenue by comparing with the historical information and supported documents which includes recent renewals rate on lease contracts.</li> <li>- the occupancy rate by comparing with the historical average occupancy rate.</li> <li>- the discount rate by considering the basis of the discounted rate and benchmarking it against the rate used by companies within the same industries.</li> </ul> </li> <li>• Recomputed the calculation of the investments in properties' valuation based on the expected future cash flows received from these investment properties and the discounted rate which reflected current market assessments and checked the accuracy of the accounting transactions.</li> <li>• Tested the sensitivity analysis and the possible impact if there are changes in key assumptions.</li> </ul> <p>Based on the work performed above, I found that the key factors in applying accounting estimates and judgements used by the Fund Manager related to the valuation of investments in properties were in the acceptable range of reasonable estimates.</p>



### **Emphasis of matter**

I draw attention to note 2 of the financial statements, which describes the significant events during the current year in relation to the impact from COVID-19 pandemic which result in reduction in the Fund's rental income. My opinion is not modified in respect to this matter.

### **Other information**

The Fund Manager 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 Manager.

### **Responsibilities of the Fund Manager for the financial statements**

The Fund Manager is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting guideline for the Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust established by the Association of Investment Management Companies and endorsed by the Securities and Exchange Commission, Thailand, and for such internal control as the Fund Manager determine 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 Manager 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 Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

### **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 judgement 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 Manager.
- Conclude on the appropriateness of the Fund Manager'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 the 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 Manager 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 Manager 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 Manager, 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 black ink, appearing to read 'Wanvimol'.

**Wanvimol Preechawat**

Certified Public Accountant (Thailand) No. 9548

Bangkok

11 February 2022

**Trinity Freehold and Leasehold Property Fund**  
**Statement of Financial Position**  
**As at 31 December 2021**

	<b>Notes</b>	<b>2021 Baht</b>	<b>2020 Baht</b>
<b>Assets</b>			
Investment in properties at fair value	7,15	836,000,000	843,000,000
Cash and cash equivalents	8	14,052,149	16,038,931
Rental receivable from a related party, net	9	-	13,389,892
Prepaid expenses		840,878	1,698,312
Other assets		148,935	124,145
<b>Total assets</b>		<b>851,041,962</b>	<b>874,251,280</b>
<b>Liabilities</b>			
Accrued expenses		1,349,842	854,077
Other liabilities		137,293	44,232
<b>Total liabilities</b>		<b>1,487,135</b>	<b>898,309</b>
<b>Net assets</b>		<b>849,554,827</b>	<b>873,352,971</b>
<b>Net assets:</b>			
Capital received from unitholders			
(71,000,000 units, Baht 9.84 each)		698,640,000	698,640,000
(75,434,000 units, Baht 9.14 each)		689,466,760	689,466,760
Deficits	10	(538,551,933)	(514,753,789)
<b>Net assets</b>		<b>849,554,827</b>	<b>873,352,971</b>
Net assets per unit (Baht)		5.8016	5.9641
Number of units outstanding at the end of the year (units)		146,434,000	146,434,000

The notes to financial statements from pages 10 to 18 are an integral part of these financial statements.

**Trinity Freehold and Leasehold Property Fund**  
**Details of Investments**  
**As at 31 December 2021**

Type of investment	Total area	31 December 2021			31 December 2020		
		Cost	Fair value	Percentage	Cost	Fair value	Percentage
		Baht	Baht	%	Baht	Baht	%
<b>Investment in properties (Note 7)</b>							
Land included building							
1) land	2 ngan 94.60 sqw.						
2) building with public utility systems, furnitures, fixtures, and equipments of Glow Trinity Silom Building	5,930.00 sqm.						
3) commercial unit 2 units with public utility systems, furnitures, fixtures, and equipments of Trinity Mall 1 at Trinity Complex	675.89 sqm.	690,386,085	459,000,000	54.90	690,386,085	464,000,000	55.04
Land included building and commercial area							
1) land	2 ngan 1.00 sqw.						
2) building with public utility systems, furnitures, fixtures, and equipments of Tritip 2 Building	5,286.81 sqm.						
3) leasehold right of 5 condominium units with public utility systems, furnitures, fixtures and equipments of Trinity Mall 3 at Trinity Complex	979.86 sqm.	693,992,800	377,000,000	45.10	693,992,800	379,000,000	44.96
<b>Total investment in properties</b>		1,384,378,885	836,000,000	100.00	1,384,378,885	843,000,000	100.00

The notes to financial statements from pages 10 to 18 are an integral part of these financial statements.

**Trinity Freehold and Leasehold Property Fund**  
**Statements of Comprehensive Income**  
**For the year ended 31 December 2021**

	<b>Notes</b>	<b>2021 Baht</b>	<b>2020 Baht</b>
<b>Income</b>			
Rental income	12	13,276,923	24,538,462
Interest income		7,244	15,935
Other income		-	8,055
<b>Total income</b>		<b>13,284,167</b>	<b>24,562,452</b>
<b>Expenses</b>			
Management fee	11, 12	1,883,161	2,213,229
Trustee fee	11	181,948	213,838
Registrar fee	11	462,184	463,999
Professional fee		817,800	962,000
Legal fee		360,903	430,877
Central service expense	12	480,000	480,000
Expected credit loss	9	-	1,348,569
Loss from debt reduction		24,266,815	-
Other expenses		1,629,500	1,687,466
<b>Total expenses</b>		<b>30,082,311</b>	<b>7,799,978</b>
<b>Net investment profit (loss)</b>		<b>(16,798,144)</b>	<b>16,762,474</b>
<b>Net loss from investments</b>			
Net loss from change of fair value of investments	7	(7,000,000)	(183,000,000)
<b>Total net loss from investments</b>		<b>(7,000,000)</b>	<b>(183,000,000)</b>
<b>Decrease in net assets from operations</b>		<b>(23,798,144)</b>	<b>(166,237,526)</b>

The notes to financial statements from pages 10 to 18 are an integral part of these financial statements.

Trinity Freehold and Leasehold Property Fund  
Statement of Changes in Net Assets  
For the year ended 31 December 2021

	<b>Notes</b>	<b>2021 Baht</b>	<b>2020 Baht</b>
<b>Net increase (decrease) in net assets from operations during the year</b>			
Net investment profit (loss)		(16,798,144)	16,762,474
Net loss from investments	7	<u>(7,000,000)</u>	<u>(183,000,000)</u>
<b>Decrease in net assets from operations during the year</b>			
Distribution to unitholders	13	<u>(23,798,144)</u>	<u>(166,237,526)</u>
		-	(15,798,132)
<b>Decrease in net assets during the year</b>		(23,798,144)	(182,035,658)
Net assets at the beginning of the year		<u>873,352,971</u>	<u>1,055,388,629</u>
<b>Net assets at the end of the year</b>		<u><u>849,554,827</u></u>	<u><u>873,352,971</u></u>
<b>Change of number of unitholder (units)</b>			
Units outstanding at the beginning of the year		<u>146,434,000</u>	<u>146,434,000</u>
Units outstanding at the end of the year		<u><u>146,434,000</u></u>	<u><u>146,434,000</u></u>

The notes to financial statements from pages 10 to 18 are an integral part of these financial statements.

**Trinity Freehold and Leasehold Property Fund**  
**Statement of Cash Flows**  
**For the year ended 31 December 2021**

	<b>Notes</b>	<b>2021 Baht</b>	<b>2020 Baht</b>
<b>Cash flows from operating activities</b>			
Decrease in net assets from operations		(23,798,144)	(166,237,526)
<b>Adjustments to reconcile net increase (decrease) in net assets from operations to net cash provided by operating activities:</b>			
Loss from debt reduction		24,266,815	-
Expected credit loss	9	-	1,348,569
Interest income		(7,244)	(15,935)
Cash received from interest income		7,884	31,475
Net unrealised loss from investments	7	7,000,000	183,000,000
Decrease (increase) in rental receivable from a related party		(10,876,923)	(14,738,461)
Decrease in prepaid expense		857,434	851,640
(Increase) in other assets		(25,430)	(103,123)
Increase in accrued expenses		495,765	179,840
Increase (decrease) in other liabilities		93,061	(25,921)
<b>Net cash generated from (used in) operating activities</b>		<b>(1,986,782)</b>	<b>4,290,558</b>
<b>Cash flows from financing activities</b>			
Distribution to unitholders	13	-	(15,798,132)
<b>Net cash used in financing activities</b>		<b>-</b>	<b>(15,798,132)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(1,986,782)</b>	<b>(11,507,574)</b>
Cash and cash equivalents at the beginning of the year		16,038,931	27,546,505
<b>Cash and cash equivalents at the end of the year</b>		<b>14,052,149</b>	<b>16,038,931</b>

The notes to financial statements from pages 10 to 18 are an integral part of these financial statements.

## **1 General information**

Trinity Freehold and Leasehold Property Fund (“the Fund”) is close-end property fund, set up for specific purpose with no project life stipulated. The Fund was established and registered as a fund on 23 February 2011 with registered capital of Baht 1,388,106,760 (71,000,000 units of Baht 9.84 par value registered and 75,434,000 units of Baht 9.14 par value registered). Principal Asset Management Company Limited is the Fund’s Management Company (“the Management Company”) and TMBThanachart Bank Public Company Limited has been appointed as the Fund’s Trustee.

The purpose of the Fund is to raise funds from investors to invest in properties which consist of land including building, commercial areas, commercial building, leasehold right, public utilities systems, furniture, fixtures and equipment for hotel and department store business.

The Fund has dividend payment policy in accordance with the rules and procedures specified in the prospectus.

## **2 Significant events during the current year**

The outbreak of Coronavirus Disease 2019 (“COVID-19 pandemic”) in early 2020 has adverse effects on the operating results for the year ended 31 December 2021.

In August 2021, the Fund granted a payment term and a rent waiver to tenants for the period beginning 1 May 2021 and ending 30 April 2022. This waiver is treated as a lease contract modification, which will result in a reduction in the Fund’s rental of approximately Baht 1.55 million per month totaling impact to the year ended 31 December 2021 is presented as loss from debt reduction for the amount of Baht 24.27 million. In addition, 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 situation and its impact on the leasing market, performing relevant assessments and taking proactive measures for remediation.

## **3 Basis of preparation**

The financial statements have been prepared in accordance with the accounting guideline for the Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust established by the Association of Investment Management Companies and endorsed by the Securities and Exchange Commission (accounting guidelines). For the areas not covered by the accounting guidelines, the Fund applies the requirements in accordance with Thai Financial Reporting Standards issued by the Federation of Accounting Professions which effective on financial reporting period of the financial statements.

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

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to use certain critical accounting estimates and to exercise its judgement in applying the Fund’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 6.

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.

## **4 Significant accounting policies**

### **4.1 Investment in properties**

Investment in properties consist of land, document warehouses, public utilities and equipment for document warehouse 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.

### **4.2 Cash and cash equivalents**

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

### **4.3 Leases**

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

### **4.4 Rental receivable**

Rental receivable is amount due from customers for services performed in the ordinary course of business. It is generally due for settlement within 30 days and therefore is classified as current.

Rental receivable is recognised initially at the amount of consideration that is unconditional unless it contains significant financing components, it is recognised at fair value. The Fund holds the rental receivable with the objective to collect the contractual cash flows and therefore measures it subsequently at amortised cost.

#### 4 Significant accounting policies (Cont'd)

##### 4.4 Rental receivable (Cont'd)

###### *Impairment of rental receivable*

From 1 January 2020, the Fund applies the TFRS 9 simplified approach in measuring the impairment of rental receivable, which applies lifetime expected credit loss, from initial recognition, for rental receivable.

The Fund assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Fund and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Fund reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss as a separate line item.

##### 4.5 Revenues and expenses recognition

Rental income under operating leases is recognised in the statement of comprehensive 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.

##### 4.6 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.

##### 4.7 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.

## **5 Financial risk management**

### **Financial risk factors**

The Fund exposes to a variety of financial risk: interest rate risk, credit risk, liquidity risk and foreign exchange 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.

#### **5.1 Interest rate risk**

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

#### **5.2 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 statement of financial position represents the Fund's maximum exposure to credit risk.

#### **5.3 Liquidity risk**

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

#### **5.4 Foreign exchange risk**

The Fund has no assets or liabilities in foreign currency, has no risk in foreign exchange risk.

## **6 Critical accounting estimates, assumptions and judgements**

Estimated and judgements are continually evaluated and are based on historical experience and other factor, 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.

### *Impairment of financial assets*

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Fund uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Fund's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

## **7 Investment in properties at fair value**

Movement of investment in properties at fair value for the year ended 31 December 2021 and 2020 are as follows:

	<b>2021 Baht</b>	<b>2020 Baht</b>
Investment in properties at the beginning of the year	843,000,000	1,026,000,000
Net (loss) profit from change of fair value of investment during the year	<u>(7,000,000)</u>	<u>(183,000,000)</u>
Investment in properties at the end of the year	<u><u>836,000,000</u></u>	<u><u>843,000,000</u></u>

Amounts recognised in profit and loss that are related to investment property are as follows:

	<b>2021 Baht</b>	<b>2020 Baht</b>
Rental income	13,276,923	24,538,462
Direct operating expense arising from investment property		
- Valuation expense	203,300	208,820
- Insurance expense	332,934	333,168

On 24 February 2011, the Fund invested in properties as followings:

1. Land included building
  - 1.1) land total area of 2 ngan 94.60 sqw.,
  - 1.2) building total area of 5,930.00 sqm. with public utility systems, furnitures, fixtures, and equipments of Glow Trinity Silom Building are located at 150 Soi Naradhiwas Rajanagarindra 3, Naradhiwas Rajanagarindra Road, Silom Sub-district, Bangrak District, Bangkok.
2. Commercial unit 2 units total area of 675.89 sqm. with public utility systems, furnitures, fixtures, and equipments of Trinity Mall 1 at Trinity Complex are located at 425/128 underground floor and 425/129 1st floor, Trinity Complex Building, Soi Naradhiwas Rajanagarindra 3, Naradhiwas Rajanagarindra Road, Silom Sub-district, Bangrak District, Bangkok.

On 29 August 2013, the Fund first additional invested in properties as followings:

1. Land included building and commercial area
  - 1.1) land total area of 2 ngan 1.00 sqw.,
  - 1.2) building total area of 5,286.81 sqm. with public utility systems, furnitures, fixtures, and equipments of Tritip 2 Building are located at 22-24 Soi Pipat, Naradhiwas Rajanagarindra Road, Silom Sub-district, Bangrak District, Bangkok.
2. Leasehold right of 5 condominium units total area of 979.86 sqm. with public utility systems, furnitures, fixtures and equipments of Trinity Mall 3 at Trinity Complex are located at 425, 425/1-4 1<sup>st</sup> floor Trinity Complex Building, Soi Naradhiwas Rajanagarindra 3, Naradhiwas Rajanagarindra Road, Silom Sub-district, Bangrak District, Bangkok.

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 10<sup>th</sup>, report dated 3 December 2021. 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 TFRS 13 Fair value measurement.

## 7 Investment in properties at fair value (Cont'd)

The Fund has an operating lease agreement in respect of the lease of Real Estate. The term of the agreement is initially 3 years starting from 1 May 2019 onward. As at 31 December 2021, future minimum rental income to be generated under this operating lease is as follows:

	<u>In Million Baht</u>
Due within 1 year	0.80

### 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, ability to generated cash flow, competitive market and risk-free return rate. The appraiser applied 10% 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 authorised manager of 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.

### Sensitivity analysis for each significant assumptions

	<u>Impact on fair value Increase / (decrease) 2021 Million Baht</u>
<b>Discount rate</b>	
Discount rate, decrease of 0.50 percent	26.25
Discount rate, increase of 0.50 percent	(26.45)
<b>Capitalisation rate</b>	
Capitalisation rate, decrease of 0.50 percent	25.35
Capitalisation rate, increase of 0.50 percent	(23.67)
<b>Rental growth rate</b>	
Rental growth rate, decrease of 0.50 percent	(6.35)
Rental growth rate, increase of 0.50 percent	4.98

## 8 Cash and cash equivalents

	<u>Principal</u>	<u>Interest rate per annum</u>	
	<u>2021 Baht</u>	<u>2020 Baht</u>	<u>2021 Baht</u> <u>2020 %</u>
Deposits in bank current account - TMBThanachart Bank Public Company Limited	14,052,149	16,038,931	0.05    0.05
Total cash and cash equivalents	<u>14,052,149</u>	<u>16,038,931</u>	

**9 Rental receivable from a related party, net**

	<b>2021 Baht</b>	<b>2020 Baht</b>
Rental receivable from a related party	-	14,738,461
<u>Less</u> Allowance for expected credit loss	-	(1,348,569)
Rental receivable from related party, net	<u>-</u>	<u>13,389,892</u>

**10 Deficits**

Movements in deficits for the year ended 31 December 2021 and 2020 are as follows:

	<b>2021 Baht</b>	<b>2020 Baht</b>
Beginning balance for the year	(514,753,789)	(332,718,131)
<u>Add</u> Net investment profit (loss) during the year	(16,798,144)	16,762,474
<u>Less</u> Loss from change of fair value of investments during the year	(7,000,000)	(183,000,000)
Distribution to unitholders (Note 13)	-	(15,798,132)
Ending balance for the year	<u>(538,551,933)</u>	<u>(514,753,789)</u>

**11 Expenses**

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 0.40% 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 0.50% 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.

## 12 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 companies are as follows:

<b>Name of companies</b>	<b>Type of relationship</b>
Principal Asset Management Co., Ltd. Silomall Co., Ltd.	The Fund's Management Company The lessee of land, building, public utilities and equipment and having relationship with the major unitholder
Trinity Complex Juristic Person	Having relationship with the major unitholder

The following significant transactions were carried out with related parties:

Significant income and expenses for the years ended 31 December 2021 and 2020 were as follows:

### a) Revenue

	<b>2021 Baht</b>	<b>2020 Baht</b>	<b>Pricing policy</b>
<u>Silomall Co., Ltd.</u>			
Rental income (Note 2)	13,276,923	24,538,462	As specified in agreement

### b) Expenses

	<b>2021 Baht</b>	<b>2020 Baht</b>	<b>Pricing policy</b>
<u>Principal Asset Management Co., Ltd.</u>			
Management fee	1,883,161	2,213,229	As specified in agreement
<u>Trinity Complex Juristic Person</u>			
Central service expense	480,000	480,000	As specified in agreement

Balances with related party as at 31 December 2021 and 2020 were as follows:

	<b>2021 Baht</b>	<b>2020 Baht</b>
<u>Principal Asset Management Co., Ltd.</u>		
Accrued management fee	314,702	322,308

### 13 Distribution to unitholders

The detail of distribution to unitholders for the year ended 31 December 2020 are as follows:

No.	The operation for the year	Payment date	Per unit Baht	Total Million Baht
1	1 July 2019 - 31 December 2019	27 March 2020	0.108	15.80
				<u>15.80</u>

### 14 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 comprehensive income. Therefore, the presentation of segment information is not necessary.

### 15 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined 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).

The following table presents the financial assets that are measured and recognised at fair value.

	2021 Level 3 Baht	2020 Level 3 Baht
Investment in properties	836,000,000	843,000,000
Total	<u>836,000,000</u>	<u>843,000,000</u>

The Fund uses discounted cash flow analysis to determine fair value for the financial instruments.

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

### 16 Approval of the financial statements

The financial statements was authorised for issue by authorised manager of the Management Company on 11 February 2021.

## APPENDIX 2

### TRUSTEE'S OPINION ON THE FUND'S PERFORMANCE IN THE PAST YEAR



ทีเอ็มบีธนชาต  
TMBThanachart

Make **REAL** Change

SSFO 22/013

January 7, 2022

### THE SUPERVISOR GRANT APPROVAL

To : Unitholders  
Trinity Property Fund

TMBThanachart Bank Public Company Limited, as the mutual fund supervisor of the Trinity Property Fund, has performed our duties in such mutual fund project, administered and managed by Principal Asset Management Company Limited, from the period between January 1, 2021 to December 31, 2021

In our opinion, we are pleased to confirm that Principal Asset Management Company Limited, has managed the mutual fund strictly in accordance with the approved mutual fund project prospectus and the commitment made to the unitholders under The Securities and Exchange Act, BE 2535

MANEEVAN INGKAVITAN  
Fund Supervisory  
TMBThanachart Bank Public Co., Ltd.

## APPENDIX 3

### APPRAISED VALUE CASH FLOW BY THE VALUER

DISCOUNT CASH FLOW ANALYSIS : โรงแรม " TRINITY SILOM "

Sensitivity Analysis			
Discount Rate	9%	10%	11%
Cap. Rate	NPV	NPV	NPV
7%	424,000,000	393,000,000	364,000,000
8%	392,000,000	364,000,000	338,000,000
9%	367,000,000	341,000,000	317,000,000



DISCOUNT CASH FLOW ANALYSIS : อาคารดรีทีย์ 2 " STUDIO "

รายการ / ปี		ปีที่ 1	ปีที่ 2	ปีที่ 3	ปีที่ 4	ปีที่ 5	ปีที่ 6	ปีที่ 7	ปีที่ 8	ปีที่ 9	ปีที่ 10	ปีที่ 11
รายได้ (Revenue) :												
ประมาณการรายได้ค่าห้องพัก ( Room Rate ) :												
จำนวนห้องพัก	72 ห้อง	บาท / ห้อง / เดือน	40,000	40,000	45,000	45,000	45,000	47,250	47,250	47,250	49,613	49,613
รวมจำนวนห้องพักทั้งหมด	72 ห้อง	บาท / ห้อง / เดือน (เฉลี่ย)	40,000	40,000	45,000	45,000	47,250	47,250	47,250	49,613	49,613	49,613
รวมรายได้ค่าห้องพัก ( กรณีเข้าพักเต็ม )		บาท / ปี	34,560,000	34,560,000	38,880,000	40,824,000	38,880,000	40,824,000	40,824,000	42,865,200	42,865,200	42,865,200
อัตราการใช้เข้าพัก ( OCC. )			20%	30%	65%	65%	65%	70%	70%	70%	75%	75%
รายได้ค่าห้องพัก	78.3% ของรายรับรวม		6,912,000	10,368,000	25,272,000	26,535,600	25,272,000	28,576,800	28,576,800	28,576,800	32,148,900	32,148,900
รายได้อื่นๆ	1% ของรายได้ค่าห้องพัก		69,120	103,680	252,720	265,356	252,720	285,768	285,768	285,768	321,489	321,489
รวมรายได้ห้องพัก			6,981,120	10,471,680	25,524,720	26,800,956	25,524,720	28,862,568	28,862,568	28,862,568	32,470,389	32,470,389
ประมาณการรายได้พื้นที่ชั้นใต้ดินให้เช่าร้านค้า จำนวน 69 ร้านค้า (ตารางเมตร)												
- อัตราค่าเช่าพื้นที่เฉลี่ย (บาท/ตารางเมตร/เดือน)			900	900	2,200	2,200	2,200	2,420	2,420	2,420	2,662	2,662
- อัตราการเช่า			0%	30%	60%	60%	60%	65%	65%	65%	70%	70%
รายได้ค่าเช่าพื้นที่ร้านค้า			-	1,158,170	5,662,166	5,662,166	5,662,166	6,747,415	6,747,415	6,747,415	7,993,092	7,993,092
ประมาณการรายได้พื้นที่ชั้น 1 ซูเปอร์มาร์เก็ต (Villa Market) (ตารางเมตร)												
- อัตราค่าเช่าพื้นที่เฉลี่ย (บาท/ตารางเมตร/เดือน) คิดที่	35.0% ของรายได้ค่าเช่าร้านค้า		315	315	315	347	347	381	381	381	419	419
- อัตราการเช่า			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
รายได้ค่าเช่าพื้นที่ร้านค้า			1,842,485	1,842,485	1,842,485	2,026,734	2,026,734	2,026,734	2,229,407	2,229,407	2,452,348	2,452,348
รายรับรวม			8,823,605	13,472,336	33,029,372	34,489,856	33,213,620	37,636,717	37,839,390	37,839,390	42,692,888	42,915,829
ต้นทุนการขาย ( Cost of Sale ) :												
ต้นทุนแยกห้องพัก	12% ของรายได้ค่าห้องพัก		829,440	1,244,160	3,032,640	3,184,272	3,032,640	3,429,216	3,429,216	3,429,216	3,857,868	3,857,868
ต้นทุนอื่นๆ	80% ของรายได้อื่นๆ		55,296	82,944	202,176	212,285	202,176	226,614	226,614	226,614	257,191	257,191
รวมต้นทุนการขาย ( Total Cost of Sale )			884,736	1,327,104	3,234,816	3,396,557	3,234,816	3,657,830	3,657,830	3,657,830	4,115,059	4,115,059
ค่าใช้จ่ายต่างๆในการบริหาร :												
เงินเดือนและสวัสดิการ	10% ( ปรับเพิ่ม 3% ทุกปี เริ่มในปีที่ 4 )		882,361	1,347,234	3,302,937	3,402,025	3,504,086	3,609,209	3,717,485	3,829,009	3,943,880	4,062,196
ค่าพลังงาน ( ค่าน้ำ / ค่าไฟฟ้า )	5% ของรายรับรวม		441,180	673,617	1,651,469	1,724,493	1,660,681	1,881,836	1,891,970	1,891,970	2,134,644	2,145,791
ค่าโฆษณาและส่งเสริมการขาย	5% ของรายรับรวม		441,180	673,617	1,651,469	1,724,493	1,660,681	1,881,836	1,891,970	1,891,970	2,134,644	2,145,791
ค่าซ่อมบำรุงรักษาอาคาร	2% ของรายรับรวม		176,472	269,447	660,587	689,797	664,272	752,734	756,788	756,788	853,858	858,317
ค่าภาษีที่ดินพร้อมสิ่งปลูกสร้าง	ตาม พรบ.ที่ดินและสิ่งปลูกสร้าง		270,452	270,452	270,452	270,452	270,452	270,452	270,452	270,452	270,452	270,452
ค่าเบี้ยประกันภัย	อ้างอิงจากเอกสารกรมธรรม์		80,679	80,679	80,679	80,679	80,679	80,679	80,679	80,679	80,679	80,679
ค่าใช้จ่ายอื่นๆ (ค่ากินเลี้ยงรอง)	2% ของรายรับรวม		176,472	269,447	660,587	689,797	664,272	752,734	756,788	756,788	853,858	858,317
ค่าโฆษณาและทางเดิน	อ้างอิงจากสัญญาเช่าใช้ทาง		240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000
รวมค่าใช้จ่ายในการบริหาร			2,708,796	3,824,491	8,518,180	8,821,736	8,745,124	9,469,480	9,606,130	9,717,655	10,512,015	10,661,543
รวมค่าใช้จ่าย			3,593,532	5,151,595	11,752,996	12,218,293	11,979,940	13,127,310	13,263,961	13,375,485	14,627,074	14,776,602
Net Operating Income			5,230,073	8,320,740	21,276,376	22,271,564	21,233,681	24,509,407	24,575,430	24,463,905	28,065,814	28,139,227
Reversion Value ปีที่ 11	8%											350,217,008
Total Net Cash Flow			5,230,073	8,320,740	21,276,376	22,271,564	21,233,681	24,509,407	24,575,430	24,463,905	28,065,814	378,356,235
NPV Discountl Rate	10%		0.9091	0.8264	0.7513	0.6830	0.6209	0.5645	0.5132	0.4665	0.4241	0.3855
Present Value			4,754,612	6,876,645	15,985,256	15,211,778	13,184,445	13,834,921	12,611,081	11,412,592	11,902,645	145,872,707
มูลค่าทรัพย์สินที่ทำการประเมิน (Net Present Value)		251,646,683 บาท										
( บัดเศษ )		252,000,000 บาท										
Sensitivity Analysis												
Discount Rate		9%		10%		11%						
Cap. Rate		NPV		NPV		NPV						
7%		292,000,000		271,000,000		252,000,000						
8%		271,000,000		252,000,000		234,000,000						
9%		254,000,000		237,000,000		220,000,000						

ตารางคำนวณมูลค่าปัจจุบันของค่าเช่าตลาดและค่าเช่าตามอายุสัญญาเช่า

ปีที่	เริ่มต้น	สิ้นสุด	ค่าเช่าตลาด Market Rent	อัตราการใช้ Occupancy Rate	ค่าบริหารส่วนกลาง Common Area	ค่าใช้จ่ายฝ่ายบริหาร Admin. & Salary	ค่าการตลาด Marketing	ค่าซ่อมแซม Maintenance	ค่าภาษีที่ดิน และ สิ่งปลูกสร้าง Taxes on land and building	ค่าใช้จ่ายอื่นๆ Others	ค่าเช่าตามสัญญา Contract Rent	ผลต่างอัตราเช่า Profit Rent	อัตราคิดลด Discount Rate	มูลค่าปัจจุบัน ของสิทธิการเช่า (บาท)
			10.00%	85.00%	3.00%	8.00%	1.00%	3.00%		0.50%			11.0%	
1.00	29/9/2564	28/8/2565	8,425,032	5,897,522	1,148,868	674,003	84,250	252,751	58,792	42,125	0	3,636,733.80	0.9009	3,276,337
2.00	29/8/2565	28/8/2566	8,425,032	5,897,522	1,183,334	694,223	84,250	252,751	58,792	42,125	0	3,582,047.28	0.8116	2,907,270
3.00	29/8/2566	28/8/2567	21,445,535	18,228,706	1,218,834	715,049	214,455	643,366	58,792	107,228	0	15,270,981.10	0.7312	11,166,010
4.00	29/8/2567	28/8/2568	21,445,535	18,228,706	1,255,399	736,501	214,455	643,366	58,792	107,228	0	15,212,964.60	0.6587	10,021,251
5.00	29/8/2568	28/8/2569	21,445,535	18,228,706	1,293,061	758,596	214,455	643,366	58,792	107,228	0	15,153,207.61	0.5935	8,992,691
6.00	29/8/2569	28/8/2570	23,590,090	20,051,576	1,331,853	781,354	235,901	707,703	58,792	117,950	0	16,818,023.55	0.5346	8,991,602
7.00	29/8/2570	28/8/2571	23,590,090	20,051,576	1,371,808	804,794	235,901	707,703	58,792	117,950	0	16,754,627.35	0.4817	8,070,007
8.00	29/8/2571	28/8/2572	23,590,090	20,051,576	1,412,963	828,938	235,901	707,703	58,792	117,950	0	16,689,329.27	0.4339	7,241,942
9.00	29/8/2572	28/8/2573	25,949,099	22,056,734	1,455,352	853,806	259,491	778,473	58,792	129,745	0	18,521,074.45	0.3909	7,240,347
10.00	29/8/2573	28/8/2574	25,949,099	22,056,734	1,499,012	879,420	259,491	778,473	58,792	129,745	0	18,451,799.72	0.3522	6,498,437
11.00	29/8/2574	28/8/2575	25,949,099	22,056,734	1,543,983	905,803	259,491	778,473	58,792	129,745	0	18,380,446.74	0.3173	5,831,809
12.00	29/8/2575	28/8/2576	28,544,008	24,262,407	1,590,302	932,977	285,440	856,320	58,792	142,720	0	20,395,855.60	0.2858	5,829,968
13.00	29/8/2576	28/8/2577	28,544,008	24,262,407	1,638,011	960,966	285,440	856,320	58,792	142,720	0	20,320,157.23	0.2575	5,232,730
14.00	29/8/2577	28/8/2578	28,544,008	24,262,407	1,687,151	989,795	285,440	856,320	58,792	142,720	0	20,242,187.90	0.2320	4,696,083
15.00	29/8/2578	28/8/2579	31,398,409	26,688,648	1,737,766	1,019,489	313,984	941,952	58,792	156,992	0	22,459,672.17	0.2090	4,694,169
16.00	29/8/2579	28/8/2580	31,398,409	26,688,648	1,789,899	1,050,074	313,984	941,952	58,792	156,992	0	22,376,954.52	0.1883	4,213,406
17.00	29/8/2580	28/8/2581	31,398,409	26,688,648	1,843,596	1,081,576	313,984	941,952	58,792	156,992	0	22,291,755.33	0.1696	3,781,409
18.00	29/8/2581	28/8/2582	34,538,250	29,357,513	1,898,904	1,114,024	345,383	1,036,148	58,792	172,691	0	24,731,572.11	0.1528	3,779,533
19.00	29/8/2582	28/8/2583	34,538,250	29,357,513	1,955,871	1,147,444	345,383	1,036,148	58,792	172,691	0	24,641,184.29	0.1377	3,392,540
20.00	29/8/2583	28/8/2584	34,538,250	29,357,513	2,014,547	1,181,868	345,383	1,036,148	58,792	172,691	0	24,548,084.84	0.1240	3,044,795
21.00	29/8/2584	28/8/2585	37,992,075	32,293,264	2,074,983	1,217,324	379,921	1,139,762	58,792	189,960	0	27,232,521.54	0.1117	3,043,023
22.00	29/8/2585	28/8/2586	37,992,075	32,293,264	2,137,233	1,253,843	379,921	1,139,762	58,792	189,960	0	27,133,752.33	0.1007	2,731,520
รวม														124,676,879
รวมมูลค่าทรัพย์สิน (ปีเศษ)														125,000,000

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