

2019 ANNUAL REPORT

SUB SRI THAI REAL ESTATE INVESTMENT TRUST

รายงานประจำปี 2562
ทรัสต์เพื่อการลงทุนในอสังหาริมทรัพย์ทรัสต์ศรีไทย

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1. Information of the REIT

1.1 Information of the REIT

1.1.1 General Information of the REIT

Name of REIT (Thai)	Sub Sri Thai Real Estate Investment Trust (“SSTRT”)
Name of REIT (English)	Sub Sri Thai Real Estate Investment Trust
Abbreviation	SSTRT
REIT Manager	SST REIT Management Company Limited
Trustee	One Asset Management Ltd.
Registered Capital¹⁾	1,160,859,375 บาท
Term of the REIT	Infinite Maturity
Type of the REIT	Unitholders have no right to sell back or redeem unit trust

Remark ¹⁾ as of 31 December 2018

1.1.2 Summary of Information of the Core Assets as of Financial Year-end Investment Summary

Sub Sri Thai Real Estate Investment Trust (“SSTRT” or “REIT”) has been established pursuant to the Trust for Transactions in Capital Market Act, B.E. 2550 on 13 December 2017 due to conversion from Sub Sri Thai Smart Storage Property Fund (“SSTSS”) and has been registered as securities listed on the Stock Exchange of Thailand (“SET”) on 26 December 2017 onwards. In this regard, One Asset Management Co., Ltd. (“ONEAM”) is appointed to act as the Trustee of the REIT and SST REIT Management Co., Ltd. (“SSTRM”) act as the REIT Manager.

On 26 December 2019 the Trust received the asset and liabilities transfer from Sub Sri Thai Property Fund (SSTPF) which the REIT has passed the resolution of the Extraordinary General Meeting of the REIT No. 1/2019 on 17 September 2019 approving the to increase its capital by conversion Sub Sri Thai Property Fund (SSTPF) to be in REIT. The swap ratio of 1 investment unit per 1.1 trust unit, resulting in the REIT issuing the new unit trust for this capital increase. After the approval to offer the trust unit for sale from Securities Exchange Commission and Stock Exchange of Thailand on 9 December 2019 for 74,250,000 trust units with par value of 7.4295 baht per trust unit to Sub Sri Thai Property Fund. The summary of the details of key assets that the Trust invested is as follows:

Detail of assets	Type of Investment	Assets location	Benefits Generated from Assets
The First Key assets that the REIT invested under Sub Sri Thai Smart Storage Project			
5 - 3 - 52.4 rai of land and 5 document storage warehouses in total area of 9,277 sq.m., as well as utilities systems, materials, equipment and other related properties that essential for operating the business on land and building.	Freehold	115 and 115/7-9 Moo 6, Sukawat road, Bangchack sub-district, Prapadaeng district, Samutprakarn 10130	The REIT leased out the all assets to Sub Sri Thai Plc. to operate document storage business.
Key assets that the REIT invested from capital increase No. 1 under Sub Sri Thai Project			
Land with total size of 9 Rai, 2 Ngan, 65 square wah and constructions, which are document storage, 9 buildings with total area of 15,340 square meter and other constructions, including component parts, public utility system, tools, equipment and other relevant assets that are related and necessary of the utilization of such land and buildings.	Freehold	No. 115 and 115/7-9, Village No. 6 Suksawat Road, Bang Chak Sub-district, Phra Pradaeng District, Samut Prakarn Province	Sub Sri Thai Public Company Limited rents the entire asset for running the document storage business.

Value Derived from the Appraisal Report or the Latest Reviewed Appraisal Report

The detail of the latest appraised value on the core assets of the REIT's investment by the appraiser are as follows:

Appraiser	Appraisal Value	Date of Appraisal Value	Method	Date of Appraisal Report
The First Key assets that the REIT invested under Sub Sri Thai Smart Storage Project				
Grand Asset Advisory Co., Ltd	THB 821 million	May 8, 2019	Income Approach	Jul 8, 2019
Key assets that the REIT invested from capital increase No. 1 under Sub Sri Thai Project				
Global Asset Valuer Co., Ltd.	THB 629 million	Jul 18, 2019	Income Approach	Aug 5, 2019
Knight Frank Chartered (Thailand) Co., Ltd.	THB 614.40 million	Aug 15, 2019	Income Approach	Aug 16, 2019

1.1.3 Key Summary on Procurement of Benefits from REIT's Assets

Key Summary of Terms of the Property Lease Agreement

The REIT has used assets transferred from SSTSS to obtain the benefits by accepting the transfer of leasehold rights to Sub Sri Thai Public Company Limited or SST to seek the benefits for document storage business later and paying the rents to REIT with a rental period of approximately 10 years and 1 month (from the date of receiving the transfer of assets and encumbrances from SSTSS). Sub Sri Thai Public Company Limited agrees to pay the rents for immovable and movable properties for the rental period in the total amount per year (excluding VAT of renting out movable property) as follows.

Period of Time	Rental/Year (million baht)
7 August 2017 to 6 August 2018	65,000,000
7 August 2018 to 6 August 2019	65,000,000
7 August 2019 to 6 August 2020	65,000,000
7 August 2020 to 6 August 2021	67,000,000
7 August 2021 to 6 August 2022	67,000,000
7 August 2022 to 6 August 2023	67,000,000
7 August 2023 to 6 August 2024	69,000,000
7 August 2024 to 6 August 2025	69,000,000

Period of Time	Rental/Year (million baht)
7 August 2025 to 6 August 2026	69,000,000
7 August 2026 to 6 August 2027	71,000,000
7 August 2027 to 31 January 2028	34,624,657
Total	708,624,657²⁾

Remark ²⁾ Sum of the rental fees per year

Key assets that the REIT invested from capital increase No. 1 under Sub Sri Thai Project

Period of Time	Rental/Year (million baht)
Date for the Transfer of Assets and Liabilities ³⁾ to 31 December 2022	49,500,000
1 January 2023 to 31 December 2025	50,500,000
1 January 2026 to 31 December 2028	51,500,000
Total	408,187,671.23

Remark ³⁾ Date for the Transfer of Assets and Liabilities 26 December 2019

In case Sub Sri Thai Public Company Limited and / or subsidiaries of SST intend to sell, distribute, transfer or lease out whether in whole or in part of assets used for document storage and warehouse business of Sub Sri Thai Public Company Limited and / subsidiaries of SST's ownership or leasehold rights to any person wishing to acquire such assets in an investment manner or for funding of SST,

Sub Sri Thai Public Company Limited and / or subsidiaries of SST (as the case may be) must notify the trustee in writing according to the Right of First Refusal of SSTRT by written notice of proposal as per details of the agreement (Right of First Refusal). Please examine additional details in page 34

1.1.4 Key Summary of Loan Procurement

(1) Loan agreement between Siam Commercial Bank Public Company Limited and One Asset Management act on behalf of Trustee of the REIT.

Lender	Siam commercial Bank Public Company Limited
Credit application	One Asset Management Ltd. act on behalf of Trustee of the REIT.
Loan amount	240,000,000 baht (Two hundred forty million baht)
Objective of borrowing	To investment in the assets of the mutual fund for the conversion

Interest rate	Fixed interest rate for 5 years counting from the first date of withdraw the loan then rate of interest at MLR – 2.00 per year counting from the date of 5 years
Period of borrowing	Not exceed 10 years counting from first date of withdraw the loan.
Interest payment	Pay interest every 6 months, within the 10 of January and July of each year
Return of capital	Gradually pay the return capital from year 5 onward (first of 4 year not require to return the capital) Payment term every 6 months, within the 10 of January and July of each year

(2) **Loan agreement between Sub Sri Thai Public Comapny Limited and One Asset Management act on behalf of Trustee of the REIT.**

Lender	Sub Sri Thai Public Company Limited
Credit application	One Asset Management Ltd. act on behalf of Trustee of the REIT.
Loan amount	30,000,000 million baht (Two hundred forty million baht)
Withdraw loan	11,000,000 baht (Eleven million baht)
Objective of borrowing	For expenses the conversion of Sub Sri Thai Property Fund Integrated with the trust
Interest rate	loan then rate of interest at 6.025% per year
Period of borrowing	5 years counting from first date of withdraw the loan.
Interest payment	Pay interest every years within the 10 of January, the first interest payment is start on 10 January 2021
Return of capital	Annually paid for a total of 4 installments in the amount of details as specified in the following table. The payment shall be made within the date 10 th of January of every year. The first payment shall be made on the date 10 th of January 2021

Installment No.	The amount of money to be paid in each installment
1	27.85 percent (twenty seven point eight five) of the drawdown loans
2	27.85 percent (twenty seven point eight five) of the drawdown loans
3	27.85 percent (twenty seven point eight five) of the drawdown loans

4

16.45 percent (sixteen point four five) of the drawdown loan

In this regard, the REIT is able to return capital to Sub Sri Thai Plc. either in whole amount or in a part of loan before the date of installment

1.1.5 Historical Information of Distribution Payment of the REIT

For the operating period starting from 13 December 2017 (the establishment date of the REIT) to 31 December 2019, the REIT has the following distribution payment:

Operating Period	Distribution Payment Per Trust Unit	Distribution Rate to par value ⁴⁾
13 Dec 2017 – 31 Dec 2017	0.0138 Baht	0.18%
1 Jan 2018 – 30 June 2018	0.2633 Baht	3.54%
1 July 2018 – 31 Dec 2018	0.2625 Baht	3.53%
1 Jan 2019 – 30 June 2019	0.2428 Baht	3.27%
1 July 2019 – 25 Dec 2019	0.2606 Baht	3.51%

Note ⁴⁾ Each period of the paid-up capital reduction

1.1.6 Fees and Expenses of the REIT for the Year 2019

The REIT has the fees and expenses for the year 2019 as follows:

Items	THB Amount (Unit: Thousand Baht)	% of Quarterly Avg. NAV ⁶⁾
REIT manager fee	3,681	0.47
Trustee fee	4,016	0.52
Registrar fee	272	0.03
Professional fee	330	0.04
Operating expenses ⁵⁾	5,530	0.71
Finance costs	9,962	1.28
Total expenses	23,782	3.07

Remark ⁵⁾ Deferred Expenses

⁶⁾ The value of assets in the fourth quarter of 2019 increased from the first increase of capital, resulting in a higher quarterly average of net asset value.

1.1.7 Management Discussion and Analysis of the REIT Manager on the Operating Results and Financial Position in the Past Years

Financial Highlights		
(unit: THB)	2019 Audited	2018 Audited
STATEMENT OF INCOME		
Rental and services income	68,451,606	67,623,919
Interest income	37,302	21,018
Other income	267,794	9,736
Total Income	68,756,702	67,654,673
Fee and Expenses	13,819,293	13,570,843
Finance costs	9,962,272	9,915,056
Total expenses	23,781,564	23,485,900
Net Income from Investments	44,168,773	1,135,254
Total Net Realized and Unrealized Gain on Investments	(1,825,063)	1,139,251
Increase in Net Assets Resulting from Operations	43,150,074	45,308,024
BALANCE SHEET		
Investments in properties at fair value	1,433,749,900	823,007,440
Investments in securities at fair value	821,628	9,139,251
Cash at banks	8,952,117	1,284,861
Deposit at bank with commitment	32,530,845	32,561,110
Accounts receivable	38,988,713	35,597,864
Receivable from the Fund for net assets to be transfer	0	151,294
Other assets	30,247,358	10,673,320
Total Assets	1,545,290,561	912,415,141
Total Liabilities	320,389,979	279,475,063
Net Assets	1,224,900,582	632,940,078
Significant Financial Ratio		
Number of units issued at the end of year (Units)	156,250,000	82,000,000
Par value of trust unit (Baht per unit)	7.4295	7.4295
Net assets value per unit (Bath per unit)	7.8394	7.7187
Ratio of total expenses to average net assets during the year (%)	3.50	3.74
Ratio of total investment income to average net assets during the year (%)	10.10	10.77
Ratio of Net Gain to Average Net Asset Value during the Year (%)	6.34	7.21

In term of the operating results for the year ended 31 December 2019, the REIT had a total income of Baht 68.76 million which increased by Baht 1.10 million or 1.63% and net investment income of Baht 44.98 million which increased by Baht 0.81 million or 1.83% from the same period of the previous year.

In the year 2019, the REIT recognized an increasing income of Baht 0.83 million due to the 1st Capital Increase of the REIT by the conversion of Sub Sri Thai Property Fund to be in the REIT that resulted in increased revenue from December 26, 2019 to December 31, 2019

Profit and loss statement

In 2019, the REIT had a total investment income of 68.76 million baht, an increase of 1.10 million baht or 1.63 percent from the previous year. Total investment revenue comprised the rent and service incomes of 68.45 million baht, representing 99.95 percent of total investment revenue. The rent and service incomes were recorded according to the average value throughout the property lease term. This is in accordance with accounting standards.

The REIT had total expenses of 23.78 million baht, which increased from the previous year by 0.30 million baht, representing 1.26 percent. The financial costs amounted to 9.96 million baht or accounted for 41.89 percent of total expenses, which were the most costs. The deferred, amortized costs were 5.01 million baht, representing 21.06 percent by recording deferred and amortized expenses using the straight-line method over a period of 3 years, including most expenses due to REIT manager fee and trustee fee of 7.70 million baht, representing 32.37 percent of total expenses.

In 2019, the REIT had a net investment income of 44.98 million baht, an increase of 0.81 million baht, representing 1.83 percent from the previous year. Also, there was an increase in net assets from operations of 43.15 million baht, an decrease of 2.16 million baht or 4.76 percent from the previous year.

Balance sheet

As of 31 December 2019, the REIT had total assets of 1,545.29 million baht, an increase of 632.88 million baht, representing 69.36% from the previous year as of 31 December 2019,

The REIT had total liabilities of 320.39 million baht, an increase of 40.91 million baht or 14.64 percent from the previous year.

The REIT had net assets of 1,224.90 million baht, an increase of 591.96 million baht or 93.53 percent from the previous year and had net assets per unit of 7.8394 baht, an increase from the previous year as of 31 December 2018 with net assets per unit equaling 7.7187 baht.

Significant Financial Information

In 2019, the REIT has a ratio of net profit to average net asset value during the year equal to 6.34%, decreasing compared to 2018, due to the 1st Capital Increase by the conversion of Sub Sri Thai Property Fund on December 26, 2019, resulting in an increase in net profit in proportion to the net asset value that increase in the fourth quarter of the year 2019 compared to the fourth quarter of the previous year

1.2 Risk Factors of Investment in the REIT

For the investment in the trust unit of the REIT, the investors should consider the following risk factors carefully before investing. However, the information below is merely the summary of the risk factors, please consider the detail of the risk factors as specified in Topic 4 “Risk Factors” of this annual report.

1.2.1 Risk on investment in real estates by REIT

- 1) Risk from change in document storage method.
- 2) Risk from natu’ral disaster, accident, and sabotage.
- 3) Risk from expropriate of assets invested by REIT either all or material part according to law regarding land expropriation resulting in REIT couldn’t earn benefit from assets and may affect REIT’s operating performance.
- 4) Risk from economic fluctuation which may affect operating performance of real estates to be invested by REIT.
- 5) Risk from increase in competition.
- 6) Risk arise when there is improvement and impairment of asset invested by REIT.
- 7) Risk from depend on main lessee.
- 8) Risk from depend on technology used in document storage.
- 9) Risk from depend on servitude way to access assets.
- 10) Real estate held by REIT may have higher expenses relating to real estates as well as operating expenses.

1.2.2 Risk on operation and structure of REIT

- 1) Risk from defect of assets which may not be found or may not be audit from due diligence process before investment.
- 2) Risk from tax and fee
- 3) Risk from concentrated investment compare to other REIT and mutual fund.
- 4) Risk from lessee’s ability to pay rental
- 5) Risk from SSTRT may not receive rental fee or decrease in rental fee after expiration of agreement

- 6) Risk from procure new lessee
- 7) Risk from change in lease type after expiration of agreement
- 8) Risk from insurance
- 9) Risk from counterparty fail to comply with agreement
- 10) Risk that may occur from borrowing
- 11) Risk that SSTRT's operating performance partly depend on capability of REIT manager regarding management and earn benefits from asset invested by SSTRT

1.2.3 Risk Relating to Investment in Trust Units of the REIT

- 1) General risk
- 2) Risk from political
- 3) Risk from using net assets value of SSTRT to specify unit trading price.
- 4) Net assets value of REIT may not reflect truly value of the REIT if the assets is totally disposed or REIT is liquidated
- 5) Risk of Liquidity Inadequacy in Trust Unit's Trading Activities in Secondary Market
- 6) Risk from Distribution Payment to Trust Unitholders
- 7) Risk Resulting from Determining the Trading Price of Trust Unit Based on Net Asset Value (NAV) of the REIT
- 8) In case SSTRT is liquidated, the capital reduction from SSTRT liquidation may be lower than investment amount invested by unitholders.
- 9) Appraisal value of real estates, invested by SSTRT, as per appraisal method of value is not tool to indicate truly value of real estates and may not guarantee that selling price of real estates will be in line with the appraisal value no matter it is present or future
- 10) Additional risk resulted from issued and offered of additional units

Investors can study additional trust information from the Annual Registration Statement of 2019 (Form 56-REIT1) as shown in www.sec.or.th or the website of the REIT Manager in www.sstrm.co.th

2. Policies, Overall Business Operations and Procurement of Benefits

2.1 Objectives, Visions, Goals and Strategies for the Operation of the REIT

Background and Objectives of the REIT

Sub Sri Thai Real Estate Investment Trust (“SSTRT” or “REIT”) has been established pursuant to the Trust for Transactions in Capital Market Act, B.E. 2550 on 13 December 2017 due to conversion from Sub Sri Thai Smart Storage Property Fund (“SSTSS”) and has been registered as securities listed on the Stock Exchange of Thailand (“SET”) on 26 December 2017 onwards. In this regard, One Asset Management Co., Ltd. (“ONEAM”) is appointed to act as the Trustee of the REIT and SST REIT Management Co., Ltd. (“SSTRM”) act as the REIT Manager.

The REIT is established with the objective of investing in core assets by purchasing and/or leasing and/or sublease and/or the transfer of leasehold rights and / or sublease rights of the core assets by seeking benefits of the core assets form rental income and service fees or any other income in the same way, as well as improvements and development assets and/or sell assets in order to generate income and return to the REIT for the benefit to the unitholders continuously in the long term including investment in other assets and / or other securities and / or finding other benefits in accordance with securities laws and/or other relevant laws.

The REIT has invested in ownership of lands buildings included with utilities, system, furniture, materials, equipment and other related properties of Sub Sri Thai Smart Storage Project which converting from Sub Sri Thai Smart Storage Property Fund (SSTSS) to the REIT as mention above. The REIT has entered into a contract to transfer assets and encumbrances with SSTSS. SSTSS would transfer assets, liabilities and encumbrances of SSTSS converted in exchange for SSTSS receiving the newly issued trust units of the REIT at the swap ratio of 1 investment unit per 1 trust unit with cash in totalling amount 2.68 bath per trust unit, resulting in the REIT issuing the new unit trust the amount of 82,000,000 trust units. This is considered as the first investment in the key assets and;

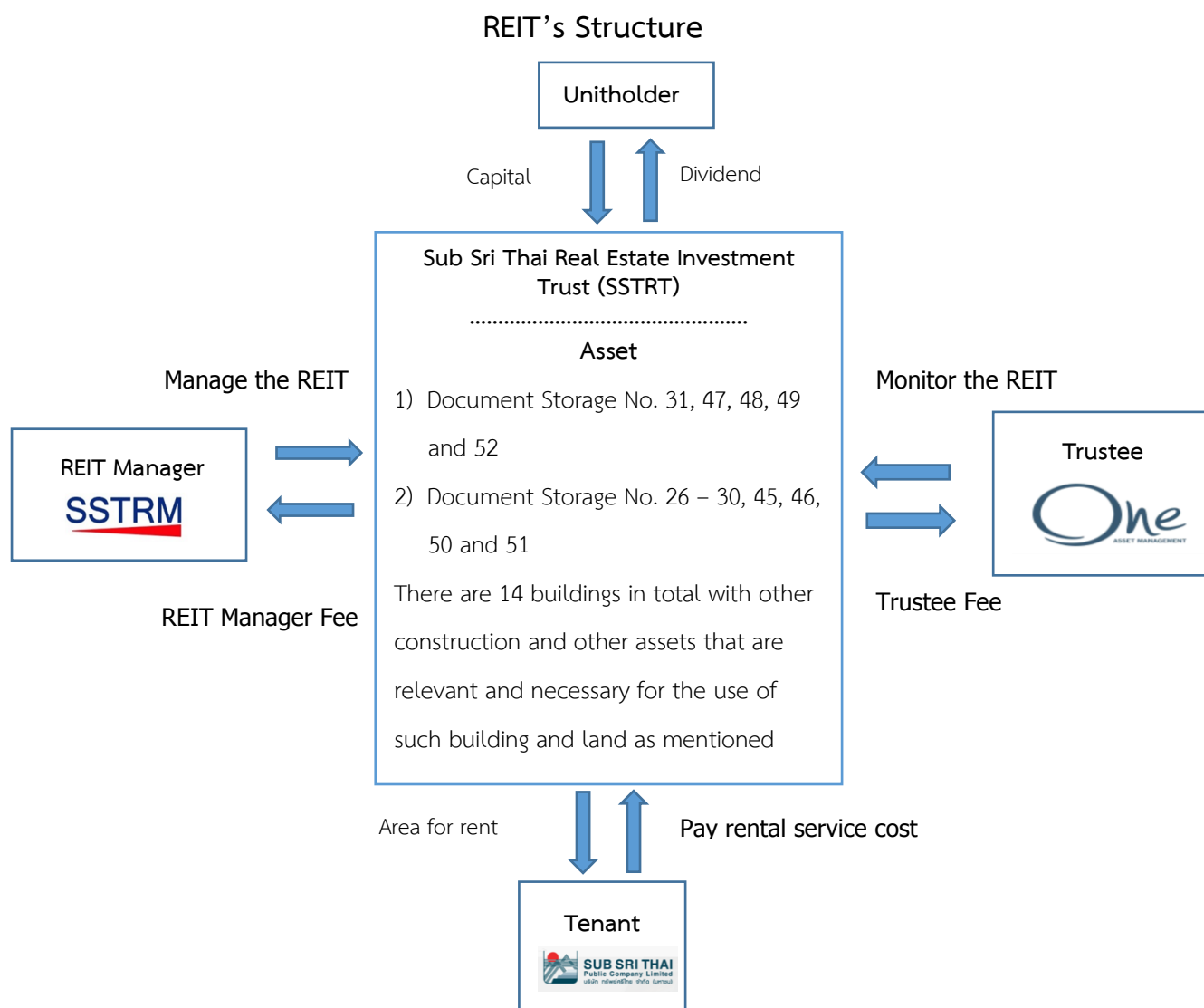
The REIT has been approved by the Extraordinary General Meeting No. 1/2019 on 17 September 2019 for the first time of increasing the capital by converting Sub Sri Thai Property Fund (SSTPF) to the REIT at the Swap ratio of 1 investment unit per 1.1 trust unit. The number of unit trust newly issued for this capital increase for Sub Sri Thai Property Fund is 74,250,000 units and the assets and liabilities of Sub Sri Thai Property Fund are transferred.

In connection, the REIT uses the key assets of the first investment and the first capital increase above to seek benefits by the transfer of leasehold rights to Sub Sri Thai Public Company Limited or SST to seek benefits for document storage business. The structure of the administration of the Trust is as follows in article 2.3

2.2 Significant Changes and Milestone of The REIT in the Accounting Year

- None -

2.2 Management of the REIT



The relationship of the contracted tenant of the REIT's core property or the trust unitholder with the REIT Manager

Sub Sri Thai Public Company Limited as a contracted tenant of the REIT's core property is a major unitholder of the REIT by holding 15% of the trust units (information as of December 28, 2018) and Sub Sri Thai Public Company Limited is the controlling person of SST REIT Management Co., Ltd. ("the Company") as the REIT manager by holding shares of the company for 99.99 percent of the total paid-up capital.

Sub Sri Thai Public Company Limited ("SST") has a business operation in the category of warehouses and wharf business by providing document storage services, warehouse rental, Stock management services and other services such as wharfing service etc. SST is listed companies in the food and beverage section. At the present, SST has hold shares in 4 major businesses as follows:

Company's name	% of holding share	Business Operation
1. Warehouse and Wharf Business		
SST Warehouse Co., Ltd.	99.97	Provide service for the deposit of crops and agricultural products to be exported, for instance, wheat, cassava starch, cereal grain, etc. and deposit of general goods produced and in circulation in the country, for instance, chemical products, and other agricultural products by issuing warehouse receipt for evidence.
2. Food & Beverage Business		
Mudman Public Company Limited	64.27	operates business as a Holding Company Mudman Plc. holds ordinary shares at 100% in ABP Café (Thailand) Co., Ltd., Golden Donuts (Thailand) Co., Ltd., Golden Scoop Co., Ltd. and holds ordinary shares and preference shares at 100% in Greyhound Co., Ltd. and Greyhound Café Co., Ltd.
ABP Café (Thailand) Co., Ltd.	64.27	Produce and distribute bakery under "Au Bon Pain" brand
Golden Donuts (Thailand) Co., Ltd.	64.27	Produce and distribute donuts and beverage under "Dunkin' Donuts" brand
Golden Scoop Co., Ltd.	64.27	Import and distribute premium icecream under "Baskin Robbins" brand

Company's name	% of holding share	Business Operation
Greyhound Café Co., Ltd	64.27	Operating full-service restaurant under the following key brands: - Greyhound Café - Another Hound Café
3. Lifestyle Business		
Greyhound Co.,Ltd.	64.27	Produce and distribute fashions and accessories under the following key brands: - Greyhound Original - Smileyhound • Design lifestyle & fashionable products
4. REIT Manager		
SST REIT Management Co., Ltd.	99.99	Manage business as a REIT Manager for Real Estate Investment Trust.

However, the Company adheres to the principles of management by dividing the duties, responsibilities of each department clearly. Each department is independent and systematic. The Company takes into account the risk control and conflict of interests that will occur and also appointed the independent directors as part of the Board of Directors for performing the duty to inspect the works of the executives of each departments so as to enable the REIT manager to manage the REIT with integrity, caution by taking into consideration the maximum benefits of the REIT and trust unitholders in accordance with the Trust Deed, related contracts, notifications and applicable laws.

The investors may request the REIT Manager to view the Trust Deed (full version) on the REIT Manager website www.sstrm.co.th

2.4 Information of the Invested Properties

2.4.1 Detail of the Properties

Project Name	The Sub Sri Thai Smart Storage Project
Net Asset Value as of December 31, 2019 ⁷⁾	1,224,900,581.75 Baht
Asset Value According to Market or Fair Value	1,433,749,900 ⁸⁾ Baht
Ratio of Each Category of Asset Value per Net Asset Value of REIT	117.05 Percent
Book Value as of 31 December 2019 ⁹⁾	929,687,500

Remark

⁷⁾ The REIT has items of loans from financial institutions and Sub Sri Thai Public Company Limited from the conversion.

⁸⁾ The asset value according to the appraised value of the first investment, plus the fair value recorded for the asset transfer of the 1st capital increase.

⁹⁾ Use the closing market price on December 30, 2019, equal to 5.95 baht per trust unit.

2.4.2 General Information

2.4.2.1 Sub Sri Thai Smart Storage Project

(a) Illustration of the location and land of the Sub Sri Thai Smart Storage Project





Remark 1. Invested Property by the REIT

2. Private land that use for the purpose of entrance and exit openly for more than 20 years.
3. Private land, title deed no. 17179 and 34735, owned by Mr. Somphong Arunsawatwong, is registered the servitudes on land title deed no. 17184, 17186, 17188, 3699 (pathway) and 17187 (pathway)
4. Title deed no. 3699, 3702, 17187 which are currently owned by Sub Sri Thai Plc. Are already registered the servitude right in pavements, driveways and utilities to the properties of Mutual Fund and the right and encumbrances have transferred to the REIT.

(b) Summary of the details of Sub Sri Thai Smart Storage Project

Invested Property by the REIT	<ul style="list-style-type: none"> Land of Sub Sri Thai Smart Storage Project Buildings and other structures of Sub Sri Thai Smart Storage Project, utilities systems, furniture, materials, equipment and other related properties that are essential for operating the Sub Sri Thai Smart Storage Project. <p>(together the “Sub Sri Thai Smart Storage Project”)</p>
Location of the Project	115 and 115/ 7-9 Moo 6, Sukawat road, Bangchack sub-district, Prapadaeng district, Samutprakarn 10130
Entrance and exit pathway	Suksawat Road, currently, it is a concrete road with 8 lanes, width of about 24 meters and it separate entrance to Soi Suksawat 76, which is a private road and servitude road. That is a concrete road with a width of about 6 meters, then split into the road, the Sub Sri Thai warehouse project
The detail of invested land by REIT	Land under the title deed no. 17188, 17186, 17184 and 254934, Bangchack sub- district, Prapadaeng district, Samutprakarn.
Invested land area	5 rai 3 ngan 52.4 square wah land
Buildings Invested by the REIT	<ul style="list-style-type: none"> Document storage No. 31, with total area of 1,875 sq.m. Document storage No. 47, with total area of 2,894 sq.m. Document storage No. 48, with total area of 1,894 sq.m. Document storage No. 49, with total area of 1,169 sq.m. Document storage No. 52, with total area of 1,445 sq.m <p>Other structures which are fixtures to Document storage No. 31, 47, 48, 49 and 52.</p>
Age of the building to the present	<ul style="list-style-type: none"> Document storage No. 31 (approximate age of the warehouse is 24 years) Document storage No. 47, 48, 49 and 52 (approximate age of the warehouses are 11 years) <p><u>Note:</u> Sub Sri Thai Public Company Limited has hired the engineers licensed to work in control engineering and registered as the building auditors for regular building audits in order to be consistent with the frequency and</p>

	intent of the regulations of the Interior Ministry on the determined types of the buildings requiring the auditors B.E. 2548. The building auditors check the stability, strength of the buildings such as checking the additions, modifications, improvements to the buildings, wear and tear of the buildings, examining the destruction of the building structure, checking the collapse of building foundations and checking various systems as well as equipment, e.g. fire protection system, etc. The results of the latest building audit as of the year 2018 revealed that all the buildings were in normal condition.
Operating Date	By February 1993
Property manager	Sub Sri Thai Public Company Limited
Nature of area	Plot of land is look like rectangle with a width of 24.00 meters, 25.00 meters, 30.50 meters and 98.50 meters. The land level is equal to level of the front road.
Utilities	Electricity system, water supply, drainage system and telephone system

(c) Date of Investment and Purchase Price

The REIT has invested in the Sub Sri Thai Smart Storage Project which converting from Property Fund on 19 December 2017 with the total purchased price of THB 822,007,440.

(d) Value Derived from the Appraisal Report or the Latest Reviewed Appraisal Report

The detail of the latest reviewed appraised value on the core assets of the REIT's investment by the appraiser are as follows:

Appraiser	Appraisal Value	Date of Appraisal Value	Method	Date of Appraisal Report
Grand Asset Advisory Co., Ltd.	THB 821 million	May 9, 2019	Income Approach	8 Jul 2019

(e) Summary of Generated Benefits of the REIT

The REIT leased out the assets to Sub Sri Thai Public Company Limited or SST as the Lessor with a rental period of approximately 10 years and 1 month (from the date of receiving the transfer of assets and encumbrances from SSTSS on 19 December 2017). The Lessor has the right to submit the written lease extension for each 3-year additional extension period, by notifying the REIT 1 year prior to the expiration of the lease agreement.

In case Sub Sri Thai Public Company Limited and / or subsidiaries of SST intend to sell, distribute, transfer or lease out whether in whole or in part of assets used for document storage and warehouse business of Sub Sri Thai Public Company Limited and subsidiaries of SST's ownership or leasehold rights to any person wishing to acquire such assets in an investment manner or for funding of SST,

Sub Sri Thai Public Company Limited and / or subsidiaries of SST (as the case may be) must notify the trustee in writing according to the Right of First Refusal of SSTRT by written notice of proposal as per details of the agreement (Right of First Refusal). Please examine additional details of Summary of the Undertaking Agreement (Right of First Refusal) in page 34

Income for the Period

In 2019, the REIT's rental income was THB 67.62 million.

Summary of Property Insurance of the First Investment on the Key Assets by the REIT

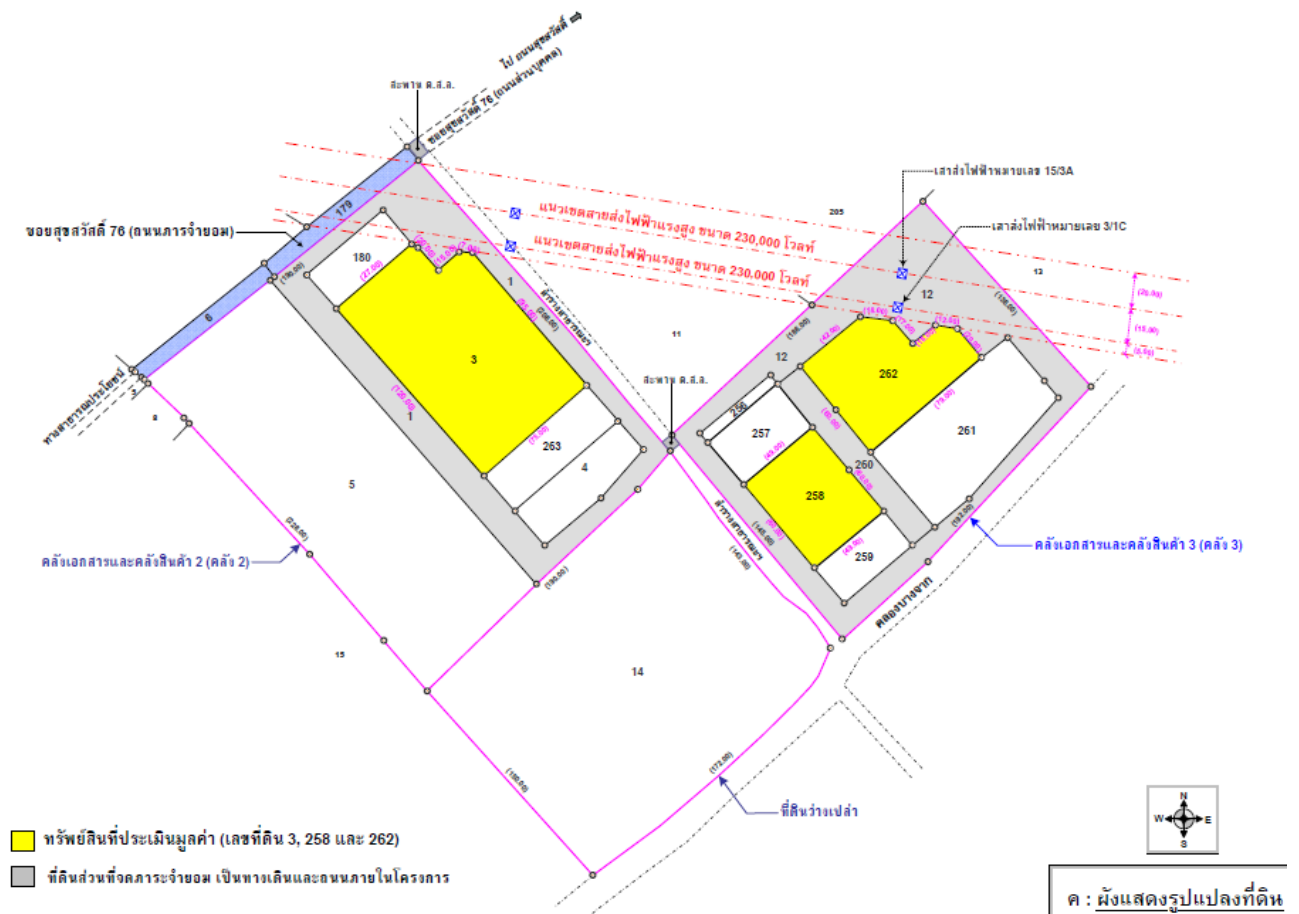
For the year 2019, the REIT Manager has arranged for the insurance policies to insure against the assets of the REIT as follows:

No.	Insurance Type	Insured Amount	Insured Period	Insurance Company
1	Property All Risks	THB 410,000,000	7 August 2019 to 7 August 2020	Chubb Samaggi Insurance Public Co., Ltd.
2	Business Interruption (for the Rental Income of the REIT)	THB 65,000,000		
3	Public Liability	THB 10,000,000 (Per each incidence and throughout the insurance period)		

2.4.2.2 Sub Sri Thai Project

(a) Illustration of the location and land of the Sub Sri Thai Project





Remark

1. The second investment on assets by the REIT (the first increase capital)
2. Private land that use for the purpose of entrance and exit openly for more than 20 years.
3. Private land, title deed no. 17179 and 34735, owned by Mr. Somphong Arunsawatwong , is registered the servitudes on land title deed no. 17184, 17186, 17188, 3699 (pathway) and 17187 (pathway)
4. Title deed no. 3699, 3702, 17187 which are currently owned by Sub Sri Thai Plc. Are already registered the servitude right in pavements, driveways and utilities to the properties of Mutual Fund and the right and encumbrances have transferred to the REIT.

(b) Summary of the details of Sub Sri Thai Smart Storage Project

Assets that the trust invested in	<ul style="list-style-type: none"> Land which is the location of Sub Sri Thai Project Building and construction of Sub Sri Thai Project, public utility system, system work, furniture, materials and the related and necessary equipment of Sub Sri Thai Project (collectively called “Sub Sri Thai Project ”)
Project location	No. 115 and 115/7-9, Village No. 6 Suksawat Road, Bang Chak Sub-district, Phra Pradaeng District, Samut Prakarn Province
Entrance-Exit	Use Suksawat Road which is currently a 8-lane reinforcement concrete road, with the width of about 24 meters and enter Soi Suksawat 76 which is a personal road and easement way. The condition of the road is a reinforcement concrete road, about 6 meters wide. Then enter the Sub Sri Thai Warehouse project road.
Details of the land that the trust invested in	Title deed No. 17177, 17185 and 17189 Bang Chak Sub-district, Phra Pradaeng District, Samut Prakarn Province
Area of the land that the trust invested in	9 Rai, 2 Ngan, 65 square wah.
Buildings Invested by the REIT	<ul style="list-style-type: none"> Document storage No. 26, with total area of 1,100 sq.m. Document storage No. 27, with total area of 1,863 sq.m. Document storage No. 28, with total area of 1,875 sq.m. Document storage No. 29, with total area of 1,875 sq.m. Document storage No. 30, with total area of 1,875 sq.m. Document storage No. 45, with total area of 1,557 sq.m. Document storage No. 46, with total area of 2,305 sq.m. Document storage No. 50, with total area of 1,445 sq.m. Document storage No. 51, with total area of 1,445 sq.m. Other structures which are fixtures to Document storage
Current age of the building	<ul style="list-style-type: none"> Document Storage No. 26,27,28,29,30 aged about 27 years Document Storage No. 45,46,50,51 aged about 13 years <p>Remark: Sub Sri Thai Public Company Limited has employed the an engineer who has License for Professional Practice and registered as building inspector to conduct the building</p>

	inspection regularly in order to comply with the frequency and the intention of the Ministerial Regulation of the Ministry of Interior, concerning the specification of building types which requires the inspector B.E. 2548. The building inspector has inspected the stability and strength of the building, such as inspecting the extension, amendment and renovation of the building; inspecting the building's wear and tear; inspecting the destruction of the building structure; inspecting the inclination of the building base and inspecting the systems and equipment, such as protection system and fire extinguishing system, etc. The latest examination result of the building is in 2562, which the building is in a normal condition.
Date of business start	Around August 1991
Asset Manager	Sub Sri Thai Public Company Limited
Overall characteristic of the land	Each plot of land is similar to rectangular shape. The wide side next to the project road about 120.00 meter, 60.00 meter and 60.00 meter. The land is filled to level the road.
Public utility system	Electricity, water supply, drainage and telephone system

(c) Date of investment and the price of investment

The Trusts invested in the assets of Sub Sri Thai Project by transforming the fund on 26 December 2019 by issuing the unit trust at the value of 551,640,375 baht (par value of 7.4295 baht per unit trust, 74,250,000 units) in exchange of the key assets of Sub Sri Thai Project, at the fair price of 612,749,900 baht.

(d) Price from the appraisal report or latest reviewed appraisal report

The price from the latest appraisal report by the independent appraiser on the key assets that the Trust invested in for the second time (increase capital for the first time) are as follows:

Appraiser	Appraisal Value	Date of Appraisal Value	Method	Date of Appraisal Report
Global Asset Valuer	THB 629 million	Jul 18, 2019	Income Approach	Aug 5, 2019
Knight Frank Chartered (Thailand) Co., Ltd.	THB 614.40 million	Aug 15, 2019	Income Approach	Aug 16, 2019

(e) Summary of the benefit seeking of the Trust

The Trust rent out the key assets that are invested for the first capital increase to Sub Sri Thai Public Company Limited, as the lessee with the period of 8 years, 1 month and 6 days (Rental Period from the day that the Trust accept the transfer of assets and the liabilities from Sub Sri Thai Property Fund on 26 December 2019). The lessee has a right to show intention to renew the contract for 3 years a time by sending a letter to the Trust not less than 1 year in advance before the due date of the rental period.

In this regard, in the case that Sub Sri Thai Public Company Limited and /or subsidiary of Sub Sri Thai Public Company Limited would like to sell, distribute, transfer or rent out, the entire or some parts of the asset used in the business operation of the warehouse and document storage which Sub Sri Thai Public Company Limited and / or subsidiary of Sub Sri Thai Public Company Limited is the owner or has the right to lease to anyone who wants to acquire such assets in the form of investment or funding of Sub Sri Thai Public Company Limited,

Sub Sri Thai Public Company Limited and /or subsidiary of Sub Sri Thai Public Company Limited (as the case may be) must notify the trustee in writing according to the Right of First Refusal of the Trust by sending the notification letter according to the details of the contract of the operation (Right of First Refusal), page 34

Income for the Period

In 2019, the REIT's rental income was THB 0.83 million

Summary of Property Insurance that the REIT invested from capital increase No. 1 under Sub Sri Thai Project

For the year 2019, the REIT Manager has arranged for the insurance policies to insure against the assets of the REIT as follows:

No.	Insurance Type	Insured Amount	Insured Period	Insurance Company
1	Property All Risks	THB 388,260,000	12 May 2019 to 12 May 2020	Bangkok Insurance Public Co., Ltd.
2	Business Interruption (for the Rental Income of the REIT) ¹⁰⁾	THB 81,000,000		
3	Public Liability ¹¹⁾	THB 3,000,000 (Per each incidence and throughout the insurance period)		

Note ¹⁰⁾ Policy which was prepared in accordance with the benefit procurement structure of the original property when the insurance policy ends, it will be carried out in accordance with the current asset procurement structure.

¹¹⁾ Being a part of a property risk insurance policy

2.4.4 Details about the acquisition of key assets in the accounting period (if any)

The REIT has gotten the resolution of the Extraordinary General Meeting of the Trust Unitholder No. 1/2019 on 17 September 2019, approving the first capital increase by conversion Sub Sri Thai Property Fund to the REIT with the Swap ratio of 1 investment unit per 1.1 trust unit. Therefore, the REIT issued new trust unit for this capital increase after obtaining the permission to offer the unit trust from Securities Exchange Commission and Stock Exchange of Thailand on 9 December 2019 at the amount of 74,250,000 trust units with par value of 7.4295 baht per trust unit. The details of the acquisition are as follows:

Asset acquisition date	26 December 2019
Asset price	Issue unit trust at the amount of 551,640,375 baht in exchange of the key assets of Sub Sri Thai Project with the fair value of 612,749,900 baht.
Seller	Sub Sri Thai Property Fund
Reason of the investment and benefits that the Trust obtained from the transaction	For sustainable growth and increase the opportunity to earn income to the REIT
Source of money used for the asset acquisition	Loan from Sub Sri Thai Public Company Limited as the lessee of the entire assets of the Trust

Appraisal	Appraiser	Appraisal Value	Date of Appraisal Value
	Global Asset Valuer	THB 629 million	Jul 18, 2019
Fees and Expenses of the REIT ¹²⁾	Knight Frank Chartered (Thailand) Co., Ltd.	THB 614.40 million	Aug 15, 2019
	Items		THB Amount (Unit: million Baht)
	Financial Advisor Fee		15.00
	Independent financial advisor fees		1.50
	Legal advisor fees		5.00
	Projected Statement of Income for year 2020 and Proforma		0.40
	Property valuation		0.10
	Other expenses		0.50
	total		22.50

Remark ¹²⁾ This expense does not include VAT and the asset transfer registration fee, which include in the acquired assets.

2.5 Procurement of Benefits from the Properties

2.5.1 Characteristics of the Procurement of Benefits from the Properties

The REIT has the objective of investing in properties to procure benefits to the trust unitholders best interests and benefits of the trust unitholders in the long term with appropriate policies for managing the assets of the REIT to generate income and benefits for the unitholders. Furthermore, the REIT shall procure the benefits of the invested properties by leasing out to Sub Sri Thai Plc.

2.5.2 Summary of The Property Lease Agreement

(a) Summary of lease agreements of that the REIT has invested the first time

The unitholders of Sub Sri Thai Smart Storage Property Fund (“SSTSS” or “Mutual Fund”) resolved that SSTSS be converted into Sub Sri Thai Real Estate Investment Trust (“SSTRT” or “REIT”) on 2 November 2017. The conversion of SSTSS into the REIT would be performed by SSTSS transferring assets and

encumbrances of SSTSS to the REIT. The REIT would issue the new trust units with cash to SSTSS in exchange. The REIT received approval from the SEC to offer for selling the trust units to SSTSS on 8 December 2017. SSTSS and the REIT have entered into various contracts related to the transfer of assets and encumbrances of SSTSS as well as any other contracts made by SSTSS with other persons and are still in force on 19 December 2017. The details of contracts to seek the benefits are as follows.

The lease agreements of Sub Sri Thai Smart Storage Project dated 7 August 2014 and the 1st extension dated 15 December 2017 by separation into each of the lease on the land and constructions and the lease on utilities and equipment with the terms and conditions under the corresponding agreements.

Parties	Sub Sri Thai Smart Storage Property Fund (the “Mutual Fund” or the “Lessor”) Sub Sri Thai Public Company Limited (“SST” or the “Lessee”)
Leased Properties	Leased properties include: a. The 5 rai 3 ngan 52.4 square wah land under the title deed no. 17188, 17186, 17184 and 254934, land no. 261, 259, 257 and 263 (“Land to Lease”) b. 5 Document storages no.31, 47, 48, 49 and 52, total area of 9,277 sq.m. and other structures including fixtures to the buildings and utilities system located inside the buildings and on the land (“Building to Lease”) c. Equipment and other related property which have been installed and utilized in the property defined in article (a) – (b) (“Material and Equipment to Lease”) Property defined in article (a) – (c) collectively referred to as “Property to Lease”
Lease Term and Extension	1. The Mutual Fund agrees to lease out the Property to Lease and the Lessee agrees to lease such property in the period of 10 years (“Lease Term”) since the execution date of this lease agreement. <u>Note:</u> Sub Sri Thai Public Company Limited as tenant has extended the original lease made with SSTSS to expire on 6 August 2024 by extending the lease term under the lease to end on 31 January 2028 under the condition that the Company as the REIT manager has already offered to sell the trust units to

	<p>SSTSS according to the resolution of the unitholders of SSTSS to convert SSTSS into the REIT on 2 November 2017.</p> <p>2. The Lessee has the right to submit the written lease extension notice to the Mutual Fund for each 3-year additional extension period, by notifying the Lessor 1 year prior to the expiration of the lease agreement. Nonetheless, the Parties shall conclude the lease fee for the extension period; provided that, the decision to extend the lease agreement shall be under the sole discretion of the Mutual Fund.</p>																																
Rental rate and payment	<p>1. The Lessee agrees to pay an annual fixed lease fee every 6 month to the Lessor within 10 days since the due date. The details are as follows:</p> <p><u>The lease agreements dated 7 August 2014</u></p> <table border="1"> <thead> <tr> <th>Lease Contract in the year</th><th>Annual Lease Fee</th></tr> </thead> <tbody> <tr> <td>1st</td><td>63.0 million Baht</td></tr> <tr> <td>2nd</td><td>63.0 million Baht</td></tr> <tr> <td>3rd</td><td>63.0 million Baht</td></tr> <tr> <td>4th</td><td>65.0 million Baht</td></tr> <tr> <td>5th</td><td>65.0 million Baht</td></tr> <tr> <td>6th</td><td>65.0 million Baht</td></tr> <tr> <td>7th</td><td>67.0 million Baht</td></tr> <tr> <td>8th</td><td>67.0 million Baht</td></tr> <tr> <td>9th</td><td>67.0 million Baht</td></tr> <tr> <td>10th</td><td>69.0 million Baht</td></tr> </tbody> </table> <p><u>The lease agreements (1st extension) dated 15 December 2017</u></p> <table border="1"> <thead> <tr> <th>Period of Time</th><th>Annual Lease Fee</th></tr> </thead> <tbody> <tr> <td>7 Aug. 2024 to 6 Aug. 2025</td><td>69.0 million Baht</td></tr> <tr> <td>7 Aug. 2025 to 6 Aug. 2026</td><td>69.0 million Baht</td></tr> <tr> <td>7 Aug. 2026 to 6 Aug. 2027</td><td>71.0 million Baht</td></tr> <tr> <td>7 Aug. 2027 to 31 Jan. 2028</td><td>34.6 million Baht</td></tr> </tbody> </table> <p>2. On the lease agreement signing date, the Lessee agrees to pay the deposit and transfer the letter of guarantee to the Mutual Fund as follow:</p> <p>a. Deposit amount listed below:</p>	Lease Contract in the year	Annual Lease Fee	1st	63.0 million Baht	2nd	63.0 million Baht	3rd	63.0 million Baht	4th	65.0 million Baht	5th	65.0 million Baht	6th	65.0 million Baht	7th	67.0 million Baht	8th	67.0 million Baht	9th	67.0 million Baht	10th	69.0 million Baht	Period of Time	Annual Lease Fee	7 Aug. 2024 to 6 Aug. 2025	69.0 million Baht	7 Aug. 2025 to 6 Aug. 2026	69.0 million Baht	7 Aug. 2026 to 6 Aug. 2027	71.0 million Baht	7 Aug. 2027 to 31 Jan. 2028	34.6 million Baht
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Rights and Duties of the Lessee	<p>1. The Lessee has the right to utilize the Property to Lease commercially by operating warehouse and document storage and other related business; and the Lessee agrees not to alter</p>																																

	<p>the usage of the Property to Lease except that the Lessee obtains a written consent from the Mutual Fund.</p> <p>2. The Lessee has the right to construct any structures or any fixtures, or modify or alter the Property to Lease in material respects, in whole or in part, according to the purpose of the lease agreement; provided that the Lessee shall obtain the Mutual Fund's written consent. The Mutual Fund shall give or not give such consent in due time. Those additional structures, fixtures, modifications or alterations and constructions shall belong to the Mutual Fund.</p> <p>In the event that such structures, constructions, fixtures, modifications or alterations cause damages to any person, the Mutual Fund, or the Management Company, or building, or violate applicable laws, rules, regulations or ordinances of the relevant authorities, the Lessee shall be held solely liable for compensating such damages.</p> <p>3. The Lessee shall maintain and take care of area surrounded and within the Property to Lease under orderly condition and shall not conduct any activities that disturb other people's tranquility or prevent authorized officers from performing legally actions.</p> <p>The Lessee shall not conduct any business, trading, or other transaction, which is harmful or illegal to the Property to Lease, neither by the Lessee itself or by assigning any other party to conduct such transactions. The Lessee shall not perform such act which is against social tranquility and morality.</p> <p>4. The Lessee shall arrange the examination of the Property to Lease by the Mutual Fund or its representative. The Mutual Fund shall notice to the Lessee in writing in due time before conducting such examination.</p> <p>In case that the Mutual Fund has a necessarily urgent reason, the Mutual Fund or its representative could examine the Property to Lease immediately.</p> <p>5. The Lessee shall act in accordance with law and other relevant regulations pursuant to the Property to Lease which including but not limited to taxation law and environmental law.</p> <p>6. The Lessee has an obligation to notify the Mutual Fund in writing, without delay, in case that the Lessee is aware of any</p>
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	<p>information or event which possibly impact the Property to Lease materially under this lease agreement, or any event that impact directly to the Lessee's operating business or financial status, impacting the ability of the Parties to fulfill duties and obligations under the lease agreement.</p> <p>7. During the Lease Term, the Lessee shall procure benefit from such Property to Lease and/or shall appoint a qualified property manager. In the case that the Lessee appoints an external property manager, the Lessee shall receive written consent from the Mutual Fund on such appointment in due time.</p> <p>8. Throughout the Lease Term, the Lessee agrees to maintain the Property to Lease under normal usable condition at all time. Expenses incurred from performing such duties shall be borne to the Lessee.</p>
Insurance	<p>Throughout the Lease Term under the lease agreement, the Mutual Fund and the Lessee agree that the Lessee shall procure the following sufficient and appropriate insurances against the Mutual Fund's stake in the Property to Lease, as determined by the Mutual Fund. The duty to pay the premium is owned by the tenant. The Mutual Fund and/or the tenant are the insurer and the Mutual Fund shall be the beneficiary of the insurance claims.</p>
Maintenance of the Property to Lease	<p>The Lessee has obligation to maintain, repair, and modify the Property to Lease to be in good condition in which the Property to Lease should be well-maintained and suitable for usage under the purposes specified in the lease agreement; given that, the maintenance cost shall be borne to the Lessee.</p> <p>If the tenant does not perform such duties, the Mutual Fund can do that instead the tenant and Lessor has right to claim any related damages from the tenant.</p>
Event of Default and Termination Event	<p>Aside from the condition stated in the lease agreement, any events contained herewith shall be reasonably used as the event of default or event to terminate the lease agreement, as the case may be, as follows:</p> <p><u>Event of Default</u></p> <p>1. Either party fails to perform as agreed in the lease agreement or breach such warranties under the lease agreement except force majeure.</p>

However, the aforementioned force majeure does not include the factor arising from the economic and political situation.

2. Lessee undergoes the bankruptcy process or rehabilitation process under governing laws or is in the process of dissolution of the company, liquidation or requesting the rehabilitation of the tenant to the court or any government agencies, so the Mutual Fund find that there is an impact on the Lessee abilities to liquidate or follow the agreement
3. In case the Lessee ceases business operation whether in full or in part, affecting the Mutual Fund's procuring benefits from the Property to Lease significantly or the new Lessee is unable to procure benefits from the Property to lease
4. In case the Mutual Fund breach or disobey the agreement or not to comply in terms of the essential duties of the Mutual Fund specified in the lease agreement and the Mutual Fund could not rectify in accordance to the agreement within 30 days unless force majeure occurs.

Event to Terminate

1. If the events of default in the above Article 1 to 3 occur or the Lessee fails to comply with the law or to perform any process with government sector; provided that, such event could not be able to comply or correct within 30 days since the date received notification in writing, the Lessor is able to cancel this agreement, except force majeure.
2. If the event of default in the above Article 4 occurs, and the Mutual Fund fails to comply or correct within 30 days since the date received notification in writing or in any period that the Parties agree, the Lessee has the right to cancel this agreement, except force majeure.
3. If any of the following events occurs, the Parties agree to terminate this lease agreement forthwith.
 - (a) The lease term has expired without extension
 - (b) The Parties jointly agree, by their own free will, to terminate this lease agreement.
 - (c) The leased properties may be expropriated under the expropriation notice/law or others, and the Fund sees that such incident materially affects the project operations as it is

	irremediable or impossible to ameliorate such adverse effect on the project operations.
Taxes, fees, and expenses	The Lessee agrees to be responsible for paying land and building taxes, including other taxes possibly charged by governmental authorities as a result of or in connection with the use of the Property to Lease during the period of the lease agreement.

Furthermore, Sub Sri Thai Plc. has entered into Undertaking Agreement.

Summary of the Undertaking Agreement

The Parties	Sub Sri Thai Public Company Limited (the “ Company ”) Sub Sri Thai Smart Storage Property Fund (the “ Mutual Fund ”)
Maintaining of Mutual Fund’s Unit Holding	The Company and its related parties agree to maintain unit holding in the Mutual Fund at combined portion of not less than 15 (fifteen) percent but not more than 33 (thirty-three) percent of the Mutual Fund’s publicly offered units; provided that, the Company and its related parties agrees not to sell, distribute, transfer, or incur any obligations on the aforesaid units, whether in full or in part, for 10 (ten) years since the Company and its related parties hold the Mutual Fund units except for (1) pledging units as a collateral to financial institution and (2) receiving written consent from the Mutual Fund.
Placement of Bank Guarantee under the Lease Agreement	The Company agrees and certify to the Mutual Fund that throughout the period that the Company becomes the Lessee of the Mutual Fund, the Company shall arrange the guarantee to secure the fixed lease payment and the duties with respect to the Land and Building Lease Agreement between the Mutual Fund and the Company and/or the Company’s subsidiaries (“Land and Building Lease Agreement”) and Equipment and Utilities Lease Agreement (“Utilities Agreement”) (Hereinafter the Land and Building Lease Agreement and the Equipment and Utilities Lease Agreement referred as to the “Lease Agreement”), including past-due lease fee, damages, and/or any past due payment, to the Mutual Fund by placing Bank Guarantee issued by Thai commercial bank at the amount, term, and conditions thoroughly.

	The placement of Bank Guarantee in the above clause could be made to the Mutual Fund on yearly basis; provided that, if the Bank Guarantee has expired before the lease term by any cases or the Mutual Fund enforces the Bank Guarantee in any year, the Company agrees to place new Bank Guarantee at the amount and term set forth in the Lease Agreement.
Servitude Land	The Company agrees not to alter the usage of land under title deeds no. 3702, 17187, and 3699 which are registered servitude right to the land under Sale and Purchase Agreement except from the mutual agreement between the Company and the Mutual Fund. The Company agrees to maintain and repair the servitude land in good condition in order that the Mutual Fund can use the servitude land for the purpose of entrance and exit of the land invested by the Mutual Fund.

Summary of the Undertaking Agreement (Right of First Refusal)

Parties	One Asset Management Limited as the Trustee acting on behalf of REIT Sub Sri Thai Public Company Limited (“SST”)
Right of First Refusal	For the purposes of this clause: “Subsidy” shall have the meaning as defined in the SEC notification number GorJor. 17/2008 1. For as long as SSTRM or a company that SST has control over is the REIT Manager of SSTRT, if SST and/or its subsidiary wishes to sell, dispose, transfer, or lease, wholly or partially, its assets that are used for the document storage service business where SST and/or its subsidiary holds the ownership or leasehold right over the assets, to any party that wishes to acquire the assets for investment purposes or for SST’s fundraising 2. SST and/or its subsidiary (as the case may be) shall inform the Trustee in writing, where the written offer information shall include the details of the warehouse and document storage properties that will be sold or leased, key terms and conditions including the price range (the “Offer”)

	<p>3. The lengths of time periods for the procedures after SST and/or its subsidiary (as the case may be) submits the Offer shall be as follows:</p> <p>3.1. SSTRT must inform of its intention to invest or refuse the Offer in writing within 30 (thirty) days from the date it receives the Offer from SST and/or its subsidiary (as the case may be) or an otherwise agreed-upon time period</p> <p>3.2. If SSTRT accepts the Offer from SST and/or its subsidiary (as the case may be), within 120 (one hundred and twenty) days from the date that SST and/or its subsidiary (as the case may be) receives the acceptance from SSTRT in writing (or an otherwise agreed-upon time period), SSTRT and SST and/or its subsidiary shall agree on an investment price for the asset and other key terms and conditions for the investment in the asset, as well as proceed to ensure that the steps taken are in compliance with the Trust Deed and relevant laws. However, in the event that the investment required the unitholders' resolution, SSTRT shall arrange a unitholder meeting on its own budget</p> <p>3.3. In the event that the investment requires an approval from the SEC, the parties agree to extend the time period in 3.2, by allowing SSTRT to carry out its required actions in 3.2 as well as submit relevant applications to the SEC within 150 (one hundred and fifty) days from the date that SST and/or its subsidiary (as the case may be) receives the acceptance from SSTRT</p> <p>4. Besides the conditions in no.5 above, both parties agree that the Right of First Refusal granted by SST and/or its subsidiary under this Agreement is expired for a specific assets in the event that the following occurs:</p> <p>4.1. SSTRT is not able to invest in the asset due to legal limitations, or</p> <p>4.2. SSTRT fails to invest in the asset within the agreed time period</p>
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	<p>In this regard, SST and/or its subsidiary (as the case may be) may offer to sell its asset to another real estate investment trust or any other person with the condition that the price and investment value as well as key terms and conditions of the offer should not be more beneficial to the buyer than the terms and conditions proposed to SSTRT.</p> <p>5. Moreover, in any event, if SST and/or its subsidiary wishes to sell an asset to another real estate investment trust or any other person where the conditions of the offer is more beneficial to the buyer than the conditions proposed to SSTRT, SST shall procure its subsidiary (as the case may be) shall resubmit the offer to SSTRT under the Right of First Refusal procedures</p> <p>6. The Right of First Refusal does not apply in the following situations:</p> <p>a) The Right of First Refusal or exercising the Right of First Refusal would cause SST or its subsidiary to default on an existing agreement or obligation that it entered into before 5 October 2017, which is the date of the Board of the Director's resolution regarding this matter;</p> <p>b) The sale or lease of an asset to a customers under a normal business practice, whether before or after 5 October 2017, which is the date of the Board of the Director's resolution regarding this matter; and</p> <p>c) The Undertaker does not include companies where SST or its subsidiary does not have control with regards to enforcing the Right of First Refusal obligations, such as listed companies or joint venture companies</p>
Breach of contract	<p>SST is failure to comply with any of the clauses under this contract in important parts and SST's inability to rectify and comply with the contract correctly within 90 days from the date of receiving notice or knowing the cause of that breach of contract or within any period agreed by the parties to be considered as a breach of this contract. This entitles the REIT to claim damages from SST except for force majeure.</p>

Termination of contract and compensation	<ol style="list-style-type: none"> 1. The REIT has the right to terminate this contract by giving written notice to SST and/or sue for compliance with this contract and/or take legal action to claim damages and/or any other expenses arising from a breach as stipulated in this contract. 2. If the parties agree to terminate the contract or in case of revocation or cancellation of the status of the REIT by law and/or the order of relevant government agencies, including the SEC and/or the Capital Market Supervisory Board without the responsibility of the lessor, tenant and trustee or when the trust unitholders resolve to terminate SSTRT, this contract shall be considered to terminate. Each contract party may not have the right to claim damages, expenses or money or other benefits from the other party.
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(b) Summary of the lease agreements on the key assets that the REIT has invested for the first capital increase.

According to the resolution of the trust unitholder meeting that allow the REIT to increase capital by conversion the Sub Sri Thai Property Fund to the REIT on 17 September 2019 and the unitholders of Sub Sri Thai Property Fund has the resolution to convert Sub Sri Thai Property Fund to the REIT on 18 September 2019, the conversion of the fund to the REIT would be conducted by Sub Sri Thai Property Fund will transfer the assets and liabilities of Sub Sri Thai Property Fund to the REIT and the REIT will issue new trust unit to Sub Sri Thai Property Fund in exchange. The REIT is permitted by SEC to offer the unit trust for sale to Sub Sri Thai Property Fund on 9 December 2019 and Sub Sri Thai Property Fund and the REIT has entered into contracts about the transfer of the assets and liabilities of Sub Sri Thai Property Fund, as well as other contracts that Sub Sri Thai Property Fund has entered into with other people and still in effect on 26 December 2019. The details of the benefit acquisition contract are as follows:

Sub Sri Thai Project Rental Agreement dated 3 May 2011, the first revision dated 27 December 2012 and the first renewal dated 20 November 2019 with the corresponding terms and conditions.

Contract parties	<ul style="list-style-type: none"> • Sub Sri Thai Property Fund • Sub Sri Thai Public Company Limited (the “Company” or the “lessee”)
Rented assets	<p>The rented assets consists of:</p> <ol style="list-style-type: none"> a. Land, title deed No. 17177, 17185, and 17189, 3 plots in total with the total area of about 9 Rai, 2 Ngan, 65 square wah, located at No. 115 and 115/7-9, Soi Suksawat 76, Suksawat Road, Bang Chak Sub-district, Phra Pradaeng District, Samut Prakarn Province. The 3 plots of land are collectively called the “rented land” b. Building and all constructions located on the land in (a), which are Document Storage No. 26, 27, 28, 29, 30, 45, 46, 50 and 51, 9 buildings with total area of about 15,340 square meters (“rented buildings”) c. Public utility system and related equipment installed and used and at the rented buildings (“public utility system and equipment”) <p>The asset in (a), (b) and (c) are collectively called “rented assets”.</p>
Rent period and renewal of rental contract	<ol style="list-style-type: none"> 1. Sub Sri Thai Property Fund agrees to rent out and the lessee agree to rent the rented assets for 10 years (“rent period”) starting from the day that the contract parties bring the rental contract to register the rent with the officer at the land office on the same day as the ownership transfer of the abovementioned asset. <p>Remark: Sub Sri Thai Public Company Limited, as the lessee, has renewed the previous rental contract which was entered into with Sub Sri Thai Property Fund, due date of which was 2 May 2021, by extended the rent period under the rental contract to be 31 January 2028.</p> <ul style="list-style-type: none"> - The trust holder meeting has resolved to approve the first capital increase of the Trust by transforming Sub Sri Thai Property Fund to combine with the Trust. - The unit holder meeting of Sub Sri Thai Property Fund has resolved to approve the Sub Sri Thai Property Fund to transform the fund.

	<p>- The Trust is obtained permission to offer the sale of unit trust to Sub Sri Thai Property Fund from SEC. The lessee agrees to pay the fee, tax and stamp duty, including the expenses for rent registration by oneself. The lessee has a right to notify the requirement to renew the rental contract for 3 years by notifying Sub Sri Thai Property Fund 1 year in advance before the end of the rent period. In this regard, the contract parties will agree on the rent for the extended rent period. The decision to renew the contract or not shall depend on SSTPF's discretion.</p>								
Rent and payment	<p>1. The lessee agrees to make payment for the rent on 6-month period basis to Sub Sri Thai Property Fund within 10 July and 10 January of the following year. The last payment is scheduled on 10 February 2028.</p> <p>The rent as specified in the Rental Contract dated 3 May 2011 and 27 December 2012 (Revision No. 1) and the amendment and first renewal on 20 November 2019 in which the condition about the benefit seeking from key assets of Sub Sri Thai Property Fund is changed from the fixed and variable rent to fixed rent at the following rates:</p> <table border="1"> <thead> <tr> <th>Rent period</th><th>Annual rent rate (baht)</th></tr> </thead> <tbody> <tr> <td>Assets and liability transfer date – 31 December 2022</td><td>49,500,000</td></tr> <tr> <td>1 January 2023 – 31 January 2025</td><td>50,500,000</td></tr> <tr> <td>1 January 2026 – 31 January 2028</td><td>51,500,000</td></tr> </tbody> </table> <p>The rent calculation is started at the rate in the ratio of number of days from the assets and liabilities transfer date onwards.</p> <p>The lessee does not have to submit the bond as security of the rent payment to the lessor.</p> <p>1 If the lessee fails to make any payment to Sub Sri Thai Property Fund under the rental contract, Sub Sri Thai Property Fund has the right to get the penalty at the same rate as the breach interest according to the Notification of the Bank of Thailand of such incur debt until the settlement.</p>	Rent period	Annual rent rate (baht)	Assets and liability transfer date – 31 December 2022	49,500,000	1 January 2023 – 31 January 2025	50,500,000	1 January 2026 – 31 January 2028	51,500,000
Rent period	Annual rent rate (baht)								
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1 January 2023 – 31 January 2025	50,500,000								
1 January 2026 – 31 January 2028	51,500,000								

Utilization of the rented assets	<p>The lessee will occupy, use, seek benefit or take other actions with the rented assets for the document storage and relevant businesses operation and the lessee will not change the objective and the utilization of the rented assets, unless the written consent from Sub Sri Thai Property Fund is obtained in advance.</p>
Rights and Obligations of the lessee	<ol style="list-style-type: none"> 1. The lessee has the right to utilize the rented assets as specified in the rental contract. 2. The lessee has the right to construct the building or any component parts, amend or change the significant parts of the rented assets entirely or partially to comply with the objective of the rent ad specified in the rental contract. The lessee must obtain the written consent from Sub Sri Thai Property Fund. In this regard, Sub Sri Thai Property Fund will consider to a give or not to give such consent within an appropriate time. The parts where are constructed, extended, amend, changed of such building shall be under the ownership of Sub Sri Thai Property Fund. In the case that the construction of the building or any component parts or the amendment of any parts in the rented assets as mentioned in the paragraph above cause damage to any other individual or building or violate the related law, rules or other regulations, of the relevant government agency, the lessee agrees to compensate such damages by oneself. 3. The lessee will maintain and look after the surrounding area and inside the rented assets and will not take any action that disturb the peacefulness of people nearby or obstruct the operation of the officers who has the authority according to the law. 4. The lessee will not operate the business, trading or any actions that is dangerous or violate the law in the rented assets, regardless of by oneself or assigning other people to do so and will not take any actions that is contradictory with the peacefulness or morality of people. 5. The lessee will take action to allow Sub Sri Thai Property Fund or the representative of Sub Sri Thai Property Fund to inspect the rented assets, which Sub Sri Thai Property Fund

	<p>has to inform the lessee in writing in advance within an appropriate time.</p> <p>In the case that Sub Sri Thai Property Fund has necessary and urgent matter, Sub Sri Thai Property Fund or the representative of Sub Sri Thai Property Fund can inspect the rented assets immediately. The lessee is responsible for complying with the law and regulations related to the rented assets, as well as the law related to the local administration, tax and duty and environment. Apart from that, the lessee will strictly comply with the agreement, conditions and the regulations of the licenses (if any) required for the business operation of the lessee and maintain the licenses (if any). The lessee is responsible for submitting the copy of licenses related to the business operation of the rented assets.</p> <p>6. The lessee is responsible to inform Sub Sri Thai Property Fund in writing in advance without delay in the case that the lessee has got any information of acknowledge of ant event that may significantly affect thr rent of the rented assets under this contract or any event that significantly affect or may significantly affect the document storage and the relevant businesses operation by the lessee, or the financial status of the lessee which may affect the compliance to the contract by the contract parties.</p> <p>7. Within the rent period, the lessee agrees to comply with the following agreement:</p> <ol style="list-style-type: none"> Prepare the financial statement of the lessee in accordance with the accounting standard which is generally accepted. Such financial statement must show the business turnover related to the utilization of the rented assets of the lessee correctly and reasonably. Inform SSTPF in writing immediately when the lessee is acknowledged of or should have known about the breach or the events that may lead to any breach in the contract of the lessee, together with the details of the steps taken or to be taken by the lessee in order to fix such damage or mitigate the damage occurred or may occur from the breach or the event.
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	<p>The lessee will take necessary actions to prevent the lessee from being the person who make the breach under any loan agreement of the lessee.</p> <p>c. Take actions to prevent other lenders of the lessee to have right or liability over the assets or the income of the lessee. Take actions to prevent other lenders of the lessee to have repayment ranking better than the right of SSTPF under this agreement. Only in the case that the lessee becomes insolvent under the relevant law, except in the case of the compliance to court's or government agency's order or as specified by law.</p> <p>d. Look after and repair all assets of the lessee to be in a normal ready-to-use condition at all time.</p> <p>e. The lessee has already submitted the information of any liabilities of the lessee related to the utilization of the rented assets, only in the part occurred before the start of the rent period (if any) to Sub Sri Thai Property Fund.</p> <p>f. In the case that the lessee wants to change the authorization of the lessee's company at the level of major shareholder or at the management level, including the appointment, removal of the chairman of the director, the managing director, authorized directors of the lessee, financial division manager or general manager, the lessee agrees to inform Sub Sri Thai Property Fund within 7 days from the day that the lessee has the resolution of such matter.</p>
Sublease and Transfer of the right to rent	<p>Throughout the rent period</p> <ol style="list-style-type: none"> 1. The lessee cannot transfer the right and / or the responsibility under this contract, regardless of entirely or partially to any person. 2. The lessee cannot rent out the rented assets to external party or sub-lease entirely or partially or the significant part to other person for document storage and relevant business operation, unless the prior written consent is obtained from Sub Sri Thai Property Fund.
Insurance	<p>Within the rent period, the contract parties agree that the lessee is responsible to provide 1) Property All Risks Insurance, 2) Third Party Insurance and 3) Business interruption insurance, for document</p>

	<p>storage and other relevant business operation with the following details:</p> <ol style="list-style-type: none"> The Company and Sub Sri Thai Property Fund is the insured. The lessee is responsible for premium. SSTPF is in the position of the beneficiary of the insurance in 1) and 3). The sum insured for the insurance in 1) will be not less than the value of the assets replacing the rented assets which is the value that does not deduct the relevant depreciation (Replacement Value) of the rented building and public utility system and limit of the insurance of 3) shall not be less than the average monthly income in the year before purchasing the Business interruption insurance. If SSTPF receive the compensation under the Business interruption insurance, Sub Sri Thai Property Fund agrees to hand over the compensation to the lessee. <p>Within the time that Sub Sri Thai Property Fund receives the compensation under the Business interruption insurance, it shall be considered that Sub Sri Thai Property Fund has received the rent at the amount stated in the rental contract.</p>
Responsibility on the rented assets maintenance	<p>Unless in the case that the rented assets is damaged or destroy by the incidents under the casualty insurance and machine damage insurance in the rented assets within the rent period, the contract parties agree that the lessee is responsible for the maintenance of the rented assets, including the warehouse for rent by maintain, repair and renovate the rented assets to be in a good condition and appropriate for utilization (Maintenance) according to the objectives specified in the rental contract, as well as the repair and maintenance of other assets in a similar manner as the rented assets with the cost of the lessee.</p> <p>If the lessee does not comply with the first paragraph, Sub Sri Thai Property Fund can take action on behalf of the lessee and has a right to claim for the related damages from the lessee.</p>
Taxes and Expenses	<p>The lessee is responsible for paying property tax and local administration tax, as well as the sign tax and other taxes and fees as claimed by government agency due to or related to the utilization of the rented assets throughout the time that the</p>

	rental contract is in effect.
Breach and termination of the rental contract	<p>Apart from other regulations in this contract, one of the following events is considered as breach or cause of termination of the contract parties related to such event, as the case may be.</p> <ol style="list-style-type: none"> 1. Breach of the contract <ol style="list-style-type: none"> a. In the case that the lessee violate or does not comply with the agreement specified in the rental contract or the representation and the lessee cannot fix such violation and perform correctly according to the agreement within 20 days, except for force majeure. However, in the case that the lessee fails to make payment of rent as specified in the rental contract, it shall be considered that it is a breach under the agreement immediately. The rent that the lessee fails to pay to Sub Sri Thai Property Fund shall be considered as the Accrued Unpaid Amount which cannot be left more than 60 days and when the lessee makes payment to Sub Sri Thai Property Fund, Sub Sri Thai Property Fund will arrange the payment to be on the following order. <ol style="list-style-type: none"> (1) The rent according to the contract (2) Accrued Unpaid Amount (3) Other rent, interest, penalty and other damages (if any) b. In case the lessee is under receivership or bankrupt by court order or in the process of dissolving the company, liquidation or there is a request for business rehabilitation of the lessee to the court or government agency which Sub Sri Thai Property Fund sees that it may affect the ability of the lessee to repay the debt or comply with the rental contract. c. In the case that the lessee has stopped all or parts of business operation which make Sub Sri Thai Property Fund cannot seek benefits from the rented asset significantly or the new lessee cannot seek benefits from the rented asset significantly. d. When the lessee as the contract party of the sale and purchase agreement of the land and building of Sub Sri Thai cannot perform duty or representation as stated in such agreement.

	<p>e. In the case that Sub Sri Thai Property Fund violates or does not comply with the agreement that is the significant part of the agreement according to the responsibility of SSTPF as specified in the rental contract or as represented as the significant as specified in the rental contract and Sub Sri Thai Property Fund cannot fix it to be comply with the contract within 30 days.</p> <p>2. Cause of termination of the rental contract</p> <p>a. In case of Clause 1. a. – d. for the case that the lessee does not comply with the law or does not take action with the relevant government agency and the lessee does not fix it within 30 days from the date of notification or acknowledgement of such breach in writing, the lessor has the right to terminate this rental contract.</p> <p>b. In case of Clause 1. E. and the lessor does not fix or perform correctly within 30 days from the date of notification or acknowledgement of such breach in writing or within any period of time as agreed by the parties, the lessee has the right to terminate the rental contract.</p> <p>c. If the following cases occur, the parties agrees that the rental contract shall be invalid immediately.</p> <p>1) Upon the end of the rent period and there is no rental contract renewal</p> <p>2) When the contract parties volunteer terminate the rental contract.</p> <p>3) The rented assets is expropriated according to the notifications or laws related to expropriated or other laws which SSTPF sees that such event affect the operation of the project significantly and such event cannot be fixed or mitigated or there is no action to take to reduce the impacts on the project operation.</p>
Result of the breach or result of the termination	<p>1. In case of one of the breaches of the rental contract occurs, the contract parties agrees to take the following actions:</p> <p>a. In case of the event specified in the rental contract breach in a. – b. occur, the contract party who does not violate the contract may terminate the rental contract by informing the other contract party in writing not less than</p>

	<p>30 days in advance and the contract party who does not violate the contract has the right to claim for the damages from the other party. In the case that the lessee violate the contract, Sub Sri Thai Property Fund has the right to claim for Accrued Unpaid Amount (if any) and other damages as specified by law from the lessee as well.</p> <p>When the right to terminate the contract according to the first paragraph is applied, the contract party shall agree on the compensation as follows:</p> <ol style="list-style-type: none"> (1) In the case that Sub Sri Thai Property Fund use the right to terminate the contract due to the breach of the lessee, Sub Sri Thai Property Fund has a right to claim for the damages at the amount equal to the remaining rent throughout the rent period. (2) The damages according to (1) may be lower in the case that the lessee finds a new lessee to operate the business in the rented assets within the period from the termination of contract to the end of rent period. If the new lessee enters into contract with Sub Sri Thai Property Fund and the return that Sub Sri Thai Property Fund receives is lower than the damages that Sub Sri Thai Property Fund should have received. The lessee agree to compensate the damages for the difference between the damages that Sub Sri Thai Property Fund should have received which the new lessee agrees to pay to Sub Sri Thai Property Fund. (3) For the damages payment according to (1) and /or (2) Sub Sri Thai Property Fund agrees that the lessee shall make payment in installment of rent payment as specified in the rental contract further. The damages payment in each installment must not be less than the rent payment in such installment. The payment shall be made until the actual damages is settled. <p>b. In case the incidents as specified in the cause of termination of the rental contract Clause C. 1. – 3. of the rental contract occur, it shall be considered that the rental contract is terminated and both parties do not have</p>
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	<p>the right to claim for damages, expenses or money or other benefits from the other party due to the termination of the contract according to the cause of termination of the rental contract Clause C. 1. – 3. In this regard, this shall not affect the rights, obligation and responsibility of the contract parties occurred before the termination, unless otherwise agreed in writing.</p> <p>2. When the rental contract is terminated due to any cases, the lessee will hand over the rented assets back to Sub Sri Thai Property Fund in as is where is condition, as maintained according to the details under the obligation of rented assets maintenance of the rental contract and lessee must transfer the right and let the customers know about any right transfer under the document storage agreement or any service agreements with the customers to Sub Sri Thai Property Fund, as well as handing over the entire documents related to the service providing of the lessee in the rented assets to SSTPF within 30 days from the day that the rental contract is terminated.</p> <p>3. In the case that the contract parties has used the right to terminate the contract according to any condition under the title of result of the breach or termination of rental contract, the lessee still has the obligation under the rental contract and is able to utilize the rented assets until the end of the period specified by the lessee in the notification letter.</p> <p>4. In case Sub Sri Thai Property Fund and / or the lessee make the other party suffering from damages, receive claim, dispute or any legal action due to or related to the breach of the rental contract, Sub Sri Thai Property Fund and /or the lessee agrees to waive the right to claim damages or expenses and /or file complaint, legal action for neither civil nor criminal cases from the committees, directors, managers and employees of SSTPF, the management company and /or the lessee as the case maybe, regardless of such event occurs from any cases, except for the fraud or severe carelessness of the committees, directors, managers and employees of Sub Sri Thai Property Fund, the management company and /or the lessee.</p>
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2.5.3 Information of Lessee

(1) General Information

Name	Sub Sri Thai Public Company Limited
Address	2044/25-27 New Phetchaburi Road, Bangkapi, Huai Khwang, Bangkok 10310
Company Registration No.	0107537002117
Telephone	02-314-0412, 02-314-3132, 02-318-5514-5
Facsimile	02-318-3490-1
Registered Capital	THB 759,679,703.00 (759,679,703 ordinary shares at Par Value THB 1.00 (one) per share)
Paid-up Capital	THB 455,807,823

(2) Management

Name	Position
Mr. Surapong Paisitpatnapong	Chairman of the Board of Director and Independent Director, Chairman of the Audit and Corporate Governance Committee, Chairman of the Nomination and Remuneration Committee
Mr. Supasith Sukhanindr ¹³⁾	Vice Chairman of the Board of Director, Chairman of the Board of Executive Director, Member of the Nomination and Remuneration Committee
Mr. Pilanchai Pradubphong ¹³⁾	Director, Vice - Chairman of the Board of Executive Director and Corporate Secretary
Mrs. Chitra Thavara	Director and Independent Director, Member of the Audit and Corporate Governance Committee, Member of the Nomination and Remuneration Committee
Mr. Tosporn Simtrakan	Director and Independent Director, Member of the Audit and Corporate Governance Committee
Mrs. Intira Sukhanindr ¹³⁾	Director
Miss Duangdao Chinthammit ¹³⁾	Director
Miss Duangkae Chinthammit	Director
Mr. Somyod Suteerapornchai	Director

Remark ¹³⁾ Authorized director to sign on behalf of the company

(3) Opinions of the REIT manager on the tenant's ability to comply with the lease agreement

The REIT manager commented that the tenant has had the executives and a team experienced, expert in specialized document storage management. It is also necessary to rely on the reputation and experience accumulated for a long time together with service and expertise in document storage management to be able to provide document storage business service fully and reliably for document-depositing customers like Sub Sri Thai Plc. has operated with a Standard of Operation to continually seek the benefits from real estate in the long run. Furthermore, the tenant is the original owner of Sub Sri Thai Smart Storage Project since before SSTSS' investment in such property and SSTSS has been converted into the REIT. Therefore, the tenant is expert in property management of Sub Sri Thai Smart Storage Project well.

Throughout the period since the establishment of SSTRT and rental of Sub Sri Thai Smart Storage Project from SSTRT, the tenant has still performed the duties as specified by the lease agreement in all respects.

In case of the tenant' inability to comply with the lease agreement, the REIT has measures to take action in the following cases.

- In case of the tenant's violation or non- compliance with the agreement in essence as specified in the lease agreement and the agreement relating to the seeking of benefits of the REIT and inability to rectify such breach within the period specified in the agreements, the REIT is entitled to terminate the contract and/or claim damages from the tenant.
- In case of the tenant's failure to pay the rent payable to the REIT as specified in the lease, REIT has the right to take action under the lease agreement as follows.
 - a) The REIT is entitled to charge a fine of 7.5 percent of the amount of that outstanding debt until payment will be completed.
 - b) The REIT is entitled to deduct the deposit (as specified in the property lease Agreement) in the amount equal to that unpaid rent until the full amount to pay the rent. The tenant is obliged to bring additional money to the full amount according to deductions for such purpose within 10 days from the date of the tenant receiving notice of deducting the deposit from REIT for the full

amount of the deposit as specified in the lease within the period and conditions fixed by the lease agreement. In case of the tenant's failure to bring additional money for the original full amount of the deposit within the period specified in the lease agreement, the REIT can use the right to immediately terminate this contract or

- c) The REIT has the right to require the bank who issued letter of guarantee to pay the unpaid rent to REIT under the terms of the letter of guarantee. The REIT will give written notice to the tenant 7 days before exercising the right to enforce that letter of guarantee.

2.6 Borrowing money

The conversion of SSTSS into the REIT as mentioned above involved various expenses for such operation. Besides, it was necessary to bring cash in exchange for assets and encumbrances from SSTSS along with the trust units. Therefore, the REIT has borrowed money from financial institutions to manage the liquidity of the REIT and for the benefit of trust unitholders. The REIT has considered that the procurement of funds for such purpose from the Cost of Debt is lower than the Cost of Equity. At the same time, the interest rate received by the REIT from borrowing money is still close to the loan rate of good customers offered by most domestic commercial banks to their customers in similar businesses and under similar conditions.

2.6.1 Summary of the loan agreement and loan guarantee

a. Borrowing money for major property investment

Lender	Siam commercial Bank Public Company Limited
Credit application	One Asset Management Ltd. act on behalf of Trustee of the REIT
Loan amount	240,000,000 (Two hundred forty million baht)
Objective of borrowing	To investment in the assets of the mutual fund for the conversion
Interest rate	Fixed interest rate for 5 years counting from the first date of withdraw the loan then rate of interest at MLR – 2.00 per year counting from the date of 5 years
Period of borrowing	Not exceed 10 years counting from first date of withdraw the loan.
Interest payment	Pay interest every 6 months, within the 10 of January and July of each year

Return of capital	Gradually pay the return capital from year 5 onward (first of 4 year not require to return the capital) Payment term every 6 months, within the 10 of January and July of each year
Warranty	<ul style="list-style-type: none"> - Mortgaged land with buildings - Bring the rental contract to register the warranty of the business - Bring the machine to register the warranty of business - A conditional transfer rights in the insurance applicant has various types of insurance with respect to property investment.
Key of financial provision	<p>All the time of borrowing period credit application will be responsible as loan contract. borrower will consider of financial ratio of borrower annual when received financial statement which audited by auditor who approved from SEC, credit application shall consider financial ratio of the first borrower when the 2018 annual financial statements of the borrower have been verified by the auditor named in the list of auditors approved by the SEC.</p> <ul style="list-style-type: none"> - Interest Bearing Debt per capital shall be Interest Bearing Debt per portion not exceed 1.0 : 1 (Except lender consider as appropriate and specify to be other) - Ratio of Interest Bearing Debt per EBITDA shall be ratio of Interest Bearing Debt per EBITDA not exceed 5.5 : 1 (Except lender consider as appropriate and specify to be other) - Ratio of DSCR shall be DSCR no exceed 1.0:1 (Except lender consider as appropriate and specify to be other)
Term of borrowing contract	<p>To Borrow, commitment as the loan contract, to prepare the document or performance of credit application which specify in the loan contract, credit application shall perform by follow the law and regulation which not conflict to commitment in load contract.</p> <p>Will not perform that cause of contract and all other documents relating to this contract, which are binding between the borrower and the lender, shall be fully enforceable by law. The end of the debt obligations of the borrower. This is enforceable under the terms of this agreement or any other such documents.</p> <p>The borrower will retain the legal status of SSTRT as REIT established under the Trust for Capital Market Act B.E. 2550 and relevant laws. Contract compliance documentation and any other actions as set out in this Agreement. And do things. Related to this contract. Fulfill the terms of this contract, the purpose of the contract, the trust set</p>

	up of the borrower, and any law relating to the fulfillment of the terms of this contract.
Fee of prepayment the capital	None

b. Borrowing money for main assets from the 1st capital increase

Lender	Sub Sri Thai Public Company Limited	
Credit application	One Asset Management Ltd. act on behalf of Trustee of the REIT.	
Loan amount	30,000,000 million baht (Two hundred forty million baht)	
Withdraw loan	11,000,000 baht (Eleven million baht)	
Objective of borrowing	For expenses the conversion of Sub Sri Thai Property Fund Integrated with the trust	
Interest rate	loan then rate of interest at 6.025% per year	
Period of borrowing	5 years counting from first date of withdraw the loan.	
Interest payment	Pay interest every years, within the 10 of January ,the first interest payment is start on 10 January 2021	
Return of capital	Annually paid for a total of 4 installments in the amount of details as specified in the following table.	
	Installment No.	The amount of money to be paid in each installment
	1	27.85 percent (twenty seven point eight five) of the drawdown loans
	2	27.85 percent (twenty seven point eight five) of the drawdown loans
	3	27.85 percent (twenty seven point eight five) of the drawdown loans
	4	16.45 percent (sixteen point four five) of the drawdown loan
The payment shall be made within the date 10 th of January of every year. The first payment shall be made on the date 10 th of January 2021		

2.6.2 Statust of the REIT's Borrowing as of 31 December 2019

Amount ¹⁴⁾ (Baht)	Total Asset Value of the REIT (Baht)	Ratio of the Borrowing to Total Asset Value of the REIT (%)
240,000,000.00	1,545,290,560.54	15.53

Note ¹⁴⁾ Excluding loans from Sub Sri Thai Public Company Limited in the amount of 11,000,000 baht (one time) on 20 January 2020. If including the said, the ratio of the borrowing to Total Asset Value of the REIT will be equal to 16.24%

In this regard, the REIT has complied with the terms and conditions of the loan agreement as mentioned above.

3. Overview for industry of the Invested Properties

Conditions of the warehouse business industry in Thailand

Warehouse in general : The trends of the requirement of rental area has been slightly higher with the support from some of the entrepreneurs who wants to change the format of warehouse from original styles to a modern style in order to increase the channel to earn income from the services other than improving the building to meet the standard. Some places make investment to develop the energy saving system and environment in the building and setting the structure of the building by considering on the disaster prevention.

Based on the gradually change of the production base to Thailand of the foreign investor, especially the Japan – China, the impact from trading war and the potential of the growth of E-Commerce business, the Thai e-Commerce Association evaluate the E-Commerce market will grow for 10 times from today, which has the value of 1 - 2 % of the retail value. As a result, there is a support for the increase of the rent area for storing the stock of raw material / goods before delivery.

Document storage : Potential of the demand for document storage service is growing consistently because the government sector has the policy to store the accounting document in hard copy. The potential of the income realization is slightly higher because there are newly registered company continuously. At the same time, the number of service provider does not increase according to the market demand because the cost of land in Bangkok and surrounding area has been increased. Therefore, the operation cost of document storage business is also increased. Apart from that, it requires expertise in document storage management, so the new competitor in the document storage business is limited.

Marketing Policy and Competition of the REIT Project

The document storage service business has a high barrier to entry, because it requires expertise in the document storage management and timeliness in recalling certain documents from the storages. The advantages in space area to be used as a document storage warehouse resulting in increasing in price competition. Moreover, competitors provide services in a new way that replace document storage service by document scanning services to store documents in electronic form and cloud storages which provide services using online media. Such services accelerate the shredding schedules for physical documents or eliminate the need to physically maintain documents in the first place. Competitors in the document storage service business include Iron Mountain (Thailand) Co., Ltd., Krungdhep Document Co., Ltd., and JWD Info Logistics PCL group companies.

From the competitive conditions in the industry, the management of of Sub Sri Thai Plc. has develop their services continuously by bringing modern storage systems with large document storage

centers. There is a ventilation system in document storage warehouse. There are strong and durable finished steel shelves to store documents for convenience and keep the document boxes in good condition and there is AS / RS automatic document warehouse system that uses the advanced technology in Asia, which is the first and only in Thailand for document storage services. There is a computerized storage control system with barcode codes that can search documents quickly and accurately As well as having expert staff in packing and making various services. In addition, there is a service to deliver documents for checking rapidly.

Moreover, providing efficient services, Sub Sri Thai Plc also places importance on documents which are confidential documents for each depositor by providing security control systems to prevent data leakage. There are modern and effective fire protection systems. There are 24-hour security guards and CCTV monitoring, system for check-in and check-out in document storage area, installed alarm equipment including the infrared light detection system in the building, installed smoke detectors system, heat detector system, fire extinguisher throughout all areas of the document storage center. There is a water pipeline and automatic fire pump for fire fighting with regular checking and testing. There is also pest control to prevent termites and various insects. At present, the document storage service has been certified with the quality standard ISO 9001: 2015 as well as emphasize on customer relations by meeting customers closely before and after the sale to inquire about the needs and satisfaction of customers in order to solve problems continually.

4. Risk Factors

4.1 Risks related to investment in real estate of the REIT

4.1.1 Risk from the changes in document storage method

According to the development in technology continuously, makes the current cost of storing documents in electronic form a relatively cheaper service. Therefore, many companies can conveniently store documents in the form of electronic media. It is also easier to store and search than storing documents in physical storage. If the document depositors increasingly switch to use electronic media for store documents, it can cause reduce the demand of physical documents storagein and the tenant under the lease agreement may affect from operating results which may affect the ability to pay the rent and will directly affect the performance of the REIT.

However, document storage services are still in demand in Thailand, as companies' policies, such as those of financial institutions, require original physical documents to be maintained, including accounting, financial, legal, and other types of documents that are important when it comes to legal significance, taxations, and search and compliance purposes as required by law. Therefore, the majority of business operators tend to store their documents at least 5-10 years depending on the company policies before it is time for shredding. Although the Electronic Transactions Act, B.E. 2544 and amendment B.E. 2551. This law allows documents stored in the electronic form to be considered original, many businesses still see the importance of storing their documents physically, because the physical originals can used in legal processes without having to go through the originality and completeness verifications as would be the case for electronic originals (cited from the notification of the Office of the Electronic Transactions Commission, regarding the guidelines for the construction or converting documents in electronic forms B.E. 2553). Companies do so to reduce the risk that electronic documents may not be usable in litigations, the risk of not being able to verify the electronic documents, such as signatures and company seals, and the risk that electronic documents may be altered in the case of insufficient security measure, as well as the risk of constantly changing technology which may make document recovery become difficult in the future.

4.1.2 Risks from natural disasters, accidents and sabotage

Despite likelihood of natural disasters, accidents, sabotage and other force majeure circumstances happening infrequently, but the occurrence in the real estate location of the REIT may cause damage to assets of the REIT and property of the tenants using document storage service. Although the REIT's assets are insured by covering damage from disasters (excluding terrorism), business interruption insurance and insurance for the benefit of third parties adequately and appropriately pursuant to the rules of relevant laws all the

time, but the construction of new real estate or repairing the parts heavily damaged may involve a high cost burden and it take a long time to deal with such matters. This may cause REIT to lose significant revenue throughout that period with impact on the operating results and financial status of the REIT.

4.1.3 Risk of expropriation of property of the REIT's investment in all or significant parts under the land expropriation law, making the REIT unable to utilize the property and potentially affecting the business profits of the REIT

At present, it does not appear that there is expropriation of property of the REIT's investment in whole or significant parts. However, in case of future expropriation of the land and building property whether in whole or in significant parts, the REIT will perform various actions so as to receive compensation according to the amount, rules and procedures prescribed by the Act on Expropriation of Real Estate B.E. 2530 (including additional amendments and other relevant laws) ("Expropriation Law").

In that case, the REIT may not receive compensation under the expropriation law because of inconsistency with the conditions stipulated by such law or REIT may receive compensation in the amount less than (A) remuneration for investing in the property of the REIT's investment and /or (B) the cost of missing benefits expected by the REIT to receive from the property of the REIT's investment, which will have a significant impact on the business, operating results and financial status of the REIT such as possibly causing the REIT to be unable to utilize such property according to investment objectives and significant changes in the income expected by the REIT to receive.

4.1.4 Risk from economic fluctuations with potential impact on the business profits of real estate in which the REIT has invested

Real estate of the REIT's investment includes the risk of fluctuations in the economy and may be affected by changes in the overall economy. Moreover, such real estate may be affected by changes from other macro factors, e.g. political factors, city planning, changes in population structure, being affected by natural disasters, epidemics as well as domestic unrest, etc.

4.1.5 Risk from higher competition

The REIT's business profits may be affected by the increased number of operators in the market. Having the number of operators providing document storage rental service in the vicinity of the location of the REIT's property leads to increased market supply, higher competition until possibly affecting the operations and financial status of the REIT.

However, the document storage service business includes quite high barriers to entry of new competitors (barrier to entry) because this business requires specialized skill, expertise in document storage management and depends on the advantage of space for

use as document storage. Therefore, there is currently no entry of new operators with no accumulated land into the document storage service industry. As a result, the new competitors to enter the document storage business are quite limited.

4.1.6 Risks in case of need to improve, repair the property of the REIT's investment

Annual improvement or maintenance or inspection and repair of property in normal circumstances, including improvement or maintenance and repair of property due to natural deterioration, increased use duration of property will not affect the renting out of document storage building space because the REIT has required the tenants to repair, maintain at the tenants' expense.

Additionally, such risks remain limited because the REIT still has the right to enforce rental guarantee in case of the tenants' failure to keep the property in perfect condition, ready to use. Besides, the REIT will closely monitor the results of the building inspection to be able to solve problems quickly in case of anomalies happening to the REIT's property.

However, the case of the document storage building and other assets rented out by the REIT damaged by disasters in whole or in some significant parts, which causes the tenants to be unable to utilize the document storage building and other assets leased from the REIT, may significantly affect the business, operating results and financial status of the REIT. However, in the event of damage from disasters in whole or in part, the REIT will use indemnity to repair the leased property from non-life insurance in the sufficient and appropriate amount. Furthermore, the REIT has also arranged for business interruption insurance in order for the REIT to receive indemnity for spending in the period of improving, repairing the property. In addition, the REIT may consider reserving expenses for repair or improvement in advance.

4.1.7 Risk from relying on the property tenant mainly

Sub Sri Thai Public Company Limited is a contracted tenant of the REIT's property to operate document storage business, which has a small number of operators. Moreover, the document storage property is unique, must rely on the reputation and experience accumulated for a long time, together with service and expertise in document storage management to be able to provide document storage business service fully and reliably for document-depositing customers like Sub Sri Thai Public Company Limited has operated. Because of such restrictions, so the REIT must rely on Sub Sri Thai Public Company Limited as property tenant for management to obtain the benefits mainly. The refusal of Sub Sri Thai Public Company Limited to lease the property or continue to manage the property may have a significant impact on the business, operating results and financial status of the REIT.

However, the REIT has a long-term lease agreement of approximately 10 years and 1 month with Sub Sri Thai Public Company Limited to reduce such risk. Besides, upon the approach of the lease's expiry, the REIT manager will negotiate with the tenant to consider renewing the lease in advance. In case of the REIT's inability to agree to the terms of the lease renewal, the REIT manager will search for a new tenant who operates document storage business or similar business with the ability to use the REIT's property to obtain the benefits effectively. The renewal of the lease or the selection of a new tenant will be based on the interests of unitholders essentially.

4.1.8 Risk related to dependence on technology in document storage

Because the document storage No. 52 is equipped with automatic document storage equipment of high value and using specialized technology, it is necessary to rely on people well knowledgeable and expert in machine maintenance for the maintenance and use of machine. The lack of knowledgeable people for machine control or machine maintenance may cause the document storage to be unable to operate normally.

However, the REIT has required the tenant to be responsible for maintenance, repair of property throughout the rental period at the tenant's expense. The tenant agrees to maintain, repair the leased property to be in neat condition suitable for use.

Additionally, in case that document storage equipment is defective or damaged actually, which is not damage caused by disasters entirely, the likelihood of the REIT losing revenue from providing space service will remain in low level because the REIT will still receive the normal rents.

4.1.9 Risks related to dependence on easement for property entry/exit

Entry/exit of the REIT's property must pass the land of Sub Sri Thai Public Company Limited ("SST") and personal land owned by natural person. Sub Sri Thai Public Company Limited and the owner of such personal land have registered easement for the land of the REIT's investment regarding walkways, car roads and utilities around the REIT's property. Failure of SST and / or the owner of such personal land to take care of this land property to be in suitable condition ready to use as the entrance, exit of the project or making changes to the utilization model of this easement land may result in obstacles to the transport of document boxes for keeping in the storage building of the REIT, which may cause the REIT's property to lose the opportunity to generate income fully. Moreover, if the REIT decides to sell the property of this project in the future, people interested to buy may consider reducing the purchase price because the REIT's property cannot be connected to public ways directly.

However, the agreement requires SST, owner of such easement land not to change the utilization of easement land unless mutual approval between SST and the REIT is given.

Additionally, Sub Sri Thai Public Company Limited agrees to look after, repair and maintain the easement land to be in good condition so that the REIT will use this easement land to enter- exit the REIT's property appropriately. Furthermore, if the REIT decides to sell the project's property in the future, such easement will be attached to the property to be sold by the REIT to the new owner according to the law. Therefore, the new owner can use this easement land to enter, exit the property legally.

4.1.10 Real estate owned by the REIT may have expenses related to real estate as well as increasing in the cost of operations

Ability to pay benefits to unitholders may be affected if the expenses related to real estate and other operating expenses increase. The rental income does not increase or increase at a lesser rate which will affect the total rental income that the REIT will receive according to the rental income structure as defined in the lease agreement.

The Factors that may result in higher expenses related to real estate and operating expenses are

- Increasing in taxes related to real estate including other legal fees
- Changes to laws, rules, regulations and government policies that will increase the cost of complying with laws, rules, regulations and policies that have been changed.
- Increasing in service fees for various service providers
- Increasing in inflation rate
- Increasing in interest rates
- Damage or deteriorate of the properties which needs to be recondition which requires the cost of operation and the cost of doing this part has been not expected.
- Increasing in other operating expenses related to real estate and the provision of REIT benefits

4.2 Risks related to operations and structure of SSTRT

4.2.1 Risk from property defects that may not be found or cannot be checked by information inspection before investment

Before investment in real estate, REIT manager has studied the detailed information of that real estate by checking relevant documents (Due Diligence), including property valuation report, report of legal status examination of property by legal counsel and the report of building and building accessories inspection, etc. However, this operation does not guarantee that such real estate is free from damage or defects, which may require

improvement or repair expenses. The report of property valuation, the report of legal status examination of property by legal counsel and the report of building and building accessories inspection used by REIT manager as a basis for evaluating and inspecting real estate may be defective, have inaccuracies because some faults of real estate may be difficult to detect or cannot be detected due to inspection limitations and inspection techniques or other factors as inspection limitations of both the valuation company and the engineer.

4.2.2 Risk from Changes of Accounting Standard and Relevant Laws

The REIT's operating performance and dividend distribution may be affected by the enforcement of new accounting standards or revised accounting standards. This is the factor that the REIT cannot control or predict for the amendments to the laws, notifications, regulations, rules, policies and/or government officials' orders or any authorized legal entities that is consider unpredictable. Thus, the REIT is not able to evaluate the impact of such changes and guarantee that such changes will not affect the operation and dividend distribution of the REIT.

4.2.3 Risk from Taxes and Fees

In the future, the REIT may purchase, sale, transfer or receive of the freehold right or the leasehold right (in the case that the REIT invests in leasehold right of the immovable properties) in the immovable properties, where the REIT could incur taxes and fees arising from the purchase, sale, transfer or receive. The REIT may be subject to pay such taxes and fees in full or partial amount at the rates that could be differ from the current rates.

4.2.4 Risk of SSTRT's concentrated investment when compared to REIT and the mutual fund of other types

The necessity for REIT to invest in real estate not less than 75 percent of the trust unit value of requested permission for offering to sell, including the amount of loans (if any) causes investment to be concentrated in real estate meanwhile REIT and / or mutual fund of other types may have a policy to diversify investment in financial instruments of various types.

4.2.5 Risk from the ability to pay the rents of the property tenant

The rents to be received by REIT from the tenant under the lease will be the only source of main income of REIT. Therefore, REIT may have a risk from the financial status and the ability to pay the rents of the tenant. Such tenant's financial problems with impact on the ability to pay the rents, failure to pay the rents or premature termination of the lease and REIT's inability to find a new tenant to replace this tenant may directly affect the income of REIT.

4.2.6 Risk of REIT's possibility of not receiving rental income or reduced rental income after expiry of the lease

Upon expiry of the lease term, REIT may be at risk of not receiving rental income or receiving reduced rents from the tenant. Therefore, the unitholders may be affected due to possibly reduced returns that the unitholders receive.

However, REIT may find a new replacement tenant. REIT may take time to find another person to be a new contract party of the lease for continuing to rent the leased property. This person may not have the same qualifications or abilities as the original tenant and / or may not agree to the favorable rental conditions comparable to the current lease.

4.2.7 Risks from finding a new tenant

Upon expiry of the lease term, REIT may be at risk of not renewing the lease with the current tenant and need to find a new replacement tenant. REIT may take time to find a new tenant and REIT may not receive rental income while searching for a new tenant. Moreover, if REIT can find a new replacement tenant, SSTRT may have a risk that the rents of the new contract will be reduced, including the risk of the new tenant's ability to pay the rents of the contract, which may cause returns of the unitholders to be reduced.

4.2.8 Risk from changing the model of the lease after expiry of the lease

Upon expiry of the lease term, REIT may be at risk of not being able to renew the lease with the tenant in the form of fixed rents. Changes in the rents received partly in the form of rents varying with the operating results of the tenant's document storage may cause conflict of interests from the tenant's management if the tenant has many document storage warehouse and the tenant does not rent all those document storehouses from REIT. As a result, the unitholders may be affected because returns received by the unitholders may be reduced. However, REIT can supervise and require the tenant to set up a good management system so as to prevent potential conflict of interests.

4.2.9 Risks associated with insurance

REIT's business operation includes the risks from operation and utilization of the property of REIT's investment because REIT must have the property of REIT's investment insured sufficiently and suitably in accordance with the relevant laws. However, REIT may not be able to take out insurance that covers some types of potential risks such as loss from war or terrorism, etc. (Or even if REIT can provide insurance, but the insurance premium rate may not be worth the economic benefits that REIT may receive). Or REIT may not be able to use the claims as specified in the relevant insurance policies, whether in whole or in part or there may be a delay in compensation for damage according to such insurance policies without the fault of REIT.

REIT may be at risk from financial losses in case of serious incidents that REIT may not receive adequate compensation for damage or is unable to provide such type of insurance. This may directly affect returns expected by the unitholders to receive.

4.2.10 Risk from the contract parties' incompliance with the contracts

For REIT's investment and real estate management, REIT has received the transfer of the lease, contracts and contracts related to investment and property management of SSTSS for seeking the benefits of REIT and binding the contract parties to comply with the terms of such contracts.

However, despite the provisions of the contracts, the contract parties may breach the contracts or any incidents occur, which cause termination or breach of contracts. In such cases, despite REIT's rights to terminate the contracts, claim damages and claim the cost of missing benefits and / or the rents paid (as the case may be), but the cases of breaches of contracts by the contract parties cause REIT to possibly not receive the benefits or enforce compliance with the said contracts such as the inability to enforce the rights of SSTRT according to the terms or the contract parties' failure to pay damages as claimed by REIT. Therefore, REIT may need to bring such cases into justice process by prosecuting in court. For such action, REIT cannot anticipate the duration of operation and the amount of compensation that REIT will receive for various damages. In addition, the outcomes of the cases depend on the court's judgment. Despite the court's judgment for REIT to win the cases, REIT may encounter difficulties in enforcing compliance with the court's judgment. Therefore, the trust unitholders are at risk of not receiving returns according to the amount or within the period expected.

4.2.11 Potential risk from loans

If REIT takes out the loans according to the stipulated rules, REIT may be at risk from such loans due to changes in economic conditions and increased interest rates, which may affect the operations of REIT, causing REIT to have insufficient liquidity. Furthermore, REIT may be at risk of having the reduced ability to repay the principal and interest, which may also affect the ability to pay returns to the trust unitholders. REIT will attempt to take any action to manage such risk, e.g. preventing the risk from interest rate fluctuations or requesting extension of debt repayment period, etc. However, any such action will be taken by REIT by taking into account the benefits of trust unitholders primarily.

4.2.12 Risk from part of SSTRT's business profits depending on SSTRT manager's abilities to manage and seek the benefits from the property of SSTRT's investment

REIT manager will determine the policies on operations, seeking the benefits and strategies for managing the REIT as specified in the trust establishment agreement, including

other relevant contracts. The performance of duties of REIT manager will be under supervision of the trustee and accords with the trust establishment agreement and related laws.

The abilities of REIT manager to implement REIT's investment strategy successfully depend on several uncertain factors, including the capacity to seek suitable investment opportunities and in consistency with the investment rules of REIT as well as receiving good financial conditions. Therefore, REIT manager cannot guarantee that the implementation of investment strategy of REIT manager in reality will be as planned or can be done within the appropriate time and cost. REIT manager's inability to implement the strategy successfully may affect the value of major assets of REIT, which will affect the operating results of REIT and payment of returns to trust unitholders.

4.3 Risk Relating to Investment in Trust Units of the REIT

4.3.1 General risk

The economic and business condition, both nationally and globally, includes the inflation rate, interest rate, foreign exchange rate, consumer goods price, immovable property's price and the monetary and fiscal policies of the Government, Bank of Thailand and other government agencies may have an impact on the operating performance, financial position and investment of the REIT. Moreover, the economic recession including the decrease in demand of the consumers may have a negative impact to the REIT's operating performance. This may affect the trading price of the REIT in the Stock Exchange of Thailand which may be higher or lower than the offered price.

In addition, the price of the trust units that are traded in the Stock Exchange of Thailand may be affected by external factors which cannot be control by the REIT Manager such as the movement or changes in the stock exchange in the country and abroad, foreign exchange rates, policies or measures directly or indirectly affecting import or export, tourism industry's condition, foreign currencies, economic condition in the domestic and international, risk factors relating to the normal operation and business, fluctuation in the consumer goods market, regulations, tax duties and other government policies. There is no guarantee that the changes in the external factors will not have a significant impact on the price of the trust units, return from investment and the management of the immovable properties of the REIT.

4.3.2 Political risk

The occurrence of political unrest or conflicts may affect the economic conditions of Thailand as well as the stock market in Thailand and may cause a severe impact on the financial status of REIT. Thus, it cannot be confirmed that the current or future political situations in Thailand or the changes of the government's political policies will not have a

serious impact on business operations, financial condition, operational results and the growth of REIT.

4.3.3 Possible change of the trust unit price after offering to sell

After listing the trust units of REIT in the Stock Exchange, it is not certain that the trading conditions of trust units in the stock market will be stable. The market price of trust units may be reduced after listing the trust units in the stock market and may not be consistent with the trust unit value of REIT. The trading price of trust units depends on many factors such as the performance of REIT, securities fluctuations in the stock market and trading volume of trust units, etc. Therefore, the investors may not be able to sell trust units at the price of offering to sell trust units or at the price according to the net asset value per unit of REIT.

4.3.4 REIT's Net Asset Value May Not Be the Actual Value That the REIT Shall Receive from The Asset Disposal or Termination of REIT

The REIT's net asset value is calculated using information from the asset appraisal report. Therefore, in the event that the REIT is required to dispose of the properties either for restructuring purposes or for dissolution purposes, the value may not be the real value that the REIT will receive if all or part of the property is sold or the REIT is terminated

4.3.5 Risk of Liquidity Inadequacy in Trust Unit's Trading Activities in Secondary Market

As the type of the REIT is unitholders have no right to sell back or redeem unit trust and the trust units are listed on the stock exchange of Thailand, the trading liquidity is measured by the frequency and trade volume of the trust units in the stock exchange. This is based on the bid-offer volume which depends on several factors that cannot be control by the REIT Manager such as the market demand of the trust units. Therefore, there is a risk that the REIT will lack the liquidity in trading on the secondary market.

4.3.6 Risk from Distribution Payment to Trust Unitholders

The distribution payment of the REIT is determined based on the performance of the REIT which depends on several factors such as the economic condition of the domestic and foreign countries, the competency of the lessee, the cost of managing the immovable properties, the operating expenses, the competition among operators, the change in laws and regulations relating to the assets, the natural disaster and political situation. Therefore, the investors are exposed to the risk of not receiving the distribution payment as projected or the REIT is unable to make such distribution payment or increase the distribution payment in the following years.

4.3.7 Risk Resulting from Determining the Trading Price of Trust Unit Based on Net Asset Value (NAV) of the REIT

The calculation of the Net Asset Value (NAV) of the REIT that the REIT Manager reports is calculated by using the latest report of value appraisal or reviewed report of value appraisal as a basis for determining the immovable properties value. The NAV as mentioned may not be the market value that is trading in the stock exchange as the market value depends on other factors as well such as the demand and supply of the securities, foreign investors fund inflow, etc.

The REIT Manager has disclosed information in this annual report in compliance with the Office of SEC's regulations and is precautionous with the statements and does not cause any mislead. Moreover, there is no reasons to think that there is information that may affect the decision of the investor who has not been disclosed yet.

4.3.8 In case of REIT's dissolution, payback from the dissolution of REIT may be less than the amount invested by trust unitholders.

In case of REIT's dissolution, REIT's founder cannot guarantee that the trust unitholders will receive their investments back whether in whole or in part. This depends on the causes, methods of dissolving REIT and the rules for selling the assets of REIT.

4.3.9 The value of real estate of REIT's investment according to valuation by the valuation company does not represent the real value of immovable property and cannot guarantee that the selling price of that real estate will be as appraised whether at present or in the future.

In general, real estate valuation will be determined by various factors, including some abstract factors related to that property such as marketing status, financial strength, competitive ability and the condition of property. There may be circumstances that make such factors change in the future because some circumstances or all circumstances as assumptions may not occur as expected or the unexpected circumstances or situations may occur. Thus, REIT manager cannot guarantee that the set assumptions will occur as expected. So, the price that REIT will sell the main assets of future investment may be lower than the value determined by the valuation company or lower than the price of REIT's investment in such real estate, resulting in REIT's loss from investment in real estate, which will affect the ability of REIT to pay returns to trust unitholders.

4.3.10 Additional risks due to the issuance and offering to sell of more trust units

Apart from the abovementioned risk factors related to the property of REIT's investment and the offering to sell of trust units, in case of additional investment, the price of additional trust units issued and offered to sell to investors may be equal to or higher or lower than the net asset value per trust unit at that time. The offer to sell additional trust units at a price lower than the net asset value per trust unit at that time may cause the Net Asset Value per Unit to decrease.

5. Legal Dispute or Limitation of Rights in Procuring Benefits of the Immovable Properties

- None -

6. Other Relevant Information

- None -

7. Detail of the Trust Units and Trust Unitholders

7.1 Trust Units

7.1.1 Information of Trust Unit

Investment Capital	1,160.86	Million Baht
Par Value of the Trust Unit	7.4295	Baht per unit
Total Trust Units	156,250,000	unit
Trust unit value as at 31 December 2019	7.8394	Baht

7.1.2 Information of Trust Units' Price

Closing Price as of 28 December 2019	5.95	Baht per unit
Market Capitalization as of December 30, 2019	492.00	Million Baht
Trading Value in 2019	47.32	Million Baht
Net Asset Value per Trust Unit as of 31 December 2018	632.94	Million Baht
Net Asset Value per Trust Unit as of 31 December 2019	1,224.90	Million Baht

7.1.3 Capital Reduction

- None -

7.2 Structure of Trust Unitholders

7.2.1 Top 10 Major Trust Unitholders on the Book Closing Date as of 28 December 2012

No.	Name of Unitholders	No. of Unit	%
1	Sub Sri Thai Public Company Limited	37,050,006	23.71
2	Principal asset management Berhad	10,471,450	6.70
3	CIMB THAI BANK	7,425,000	4.75
4	Kijkamol Sukosol Company Limited	1,787,400	1.14
5	Mr. Jirasak Laowong	1,599,000	1.02
6	Ms. Kamalee Pachimsawat	1,500,000	0.96
7	Mr. Lakchai Sumanutchai	1,467,180	0.94

No.	Name of Unitholders	No. of Unit	%
8	Ms. Wilaiwan Chatamornwong	1,407,500	0.90
9	Ms. Patama Laowong	1,263,000	0.81
10	Mr. Adereak Pipatpatama	1,110,870	0.71
	Total Major Unitholder	65,081,406	41.65
	Total Minor Unitholder	91,168,594	58.35
	Total	156,250,000	100.00

7.2.2 Major Trust Holders (held more than 10% including related parties) as of 30 December 2019

No.	Major Trust Holders	Number of the Units	Trust Unit Holding Proportion (%)
1.	Sub Sri Thai Public Company Limited	37,050,006	23.71
	Total	37,050,006	23.71

7.2.3 Group of Major Trust Holders that have a Crucial Influence through Management Policies or Operations of the REIT Manager

- None -

7.3 Distribution Payment of the REIT

7.3.1 Distribution Payment Policy

- 1) The REIT Manager shall pay distribution payment to the trust unitholders no less than 90 percent of adjusted net profit of the accounting year. The distribution payment to be paid to the trust unitholders consist of year-end distribution and interim distribution (if any). In this regard, the REIT Manager shall pay distribution payment to the trust unitholders no more than 4 times per an accounting year.

Only when the REIT has increased its capital, the REIT may pay distribution payment within 90 days after end of the accounting period or accounting period that has been paid the distribution, as the case may be.

The adjusted net profit under the previous paragraph shall be adjusted by the following items:

- (a) Unrealized gains from asset revaluations or reviewing the appraisal of the assets of the REIT including revision of other items as per the guidelines of the SEC regulation, in order to reflect the actual cash status of the REIT.
 - (b) Deductions of debt repayments or reserved for debt repayments of loans as specified in the REIT's annual registration statement, prospectus or annual report (as the case may be).
- 2) If REIT has accumulated income any fiscal year, the REIT manager shall pay benefits to unitholders from such accumulated income.
 - 3) If the REIT managers cannot pay the benefits within such period, the REIT manager shall notify in writing via the Stock Exchange of Thailand.
 - (4) If REIT has accumulated loss, the REIT manager shall not pay benefits to unitholders.
 - (5) In considering of distribution payment, if the value of announced distribution payment per trust unit during any year is lower or equivalent to THB 0.10, the REIT Manager reserves the right not to pay distribution payment in such occasion and to accumulate such distribution payment to be paid together with the next occasion.

Procedures and Methodology of Distribution Payment

For the distribution payment to the trust unitholders, it shall be as the following rules:

- (1) The trust unitholders who have the right to receive distribution must be the trust unitholders whose names appear on the trust unit's registrar as of the book closing date for distribution payment according to the proportion of the trust units held by each trust unitholders. If the trust unitholders or the associated parties of the trust unitholders that hold the trust units exceeding the limitation of rate as prescribed in the Notification of the SEC, such trust unitholders or the associated shall be subject to the restriction on the distribution of returns only in the proportion that exceeds the rate specified by the SEC.

- (2) The REIT Manager will announce the distribution payment before the book closing date of the trust unitholders in accordance to the specified by the law for the determination of rights to receive distribution and rate of distribution.

7.3.2 Limitation and Method of Distribution Payment

The REIT Manager shall make distribution payment to each trust unitholder according to the proportionate ratio of its holding. In this regard, the REIT Manager reserves the right not to make distribution payment to the trust unitholders whose holding exceed a proportion or being not in accordance with is the rules specified in the Notification No. Tor Jor. 49/2555. Such distribution payment which cannot be distributed to the trust unitholders, as mentioned, shall be distributed to other trust unitholders in proportion to their holding.

7.3.3 Historical Distribution Payment

For the operating period starting from 13 December 2017 (the establishment date of the REIT) to 31 December 2018, the REIT has the following distribution payment:

No.	Operating Period	Distribution Payment (Baht per Trust Units)	Date of Distribution Payment
1	19 Dec. – 31 Dec. 2017	0.0138	29 March 2018
2	1 Jan 2018 – 30 Jun 2018	0.2633	7 September 2018
3.	1 July 2018 – 31 Dec 2018	0.2625	29 March 2019
4.	1 Jan 2019 – 30 Jun 2019	0.2428	13 September 2019
5.	1 July 2019 – 25 Dec 2019	0.2606	23 January 2020

8. Management Structure

8.1 REIT Manager

8.1.1 General Information

SST REIT Management Co., Ltd., (“the Company”) as the REIT Manager of the REIT was established on September 29, 2017 with a paid-up capital of Baht 10,000,000, with 100,000 common shares at the par value of Baht 100 per share.

Name	SST REIT Management Co., Ltd.
Address	2044/25-27 New Phetchaburi Road, Bangkapi, Huai Khwang, Bangkok 10310
Company Registration Date	29 September 2017
Company Registration No.	0105560165432
Registered Capital	THB 10,000,000 (Consisting of 100,000 common shares with par value of THB 100.00)
Nature and Scope of Business	Acting as the REIT Manager of the Real Estate Investment Trust
Telephone	02-318-5514-5
Facsimile	02-318-3490-1
Website	www.sstrm.co.th
E-mail	info@sstrm.co.th

8.1.2 Structure of Shareholders

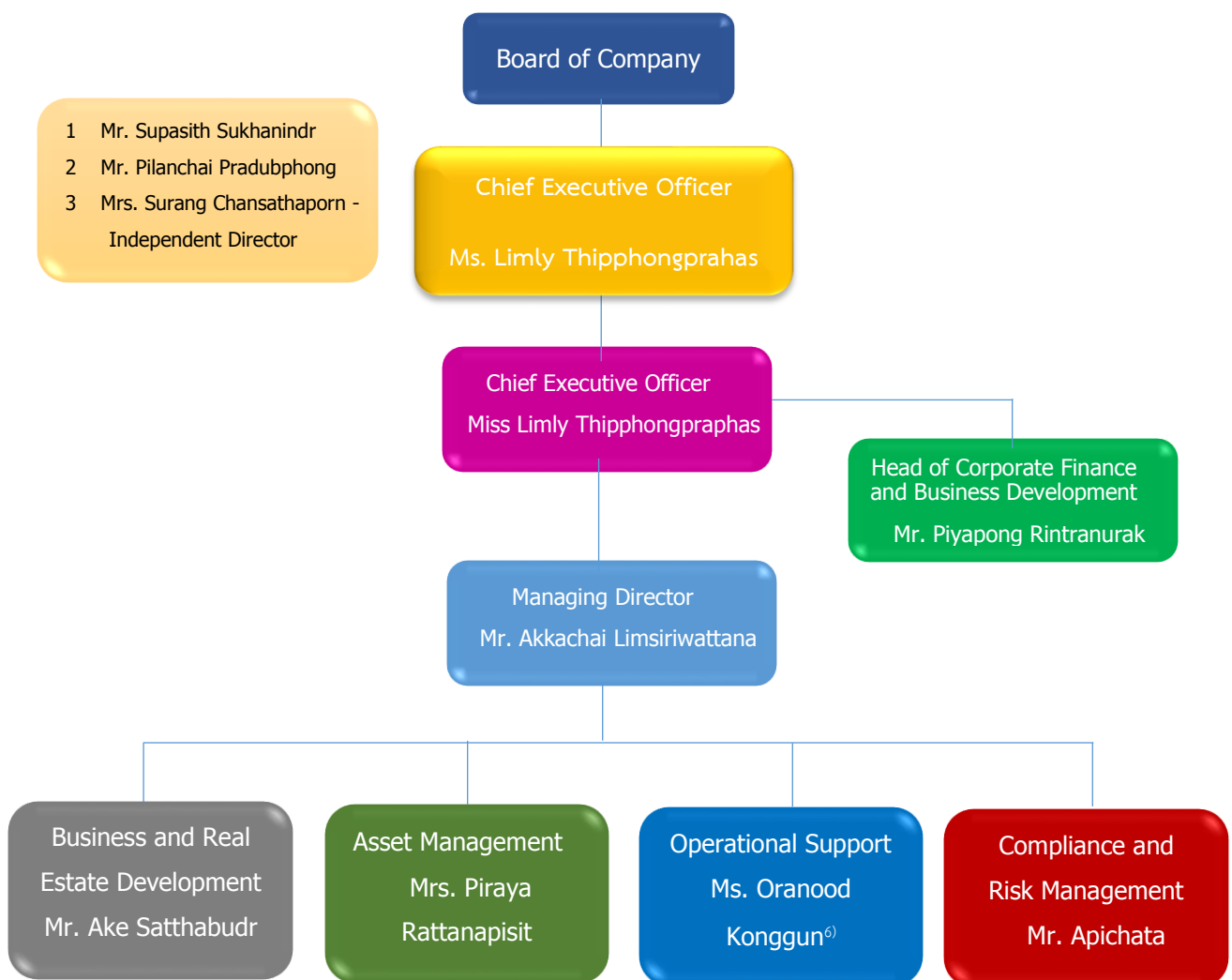
Name	No. of Shareholding (Shares)	Holding (%)
1. Sub Sri Thai Public Company Limited	99,997	99.997
2. Mr. Supasith Sukhanindr	1	0.001
3. Mr. Pilanchai Pradubphong	1	0.001
4. Mrs. Surang Chansathaporn	1	0.001
Total	100,000	100.000

Group of major shareholders with significant influence by circumstances on the formulated management policy or operations of SSTRM

Sub Sri Thai Public Company Limited is a major shareholder and has had the representatives to be the directors of the REIT manager and has sent personnel to work in the operation support department considered as the main department of the REIT manager due to being in the process of recruiting personnel in such positions.

8.1.3 Management Structure

The structure of SST REIT Management as the REIT Manager of the REIT composes with board of directors, the managing director, and departments as presented in the following chart.



Board of Directors

Name and Position	Education	Experience
Mr. Supasith Sukhanindr Chairman of the board	<ul style="list-style-type: none"> - B.A. Business Administration Program in Marketing, Thammasat University - M.B.A. Specialised in Finance, Marketing and International Business, University of Miami U.S.A. - Director Accreditation Program (50/2006) Thai Institute of Directors 	<ul style="list-style-type: none"> - Director / Chairman of the Board of Executive Director of Sub Sri Thai Plc. - Executive Director Super Enterprises Co., Ltd. - Director SST Warehouse Co., Ltd. - Director Industrial Enterprises Co., Ltd - Chairman of the Board of Executive Director Mudman Plc. - Chairman ABP Cafe (Thailand) Co., Ltd. - Chairman Golden Donuts (Thailand) Co., Ltd. - Director Golden Scoop Co., Ltd. - Director Greyhound Co., Ltd - Director Greyhound Café Co., Ltd - Director Tinbaron Co., Ltd. - Director Mudman Internationnail Limited
Mr. Pilanchai Pradubphong Director	<ul style="list-style-type: none"> - B.A. Law, Ramkhamhaeng University - Certificate of Business Administration National Institute of Development Administration - Director Accreditation Program (49/2005) Thai Institute of Directors 	<ul style="list-style-type: none"> - Director / Vice - Chairman of the Board of Executive Directors - Director SST Warehouse Co., Ltd - Director Mudman Plc. - Director ABP Cafe (Thailand) Co., Ltd. - Director Golden Donuts (Thailand) Co., Ltd. - Director Golden Scoop Co., Ltd. - Director Mudman Internationnail Limited
Mrs. Surang Chansathapor Independent Director	<ul style="list-style-type: none"> - B.A. Business Administration Program in Marketing, Thammasat University - M.B.A. International Business, University of Hartford U.S.A. 	<ul style="list-style-type: none"> - General Manager – Freight Management , Yang Kee Group (Thailand) Co., Ltd.

Managements

Name and Position	Education	Professional Experience
Ms.Limly Thippongprahas Chief Executive Officer	<ul style="list-style-type: none"> - Master of Business Administration, Columbia University, USA - Master of Fine Art New York Studio School of Painting Drawing and Sculpture , USA - Bachelor of Art (Economics and studio Arts) - Knox Collage, USA 	<ul style="list-style-type: none"> - Chief Corporate Finance, Chief Strategy and Business Development Officer, Sub Sri Thai Public Company Limited (2019-Present) - Senior Vice President, Investment Banking Division (Corporate Finance , IPO and M&A) CIMB Thai Public Co., Ltd., (Bangkok) (2016-2019) - Vice President, Investment Banking Division (Corporate Finance ,IPO and M&A) The Siam Commercial Bank Public Co., Ltd., (Bangkok) (2011-2016) - Senior Financial Analyst Moody's Investor Services, Inc. (New York, USA) (2007-2011)
Mr. Eakchai Limsiriwattana Managing Director	<ul style="list-style-type: none"> - Bachelor of Business Administration (Management), Rajabhat Rajanagarindra University 	Visamaya Hotel Suvarnabhumi Super Enterprise Co., Ltd. Position : General Manager (2013 – Sep 2017)
Mr. Piyapong Rintranurak Head of Corporate Finance and Business Development	<ul style="list-style-type: none"> - MSc Finance and Investment Management (Commendation)University of Aberdeen Scotland - Bachelor of Business Administration, major in Finance, Faculty of Management Science, Khon Kaen University 	<ul style="list-style-type: none"> - Head of Group Corporate Finance, Strategy and Business Development Sub Sri Thai Public Company Limited (2019-Present) - First Vice President, Investment Banking Division CIMB Thai Bank Public Company Limited (2015-2019) - Senior Manager, Investment Banking Division Krungthai Advisory Company Limited (2013-2015)

Mr. Eak Sethabutr Manager – business and real estate development	<ul style="list-style-type: none"> - Master of Business Administration, General Management, Assumption University - Bachelor of Business Administration, Marketing, Assumption University 	Super Enterprise Co., Ltd. Position : General Manager (2011 – Sep 2017)
Ms. Piraya Rattantpisith Manager – asset management	<ul style="list-style-type: none"> - Bachelor of Law, Ramkhamhaeng University 	Sub Sri Thai Plc. Position : Assistant manager – document storage department, marketing division (2013 – Sep 2017)
Mr. Apichart Rungpiriyadej Manager – compliance and risk management	<ul style="list-style-type: none"> - Bachelor of Sciences, Bachelor of Accountancy, Faculty of Business Administration, Kasetsart University 	Sub Sri Thai Plc. Position : Assistant manager – warehouse department (2016 – Sep 2017)
Ms. Oranood Konggun Manager – operation support	<ul style="list-style-type: none"> - Master of Art in Management, Hawaii Pacific University 	Sub Sri Thai Plc. Position : Deputy Operation Manager (2017 – present)

8.1.4 Duties and Responsibilities of SSTRM as the REIT Manager of the REIT

Duties and responsibilities of REIT Manager is to manage REIT which included of investment asset of REIT and supervise lessee. REIT Manager will perform the duties under supervise of trustee specify as follows:

General duties of the REIT Manager

- 1) Perform duties by use professional acknowledge to responsibility, carefulness, faithfulness, treat unitholders with fair and equitable for the high benefit to unitholders and follow the related law of Trust Deed, REIT Manager Appointment Agreement, Registration Statement, Prospectus, objective of REIT and resolution of unitholders meeting and related law of the REIT.
- 2) Comply with Trust Act, Securities and Exchange Act and related law concern with perform REIT, code of conduct and standard of professional practice define in the associate of security business or

organizations that are related to the securities business which are approved by the SEC and not support, command or cooperate with other parties to violate law or those regulation.

- 3) Manage the capital to be sufficient to operate business and responsibility may occur from performance of REIT Manager to REIT
- 4) Manage to have liability insurance may occur from business performance or operate of REIT Manager which also included to company board director, manager and all staff in the company.
- 5) To manage the asset of REIT to comply with Trust Deed, REIT Manager Appointment Agreement, Registration Statement, Prospectus, performance plan of the company, resolution of unitholders meeting and related regulation and law.
- 6) Not use the information received from operate REIT to use unsuitable to self which may cause of damage or affect to the benefit of REIT
- 7) To perform duties with carefulness of conflict of interest and in case occur of conflict of interest shall perform to ensure unitholders receive of fair and equitable.
- 8) Arrange the unitholders meeting as regulation in trust deed and related law.
- 9) Perform of increase capital or reduce capital as regulation of Trust Deed and related law.

Duties of prepare the report and disclosure

- 1) Prepare REIT's financial statement by follow the standard of finance define in law and accountant and submit financial statement to SEC within the define period.
- 2) Disclosure the opinion or potential information related sufficiently for unitholders use to consideration of investors.
- 3) Prepare and disclosure REIT information as Securities and Exchange Act and related regulation define in Trust Deed, Registration Statement, Prospectus, regulation of securities and exchange and other regulation and law related e.g. calculation, disclosure NAV and unit value.
- 4) Corporate to trustee or SEC which related to disclosure per request of trustee and SEC.

- 5) Treat unitholders to receive completeness and correctness information before consideration of investment and received information in advance as define in Trust Deed, Registration Statement, Prospectus, related regulation and law.
- 6) Submit information or report to Trustee and/or SEC within defined period.

Duties of investment or disposal asset of REIT

- 1) Perform to ensure that the investment in core asset or other asset is appropriate by arrange to have self-appraisal of manage investment and follow as policy of company and trust deed.
- 2) Perform to ensure that disposal, disburse, transfer of real estate or entering to the contract related to REIT is perform correctly and effectively according to regulation and law.
- 3) Perform to check and review due diligence of immovable property and risk assessment which may occur from investment and shall prepare of risk management.
- 4) Prepare of asset appraisal as regulation
- 5) Maintenance the asset for ready to use and procure benefit all at the time by arrange of maintenance plan.
- 6) Prepare to have sufficient insurance for REIT' s asset which cover to all risk insurance which may occur to immovable property and liability personal insurance and other related insurance as appropriate.
- 7) Prepare of the investment plan, risk management related to REIT and assets of REIT, borrowing plan and annual budget of REIT.

Duties to treat the benefit of the REIT

- 1) Corporate with trustee or appointed person to facilitate of assessment main asset.
- 2) Manage of the REIT budget and cash flow of the REIT.
- 3) Prepare financial statement of the REIT to comply as the standard of accounting law and disclosure financial statement as related regulation.
- 4) Disbursement of the REIT for daily performance or objective which agree with trustee within the budget approved from trustee.

- 5) Prepare of dividend payment by comply with regulation define in trust deed and resolution of unitholders meeting and other related law and regulation.
- 6) In case requirement of resolution of unitholders for operating in the REIT, REIT manager shall analysis of impact may occur of information for consideration.
- 7) Prepare of secure the document which related to operate the REIT

Cooperation with Trustee

- 1) Company have the duties to prepare and filing information and evidence for manage, internal control and disclosure information of the REIT when trustee require to investigate of any management in the REIT company will cooperate and submit information and evidence and also investigate at the REIT asset as require from trustee for ensure that company is no violate the relate law or regulation of the REIT or not to sustain the benefits of trust unitholders.
- 2) In the period before set up the REIT, Trustee must know and understood of detail of the REIT which will set up (e.g. Structure of the REIT, lease method, management and income management, expenditure which can charge to the REIT, hiring contract between the REIT and supplier or third parties) for planning of operation and investigate of management, internal control and disclosure information of the REIT. The company have duties to submit information and related document for trustee be able to plan of future operation, in additional company and trustee must coordinate and agree of type of information and evidence for transaction processing e.g. investment information, disposal of property or debt burdens and various reports (such as overdue receivables, property valuation report, for example) included frequency of period that company have to submit the information or documentation to trustee. This is for the benefit of controlling and performance of the REIT.

Organization structure, Department, Duties and Responsibilities of REIT Manager

The Company as REIT manager of the REIT have defined to be 4 department for operate the REIT as per policy of the company and Trust Deed, REIT Manager Appointment Agreement, Registration Statement, Prospectus, related regulating and law which concern to the REIT summaries as follows:

Business and Real Estate Development

- 1) Prepare the capital structure and find the capital
- 2) Consideration and proceed of due diligence for investing immovable property at the first time or increase in the future, conclusion to other asset where the REIT will invest (if any) with the qualification comply with policy of company. To do with carefulness for consideration before investment by proceed of record, checking and then to consider of investment by propose the due diligence to managing director and board of director.
- 3) Prepare plan and propose structure of capital, source of capital appropriately including dept burden of the REIT for investment in main asset for propose to managing director and board of director.
- 4) Consideration of disposal main asset by comply with company investment policy.
- 5) Arrange for the appraisal of the main assets to be invested or sold including arranging to evaluate and review the main asset value of the REITT according to the specified period.

Asset Management

- 1) Provide the process of selection when changing lessee of the REIT, including to control checks, tracking the performance of lessee and/or management who lessee employ to manage the asset (if any) that maintenance or treat the asset as the related contract and also provide annual assess the lessee.
- 2) To look after and manage the asset of the REIT to comply with related contract and control quality of asset which may affect to the beneficial

procurement by arrange of maintenance the asset to be ready to use in the long term.

- 3) Arrange the insurance to cover any damage may occur with asset, including insurance for the third party which may occur from operation the asset as well as other insurance related to REIT which the company deems as appropriate insurance additionally, such as business interruption.

Take care of the insurance to protect the damage that may occur to the real estate of the trust. Insurance for third party liability that may be damaged by immovable property or from operations in real estate including other insurance related to the additional trust as the company deems appropriate, such as business interruption.

- 4) Provide registration of the asset and supervision the REIT's asset.

Compliance and Risk Management

- 1) To advise to follow work regulation to each division for more understand and work correctly.
- 2) To control, follow, checking included report to the related risk management as standard of the company to related parties by comply with policy of risk management, trust deed, law and related regulation.
- 3) To check conflict of interest of staff in the company and perform as regulation of conflict of interest prevention to the REIT manager.
- 4) Prepare plan of prevention of using internal information (Chaines Wall) and propose plan to management and board of director
- 5) Prepare plan of conflict of interest prevention especially between REIT and REIT manager and third parties with REIT for proposal to managing director and Board of director
- 6) Prepare annual plan performance checking of company as the REIT manager and checking, control and following included prepare the report of annual plan performance checking report of each division to comply with trust deed REIT manager appointment agreement, registration statement, prospectus, and relevant rules and laws and propose to managing director and Board of director.

- 7) Prepare to have annual internal check both for asset and the REIT or when independent director consideration of appropriate.
- 8) Coordinate with other division regarding of disputes.

Operational Support

- 1) Consideration of investment in other asset which not main asset
- 2) Consulate and prepare the NAV report of trust unit of REIT, monthly financial budget/ quarter and year end by comply with standard of accounting for each type of business include of provide of REIT financial statement which audit by auditor who received approve form SEC.
- 3) Provide of expense and received record include rental from lessee, prepare annual budget of REIT and follow up performance of asset, prepare extraordinary expense and/or investment budget which exclude from annual budget, to check result of REIT performance for dividend distribution.
- 4) Provide of annual unitholders meeting or if there is business concern or expanding by comply with related law, regulation and announment.
- 5) Provide filing, sell offering report and disclosure as per related law, regulation and announment to propose to managing director and/ or board of director to consideration.
- 6) To answer question, received information from unitholders for finding problem solving.

However, if manager of each department consideration of the appropriation to propose agenda to board of director meeting or independent director to consideration of working flow of each department for more suitable.

8.1.5 Methods and conditions for changing REIT manager

- (A) The reasons for changing REIT manager are as follows.
 - (1) REIT manager resigns according to the rules and procedures as specified in the Trust Deed.
 - (2) REIT manager has been removed from the duties when the following causes appear.

- When it appears that REIT manager fails to manage REIT according to the duties correctly and completely as specified in the Trust Deed, REIT Manager Appointment Agreement, Trust Act or the announcement of the SEC or any other relevant announcements. Besides, this failure to perform the duties causes serious damage to REIT. For example, REIT manager fails to have the main assets insured until causing REIT to be unable to return REIT's assets to the original condition in case of significant damage to main assets, etc. and / or the trust unitholders and cannot remedy that damage within the period specified in the REIT Manager Appointment Agreement.
 - It appears that REIT manager does not comply with the rules of Section 1 or violates or fails to comply with the rules of Section 2 according to the notification Sor.Chor. 29/2555 and does not comply with the SEC's orders or complies with the orders, but cannot rectify within the period specified by the SEC.
 - It appears that approval for being REIT manager of the SEC has ended and REIT manager has not received the renewed approval of the SEC according to the notification Sor.Chor. 29/2555 and cannot rectify within 90 days.
- (3) The SEC orders the revocation of approval for being REIT manager or orders suspension from the duties of REIT manager for more than 90 days according to the notification Sor.Chor. 29/2555.
- (4) REIT manager terminates the legal entity status or liquidates or is in receivership whether or not it is absolute receivership.
- (B) Methods of changing a new REIT manager
- (1) If the reasons for changing REIT manager as specified in Clause (A) appear, the trustee shall have the power to remove REIT manager with no need to request the resolution of trust unitholders. For appointment of a new REIT manager, the trustee shall request the unitholders' resolution to appoint a new REIT manager within 60 days from the date of the causes appearing as specified and appoint the person approved by the trust unitholders' resolution

within 30 days from the date of receiving the resolution. In case that a new REIT manager cannot be appointed by this method, the trustee shall appoint a new REIT manager by taking into account the best interests of trust unitholders as a whole according to the necessary and appropriate period.

If the cause of changing a REIT manager under Clause (A) (2) first paragraph appears, the trustee shall convene the trust unitholders' meeting to request the unitholders' resolution to remove REIT manager and appoint a new REIT manager within 60 days from the date of the cause appearing under such Clause and appoint the person approved by the unitholders' resolution within 30 days from the date of receiving the resolution. In case of having already requested the resolution to remove REIT manager and appoint a new REIT manager, but a new REIT manager cannot be appointed by such method, the trustee shall remove the former REIT manager and appoint a new REIT manager by taking into account the best interests of the trust unitholders as a whole according to the necessary and appropriate period.

The removal of REIT manager shall be effective upon the trustee's termination of the REIT manager appointment contract and the trustee shall not be liable for any damages of REIT manager due to the removal of REIT manager by virtue of the grounds under the Trust Deed and / or according to the Trust Act as well as other relevant announcements.

- (2) The former REIT manager shall take necessary action in order to enable the trustee or a new REIT manager, as the case may be, to continue to perform the duties. Such action includes signing the letter to certify the accuracy and completeness of what is delivered to the trustee or a new REIT manager too.

(c) Resignation of the REIT Manager

If the REIT Manager has the intention to resign, the REIT Manager shall inform the resignation in writing to the trust unitholders, by disclosing the news via the new release system of the SET, and the Trustee in

advance not less than 120 days before the effective date of the resignation. During the period before the effective of resignation, the REIT Manager shall provide reasonable assistance to the Trustee in appoint a new person (which is qualified and approved by the SEC) to be the REIT Manager of the REIT instead of the former REIT Manager. Moreover, while the Trustee is unable to appoint the new REIT Manager, the former REIT Manager will continue to be on duty until the new REIT Manager is able to completely perform the duties as a REIT Manager in accordance with the Trust Deed.

8.2 Trustee

8.2.1 General Information

Name	One Asset Management Limited
Address	989 Siam Piwat Tower Building, 9th and 24th Floor, Rama 1 Road, Patumwan Sub-District, Patumwan District, Bangkok, 10330
Company Registration Date	19 March 1992
Company Registration No.	0105535050244
Registered Capital	THB 105,000,000 (Consisting of 10,500,000 common shares with par value of THB 10.00)
Nature and Scope of Business	Management of mutual fund, private fund and Trustee
Telephone	02 659 8888
Facsimile	02 659 8860
Website	www.one-asset.com
E-mail	reittrustee@one-asset.com

8.2.2 Structure of Shareholders

No.	Name	No. of Shareholding (Shares)	Holding (%)
1	KGI Securities (Thailand) Public Company Limited ¹⁷⁾	10,410,251	99.15
2	Mr. Wong Sai Hung	25,000	0.24
3	Ms. Chanphen Choowonges	11,381	0.11
4	Ms. Umaporn Paevorakhun	9,574	0.09
5	Ms. Porn-uma Dhevahudee	9,041	0.09
6	Ms. Auranuch Aswaprecha	6,919	0.07
7	Ms. Benjamartt Suriyadet	6,028	0.06
8	Mr. Winyoo Siriwiryanon	4,960	0.05
9	Ms. Sakara Chatsuthipan	3,254	0.03
10	Mr. Soontorn Thamaset	3,165	0.03
	Total	10,489,573	99.90

Remark: ¹⁷⁾ KGI Asia (Holdings) Pte. Ltd. is the major shareholder of KGI Securities (Thailand) Public Company Limited holding 34.97% of total shares. The Investors can study the general information of KGI Securities (Thailand) Public Company Limited on the Stock Exchange of Thailand's website (www.set.or.th)

8.2.3 Duties and Responsibilities of Trustee

The Trustee shall perform its duties with integrity and professional cautiousness by using its knowledge, ability and expertise to treat the trust unitholders fairly. The Trustee shall manage and carry out the administration properly and efficiently under the adequate risk management and with professional standards for the best benefit of the trust unitholders. All investment activities carried out are to be in line with the Trust Deed and complied with related laws and obligations as prescribed below:

- 1) Ensure that the Trust Deed contains material information required by related laws. In the case that there are any changes in the Trust Deed, the Trustee shall perform the procedures in accordance with the following criteria:

- (a) Ensure that the changes in the Trust Deed are in accordance with the criteria and procedures as defined in the Trust Deed and related laws.
 - (b) In the case that there are any changes that are not in accordance with 1 (a), the Trustee shall take actions by using its authority specified in the Trust Deed and in the Trust for Transactions in Capital Market Act, B.E. 2550 to protect the rights and interests of the trust unitholders.
 - (c) In the case that where the rules related to the offering of trust units or the management of REIT under the Securities Act and in accordance with Trust Act, which has been amended at a later date and provisions in the Trust Deed not in compliance with such rules, the Trustee shall make adjustment to the Trust Deed to be in accordance with such rules. The method shall be according to the specified methods set forth in the Trust Deed or as the SEC has ordered under Section 21 of Trust Act.
- 2) The Trustee agrees to delegate the management of non-core properties to the REIT Manager. However, if the REIT Manager cannot perform the duty, then it shall be in accordance with provisions in the Trust Deed and the management of REIT shall be performing by the new REIT Manager approved by the Office of Securities and Exchange Commission throughout the term of the REIT.
- 3) The Trustee is responsible to prepare an account of the REIT's property separately from any other accounts under its responsibility.

In the case where the Trustee manages many real estate investment trust, the Trustee shall prepare the account of REIT's properties of each REIT separately and shall be recorded correctly and up-to-date. In terms of REIT management, the Trustee shall segregate the REIT's property from those held in its own account and any property in its possession. In the case where the Trust manages many REITs, the Trustee shall segregate the property of each REIT from one another.

- 4) In the case where the Trustee fails to perform the duty under the aforementioned clause 3 which causes the REIT's property to be

commingled with the property held in its own account that it is unable to distinguish the REIT's property from those held in its own account, it shall be assumed as follows:

- (a) The commingled property is held by the REIT;
- (b) The damage and liability arising from the management of commingled property are bear by the Trustee;
- (c) The benefit arising from the commingled property belongs to the REIT.

The aforementioned in the above regarding commingled property shall include the property that have been transformed into a different form or state.

- 5) In the case where the Trustee fails to perform the duty under the aforementioned clause 3 which causes the REIT's property to be commingled with other REIT's property that it is unable to distinguish to which respective REIT the property belongs, it shall be assumed that the commingled property, including property that have been transformed into a different form or state, and any benefits or obligations incurred from the management of such commingled property shall belong to each REIT in proportion of an amount brought to commingle.
- 6) The authorities and duties of Trustee in the management of the REIT is the sole responsibility of Trustee. The trustee shall not delegate its duty to other persons except where:
 - (a) The transaction that is not personal in nature and needs no capability of Trustee's profession;
 - (b) The transaction that the owner of the property, which own the property and has the same purpose of management in the same manner as the REIT, delegate to another person to manage.
 - (c) It is the function of safekeeping of assets, preparation of trust unitholder's register, follow-up of the profit distribution or support of operations which includes coordination, providing of information, filing of documents, payment of fees and taxes on land and

property arising from the immovable properties of the REIT that is obliged to pay the withholding tax due to such management and/or other taxes related to real estate assets and/or management of the REIT to the relating government officials to the REIT Manager, other registrar that is approved by Stock Exchange of Thailand or any other party that is qualified for the assignment. However, the REIT Manager, other registrar that is approved by Stock Exchange of Thailand or any other party that is qualified for the assignment, may delegate to another person to perform such duties, in accordance with the conditions set forth in the Trust Deed.

- (d) Any other matters that the REIT Manager is responsible for and in compliance with the terms of the Trust Deed or the rule in Notification No. Tor.Jor. 49/2555, Notification No. Gor.Ror. 14/2555 and Notification No. Sor.Chor. 29/2555 or announcement or any other relevant regulations.
- (e) When the Trustee assign other parties to manage the REIT in accordance with the Trust Deed and in addition to the matters of the REIT Manager as specified in the Trust Deed or the rules in Notification No. Tor.Jor. 49/2555, Notification No. Gor.Ror. 14/2555 and Notification No. Sor.Chor. 29/2555 or announcement or any other relevant regulation, the Trustee shall delegate with prudent and careful and shall oversee and inspect the performance of delegated duties adequately by establishing measures related to the delegation of duties in accordance with the regulations stipulated in the Notification No. Kor.Khor. 1/2553.

In the delegations of duties, the Trustee shall determine measures for matters as follows:

- Selection of appropriate persons for delegation of duties which takes into account the readiness of the work system and of the delegated persons as well as any possible conflict of interest between the delegated persons and the REIT's property;
- Control and monitoring of performance of the delegated persons;

- Actions to be taken by the Trustee in the event that the delegated persons become inappropriate for further delegation of duties.
- 7) The Trustee is responsible to monitor and oversee the management of REIT Manager to ensure that the REIT Manager perform their functions in compliance with the Trust Deed and other relevant laws.
 - 8) The Trustee is responsible to attend every trust unitholders' meeting and undertake the following actions if there is any of the trust unitholders' resolution:
 - (a) Respond to inquiries or give opinions whether such actions or proposed resolution is in compliance with the Trust Deed or the relevant laws or not;
 - (b) Lodge a protest and notify the trust unitholders that such proposed action or proposed resolution could not be pursued if it is in contradiction with the Trust Deed or the relevant laws.

In the case where the Trustee is the trust unitholder of the REIT, the Trustee shall cast any vote or take any action by taking into account the best interest of the trust unitholders by adhering to the principles of good faith and care, including avoidance of any conflict with or affect the performance of its duties as Trustee of the REIT.

- 9) The Trustee is responsible to enforce the repayment of debts or supervise the enforcement of debt repayment to comply with the agreements between the REIT and other parties.
- 10) The Trustee shall be prohibited from the settlement of its liabilities with third parties as the role of either creditors or debtors that is not related to the performance as the Trustee. However, if the Trustee violates this prohibition, then the action is considered as void.
- 11) In the case that the Trustee proceed with a juristic act or a transaction with a third party, the Trustee shall notify the third party in writing that it acts as the trustee, and clearly specify in the evidence of that juristic act or transaction that it acts as the trustee.

- 12) The Trustee shall prepare the Trust Unitholders' Register, or assign a licensed securities registrar under the Securities Act to prepare such register on behalf of the Trustee. When the Trustee assigned the Trust Registrar, the trustee is responsible for ensuring that the assigned entity comply with the terms of the Trust Deed except where the evidence is provided by the system of a securities depository center.
- 13) The Trustee or the Securities Registrar is responsible to provide evidence representing rights in trust units or trust receipt to the trust unitholders under the rule specify in the Trust Deed.
- 14) The Trustee is responsible for giving the trustee's opinion on the performance of REIT Manager by specifying in the annual report of the REIT where the REIT Manager is responsible to prepare for the trust unitholders. The Trustee must provide an opinion about whether the performance of the REIT Manager in managing the REIT corresponds to the regulations of Trust Deed, law, notification and other related regulations or not. If the REIT Manager does not comply with the Trust Deed, law, notifications and other related regulations, then the Trustee shall specify such issue and the action of Trustee to make correction.
- 15) The Trustee is responsible for certifying the net asset value of the REIT and the value of the trust unit as of the last business day of each quarter in accordance with the rules prescribed by the relevant regulations. The trustee will use the report to disclose the report to the SEC within 45 days of the last day of each quarter.
- 16) The Trustee is responsible for separating the REIT's financial statements from other financial statements of the other trust REIT or of the trustee by taking the accounting standards set by the law of accounting professions. The financial statements must be verified and commented by the auditor before submitted to the SEC and disclosed to the public in accordance with the regulations announced by the SEC. Such auditors must be approved by the SEC and shall not be a director, staff or employee of the trustee

17) The Trustee shall supervise, control and monitor the REIT Manager or any other assigned person (if any) to ensure compliance with the Trust Deed, other relevant agreements and the relevant laws as follows:

- (a) Ensure that the REIT is managed by the REIT Manager whose approval from the SEC shall last throughout the entire existence of the REIT.
- (b) Supervise, monitor and proceed as necessary to ensure that the assigned person is qualified and perform duties in compliance with the Trust Deed and the relevant laws, which include the dismissal of the current assigned person and the appointment of the new person.
- (c) Supervise that the investment of the REIT is in accordance with the Trust Deed and the relevant laws.
- (d) Supervise that the disclosure of the REIT's information is accurate and complete in compliance with the Trust Deed and the relevant laws.
- (e) Provide opinion in relation to the management or execution of transactions for the REIT by the REIT Manager or other assigned person (if any) in support of seeking resolutions of the Trust Unitholders' meetings, disclosing information of the REIT to trust unitholders or upon request of the SEC.
- (f) In the case that is necessary, for the benefit of the REIT and the trust unitholders, the Trustee assign the REIT Manager to take any appropriate actions which does not cause a liability to the REIT Manager beyond the duties set out in the Trust Deed or the relevant laws.

The assignment of action to the REIT Manager must not be oppose to or contradict with the Trust Deed, laws, principles, rules, regulations, and guidelines set by government agencies. In addition, if such action causes too much burden and expenses to the REIT Manager, then the Trustee and the REIT Manager shall continue to agree.

- (g) In the case that the REIT Manager acts or refrains from any actions resulting in any damage to the REIT, or fails to perform its duties as

specified in the Trust Deed or the relevant laws, the Trustee has the following responsibilities:

- (1) Report to the SEC within 5 business days as from the date of the occurrence of such event becomes known or should have been known;
 - (2) Rectify, restrain or mitigate such damage to the REIT as deemed appropriate.
- (h) In the absence of the REIT Manager or when the REIT Manager cannot perform its duties, the Trustee shall manage the REIT until the new REIT Manager is appointed under the regulations as prescribed in the notification of the SEC no. KorRor.14/2555. The Trustee is responsible to manage the REIT as necessary to prevent, refrain or limit severe damage to the REIT or the trust unitholders. Furthermore, the Trustee shall proceed in accordance with the authorities and duties as specified in the Trust Deed and the Trust Act. In proceeding with such action, the Trustee may delegate any other person to manage the REIT within the scope, regulations and conditions specified in the Trust Deed, including authority to arrange for the new REIT Manager by the authority prescribed in the Trust Deed and Trust Act.

In addition, in the case that the Trustee consider that the REIT Manager fails to perform its duties correctly and completely as set forth in the Trust Deed, Trust Act, Notification of the Office of SEC or any other relevant notification which cause severe damage to the REIT and/or the trust unitholders and cannot be remedy within the appropriate period of time. The Trustee shall replace the REIT Manager as deemed appropriate by the Trustee for the benefit of the REIT and trust unitholders.

8.3 Information of Other related parties

8.3.1 Auditor

Name	SP Audit Company Limited
Address	503/31 KSL Tower, 18 th (A) Floor, Si-Ayutthaya Road, Phaya Thai Sub-District, Ratchathewi District, Bangkok 10400
Telephone	02-642-6172-4

8.3.2 Registrar

Name	Securities Depository Company Limited
Address	93 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Dindaeng Sub-District,, Dindaeng District, Bangkok 10400
Telephone	02-009-9999

8.3.3 Appraiser

1) Main assets invested by the Trust Under the Sub Sri Thai Smart Storage Project

Name	Grand Asset Advisory Company Limited
Address	1350 / 279-283 16th Floor, Thai Rong Tower Building, Phatthanakan Road, Suan Luang Subdistrict, Suan Luang District, Bangkok 10250
Telephone	02-030-5885

2) The main assets that the REIT has invested in the 1st capital increase under the Sub Sri Thai Project

Appraiser 2	Appointed by Sub Sri Thai Property Fund
Name	Global Asset Valuer Co., Ltd.
Address	76/31 Chaengwattana Road Monument Sub-district, Bangkokhen District, Bangkok 10220
Telephone	02-521-6875-6
Appraiser 2	Appointed by the REIT
Name	Knight Frank Chartered (Thailand) Co., Ltd.
Address	No. 65/192 23 rd Floor Chamnan Phenjati Business Center, Rama 9 Road, Huaykwang District, Bangkok 10310
Telephone	02-643-8223

9. Corporate Governance

9.1 REIT Supervision Policies

The REIT Manager has policies to manage the REIT which will invest in high quality asset and managing the assets of the REIT in order to generate more returns from investment and maximizing the benefits of trust unitholders. Moreover, the REIT Manager has managed the REIT in accordance to the Trust Deed, Trust Act and other relevant notifications of the Securities and Exchange Commission and the Stock Exchange of Thailand.

9.2 Board of REIT manager

The Company has 1 board that consisting of not less than 3 qualified directors and at least 1/3 of the total number of directors of the Company are the independent directors. Such independent directors are qualified according to the rules of notification of the Capital Market Supervisory Board regarding the request for permission and permission to offer for selling newly issued shares. Moreover, the directors and the management authorities must have the characteristics in accordance with the notification of the SEC No. Sor.Chor. 29/2555 on the rules, conditions and procedures for approving the REIT manager and performance standards and additional amendments or according to other rules to be probably amended by the SEC in the future.

The Board of Directors may assign one or several directors or any other person to perform any act on behalf of the Board of Directors. This authorization will not include the empowerment or the delegation of power enabling the director or the person authorized by the director to approve the transaction that one or a person with potential conflict of interests has interests or benefits in any other way conflicting with the interests of the REIT.

9.2.1 Scope of Authorities and Duties of REIT Manager's Board of Directors

Duties and Responsibility of the Board of Directors to the Company

- 1) Perform duties in accordance with laws, objectives, and the Company's article of association as well as resolution of the Company's board of directors and unitholders' meeting with faithful, honest, careful, and protect benefit with fairness to the Company's shareholders.
- 2) Determine the operation policy of the Company and supervise the management to comply with policies and regulations under good corporate governance.
- 3) Report the Company's operating performance to the unitholders.

- 4) Supervise the Company's departments to treat stakeholders with fair and equitable.
- 5) Consider to propose agendas if there are important issues to be considered by the board of directors and it is not included in the agendas.
- 6) Consider to nominate the Company's directors in place of the former directors, whom vacated from the position, and search for potential candidate and propose appointment of additional directors to the Company's shareholders.
- 7) Consider and approve the Company's material matters, e.g. dividend payment to the Company's unitholders, convene the unitholders' meeting according to laws, annual audit plan of the Company, search for candidate to act as the Company's auditor, and propose for the appointment and remuneration of the Company's auditor etc.
- 8) Educate the knowledge regarding the Company's business as well as relevant laws, notifications, criteria, and rules to the new directors.
- 9) Convene the board of directors' meeting at least 4 meetings per year. In each meeting, the quorum required the number of directors attending meeting exceed half of the total number of directors. The resolution of the board of directors shall be made by majority vote of the directors attending the meeting. In this regards, the directors, who have conflict of interest, are not allowed to vote in the agendas that they have conflict.
- 10) Appoint the board of directors' secretary to consolidate agendas proposed by each department and propose to the board of directors meeting, and to prepare and keep the minute of the meeting and relevant documents.
- 11) Evaluate the performance of managing director. In case the managing director is also the director, that director is not allowed to attend the agenda and is not allowed to consider.

Duties and Responsibilities of the Board of Directors to REIT

- 1) Consider to approve material policies to manage REIT, e. g. REIT management, REIT's capital structure, investment in real estates, and yield benefit from real estate etc., so that the relevant departments could follow those policies.
- 2) Consider to approve investment or acquisition of real estates or leasehold real estates for the first time and additional investment in order to yield benefit from those real estates or leasehold real estates as well as supervision in order to comply with the Company's policy, Trust deed, REIT Manager Appointment Agreement, registration statement, prospectus, and relevant rules and laws, as well as considering approval of REIT's capital increased and submit relevant application to authorities.
- 3) Consider to approve disposal of REIT's material assets and equipment in accordance with the Company's policies, Trust deed, REIT Manager Appointment Agreement, registration statement, prospectus, and relevant rules and laws.
- 4) Consider to approve risk management policy regarding the REIT's management so that the relevant departments could follow that policy.
- 5) Consider to approve policies, rules, and procedures to manage the conflict of interests especially between REIT and REIT manager and its connected person, as well as specify measure or procedure to protect the best benefit of REIT and unit holders from the conflict of interests.
- 6) Consider to approve connected transaction between REIT and REIT manager and its connected person, as well as transaction between REIT and trustee and its connected person according to relevant rules and laws. In this regard, the directors, who have conflict of interest, are not allowed to vote.
- 7) Consider to approve transaction with related person according to relevant rules and laws. In this regard, the directors, who have conflict of interest, are not allowed to vote.
- 8) Consider to approve the Company's managing director to manage REIT.

- 9) Consider to approve appointment of REIT's main lessee and evaluate its performance as per contract.
- 10) Consider to approve appointment of outsource providers and scope of its works in according to relevant rules.
- 11) Consider to approve appointment of advisor in relating to REIT management.
- 12) Follow and supervise so that there is procedure to supervise REIT manager and its assigned person's work to comply with the Company's policies, Trust Deed, REIT Manager Appointment Agreement, registration statement, prospectus, and relevant rules and laws, as well as the procedure to report material issues to the board of directors in quarterly basis or when it is deemed appropriate to report, and evaluate performance of managing director.
- 13) Consider to approve annual budget.
- 14) Consider to approve special expenses and/or investment budget apart from annual budget.
- 15) Supervise so that there is internal control audit report (if any) according to plan and rules.
- 16) Consider to approve operating performance and dividend payment to unit holders.
- 17) Consider to approve convening of the annual general meeting of unit holders or when it is deemed appropriate to convene the meeting or if there are unit holders holding at least 10 percent of total number of issued and paid-up units request for convening the unit holders' meeting in written with clear reason for requesting the meeting.
- 18) Consider to approve guideline for resolve disputes and complaints regarding the operation of REIT as deemed appropriate in order to resolves the disputes and complaints from outsiders or unit holders, and perform any action in accordance with laws, article of association, resolution of the unit holders, Trust Deed, REIT Manager Appointment Agreement, registration statement, and prospectus.

- 19) The board of directors may authorize one or more directors or other persons to act on behalf of the board of directors. In this regard, the authorization will not include the authorization or sub-authorization that result in the directors or person authorized by the directors could approve the transaction that they have conflict of interests with the benefit of REIT.
- 20) Consider to approve the legal action for the disputes arose.

9.2.2 Independent Director

Roles, Duties, and Responsibilities of Independent Directors

The Company specifies that the Company's board of directors must have independent directors, who have expertise that contribute to business, to supervise and audit the managements and departments' work in order to comply with the good corporate governance, as well as consider to support policies that benefit to REIT and/or unit holders, or object the Company's decision that may negatively affect REIT and/or unit holders. In this regard, the independent directors must be independent from control of managements, major unitholders, as well as not involve or not have conflict of interests with the Company's operating decision. The independent directors also have roles and duties as follows:

- 1) Consider to give opinion or comment on transaction with REIT's related person or transaction that may create conflict of interests as well as material acquisition and disposal of assets for the benefit of unit holders.
- 2) Recommend or comment on material issues e.g. capital structure, the Company's policies, and operational control policy etc.
- 3) Comment on risk management policy and procedure to control or reduce risks.
- 4) Consider, supervise, and recommend the Company regarding the preparation of financial statement of the Company and REIT to be accurate and complete.
- 5) Propose the material issued that should be considered by the board of directors.
- 6) Appoint the internal auditor, and supervise and follow-up the internal audit process, and give recommendation or comment on result of

internal control audit (if any) as well as present and comment on internal audit report to the board of directors.

- 7) Consider to have internal control audit as deemed appropriate.

Qualifications of Independent Directors

Independent directors or the Company, as REIT manager, must have qualifications at least as follows:

- 1) Hold shares not exceed 1 percent of total shares with voting rights of the Company, its parent company, its subsidiaries, its affiliates, its major shareholders, or the controlling person of the Company, including the shares held by independent director' related person.
- 2) Is not or was not the executive director, employee, staff member, advisor who receives a regular salary, or controlling person of the Company, its parent company, its subsidiaries, its affiliates, its subsidiaries in the same level, its major shareholders, or the controlling person of the Company, except for having passed from such position not less than 2 years. Such status excludes case where independent director used to be government official or advisor of government agency that is the Company's major shareholder or controlling person.
- 3) Is not a related person by blood or registration under laws, such as father, mother, spouse, sibling, and children, including spouse of children of other directors, managements, major shareholders, controlling person, or person who will be proposed to nominate as directors, managements, or controlling person of the Company or its subsidiaries.
- 4) Does not have or had not ever have business relationship with the Company, its parent company, its subsidiaries, its affiliates, its major shareholders, or the controlling person of the Company in the manner that may interfere his or her use of independent judgment as well as not being major shareholders, or the controlling person of person who have business relationship with the Company, its parent company, its subsidiaries, its affiliates, its major shareholders, or the controlling person of the Company, except for having passed from such position not less than 2 years.

In this regard, the business relationship include normal business transaction, rental or lease of real estates, transaction relating to assets or services, or receive or grant financial support by borrow or lend, guarantees, provide assets as collateral, or other similar actions which result in the Company or its counterparty being indebtedness payable to the other party of 3 percent or more of the Company's net tangible assets or THB 20 million or more, whichever is lower. The calculation of such indebtedness will be calculated by method specified in The Notification of the Capital Market Supervisory Board regarding Rules on Connected Transaction, mutatis mutandis, however, the consideration of such indebtedness including the indebtedness incurring during 1 year before the date on which there is business with same person.

- 5) Is not or was not the auditor of the Company, its parent company, its subsidiaries, its affiliates, its major shareholders, or the controlling person of the Company, and is not a significant shareholder, controlling person, or partner of the audit firm that employs auditor of the Company, its parent company, its subsidiaries, its affiliates, its major shareholders, or the controlling person of the Company, except for having passed from such position not less than 2 years.
- 6) Is not or was not any professional advisors including legal advisor or financial advisor which receive compensation more than THB 2 million per year from the Company, its parent company, its subsidiaries, its affiliates, its major shareholders, or the controlling person of the Company, and is not a significant shareholder, controlling person, or partner of such professional services firm, except for having passed from such position not less than 2 years.
- 7) Is not directors appointed as representative of the Company's directors, major shareholders, or shareholders who are related person of major shareholders.
- 8) Does not undertake similar business or significantly compete with the Company or its subsidiaries' business, or is not significant partner, executive director, employee, staff member, advisor who receives a regular salary, or hold more than 1 percent of total shares with voting

rights of the other company engage in similar business or significantly compete with the Company or its subsidiaries.

- 9) Is not the person, that the Stock Exchange of Thailand opine that his or her should not be managements in according to Regulations of the Stock Exchange of Thailand and/or not have prohibited characteristics as specified in the Notification of the Capital Market Supervisory Board concerning the Prohibited Characteristics of Personal in Capital Market Industry pursuant to clause 12 (4) of the Notification of the Office of the Securities and Exchange Commission No. Sor.Chor. 29/2555, Re: Rules, Conditions and Procedures for the Approval of REIT Manager and Standard Conduct (as amended) or as be amended per other rules by the Securities and Exchange Commission in the future.
- 10) Have never been convicted of the securities law, laws regarding operating in finance, securities, and credit foncier business, laws regarding commercial bank, law regarding non- life insurance, law regarding prevent and suppress of money laundering, or other laws in similar manner whether it is Thai law or foreign law. In this regard, the prohibit characteristic will be only guilty relating to unfair securities trading or fraudulent or corrupt management.
- 11) Does not bear any other characteristics which could compromise his or her ability to provide independent opinion on the Company's business.

In this section, "parent company" "subsidiary" "subsidiary in the same level" "affiliate" "related person" "management" "major shareholder" "controlling person" "person who may have conflict of interests" will have meaning in according to the Notification of the Capital Market Supervisory Board regarding the Application for and Approval of Offer for Sale of Newly Issued Shares.

The scope of authorities, duties, and responsibilities of managing director

- 1) Specify operation plan regarding REIT management, capital structure, investment decision, strategy and policy to select and yield benefit from the real estates under the Company's policy.
- 2) Consider to approve annual operation audit and review plan.

- 3) Consider to recruit, approve employment and dismissal, as well as other matters regarding the employment of the Company.
- 4) Supervise and manage the operation and daily operation as REIT manager, as well as supervise overall operation of the Company, evaluate performance of the Company's staff members to be in accordance with the Company's corporate governance policy, the Company's board of directors resolution, Trust Deed, REIT Manager Appointment Agreement, registration statement, prospectus, rules, resolution of unit holders' meeting, and laws that related to the operation of REIT manager.
- 5) Consider to approve disclosure of the Company's information and operating performance of REIT.
- 6) Consider to approve legal action for the disputes arose.
- 7) Act as the Company's representative as well as assign person to contact with relevant government agency and authorities.
- 8) Have authority to issue, revise, amend, or improve rules and regulations regarding the operation of the Company, as REIT manager, within the framework of policies received from the Company's board of directors.
- 9) Have authorities, duties, and responsibilities as authorized from or the policies received from the Company's board of directors.
- 10) Have authority to sub-authorization and/or assign other person to perform duties on behalf of his or her. The sub-authorization and assignment is under scope of the power of attorney and/or rules and regulations as specified by the Company's board of directors. In this regard, the authorization will not include the authorization or sub-authorization that result in the managing director or person authorized by the managing director could approve the transaction that they have conflict of interests with the benefit of REIT

9.3 Meetings of the Board of Directors of REIT managers

9.3.1 Meeting rule

The Company has set up a meeting of the Board of Directors to consider and acknowledge various matters and approve necessary execute for the company' s operation and the REIT at least 4 times a year with the following details:

- 1) The matters that require the meeting of the manager
 - a) Agenda for acknowledgment, such as the performance of the REIT, progression in the implementation of the established business plan and marketing plan or any other reasons that may affect the performance of the REIT and the performance of the REIT Manager's departments.
 - b) Agenda for approval such as the annual budget of the REIT annual business plan including the annual business strategy of the REIT that has been proceeded regrading disputes and important complaints related to the operation of the REIT, connected transactions and any transactions that may cause conflicts of interest with the REIT's operations, payment of benefits or other benefits to unitholders, any other matters that must be considered and approved by the unitholders' meeting and any other matter that is important and relevant to the operation of the REIT.

2) Quorum and voting

Quorum and voting, at a meeting of the Board of Directors at least half the number of directors must be present to constitute a quorum. Decision in the meeting shall be made by a simple majority vote. A director who has interest in any matter shall not be entitled to vote on such matter.

The company has arranged for the position of secretary of the board of directors to prepare the meeting agenda which propose by each department. Prepare and keep the minutes of the Board of Directors meeting and related documents such meetings.

9.3.2 Significant Transactions of REIT which has proposed to the Board of Director's Meetings

For the fiscal year 2018, the significant transactions of REIT which has been proposed to the Board of Director's Meetings are as follows:

Meeting No.	Date of Meeting	Agenda Items	Meeting Resolutions and Detail
1/2019	20 Feb 19	1. Consider to approve the return payment (Performance from 1 July 2018 to 31 December 2018) and list the name of the trust holders who are eligible for the return.	<u>Resolution:</u> Approved <u>Rationale:</u> Because the Trust has net profit of such period
		2. Consider to approve the schedule of the Annual General Meeting of the trust holder for the Year 2019 and the agendas of the meeting	<u>Resolution:</u> Approved <u>Rationale:</u> To comply with the trust establishment contract and the relevant criteria
4/2019	13 Aug 19	1. Consider the certification of the transform of SSTPF to SSTRT	<u>Resolution:</u> Approved <u>Rationale:</u> To earn income and to expand the Trust
		2. Consider to approve the loan of SSTRT	<u>Resolution:</u> Approved <u>Rationale:</u> To use as working capital of the Trust
		3. Consider to amend the trust establishment contract of SSTRT to support the transform of SSTPF to combine with SSTRT	<u>Resolution:</u> Approved <u>Rationale:</u> To support the transform of SSTPF to combine with SSTRT
		4. Consider to approve the schedule of the Extraordinary General Meeting of the trust holders for the year 2019 of the Trust and the agendas of the meeting to support the	<u>Rationale:</u> To support the transform of SSTPF to combine with SSTRT

Meeting No.	Date of Meeting	Agenda Items	Meeting Resolutions and Detail
		transform of SSTPF to combine with SSTRT	
5/2019	16 Aug 19	1. Consider to approve the return payment (Performance from 1 January 2019 to 30 June 2019) and list the name of the trust holders who are eligible for the return.	<u>Resolution:</u> Approved <u>Rationale:</u> Because the Trust has net profit of such period
8/2019	11 Dec 19	1. Consider to approve the return payment (Performance from 1 July 2019 to 25 December 2019) and list the name of the trust holders who are eligible for the return.	<u>Resolution:</u> Approved <u>Rationale:</u> Because the Trust has net profit of such period

9.4 Supervision of the use of internal information

The Company has separated its departments clearly by setting guidelines for preventing prior knowledge of internal information and protecting the utilization of internal information as follows.

1. The Audit and Risk Management Department will verify that each department prepares a document control account and stores documents related to their department at least once a year by making an account and storing documents at least in the following matters.
 - 1) Establishment of REIT or offering to sell newly issued trust units
 - 2) Payment of returns to trust unitholders
 - 3) Capital increase of REIT (if any)
 - 4) Capital reduction of REIT (if any)
 - 5) Any action that may significantly affect REIT such as disputes or complaints from the trust unitholders or third parties

2. Arranging for the Chinese Wall system to prevent internal information leaks, including
 - 1) Assigning the persons involved in considering and acknowledging internal information (Access Person), including
 - 1.1) Persons who are responsible for considering or making investment decisions and / or analyzing and / or making suggestions about the trading of main assets of REIT
 - 1.2) Persons being granted access to internal information that is not publicly disclosed, e.g. financial information, operations of REIT, complaints or disputes, etc.

The Audit and Risk Management Department will update the list of Access Persons every time of transfer or change of job positions.
 - 2) Access Persons may be the directors, executives or employees or other third parties. The Audit and Risk Management Department will require such persons to strictly comply with the relevant rules and regulations of SSTRM and allows access only to information necessary for working without job description or job positions that create a conflict of interests.
 - 2.1) SSTRM will provide Access Person with a password to access electronic information and data storage facility in the form of documents in relation to their works separately from each other.
 - 2.2) SSTRM will provide a system to prevent people who are not Access Persons from access to internal information of REIT stored in computer system. Moreover, the Company will control to prevent information leaks for information in the form of document.
3. The Board of Directors, executives, employees and people involved in REIT management are responsible for informing the Compliance and Risk Management Department about the holding of trust units of REIT managed by SSTRM that they and the relevant persons are holding by notifying the updated information to the Company at the end of each quarter. It is not permissible for the Board of Directors, executives, employees and people involved in REIT management and relevant people of those persons, who have been informed or may have received internal information not yet disclosed to the public, to trade shares or persuade others to buy or sell or offer to buy or sell trust units of REIT managed by the Company, whether in person or through broker while still possessing information not yet disclosed to the public. In

this regard, the Audit and Risk Management Department may randomly check the securities trading history of such persons. Besides, the violators will be subject to disciplinary action according to the Company's policy.

4. Operational guidelines to prevent the utilization of internal information and operational guidelines on the cases of violations: The Compliance and Risk Management Department has established operational guidelines for the above cases as follows.

- 1) Collecting and announcing the list of securities requiring the supervised trading of directors, executives and employees, primarily including securities of Sub Sri Thai Public Company Limited, trust units of REIT managed by the Company as well as the instruments related to such securities after the securities have been listed on the Stock Exchange of Thailand.
- 2) Announcement to inform all directors, executives and employees of REIT about the prohibited period of trading such securities (Blackout Period) in the event that the Company will disclose information with potential impact on the price of securities according to the period required to disclose such as disclosure of financial statements of REIT or while the Company is in the process of scheduling payment of returns for trust unitholders. Such information has not been disclosed to the public yet. However, in case that REIT will enter into a transaction with potential impact on the price of securities, which is an occasional transaction, e.g. investment in new assets, this Blackout Period will not be announced so as not to allow any unrelated person to know that the transaction will be entered into.
- 3) All directors, executives and employees must report securities holdings under Clause 1) above of their own, including spouses and underage children to the Compliance and Risk Management Department according to the form for reporting securities holdings of the Company when starting to be directors, executives and / or employees of the Company and report every time at the end of the quarter.
- 4) The Compliance and Risk Management Department may announce the list of additional securities of prohibited trading for securities that the

Company has the opportunity to receive internal information of the issuer of such securities such as from studying to enter into the transaction with that securities issuer.

- 5) The Compliance and Risk Management Department will have audit measures to ensure that the directors, executives and employees comply with the Company's internal policies, guidelines and regulations, including the regulations, rules and / or orders of relevant agencies by taking into account the risk that employees may practice in non- compliance with the rules.

9.5 Investment decision and REIT management

For any decision to invest in real estate, the Business Development and Real Estate Department, with cooperation and support of all departments, will arrange for Due Diligence on real estate that REIT will invest in, including the first investment and additional investment with prudence and caution in accordance with the investment policy based on the trust establishment agreement, registration statement, prospectus, objectives of the trust establishment, regulations and related laws. It is necessary to record and store information as well as documents, proofs related to the selection, audit and decision to invest or not invest in any property as reference evidence.

Procedures for decision to invest in real estate

- 1) The Business Development and Real Estate Department selects the main assets for investment under the operational plan approved by the Board of Directors by considering the investment opportunities and possibilities, including the risks of investing or acquiring such main assets as well as basic details about the location and type of assets and the capital structuring of REIT for investment in such assets. This is also presented to the managing director. After the managing director's examination of appropriateness for investment and consistency with the investment policy of REIT for investment in such real estate, the managing director will arrange for the presentation to the Board of Directors for approving the basic principles. The Business Development and Real Estate Department will screen the main assets that REIT will invest in according to the following rules.
 - 1.1) The investment in the property to acquire the ownership or possession right. Acquisition of the possession right shall be one of the followings.

- (1) Acquisition of the property through issuance of Nor Sor 3 Kor
 - (2) Acquisition of the possession right in the property through issuance of instrument of ownership or possession, type of Nor Sor 3 Kor
- 1.2) The property acquired is not subject to any property right or dispute unless the Company and the trustee have made an opinion in writing that the property subject to the property right or the dispute is significantly not affected from the employment of such property and the conditions on acquisition of such property are still beneficial to the trust unit holders in overall.
- 1.3) The agreement entered to acquire the property is required not to have any agreement or obligation which may block REIT to dispose the property at the fair price (when the disposal is made) such as agreement to provide privilege to the contracting party to buy the property of REIT before the other persons at the price fixed in advance or may cause REIT to have extra duties more than that normally incurred to the tenant when the lease agreement is terminated.
- 1.4) The acquired property with value not less than 75% of the value of trust unit applied for additional sale, including the loan borrowed (if any). REIT may invest in the project with unfinished construction while the value of the investment to be acquired and to develop the property completely for further employment shall not be greater than 10% of the total assets value of REIT (after offering the trust unit) and it is shown that there is sufficient working capital for such development without any impact on the continuity of REIT.
- 2) If approved by the Board of Directors, the Company will hire the consultants with specialized expertise such as financial advisor, auditor, legal advisor or engineering consultant, etc. to study various issues related to the decision on investment in real estate, including Due Diligence on real estate that REIT will invest in and assessment of various risks possibly arising from investment in that real estate as well as providing risk management guidelines. The objectives are to ensure that the Company has studied and considered

information as well as various factors important for deciding to invest in real estate completely, accurately and sufficiently.

- 3) After considering the results of in-depth studies as mentioned above and the Business Development and Real Estate Department considers that such real estate has passed criteria set by the Company, the Business Development and Real Estate Department will present to the managing director to consider information before following the process of acquiring major assets for the first time and additional investment, including requesting approval of the trustee that investment and / or acquisition of such assets conform to the terms of the trust establishment agreement, related contracts and relevant laws and the request for approval according to the rules specified by the trust establishment agreement and related laws.

Process of acquiring the first main assets and additional investment

After the Business Development and Real Estate Department has completed the selection of main assets for investment as well as Due Diligence and the Board of Directors has deemed it appropriate to invest in that real estate, the operation to acquire the main assets must conform to the following rules.

- 1) For investment or acquisition of real estate or leasehold rights for the first time and additional investment to obtain the benefits from such real estate or leasehold rights, the Company will take action as follows:
 - 1.1) Arranging for assets valuation by assets valuer, including the operation according to the rules of investment in assets as notified by the SEC. The Business Development and Real Estate Department will send the list of real estate initially selected to the assets valuer so as to appraise the value of assets in which REIT will invest with the following rules.
 - (1) The assets valuer must be approved by the SEC according to the announcement of the SEC regarding approval for the assets valuation company and the principal valuer.
 - (2) Being the full valuation with examination of ownership certificate that is also consistent with public purposes for disclosing information to investors by at least 2 assets valuers.
 - 1.2) Examining the capital structure for investment or acquisition of real estate or leasehold rights

- 1.3) Examining the essence of the following items
 - (1) Consistency with the trust establishment agreement and related laws
 - (2) Consistency with the best benefit of REIT
 - (3) Reasonableness and use of fair price
 - (4) People with special interests for the transaction do not participate in the decision to enter into that transaction.
 - 1.4) Performing any other acts as announced according to the rules for investment in assets according to the notification of the SEC and future additional amendments.
- 2) Furthermore, about additional investment or acquisition of real estate or leasehold rights (Ongoing), the Company will take action as follows.
- 2.1) The essences of the transactions shall contain at least the following matters:
 - (1) be in compliance with the Trust Deed and relevant laws;
 - (2) be for the best interest of the REIT;
 - (3) be reasonable and at fair price;
 - (4) have expenses collected from the REIT (if any) at a fair and reasonable rate;
 - (5) Those persons who have a special interest in the transaction do not participate in the decision of entering into the transaction thereof.
 - 2.2) The approval procedure must be made as follows:
 - (1) In the case, the lessor or the transferor of the leasehold right is not the Company or connected persons with the Company
 - a. be approved by the trustee that the transaction is in accordance with the Trust Deed and relevant laws
 - b. The approval will be accordant with transaction sizes as follows:
 - be approved by the board of directors of the REIT manager in case of acquiring the core assets with a value below 30 percent of the total asset value of the REIT.
 - be approved by the resolution of the unitholders' meeting with at least three-fourth majority votes of the attending

unitholders with the voting right, in case of acquiring core asset with value at 30% of the total asset value of the REIT or more.

- In case of changes in related laws, announcements, rules and regulations, The Company will comply with such relevant amended laws, announcements, rules and regulations.

(2) If the lessor owner or the transferor of leasehold rights is the Company or a person connected with the Company, after considering the size of transaction and proceeding under Clause (1) above, additional action must also be taken as follows.

- a. Having been already approved by the trustee that the transaction is consistent with the trust establishment agreement and related laws.
- b. Presentation to request approval according to the sizes of transactions as follows:
 - The transaction worth less than 20 million baht or not more than 3 percent of net asset value of REIT, whichever is higher, must be approved by the Board of Directors.
 - The transaction worth 20 million baht or more or over 3 percent of net asset value of REIT, whichever is higher, must receive the resolution of the trust unitholders' meeting with a vote of not less than three-fourths of the total votes of trust unitholders attending the meeting and having voting rights. Besides, the Company must arrange for the financial advisor to comment on analysis of information about the abovementioned assets for making investment decision and disclosing information correctly.
 - In case of changes in related laws, notifications, rules and regulations, the Company will comply with the relevant amended laws, notifications, rules and regulations.

- 3) For the need to request the resolution of the trust unitholders' meeting, the letter of invitation to the unitholders' meeting must also include opinions of the financial advisor for requesting the resolution of the unitholders' meeting. The invitation letter will be sent in advance according to disclosure of information pursuant to notification BorJor/Ror 29-00 on receiving, disclosure of information and revocation of trust units of investment trust B.E. 2558 and the announcement of the SEC No. Sor.Ror. 26/2555 on the rules of items and text in the trust establishment agreement of real estate investment trust and future additional amendments.

Process of recruiting the tenant

The Property Management Department will consider and select the tenant of main assets of REIT. To consider making the contract with a tenant of main assets of REIT for the first time or entering into a contract with a new tenant of main assets of REIT, the Company will consider and follow the procedure below.

- 1) The Property Management Department will examine the qualifications of the tenant of main assets of REIT by considering basic qualifications. At least personnel and team of the tenant of main assets must be available, who are experienced and expert in real estate management (e.g. marketing, recruitment of clients, maintenance and repair of the security and safety of the building and equipment, financial management to exploit real estate, preparing the accounts of incomes, expenses from renting out, etc.) with a Standard of Operation to continually obtain the benefits from real estate in the long run in consistency with the investment policy of REIT. The Property Management Department will evaluate the qualifications of the tenant of main assets of REIT according to the assessment form specified by the Company. The tenant of REIT's main assets must be qualified, pass the criteria according to the assessment form stipulated by the Company only. The Property Management Department will arrange to review the qualifications of the tenant of REIT's main assets at least once a year according to the assessment form determined by the Company.
- 2) In the case of there are more than 1 person offering to rent REIT's main assets, the Property Management Department will consider selecting the tenant of

REIT's main assets by comparing various qualifications, e.g. rental rate, working capabilities, rent structure, reputation and financial status, etc.

- 3) When the Property Management Department has concluded the result of selecting the tenant of REIT's main assets with qualifications as specified by the Company., the Property Management Department will present the selection conclusion result, together with the reasons for selecting the tenant of REIT's main assets according to the assessment form specified by the Company and present to the managing director for approval.
- 4) The managing director will consider the qualifications of the tenant of REIT's main assets and the rental rate expected to receive according to information from the Property Management Department. When the managing director has already considered that such person has complete and appropriate qualifications to be the tenant of REIT's main assets, the managing director will give opinions on the suitability of such person, approve and present to the Board of Directors for further approval.
- 5) The Board of Directors will consider the qualifications and suitability for being the tenant of REIT's main assets from information received from the managing director and the Property Management Department to approve with a vote of not less than half of the Board of Directors attending the meeting and having the voting rights to vote for approving the selection of tenant of REIT's main assets and present to the trustee for further approval. If the Board of Directors does not approve, the Board of Directors will notify the Property Management Department and the managing director to consider and present the new tenant of REIT's main assets.

9.6 System of monitoring the benefits of REIT

REIT manager has the objective to manage main asset of REIT for high beneficial to unitholders and have the system of monitoring the benefits of REIT as follows:

- 1) REIT and REIT manager has the policy to perform procurement benefit by bring main asset to lend for sole lessee for do the business and pay rental chart to REIT
- 2) REIT manager and trustee will follow the annual operation of REIT by comparison annual operation and annual expense budget.

- 3) REIT manager and lessee will cooperate for business growth, development, management for beneficial of unitholders
- 4) REIT manager and lessee will cooperate to increase potential of main assets by maintenance and improving the main asset to be in goods figure and image.
- 5) REIT manager will arrange and to sole lessee of the REIT to do the insurance for the REIT Insurance All Risk with the insurance budget not less than assessment capital (Replacement Cost) which will cover assets of the REIT. The Public Liability Insurance shall be arranged to prevent of damage may occur to third parties included Business Interruption insurance.
- 6) Transaction with related person will do by follow below regulation.
 - Transaction with related person with REIT manager shall perform by follow trust deed and related law for benefit of unitholders.
 - Transaction with related person shall be fair and reasonable transaction
 - Person of interest who has direct or indirect transaction shall not be a part of making decision in any transaction
 - Calculation of expense occur from transaction with related person shall use fair and reasonable rate or cost.

9.7 Remuneration of REIT Manager

1) Base Fee

The actual charged amount of base fee is at 0.40 percent of total asset value (TAV) but not less than 3.5 million baht per year (according to Trust Deed, the base fee is determined at the rate not more than 1% of the total asset value). The trustee agrees to pay the base fee to the Trust Manager on a semi-annual basis.

2) Commission fee for Acquisition or Disposal of New Assets

Acquisition/Disposal Fee	
(1) Acquisition fee, in the case of the connected person to the REIT Manager	The rate does not exceed 1.5% of acquisition asset value (TAV).
(2) Acquisition fee, in the case of the assets of third parties	The rate does not exceed 1.5% of acquisition asset value (TAV).
(3) Disposal fee of main asset	The rate does not exceed 0.75% of disposal asset value (TAV).

9.8. Disclosure of Information to Trust Unitholders

The Company by the Compliance and Risk Management Department will disclosure information to the unitholders or investors sufficiently and fairly regarding interest or benefit of the Company and connected persons of the Company who is a trading partner with the REIT as follows:

1. Disclosure through the Stock Exchange channel according to the regulations of the stock exchange or any other channel that the unitholders can access to information about the transaction including the prospectus, registration statement, invitation letter to request approval for various transactions and the annual report of the REIT.
2. Reasonable period of disclosure which must not be less than 14 days or according to the relevant announcement rules.

The REIT manager has emphasized the importance of information disclosure to trust unitholders in a sufficient, accurate, complete, timely and transparent manner. The information disclosed by the REIT shall be in compliance with rules and guidelines of information disclosure of the Securities and Exchange Commission and the Stock Exchange of Thailand, detail as follows:

	Type of Information	Disclosure Period
Information Disclosure Period Based on Accounting	• Total asset value, net asset value, and trust unit value	Within 45 days from the last day of each quarter
	• Financial Statement - Quarterly (reviewed) - Annually (Audited) • Interim Management Discussion and Analysis	- 45 days from the end of the accounting period - 2 months from the end of the fiscal year
	• Report on progress of investment project - Investment in green-field project - Change in investment in core assets	- Within 30 days from the last day of the six-month period - Delivered with quarterly financial statements
	• Annual Registration Statement	3 months from the end of the accounting period

	• Annual report	120 days from the end of the accounting period
Event Disclosure	• Price-sensitive Information	Disclosed immediately
	• Important information (should be disclosed)	Within 3 business days
	• Other relevant information	Within 14 days from the date of the event

Channels of Information Disclosure

1. Report to the Stock Exchange of Thailand, which is the main channel of information disclosure for the REIT (www.set.or.th).
2. Report via website of REIT Manager's (www.sstrm.co.th).

9.9 Trust Unitholders' Meeting

The REIT Manager shall arrange for the trust unitholders' meeting as follows:

- a. An annual general meeting shall be held within 4 months from the end of the accounting period of the REIT;
- b. An extraordinary general meeting is a meeting that is held upon occurrence of the following events:
 - (1) When trust unitholders with a total of not less than 10% of the total trust units offering make a request to the REIT Manager in writing to call for Trust Unitholders Meeting with clear reason stated. When unitholders have made a letter requesting to call for the meeting, the REIT manager shall arrange for the meeting within 1 month after the date receiving such request.
 - (2) When the Trustee considers that it is appropriate to call the trust unitholders' meeting, the REIT manager shall arrange for the meeting within 1 month after the date receiving such request in writing from Trustee. Nevertheless, the Trustee is not disqualified to consult with REIT manager in relation to such request.
 - (3) When the REIT Manager considers that it is appropriate to call the trust unitholders' meeting for the benefits of the REIT. Nevertheless, the Trustee is not disqualified to consult with REIT manager in relation to such request.

Call of Trust Unitholders' Meeting

The calling of trust unitholders' meeting shall be a minimum of the following criteria:

- a. Prepare calling notice which are sufficient for unitholders to review and make decision. The information in the letter shall at least include the explanation of meeting method and voting, the detailed agenda and matters to be proposed to the meeting with appropriate detail together with appropriate details and clearly identifying whether such matter is for acknowledgment, approval or consideration, as the case may be, including the opinion of the REIT Manager on such matter. In the case of approval matter, the information will include any possible impact on the unitholders as a result of passing a resolution on such matter.
- b. Distribute calling notice to the trust unitholders prior to the meeting date within the following period.
 - (1) 14 days in the case that the trust unitholders' meeting include agenda items that not less than three fourths of the total number of votes of the unitholders who attend the meeting and have the right to vote;
 - (2) 7 days in cases that are other than (1).
- c. Announce on at least 1 local daily newspaper for not less than 3 days prior to the meeting date.

In the case that the REIT Manager has not call for trust unitholders' meeting within 1 month after receiving letter from trust unitholders and/or trustee as the case may be, the Trustee shall call for trust unitholders' meeting in accordance with the method as specified in the first paragraph under this topic. Moreover, the trustee has right to reimburse the expenses (if any) from the trust unitholders' meeting in lieu of REIT Manager.

Moreover, in the case that there are specific rules as prescribed in the Notification regarding the resolution and trust unitholders' meeting, then such rules should be complied.

Quorum and Chairman of the Trust Unitholders' Meeting

The trust unitholders' meeting shall consist of not less than 25 (twenty-five) person or proxies, or not less than half of the total number of the trust unitholders

and shall have the aggregate trust units of at least one third of the trust units offering in order to consider as a quorum.

In the case that a quorum is not present within 1 hour after the appointed time for the commencement of the meeting, the total number of trust unitholders attended the meeting does not meet the requirement of the quorum as stated above. If the meeting is convened upon the request of the trust unitholders as stipulate in the Trust Deed, the meeting shall be dissolved in that case. However, if the meeting is not convened at the request of the trust unitholders, the REIT Manager shall call another meeting by sending the calling notice to the trust unitholders not less than 7 days prior to the meeting. In this latter case, a quorum is not required.

The meeting shall be in accordance with the following procedures:

- (a) The meeting shall be in accordance with the order of the agenda items as specified in the meeting's invitation letter unless the meeting has the resolution on to change the order of the agenda items by a vote of not less than 2 of 3 of the number of trust unitholders attending the meeting.
- (b) When the meeting has ended in accordance with (a), the trust unitholders with not less than 1 of 3 of the total number of trust units issued may request the meeting to consider any matters other than those specified in the meeting's invitation letter.
- (c) In the case that the meeting considers the matters not in an orderly manner in accordance with (a) or not considering the matters that the trust unitholders have proposed in accordance with (b), as the case may be, and it is necessary to postponed the meeting. The meeting shall determine the place, date and time for the next meeting and the REIT Manager shall send out the meeting invitation letter specifying the place, date, time and agenda items to the trust unitholders not less than 7 days prior to the date of the meeting. In addition, the notice of the meeting shall be published in the newspaper not less than 3 days prior to the meeting.

The REIT Manager shall appoint a person to act as the chairman of the trust unitholders' meeting. However, in considering any agenda items of the trust unitholders' meeting that the chairman has an interest in, the chairman shall leave

the meeting for that agenda item and the REIT Manager shall proposed the names to act as the chairman of the trust unitholders' meeting for that particular agenda.

In the event that the REIT Manager has an interest in any agenda, the Trustee shall propose a person name to trust unitholders' meeting for appointing that person to be the chairman of the meeting for that particular agenda. However, in the event that both the REIT Manager and the Trustee have interest in any agenda, then the meeting shall consider appointing any person to be the chairman of the trust unitholders' meeting in that particular agenda.

Furthermore, in the case that the Trustee or REIT Manager has the interests in the agenda under consideration in the trust unitholders' meeting, the Trustee or REIT Manager and the representative of Trustee or REIT Manager shall have no right to vote on such agenda (in the case that Trustee or REIT Manager and the representatives of the Trustee or REIT Manager are the trust unitholder)

The Chairperson of the trust unitholders' meeting shall have the authorities and duties as follows:

- (1) Supervise the meeting to ensure that the meeting proceed orderly.
- (2) Determine any other methods in conducting the meeting as the Chairperson deemed appropriate or necessary to hold the trust unitholders' meeting along with the process of considering and passing resolution on any matters appropriately and efficiently.
- (3) Ensure that the trust unitholders' meeting performed according to relevant laws and other relevant laws. However, the Chairperson has the authority to terminate the debate or any consideration during the trust unitholders' meeting on any subject.
- (4) In the event that vote of the resolution of the trust unitholders' meeting is tie, the Chairperson of the trust unitholder's meeting cast a deciding vote where the decision cast by the Chairperson is deemed as the final vote of the trust unitholders' meeting.

Proxy Authorization

For the trust unitholders' meeting, the trust unitholders may authorize a proxy to other person or Trustee, as prescribed in the proxy form, to attend the meeting and vote on their behalf. The REIT Manager shall prepare proxy form attached along with the meeting invitation letters to trust unitholders.

Thus, the proxy shall submit the proxy form and supporting documents as specified in the meeting invitation letter to the Chairperson before the meeting begins.

Vote Counting

The trust unitholder has 1 vote per 1 trust unit as per holding. Moreover, the trust unitholders who have the voting right must not hold a special interest in the matter under consideration.

Trust Unitholders' Resolution

1. For an ordinary issue, the resolution shall be passed by the majority vote of the trust unitholders who attend the meeting and have the right to vote.
2. For the following issues, the resolution shall be passed by not less than three fourths of the total number of votes cast by the trust unitholders who attend the meeting and have the right to vote:
 - (1) An acquisition or disposal of the core properties with the value not less than 30% of the total asset value of the REIT.
 - (2) A capital increase or decrease of the paid-up capital which has not been specified in the Trust Deed in advance.
 - (3) An increase of capital by general mandate.
 - (4) Transactions with REIT managers or connected persons with REIT managers with the value exceeding 20,000,000 baht (twenty million baht) or 3 percent of total asset value of the REIT, whichever is greater.
 - (5) A change in the dividend distribution and capital reduction to trust unitholders.
 - (6) A change in Trustee or REIT Manager.
 - (7) An amendment to the Trust Deed regarding a matter which affects the right of the trust unitholders materially.
 - (8) A dissolution of the REIT; and

- (9) A change of the form of the deposit as prescribed in the lease agreement between the REIT and the lessee into other form of deposit other than in the form of cash.

The resolution of the trust unitholders which will cause the REIT or management of the REIT to be contrary with rules prescribed in the Notification of Capital Market Supervisory Board Sor-Ror 26/2555 or other related notifications and orders as prescribed in the Security and Exchange Act or the Trust Act shall not take into effect.

9.10 Recruiting and appointing directors and the top executives

In case that the directors and/or independent directors vacate office, the remaining Board of Directors will select and submit the names of directors and/or independent directors preliminarily recruited to the Compliance and Risk Management Department to check the qualifications according to the Trust Deed, REIT Manager Appointment Agreement, Registration statement, filing, relevant regulations and laws. In case of having complete qualifications, the remaining Board of Directors will appoint the new directors according to the legal process.

In the event that the managing director vacates office, the Board of Directors will select and submit the name list of managing directors preliminarily recruited to the Compliance and Risk Management Department to examine the qualifications according to the Trust Deed, REIT Manager Appointment Agreement, registration statement, filing, relevant regulations and laws. The Managing Director must have the following basic qualifications.

- 1) Being a person with work experience consistent with the real estate business of REIT's investment or
- 2) Being a person with knowledge and experience in investment management or seeking the benefits from real estate for a period of not less than 3 years within the last 5 years and
- 3) Not having any prohibited characteristics according to the notification of the Capital Market Supervisory Board on prohibited characteristics of personnel in the capital market business.

The Board of Directors assigns the managing director to select personnel with knowledge and work experience consistent with the real estate business of REIT's investment so as to be responsible for overseeing the real estate management of REIT,

investment management or seeking the benefits from real estate. When any position of personnel is vacant, the managing director will consider, recruit and select personnel and/or the executives for performing the duties in the Company with qualifications and suitability according to the Trust Deed, REIT Manager Appointment Agreement, registration statement, prospectus, relevant regulations and laws. Such personnel must have the basic qualifications as follows.

- 1) Being a person with work experience consistent with the real estate business of REIT's investment or accordance with the duties and/or responsibilities in the company.
- 2) For selecting personnel to deal with REIT's property management line, such persons must have knowledge and experience in investment management or seeking the benefits from real estate for a period of not less than 3 years within the past 5 years and
- 3) Not having any prohibited characteristics according to the notification of the Capital Market Supervisory Board on prohibited characteristics of personnel in the capital market business.

Additionally, the selection must be in accordance with the Company's rules and policies, including the Trust Deed, REIT Manager Appointment Agreement, registration statement, prospectus, relevant regulations and laws. Then approval is given for accepting such persons to be personnel of the Company.

Upon approval to become the managing director and / or personnel of the Company, the Board of Directors will arrange to inspect, monitor and evaluate the performance of the managing director and / or personnel of the Company regularly as specified in the system for supervising the operations of REIT manager and personnel of REIT manager and audit, overseeing the persons assigned to the tasks related to REIT management in order for the operations to accord with the Company's policies, the Trust Deed, REIT Manager Appointment Agreement, registration statement, prospectus, relevant regulations and laws.

The Board of Directors will arrange for inspection so that Company has complete personnel ready to perform the duties as REIT manager according to the relevant laws throughout the period of the Company performing its duties. If personnel responsible for REIT's property management line or other staff members cannot perform their duties for any reason, the Board of Directors and/or the managing director will arrange to select personnel for replacing staff members who are unable to perform such tasks without delay.

9.11 Remuneration of Auditor

The REIT has appointed SP Audit Company Limited to be the auditor for the accounting period of 31 December 2019 where the detail of remuneration of auditor are as follows:

Items	THB Amount
Audit Fee	320,000
Non-audit Fee	0

10. Corporate Social Responsibility

The REIT manager has considered and recognized the importance of social responsibility that directly related to the REIT. Therefore, the Company has operated its business on the basis of morality, ethics, good corporate governance, responsibility to all stakeholders covering economic, social and environment. The guideline for conducting business with social responsibility is the same policy as Sub Sri Thai Public Company Limited, which can be summarized as follows:

1. Conducting business with fairness

The REIT Manager places importance on the principles of corporate governance in organizational management by operating its business to comply with relevant laws strictly, including the Securities and Exchange Act B.E. 2535 (and as amended), the Trust for Transactions in Capital Market Act, B.E. 2550, regulations of govern agency and the Trust deed to avoid actions that may cause conflicts of interest as well as adhering of corporate governance in responsibility to all stakeholders in order to generate benefits together in the short and long term.

2. Anti-corruption

The company strictly operates its business under the relevant laws regarding quality of life environmental safety, labor, accounting and taxation, copyright and intellectual property, protection from corruption as well as regulations of government agencies that related to the business operations of the company and the REIT. In addition, the REIT has a clear and transparent process in determination of authority and duties in order to reduce the discretion of employees in seeking benefits.

The company has established a procurement policy in order to provide a fair and equitable treatment for trading partners, not allowed to give or offer objects or other benefits that is dishonest in trade with trading partners and do not use personal relationships for judgment to ensure that all partners of the company are treated fairly according to the term and conditions of agreement strictly.

3. Respect for Human Rights

The Company places importance on respecting human rights and respecting personal dignity, privacy and the rights of individuals who have interacted during their duties and the Company shall not take any action or encourage any violation or abuse of human rights.

The company adheres to the principle of liberty and equality by treating all employees without against race, religion and sex, giving freedom and equality, not oppressing, not limiting rights, freedom of thought and participation in activities Politics. However, those activities must not affect the company's reputation.

4. Fair treatment of labor

The company is fully aware that the employees are our most vital resource for the company's success and sustainable growth. The Company has emphasize on human rights of every individual by treating all employees fairness without discrimination and avoidance of violation or encouragement to violate human rights.

The company has placed importance on the quality of life of employees and promoted good environment in work place and safety to prevent threats to employees' health and provide appropriate benefits and welfare.

5. Responsibility to consumers

Sub Sri Thai Plc. is the lessee of the REIT properties to operate document storage business. It pays great attention to our customers' satisfaction, fair treatment and responsibility as follows:

- 1) Provide quality products and services which meet or exceed customers' expectation under fair conditions and prices. Give advice on efficient use of the Company's products and services so that customers gain ultimate benefits.
- 2) Provide accurate, sufficient, and up-to-date information related to products and services to customers so that customers have enough information to make a decision. The information provided by the Company should not be exaggerated and misleading in terms of quality, quantity, or any conditions of products and services.
- 3) Comply with the agreement entered into with customers, rules and regulation concerning the Company's business. Avoid any deeds that violate or breach the agreement.
- 4) There is a system of keeping customer data security and confidentiality and have policy to keep customers' data confidential. Do not pass information

without customers' consent and do not disclose customer's information or use of customers' information for benefits to themselves or others.

- 5) Ensure system and process for customers' complaint on quality, quantity, products and service safety, speed of response or delivery, and best effort to provide customers with fastest response.
- 6) Arrange a customer satisfaction survey annually to know customer's actual needs and to improve the Company's services.
- 7) Treat customers politely, efficiently, and dependably under the company's policy, fast service, on time, correct, polite, goodwill and determined to have continual development for the customer's maximum satisfaction at all times.
- 8) Never ask for or give customer corrupt benefits.

6. Environment

The company has emphasized and adhered to environment and occupational health and safety for operation in any activities which are our businesses including activities that contribute to creating a community society for the benefit of the economy and society. Therefore, the REIT has promoted the policy of the tenant regarding saving electricity by using LED bulbs in document storage warehouses, providing paper box which made from products that use less pulp to preserve forests and environment etc.

7. Occupational health and safety

Social responsibility in occupational health and safety is another role which is defined as the law that operators must strictly comply with the Labor Protection Act B.E. 2541, the Occupational Safety, Health and Environment Act. 2554 to control and supervise safety management regarding occupational safety, health and environment in work place for employees.

Safety is important for employees and the assets of the REIT, therefore the Company and the REIT shall oversee the tenants of the core assets to preform activities which are:

- Regularly planning for fire protection system checking.
- Training and fire drills for employees every year at least once a year, including practicing other emergency plans such as emergency plans for flooding, staff

protesting, information technology system crashes by updating the emergency plans every year and reporting to the REIT Manager.

- Arranging a team of engineers who have been trained and registered as inspectors of buildings and equipment to proceed of examination the stability of the building, the elevator system, electrical system, air conditioning system, health and environmental systems, fire protection, capability of any equipment systems in the building and the security management system in the building annually.

11. Internal Control and Risk Management

The Company gives great importance to Internal Control Systems regarding management and operations of the REIT Manager. As such, the Board of Directors has assigned the Compliance and Risk Management Department to oversee management risk reviews, as well as evaluate Internal Control Systems.

Assesment of the Company's Internal Control System includes the following 5 aspects: Internal Control, Risk Assesment, Operational Control, Information and Communication Technology System, and Monitoring System by the Board of Directors reveal that the Company's Internal Control System is sufficient and appropriate. This includes the monitoring system for management and operations of the Company and the tenant of the main property. This helps to protect the REIT's assests from being misused or any other unauthorized action by directors or executives, including any transactions with persons who may have conflicts and connected persons adequately.

12. Prevention of Conflict of Interests

12.1 Related Transactions in the Previous Accounting Period (if any)

- None -

12.2. Transactions between the REIT and connected person

- 1) Transactions between REIT and the REIT manager or the REIT manager's connected person

The transactions between the REIT and the REIT manager or the REIT manager connected person, the compliance with the following terms and conditions:

- 1.1) The essence of the transaction shall be in accordance with term specified in 8.1.4 (1) (B) of the Trust Deed.
- 1.2) The approval process of the transaction between the REIT and the REIT manager or REIT manager's connected person, in addition the information stated in the filing and prospectus, must comply with the following steps:
 - a) Obtaining the trustee's approval that the transaction is in accordance with the Trust Deed and related laws;
 - b) In the case of the transaction exceeding THB 1 million or from 0.03% of the REIT's total asset value, whichever is greater, must obtain approval from the Board of Directors of the REIT manager.
 - c) In the case of the transaction exceeding THB 20 million or from 3% of the REIT's total asset value, whichever is greater, must obtain approval from the trust unitholders' meeting with at least 3/4 of total votes of the trust unitholders attending the meeting and entitled to vote.

In case of the transaction being the acquisition or disposition of the core properties, the calculation of value shall be in accordance with the value for acquisition or disposition of all assets of each project resulting in that such project is ready to earn income, which includes the assets connected to such project.

- 1.3) The transaction between the REIT and the REIT manager or REIT manager's connected person which has already been clearly stated in the filing and prospectus, the procedures for requesting the approval of the trustee or trust unitholders must be in accordance with the terms

specified 8.1.4 (1) (B) of the Trust Deed. Moreover, in the case of request for the trust unitholders' resolution, the notice of the trust unitholders' meeting must contain the financial advisor's opinion to support such request.

- 2) Transactions between REIT and the trustee or the trustee's connected person
 - 2.1) To manage the REIT shall not allow trustee to act which cause of conflict to benefit of REIT, except;
 - a) compensation of act as trustee
 - b) transaction that has been controlled or monitored by checking and balance with fairness such transaction and the trustee give opinion that the management of the REIT is fairness and has disclosed relevant information sufficiently to the unitholders. The unitholders acknowledge without objection, the disclosure of such information and objections shall be in accordance with the rules prescribed by the SEC.
 - 2.2) Unless otherwise announcement regulated by the SEC with regards the disclosure of information in the following manner has been deemed as sufficient disclosure of information to the unitholders or investors before entering into a transaction that have conflict of interests of the REIT.
 - a) Disclose through the Stock Exchange of Thailand (SET) under the SET rules related to such matter or any other channel that can be accessed by the unitholders for transaction information.
 - b) The period of disclosure is reasonable which is not less than 14 days
 - c) Clearly disclose the channels, procedures and period of time for objection, which must not be less than 14 days, except for, in case of request for unitholders resolution, the objection must be made at the unitholders meeting.
 - 2.3) If the unitholders express their clear objection under the procedures as disclosed in 13.2.3 of the Trust Deed which exceeds 1/4 of the total sold units, the trustee shall not enter into, or allow the entering into, the transaction that has a conflict of interest with REIT

13. Significant Financial Highlights

Summary of auditor's report audited or reviewed of the Past 3 Year which auditor's opinion was not qualified in respect of this matter (the REIT is established on 13 December 2017)

The auditor commented on the financial statements of 2017 as follows:

The auditor commented that the above financial statements have shown the financial status of Sub Sri Thai Real Estate Investment Trust as of 31 December 2017, the operating results, changes in net assets, cash flow and important financial information for the period from 13 December 2017 (registration date) to 31 December 2017 correctly, appropriately in essence according to financial reporting standards.

The auditor commented on the financial statements of 2018 as follows:

The auditor commented that the above financial statements have represented the financial status of Sub Sri Thai Real Estate Investment Trust as of 31 December 2018, the operating results, changes in net assets, cash flow and important financial information for the year ending on the same day correctly, appropriately in essence according to financial reporting standards.

The auditor commented on the financial statements of 2019 as follows:

The auditor commented that the above financial statements have represented the financial status of Sub Sri Thai Real Estate Investment Trust as of 31 December 2019, the operating results, changes in net assets, cash flow and important financial information for the year ending on the same day correctly, appropriately in essence according to financial reporting standards.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2019

		(Unit : Baht)	
	Note	2019	2018
Assets	5		
Investments in properties at fair value	7	1,433,749,900.00	823,007,440.00
(at cost in 2019 : Baht 1,451,007,440.00			
2018 : Baht 822,007,440.00)			
Investments in securities at fair value		821,627.78	9,139,250.84
(at cost in 2019 : Baht 813,483.19			
2018 : Baht 9,085,567.48)			
Cash at banks	8	8,952,117.29	1,284,860.71
Deposit at bank with commitment	9	32,530,844.81	32,561,110.11
Accounts receivable			
From rental and service	13	38,936,103.30	35,484,496.90
From interest		52,609.57	113,367.40
Other receivable	14	-	151,294.44
Deferred expenses	10	27,065,407.46	9,624,492.45
Other assets		3,181,950.33	1,048,827.81
Total Assets		1,545,290,560.54	912,415,140.66
Liabilities	5		
Accrued expenses	14	28,243,212.93	8,908,958.62
Deposits from rental and services	14	32,500,000.00	32,500,000.00
Borrowing from financial institution	11	238,193,977.62	237,891,706.06
Distributions payable to unitholders		21,355,075.48	-
Other liabilities	14	97,712.76	174,398.31
Total Liabilities		320,389,978.79	279,475,062.99
Net Assets		1,224,900,581.75	632,940,077.67
Net Assets :	5		
Trust capital from the unitholders	16	1,160,859,375.00	609,219,000.00
Retained earnings			
Equalization account		59,959,625.00	-
Retained earnings from operations	6	4,081,581.75	23,721,077.67
Net Assets		1,224,900,581.75	632,940,077.67
Net assets value per unit		7.8394	7.7187
Number of units issued at the end of year (Units)		156,250,000.00	82,000,000.00

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST

THE DETAILS OF INVESTMENTS

AS AT 31 DECEMBER 2019

Details of investments are classified by type of investment.

	2019			2018		
	Cost (Baht)	Fair Value (Baht)	Percentage of investment	Cost (Baht)	Fair Value (Baht)	Percentage of investment
Investments in Properties						
Land and buildings including equipment						
Used in operation of the document storage business						
(Note 7)	1,434,757,340.00	1,433,749,900.00	99.94	822,007,440.00	823,007,440.00	98.90
Total Investments in Properties	1,434,757,340.00	1,433,749,900.00	99.94	822,007,440.00	823,007,440.00	98.90
Investments in Securities						
Unit trust						
SCB Treasury Money Plus Open End Fund						
- Class A	813,483.19	821,627.78	0.06	9,085,567.48	9,139,250.84	1.10
Total Investments in Securities	813,483.19	821,627.78	0.06	9,085,567.48	9,139,250.84	1.10
Total Investments		1,434,571,527.78	100.00		832,146,690.84	100.00

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

		(Unit : Baht)	
	Note	2019	2018
Investment Income	5		
Rental and service income	14	68,451,605.75	67,623,918.65
Interest income		37,302.47	21,017.74
Other income		267,793.67	9,736.31
Total Income		68,756,701.89	67,654,672.70
Expenses	5		
REIT Manager fee	13, 14	3,681,049.74	3,626,321.09
Trustee fee	13, 14	4,016,436.88	4,000,000.00
Registrar fee	13	261,964.17	271,996.89
Professional fee		330,050.00	320,000.00
Operating expenses		521,020.64	486,091.22
Amortization of deferred expenses	10	5,008,771.38	4,866,434.18
Finance costs		9,962,271.56	9,915,056.44
Total Expenses		23,781,564.37	23,485,899.82
Net Income from Investments		44,975,137.52	44,168,772.88
Net Gain (Loss) on Investments	5		
Net realized gain on investments		227,915.71	85,567.48
Net unrealized gain (loss) on investments		(2,052,978.77)	1,053,683.36
Total Net Realized and Unrealized Gain (Loss) on Investments		(1,825,063.06)	1,139,250.84
Increase in Net Assets Resulting from Operations		43,150,074.46	45,308,023.72

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit : Baht)			
	Note	2019	2018
Increase in Net Assets Resulting from Operations during the Year			
Net income from investments		44,975,137.52	44,168,772.88
Net realized gain on investments		227,915.71	85,567.48
Net unrealized gain (loss) on investments		(2,052,978.77)	1,053,683.36
Net Increase in Net Assets Resulting from Operations		43,150,074.46	45,308,023.72
Increase in capital during the year	16, 19	611,600,000.00	-
Capital reduction to unitholders	16	-	(22,238,400.00)
Distribution to unitholders	17	(62,789,570.38)	(22,722,200.00)
Net Increase (Decrease) in Net Assets during the Year		591,960,504.08	347,423.72
Net Assets at Beginning of the Year		632,940,077.67	632,592,653.95
Net Assets at End of the Year		1,224,900,581.75	632,940,077.67
(Unit : Units)			
<u>Changes in number of trust units</u>			
Trust Units at Beginning of the Year		82,000,000.00	82,000,000.00
Increase in trust units during the year		74,250,000.00	-
Trust Units at End of the Year		156,250,000.00	82,000,000.00

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	(Unit : Baht)		
	Note	2019	2018
Cash Flows from Operating Activities			
Increase in net assets from operations		43,150,074.46	45,308,023.72
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities			
Purchases of investments in properties		(1,149,900.00)	-
Purchases of investments in securities		(24,000,000.00)	(54,000,000.00)
Sales of investments in securities		32,500,000.00	45,000,000.00
Amortisation of deferred expenses		5,008,771.38	4,866,434.18
(Increase) decrease in deposit at bank with commitment		30,265.30	(32,561,110.11)
Increase in accounts receivable from rental and services		(3,451,606.40)	(6,278,713.47)
(Increase) decrease in accounts receivable from interest		60,757.83	(112,570.27)
Decrease in other receivable		151,294.44	32,499,800.00
Cash paid for deferred expenses		(4,424,507.39)	-
(Increase) decrease in other assets		(2,133,122.52)	37,089.97
Increase (decrease) in accrued expenses		1,309,075.31	(408,701.95)
Decrease in other liabilities		(76,685.55)	(3,517,018.69)
Net realized gain on investments		(227,915.71)	(85,567.48)
Net unrealized (gain) loss on investments		2,052,978.77	(1,053,683.36)
Finance costs		9,962,271.56	9,915,056.44
Net Cash Provided by Operating Activities		58,761,751.48	39,609,038.98

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

		(Unit : Baht)	
	Note	2019	2018
Cash Flows from Financing Activities			
Capital reduction to unitholders		-	(22,238,400.00)
Distribution to unitholders		(41,434,494.90)	(22,722,200.00)
Cash paid for interest		(9,660,000.00)	(5,372,547.94)
Net Cash Used in Financing Activities		(51,094,494.90)	(50,333,147.94)
Net Increase (Decrease) in Cash at Banks		7,667,256.58	(10,724,108.96)
Cash at Banks at Beginning of the Year		1,284,860.71	12,008,969.67
Cash at Banks at End of the Year		8,952,117.29	1,284,860.71
Additional information			
Non-Cash Transactions			
Net assets that agreed to be transfer to the Trust			
Investments in properties	19	611,600,000.00	-

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
SIGNIFICANT FINANCIAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019

	(Unit : Baht)		
			For the period started 13 December 2017 (registration date) through 31 December 2017
	2019	2018	
Information Resulting from Operation (Per Unit)			
Net Asset Value at Beginning of the Year	7.7187	7.7145	-
Income from investing activities			
Net income from investments	0.5100	0.5386	0.0138
Net realized gain (loss) on investments	0.0009	0.0010	-
Net unrealized gain on investments	(0.0080)	0.0129	-
Total income from investing activities	0.5029	0.5525	0.0138
Add : Increase in capital from unitholders	-	-	7.7007
Add : Adjust effect from increase in capital from unitholders	0.3837	-	-
Less: Capital reduction to unitholders	-	(0.2712)	-
Less: Distribution to unitholders	(0.7659)	(0.2771)	-
Net Asset Value at End of the Year	<u>7.8394</u>	<u>7.7187</u>	<u>7.7145</u>
Ratio of Net Profit to Average Net Asset Value during the Year (%)	6.34	7.21	0.18
Significant Financial Ratio and Additional Information			
Net assets at end of the year (Thousand Baht)	1,224,901	632,940	632,593
Ratio of total expenses to average net assets during the year (%)	3.50	3.74	0.20
Ratio of total investment income to average net assets during the year (%)	10.10	10.77	0.38
Ratio of weighted average investment turnover to average net assets during the year (%) *	0.17	0.17	129.94

Supplemental information

- * This is not included cash at bank, investment in promissory notes and certificates of deposits and trading investments should be the independent trading transactions which are not included repurchase agreements or resale agreements.

The accompanying notes are an integral part of these financial statements.

14. Management Discussion and Analysis of the REIT Manager

14.1 Operating results and financial status of the REIT

Explanation of the operating results and financial status of REIT for the year ending on 31 December 2019.

14.1.1 Overview of the operating results of the REIT

Investment income

In 2019, REIT had a total investment income of 68.76 million baht. The total investment income comprised rental and service income of 68.45 million baht, representing 99.56 percent of total investment revenue. The rental and service income was recorded according to the average value throughout the property lease term in line with straight-line accounting standards (Note of financial statements Clause 5), including interest income and other incomes of 0.30 million baht, representing 0.44 percent of total investment revenue.

Expenses

In 2018, REIT had total expenses of 23.78 million baht. Expenses comprised the financial costs of 9.96 million baht, representing 41.89 percent of total expenses, which were the most costs and deferred, amortized expenses of 5.01 million baht, representing 21.06 percent. The deferred amortized expenses were recorded by using the straight-line method for a period of 3 years (Note of financial statements Clause 10).

Moreover, fee expenses as the most costs were 8.81 million baht, representing 37.05 percent of total expenses. This is separated by the table below as follows.

Expenses	Year 2019 THB amount
REIT manager fee	3,681,050
Trustee fee	4,016,437
Registrar fee	261,964
Professional fee	330,050
Operating expenses	521,021
Total expenses	8,810,521

Net investment income

In 2019, REIT had net investment income of 44.98 million baht, representing 65.41 percent of total investment revenue.

The REIT had the unrealized net profit from investments of 1.82 million baht. Therefore, the increase in net assets from operations amounted to 43.15 million baht.

14.1.2. Balance sheet of the REIT**Assets**

As of 31 December 2019, REIT had total assets of 1,545.29 million baht, consisting of the important items as follows:

- (1) Investments in real estate according to the fair value of 1,433.75 million baht, or representing 92.78 percent of total assets
- (2) Bank deposits and bond fund of 42.30 million baht, or accounting for 2.74 percent of total assets, comprising normal bank deposits of 8.95 million baht, bond fund of 0.82 million baht and bank deposits for rental deposit of 32.53 million baht
- (3) Receivables from renting out and services with interest, including fund receivables for net assets awaiting transfer of 38.99 million baht, representing 2.52 percent of total assets
- (4) Deferred Charge -Fund set up fee of 27.07 million baht or 1.75 percent of total assets.

Liabilities

As of 31 December 2019, REIT had total liabilities of 320.39 million baht, comprising the following important items.

- (1) Accrued expenses of 28.24 million baht or 8.82 percent of total liabilities
- (2) Deposits on rental and services of 32.50 million baht or 10.14 percent of total liabilities (received from Sub Sri Thai Public Company Limited)
- (3) Loans from financial institutions of 240 million baht, but deducted fees for loans from financial institutions deferred. Therefore, according to accounting standards, the net loans from financial institutions were recorded in the amount of 237.89 million baht, or representing 74.35 percent of total liabilities to pay the costs of issuing and offering to sell the trust units amortized and the rest for payment to the unitholders of SSTSS.

- (4) Creditors, unitholders from distribution payment of operating period from 1 July to 25 December 2019 in the amount of 21.36 million baht or 6.67 percent of total liabilities due on January 23, 2020
- (5) Other liabilities of 0.17 million baht or representing 1 percent of total liabilities

Net assets

As of 31 December 2019, REIT had net assets of 1,244.90 million baht, comprising capital received from trust unitholders of 1,160.86 million baht and retained earnings of 2019 amounting to 64.04 million baht, of which net assets per unit of 7.8394 baht.

14.1.3. Analyzing cash flow of the REIT

For the year ending on 31 December 2019, the REIT had the remaining bank deposits of 8.95 million baht, mainly because;

- (1) REIT had net cash derived from operating activities amounting to 58.76 million baht. The main revenue came from rental income.
- (2) The REIT had net cash used in financing activities of 51.09 million baht arising from payback and payment of returns for trust unitholders.

Statement of Cash Flows (unit: THB)	For the year ended December 31, 2019
Net Cash Provided by (Used in) Operating Activities	58,761,751.48
Net Cash Provided by (Used in) Financing Activities	(51,094,494.90)
Net Increase (Decrease) in Cash at Banks	7,667,256.58
Cash at Banks at Beginning of the Year	1,284,860.71
Cash at Banks at End of the Year	8,952,117.29

14.1.4 Analyzing the financial ratio of the REIT

In year 2019, REIT's ratio of net income to the average annual net asset value of 6.34%, decreased which compared to the year 2018 due to the main a factor (1) loss from revaluation on the first investment properties which was the unrealized investment in amounted of 2.01 million baht that resulting in decreasing in net profit when compared to the year 2018 (2) the acquisition of the core assets from the first capital increase that resulting in the average net asset value increased during the year.

14.2 Factors or circumstances with potentially significant impact on the financial status or operations in the future (Forward Looking)

The overall Thai economy of the year of 2019 has expanded by 2.4 percent compared with the growth of 4.2 percent in 2018 , and it is expected that the Thai economy in 2020 will grow by 1.5 - 2.5 percent, slowing down from 2019 due to Major risk factors include the outbreak of the Covid- 19 virus. The drought is more severe. And delays in the budget process with factors supporting the Thai economic growth as follows

1. The gradual improvement of the global economy from the relief from the pressure of trade measures between the United States and China, including Brexit, believed to be the outbreak of the Covid- 19 virus will end in May 2020.
2. Domestic growth Household spending And private investment Especially those with high levels of debt and income generation being affected by the economic slowdown Technological change And intense competition
3. Driven by government measures both in the form of stimulus for the economy and taking care of vulnerable groups in the short term Infrastructure investment And establish economic policy guidelines that support private business operations
4. Low economic growth in the past year, 2019

15. TRUSTEE'S OPINION



บริษัทหลักทรัพย์จัดการกองทุน วรรณ จำกัด
989 อาคารสยามพิวรรธน์ทาวเวอร์ ชั้น 9, 24
ถนนพระราม 1 แขวงปทุมวัน เขตปทุมวัน
กรุงเทพฯ 10330
โทร 0-2659-8888 โทรสาร 0-2659-8860-1

One Asset Management Limited
9th, 24th Floor, Siam Piwat Tower,
989 Rama 1 Road, Pathumwan,
Bangkok 10330
Tel 0-2659-8888 Fax 0-2659-8860-1

Trustee Opinion

February 14, 2020

To Trust Unitholders of Sub Sri Thai Real Estate Investment Trust

One Asset Management Limited, the Trustee of Sub Sri Thai Real Estate Investment Trust ("the REIT") which was managed by SST REIT Management Co., Ltd. performed our duties as the Trustee of the REIT for the period during 1 January 2019 to 31 December 2019.

In our opinion, SST REIT Management Co., Ltd. performed duties in managing the REIT appropriately according to the objective specified in trust management project as well as complying with applicable laws, regulations and in the manner which protect the interest of the REIT and Trust Unitholders.

Yours sincerely,



(Mr. Pote Harinasuta)(Mr. Sakda Manavapat)

One Asset Management Limited

Acting as the Trustee of Sub Sri Thai Real Estate Investment Trust

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
FINANCIAL STATEMENTS AND AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019



SP AUDIT CO.,LTD.

บริษัท เอส พี ออดิท จำกัด

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503/31 ชั้น 18(เอ) อาคาร เค.เอส.แอล. ทาวเวอร์ ถนนศรีอยุธยา แขวงถนนพญาไท เขตราชเทวี กรุงเทพมหานคร 10400 โทร. +66 2 642-6172-4 แฟกซ์. +66 2 642-6253

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Sub Sri Thai Real Estate Investment Trust

Opinion

I have audited the financial statements of Sub Sri Thai Real Estate Investment Trust ("the Trust"), which comprise the balance sheet and the details of investments as at 31 December 2019, and the related statement of income, changes in net assets, cash flows and significant financial information for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Sub Sri Thai Real Estate Investment Trust as at 31 December 2019, and its financial performance, changes in its net assets, cash flows and significant financial information for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. 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 Trust in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

► email : spaudit@spaudit.co.th

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Measurement of Investments in Properties

As discussed in Note 7 to the financial statements, as at 31 December 2019, the Trust had the investments in properties in the amount of Baht 1,433.75 million. The fair value of such investments was a key audit matter, due to the REIT manager therefore determined the fair value of these investments based on the value appraised by an independent appraiser. As the REIT manager is required to exercise significant judgement with respect to the estimation of future operating results and the determination of a discount rate and key assumptions, there is therefore significant risk with respect to the measurement of such investments.

Key audit procedures

I gained an understanding and evaluating the basis upon which the Trust identified and assessed the fair value of investments in properties. I also assessed the competence and independence of the independent appraiser. In addition, I reviewed the data and key assumptions used in the measurement of fair value, by comparing them against historical data, considering the reasonableness of significant movement in the property valuation from the prior year, checked them to the lease agreements, and recalculation of the fair value models.

And I reviewed disclosure the disclosure of information related to the measurement of the fair value of investments in properties, its adequacy and conformity to the requirements of the accounting standards.

Acquisitions of Investments in Properties from Sub Sri Thai Property Fund

As discussed in Notes 7 and 19 to the financial statements, during the year, the Trust acquired all assets and liabilities from Sub Sri Thai Property Fund ("the Fund"). The fair value of net assets on the acquisition date was Baht 611.60 million, which was paid by issuing the new trust's units. The REIT Manager assessed that the acquisition from the fund qualified as an assets acquisition in accordance with the guidance provided under the TFRS3. Because there was only input transferred but no process then the acquisition was not meet definition to be qualified as business combination. The acquisition method required REIT Manager to determine the fair value of assets acquired at the acquisition date. The acquisitions of investments in properties was a key audit matter, due to the materiality of the transactions and the significant judgment and complexities involved in determining the fair value of assets acquired.

Key audit procedures

I enquired REIT Manager to understand the basis used for considering the recognition of the acquisition of assets and liabilities from the Fund. I read the minutes of Board of Directors meetings, and minutes of the Extraordinary Trust Unitholders' meeting relating to the approval for the acquisition and related document to understand key terms and conditions.

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I was evaluate the assessment of the identification of all the assets acquired and liabilities assumed by REIT Manamger. In addition, I reviewed key assumptions used in the measurement of fair value and test calculation.

And I reviewed disclosure the disclosure of information related to adequacy and conformity to the requirements of the accounting standards.

Other Information

The REIT 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 REIT manager for correction of the misstatement.

Responsibilities of the REIT manager for the Financial Statements

The REIT manager is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as the REIT manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the REIT manager is responsible for assessing the Trust'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 REIT manager either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

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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 Thai Standards on Auditing 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 Standards on Auditing, I exercise professional judgment and maintain professional skepticism 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the REIT manager.
- Conclude on the appropriateness of the REIT 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 Trust'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 Trust 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.


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I communicate with the REIT 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 REIT 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 REIT 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.

SP Audit Company Limited



(Mr. Kiatisak Vanithanont)

Certified Public Accountant (Thailand) No. 9922

Bangkok

17 February 2020

SUB SRI THAI REAL ESTATE INVESTMENT TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2019

		(Unit : Baht)	
	Note	2019	2018
Assets	5		
Investments in properties at fair value	7	1,433,749,900.00	823,007,440.00
(at cost in 2019 : Baht 1,451,007,440.00			
2018 : Baht 822,007,440.00)			
Investments in securities at fair value		821,627.78	9,139,250.84
(at cost in 2019 : Baht 813,483.19			
2018 : Baht 9,085,567.48)			
Cash at banks	8	8,952,117.29	1,284,860.71
Deposit at bank with commitment	9	32,530,844.81	32,561,110.11
Accounts receivable			
From rental and service	13	38,936,103.30	35,484,496.90
From interest		52,609.57	113,367.40
Other receivable	14	-	151,294.44
Deferred expenses	10	27,065,407.46	9,624,492.45
Other assets		3,181,950.33	1,048,827.81
Total Assets		1,545,290,560.54	912,415,140.66
Liabilities	5		
Accrued expenses	14	28,243,212.93	8,908,958.62
Deposits from rental and services	14	32,500,000.00	32,500,000.00
Borrowing from financial institution	11	238,193,977.62	237,891,706.06
Distributions payable to unitholders		21,355,075.48	-
Other liabilities	14	97,712.76	174,398.31
Total Liabilities		320,389,978.79	279,475,062.99
Net Assets		1,224,900,581.75	632,940,077.67
Net Assets :	5		
Trust capital from the unitholders	16	1,160,859,375.00	609,219,000.00
Retained earnings			
Equalization account		59,959,625.00	-
Retained earnings from operations	6	4,081,581.75	23,721,077.67
Net Assets		1,224,900,581.75	632,940,077.67
Net assets value per unit		7.8394	7.7187
Number of units issued at the end of year (Units)		156,250,000.00	82,000,000.00

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
THE DETAILS OF INVESTMENTS
AS AT 31 DECEMBER 2019

Details of investments are classified by type of investment.

	2019			2018		
	Cost (Baht)	Fair Value (Baht)	Percentage of investment	Cost (Baht)	Fair Value (Baht)	Percentage of investment
Investments in Properties						
Land and buildings including equipment						
Used in operation of the document storage business (Note 7)	1,434,757,340.00	1,433,749,900.00	99.94	822,007,440.00	823,007,440.00	98.90
Total Investments in Properties	1,434,757,340.00	1,433,749,900.00	99.94	822,007,440.00	823,007,440.00	98.90
Investments in Securities						
Unit trust						
SCB Treasury Money Plus Open End Fund - Class A	813,483.19	821,627.78	0.06	9,085,567.48	9,139,250.84	1.10
Total Investments in Securities	813,483.19	821,627.78	0.06	9,085,567.48	9,139,250.84	1.10
Total Investments		1,434,571,527.78	100.00		832,146,690.84	100.00

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST

STATEMENT OF INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

		(Unit : Baht)	
	Note	2019	2018
Investment Income	5		
Rental and service income	14	68,451,605.75	67,623,918.65
Interest income		37,302.47	21,017.74
Other income		267,793.67	9,736.31
Total Income		68,756,701.89	67,654,672.70
Expenses	5		
REIT Manager fee	13, 14	3,681,049.74	3,626,321.09
Trustee fee	13, 14	4,016,436.88	4,000,000.00
Registrar fee	13	261,964.17	271,996.89
Professional fee		330,050.00	320,000.00
Operating expenses		521,020.64	486,091.22
Amortization of deferred expenses	10	5,008,771.38	4,866,434.18
Finance costs		9,962,271.56	9,915,056.44
Total Expenses		23,781,564.37	23,485,899.82
Net Income from Investments		44,975,137.52	44,168,772.88
Net Gain (Loss) on Investments	5		
Net realized gain on investments		227,915.71	85,567.48
Net unrealized gain (loss) on investments		(2,052,978.77)	1,053,683.36
Total Net Realized and Unrealized Gain (Loss) on Investments		(1,825,063.06)	1,139,250.84
Increase in Net Assets Resulting from Operations		43,150,074.46	45,308,023.72

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 DECEMBER 2019

			(Unit : Baht)
	Note	2019	2018
Increase in Net Assets Resulting from Operations during the Year			
Net income from investments		44,975,137.52	44,168,772.88
Net realized gain on investments		227,915.71	85,567.48
Net unrealized gain (loss) on investments		(2,052,978.77)	1,053,683.36
Net Increase in Net Assets Resulting from Operations		43,150,074.46	45,308,023.72
Increase in capital during the year	16, 19	611,600,000.00	-
Capital reduction to unitholders	16	-	(22,238,400.00)
Distribution to unitholders	17	(62,789,570.38)	(22,722,200.00)
Net Increase (Decrease) in Net Assets during the Year		591,960,504.08	347,423.72
Net Assets at Beginning of the Year		632,940,077.67	632,592,653.95
Net Assets at End of the Year		1,224,900,581.75	632,940,077.67
			(Unit : Units)
<u>Changes in number of trust units</u>			
Trust Units at Beginning of the Year		82,000,000.00	82,000,000.00
Increase in trust units during the year		74,250,000.00	-
Trust Units at End of the Year		156,250,000.00	82,000,000.00

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	(Unit : Baht)	
	Note	
	2019	2018
Cash Flows from Operating Activities		
Increase in net assets from operations	43,150,074.46	45,308,023.72
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities		
Purchases of investments in properties	(1,149,900.00)	-
Purchases of investments in securities	(24,000,000.00)	(54,000,000.00)
Sales of investments in securities	32,500,000.00	45,000,000.00
Amortisation of deferred expenses	5,008,771.38	4,866,434.18
(Increase) decrease in deposit at bank with commitment	30,265.30	(32,561,110.11)
Increase in accounts receivable from rental and services	(3,451,606.40)	(6,278,713.47)
(Increase) decrease in accounts receivable from interest	60,757.83	(112,570.27)
Decrease in other receivable	151,294.44	32,499,800.00
Cash paid for deferred expenses	(4,424,507.39)	-
(Increase) decrease in other assets	(2,133,122.52)	37,089.97
Increase (decrease) in accrued expenses	1,309,075.31	(408,701.95)
Decrease in other liabilities	(76,685.55)	(3,517,018.69)
Net realized gain on investments	(227,915.71)	(85,567.48)
Net unrealized (gain) loss on investments	2,052,978.77	(1,053,683.36)
Finance costs	9,962,271.56	9,915,056.44
Net Cash Provided by Operating Activities	58,761,751.48	39,609,038.98

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

		(Unit : Baht)	
	Note	2019	2018
Cash Flows from Financing Activities			
Capital reduction to unitholders		-	(22,238,400.00)
Distribution to unitholders		(41,434,494.90)	(22,722,200.00)
Cash paid for interest		(9,660,000.00)	(5,372,547.94)
Net Cash Used in Financing Activities		(51,094,494.90)	(50,333,147.94)
Net Increase (Decrease) in Cash at Banks			
Net Increase (Decrease) in Cash at Banks		7,667,256.58	(10,724,108.96)
Cash at Banks at Beginning of the Year		1,284,860.71	12,008,969.67
Cash at Banks at End of the Year		8,952,117.29	1,284,860.71
Additional information			
Non-Cash Transactions			
Net assets that agreed to be transfer to the Trust			
Investments in properties	19	611,600,000.00	-

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
SIGNIFICANT FINANCIAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit : Baht)			
			For the period started 13 December 2017 (registration date) through 31 December 2017
	2019	2018	
Information Resulting from Operation (Per Unit)			
Net Asset Value at Beginning of the Year	7.7187	7.7145	-
Income from investing activities			
Net income from investments	0.5100	0.5386	0.0138
Net realized gain (loss) on investments	0.0009	0.0010	-
Net unrealized gain on investments	(0.0080)	0.0129	-
Total income from investing activities	0.5029	0.5525	0.0138
Add : Increase in capital from unitholders	-	-	7.7007
Add : Adjust effect from increase in capital from unitholders	0.3837	-	-
Less: Capital reduction to unitholders	-	(0.2712)	-
Less: Distribution to unitholders	(0.7659)	(0.2771)	-
Net Asset Value at End of the Year	7.8394	7.7187	7.7145
Ratio of Net Profit to Average Net Asset Value during the Year (%)	6.34	7.21	0.18
Significant Financial Ratio and Additional Information			
Net assets at end of the year (Thousand Baht)	1,224,901	632,940	632,593
Ratio of total expenses to average net assets during the year (%)	3.50	3.74	0.20
Ratio of total investment income to average net assets during the year (%)	10.10	10.77	0.38
Ratio of weighted average investment turnover to average net assets during the year (%) *	0.17	0.17	129.94

Supplemental information

- * This is not included cash at bank, investment in promissory notes and certificates of deposits and trading investments should be the independent trading transactions which are not included repurchase agreements or resale agreements.

The accompanying notes are an integral part of these financial statements.

SUB SRI THAI REAL ESTATE INVESTMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. NATURE OF SUB SRI THAI REAL ESTATE INVESTMENT TRUST

Sub Sri Thai Real Estate Investment Trust (“the Trust”) is a trust established under the Trust for Transaction in Capital Market Act, B.E.2550 (“the Trust Act”) in accordance with the Trust Deed signed on 13 December 2017. The Trust was converted from SubsriThai Smart Storage Property Fund (“the Fund”). The Trust is a closed-end trust with no maturity date.

The Trust’s objectives are support conversion of the Fund and/or to raise funds from general investors and to use the proceeds from such fund raising for invest in real estates or leasehold in real estate and the assets which are component parts or accessories of such real estates. The types of asset to be invested are the real estates in the type of document storage and/or warehouse including real estates which relate, support or enhance the document storage and/or warehouse business; and other assets which may enhance the investment of the Trust. The Trust will seek benefits from such immovable properties, whether in the form of granting of leases, sub-leases, which the Trust has invested or held, for the purpose of generating income and returns to the Trust and the unitholders. This may include investment in other properties and/or other securities and/or deriving benefit by other means as prescribed by securities law and/or other relevant laws.

SST REIT Management Company Limited acts as the REIT Manager, One Asset Management Limited acts as the Trustee and Thailand Securities Depository Company Limited acts as the Trust Registrar.

As at 31 December 2019, the Trust’s major unitholder is Sub Sri Thai Public Company Limited, which holds 23.71% of the investment units of the Trust (2018: 15%).

2. DISTRIBUTION POLICY

The Trust has a policy to pay distributions to unitholders as follows:

2.1 The REIT Manager shall pay distributions to unitholders that, in aggregate, amount to not less than 90% of adjusted net profit for the accounting year, with such distributions to be divided into a year-end distribution and an interim distribution (if any). The REIT Manager shall pay distributions to unitholders not more than 4 distributions in an accounting year, unless the Trust increases capital.

The adjusted net profit means profits which are adjusted by the followings:

- 1) Deduction of unrealized gain from the value appraisal or review of the Trust's asset value appraisal, including adjustment by other items under the guidelines of the Office of the Securities and Exchange Commission of Thailand in accordance with the Trust's cash status.
- 2) Deduction by reserve for loan repayment or encumbrances from borrowings by the Trust.

2.2 In case the Trust has retained earnings in any accounting year, the REIT Manager may pay the distributions to the Trust's unitholders from the retained earnings.

2.3 In case the Trust has accumulated losses remaining, the REIT Manager will not pay distributions to the Trust's unitholders.

In considering the payment of interim distribution, if the value of interim distribution per unit to be paid is lower than or equal to Baht 0.10, the REIT Manager reserves the right not to pay distribution at that time and to bring such distribution forward for payment together with the next distribution payment.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions ("TFAP"); and applicable rules and regulations of the Thai Securities and Exchange Commission. In addition, the financial statements have been prepared in accordance with the basis and format in Thai Accounting Standard No.106 "Accounting for Investment Companies".

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

An English version of the financial statements has been prepared from the statutory financial statements that are in 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. NEW FINANCIAL REPORTING STANDARDS

4.1 Financial Reporting Standards that Became Effective in the Current Year

During the year, the Trust has adopted the revised (revised 2017) and new financial reporting standards and accounting treatment guidance issued by the TFAP which become effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Trust's financial statements.

4.2 Financial Reporting Standards that will Become Effective in the Future

During the current year, the TFAP has issued a number of new and revised TFRS which are not yet effective for current years. The Trust has not early adopted these standards in preparing these financial statements. The management of the Trust has made a preliminary assessment of the potential initial impact on the Trust's financial statements of these revised TFRS and expects that there will be no material impact on the financial statements in the year of initial application.

TFRS - Financial instruments standards are effective for annual years beginning on or after 1 January 2020 which are relevant to the Trust. The Trust has not yet adopted those standards. Key principles of these standards are summarized below.

TFRS - Financial instruments standards, consists of five accounting standards and interpretations, as follows:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments: Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

The REIT Manager is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Investment Measurement

Investments are recognized as assets at cost of investments at the date on which the Trust has rights on investments. The cost of investments comprises the purchase prices and direct expenses that the Trust pays to get such investments.

Investments in properties

Investments in properties are stated at fair value with no depreciation charge. The Trust Manager measured their fair value as at the first balance sheet date at the acquisition cost of investments in properties. At subsequent balance sheet dates, they are presented at fair value, using the appraisal value assessed by an independent appraiser approved by Thai Valuer Association and The Valuers Association of Thailand (Pursuant to the Notification of the Office of the Securities and Exchange Commission concerning the granting of approval of valuation companies and principle valuers for public use). Valuation will be made when economic conditions change, but at least every two years, commencing from the date of the appraisal made for the purposes of investing or leasing the properties. In addition, the valuation will be reviewed within one year after the latest valuation date.

Net unrealized gains or losses arising from their revaluation of investments in properties to be fair value are reflected in the statement of income on the measurement date.

Investments in securities

Investments in marketable debt securities which can be freely traded on an open market are presented at fair value, which is based on yield rate from the latest purchase/sale quoted by the Thai Bond Market Association as of the measurement date.

The Trust used the amortized cost method to determine the fair value of debt instruments due within 90 days since the date of investment without any terms for renewal when the fair value of the debt instruments is not significantly different from the amortized cost.

Net unrealized gains or losses arising from their revaluation of investments in securities to be fair value are reflected in the statement of income on the measurement date.

The weighted average method is used for computation of the cost of investments.

5.2 Rental and Service Receivables

Rental and service receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

5.3 Deferred Expenses

Deferred expenses consist of expenses incurred for application fee and initial listing fee. Amortization is charged to expense on a straight-line basis for 3 years.

5.4 Borrowing

Borrowing is recognized initially at the fair value, net of transaction costs incurred. Borrowing is subsequently stated at amortized cost using the effective yield method.

5.5 Revenues and Expenses Recognition

Rental and service incomes are recognized as revenues in the statement of income on a straight-line basis over the lease term. The recognized revenue which is not yet due per the operating lease agreements has been presented under the caption of "Accounts receivable from rental and service" at the end of reporting year.

Interest income is recognized as revenue on an accrual basis based on the effective interest rate.

The premium (discount) on debt instruments is amortized by the effective rate method. The amortized amount is presented as an adjustment of the interest income.

Expenses are recognized on an accrual basis.

5.6 Related Party Transactions

Related parties of the Trust comprise enterprises and individual which directly or indirectly own a voting interest of at least 10 percent in the Trust or individual management personnel who are responsible for the management of the Trust, determining its policies or making decisions as to how to achieve the Trust's objectives.

In addition, related parties include enterprises and individual that control or are controlled by the Trust or have the significant influence over the Trust or the Trust have significant influence over them.

5.7 Long-Term Leases

Lease of assets not transferred a significant portion of risks and rewards of ownership to lessee are classified as operating leases. The Trust as the lessor, receives money under operating leases are charged to the income statement on a straight-line basis over the year of the lease.

5.8 Provisions

Provisions are recognized when the Trust has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.9 Distributions to Unitholders

The Trust records decreases in retained earnings are recognized as at the date a distribution is declared.

6. RETAINED EARNINGS AT THE BEGINNING OF THE YEAR

	(Unit : Baht)	
	<u>2018</u>	<u>2017</u>
Accumulated net income from investments (accumulated since 13 Dec 2017)	22,581,826.83	1,135,253.95
Accumulated net realized gain on investments (accumulated since 13 Dec 2017)	85,567.48	-
Accumulated net unrealized gain on investments (accumulated since 13 Dec 2017)	1,053,683.36	-
Retained earnings at the beginning of the year	<u>23,721,077.67</u>	<u>1,135,253.95</u>

7. INVESTMENTS IN PROPERTIES AT FAIR VALUE

As at 31 December 2019 and 2018, investments in properties at fair value consisted of:

	(Unit : Baht)	
	<u>2019</u>	<u>2018</u>
Investments in properties at beginning of the year	823,007,440.00	822,007,440.00
<u>Add</u> Transfer in from Sub Sri Thai Property Fund (including the expenses for transferring the ownership of properties)	612,749,900.00	-
<u>Add (Less)</u> Net unrealized gain (loss) from investment valuation	(2,007,440.00)	1,000,000.00
Investments in properties at end of the year	<u>1,433,749,900.00</u>	<u>823,007,440.00</u>

The Trust invests in operation of the document storage business comprise 4 plots of land (totaling 5 rai, 3 ngan, 52.4 sq.wah), 5 buildings of document warehouses with a total area of 9,277 sq.m. public utilities and other assets related to the properties ("Phase 1") , for a consideration of approximately Baht 822.00 million. The land and building are located at 115 and 115/7-9, Soi Suksawat 76, Suksawat Road, Bang Jark, Prapradang, Samutprakarn.

During the period 2019, the Trust hired an independent appraisal company, Grand Asset Advisory Company Limited, appraised the value of investment in property on Phase 1 using the income approach. The main assumptions used in the valuation related to warehouse capacity, document storage service and rental fees, occupancy rate, rate of return and discount rate. The fair value of the property as at 8 May 2019 was Baht 821.00 million. Therefore, the Trust recorded unrealized gain on investments in the income statement in the amount of Baht 2.10 million.

During the period 2018, the Trust hired an independent appraisal company, Knight Frank Chartered (Thailand) Company Limited, appraised the value of investment in property on Phase 1 using the income approach. The main assumptions used in the valuation related to warehouse capacity, document storage service and rental fees, occupancy rate, rate of return and discount rate. The fair value of the property as at 9 May 2018 was Baht 823.01 million. Therefore, the Trust recorded unrealized gain on investments in the income statement in the amount of Baht 1.00 million.

On 26 December 2019, the Trust received main assets of the Funds totalling Baht 611.60 million, comprise 3 plots of land (totaling 9 rai, 2 ngan, 65 sq.wah), 9 buildings of document warehouses with a total area of 15,340 sq.m. public utilities other assets related to the properties ("Phase 2"). The land and building are located at 115 and 115/7-9, Soi Suksawat 76, Suksawat Road, Bang Jark, Prapradang, Samutprakarn.

The Trust seeks benefits from such investments by entering into Lease Agreement on Phase 1 and Phase 2 ending 31 January 2028 with Sub Sri Thai Public Company Limited with a rental fee as stipulated in the lease agreement. As at 31 December 2019 and 2018, future minimum lease income expected to be received under non-cancellable operating leases were as follows.

	(Unit : Million Baht)	
	<u>2019</u>	<u>2018</u>
Less than 1 year	115.06	65.00
After 1 year to 5 years	589.97	336.61
Over 5 years	253.78	215.84

The Trust shall pay the interest received from the deposit to the Lessee equals to the amount that the Trust receives interest from the deposit. Moreover, the Trust shall pay the interest on the deposit to the Lessee at least 1 (one) time each year after deduction of fees, expenses, and tax related to the receipt and/or payment.

As at 31 December 2019 and 2018, the Trust has mortgaged investments in properties on Phase 1 as collateral against credit facilities from a financial institution (see Note 11).

8. CASH AT BANKS

As at 31 December 2019 and 2018, cash at banks consisted of:

<u>Bank</u>	<u>Principle (Baht)</u>		<u>Interest rate (%)</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
The Siam Commercial Bank Public Company Limited				
Saving account	8,952,117.29	12,008,969.67	0.375	0.375

9. DEPOSIT AT BANK WITH COMMITMENT

Deposit at bank with commitment is deposit from lessee as a guarantee of the Lessee's performance of this agreement. The Trust shall pay the interest received from the deposit to the Lessee equals to the amount that the Trust receives interest from the deposit deduction of fees, expenses, and tax related.

10. DEFERRED EXPENSES

The capital unit issuance costs are recorded as deferred expenses and are amortized as expenses over a period of 3 years on a straight-line basis. Details movements are as follows:

	<u>(Unit : Baht)</u>	
	<u>2018</u>	<u>2018</u>
Beginning balance	9,624,492.45	15,000,911.38
Addition during the year	22,449,686.39	-
Amortisation during the year	(5,008,771.38)	(4,866,434.18)
Transfer out	-	(509,984.75)
Ending balance	27,065,407.46	9,624,492.45

11. BORROWING FROM FINANCIAL INSTITUTION

As at 31 December 2019 and 2018, borrowing from financial institution is as follows

	<u>(Unit : Baht)</u>	
	<u>2019</u>	<u>2018</u>
Borrowing from financial institution	240,000,000.00	240,000,000.00
Less Deferred upfront fee from borrowing	(1,806,022.38)	(2,108,293.94)
Borrowing from financial institution – net	238,193,977.62	237,891,706.06

Maturity of borrowing from financial institution as follows

	(Unit : Baht)	
	<u>2019</u>	<u>2018</u>
Less than 1 year	-	-
Between 1 year and 5 years	88,800,000.00	52,800,000.00
More than 5 years	151,200,000.00	187,200,000.00
	<u>240,000,000.00</u>	<u>240,000,000.00</u>

On 19 December 2017, the Trust received long-term loan from a financial institution in an amount of Baht 240.00 million for payment issuance and offering costs and remaining balance payment to the Trust investment units, which offers a 10 years loan repayment period and 4 years grace period. The maturity date is on 16 August 2027, with semiannual repayment for principle and interest with interest rate at MLR minus certain rates per annum. The loans are secured by the mortgaged properties (See Note 7).

The loan agreement contains several covenants which, among other things, require the Trust to maintain loan to value and funded debt to profit from operations before interest expense and finance cost, tax, depreciation, amortization and non-cash expenses (funded debt to EBITDA) at the rate prescribed in the agreement.

The borrowings are secured over the following:

- (1) Secured by mortgage 4 plots of land include document storage buildings in the amount of Baht 240.00 million.
- (2) The conditional assignment of rights under insurance policies and endorse the lender to have mutually benefits.
- (3) The registration of machine as business security.
- (4) The registration of leasehold rights as business security.

12. BORROWING FROM RELATED PARTIES

On 20 December 2019, the Trust received unsecured long-term loan facilities not exceeding Baht 30.00 million from Sub Sri Thai Public Company Limited for payment issuance and offering costs, which offers 5 years loan repayment period with semiannual repayment for principle and interest with interest rate of 6.025% per annum. This loan is unsecured loan.

As at 31 December 2019, the Trust has not withdrawn that loan.

13. EXPENSES

The REIT Manager fee, trustee fee and registrar fee are summarized as follows:

<u>Expenses</u>	<u>Percentage</u>
REIT Manager fee	Not over 1.00 percent per annum of the Trust's total asset value (Minimum fee of Baht 3.50 million)
Trustee fee	Not over 1.00 percent per annum of the Trust's total asset value (Minimum fee of Baht 5.00 million) (Minimum fee of Baht 4.00 million until 25 February 2019)
Registrar fee	Rate is specified by Thailand Securities Depository Company Limited

The above fees exclude value added taxes.

14. RELATED PARTY TRANSACTIONS

The Trust had significant business transactions with its related parties which comprise the REIT manager, trustee, the companies which related to the REIT Manager or trustee, and by way of common shareholders unit holders and/or directors and other funds which are managed by the same trustee. Below is a summary of those transactions for the year ended 31 December 2019 and 2018 as follows:

	<u>2019</u>	<u>2018</u>	<u>Pricing Policy</u>
(Unit : Baht)			
SST REIT Management Company Limited			
REIT Manager fee	3,681,049.74	3,626,321.09	As specified in the agreement
One Asset Management Limited			
Trustee fee	4,016,436.88	4,000,000.00	As specified in the agreement
Sub Sri Thai Public Company Limited			
Rental and services income	68,451,605.75	67,623,918.65	Contractually agreed price
Sub Sri Thai Property Fund			
Transfer in asset	611,600,000.00	-	Fair value

As at 31 December 2019 and 2018, the Trust had the significant outstanding balances with the related companies as follows:

		(Unit : Baht)
	<u>2019</u>	<u>2018</u>
Subsrithai Smart Storage Property Fund		
Receivable from the Fund for net assets to be transfer	-	151,294.44
SST REIT Management Company Limited		
Accrued REIT manager fee	2,011,149.13	1,956,328.47
Accrued expense	39,900.00	-
One Asset Management Limited		
Accrued trustee fee	2,175,181.17	2,157,589.05
Sub Sri Thai Public Company Limited		
Accounts receivable from rental and services	38,936,103.30	35,484,496.90
Deposits from rental and services	32,500,000.00	32,500,000.00
Other liabilities	82,897.26	174,398.31

15. INVESTMENT TRADING INFORMATION

The Trust's investment trading transactions for the year ended 31 December 2019 excluding investments in promissory notes and certificates of deposit amounted of Baht 57.65 million (2018: Baht 99.00 million) which is 8.47 percent (2018: Baht 15.76) of the average net asset value during the year.

16. UNITHOLDERS' EQUITY

As of 31 December 2019, and 2018, there are 156,250,000 trust units and 82,000,000 trust units, respectively of Baht 7.4295 par value registered, issued and paid-up.

Movements in trust units are as follows:

	Value per unit	Number of units	(Unit : Units) Amount
	(Baht)	(Units)	(Baht)
Balance at 1 January 2018	7.7007	82,000,000	631,457,400.00
Less Capital reduction	(0.2712)	-	(22,238,400.00)
Balance at 31 December 2018	7.4295	82,000,000	609,219,000.00
Add Capital increase during the year	7.4295	74,250,000	551,640,375.00
Less Capital reduction	-	-	-
Balance at 31 December 2019	7.4295	156,250,000	1,160,859,375.00

The meeting of the Board of Directors of SST REIT Management Company Limited which is the REIT Manager of the Trust held on 28 February 2018 approved the capital reduction of par value at the rate of Baht 0.2712 per unit totaling Baht 22.24 million. The reduction of registered capital was paid to unitholders on 29 March 2018.

On 17 September 2019, the meeting of the Extraordinary General of Trust Unitholder had a resolution to approved of the conversion of Sub Sri Thai Property Fund ("the Fund") into a REIT, whereby the Trust will support this conversion, by issuing and offering the Trust Units of the Trust to the Fund as consideration of the transfer of assets and obligations of the Fund and approved investing in the additional investment assets after the completion of the conversion of the Fund.

On 26 December 2019, the Trust received the transfers of assets, which were properties, and obligations of Sub Sri Thai Property Fund ("the Fund"), as approved by the Extraordinary General Meeting of Unitholders of the Trust. The Trust issued trust units to the Funds in a total amount of 74.25 million trust units in exchange for the assets and obligations of the Fund. The swap ratios of investment units to trust units at the rate of 1 investment unit of the Fund to 1.10 trust unit of the Trust.

After the issue of new trust units, the registered capital of the Trust is Baht 1,160.86 million, divided into 156.25 trust units at a par value of Baht 7.4295.

The Trust had recognized the share premium of investment units totaling Baht 59.96 million in the equalization account.

17. DISTRIBUTION TO UNITHOLDERS

During the year 2019, the Trust declared distribution to its unitholders as follows.

(Unit : Baht)			
<u>Announced Date</u>	<u>For the year</u>	<u>Per unit (Baht)</u>	<u>Total</u>
20 February 2019	1 July 2018 through 31 December 2018	0.2625	21,524,894.97
16 August 2019	1 January 2019 through 30 June 2019	0.2428	19,909,599.93
11 December 2019	1 July 2019 through 25 December 2019	0.2606	21,355,075.48
	Total		62,789,570.38

During the year 2018, the Trust declared distribution to its unitholders as follows.

(Unit : Baht)			
<u>Announced Date</u>	<u>For the year</u>	<u>Per unit (Baht)</u>	<u>Total</u>
28 February 2018	13 December 2017 through 31 December 2017	0.0138	1,131,600.00
10 August 2018	1 January 2018 through 30 June 2018	0.2633	21,590,600.00
	Total		22,722,200.00

18. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Trust does not speculate in or engage in the trading of any derivative financial instruments.

Fair Value

Since the majority of the Trust's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the balance sheets.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

Interest Rate Risk

The Trust's exposure to interest rate risk relates primarily to its investments in marketable debt securities, cash at bank and long-term loan. However, since most of the Trust's financial assets bear fixed interest rates which are close to the market rate or floating interest rates, the interest rate risk is expected to be minimal.

As at 31 December 2019, significant financial assets and liabilities classified by type of interest rates are summarized as follows:

	Fixed interest rate 1-5 years	Floating interest rate	(Unit : Baht) Non- interest bearing
<u>Financial assets</u>			
Investments in securities	-	-	821,627.78
Cash at banks	-	8,952,117.29	-
<u>Financial liabilities</u>			
Borrowing from financial institution	238,193,977.62	-	-

As at 31 December 2018, significant financial assets and liabilities classified by type of interest rates are summarized as follows:

	Fixed interest rate 1-5 years	Floating interest rate	(Unit : Baht) Non- interest bearing
<u>Financial assets</u>			
Investments in securities	-	-	9,139,250.84
Cash at banks	-	1,284,860.71	-
<u>Financial liabilities</u>			
Borrowing from financial institution	237,891,706.06	-	-

Credit risk

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

19. Acquisition of all assets and obligations from Sub Sri Thai Property Fund

REIT Manager has performed valuation for the fair value of the identifiable assets acquired and obligations assumed on the acquisition date as at 26 December 2019 as follow:

	(Unit : Baht)
Investments in properties	611,600,000.00
The fair value of the net assets acquired	<u>611,600,000.00</u>

20. COMMITMENTS

The Trust is committed to pay the REIT manager fee, trustee fee and registrar fee under the terms and conditions specified in Note 13.

21. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized persons of the Trust on 17 February 2020.