

2017

Annual Report



รายงานประจำปี 2560

ทรัสต์เพื่อการลงทุนในอสังหาริมทรัพย์ทรัสต์ศรีไทย

Sub Sri Thai Real Estate Investment Trust

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Message from REIT Manager



MR. Supasith Sukhanindr
Chairman of the Board of Directors

Dear Unitholders of Sub Sri Thai Real Estate Investment Trust

Sub Sri Thai Real Estate Investment Trust (“SSTRT”) establishment on 13 December 2017, “SSTRT” bring money received from sell trust unit for 822 million baht and borrowing from the financial institution for 240 million baht to invest in first asset comprise with 4 plot of lands total land area for 5 rai 3 ngan 52.4 square wah and document storage 5 buildings included with utilities, system, furniture, materials, equipment and other related properties that essential to operating. On 19 December 2017 “SSTRT” received transferred asset from Sub Sri Thai Smart Storage Property Fund by conversion SSTSS to SSTRT.

Sub Sri Thai Public Company Limited is the sole lessee of SSTRT’s asset, where the assets are used for the document storage business.

The document storage situated near by Thanon Kanchanaphisek where connecting to main road e.g. Rama II road, Suksawat road, Ratburana road and Charoen Nakorn Road, convenience to transport document within Bangkok Metropolitan Region also be a significant logistic and warehouse hub of Thailand which have potential to growth and beneficially of SSTRT.

As of 31 December 2017 “SSTRT” have the total asset at 911.45 million baht, total liabilities at 278.85 million baht, and net assets at 632.59 million baht net asset value per unit at 7.7145 baht per trust unit.

SST REIT Management Company Limited (“Company”), as the REIT Manager of Sub Sri Thai Real Estate Investment Trust, would like to submit the Annual Report 2017 of the performance since 13 – 31 December 2017 (Total operation period is 19 days) and would like to express the appreciation all unitholders who have entrusted us to manage the REIT. The Company will operate the REIT with first priority to benefit of unitholder and under good corporate governance at all the time.

Financial Operational Performance

Financial Statement showing below are audited from certified auditor

SUB SRI THAI REAL ESTATE INVESTMENT TRUST	
BALANCE SHEET	
AS AT DECEMBER 31, 2017	
(Unit : Baht)	
Assets	
Investments in properties at fair value (at cost : Baht 822,007,440.00)	822,007,440.00
Cash in banks	12,008,969.67
Accounts receivable	
From rental and services	29,205,783.43
From interest	797.13
Receivable from the Fund for net assets to be transfer	32,651,094.44
Deferred expenses	15,000,911.38
Other assets	575,933.03
Total Assets	911,450,929.08
Liabilities	
Accrued expenses	4,712,619.47
Deposits from rental and service	32,500,000.00
Borrowing from financial institution	237,610,183.87
Other liabilities	4,035,471.79
Total Liabilities	278,858,275.13
Net Assets	632,592,653.95
Net Assets:	
Trust capital from the unitholders	631,457,400.00
Retained earnings	1,135,253.95
Net Assets	632,592,653.95
Net assets value per unit	7.7145
Number of units issued at the end of period (Units)	82,000,000.0000

SUB SRI THAI REAL ESTATE INVESTMENT TRUST	
STATEMENT OF INCOME	
FOR THE PERIOD STARTED DECEMBER 13, 2017 (REGISTRATION DATE)	
THROUGH DECEMBER 31, 2017	
(Unit : Baht)	
Investment Income	
Rental and service income	2,408,523.13
Interest income	2,235.55
Other income	5,953.23
Total income	<u>2,416,711.91</u>
Expenses	
REIT Manager fee	134,803.75
Trustee fee	147,452.05
Registrar fee	13,089.07
Professional fee	100,000.00
Operation expense	208,024.43
Finance cost	678,088.66
Total expenses	<u>1,281,457.96</u>
Net Income from Investments	<u>1,135,253.95</u>
Increase in Net Assets Resulting from Operations	<u>1,135,253.95</u>

SUB SRI THAI REAL ESTATE INVESTMENT TRUST	
STATEMENT OF CASH FLOWS	
FOR THE PERIOD STARTED DECEMBER 13, 2017 (REGISTRATION DATE)	
THROUGH DECEMBER 31, 2017	
(Unit : Baht)	
Cash Flows from Operating Activities	
Increase in net assets from operations	1,135,253.95
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities	
Purchases of investments	(7,440.00)
Increase in accounts receivable from rental and services	(2,408,523.13)
Increase in accounts receivable from interest	(797.13)
Increase in deferred expenses	(15,180,977.76)
Increase in other assets	(526,875.02)
Increase in accrued expenses	4,712,619.47
Increase in other liabilities	4,035,471.79
Deferred expenses amortization	180,066.38
Net Cash Used in Operating Activities	<u>(8,061,201.45)</u>
Cash Flows from Financing Activities	
Cash received from long-term loan	237,610,183.87
Cash paid from conversion	<u>(217,540,012.75)</u>
Net Cash Provided by Financing Activities	<u>20,070,171.12</u>
Net Increase in Cash at Banks	12,008,969.67
Cash at Banks at Beginning of the Period	<u>-</u>
Cash at Banks at End of the Period	<u>12,008,969.67</u>
Additional information	
Non-Cash Transactions	
Net assets that agreed to be transfer to the Trust	
Investments in properties	822,000,000.00
Accounts receivable from rental and services	26,797,260.30
Other assets	150,242.81
Deposits from rental and service	32,500,000.00

1. Financial Ratio as at 31 December 2017

	Unit	Financial statement
		2017
Liquidity Ratio		
1. Liquidity ratio	Time	8.51
2. Cash ratio	Time	(0.92)
Profitability Ratio		
1. Profit ration	%	46.98
2. Return on equity (ROE)	%	0.18
Efficiency Ratio		
1. Return on assets	%	0.12
2. Asset turnover	Time	0.003
Financial Policy Ratio		
1. Debt to Equity ratio	Time	0.44
2. Interest Payment Capability	Time	2.67
3. Cash Basis	Time	(11.89)



2. The Analysis and Exposition of SSTRT

2.1 Overall

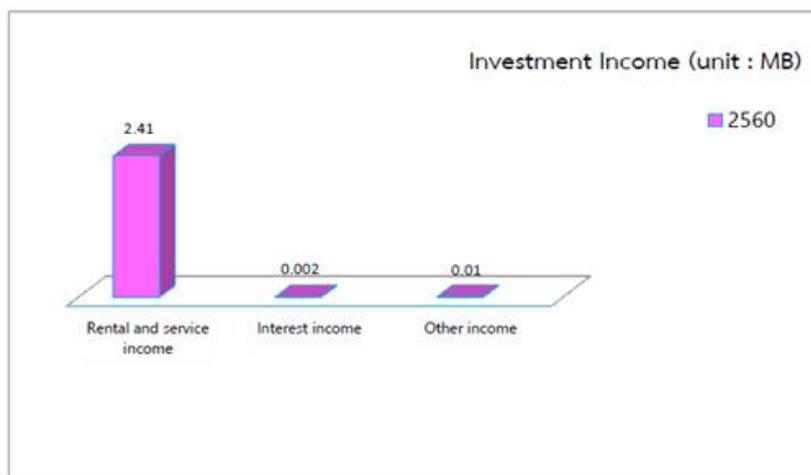
On 2017 SSTRT received investment income 2.42 million baht consists of rental and service income for 2.41 million baht and other income (consist of interest income received from bank and other income) for 0.01 million baht. Expenditure for 1.28 million baht. REIT have total expense 1.28 million baht, earnings before interest and taxes (EBIT) for 1.81 million baht or 75% of Investment Income and Net Income from Investments 1.14 million baht or 47% of Investment Income. REIT continuously growth, document storage business is a significant factor of storage data for various companies which meeting the requirement of correctness, rapidity and accuracy for the beneficial of investigation and reference of the business and investigate of government. The economics of Thailand on 2017 is enlargement for 3.9% , upturn 3.3% comparative from 2016, the expenditure, private consumption and Investment of government and tourism sector included export and recovery of consumption in Thailand. In the part of Thailand economy on 2018 expected to enlarge 3.6% - 4.6% from the improvement of global economy which will effect to the explanation of industry and movement from the government expenditure and investment of government urge to growth included significant explanation of economic cautiously 2017 and upturn of employment and based of civil income in the economy system.

2.2 Performance

Consideration of operation of the year ending from 13 December 2017 (Registration date) to 31 December 2017 financial statement summarize as follow

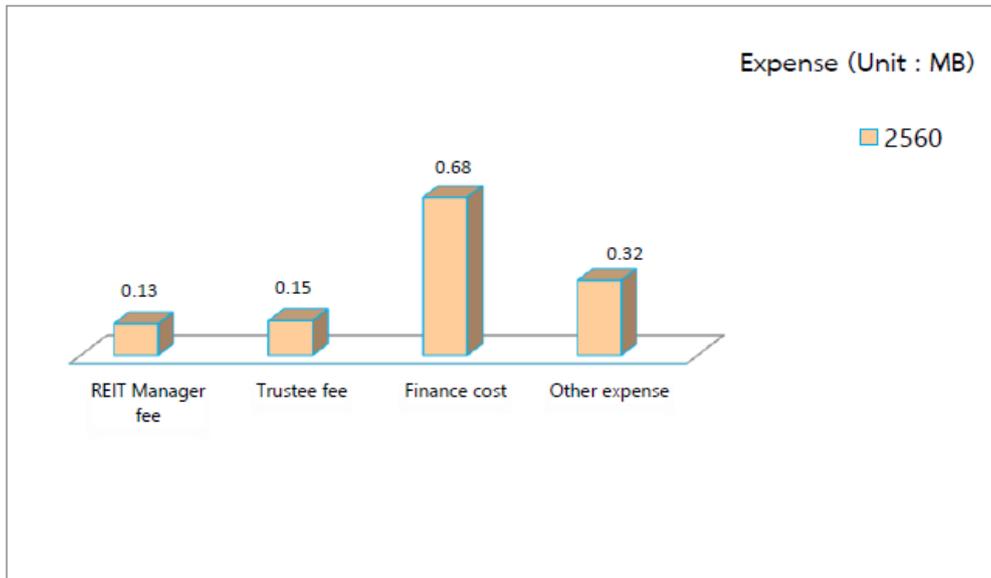
2.2.1 Income

On year 2017, REIT received investment income 2.42 million baht consists of Rental and service income for 2.41 million baht and other income 0.01 million baht (consist of interest income received from bank and other income)



2.2.2 Expenditure

On year 2017, SSTRT have the expenditure for 1.28 million baht consist of REIT Manager and Trustee fee for 0.28 million baht or 21% of total expenditure, financial cost 0.68 million baht or 53% of total expenditure (consist of registrar fee, Professional fee and operation expense) for 0.32 million baht or 26% Of total expenditure.



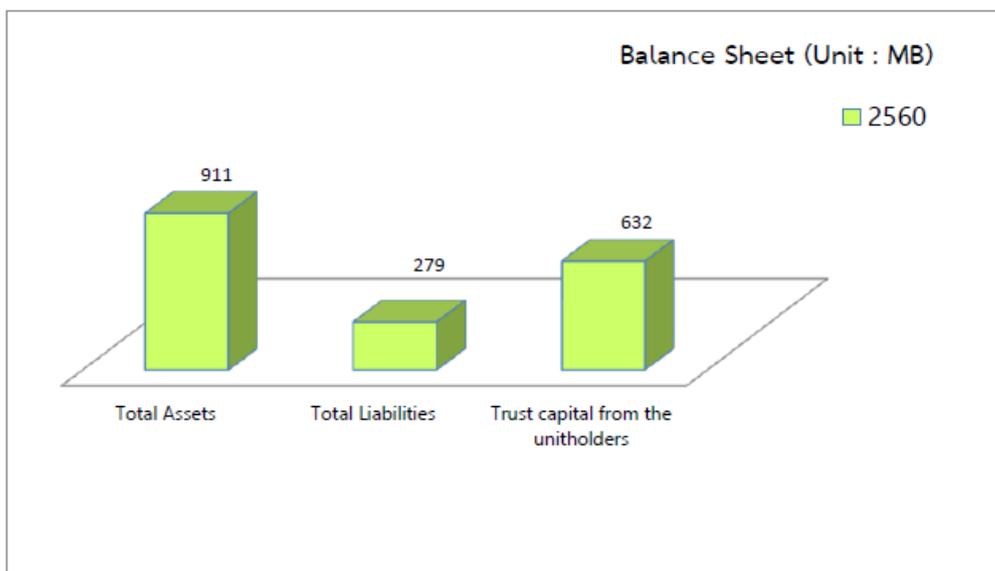
2.2.3 Net Income from Investments year 2017

On year 2017, SSTRT received net income from investment for 1.14 million baht or 47% of Investment income.

2.3 Financial Position

Consideration of Trust financial position from financial statement showing as follows;

2.3.1 Balance sheet as at 31 December 2017



- 1) Total Assets for 911 million baht consist of
 - 1.1 Investments in properties (at fair value) for 822 million baht or 90% of total assets.
 - 1.2 Cash in bank for 12 million baht or 1% of total assets which consist of main activities as follows;
 - Net Cash Used in Operating Activities for (8.06) million baht main expenditure spend for Deferred Charge- Fund set up fee, Increase in accounts receivable from rental and services, Increase in accrued expenses and increase in other liabilities
 - Net cash provided by financing activities for 20.07 million baht received from borrowing of financial institute in the other hand; Trust have the expenditure from conversion.
 - 1.3 Account receivable from rental service and other for 29 million baht or 3% of total assets (Account receivable from rental service and other e.g. Sub Sri Thai Public Company).
 - 1.4 Receivable from the Fund for net assets to be transferred for 33 million baht or 4% of total assets.
 - 1.5 Deferred expenses for 15 million baht or 2% of total assets (Deferred Charge-Fund set up fee)
- 2) Total liabilities for 279 million baht consist of
 - 2.1 Accrued liabilities for 4 million baht or 2% of total liabilities
 - 2.2 Deposits from rental and services for 33 million baht or 12% of total liabilities (receive from Sub Sri Thai Public Company)
 - 2.3 Borrowing form financial institution for 238 million baht or 85% of total liabilities for payment of. This amount of liabilities for use to pay issuance and pay for trust unit, the rest for return to unitholders of fund property (SSTSS)
 - 2.4 Other liabilities for 4 million baht or 1% of total liabilities
- 3) Unitholders unit for 633 million baht consist of capital received from unitholders and retained earnings on 2017

2.3.2 Asset quality

Assets

Year 2017, REIT received ratio of return 0.12% and current ration of assets 0.003 time.

2.3.3 Liquidity

1) Cash Flow

Year 2017, REIT have money remain in the bank as at 31 December 2017 for 12 million baht from the activities as follows;

- Net cash used in the operation for (8.06) million baht, main spend from Deferred Charge-Fund set up fee and receivable of rental and service meanwhile; accrued expenses and other liabilities increased.
- Net cash used in financing activities for 20.07 million baht from receive long term loan from financing institution meanwhile; there is the expenditure from the conversion from SSTSS

2) Liquidity ratio

Liquidity ratio of year 2017 for 8.51 from the current principal asset is investment money in the assets which is for the document storage asset, for the part of current principal liability is the deposit money which received from Sub Sri Thai Public Company.

3) Source of capital

- Suitability of capital structure

Considered of ration of liability per unitholders of year 2017 is 0.44, REIT capital structure remaining in the term and condition of loan contract (Covenant).

- Liability

Current liability on 2017 for 8.75 million baht consist of the accrued expense and other current liabilities.

Non-liabilities on 2017 for 270.11 million baht from long term loan of financial institute and rental deposit receive from Sub Sri Thai Public Company.

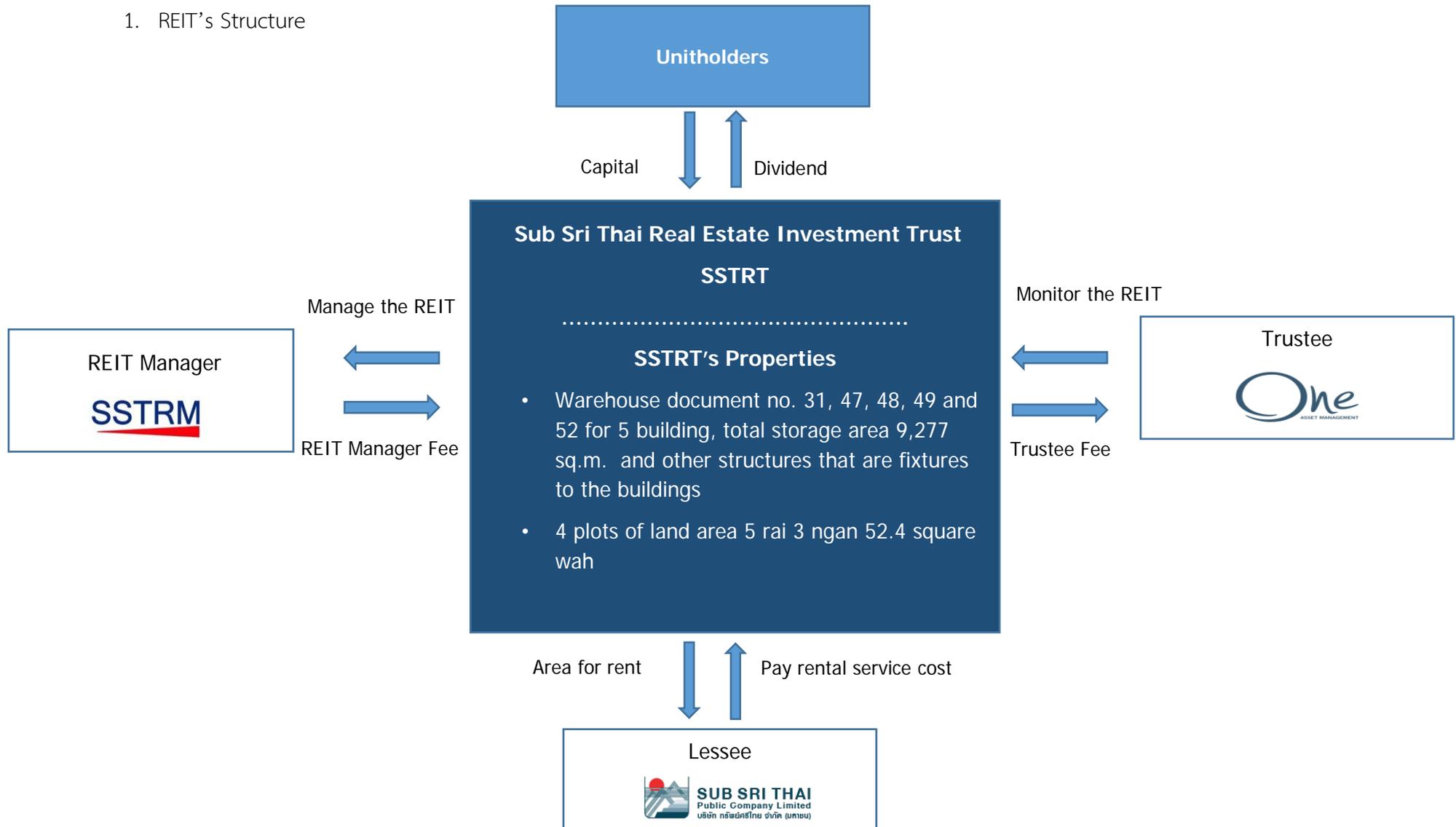
Auditor Fees

The audit fees on 2017 which Trust pay to SP Audit Co, Ltd. is 100,000 baht.

Information of REIT

Name	Sub Sri Thai Real Estate Investment Trust		
Ticker	SSTRT		
Authorized Capital	631,457,400 Baht		
Paid-up Capital	631,457,400 Baht		
Par Value	7.7007 Baht		
Duration of Trust	Indefinite		
Type of trust	Specific and closed-end		
Trustee	One Asset Management Ltd.		
Address of the Trustee	Siam Piwat Tower, 9,24th Floor, 989 Rama I Road, Patumwan, Bangkok, Thailand 10330		
Type of business	Asset Management Company and Trustee		
Auditor	1. Mr. Kiatisak Vanithanont	9922	and/or
	2. Miss Susan Eiamvanicha	4306	and/or
	3. Mr. Suphart Panitcharoen	4475	and/or
	4. Miss Chuenta Chomern	7570	and/or
	5. Miss Wandee Eiamvanicha	8210	
	SP Auditor Co., Ltd.		
	503/31 KSL Tower, Sri Ayudhya Rd., Phyathai Sub District, Ratchathewi District., Bangkok 10400		

1. REIT's Structure



2. REIT Manager

Name	SST REIT Management Company Limited
Company's Registration	0105560165432
Company's address	No. 2044/25-27, New Petchaburi Extension, Bangkapi, Huaykwang, Bangkok
Telephone	02-318-5514-5
Fax	02-318-3490-1
Website	www.sstrm.co.th
Financial Year	1 January - 31 December

Main responsibility is manage and operate REIT and other related activities related to law and regulation of Securities and Exchange Commission. Sub Sri Thai Public Company Limited is a major shareholder of the Company which held 99.997% of total share sold in the company. The company received permission from Securities and Exchange Commission to be REIT manager on 01 December 2017.

Shareholders of the Company as of 31 December 2017

Name	Share Held	Shareholding (%)
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

3. List of Unitholders of Sub Sri Thai Real Estate Investment Trust

Major Unitholders of SSTRT as of 22 December 2017 (Book closing: IPO)

No	Name of Unitholders	No. of Unit	%
1	Sub Sri Thai Public Company Limited	12,300,000	15.00
2	Kijkamol Sukosol Company Limited	1,787,400	2.18
3	Ms. Kamalee Pachimsawat	1,500,000	1.83
4	Ms. Panotporn Srisittipoj	1,000,000	1.22
5	Ms. Nuchada Srisittipoj	1,000,000	1.22
6	Ms. Patama Laowong	944,000	1.15
7	Ms. Wilaiwan Chatamornwong	857,500	1.05
8	Mr. Jirasak Laowong	794,000	0.97
9	Ms. Noot Srisittipoj	670,000	0.82
10	Ms. Pitinun Ueawattanasakul	638,800	0.78
	Total Major Unitholder	21,491,700	26.21
	Total Minor Unitholder	60,508,300	73.79
	Total	82,000,000	100

Opinion of the Trustee



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

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

Trustee Opinion

March 12, 2018

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 13 December 2017 to 31 December 2017.

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



Investment Policy and Business Overview

1. Background and objectives of REIT

Sub Sri Thai Real Estate Investment Trust or "SSTRT" is REIT conversion by follow Trust Act which converting from Sub Sri Thai Smart Storage Property Fund (SSTSS) ("Property Fund") in accordance with Notification No. Torjor. 34/2559 and Notification No. Torjor 49/2555 included related Notification and law and established by effective of the trust deed and complete when trust founder promote properly rights provided to the trustee. The founder will perform for the REIT to receive asset which conversion by exchange real estate fund will received newly issued units of the REIT to convert a trust unit to fund ("new trust unit") with cash

The REIT has established by follow Trust Act to transaction on the capital market B.E. 2550 on 13 December 2017, which have One Asset Management Limited is a trustee and SST REIT Management Co., Ltd. is a REIT Manager.

Objective of REIT is to issuance trust unit with cash to exchange the asset and liabilities of property fund and bring new trust unit issuance to registered securities in stock exchange and offer to sale as per regulation, method and condition specify in announcement of SEC.

2. Investment Policy

SSTRT's policy is to invest in main assets that immovable property or lease right of immovable property and assets that are the fixtures or accessories of such immovable property. Type of asset which SSTRT's invest are document storage or warehouse, as well as properties related to the business of leasing space for goods or document storage.

3. Potential event of REIT

SSTRT's establishment on 13 December 2017, One Asset Management Limited is Trustee of REIT, and SST REIT Management Company Limited is REIT Manager

The first day trade is on 26 December 2017. Net profit on year ending 2017, 13 – 31 December 2017, is 1,135,253.95 baht and net asset value as 31 December demonstrate as follows;

	Unit : Baht
Net Assets	632,592,653.9500
Trust Unit	82,000,000.0000
Net assets value per unit	7.7145

Anyhow; Net assets value as at 19 December 2017 are:

Net asset is 631,297,248.61 baht calculated as net assets value per unit is 7.6987 baht/trust unit.

4. Summarize of amendment or revise the trust deed

- There is no amendment or revise of trust deed -

5. Investment Asset

Immovable property where SSTRT invested in located at 115 and 115/7-9 Moo 6, Sukawat road, Bangchack sub-district, Prapadaeng district, Samutprakarn.

SSTRT invest in immovable property where is document storage in total area is 5 - 3 - 52.4 rai, as well as properties related to the business of leasing space for goods or document storage detail describe as follow;

No.	Title Deed No.	Parcel no.	Sub-District no.	Land area
1	17188	261	6448	3-0-14 rai
2	17186	259	6446	0-2-96 rai
3	17184	257	6444	0-3-70 rai
4	254934	263	7045	1-0-72.4 rai

Document storage for 5 building where area 9,277 sq.m total

1. Document storage no. 31, storage area 1,875 sq.m.
2. Document storage no. 47, storage area 2,894 sq.m.
3. Document storage no. 48, storage area 1,894 sq.m.
4. Document storage no. 49, storage area 1,169 sq.m.
5. Document storage no. 52, storage area 1,445 sq.m.
6. Other asset that are the fixtures or accessories of document storage no. 31, 47, 48, 49 and 52

5.1 Assets Appraised Value lately

The Appraisal did by Knight Frank (Thailand) Co., Ltd., who is approved by Securities and Exchange Commission, Thailand, Knight Frank (Thailand) Co.,Ltd asses by income approach method where derived from the sum of the present value of net income, consideration based on the 12-year projection period and the present value of net cash flows in year 13.

Note: Lately appraisal was on 9 May 2017, where the asset still be under title of SSTSS before converting to SSTRT

Appraisal method	Calculation from Income Approach where derived from the sum of the present value of the net income consideration based on the 12-year projection period and the present value of the net cash flows in year 13.		
Survey date	On 9 May 2017		
Appraisal date	On 9 May 2017		
Asset Value	822,000,000 baht		
Hypothesis			
Racking storage area for deposit boxes and files	Summary of boxes and files storage amount (Refer information from Sub Sri Thai Plc. and information enclosed with sale and purchase contract)		
	No.	Document storage	Maximum amount
			Boxes File
	1	No. 31	134,400 -
	2	No. 47 and 49	629,204 -
	3	No. 48	191,860 -
	4	No. 52 (strong room)	- 22,404,400
	Total		955,464 22,404,400
	- By refer to maximum capacity as standard of layout, equipment and system which Sub Sri Thai Plc inform that document storage no. 31 total area is 1,875 sq.m., where capacity of boxes is 134,400 boxes, document storage no. 47, 49 total area 4,063 sq.m capacity of boxes is 629,204 boxes and document storage no. 48 sq.m capacity of boxes is 191,860 boxes.		

	<ul style="list-style-type: none"> - Document storage no. 52 Strong room (AS / RS) is for deposit document standard size which maximum capacity to 22,404,400 file, currently have install equipment and system completely.
Opinion of the potential income source from asset	<ul style="list-style-type: none"> - Situated in the significant location where convenience to transportation - Current lessee have various lessee mostly are major private companies which trustable, occupancy 90% - 95% of total area. - Potential source of income shall relate to the management, marketing, services and business competitor.

6. Detail of investment asset in fiscal year

6.1 Detail of investment asset

Regarding to SSTRT converted from SSTSS on 13 December 2017 and transferred the title of asset on 19 December 2017, detail of SSTRT's asset would be as same as mentioned under item 5 (Investment asset).

6.2 Detail of disposal asset or leasehold property

- None -

6.3 Net asset value

Net asset value of Sub Sri Thai Real Estate Investment Trust as at 31 December 2017 is 632,592,653.95 baht

7. Benefit Procurement from immovable property

SSTRT converted from SSTSS have the policy of procurement from immovable property of document storage by bring the title in land and building and the fixtures or accessories rent out to Sub Sri Thai Plc. where the asset is use for document storage business with the contract for 10 years and 1 month (contract ended on 31 January 2028)

7.1 Characteristic benefit

Main income of SSTRT receive from investment in document storage and receive the rental charge from lessee who have to pay rental cost every 6 months within the 10 of January and July counting from payment due date as specify as follows;

Period of Time	Rental/Year (million baht)
7 August 2017 to 6 August 2018	65 ¹
7 August 2018 to 6 August 2019	65
7 August 2019 to 6 August 2020	65
7 August 2020 to 6 August 2021	67
7 August 2021 to 6 August 2022	67
7 August 2022 to 6 August 2023	67
7 August 2023 to 6 August 2024	69
7 August 2024 to 6 August 2025	69
7 August 2025 to 6 August 2026	69
7 August 2026 to 6 August 2027	71
7 August 2027 to 31 January 2028	34.6

7.2 Asset management

SSTRT bring asset transferred from SSTSS to procurement benefits and pay dividend to unitholders and transferred right of sole lessee to Sub Sri Thai Plc., or "SST" to do the business of document storage and pay the rental cost to SSTRT, however to consideration of procurement benefit details please see more detail in item 7.1.

Beneficial strategy

- Appropriate rental cost and lease conditions, based on the performance of SSTRT's assets.
- Rental cost where SSTRT received from lessee is fixed rental which rate of rental increase every 3 years and SSTRT received the deposit throughout the contract period.
- To develop the operation efficiency as well as annual budget planning to control the expenditure of operation.
- To identify annual maintenance and BCP plan which will recover of the asset maintenance, repairing where the expense of maintenance will be responsible by lessee.

¹ for the period of rental on year 2017 is counting from 19 December 2017, due to period from 7 August 2017 to 18 December 2017 was under SSTSS before conversion to SSTRT on 19 December 2017

8. Borrowing Money

8.1 Policy of borrowing

REIT may borrowing from commercial bank, insurance company and/ or financial institute where be able to credit the REIT or may issue bond issuance or asset, or to do the contract which meaning of borrowing and title to the asset for bring borrowing money to invest in the main asset or to renovate existing asset of REIT or for other objectives which is beneficial to REIT, shall comply with follows specification:

- For investment in immovable property and/ or lease rights of immovable property;
- For bring to manage the asset of REIT;
- For maintenance and renovate the asset of REIT e.g. immovable property or lease rights of immovable property for remain the property for ready to use and ready to procurement benefit;
- For renovate of building where located on invested land for procurement benefit
- For payment the borrowing money or obligation of REIT;
- For being the cash flow of REIT;
- For amendment existing borrowing structure (Refinance)
- For amendment capital structure of REIT
- Other requisition as REIT manager consider of appropriate to manage the REIT which mean to benefit of REIT.

8.2 Borrowing Value of REIT

Portion of borrowing of REIT shall not exceed as specify follows except borrowing rate not from additional borrowing.

- 35% of total property value of REIT
- 60% of total property value of REIT in case REIT receive trustable investment grade in the level which be able to invest. Investment grade shall be lately received from credit agency approved from SEC and not exceed 1 years before date of borrowing

Borrowing specify under this clause (8.2) shall include of bond issuance or asset, or to do the contract from are intended to substance of borrowing money.

8.3 Commitment to the REIT

- Commitment related to agreement that REIT dealing with e.g. to bring asset of REIT to be a warranty of loan payment.
- General commercial commitment or general in type of business
- In case REIT have to bring asset of REIT to be warranty of loan which is new commitment obligation on asset of REIT. To have this warranty REIT shall receive approval from unitholders

By the way, REIT not require to receive approval or resolution of unitholders if in case of use existing warranty or increase value of warranty to lender as specify in list of information offering to sale trust unit or prospectus or in case of lender transfer contract to new lender.

8.4 Method of borrowing or commitment

REIT will have borrowing or commitment by priority to the beneficial of unitholders and follow regulation as follows:

- REIT manager will consideration of necessary and appropriate of borrowing or commitment to REIT's asset and consideration of regulation and method of borrowing or commitment before submit information to trustee to approve.
- Trustee will be act as representative of REIT to sign borrowing contract

8.5 Information of borrowing as of year ending

Potential information from borrowing contract between SSTRT and Siam commercial Bank Public Company Limited which related from conversion performance from SSTSS to SSTRT describe as follows;

Lender	Siam commercial Bank Public Company Limited
Credit application	Trustee act on behalf of Sub Sri Thai Real Estate Investment Trust
Loan amount	Total loan amount 240,000,000 million baht
Objective of borrowing	For the asset and liabilities of SSTSS and trust unit swapping to SSTRT
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</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 2007 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 up of the borrower, and any law relating to the fulfillment of the terms of this contract.</p>
Fee of prepayment the capital	None

Overview for industry of the Invested Properties

The Thai economy in the fourth quarter of 2017 expanded by 4.0 percent, continuing from 4.3 percent growth in the previous quarter. After seasonally adjusted, the Thai economy in the fourth quarter expanded by 0.5 %

The Thai economy in 2018 is expected that the economy will expand in the range of 3.6 – 4.6 percent, supported mainly by (1) the acceleration of the world economic growth, (2) the expansion of government expenditure and the acceleration of public investment as a result of rising capital budget framework and the progress of key infrastructure projects, (3) the clearer private investment recovery, (4) the continual expansion of key economic sectors, and (5) the improvement of employment and household income conditions. In all, it is expected that export value of goods will expand by 6.8 percent. Private consumption and total investment will grow by 3.2 and 5.5 percent respectively. The headline inflation is forecasted to be in the range of 0.9 - 1.9 percent and the current account will register a surplus of 7.8 percent of GDP.

Source: Office of the national economic and social development board

1. Document Storage Services in Thailand

Document storage services include document storage space rental services, document container and filing services, daytime pick-up and delivery services, document search and inspection services, and shredding services. The document storage business is an important factor in storing information for use in the operations of many businesses and can provide accurate and timely document retrievals, which is beneficial in businesses' searches and references and government's audits. Service providers of document storages utilize automatic document search and storing, barcode, and computer systems in document warehouses to increase efficiency

Document storage facilities 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 Transaction 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 be 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 (2010)). 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.

For document storage business operators, the business generates fairly stable revenues with low risks associated with fluctuating economies, and storage areas can generate consistent income from leasing out space. As the service users will constantly require the document storages throughout the terms of their contracts, while they may recall some documents for their operational uses, coupled with the lease contracts terms ranging from 1-3 years while lessees have low chances of switching out (staying with the same service provider 10 years or more), document storages will retain revenues from the same documents for at least 5-10 years, while making more revenues from the increasing amount of storage spaces required by the same exiting lessees. There are also opportunities to acquire new customers.

2. Document Storage Services in Thailand

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 competitive advantages also play a role, resulting in limited new players in the market. High land prices in Bangkok and the area have caused hoarding, which is beneficial for existing players. However, while there are few players in the market, there is still price competition, leading to the need for improved services. Sales and marketing officers need to keep close relationships with customers before and after the business, in order to keep records of customer satisfaction and use them to further the business development. Moreover, there are substitutes which are scanning services 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 Recall Enterprise (Thailand) Co., Ltd., Krungdhep Document Co., Ltd., and JWD Info Logistics PCL group companies.

3. Growth Outlook of Document Storage Service Business in Thailand

Currently, document storage business has a growth outlook in line with the economy and the constant growth in the demand for document storages, due to the necessity in storing documents for business and legal uses. The increased office space costs and improved document storage facilities with more security and reduced risks of losses and damages also contribute to the demand for leased storage spaces. Although the costs of electronic storages have gone down and storing documents electronically have become convenient, businesses still see the importance of physical documents, as company policies are to maintain physical documents and for uses in the event of lawsuits, where physical documents would have more credibility. Therefore, it is expected the decrease in physical storage demand will not take place in the near future.

In conclusion, the document storage business is directly correlated with the macroeconomic and has a consistent growth outlook, with supporting factors being increased transactions and document uses that follow growing businesses. Companies' internal policies, cost effectiveness of renting storages, safety from losses and damages, and the preferences for physical storages, contribute to the demand. On the supply side, there are limited new players in the market as a result of expensive land prices, which gives current players the advantages

Risk Factors

1. Risk from Contract

- 1.1 Risk from sole lessee of REIT doesn't pay rental per scheduled or fail to comply with lease contract in which the lease contract may be terminated as well

As the REIT has only sole lessee, therefore there is a risk if the main lessee of REIT doesn't pay rental per scheduled. However, there will be a deposit for REIT to deal with situation occurred as well as guideline and measure to manage the procurement and selection process of new main lessee of REIT in timely manner if the existing sole lessee couldn't renew the lease contract, and closely supervise operation of main lessee e.g.

The main lessee has duty to prepare report regarding collection of services fee from service receiver of the main lessee, and audit the operation plan of main lessee etc. in order to know the situation that may lead to event that the main lessee may not pay rental per scheduled/ fail to comply with lease agreement in timely manner.

- 1.2 Risk from land and main building lease agreement will be terminated in which utility system and equipment rental agreement will be terminated as well

According to risk in no. 1.1, there is a risk that utility system and equipment rental agreement will be terminated as well. However, REIT has prepared plan to deal as mention in no. 1.1, therefore the probability of risk in no. 1.2 is reduced.

2. Risk on investment in real estates by SSTRT

- 2.1 Risk from change in document storage method
- 2.2 Risk from natural disaster, accident, and sabotage
- 2.3 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
- 2.4 Risk from economic fluctuation which may affect operating performance of real estates to be invested by SSTRT
- 2.5 Risk from increase in competition
- 2.6 Risk arise when there is improvement and impairment of asset invested by SSTRT

- 2.7 Risk from depend on main lessee
- 2.8 Risk from depend on technology used in document storage
- 2.9 Risk from depend on servitude way to access assets
- 2.10 Real estate held by SSTRT may have higher expenses relating to real estates as well as operating expenses

3 Risk on operation and structure of SSTRT

- 3.1 Risk from defect of assets which may not be found or may not be audit from due diligence process before investment.
- 3.2 Risk from change in relevant accounting standard or law
- 3.3 Risk from tax and fee
- 3.4 Risk from concentrated investment compare to other REIT and mutual fund.
- 3.5 Risk from lessee's ability to pay rental
- 3.6 Risk from SSTRT may not receive rental fee or decrease in rental fee after expiration of agreement
- 3.7 Risk from procure new lessee
- 3.8 Risk from change in lease type after expiration of agreement
- 3.9 Risk from insurance
- 3.10 Risk from counterparty fail to comply with agreement
- 3.11 Risk that may occur from borrowing
- 3.12 Risk that SSTRT's operating performance partly depend on capability of REIT manager regarding management and earn benefits from asset invested by SSTRT

4 Risk on investment in unit of SSTRT

- 4.1 General risk e.g. economic and business circumstance both national and international level including inflation, interest rate, exchange rate, consumption goods price, real estate price, monetary and fiscal policy of government, Bank of Thailand, and other government agency, that may affect operating performance, financial position, and investment of SSTRT. Economic downturn may negatively and materially affect operating performance of SSTRT and may affect unit trading price in the Stock Exchange of Thailand which may be higher or lower than offering price
- 4.2 Risk from political if there is unrest or political conflict that may affect Thailand economic and stock market as well
- 4.3 Net assets value of SSTRT may not reflect truly value of SSTRT if the assets is totally disposed or SSTRT is liquidated
- 4.4 Risk from lack of trading liquidity in secondary market
- 4.5 SSTRT's capability to distribute benefit
- 4.6 Risk from using net assets value of SSTRT to specify unit trading price.
- 4.7 SSTRT was established on 13 December 2017, thus there is no historical performance for investors to refer before making investment decision.
- 4.8 In case SSTRT is liquidated, the capital reduction from SSTRT liquidation may be lower than investment amount invested by unitholders.
- 4.9 Appraisal value of real estates, invested by SSTRT, as per appraisal method of valuer 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
- 4.10 Additional risk resulted from issued and offered of additional units

Expense Charged to the REIT

Fees and Expenditure charge to SSTRT		Ceiling % per year or after transaction of each time (Excluded VAT)	Settlement Period
1.	REIT Management fees	Not more than 1.00% of the total asset value	Half year/time
2.	Acquisition/Disposal Fees		
	(1) Acquisition of assets from a related party	Not more than 1.50% of acquisition value	As the transferred asset title date
	(2) Acquisition of assets from a non-related party	Not more than 1.50% of acquisition value	As the transferred asset title date
	(3) Disposal	Not more than 0.75% of disposal value	As the transferred asset title date
3.	Trustee Fees	Not more than 1.00% of total asset value	Half year/time
4.	Annual Registration fees	Actual disbursement	Annual
5.	Annual expense of remaining security status with SET	Actual disbursement	Annual
6.	Fee and expense of auditor and internal audit	Actual disbursement	Annual
7.	Fee of financial consultant	Actual disbursement	
8.	Fee and/ or expense of assessment and / or reviewing property valuation	Actual disbursement	Annual or when happen
9.	Fees of provide loan or bond (if any)	Actual disbursement	
10.	Interest and fee from borrowing money from bank (if any)	Actual disbursement	

Fees and Expenditure charge to SSTRT		Ceiling % per year or after transaction of each time (Excluded VAT)	Settlement Period
11.	Minor Repair and Maintenance, Renovation, and also procurement of furniture, equipment , material as appropriate for beneficial of asset or any other expense and fee which related to maintenance and repair the asset (if any)	Actual disbursement	
12.	Expense of reviewing asset	Actual disbursement	
13.	Insurance expense	Actual disbursement	
14.	Fee and/or expense of appraisal, preparing the appraisal report or researching report	Actual disbursement	
15.	Expense of arrange the annual meeting of unitholders, preparing, printing, translation and delivery document related to meeting, announcement, public in the mass and other related as specify by SEC or SET	Actual disbursement	
16.	Expense of REIT register, documentation of finance, and other related to preparing of register unitholders	Actual disbursement	
17.	Expense/Fees of dividend distribution/ increase or reduce capital	Actual disbursement	
18.	Expose related of changing or revise trust deed and/ or report and/or related which occur from follow the legal or announcement of SEC or other related to those regulation of SEC but exclude consultant fee	Actual disbursement	
19.	Legal Fees for REIT performance and management of assets e.g. expense of demand repayment for process of legal , fees of court, fees of sue or other related	Actual disbursement	
20.	Mortgage fees, and fees related to register at department of land, legal expense, expense of amendment contract etc.	Actual disbursement	
21.	Claim expense to third parties for damage may occur from performance of REIT in the part of exceed from responsibility under insurance	Actual disbursement	

	Fees and Expenditure charge to SSTRIT	Ceiling % per year or after transaction of each time (Excluded VAT)	Settlement Period
22.	Expense / Fees of Beneficiary during trust settlement or change REIT Manager or change Trustee		
	(1) Auditor Fees and fees of Beneficiary during trust settlement included of dissolution registration with SEC	Actual disbursement	
	(2) Other fees and expense related to financial settlement process of dissolution REIT or change REIT manager or Trustee	Actual disbursement	
	(3) Tax, penalty, fees or expense related to asset of REIT, performance of REIT and other asset management	Actual disbursement	
	(4) Fees and/or expense related to REIT's asset and performance of REIT	Actual disbursement	
	(5) Advertise expense, website expense	Actual disbursement	
	(6) Expense of internal auditor of REIT manager and lessee	Actual disbursement	
23.	Expense of fundraising, bound or buying and selling of asset		
	(1) Fees of FA	Actual but not more than 3.00% of total asset value	
	(2) Fees of consulting of investment e. g. investment in oversea	Actual but not more than 3.00% of total asset value	
	(3) Fees of other consulting	Actual disbursement	
	(4) Fee and/or expense of asset appraisal	Actual disbursement	
	(5) Fees or expense for appraisal, checking building, legal consulting, auditor, preparing report or analysis	Actual disbursement	
	(6) expense of advertising	Actual but not more than 0.50% of total asset value as at the previous year end	
	(7) Fees of trust unit selling and fees of supporting selling trust unit	Not more than 3.00% of trust unit offering cost	
	(8) Expense and/or fees related to establishment REIT, e.g. fees of request permission to sell trust unit, filling fee, registration fees, report of sell offering fee, prospectus fees and expense of preparing contract etc.	Actual disbursement	

Fees and Expenditure charge to SSTRT	Ceiling % per year or after transaction of each time (Excluded VAT)	Settlement Period
(9) Agent or Property Broker (if any) to purchase, supply, sell or transfer title of asset of the REIT.	Actual disbursement but not more than 3.00 % of property value	
(10) Fees or expense of provide, receive, selling, transfer of REIT asset	Actual disbursement	
(11) Tax or fee of duty stamp which related of selling securities immovable property or other property of REIT e. g. agency or broker of selling securities will be set out from selling securities, expense related to selling or purchase immovable property, transferred property or asset	Actual disbursement	
(12) Expense of return trust unit and/or fees related to subscription fees e. g. stamp duty, postage fee, telephone, fax etc.	Actual disbursement	
(13) Expense of prepare, printing, subscription trust, receipt, tax receipt, and other related form and expense of provide and delivery those document to unitholders	Actual disbursement	

Information on Investment units Issued by REIT

1. Trust Unit

Investment capital	631,457,400.00	Baht
Par Value	7.7007	Baht/trust unit
Trust Unit	82,000,000	Unit
Type of Trust Unit	Closed-end	
Unit price offer	7.7007	Baht
Trust unit value as at 31 December 2017	7.7145	Baht

2. Unitholders

First 10 major unitholder as at 22 December 2017 (Book closing: IPO)

No.	Name of Unitholders	No. of Unit	%
1	Sub Sri Thai Public Company Limited	12,300,000	15.00
2	Kijkamol Sukosol Company Limited	1,787,400	2.18
3	Ms. Kamalee Pachimsawat	1,500,000	1.83
4	Ms. Panotporn Srisittipoj	1,000,000	1.22
5	Ms. Nuchada Srisittipoj	1,000,000	1.22
6	Ms. Patama Laowong	944,000	1.15
7	Ms. Wilaiwan Chatamornwong	857,500	1.05
8	Mr. Jirasak Laowong	794,000	0.97
9	Ms. Noot Srisittipoj	670,000	0.82
10	Ms. Pitinun Ueawattanasakul	638,800	0.78
	Total Major Unitholder	21,491,700	26.21
	Total Minor Unitholder	60,508,300	73.79
	Total	82,000,000	100

3. **Restriction on allocation of trust units to any person, group of person of alien investor and restrictin of holding/ assignment of trust unit**

1. Restriction on allocation of trust unit to any person or group of person of alien investor

1.1 To allocate to subscriber will allocate to person or group of person not exceed following rate:

- 50% of trust unit sale out of REIT and
- 50% of trust unit sale out by type of trust unit if there are specify trust unit type.

1.2 If allocation trust unit is the founder or trustee or REIT manager to those person shall comply with regulation of SEC regarding for Founder and Trustee of REIT and announcement of SEC regarding of condition and method of consideration of REIT manager and standard of action up to the case.

1.3 Portion of investment of alien investor shall not more than 49% of selling trust unit regarding to sell trust unit which investment in immovable property to receive of title of land as per land act.

1.4 If happen that those person or group of person who sell trust unit, founder, trustee, REIT manager or alien investor holding trust unit not follow mentioned portion, those person will have no right to receive dividend and no right to vote in the part of exceeding portion and REIT will be beneficial those exceeding to other trust unit and considered that all trust unit acknowledge and agree for performance.

2. Restriction of transfer trust unit

REIT do not have restriction of transferring trust unit but if those transferring effect to other trust unit hold trust unit exceed restriction of holding trust unit the registrar of trust unit have right to cancellation of those transferring where exceeding.

4. Dividend payment to unitholders

1. The REIT Manager pays dividends at the rate of not less than 90% of adjusted net profit after tax and other legal reserves (if any). The dividend pay to unitholders distribute to be Year-End Distribution and Interim Distribution (if any), however REIT Manager pays not exceed 4 time a year except REIT increase capital which may pay dividend more than 4 times a year for beneficial of unitholders.
2. If SSTRT has accumulated income any fiscal year, the REIT manager shall pay benefits to unitholders from such accumulated income.
3. Payment dividend to unitholders of each fiscal year, REIT manager will announce to unitholders and book closing for specify entitlement unitholders receive dividend and will process of payment as follows:

3.1 Dividend Year-End Distribution

REIT manager pays dividend Year-End Distribution within 90 days counting from year ending date. Payment will process within 30 days from book closing date for specify entitlement uniholders to received dividend distribution.

3.2 Dividend Interim Distribution

REIT manager pays dividend Interim Distribution (if any) within 90 days counting from year ending date. Payment will process within 30 days from book closing date for specify entitlement uniholders to received dividend distribution.

Addition condition

If the benefits value to be announced per unit during fiscal year is lower than or equal to Baht 0.10, the REIT manager reserves the right not to pay the benefits at that time and will pay such benefits together with the benefits at the end of the fiscal year and to accumulate these benefits to pay together with benefits instead of the next pay period.

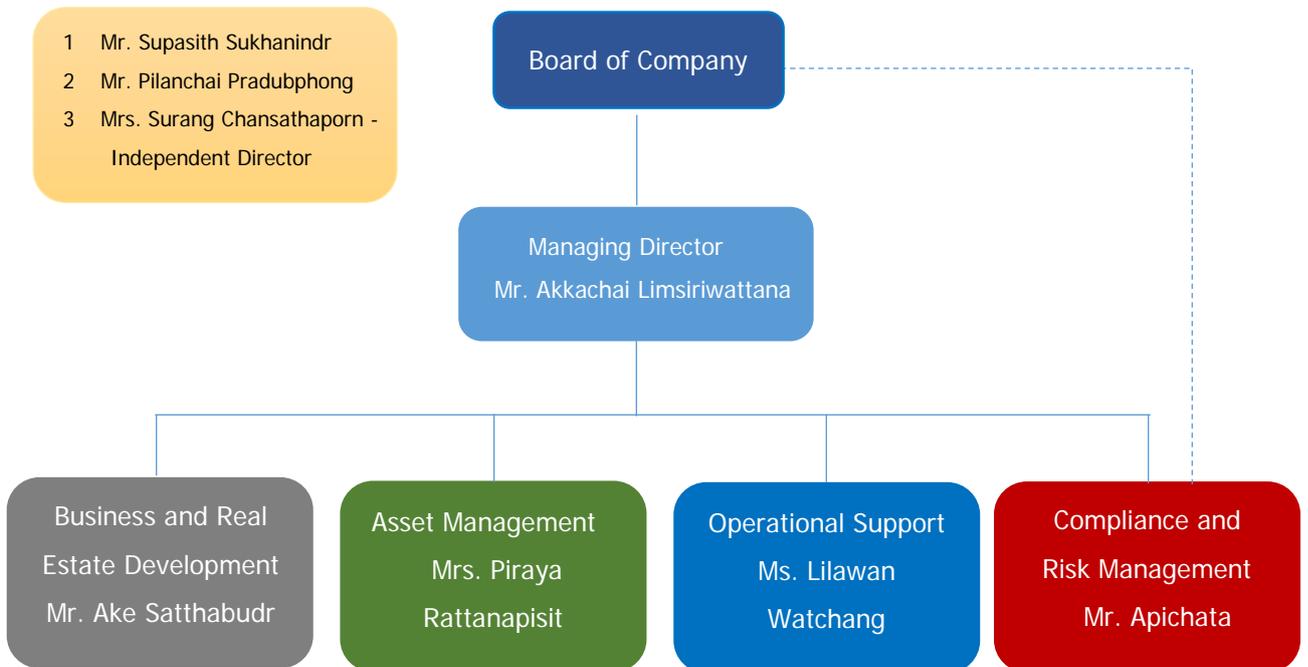
For the criteria for benefits payment, the REIT manager shall comply with those prescribed herein, except where the Securities and Exchange Commission of Thailand, the Office of the Securities and Exchange Commission of Thailand and/or other agencies empowered by the laws has amended, added, announced, prescribed, ordered approved and/or relaxed otherwise, the REIT manager shall comply with as such.

4. Trust unit who have right to receive dividend distribution shall be a person who have name showing in the register of trust unitholders as at closing date of REIT for payment of dividend as the portion of holding trust unit but if happen that those person or group of person holder trust unit exceed the announcement of SEC meaning that those person or group of person will have no right to receive of dividend in the part of exceeding.

Management Structure

The structure of SST REIT Management as the REIT Manger of SSTRT composes with board of directors, the managing director, and 4 departments, including Business and Real Estate Development, Asset Management, Compliance and Risk Management, and Operational Support, as presented in the following chart.

1. Management Structure



2. Board of Director

Name	Position	Education	Experience
1 Mr. Supasith Sukhanindr 	Chairman of the board (authorized director)	<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"> - Vice - Chairman 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 Tinbaron Co., Ltd.
2 Mr. Pilanchai Pradubphong 	Board of Company (authorized 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"> - Vice - Chairman of the Board of Executive Directors / Corporate Secretary - 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.
3 Mrs. Surang Chansathaporn 	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.

3. Authorized Director to sign on behalf of Company as the REIT Manager

- Two of Director signed together and affix the seal of the company.

4. 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 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.

5. 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 of 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. SorChor. 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 Office of 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.

Recruitment of Directors and Independent Directors

In case the directors and/or independent directors is vacated from the position, the residual directors will consider to propose list of directors and/or independent directors from preliminary recruitment to compliance and risk management department to verify the qualifications as specified in Trust deed, REIT manager appointment agreement, registration statement, and prospectus, and relevant rules and laws. In case the candidate is qualified, the residual directors will appoint the candidate as the director as per legal process.

According to scope of authorities and duties of independent directors as aforementioned, the relevant departments shall report to independent directors on regular basis, as well as provide necessary recommendation regarding:

- 1) connected transaction or transaction that may create conflict of interests with REIT.
- 2) Weakness and issues to be improved regarding the internal control and operating process of the Company, as REIT manager, and progress of improvement.

The Company's board of directors and independent directors shall have important roles to follow and provide necessary recommendation to the Company, as REIT manager, so that the operation is in accordance with the relevant rules and contracts. While the managing director shall have duties to control, follow, command, and supervise operation of the Company, as REIT manager, so that the operation is efficient. The scope of authorities, duties, and responsibilities of managing director are as follows:

- 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

6. Managements

Name	Position	Education	Professional Experience
Mr. Eakchai Limsiriwattana	Managing Director	- Bachelor of Business Administration (Management), Rajabhat Rajanagarindra University	Visamaya Hotel Suvarnabhumi Super Enterprise Co., Ltd. Position General Manager (2013 – Sep 2017)
Mr. Eak Sethabutr	Manager – business and real estate development	- 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	- 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	- 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. Lilawan Watchang	Manager – operation support	- Bachelor of Arts, Human Science, English, Ramkhamhaeng University - Higher Graduate Diploma Program in Management and Secretary, Songkhla Vocational College	Sub Sri Thai Plc. Position Personal Assistant of vice president (2017 – Sep 2017) Max Boegl (Thailand) Co., Ltd. Position Head of Trade (2016 – 2017) ThyssenKrupp Industrial Solution (Thailand) Company Ltd, Position Project Secretary (2011 – 2016)

7. Duties and Responsibilities of SSTRM as the REIT Manager of REIT

Duties and responsibilities of REIT Manger 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:

1. General duties of the REIT Manger
 - Perform duties by use professional acknowledge to responsibility, carefulness, treat unitholders with fair and equitable for the high benefit to unitholders and follow the related law of trust deed, contract of appoint the REIT Manager, filing, information memorandum, objective of REIT and resolution of unitholders meeting and related law of the REIT.
 - 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 not support, command or cooperate with other parties to violate law or those regulation.
 - Manage the capital to be sufficient to operate business and responsibility may occur from performance of REIT Manager to REIT
 - 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.
 - To manage the asset of REIT to comply with trust deed, contract of appoint the REIT Manager, information memorandum, filing, performance plan of the company, resolution of unitholders meeting and related regulation and law.
 - 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
 - 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.

- Arrange the unitholders meeting as regulation in trust deed and related law.
- Perform of increase capital or reduce capital as regulation of trust deed, or related law.

2. Duties of prepare the report and disclosure

- 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.
- Disclosure the opinion or potential information related sufficiently for unitholders use to consideration of investment.
- Prepare and disclosure REIT information as Securities and Exchange Act and related regulation define in trust deed, filing, information memorandum, regulation of securities and exchange and other regulation and law related e.g. calculation, disclosure NAV and unit value.
- Corporate to trustee or SEC which related to disclosure per request of trustee and SEC.
- Treat unitholders to receive completeness and correctness information before consideration of investment and received information as define in trust deed, filing, information memorandum, related regulation and law.
- Submit information or report to Trustee and/or SEC within defined period.

3. Duties of investment or disposal asset of REIT

- 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.
- Perform to ensure that disposal, disburse immovable property or entering to the contract related to REIT is perform as regulation and law.
- Perform to check and review due diligence of immovable property and risk assessment which may occur from investment and shall prepare of risk management.

- Prepare of asset appraisal as regulation
- Maintenance the asset for ready to use and procure benefit all at the time by arrange of maintenance plan.
- 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.
- Prepare of the investment plan, risk management of REIT, borrowing plan and annual budget of REIT.

4. Duties to treat the benefit of the REIT

- Corporate with trustee or appointed person to facilitate of assessment main asset.
- Manage of the REIT budget and cash flow of the REIT.
- Prepare financial statement of the REIT to comply as the standard of accounting law and disclosure financial statement as related regulation.
- Disbursement of the REIT for daily performance or objective which agree with trustee within the budget approved from trustee.
- Prepare of dividend payment by comply with regulation define in trust deed and resolution of unitholders meeting and other related law and regulation.
- In case requirement of resolution of unitholders for operating in the REIT, REIT manager shall analysis of impact may occur of information for consideration.
- Prepare of secure the document which related to operate the REIT

5. Cooperation with Trustee

- 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.
- 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 dept. burden 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.

8. Organization structure, Department, Duties and Responsibilities of REIT Manager

1. Classified by job description

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, contract of appoint the REIT Manager, filing, information memorandum, 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 debt burden of the REIT for investment in main asset for propose to managing director and board of director.
- 4) Consideration of disposal by comply with company investment policy.
- 5) Arrange of assessment, reviewing asset of the REIT as the period of time.

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 and also business interruption insurance.
- 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 announcement.
- 5) Provide filing, sell offering report and disclosure as per related law, regulation and announcement to propose to director and/ or board of director to consideration.
- 6) To answer question, received information from unitholders for finding problem solving.

However, if manger 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.

2. Job description distribution of REIT manager

For REIT manager work effectively and for more quality as regulation of SEC, company have provide working system as follow:

1. System prescribe the policy of management REIT
2. Risk management system
3. Conflicts of interest system
4. Recruitment system and person who responsible to perform REIT
5. The Company's corporate governance system and personnel of the Company. and monitoring assist the delegate in the task of managing the Trust.
6. REIT disclosure system
7. Operational support (Back Office)
8. Internal control
9. Communication with unitholders
10. Management of legal dispute system

Main system	Sub System
1. System prescribe the policy of management REIT	<ol style="list-style-type: none"> 1. Systems and procedures for managing REIT. 2. The system and procedures for structuring REIT 3. The system and procedures for investing in real estate. 4. The system and procedures for determining the strategy for the provision of real estate benefits. 5. Systems and procedures for investing in assets other than core assets. 6. System and process of disposing of primary assets.
2. Risk management system	<ol style="list-style-type: none"> 1. The system identifies, tracks, and reports the risks associated with managing the REIT.
3. Conflicts of interest system	<ol style="list-style-type: none"> 1. Disclosure of Interests of Directors and Executives 2. Transactions between Trusts and Trust Managers or Connected Persons with Trust Managers 3. Guidelines for Prevention, Recognition and Utilization of Internal Information 4. Tracking the issues of business competition. 5. Follow up on issues relating to the independence of the REIT manager. 6. Disclosure of information sufficient to the unitholders or investor. 7. Disclosure of Interests or Benefits from any Person Trade partners with REIT
4. Recruitment system and person who responsible to perform REIT	<ol style="list-style-type: none"> 1. System and procedures for consideration and selection of personnel of the Company. 2. Systems and procedures for determining and selecting tenants of the Trust's primary property. 3. Systems and procedures for the consideration and selection of delegates in tasks related to the operation of the trust. 4. System and procedure for considering and selecting consultants. Related to the management of the trust.
5. The Company's corporate governance system and personnel of the Company and monitoring assist the delegate in the task of managing the Trust.	<ol style="list-style-type: none"> 1. Supervising the performance of the Company's personnel. 2. Control, Supervision and Evaluation of Tenants' Fundamental Performance of the Trust. 3. Oversight of the outsourced performance in relation to the general operations of the trustees.

Main system	Sub System
6. REIT disclosure system	<ol style="list-style-type: none"> 1. Type of information about the operations of the Trust to be prepared and disclosed on a timely basis. 2. System of preparation and procedures for review and disclosure
7. Operational support (Back Office)	<ol style="list-style-type: none"> 1. Support activities related to accounting and finance. 2. Support activities related to asset registration and asset management 3. Support Activities Relating to the Payments of the Trust 4. System and procedures for reviewing the appraisal report
8. Internal control	<ol style="list-style-type: none"> 1. Procurement system 2. Rental system tracking 3. The annual budget system of the Trust. and follow up the results. 4. System for considering and approving special expenditures and / or investment budgets outside the annual budget. (Extra budget) 5. Documentation and evidence collection system 6. Internal control system
9. Communication with unitholders	<ol style="list-style-type: none"> 1. Communication system with investors 2. Investor complaints and complaints management system 3. Receiving complaints system
10. Management of legal dispute system	<ol style="list-style-type: none"> 1. Legal Dispute Resolution Process 2. Reporting and filing of legal disputes

Corporate Governance

1. Process and Factors for consideration of investment decision and REIT management

1.1 Direct Investment in main asset and equipment

- 1.1.1 The investment in the property to acquire the ownership or possession right. Acquisition of the possession right shall be one of the followings.
- Acquisition of the property through issuance of Nor Sor 3 Kor
 - Acquisition of the possession right in the property through issuance of instrument of ownership or possession, type of Nor Sor 3 Kor
- 1.1.2 The property acquired is not subject to any property right or dispute unless REIT manager 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.
- 1.1.3 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.
- 1.1.4 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) shall be ready for employment. 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.

- 1.1.5 It has been thought the assessment in accordance with the criteria as follows:
- Full value of assessment which has examined the title deed and is in accordance with the public purpose on disclosure of information to the investors not over 6 months before the application date by at least 2 appraisers and
 - The appraisers in accordance with above mentioned are required to be the appraiser of assets value approved by SEC office.
- 1.1.6 The properties acquired shall be of the total value onto less than 500,000,000 million baht. If the amount to be received form funding through offering of the trust units is less than the value of the properties to be invested, the company is required to illustrate that there is the other source of fund sufficient for procurement of such properties.
- 1.1.7 For the investment through acquisition of the possession right by sublease of property or the building or the premise or the construction that the lessor is not the owner according the land deed or the person with possession right in accordance with certificated of exploitation. REIT manager is require to arrange the preventive measure against the risk or corrective measure against the damage possibly incurred with dissolution of contract from owner who have right on the properties, preventive of breach of contract or inability to enforce the rights under the lease e.g. arrangements are made for the parties involved to ensure compliance with the contract and compensation to the REIT or provide of agreement of right of the REIT to be able amend of breach of contract with the owner of the property and subrogation of tenant etc. included disclosure such hedging measures to trustees, unitholders and investors.

1.2 Indirect Investment in main asset and equipment

- 1.2.1 It is investment via holding share of the company with objective for to undertake similar with the REIT not less than 99% of sell share unit and not less than 99% of total right of voting the company.

1.2.2 Direct investment in main asset shall be comply below regulation:

- Conduct the Due Diligence on information and agreements related to the main asset and equipment (if any) such as financial and legal information, condition of the property to be invested and capability of REIT to acquired and take possession of the property in accordance with the last of such country if the property to be invested is overseas to support the investment decision and proper disclosure. If the owner, the lessor or the transactor of leasehold right of the property is the person related to REIT manager, REIT manager is required to arrange the financial consultant to provide opinion related to the analysis of such information
- Assessment of main asset shall follow below requirements.
 1. The appraiser is required to be approved by the SEC office in accordance with the Notification of the SEC office related to approval in the valuation company and the major appraiser.
 2. The value assessment is required not to be under take twice by the same appraiser
 3. The full value assessment is required to be undertaken with examination on the title deed and in accordance with the public disclosure purpose on disclosure for investors in the following cases.
 - When REIT is about to acquire or dispose the main asset, the assessment is required to be made not over 1 year in advance
 - At the end of 2 year since the date of the latest full value assessment.
 - If there is any incident or change which may significantly affect diminishing in value of assets invested by REIT.
 - If trustee or auditor request.
 4. The appraised value is reviewed every 1 year since the date of the latest full value assessment.
- If REIT have indirect investment the assessment which perform shall consider to related tax of the company which REIT hold the share and related factors which affect to cost of property where REIT investment in.

1.2.3 Acquisition of additional main asset is required to be in accordance with following requirement.

- The essence of the transaction has satisfied the following characteristics.
 1. Shall in accordance with Trust incorporation and related law.
 2. For the best interest of the REIT
 3. Reasonable and fairness.
 4. Expense involved in the transaction entered and claimed form REIT (if any) are fair and suitable.
 5. The person with special interest in the transaction have not involved in the decision to enter into such transaction.✕
- The approval required to be through the following process
 1. Approved by trustee that the transaction is in accordance with the trust incorporation agreement and related law
 2. If the main asset with value over 10% of the total assets value of REIT are acquired, they are required to be approved by the board of directors of REIT manager.
 3. If the main asset with value 30% of the total assets of REIT, they are required to be approved by the resolution of the meeting of the unitholders passed with at least three-fourths of the total voting rights of the trust unit holders attending the meeting and eligible to caste the vote.

The calculation mentioned above will comply with value of received asset of each project that generate incomes including the property related to such project as well.

- Process on approval made by the trustee or the resolution of the meeting of the trust unitholders, the duties of REIT manager and the trustee are required to be indicated as follows:

1. REIT manager has a duty to arrange the documents asking for approval or the invitation to the meeting as applicable which will be provided with its opinion on the nature of the transactions on acquisition of the key asset and proper justification and supporting information.
2. The trustee has a duty to attend the meeting of the trust unitholders to provide opinion on the nature of the transactions whether it is in accordance with the trust incorporation agreement and related law or not.

2 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. SSTRT 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 a reasonable and fair transaction
 - 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.

3. REIT Manager Fees

All the time of being REIT Manager, REIT will received fees as follows:

1. Fees no exceed 1.00% per year of Total Asset Value, "TAV" or at less 3,500,000.- baht / year
2. Acquisition / Disposal Fees

Acquisition / Disposal Fee	
(1) Acquisition of assets from a related party	Not more than 1.50% of acquisition value
(2) Acquisition of assets from a non-related party	Not more than 1.50% of acquisition value
(3) Disposals	Not more than 0.75% of disposal value

4. Method and condition of changing REIT Manager

1. Incident causing change in REIT manager
 - REIT manager resigned in accordance with regulation or trust deed condition
 - REIT manager is removed from duties in accordance with regulation or trust deed condition
 - SEC office has made an order of remove REIT manager or an order to suspend REIT manager form duties for over 90 days as the announcement SorChor. 29/2555
 - REIT manager has lost status of juristic person or liquidated or has it assets put under receivership it is the strict receivership instruction or not.
2. Removal from duties
 - If there is happen that REIT manager not act duties properly or completeness as define in trust deed, appointment of REIT manager contract, trust act or announcement of SEC office or related announcement or REIT manager not arrange insurance for the REIT which cause of violate damage to the asset or potential damage or damage to unitholders which cannot remedy the damage as specify in appointment REIT manager contract.

- If happen of REIT manager are not in accordance with criteria in section 1 or have offended or has not complied with criteria provided in section 2 in accordance with notification SorChor. 29/2555 and has not followed the instruction of the SEC office or has followed the instruction but is unable to make a remedy within period of time provided by SEC office
- If the consent of SEC office to REIT manager finish and REIT manager not receive of renewable from SEC office as announcement in Notification SorChor. 29/2555 and cannot renew within 90 days.

3. Resignation and duties after resignation of REIT manager

3.1 Resignation from REIT manager

- If REIT manager resign from duties have to inform of resignation by disclosure news via SET and inform trustee prior 120 days before resignation effective date and between resignation no effective, REIT manager shall support trustee to set up new personal during trustee is on process of finding new REIT manager and existing REIT manager shall perform the duties till new REIT manager start to work.

3.2 Duties after resignation

- To deliver the list of customers, accounts, document to and any information related to the work performed by REIT manager whether such information is commercially confidential or not to the trustee and/or the new REIT manager is able to perform his duties and REIT manager continuously for the maximum benefits of REIT and the trust unitholders is overall.
- Not conduct or undertake any business of which the nature is the same or similar to or in competition with the business of REIT for 2 years. In addition, the duties in this clause shall include disruption of any contact or act which has desired towards or have resulted in the appointment of REIT manager, REIT manager has duties to maintain and not disclosure information related to REIT and securities asset of REIT which REIT manager knowledge between act as REIT manager except those disclosure comply with right of law, regulation or court order or information which public already acknowledge.

- To keep the trade secret of REIT by not divulging draft information, list of customers and other essential documents which are the trade secret of REIT to the third party without written consent from the trustee unless the disclosure is made to the government agency in accordance with the legal requirement or the information which is publicly known at the time of disclosure or distribution except it is the case that it is indicated in the Trust Incorporation Agreement or it is allowed in writing from the trustee or it is the case of compliance with the Securities Act, the Notification of SEC Office or other laws or rules or regulations or orders issued legitimately or the case of compliance with the instruction of any related agency.
- To undertake any act as deemed suitable to ensure that the new REIT Manager is able to perform the duties continuously in accordance with the Trust Incorporation Agreement

4. Method on appointment of new REIT manager

The trustee is required to obtain the resolution of the trust unit holders to appoint the new REIT Manager within sixty (60) days since the date that trustee has removed the REIT Manager and appoint the other person approved by the trust unit holders within thirty (30) days since the date that the resolution is accepted. If the resolution has been requested but there is no resolution, the trustee is allowed to make an appointment of the new REIT Manager itself with consideration of the best interest of the trust unit holders in overall.

5. Management of the other REIT

At the present the company as REIT manager of REIT do not have other REIT to manage, however the performance of REIT manager is comply with trust deed and related contract where REIT manager perform duties with carefulness and prevention of conflict of interest between benefit of REIT and REIT manager. REIT manager do not have related benefit conflict with the REIT and have provide the prevention by follow notification SorChor 29/2555 and KorLor. 14/2555

6. Criteria on prevention of the conflict of interest

The company as REIT Manager is required to arrange the system to prevent the conflict of interest between REIT and the persons with possible conflict of interest. This, the executives of the division responsible for preparation of the transactions possibly causing the conflict of interest and operational support division will jointly supervise and ensure that such transaction is in accordance with the following criteria.

1. Transaction with perform as trust deed and related law and regulation for benefit of REIT.
 2. A person who do the direct or indirect transaction shall not be a part of consideration of making decision
 3. Shall be a fair and reasonable cost of transaction
 4. Expense of transaction shall be fair and reasonable rate
 5. Shall receive approval of board of director and REIT manager by have independent direct consider of appropriate
 6. Receive approval from trustee that those transaction comply with trust deed.
 7. If those transaction is value more than 20 million baht or more than 3% of NAV up to which one higher must receive the resolution from unitholders and voting not less than $\frac{3}{4}$ of all voting of unitholder who have right to vote.
 8. To disclosure transaction to SEC office and SET included audited financial statement and annual report of REIT
7. Transaction between REIT and REIT manager or related person
- 7.1 Transaction with related parties

REIT has related transaction which REIT manager and trustee or REIT, company has director with REIT manager or trustee of REIT and fund property which use the similar trustee.

Following list is show list between 13 December 2017 to 31 December 2017

	Related	List	Cost (Baht)	<u>Policy of cost define</u>
SST REIT Management Co.,Ltd.	REIT Manger	Fees of REIT manager	134,803.75	As specify in trust deed
One Asset Management Limited	Trustee	Fees of Trustee	147,452.05	As specify in trust deed
Sub Sri Thai Public Company Limited	Sole lessee and major shareholder 99.997% or SST REIT Management Co.,Ltd.	Rental and services	2,408,523.13	Rental agrement rate as agreed in the contract of land and buildings and utilities and equipment.

7.2 Policy of conflict of interest prevention

7.2.1 Policy for transactions between SSTRT and the REIT manager or the REIT manager's connected person

If the are other transaction between REIT and REIT manager or trustee or third parties who related to REIT, Trustee and/ or REIT manager will perform by securities act as follow:

- (1) General conditions and previsions of SSTRT for entering into the transactions with the connected person are as follows:
 - The transaction between SSTRT and REIT manager or REIT manager's connected person shall be in accordance with the Trust Deed and related laws and for SSTRT's best benefits
 - The transaction between SSTRT and REIT manager or REIT manager's connected person shall reasonable with fair price. The expenses for entering into the transaction collected from SSTRT (if any) must be fair and suitable.
 - The person who has special interest with the transaction directly or indirectly must not take part in making decision to enter into the transaction.

- In the event that it is required by law that SSTRT must obtain an approval from the REIT Manager's board of directors and/or the unitholders, the REIT Manager shall procure an opinion from the independent director regarding the transaction. The independent director's opinion will be presented at the REIT Manager's board meeting and/or unitholders meeting, in order to ensure that the transaction will be carried out for the best benefit of SSTRT and its unitholders. If the independent director does not have the expertise in considering the transaction, the REIT Manager shall arrange for an independent expert advisor such as an independent financial advisor, property appraiser, auditor, to give an opinion regarding the transaction to be used at part of the consideration and decision-making of REIT Manager's board of directors or the unitholders. The related-party transaction shall be disclosed in the notes to the audited or reviewed financial statements according to the nature of the transaction.
 - Transaction between REIT and REIT manager must do under condition of fairness and appropriate and shall comply with regulation of security act and related regulation of SEC announcement concern or other related law and regulation. The REIT will perform of disclosure those information transaction to SEC, SET included note in audited financial statement and annual report of the REIT.
- (2) Approval of the transaction between SSTRT and REIT manager or REIT manager's connected person must comply with the following steps, besides what is described in the prospectus.
- Obtaining the trustee's approval that the transaction is in accordance with the Trust Deed and related laws.
 - In case of the transaction exceeding Baht 1 million or from 0.03 of SSTRT's NAV, whichever is high, obtaining approval from the Board of Directors of the REIT manager.

- In case of the transaction exceeding Baht 20 million or from 3 of SSTRT's NAV, whichever is high, obtaining approval from the unitholders meeting with at least $\frac{3}{4}$ of total votes of the unitholders attending the meeting and entitled to vote.

7.2.2 Policy for transactions between SSTRT and the trustee or the trustee's connected person

(1) To manage the REIT shall not allow trustee to act which cause of conflict to benefit of REIT, except compensation of act as trustee or transaction which measures or for monitoring and balancing the fairness and already disclosure to unitholder with enough information and unitholders acknowledge with no objection.

If SSTRT needs to enter into a transaction with the Trustee or the Trustee's connected person, the REIT Manager shall consider the necessity and reasonability of the transaction. The independent director shall provide an opinion regarding the need and benefits of SSTRT in the transaction. The independent director's opinion will be presented at the REIT Manager's board meeting and/or unitholders meeting, where any persons with special interests involved in the transaction will not be allowed to vote on the decision. SSTRT shall subsequently disclose the information of the transaction with the Trustee and/or the Trustee's connected person according to the regulation guidelines.

- (2) Unless otherwise regulated by the SEC, with regards to a potential conflict of interests, the following means of disclosure are deemed sufficient:
 - (a) disclose through the Stock Exchange of Thailand 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.
- (3) If the unitholders express their clear objection under the procedures as disclosed in 3) which exceeds $\frac{1}{4}$ 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 SSTRT

