

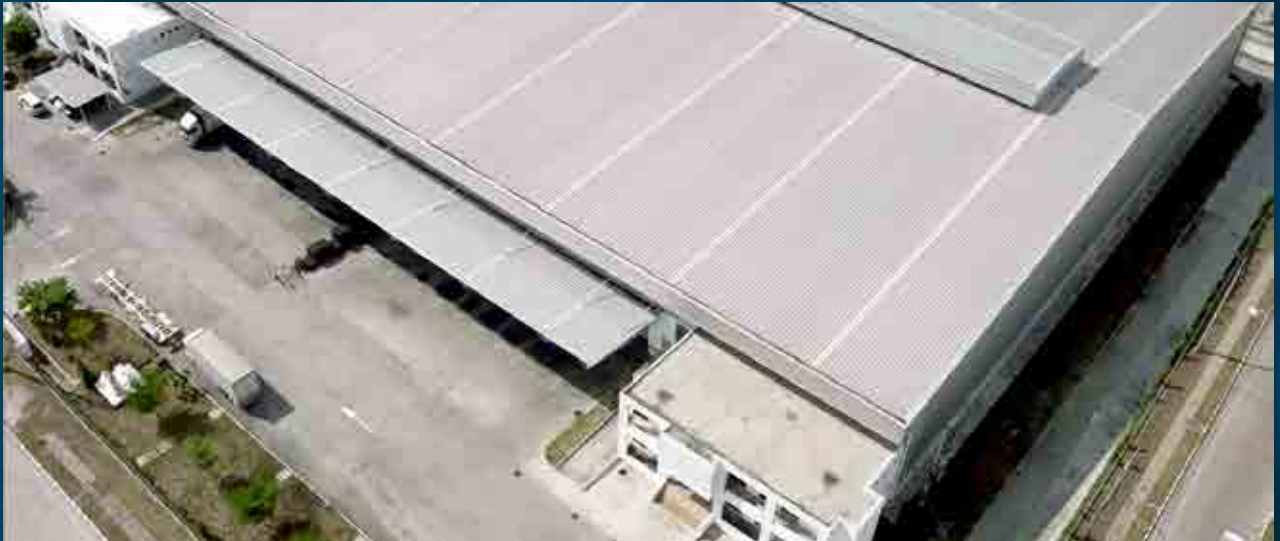
# ANNUAL REPORT 2017

## TREIT

THE LARGEST INDUSTRIAL REIT IN THAILAND

TICON FREEHOLD AND LEASEHOLD REAL ESTATE INVESTMENT TRUST



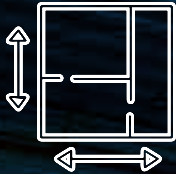


TPARK Bangna



490

No of Properties



1,484,660 SQ.M.

Net Leasable Area  
("NLA")



79%

Occupancy



30,451 Million Baht

Portfolio Value

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**VISION**  
To be a Leading Industrial  
REIT of ASEAN

**MISSION**  
To offer Consistently Growing  
and Sustainable Distributions  
to Unitholders

**About TICON Freehold and Leasehold Real Estate  
Investment Trust (“TREIT”)**

As of December 31, 2017, TREIT have 490 units of factories and warehouses under the administration, with net leasable area (“NLA”) around 1.5 million Sq.m. which expansively covered, in total, 24 strategic industrial locations in the principal industrial premises located in 7 provinces of the country. Properties at fair value is 30,451 million baht, which becomes the largest industrial REIT in Thailand nowadays.

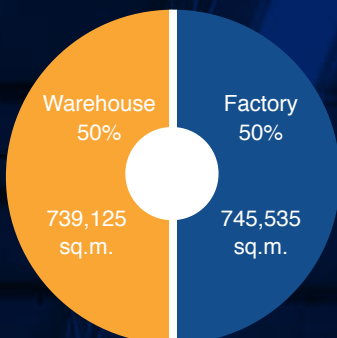
TREIT was established on December 12, 2014 and registered by the Stock Exchange of Thailand as securities in the share market. The official trade began on January 9, 2015.

Since then, TREIT administered by **TICON Management Ltd.** has been ambitious and determined in administering and managing itself to sustainably grow using *three main strategies of the trust management which include 1) the investment in real estates of high quality in the country's flagship industrial locations 2) the administration of real estates to maximize the benefits and 3) the capital management to make proper financial costs* for TREIT's potential to be the region's leader and for the ability to allocate the benefits among unitholders constantly, growingly and firmly.

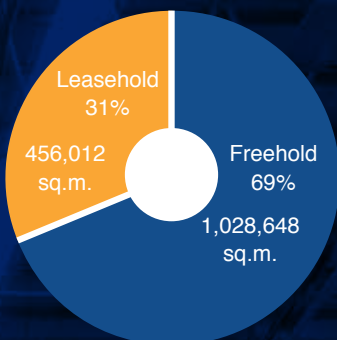
# TREIT Portfolio

(As of December 31<sup>st</sup>, 2017)

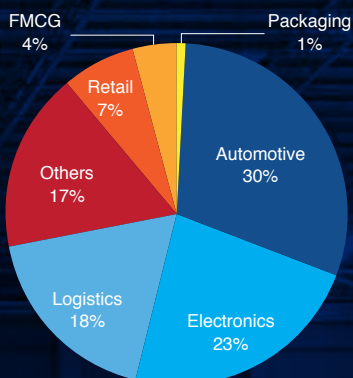
## Breakdown by Type of Asset



## Breakdown by Right on Asset



## Breakdown Revenue by Tenant's Industry



Note : Reference from Rental and Service Income as of 31 December 2017



# TREIT

The  
Largest  
Industrial  
REIT in  
Thailand

# KEY HIGHLIGHTS

(As at 31 December 2017)

TREIT's strategy is manage properties under REIT which compose of 490 premium quality of industrial properties located in prime industrial area in Thailand, TREIT's strategic objective are to deliver regular and stable distributions to Unitholders and achieve sustainable, long-term growth of distribution unit ("DPU") growth.

## FINANCIAL HIGHLIGHTS



Total Income  
THB **595** Million



Net Investment  
Income  
THB **369** Million



Distribution  
THB **0.6328** Per Unit<sup>1</sup>

## CAPITAL MANAGEMENT



Gearing  
Ratio(LTV%)  
**17.33%**



Net Asset Value  
THB **9.7864**  
Per Unit



Average Cost of  
Borrowings  
**2.87%**



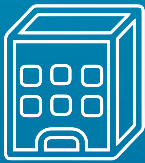
Credit Rating  
A-(tha)/  
Positive Outlook<sup>2</sup>

Note 1: Distribution Per Unit (DPU) = Dividend and Capital Reduction.

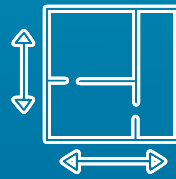
Note 2: TREIT current rating is A(thai)/Stable Outlook (Upgraded on February 22<sup>nd</sup>, 2018) by Fitch Ratings (Thailand) Limited.



## PORTFOLIO HIGHLIGHTS



Portfolio Value  
THB **30,451**  
Million



Net Leasable Area  
("NLA")  
**1,484,660**  
SQ.M.



No. of Properties  
**490**



Occupancy  
**79%**



# SUSTAINABLE GROWTH OF TREIT

Since the establishment of TREIT and the official outset of trade in the stock market, factories and warehouses for rent under the management of TREIT skyrocketed from 45 units to 490 units. Net leasable area (“NLA”) measure at 1,484,660 Sq.m., which means TREIT is the rental provider of factories and warehouses with the most expansive locations in Thailand. TREIT has also planned to additionally invest in factories and warehouses from TICON Group and from other asset owners for the continual growth of TREIT.

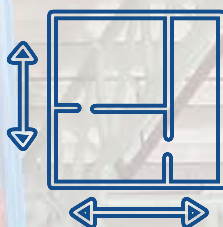




# TREIT GROWTH IN 2017



**+392** Units  
No. of  
Properties



**+1,114,955** SQ.M.  
Net Leasable Area  
("NLA")



# MESSAGE FROM CHAIRMAN OF THE BOARD

## Dear all TREIT's unitholders,

On behalf of the board and as a Chairman of TICON Management Ltd., The REIT manager of TICON Freehold and Leasehold Real Estate Investment Trust, I feel delighted and honored to present all of you with a 2017's annual report which includes turnovers as well as TREIT's yearly success.

## **TREIT's success in conversion three TICON property funds which are TFUND, TLOGIS and TGROWTH into TREIT.**

In 2017 marked an important occasion for TREIT as the management of trust broke the history by conversion three TICON property funds which are TFUND, TLOGIS, TGROWTH into TREIT, making TREIT "the largest rental provider of factories and warehouses in Thailand" in terms of locations, expanding to 1,484,660 Sq.m. which distributed around the principal industrial locations of the country and total asset value which costs approximately 32 billion baht. In addition to the fact that TREIT owns very expansive locations and various assets in those flagship locations, TREIT's expansion will boost wide availability of fund sources, lower financial cost, enhance better liquidity of unit trading and attract enthusiasm among investors, especially those from foreign countries which have been growing in number.

## **Better Distribution of Revenues and Industries**

As a result of merging mutual property funds into TREIT, there have been better balances in revenues and property holdings. Prior to the conversion, the first ten tenants with highest income had revenue shares approximately valued at 56%. However, after the merger, the revenue shares lowered to 22%, indicating that there was better distribution of revenues in the whole picture. Also, there was higher distribution of tenants in each industry, which will reduce the risk of TREIT's turnovers.

## **Overall Performance of TREIT under The Administration of REIT Manager**

After conversion of three TICON Property funds into TREIT, there have obviously been better occupancy rate. At the end of 2017, occupancy rate remained at 79%, compared with those estimated by the end of 2016 at 77% or 2 percent higher than the year before. In addition, TREIT's properties are widely distributed in premium locations after transformed, which perfectly meets tenants' needs and offers much diversity.

In fiscal year 2017's Overall operation ended on December 31, 2017 with TREIT's total assets valued at 31,961 million baht, 24,190 million baht higher than that of 2016, with net investment income of 369 million baht. That leads to TREIT's net assets value of 25,468 million baht, 19,721 million baht higher than those of 5,747 million baht of the year before with net assets valued (NAV) at 9.7864 baht per unit.

## **Effective of Capital Management**

The REIT Manager of TREIT have managed finances with thoroughness for the best benefits by fixing the appropriate proportion between loans and assets, placing utmost attention to the maintenance of TREIT's credits. In 2017, TREIT's proportion between overall lending and overall assets was 17.33%, dropping from 23.41% from, or 6.08% lower than, the year before. As well was that, the REIT manager of TREIT also issued corporate debentures which have tenor 3 and 7 years with low cost of debt in order to refinance long-term loan with higher loan costs. Besides, at the end of the year, TREIT applied for a short-term loan with low interest rates, accounting for 2.87% as average cost of debt at year end which was significantly lower than that of the year before.



**Adjustment of Credit Ratings of Trust after Conversion PFPOs into TREIT**

After the complete conversion, Fitch Ratings (Thailand) Limited. adjusted credit rating of TREIT from A- (tha) to A(thai) (upgraded rating on February 22, 2018). This is the highest credit rating ever recorded of all REITs in Thailand, which is thrilling especially for your TREIT. The organization's credit adjustment leads to TREIT's lower cost of debt as financial institutes and investors in REIT debenture are more confident in TREIT.

**Moving Forward with the Largest industrial REIT in Thailand**

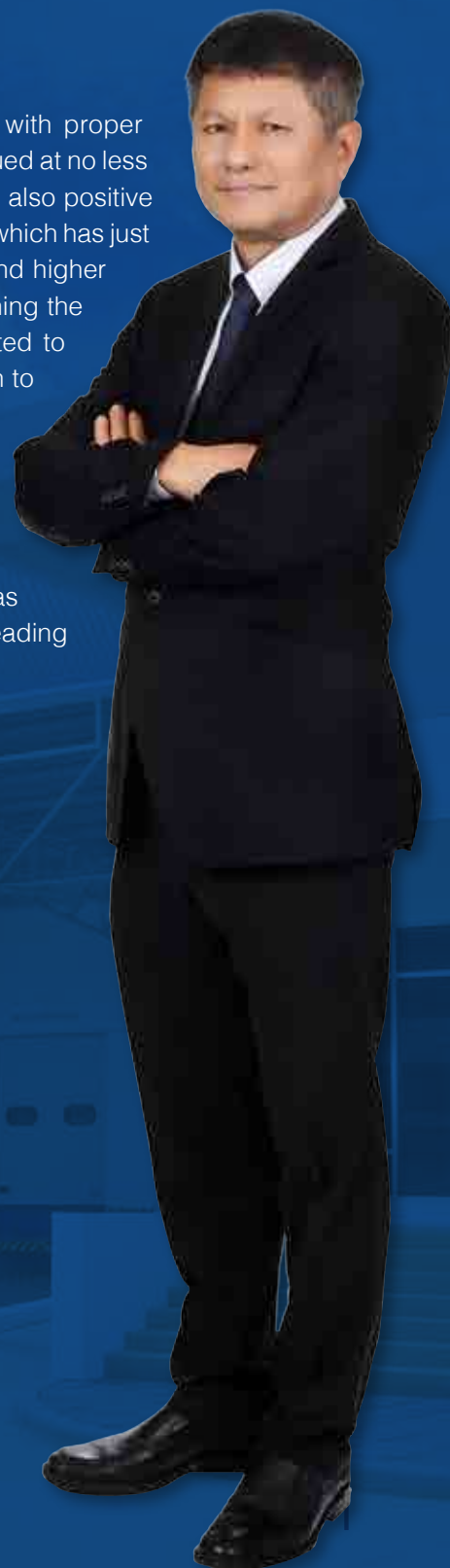
The REIT manager of TREIT are strongly determined to provide TREIT with proper growth. In 2018, TREIT has planned to further invest in assets of TICON, valued at no less than 3,500 million baht, and assets from other parties. Moreover, there are also positive factors resulting from the world's and Thailand's general economic situation which has just recovered quickly. This results in more expansion of the industry sector and higher demands to rent factories and warehouses in the same direction. Concerning the administration and management of assets, the management are committed to handling finances efficiently so that TREIT can offer the highest distribution to all TREIT's unitholders consistently and sustainably.

As a Chairman of the Board, on behalf of the board, executives and officials of TICON Management Co., Ltd., the REIT manager of TREIT, I would like to offer our heartfelt thanks to all TREIT's unitholders for your continuing support in 2017 and I hope that in 2018 we will receive your kind support as always in order that TREIT will grow continuously and "move forward to be a leading industrial REIT of the region".

With Best Regards,



Mr. Sun Vithespongse  
Chairman of the Board  
TICON Management Co.,Ltd.





FY 2014 Growth Since TREIT  
Established → FY 2017

Total Assets  
**4,507**  
Million Baht

**+27,454**  
→  
Million Baht

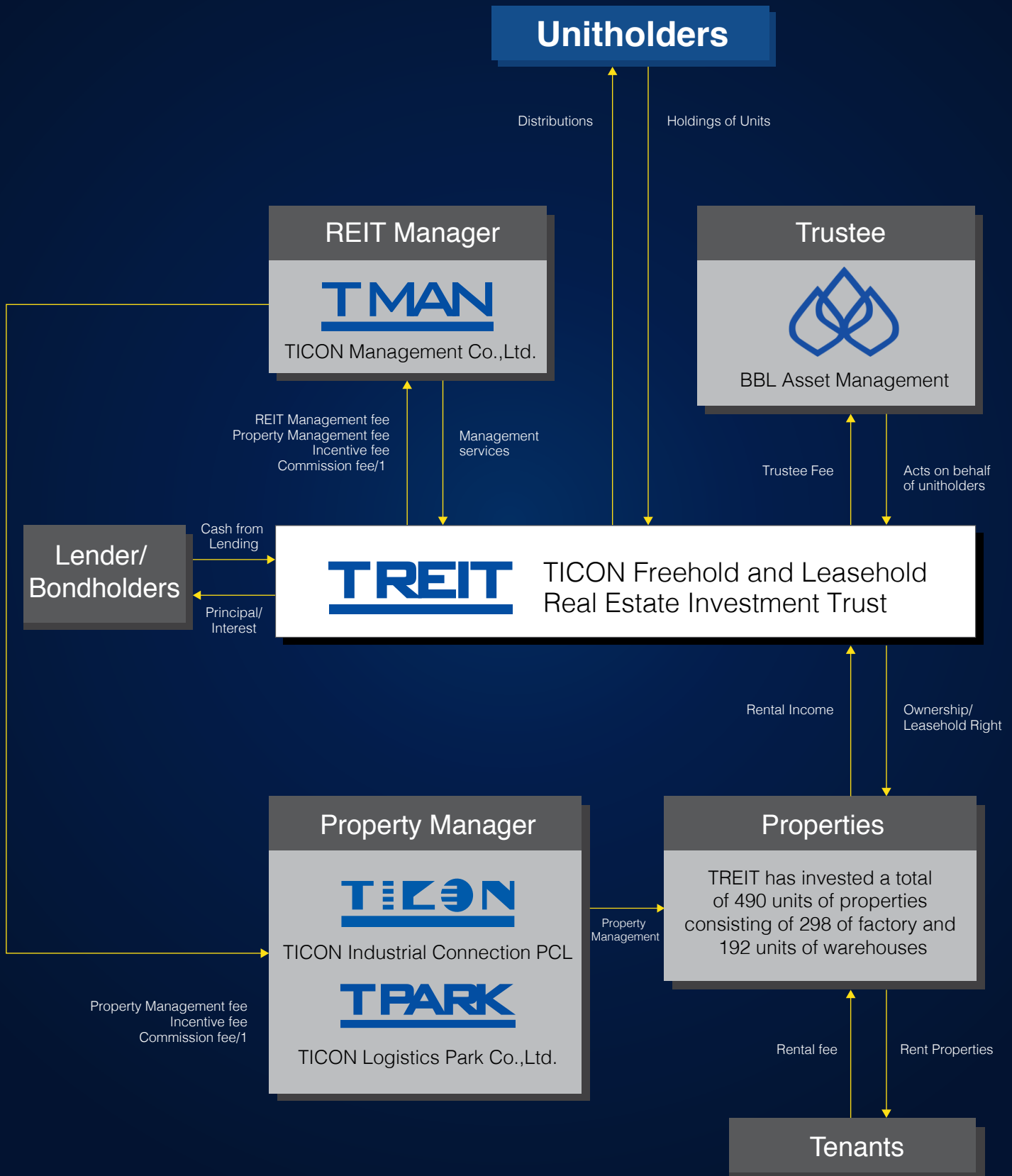
Total Assets  
**31,961**  
Million Baht

Portfolio Value  
**4,228**  
Million Baht

**+26,223**  
→  
Million Baht

Portfolio Value  
**30,451**  
Million Baht

# TREIT STRUCTURE



Note: 1 Commission fee = commission fee for acquiring a new lessee/ buying/ Selling/ transferring leasehold/ receiving leasehold



# FOR THE PERIOD 1 JANUARY 2017 TO 31 DECEMBER 2017



**+7.2%**

Unit Price  
(THB)



**+392%<sup>/1</sup>**

Market Cap  
(THB)

Remark : Market price per unit at the last date of 2017 at THB 10.4 per units with total trust units 2,602,387,048 units compare with market price on the first date of 2017 at THB 9.7 per unit with total trust units 566,800,000 units.



# SIGNIFICANT EVENT OF TREIT



**2014 - 2017**

**12 December 2014**

- TREIT was established
- Appointed TICON Management Co., Ltd. to acts as REIT Manager

**19 December 2014**

- Appointed TICON Industrial connection PCL and TICON Logistics Park to act as Property manager

**9 January 2015**

- The stock exchange of Thailand approved the listing Trust's units and permitted their trading in the market (value THB 3,425 mm)

**17 December 2015**

- Trust received payments of 1<sup>st</sup> units capital increment

**25 December 2015**

- Stock Exchange of Thailand approved the listing of the additional Trust's units and permitted their trading in the market (value THB 2,243 mm)

**19 October 2017**

- Trust unitholders in EGM 1/2017 considered and approved support conversion PFPOs to TREIT

**20 December 2017**

- Received transferred assets and liabilities of PFPOs to TREIT

**26 December 2017**

- Issued new trust units to PFPOs unitholders (value THB 19,881 mm)

**28 December 2017**

- Start trading of new Trust units after conversion

# INFORMATION OF THE TRUST

## 1. Substantial Information of the Trust

Name of Trust (Thai)	ทรัสต์เพื่อการลงทุนในอสังหาริมทรัพย์และสิทธิการเช่าอสังหาริมทรัพย์ไทคอน
Name of Trust (English)	TICON Freehold and Leasehold Real Estate Investment Trust
Ticker	TREIT
Trust registered and capital from the unitholders	Baht 25,423,451,777
Term of Trust	Indefinite Maturity
Type of Trust Units	Unredeemable
Type of business	Invest in freehold and leasehold of properties which are land and warehouses, factories and/or offices

## 2. Background and Objective of the Trust

TICON Freehold and Leasehold Real Estate Investment Trust (“TREIT”) has been established pursuant to the Transactions in Capital Market Act B.E. 2550 on 12 December 2014, with registered capital of Baht 3,425,000,000. In this regard, BBL Asset Management Company Limited, the Trustee of the Trust has appointed TICON Management Company Limited to act as the REIT Manager. TICON Logistics Park Company Limited and TICON Industrial Connection Public Company Limited are hired as the Property Management Managers and Thailand Securities Depository Company Limited acts as the Trust Registrar.

TREIT has been established for the purpose to raise funds from general investors and to use the proceeds from such fundraising to acquire, lease and/or sub-lease of immovable properties. The Trust will take the transfer of the ownership and/or leasehold rights and/or sub-leasehold rights therein and seek benefits from those properties by way of lease, sub-lease, transferring and/or disposing of immovable properties the Trust invests in or acquires. The Trust will also improve, modify, construct and/or develop immovable properties by taking the transfer of a construction permit and/or applying for other permits and/or executing any transactions necessary and advisable for immovable properties, with the aim of generating income and returns for the Trust and its unitholders. This includes investment in other properties and/or securities and/or seeks interest by any other means as prescribed by securities laws and/or other relevant law. The Stock Exchange of Thailand approved the listing of the Trust’s units and permitted their trading from 9 January 2015 onwards.

In the end of fiscal year 2015, the Trust issued additional 224.3 million unit trusts at a price of Baht 10 per unit, or a total of Baht 2,243 million, to the existing unitholders and the public. On 17 December 2015, the Trust received payments of these units capital increment and notified the increase in its paid-up units capital with the Office of the Securities and Exchange Commission. The Stock Exchange of Thailand approved the listing of the additional Trust’s units and permitted their trading since 25 December 2015.

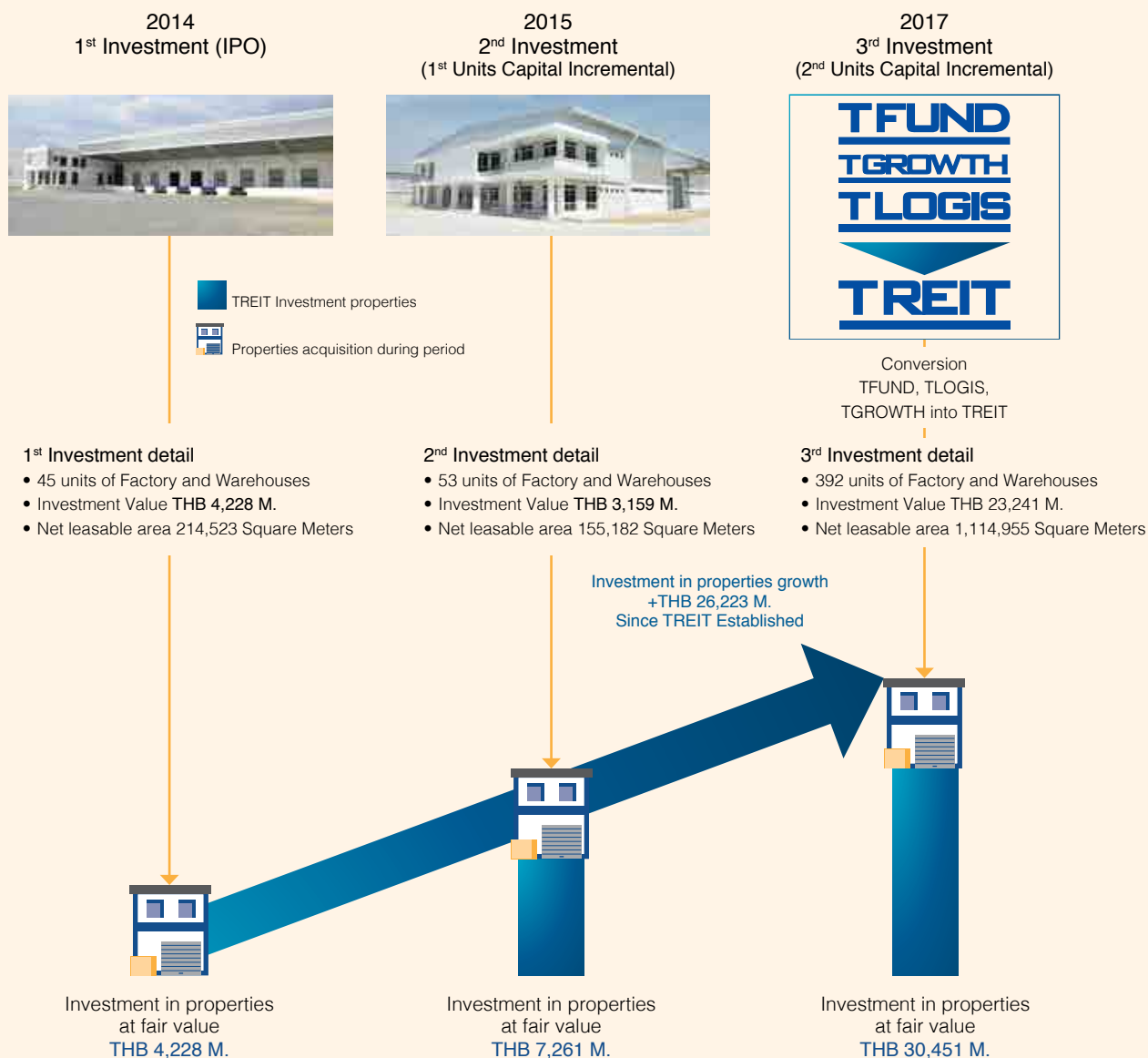
### 3. Conversion of Property funds TFUND, TLOGIS and TGROWTH into TREIT



As TFUND, TLOGIS and TGROWTH cannot proceed with the increase of its registered capital in order to invest in the additional immovable properties pursuant to the Notification of the Office of the Securities and Exchange Commission No. SorNor. 25/2552 Re: Rules, Conditions and Procedures for Establishment and Management of Property Funds (as amended) which requires to proceed with application for approval for increase of registered capital in order to invest in additional immovable properties to the Office of the Securities and Exchange Commission (“the Office of the SEC”) within 31 December 2013. After this date PFPOs cannot increase capital to invest in new properties therefore to maximize the benefit to PFPOs and Trust unitholders, conversion is the best solution to all parties. TREIT after conversion is “The biggest industrial REIT in Thailand”.

In 2017, the tax benefits granted to property funds (value added tax, specific business tax and stamp duty to be exempted) and to unitholders (income tax to be exempted) and the discount on the registration fee of right and juristic act for the conversion of property fund to REIT) will end within 31 December 2017, the Management Companies of TFUND, TLOGIS and TGROWTH and the REIT Manager of TREIT have been considering together the details of the Conversion of Property Funds and the process of the said procedures, including the specification of terms and conditions to be approved and decide to propose this matters to PFPOs and Trust unitholders to consider and approve.

## Growth of TREIT Investment Properties Since Trust Established



**Note:** Investment in properties at fair value = investment in properties adjusted with revaluation of properties in each period



On 18-19 October 2017 PFPOs unitholders approved to convert PFPOs (TFUND, TLOGIS and TGROWTH) into TREIT and TREIT unitholders approved to the support of the Conversion of Property Funds into TREIT.

On 20 December 2017, the Trust received the transfers of assets, which were mostly properties, and obligations of TICON Property Fund, TPARK Logistics Property Fund and TICON Industrial Growth Leasehold Property Fund (the Funds), as approved by the Extraordinary General Meeting of Unitholders of the Trust No. 1/2017 held on 19 October 2017. The Trust issued trust units to the Funds in a total amount of 2,035,587,048 trust units and paid Baht 3,739,966,268 of cash in exchange for the assets and obligations of the Funds. The swap ratios of investment units to trust units are as follows:

- 1) At the rate of 1 investment unit of TICON Property Fund to 0.9874 trust unit of the Trust with Baht 1.6977 of cash per unit, whereby the total amount of 1,135,057,711 trust units with Baht 1,951,577,352 of cash were exchanged for the assets and obligations of TICON Property Fund.
- 2) At the rate of 1 investment unit of TPARK Logistics Property Fund to 1.0129 trust units of the Trust with Baht 1.7415 of cash per unit, whereby the total amount of 419,177,837 trust units with Baht 720,701,158 of cash were exchanged for the assets and obligations of TPARK Logistics Property Fund.
- 3) At the rate of 1 investment unit of TICON Industrial Growth Leasehold Property Fund to 0.8673 trust unit of the Trust with Baht 1.4911 of cash per unit, whereby the total amount of 481,351,500 trust units with Baht 827,560,500 of cash were exchanged for the assets and obligations and cash of Baht 240,127,258 for the repayment of the existing loan of TICON Industrial Growth Leasehold Property Fund.

After the issue of new trust units, the registered capital of the Trust is Baht 25,066,972,762, divided into 2,602,387,048 trust units at a par value of Baht 9.6323 each (the registered capital as of December 31<sup>st</sup>, 2018 has included the increase in fair value of investments in properties amounting to Baht 356,479,015), and the newly issued trust units have been listed on the Stock Exchange of Thailand with the trade beginning on 28 December 2017 onwards.

# TRUSTEE

## 1. General Information

<b>Name</b>	BBL Asset Management Company Limited
<b>Address</b>	175 Sathorn City Tower, 7 <sup>th</sup> , 21 <sup>st</sup> and 26 <sup>th</sup> Floor, South Sathorn Road, Tungmahamek Sub-district, Sathorn District, Bangkok 10120
<b>Telephone</b>	02-674-6488
<b>Fax</b>	02-679-6882
<b>Website</b>	www.bblam.co.th

## 2. Duties and Responsibilities of the Trustee

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

- (1) Ensure that the Trust Deed contains material information required by related laws. Any changes in the Trust Deed shall be done in accordance with the criteria and procedures defined in the Trust Deed and related laws. In case there are any changes that are not complied, Trustee shall take actions by using its authority specified in the Trust Deed and in the Trust for Transactions in Capital Market Act, B.E. 2550 to protect the rights and interests of the unitholders. Additionally, if in the future there are any amendments in the regulation relating to trust units offering or management of the Trust listed under the Securities and Exchange Act, B.E. 2535 and the Trust for Transactions in Capital Market Act, B.E. 2550 and the Trust Deed is not complied with such amendments, Trustee shall process the amendment of the Trust Deed by following the procedures defined in the Trust Deed or the SEC order under section 21 of the Trust for Transactions in Capital Market Act, B.E. 2550.
- (2) Monitor, oversee and review the activities of the REIT manager which relate to management of TREIT, including the investment in the assets of TREIT and other duties stated in the Trust Deed, other related contracts and related laws as follows:
  - (a) Ensure that the management of TREIT carried out by the REIT Manager has been approved by SEC at all time.
  - (b) Oversee and take necessary actions to ensure that the REIT Manager is qualified and perform its duties according to the rules stipulated in the Trust Deed and related laws, as well as to revoke the existing REIT Manager and appoint the new one.
  - (c) Oversee that the investment of the Trust by the REIT Manager complied with the Trust Deed and related laws.
  - (d) Oversee and verify that the REIT Manager has a list of the assets, a system to keep track of benefits arising from the assets, and sufficient measures to protect the assets.

- (3) Oversee the REIT Manager to prepare and disclose the Trust information accurately and completely in accordance with the Trust Deed and related laws, including the preparation and submission of financial statements and reports on the financial status and results of operations of the Trust to the Securities and Exchange Commission as follows:
  - (a) Quarterly audited financial statement.
  - (b) Financial statement for the accounting period which the auditor already examined and commented.
  - (c) Reports on operating result of the Trust.
  - (d) Report on other disclosures information relating to the Trust.

All reports shall be prepared according to the rules, conditions and procedures stated in the Notification of the Capital Market Commission and in line with the accounting standards prescribed by the law on accountancy by taking into account the standards approved by the Board of Supervision of Auditing Practices under the Auditor Act, B.E. 2505. In addition, the REIT Manager shall report and explain the reasons to the Office of the Securities and Exchange Commission, without delay, if there are any events prescribed in Section 57 of the Securities and Exchange Act B.E. 2535. The REIT Manager shall disclose the required information to the Stock Exchange of Thailand and submit an annual report of TREIT to unitholders together with the invitation to the Annual General Meeting.

- (4) Supervise the REIT Manager to provide sufficient information for investors to make decision. Such information must be clearly communicated without any distortions and misleading. The REIT Manager needs to take precautions to ensure that proper guidance is given to the investors or the proper decisions are made for the investors.
- (5) Ensure that the process of capital increase and capital reduction which is carried out by the REIT Manager is in line with the rules stipulated in the Trust Deed and related laws.
- (6) Oversee the operations of the REIT Manager in acquiring and disposal of assets of the TREIT to comply with the rules stipulated in the Trust Deed and related laws.
- (7) Ensure that the REIT Manager maintains the core assets to be in good conditions, ready for renting out to earn income. This includes the provision of adequate insurance for the duration of TREIT investment, covering real estate insurance and liability insurance to third parties that may have been damaged by the real estate or the operation of the real estate.
- (8) Oversee the REIT Manager's business activities relating to borrowing for TREIT, entering into any obligations of the Trust assets, entering into any agreements and conducting any other activities for TREIT under the conditions stated in the Trust Deed and related laws.

- (9) Ensure the REIT Manager takes action regarding the valuation of the invested core assets as stipulated in the Trust Deed and related laws.
- (10) Oversee the REIT Manager to properly handle the transactions between the Trust and the REIT Manager or connected person of the REIT manager as stipulated in the Trust Deed and related laws.
- (11) Ensure the REIT Manager pays proper distribution to the unitholders with restriction to the right to receive benefits of unitholders who held units trust exceeding the allowed percentage or not in comply with the Trust Deed and related laws' stipulations. The REIT manager is required to conform with the rules stated in Trust Deed and related laws.
- (12) Ensure the REIT Manager arrange the Unitholders meeting, proceed to get resolutions from the meeting, and ensure that unitholders are given proper right to vote and reinforce the restriction for unitholders without the right in order to comply with the Trust Deed and related laws.
- (13) In case that the REIT Manager assigns other person to manage the invested assets, the Trustee shall ensure that the selection is done with cautiousness. The REIT Manager shall specify the roles and responsibilities of the property manager and the adequate measures to monitor and oversee the performance of the Property Manager.
- (14) Require the REIT Manager to prepare and submit report of disbursement of petty cash from TREIT's bank account within proper timeframe for the Trustee to review regularly.
- (15) Require and monitor the REIT Manager to oversee that the administrative expenses charged to TREIT are necessary, reasonable and associated directly with the Trust management.
- (16) Comment on the actions or transactions the REIT Manager carried out for TREIT in order to disclose the information to the unitholders or upon SEC's request.
- (17) Attend every unitholders' meeting to answer questions and make comments about the matter that unitholders are required to vote for resolution in regards of its compliance with the Trust Deed and related. The Trustee is required to make a clear remark and advise the unitholders that TREIT cannot take any action that is not complied with the Trust Deed or related laws.
- (18) Prepare report to the SEC within 5 business days after being notified or aware of the REIT Manager's action or refrain from action that caused damages to TREIT or when the REIT Manager not performing its duties as stipulated in the Trust Deed or related laws. The Trustee shall also take actions to resolve, prevent or recover such damages as deem appropriate.



- (19) Force liquidation or oversee a forced liquidation to comply with the agreement between the Trust and other parties.
- (20) Separate storage of Trustee belongings from the assets of the Trust.
- (21) Act as the REIT Manager and may assign other persons to manage the Trust within the scope of the rules and conditions stated in the Trust Deed, when necessary, i.e in the absence of REIT Manager or when the REIT Manager cannot perform its duties in order to prevent, inhibit or limit the damages which might affect the benefits of TREIT and of the unitholders. Additionally, with the authority stated in the Trust Deed and TREIT Act, the Trustee shall arrange to appoint new REIT manager as it deems appropriate.
- (22) In case that the Trustee holds the units trust, which it serves as a trustee. When it is required to exercise its right to vote or make any transaction as a unitholder, the Trustee shall consider and protect the benefit of the unitholders as a whole.
- (23) Arrange for the preparation of the unitholder register book which may be assigned to the SET or other registrars, as allowed by the Securities and Capital Market Act. The unitholder register book shall contain the following details:
  - (a) General information, including name of the REIT Manager and the Trustee, number of units trust, par value, paid-up capital, date of units trust issuance and restriction of unit transfer (if any).
  - (b) Details of each unitholder, including name, nationality, address of the unitholder, number of unit trust (if any), number of units trust to be hold, date of registration to be or cease to be unitholders, date of cancelling and re-issuing of unit trust certificate (if any), and sequence number of request to add or change records in the book (if any).

In case that the number of units held by some unitholder is not comply with the percentage specified in the Notification of the Capital Market Supervisory Board governing the issuance and offering of units trust, such unitholder will be refrained from registration in the book. In case of assigning external party as the Registrar, the Trustee shall ensure that such assign party complies with the rules and guidelines for preparing certificate of unitholding and the Trust Deed, except the preparation of evidence required by the system of The Thailand Securities Depository Co., Ltd. (TSD).

- (24) Process the payment of cash or assets and grant the right or any right restriction to the unitholders, whose name appeared on the register book in compliance with the conditions of TREIT obligations or related law.

- (25) Prepare unitholding certificate for the unitholders which including the information that is necessary and sufficient for the unitholders to use as their evidence and reference to the Trustee, the REIT Manager and others. The certificate must also include the information of related parties of TREIT, such as the Trustee, the REIT Manager, the Registrar, so that the unitholders can contact those parties. The certificate must also state clearly that the unitholders cannot return or redeem the units trust. Any other restrictions of unitholder's right must be clearly specified as well.
- (26) In the event of the existing REIT Manager must be out of duties in accordance with provisions in the Trust Deed and related law, the Trustee shall arrange to get unitholders' resolution to appoint new REIT Manager within 60 days after the incident and shall appoint the new REIT Manager within 30 days after the resolution date. In case that no resolution is obtained after the request, the Trustee shall appoint new REIT manager by considering the benefit of unitholders as a whole.

### 3. Trustee Fee

Trustee fee which designated in Trust deed (Amendment trust Deed No.2) have detail as follow;

- (1) For a portion of total asset value not more than Baht 15,000 Million: At the rate of 0.060 percent (zero point zero six) per annum of total asset value for such portion.
- (2) For a portion of total asset value that exceeds Baht 15,000 Million up to Baht 30,000 Million: At the rate of 0.045 percent (zero point zero four five) per annum of total asset value for such portion.
- (3) For a portion of total asset value that exceeds Baht 30,000 million: At the rate of 0.030 percent (zero point zero three) per annum of total asset value for such portion.

The Trustee calculate their fee and charge to the TREIT on monthly basis by using total asset value on the last day of each month. The rate specified in clause 1 shall not include legal advisor fee or other advisors appointed by the Trustee.

In addition, the Trustee has charged TREIT for expenses incurred during performing its duties, such as the cost of the transfer or receive of assets, expenses incurred when performing inspection of purchase, lease, sell or transfer the assets, as well as the assets inspection on behalf of TREIT. Expenses which can be disbursed from TREIT include the expense of travel, accommodation, fees as well as additional costs such as the cost of copying the documents.

# PROPERTY MANAGER

For the main assets that TREIT invested in, the REIT manager has appointed TICON Logistics Park Company Limited (“TPARK”) to be the Property Manager for Warehouse and TICON Industrial Connection Public Company Limited (“TICON”) for Factory. Details of each Property Manager are as follows:

## 1. TPARK

<b>Name</b>	TICON Logistics Park Company Limited (“TPARK”)
<b>Address</b>	Suite 1308, 13/1 <sup>th</sup> Floor, Sathorn City Tower, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok, 10120
<b>Telephone</b>	02-679-6565
<b>Fax</b>	02-287-3153
<b>Homepage</b>	<a href="http://www.ticon.co.th">www.ticon.co.th</a>

### TICON Logistics Park Co.,Ltd. (“TPARK”)

TPARK is a subsidiary of TICON. As at December 31, 2017, TICON held 100% share of paid-up registered capital of TPARK.

TPARK was established on August 2, 2005 with a registered capital and paid up, as at December 31, 2017, of Baht 11,500 million. The company’s objectives are to develop a ready-built warehouse with international quality for rent or sell. Currently, TPARK have warehouse in 33 strategic location. TPARK is also property manager for TREIT.

## 2. TICON

<b>Name</b>	TICON Industrial Connection Public Company Limited (“TICON”)
<b>Address</b>	Suite 1308, 13/1 <sup>th</sup> Floor, Sathorn City Tower, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok, 10120
<b>Telephone</b>	02-679-6565
<b>Fax</b>	02-287-3153
<b>Homepage</b>	<a href="http://www.ticon.co.th">www.ticon.co.th</a>

### TICON Industrial Connection PCL (“TICON”)

TICON was established in 1990 with the objective to operate business of building factory for rent. TICON was listed in the Stock Exchange of Thailand in 2002 with registered capital as at December 31, 2017, of Baht 2,751 million (with paid-up capital of Baht 1,834 million).

As at January 16, 2017, TICON had offering newly issued ordinary share and increased paid-up capital to Baht 1,834 million. Up to now, TICON has Frasers Property Holdings (Thailand) Company Limited as its major shareholder, holding 40% of paid-up capital.

Up to now, TICON has developed over 500 single storey factory buildings located in 18 industrial estates, industrial parks and industrial zones in Thailand. The construction of the above mentioned factory buildings was carried out by TICON's construction team which consisted of architects, engineers and project managers. The advantage of having its own construction team is more cost effective, quality control of building standards and more flexibility in construction management. TICON can accelerate construction time to complete the building as per customer's request and can serve customer's requirements to adjust or build the extension. Apart from managing its own properties effectively with stable growth, TICON also provides services to assist tenants in the process of applying for licenses and supply of utilities according to customer request. Other services include applying work permits for foreigners and general assistance which might be requested from customers i.e. introducing buyers of their products or suppliers of raw materials. These services and supports add value to the products and services of TICON, which results in the company's ability to maintain high occupancy rate. TICON is also the property manager of the Trust assets like TPARK.





# REIT MANAGER

## 1. General Information

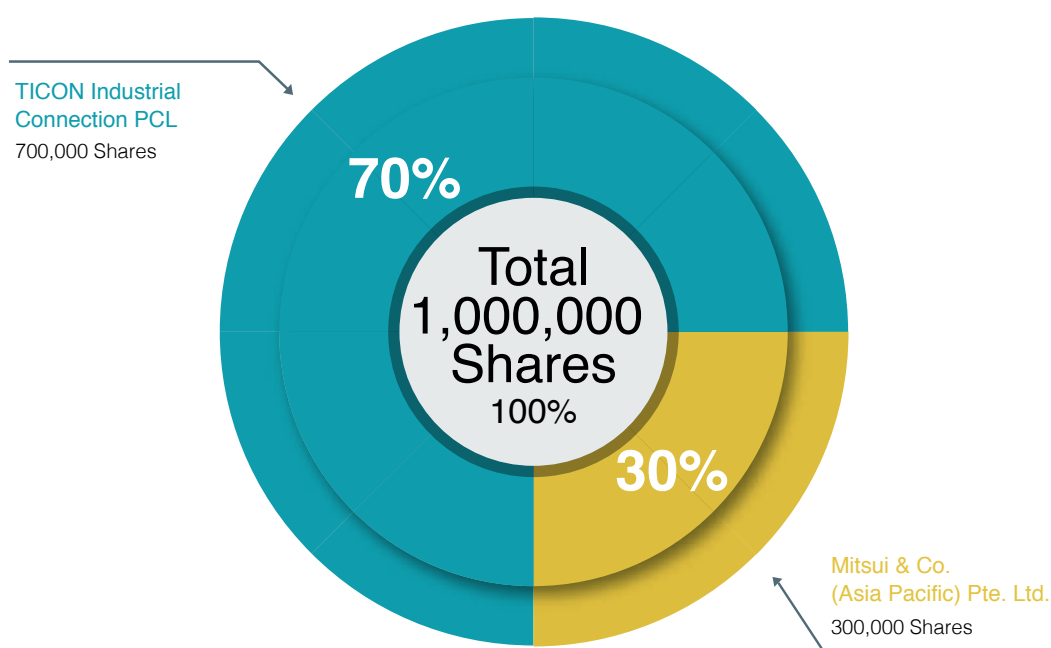
Name	TICON Management Company Limited
Address	Suite 1308, 13/1 <sup>th</sup> Floor, Sathorn City Tower, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok, 10120
Telephone	0-2679-6565
Fax	0-2287-3153
Website	www.treit.co.th
E-mail	ir.treit@tmanrm.com
Business Hours	8.30 hrs. to 17.30 hrs.
Type of Business	REIT Manager
Registered Capital	Baht 10,000,000
Paid-up capital	Baht 10,000,000
Issued and paid-up shares	1,000,000 shares
Par value	Baht 10.00 per share

## 2. Nature of Business

TICON Management Company Limited engages in the business of acting as a REIT Manager. At present, it acts as REIT Manager of TICON Freehold and Leasehold Real Estate Investment Trust ("TREIT").

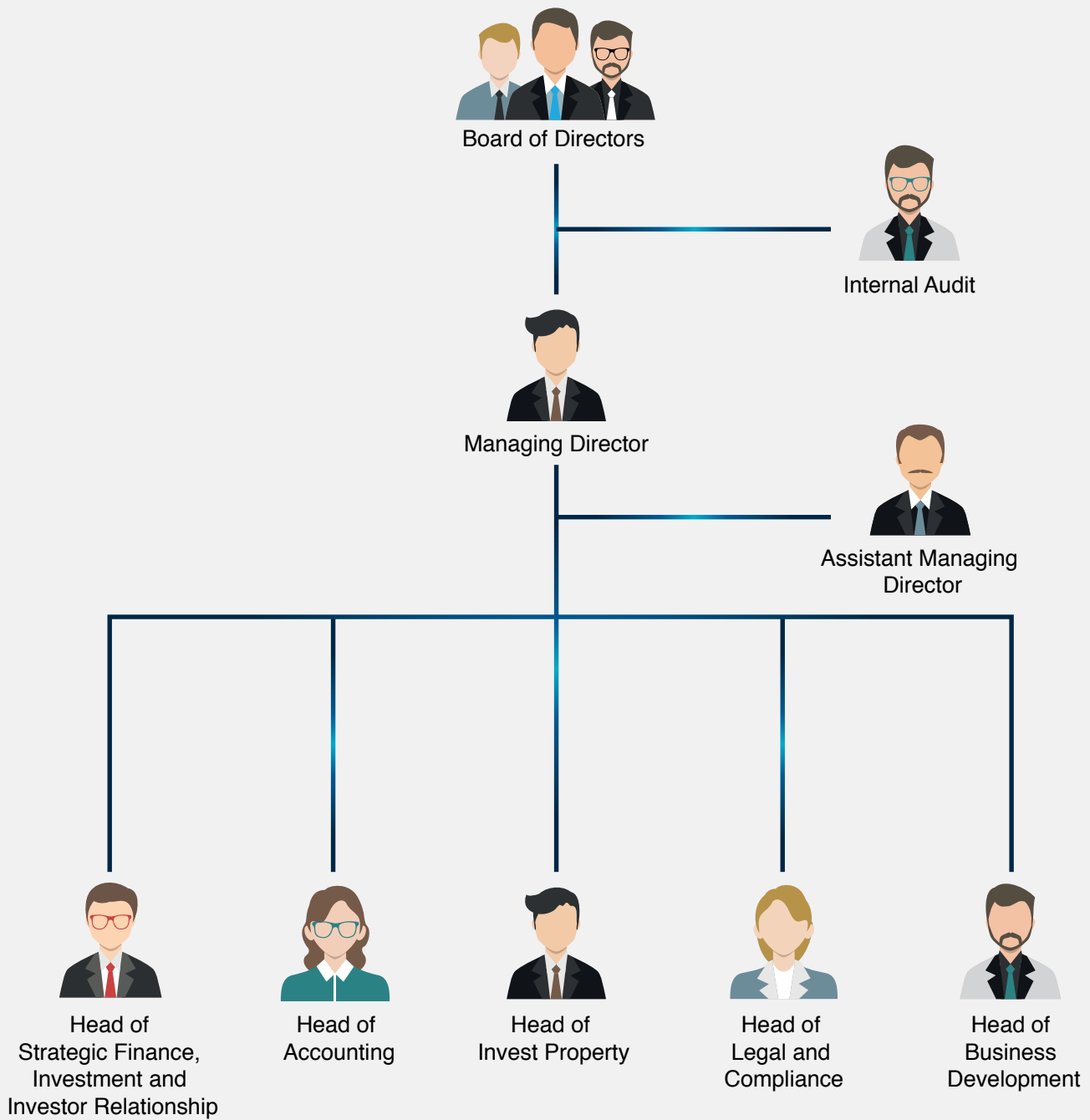
## 3. List of Shareholders

As of December 31<sup>st</sup>, 2017



#### 4. Management Structure, Board of Directors and Management

The management structure of the REIT Manager consists of the Board of Directors and the executives as shown below :





# BOARD OF DIRECTORS



**Mr. Sun Vithespongse**

Chairman of the Board and Independent Director

## Education

Bachelor of Economics, University of Tasmania, Australia (Colombo Plan Scholarship)

## Current Position

Chairman of the Board and Independent Director

- TICON Management Co., Ltd.

Independent Director, Member of the Audit Committee, Member of the Corporate Governance Committee

- LH Financial Group PCL.

## Working Experience

Independent Director Chairman of the Audit Committee

- BIG C Supercenter PCL.

Independent Director, Member of the Audit Committee, Member of the Corporate Governance Committee

- Land and Houses Bank PCL.

Director and Member of Audit Committee

- Financial Institution Development Fund
- Gulf Electric PCL.

Director

- Mass Transit Authority of Thailand
- Expressway & Rapid Transit Authority of Thailand
- Electricity Generating Authority of Thailand
- Suvannabhumi Airport Hotel Co., Ltd.
- ASEAN Potash Mining Co., Ltd.

Secretary to the Minister of Finance, Senior Advisor in Finance, Advisor in Finance

- Ministry of Finance

Commissioner

- Energy Regulatory Commission

Executive Director

- World Bank, Washington D.C.



**Mr. Sapon Punyaratabandhu**

Director

## Education

Master of Commerce and Accountancy, Thammasat University

## Current Position

Managing Director

- Vnet Capital Co., Ltd.

Independent Director and Audit Committee

- Asia Plus Group Holdings PCL.
- Asia Plus Securities Co., Ltd.
- Asset Plus Fund Management Co., Ltd.

Independent Director

- TICON Management Co., Ltd.

Director

- Thai Incubator Dot Com Co., Ltd.
- Vintcom Technology PCL
- NTN Solution Limited
- Thai Automotive VCF Co., Ltd.
- Copperwired Co., Ltd.
- VHealth threesixty Co., Ltd.
- Koan Co., Ltd.
- Blue Fish Solution Co., Ltd.
- BCBG Co., Ltd.
- Vintcom Technology (Myanmar) Co., Ltd.
- vServePlus Co., Ltd.
- VNET CAPITAL (SINGAPORE) PTE. LTD
- Foresight Holding Co., Ltd.

## Working Experience

Director

- Netband Consulting Co., Ltd.
- Morison CKS Co., Ltd.
- City Network Co., Ltd.
- Copperwired-E Co., Ltd.
- Copperwired-S Co., Ltd.
- Copperwired-N Co., Ltd.
- Sanko Diecasting (Thailand) PCL.
- I-Vision Solutions Co., Ltd.



**Mr. Virapan Pulges**

Director

## Education

- Master of Engineering, University of Colorado, USA
- Bachelor of Electrical Engineering and Computer Science, University of Colorado, USA

## Current Position

Chief Executive Officer

- TICON Industrial Connection PCL.

Director

- TICON Management Co., Ltd.
- TICON International Pte. Ltd.
- TICON (HK) Limited
- Shanghai TICON Investment Management Co., Ltd.
- TICON Logistics Park Co., Ltd.
- Eco Industrial Services Co., Ltd.
- SVI Public Co., Ltd.
- Singapore-Thai Chamber of Commerce

## Working Experience

- Managing Director H&Q Co., Ltd.
- Director and Managing Director, TICON Industrial Connection PCL.
- Member of the Audit Committee, Director, Member of the Nomination Committee, Fabrinet Co., Ltd.
- Treasurer and Director, Thai Venture Capital Association



**Mr. Michio Maeda**  
Director

#### Education

Bachelor of Engineering,  
Kyoto University, Japan

#### Current Position

General Manager of Financial &  
New Business Department

- Mitsui & Co., Ltd.

#### Director

- TICON Management Co., Ltd.
- Insurance Company of Trinet Asia Pte. Ltd. (Singapore)
- Mekong Capital Holding (Vietnam)
- Challenger Emerging Market Infrastructure Fund Pte Ltd (Singapore)
- Challenger MBK Fund Management Pte. Ltd. (Singapore)
- Global Consumer Product Private Limited (India)

#### Working Experience

- Mitsui & Co., Ltd.

**Mr. Sopon Racharaksa**  
Director

#### Education

- M.A., Public Administration, National Graduate Institute for Policy Studies, Japan
- M.A., Economics Michigan State University, USA
- B.A., Economics Thammasat University

#### Current Position

##### President

- TICON Industrial Connection PCL.

##### Director

- TICON Management Co., Ltd.
- TICON Logistics Park Co., Ltd.
- Eco Industrial Services Co., Ltd.
- TPARK BFTZ Co., Ltd.
- Shanghai TICON Investment Management Co., Ltd.
- TICON International Pte. Ltd.

#### Working Experience

##### Executive Vice President

- TCC Hotel Group Co., Ltd.
- TCC Land Co., Ltd.

##### Vice President

- TCC Holding Co., Ltd.

##### Managing Director

- TCC Land Development Co., Ltd.

##### Advisor to the Board of Directors

- Industrial Estate Authority of Thailand (IEAT)

##### Senior Investment Officer

- Overseas Investment Promotion, Policy Planning, Office of the Board of Investment (BOI)

**Mr. Peerapat Srisukont**  
Managing Director

#### Education

- MBA, Mahidol University International College
- Master of Science in civil Engineering Texas A&M University, Kingsville, USA
- Bachelor of Engineering, Chulalongkorn University

#### Current Position

##### Managing Director

- TICON Management Co., Ltd.

#### Working Experience

##### Deputy General Manger

- TICON Industrial Connection PCL.

# MANAGEMENT TEAM



## Mr. Peerapat Srisukont

- Managing Director
- (Acting) Head of Invest Property
- (Acting) Head of Legal and Compliance

### Education

- MBA , Mahidol University International College
- Master of Science in civil Engineering Texas A&M University, Kingsville, USA
- Bachelor of Engineering, Chulalongkorn University

### Working Experience

Deputy General Manager

- TICON Industrial Connection PCL.



## Mr. Bhumpharn Arunthammakul

Head of Strategic Finance, Investment and Investor Relationship

### Education

- MBA (Finance), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Accounting, Thammasat University

### Working Experience

Capital Market Associate

- Siam Commercial Bank PCL.

Senior Auditor

- Deloitte Touche Tohmatsu Jaiyos Audit.



## Miss Namtip Panjan

Head of Accounting

### Education

- Master of Accounting, Dhurakij Pundit University
- MBA, Dhurakij Pundit University
- Bachelor of Accounting, Rajamangala University of Technology Suvarnabhumi

### Working Experience

Accounting Manager

- SF Corporation PCL.

Assistant Finance and Accounting Manager

- Thai Orix Leasing Co.,Ltd.



## Mr. Chansak Thamsombatdee

Head of Business Development

### Education

- Master of Economics (International Program), Chulalongkorn University
- Bachelor of Business Administration (International Program), Chulalongkorn University

### Working Experience

Logistics Manager

- Mitsui & Co. (Thailand) Ltd.

Deputy Manager

Risk Management Department

- Mitsui & Co. (Thailand) Ltd.



## 5. Responsibilities of Board of Director

### 5.1 Authorized Directors who may act on behalf of the Company as the REIT Manager

Authorized directors who may act on behalf of the Company as REIT Manager are two directors of the directors listed in No. 3 to No. 6 who must jointly affix signatures and the Company seal.

### 5.2 Board of Directors' Duty and Responsibility

The Board of Directors' duty and responsibility consists of two parts: duty towards the Company and duty towards the Trust as described below:

#### Duty and responsibility of the Board of Directors towards the Company

- (1) Perform his duty in accordance with the law, the Company's objectives and regulations and the resolutions of the shareholders' meeting with honesty, integrity, caution, and protect the interest and be responsible for the shareholders.
- (2) Establish a policy and a guideline on the Company's operation and supervise to ensure that the management comply with the policy and the regulations efficiently and effectively under the good governance principle.
- (3) Report the Company's operation result to shareholders in a shareholders' meeting.
- (4) Organize efficient and reliable financial reporting, internal control, and internal audit.
- (5) Control and supervise the management to ensure fair and equal treatment to all stakeholders.
- (6) Exercise discretion independently when considering strategy, management of the business, director appointment, setting performance standard, as well as opposing to actions taken by other directors or the management in case of conflict that affects equality of all shareholders.
- (7) Consider and approve connected transactions in accordance with the relevant criteria and rules where a director who has interest in such matter shall have no rights to vote.
- (8) An independent director shall consider and give opinion on reasonableness of connected transactions or transactions that may create conflict with the interests of TREIT to ensure the transaction proceeds in accordance with the relevant criteria including material acquisition and disposal of assets.
- (9) An internal auditor shall be appointed by an independent director.
- (10) Consider meeting agenda if any particular matters that should be considered by the board of directors are not included in the agenda of the board of directors' meeting.
- (11) Prepare a report in the form of "Disclosure of Director / Management's Interest" to the Company according to the Company's criteria.

- (12) Consider and appoint a director to replace a resigned director, select and propose additional directors to the Company's shareholders.
- (13) If necessary, the board of directors may obtain advice or professional opinion from an external consultant regarding the Company's business at the Company's expenses.
- (14) Consider and approve matters related to major operation of the Company such as paying benefits to shareholders, organizing a shareholders' meeting, selection and proposing compensation for an accounting auditor; Conduct an induction so that the board of directors or an assigned person can give information on the Company's business to a new director.

#### Duty and Responsibility towards TREIT

- (1) Establish significant policies for TREIT such as investment policy, property lease policy, property manager selection policy.
- (2) Consider and approve acquisition or disposal of core assets according to the criteria specified in the Company's policy.
- (3) Consider and approve sourcing of fund for TREIT including source of fund, fund amount, requirement, and related conditions.
- (4) Ensure that the management report performance of TREIT and important issues to the board of directors every quarter or when appropriate,
- (5) Consider and approve payment of benefits to unitholders.
- (6) Consider and approve meeting of unitholders.
- (7) Consider and approve connected transactions entered into between TREIT and the REIT Manager and between TREIT and connected persons in accordance with the relevant criteria and rules where a director who has interest in such matter shall have no rights to vote.
- (8) An independent director, consider and give opinion on reasonableness of connected transaction or transaction that may create conflict with the interests of TREIT to ensure the transaction proceeds in accordance with the relevant criteria including material acquisition and disposal of assets.
- (9) An internal auditor shall be appointed by an independent director.
- (10) Consider and approve a guideline on risk management for potential risks to TREIT.
- (11) Ensure that TREIT has an internal control that meets the criteria specified in TREIT's internal control procedure.
- (12) Appoint a complaint and dispute subcommittee as deemed appropriate to solve TREIT-related complaints and disputes raised by a third party which is proposed by Compliance and Investment Relations Department.
- (13) Select and propose for appointment, propose compensation of an accounting auditor and organize a meeting with an accounting auditor as deemed appropriate.

- (14) In case a director receives internal information that are material to a change in securities price of TREIT, he/she must suspend acquisition or disposal of units for an appropriate period of time before the information is disclosed to public and such material information must not be disclosed to a third party otherwise he/she will be subject to punishment as prescribed by law.

## 6. Independent Directors

In relation to recruitment of an independent director for the Company as the REIT Manager, he/she must possess minimum qualification as follows:

- (1) An independent director may not hold more than 1% of total shares with voting rights of the Company, its subsidiaries, affiliated companies, or a person who may have a conflict of interest (including connected persons as prescribed in the Securities and Exchange Act B.E. 2535).
- (2) An independent director must not be involved in management or be a worker, employee, advisor who received fixed salary from the Company or its affiliated companies or a person who may have a conflict of interest where such interest must not exist for minimum of two years (preceding appointment).
- (3) An independent director must have no direct or indirect business relationship or interest in the management and the finance of the Company, its affiliated companies or a person who may have a conflict of interest in a manner that may affect independency.
- (4) An independent director must not be a close relative to a director or a major shareholder of the Company, its subsidiaries or a person who may have a conflict of interest and is not appointed an agent to protect the interest of directors or major shareholders.
- (5) An independent director must exercise discretion independently as necessary in the interest of the Company and must be prepared to make objection to actions taken by other directors or management.
- (6) An independent director is able to attend meetings of the board of directors to make a decision on important activities of the Company.
- (7) An independent director must possess appropriate knowledge and experience or be a person with high level of competency and be accepted.
- (8) An independent director must not be a person whose name is listed in the list deemed by The Stock Exchange of Thailand to be unfit to be in the management according to the regulations of The Stock Exchange of Thailand.
- (9) An independent director must have never been convicted of an offence against the securities law, the business law, the financial institution law, the non-life insurance law, the suppression and anti-money laundering law or other laws related to finance regardless of whether it is Thai law or foreign laws by the authority regarding offence on unfair acquisition and disposal of securities or bad-faith or fraudulent management.
- (10) An independent director has no other characteristic that may prevent him/her from giving independent opinion on the Company's operation performance.

The Company has set out scope of duty and responsibility of an independent director as follows:

- (1) Consider, follow up, and give necessary advice to the Company regarding preparation of and disclosure of financial information of the Company and TREIT to ensure accuracy, completeness, sufficiency and timely submission.
- (2) Consider, following and giving necessary advice regarding suitable internal control and work procedure to the Company as REIT Manager.
- (3) Consider and give opinion on connected transaction or other transactions that may have conflict of interest with TREIT to ensure compliance with the law and related requirement and that the transactions are justifiable and in the best interest of TREIT.
- (4) Take any other actions assigned by the board of directors in the best interest of TREIT.

According to the above scope of duty, relevant departments must report the following matters to an independent director for consideration and acknowledgement and necessary advice:

- (1) Connected transactions or transactions that may create conflict with the interests of TREIT.
- (2) Weakness in internal control procedure and work procedure that the Company as the REIT Manager needs to improve and improvement progress.

The Board of Directors and independent directors have an important role in follow up and giving necessary advice to the Company in its capacity as REIT Manager in accordance with the regulations and related agreements.

## **7. Duty and responsibility of the Company as the REIT Manager**

The Company as the REIT Manager has duty and responsibility to control and manage TREIT and TREIT's investment in assets as well as control performance of the Property Managers. The REIT Manager must take any actions as assigned by the Trustee and as specified in the Trust Deed in the interest of unitholders including, but not limited to, the following:

### **7.1 General Duty of the REIT Manager**

- (1) Perform his/her duty with diligence and care, integrity in the best interest of unitholders and in accordance with the Trust Deed and related laws and obligations specified in the disclosure to investors (if any).
- (2) Manage the TREIT's assets in accordance with the disclosure of offering of units, TREIT's operation plan, the resolution of the meetings of unitholders, the rules, regulations and related laws, and the notification of Office of the Securities and Exchange Commission.
- (3) Organize meetings of unitholders as specified in the Trust Deed.
- (4) Take actions to increase capital of TREIT as specified in the Trust Deed.
- (5) Take actions to decrease capital of TREIT as specified in the Trust Deed.



## 7.2 Duty of the REIT Manager in preparation of reports and disclosure

- (1) Prepare and disclose information of TREIT and information as prescribed in Section 56 and Section 57 of Securities and Exchange Act B.E. 2535 and other information as specified in the Trust Deed.
- (2) Upon request of the Securities and Exchange Commission, make clarification, submit documents or evidence related to compliance or non-compliance to the Securities and Exchange Commission including, but not limited to, the following to the Securities and Exchange Commission, The Stock Exchange of Thailand, and unit holders;
  - (a) Information regarding conflict with the interest of TREIT and measures to resolve such conflict to be disclosed to investors clearly during an initial public offering and whenever a conflict of interest arises (if any).
  - (b) Information regarding transactions entered into between TREIT and connected persons and information regarding transactions entered into between TREIT and the REIT Manager or connected person and the REIT Manager, information regarding acquisition or disposal of core assets and equipment of TREIT, information regarding borrowing transactions and encumbrance made by the trust.
  - (c) Information regarding interest or benefits received from a company / person who is a vendor of TREIT (if any).
- (3) Ensure that unitholders receive complete and correct information and sufficient for voting to approve matters within a period specified in the Trust Deed and the regulations of The Stock Exchange of Thailand.
- (4) Prepare and send information, report and/or documents to the trustee within the specified period such as full report of property evaluation, monthly report presenting revenue and expenses, right of claim, due debts, market environment report, information regarding the TREIT's investment in properties, information regarding acquisition or disposal of core assets.

## 7.3 Duty of the REIT Manager regarding Investment or Disposal of TREIT's assets

- (1) Organize and/or make appropriate investment in core assets and other assets according to the investment plan and manage risks related to TREIT and TREIT's assets and the criteria specified in the Trust Deed.
- (2) Take necessary actions to ensure that disposal of assets or connected transactions related to the property for TREIT is valid and effective.
- (3) Make analysis of the probability and review and conduct a due diligence of assets as well as assess risks that may be caused by investments in such assets and provide risk management procedure.
- (4) Value core assets in accordance with the criteria specified in the Trust Deed.
- (5) Maintain core assets in good conditions ready for generating income including repair, improvement, restoration, and maintenance of assets.

- (6) Take out sufficient insurance that covers the period of TREIT's investment in core assets including non-life insurance that may occur to the assets, public liability insurance for damage that may be caused by the assets or the operation in the assets,
- (7) Assist the Trustee on disposal of TREIT's core assets and find buyers for the core assets.
- (8) Give assistance to enable the Trustee to dispose or acquire or enter into transactions with a third party in case of disposal, acquisition or any transaction that generates income from the TREIT's assets.
- (9) Prepare an investment plan and a risk management plan related to TREIT and TREIT's assets, a borrowing plan and an annual financial management plan of TREIT.

#### **7.4 Duty of the REIT Manager Regarding TREIT's Benefits**

- (1) Facilitate the trustee or a person assigned by the trustee and a third party during survey of core assets.
- (2) Consider and inspect conditions of core assets before handing over to retail tenants or the Trustee when entering into or renewing a new lease agreement or a new service agreement or when a lease agreement or a service agreement expires (as the case may be).
- (3) Take necessary and appropriate actions in case a disaster occurs to TREIT's assets;
- (4) Manage budget and cash flow of TREIT.
- (5) Prepare financial statements of TREIT in accordance with the accounting standard as prescribed by the accounting law.
- (6) Withdraw assets of TREIT from a petty cash account only or for other purposes as agreed with the Trustee within the limit approved by the trustee.
- (7) Pay benefits to unitholders in accordance with the criteria and conditions specified in the Trust Deed.
- (8) Exercise the right of claims, take actions in defense, or exercise other legal rights on behalf of the Trustee regarding management of the trust as authorized by the Trustee from time to time; retain documents related to the operation of TREIT.
- (9) Give advice to the Trustee regarding property market conditions or trend and potential impact on TREIT.

#### **7.5 Duty of the REIT Manager regarding Transaction with Potential Conflict of Interest**

In case of a transaction with potential conflict of interest, the REIT Manager must consider justification and necessity of the transaction and obtain approval from the Trustee and request that the Trustee establish conditions on such transaction. If the Trustee does not approve the transaction or the transaction is not justifiable and necessary, the REIT Manager may not proceed with the transaction.

## 7.6 Duty of the REIT Manager Associated with Borrowing

In case of TREIT's borrowing, the REIT Manager has the following duties;

- (1) Disclose outstanding amount of the borrowing and reserves for debt repayment under the loan agreement or the borrowing commitment for each year until the debt payment completes (if any) in the memorandum of information, the prospectus and the Annual Report of TREIT.
- (2) Determine the appropriate reserve amount as mentioned in item (1), by taking into account the outstanding amount of loan or the borrowing commitment and the repayment period, impact on distribution payments to unitholders, and excess cash in case of the unrealized loss from the valuation or reappraisal of TREIT's properties.
- (3) Allow TREIT to postpone the reserve for any period of liquidity inadequacy and include it in the reserve for the next accounting period.

## 7.7 Other Duty of the REIT Manager

If an advisor is appointed to give advice or suggestion on TREIT's investment in properties and management of TREIT's assets, the advisor must have no direct or indirect interest in the matter under consideration. If the fact has changed and the advisor has interest in the matter under consideration, the REIT Manager must prevent the advisor who has direct or indirect interest from considering the matter and take actions as specified in REIT Manager Appointment Agreement.

## 8. REIT Management by The REIT manager





The Company was established with objective to engage in business of acting as the REIT Manager. The Company's core business is divided into six departments for the Company's duty as the REIT Manager to comply with the conditions specified in the Trust Deed, REIT Manager Appointment Agreement, the resolution of unitholders and related laws, regulations and/or rules. Duty and responsibility of the departments is summarized below.

**1. Strategic Finance, Investment and Investor Relationship**

Strategic Finance, Investment and Investor Relationship Department's main duty includes financial feasibility analysis and forecast return on investment, managing budget and cash flow of TREIT, making investment in other quality assets, finding suitable source of fund for TREIT to make investment in such assets, find suitable source of fund from the money market and the capital market based on an appropriate investment structure, value assets at the specified time, consider payment of benefits for proposal to the board of directors for approval. and providing information to unitholders for REIT's performance and industry outlook for decision making to invest in TREIT.

Strategic Finance, Investment and Investor Relationship Department is also responsible for calculating net asset value of TREIT and disclosure to investors. In addition, Investor Relations tasks include providing TREIT's information to the investors and analysts.

**2. Business Development Department**

Business Development Department's main duty is to ensure that TREIT makes investment in quality core assets to ensure that TREIT continues to grow, and generates best return to unitholders.

Business Development Department is also responsible for making decision regarding investment in and disposal of core assets according to the investment policy. Moreover, business development department is also responsible for market and industry analysis which is related to tenants of TREIT.

**3. Accounting Department**

Accounting department's main duty includes record daily transaction, prepare account data for presentation in annually and quarterly audited financial statement, issue invoice and receipt rental from tenants. Moreover, accounting department is also responsible for preparing document to submit to tax department based on requirement from government agency, collecting lease fee and service fee from tenants, and managing payment.

**4. Invest Property Department**

Property Management Department's main duty includes finding tenants for TREIT in order to generate regular income, maintaining TREIT's assets in good condition and ready for use, and repairing assets upon request from a tenant.

Property Management Department is also responsible for creating a marketing plan, establishing a strategy in making profit from TREIT's properties, finding tenants, maintaining TREIT's properties in good condition and ready for use, repairing and improving assets, coordinating and facilitating tenants in relation to TREIT's application for or renewal of permits, and taking out insurance for assets.

**5. Legal and Compliance Department**

Legal and Compliance Department's main duty is to ensure that the Company comply with the rules and regulations applicable to TREIT which are issued by relevant authorities, and managing complaints and disputes.

Legal and Compliance Department is also responsible for monitoring to ensure that TREIT and the Company's management comply with the Securities and Exchange Act B.E. 2535, TREIT for Transactions in Capital Market Act, B.E. 2550 and regulations of Office of the Securities and Exchange Commission, The Stock Exchange of Thailand, and other related authorities, disclosure of information of TREIT according to related criteria, organizing a meeting of the board of directors and a meeting of unitholders, receiving complaints and suggestions regarding TREIT from a third party (if any).

**6. Internal Audit Department**

The Company appoints a third party to act as an internal auditor who is responsible for audit of compliance of all departments with policies and procedures. Internal Audit Department reports to independent directors.

Internal Audit Department is also responsible for making a work plan, audit performance of various departments, reporting audit result to an independent director, ensuring that connected transactions or transactions with potential conflict of interest (if any) comply with relevant regulations.



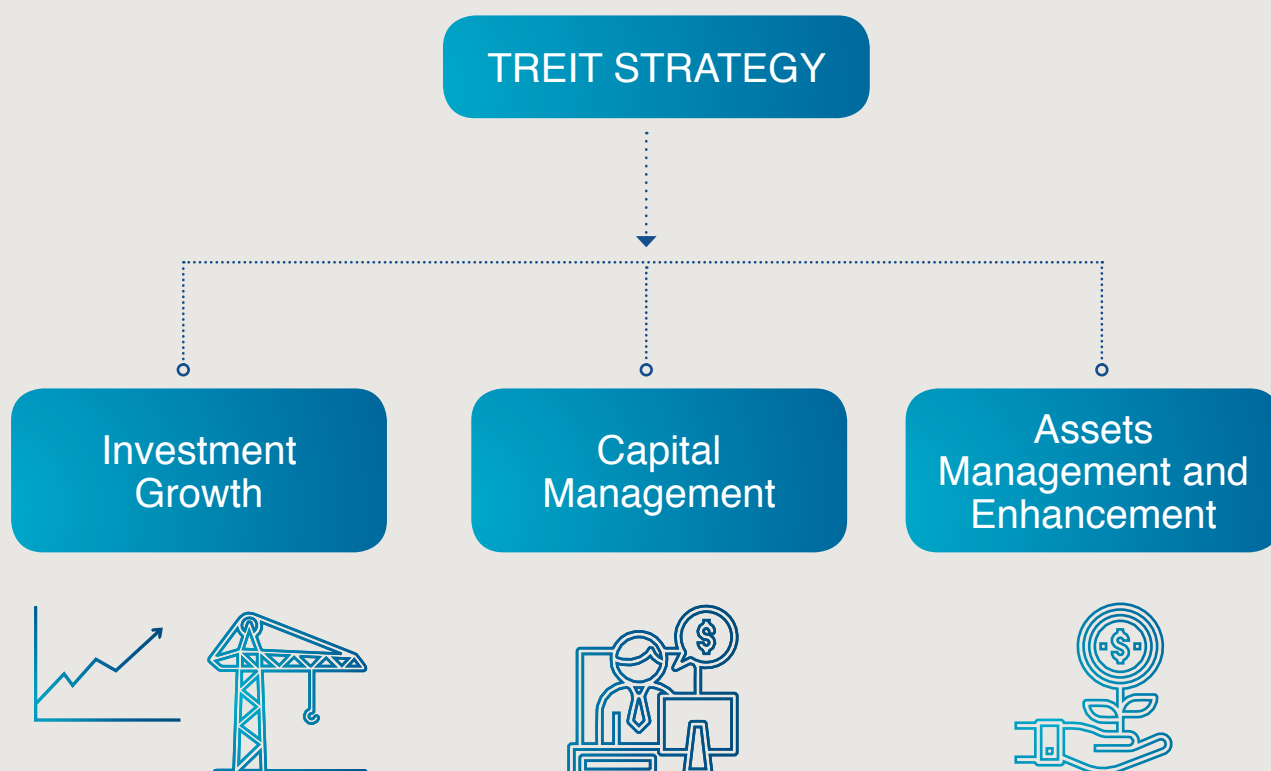
## 9. Remuneration of the REIT Manager

In 2017, REIT Manager received fee from TREIT which were categorized in 4 group of fee revenue as following details;

Expenses	Percentage	
<b>Trust management fee</b>		
1. Base fee	0.25	% per annum of the Trust's total assets
2. Performance fee	3.00	% per annum of net income from rental and service agreement for December 2017
	2.00	% per annum of net income from rental and service agreement on warehouse buildings for the period as from January to November 2017 and for the year 2016
	4.00	% per annum of net income from rental and service agreement on factory buildings for the period as from January to November 2017 and for the year 2016
3. Incentive fee	5.00	% per annum of net operating income for December 2017
	0.00-10.50	% per annum of net operating income of warehouse buildings of the Trust for the period as from January to November 2017 and for the year 2016
	0.00-19.50	% per annum of net operating income of factory buildings of the Trust for the period as from January to November 2017 and for the year 2016
4. Commission fee for acquiring a new lessee		In proportion to rental and service periods but not over 3 months based on the latest rental and service rate of new lessee
Commission fee for buying/selling/ transferring leasehold/ receiving leasehold	3.00	% per annum of the value of buying / selling / transferring leasehold/receiving leasehold

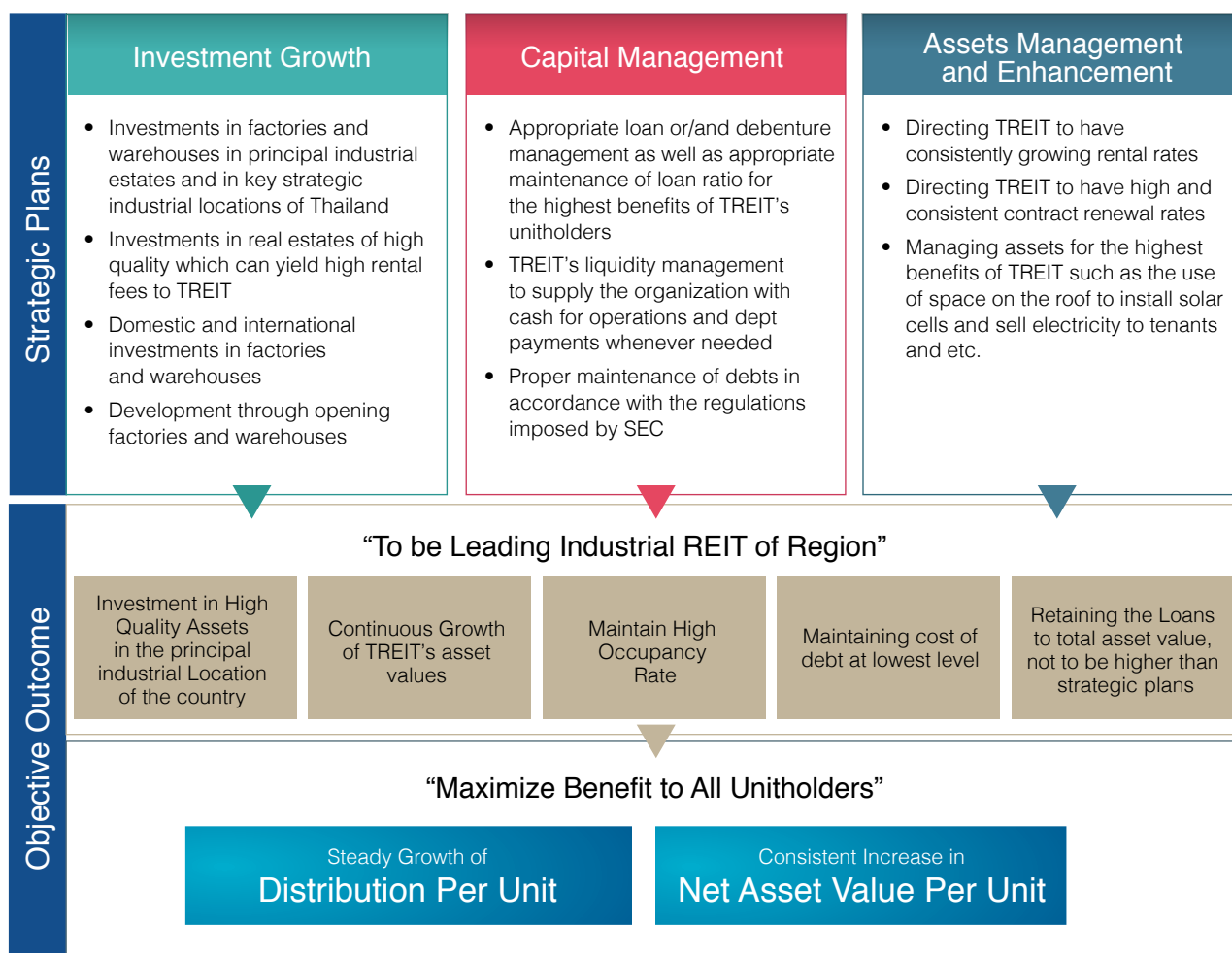
# TRUST STRATEGY

The REIT Manager's principal objectives are to deliver stable and sustainable growth distributions to unitholders in both form of dividend and net asset value per unit, while maintaining reasonable capital structure. The REIT Manager has adopted a 3 key Strategies to guide TREIT's sustainable growth.





# Detail of TREIT Strategy



## 1. Investment Growth

To generate more returns on investment and to increase the value of its net assets, TREIT aims to pursue for more investment opportunities in commercial property of asset, not only the assets owned by individuals within the same business group but the assets owned by others. The emphasis is specially placed on investments in factories and warehouses in principal industrial estates of the country and in strategic industrial locations of Thailand. However, the investments are not limited in factories and warehouses in Thailand only. TREIT is readily prepared for international investments in factories and warehouses if they have potential to yield high profits and the assets themselves are of good quality in line with the criteria of modern factories and warehouses.

In order to raise return from investments and TREITs net asset values, The REIT manager are in charge of considering properness and specifications of assets with potential for investment by taking the following key factors into account:

- Quality of the assets i.e location, landscape, building conditions, engineering systems, utilities and overall environment; all must be complied with the regulations and having acceptable risks.
- Returns on real estate index.

- Qualifications of tenants and their ability to pay.
- Occupancy Rate.

In addition, according to the regulations of investment based on the announcement of SEC TorChor.49/2555 and the contract of REIT establishment, TREIT can develop real estates at the rate of 10% of TREIT's total asset values (Greenfield project), meaning that TREIT has opportunities to develop assets by themselves.

## 2. Assets Management and Enhancement

To understand and meet the needs of the retail tenants literally, the REIT Manager has hired Property Managers, TICON and TPARK (ex-owners of the properties), to manage its asset because of their relationship and knowing retail tenants as well as their working team which can serve tenants in time with efficiency. From their long experience as leaders in the business of building factories and warehouses for lease, both companies have large client base both Thai and international clients. Due to long experience and the role as a leader in real estate business concerning factories and warehouses. All these are to drive business expansion and increase in rental rates simultaneously and to control operational expense efficiently. The administration and management of real estates by TICON and TPARK are professionally conducted, that is, they have managed to heighten numbers of rental rates and contract renewals consistently. Furthermore, the management of TREIT have researched alternatives to enhance potential of real estates and managed rental areas to make the most of them such as studies on solar cell project on the roof space of factories and warehouses and etc.

## 3. Cost Management of TREIT

The REIT manager have planned to enable the proper structure of financial costs and loan costs. Regarding the principle of loan management, the REIT manager are to consider current interest rates in the market and predict future interest rates to consider proper loan forms at that particular time in support of continuous and consistent growth of TREIT. Also, TREIT has planned to make use of financial costs from debts at a proper level so that there are no risks of debt repayments and gearing ratio will not exceed 35% or at 60% in case REITs credit rating at investment grade which imposed by SEC.

The REIT manager have also supervised credit ratings of TREIT to be in a place which is suitable for investment (investment grade). At the present, TREIT is at level A (tha), ranked by FitchRatings (Thailand) Ltd. (last updated on February 22, 2018). That is the highest credit rating recorded of all REITs in Thailand.



# FINANCIAL REVIEW

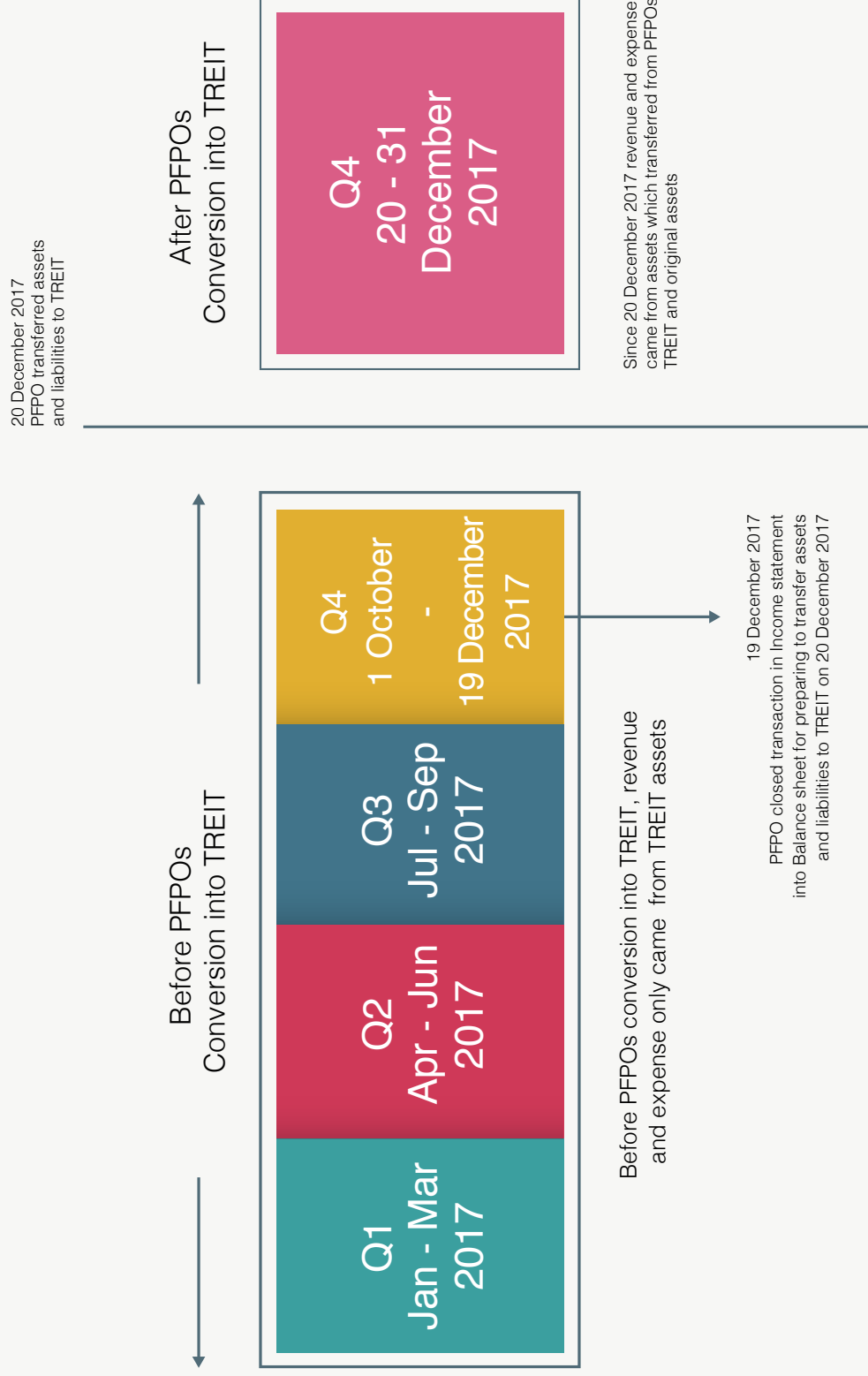
## Financial Highlights

Key Financials	For The Period Ended 31 December 2017	For The Period Ended 31 December 2016
Total Income (Million Baht)	595	656
EBITDA (Million Baht)	460	486
Net Investment Income (Million Baht)	369	397
Portfolio Value <sup>1</sup> (Million Baht)	30,451	7,352
No of Properties (Units)	490	98

Distribution	For The Period Ended 31 December 2017	For The Period Ended 31 December 2016
Distribution per Unit (Baht per Unit)	0.6328	0.6702
Number of Trust Units (Million Units)	2,602	567
NAV (Baht per Unit)	9.7864	10.1391

**Note : 1** Portfolio value is Investment in properties at fair value which stated in Audited Financial Statement as at December 31<sup>st</sup>, 2017 and as at December 31<sup>st</sup>, 2016

# Summary Revenue Recognition of TREIT for the Period ended 31 December 2017





## Financial Statement Analysis by REIT Manager

### Income Statement Analysis

Unit : Baht

Statement of Income	2017 For the Year Ended 31 December 2017	2016 For the Year Ended 31 December 2016
<b>1. Investment Income</b>		
1.1 Rental and Service Income	587,407,906	563,070,093
1.2 Interest Income	3,715,314	3,885,062
1.3 Income from Rental and Service Guarantees	515,162	62,054,459
1.4 Income from Forfeiture of Rental and Service Deposits	3,598,000	24,994,750
1.5 Other Income	9,195	1,770,597
<b>Total income</b>	<b>595,245,577</b>	<b>655,774,961</b>
<b>2. Expenses</b>		
2.1 Trust Management Fee	65,025,962	60,508,304
2.2 Trustee Fee	6,802,579	5,891,766
2.3 Registrar Fee	2,354,095	2,272,800
2.4 Professional Fees	1,881,786	589,661
2.5 Operating Expenses	59,821,267	99,994,839
2.6 Amortisation of Deferred Expenses	15,477,664	15,184,885
2.7 Interest Expenses	74,785,459	74,208,411
<b>Total Expenses</b>	<b>226,148,812</b>	<b>258,650,666</b>
<b>Net Investment Income Unrealised Gains (losses) on Investments</b>	<b>369,096,765</b>	<b>397,124,295</b>
<b>3. Net Unrealized Gains (losses) on Investments</b>	<b>(142,250,000)</b>	<b>90,890,000</b>
<b>Net increase in Net Assets Resulting from Operations</b>	<b>226,846,765</b>	<b>488,014,295</b>

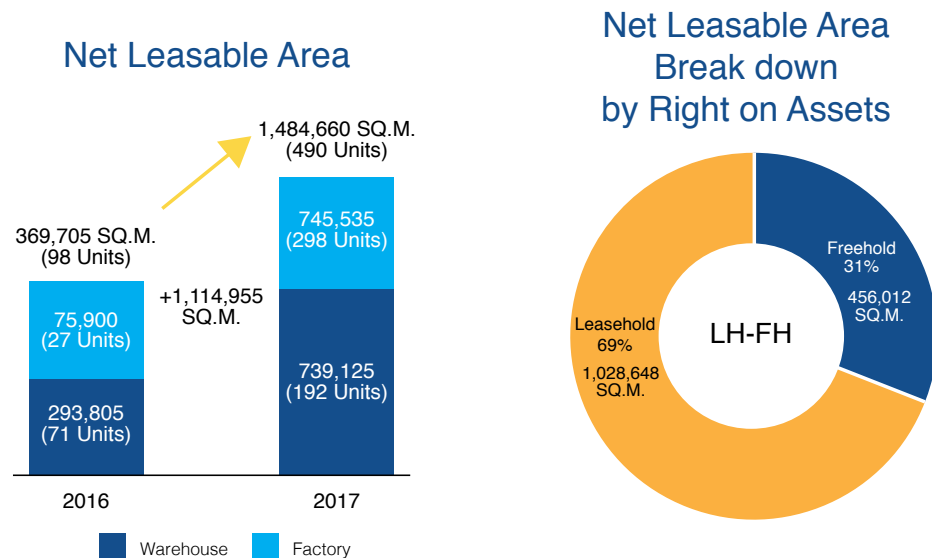
## 1. Investment Income

### 1.1 Rental and Service Income

Concerning the overall operation which ended on December 31, 2017, TREIT had had revenues from rentals and services valued at 587 million baht, with 24 million baht soaring from 2016 or approximately 4.3% rise, resulting from the following:

- Increase in numbers of TREIT's properties

Following the mutual property fund coalition in which TFUND, TLOGIS and TGROWTH were converted into TREIT as on December 20, 2017, a number of factories and warehouses for rent had increased from 98 units to 490 units and areas for rent rose from 369,705 Sq.m to 1,484,660 Sq.m. The transformation made "TREIT the largest industrial REIT in Thailand". The increased revenues were from the period between 20 and 31 December, 2017, when additional revenues of real estates were transferred to TREIT.



### 1.2 Interest Income

Revenues from interests received in 2017 were 3.7 million baht, which dropped a little from 2016 due to fewer fixed deposits. Some cash was used for hiring consultants in support of the 2017 conversion PFPO into TREIT.

### 1.3 Income from Rental and Service Guarantees

Since the rental and service guarantee from TICON Industrial Connection Ltd. (Public) was expired in December 2016, TREIT did not receive any revenues from the rental income insurance for unoccupied space in 2017. However, in 2017, it was reported that some revenues had been received from the insurance for unrecorded details in 2016.

#### 1.4 Income from forfeiture of Rental and Service Deposits

In 2017, revenues from deposit confiscation valued at 3.6 million baht came from the only one tenant who terminated the contract ahead of schedule.

#### 1.5 Other Income

Other income came from the insurance firm following the insurance terms and conditions.

## 2. Expenses

### 2.1 Trust Management Fee

Summary Table of trust Management Fees 2016-2017

	Calculated Based on	Since 1 December 2017 onward	1 January 2016 to 30 November 2017
<b>Trust Management Fee</b>			
Performance Fee	Net Income from Rental and Service Agreement		
• Factory		3.00%	4.00%
• Warehouse		3.00%	2.00%
Incentive Fee	Net Operating Income		
• Factory		5.00%	0% - 19.5%
• Warehouse		5.00%	0% - 10.5%
Base Fee (REIT management Fee)	Total Asset Value (TAV)	0.25%	0.25%

In 2017, TREIT's management fees cost 65 million baht, which was approximately 5 million baht higher than 2016 due to conversion of three TICON property funds which are TFUND, TLOGIS, TGROWTH into TREIT in December, which enabled TREIT to have higher revenues, net profits of TREIT's operation and total assets. That caused the values of TREIT's core asset management fees, special fees and TREIT's management fees to increase in the same direction after the property funds were merged into TREIT. TREIT's new fee regulation has been in effect, as approved at the meeting of unitholders of both property funds and TREIT on October 18 and 19, 2017. The new regulation has been in effect since December 2017 and the new rates which were adjusted are comprehensively in accordance with TREIT's size, management, operations for the most benefits of TREIT and unitholders.

## 2.2 Trustee Fee

Since 1 December 2017 onward			1 January 2016 to 30 November 2017	
	Calculated Based on	Rate	Calculated Based on	Rate
Trustee Fee	Total Asset Value (TAV)	≤ 15,000 : 0.060% 15,001 – 30,000 : 0.045% > 30,000 : 0.030%	Trust's net assets (NAV)	0.09875%

TREIT's 2017 fees rose approximately 0.9 million baht as TREIT's net assets increased due to the transformation and merger. TREIT has already enforced the new fee rates as approved by the unitholders of property funds and TREIT since December 2017 onwards.

## 2.3 Registrar Fees

At the present, TREIT's registrar is Thailand Securities Depository (TSD) which supervises document delivery, register closing and etc. to provide TREIT's unitholders with convenience. Last year, registrar fees increased by 0.08 million baht since there was register closing for calling a Extraordinary General Meeting 1/2017 on October 19, 2017

## 2.4 Professional Fees

Professional fees cost 1.88 million baht, which was 1.2 million baht higher than the year before resulting from the professional fees to support the transformational operation.

## 2.5 Operating Expenses

2017 operational expenditures cost 59.82 million baht, which was 40 million baht lower than those of 2016 resulting from fixing accounts of doubtful debts which property funds TFUND, TLOGIS and TGROWTH early established before transferring debtors to TREIT. The entries of allowance for doubtful debts which were recorded to exceed the doubtful debt reserve policy were reversed. Besides, 2017 fees of factory and warehouse maintenance reduced since there was only general cycle maintenance compared with that of 2016 which was a particular repair of one factory.

## 2.6 Amortisation of Deferred Expenses

Deferred charges in 2017 increased from 2016 by 0.29 million baht due to the acknowledgement that the expenditures (asset) added up when there was a payment for advisors to support the 2017 transformation of TREIT.



## 2.7 Interest Expenses

2017 interest expenditures cost 74.78 million baht, rising from 2016, 0.57 million baht since TREIT applied for a 3,740 million baht short-term loan in December 2017 for the investment in mutual property funds' assets from the transformation.

## 3. Unrealized Gains (Losses) from Investments

In 2017, TREIT had unrealized losses valued at 142 million baht based on Properties value measurement as in 2017 Appraisers reviewed values of TREIT's real estates before property funds TFUND, TLOGIS and TGROWTH were converted into TREIT, which was reported valued at 7,210 million baht, lower than fair value of properties on December 31, 2016 which have value at 7,352 million baht.

## Balance Sheet Analysis

Unit : Baht

Balance Sheet	2017 As at 31 December 2017	2016 As at 31 December 2016
<b>1. Assets</b>		
1.1 Investments		
• Investments in properties at fair value	30,450,600,000	7,351,650,000
• Investments in securities at fair value	141,812,925	270,554,548
1.2 Cash and Cash at Banks	1,168,439,021	41,049,387
1.3 Accounts Receivable	87,673,867	51,642,463
1.4 Deferred Expenses	95,254,124	51,973,509
1.5 Other Assets	17,524,451	4,405,963
<b>Total assets</b>	<b>31,961,304,388</b>	<b>7,771,275,870</b>
<b>2. Liabilities</b>		
2.1 Liabilities	5,539,966,268	1,819,000,000
2.2 Accrued expenses and Property Tax	144,698,541	42,788,791
2.3 Accrued Interest	18,899,479	-
2.4 Withholding Taxes Payable	18,504,017	6,171,755
2.5 Advance Receipts for Rental and Service	2,282,000	-
2.6 Deposits from Rental and Service	761,828,954	151,849,647
2.7 Other Liabilities	7,031,649	4,596,949
<b>Total Liabilities</b>	<b>6,493,210,908</b>	<b>2,024,407,142</b>

Unit : Baht

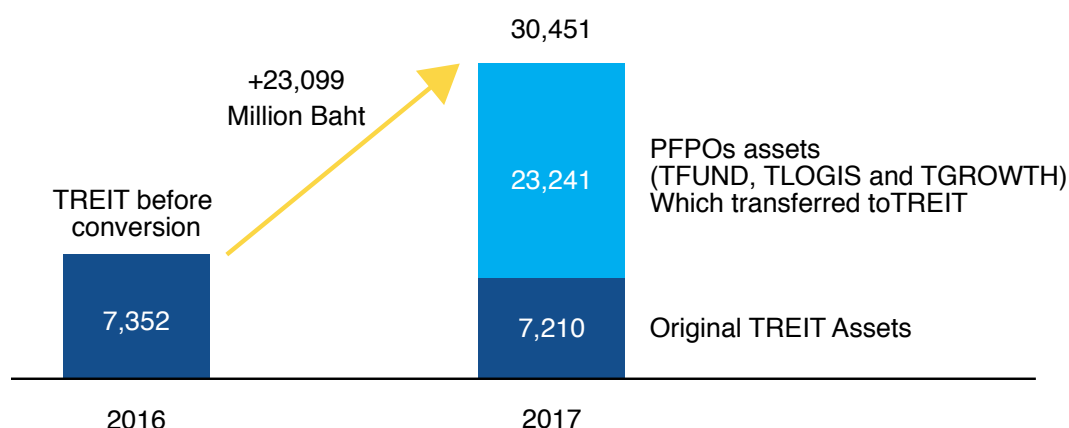
Balance Sheet As at 31 December 2017	2017	2016
3. Trust registered and capital from the unitholders	25,423,451,777	5,542,062,750
Retained Earnings	44,641,703	204,805,978
<b>Net Assets</b>	<b>25,468,093,480</b>	<b>5,746,868,728</b>
<b>Net asset value per unit (NAV per unit)</b>	<b>9.7864</b>	<b>10.1391</b>
<b>Number of units issued – end of year (Units)</b>	<b>2,602,387,048</b>	<b>566,800,000</b>

## 1. Assets

### 1.1 Investments

On December 31, 2017, investment in properties at fair value have valued approximately 30,451 million baht, increasing from the previous year about 23,099 million baht because on December 20, 2017, there was a transfer of property funds TFUND, TLOGIS, TGROWTH into TREIT.

Unit : Million Baht



For Investments in securities at fair value on fair value on December 31, 2017 cost in total 141.81 million baht in the form of fixed deposits with interest rates 1.20%-1.25%

### 1.2 Cash and Cash at Banks

Cash and bank deposit on December 31, 2017 valued in total 1,168.44 million baht, increasing from December 21, 2016 approximately 1,127.39 million baht resulting from TREIT taking in cash and deposit transfers from property funds, both of which were rental deposits and service fees from tenants valued at 762 million baht and were to be used for other payments obligation valued at 170 million baht by January 2018 and payment for accrued interest expense valued at 19 million baht.

### 1.3 Account Receivables

Numbers of account receivables on December 31, 2017 were approximately 87.67 million baht increasing about 36.03 million baht due to the transfer of account receivables from property funds into TREIT.

### 1.4 Deferred Expenses

Deferred expenses at end of 2017 were 95.25 million baht, increasing from 2016 by 43.26 million baht due to hire fees, financial consultant fees, legal consultant fees, and other consultant fees of other issues which are to be acknowledged as assets and classified as deferred charges using straight-line method in five years' time.

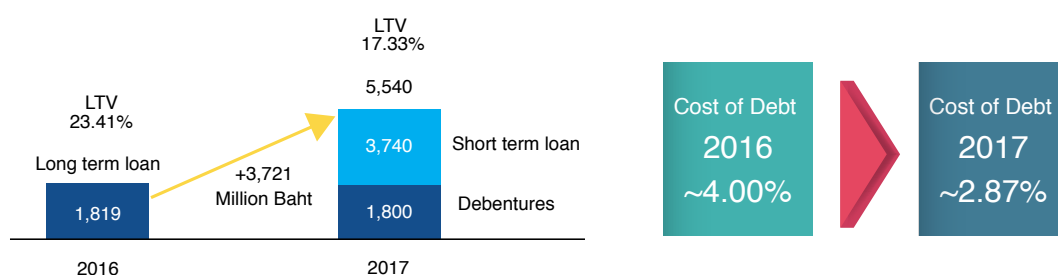
### 1.5 Other Assets

Other assets at year end were 17.52 million baht, which was 13.12 million baht higher than those of 2016 due to deposit fees of water pumps, electricity meters owned by real estates of mutual property funds which were merged into TREIT and VAT to be refunded by the Department of Revenues.

## 2. Liabilities

### 2.1 Loans and Debentures

On December 31, 2017, TREIT had loans and debentures in total valued at 5,540 million baht, which increased by 3,721 million baht. The additional loans resulted from loans for the exchange of assets and liabilities under property funds TFUND, TLOGIS and TGROWTH and for the payments of TGROWTH's long-term loan with ratio of loan to total assets at year end 17.33%, dropping by 6.08% from 2016. Besides, TREIT's cost of debt decreased from 4.00% on December 31, 2016 to 2.87% on December 31, 2017.



### 2.2 Accrued Expenses and Property Taxes

Accrued expenses and property taxes on December 31, 2017 were 144.70 million baht, which increased by 101.91 million baht from December 31, 2016 due to relevant expenses concerning TREIT's management fees, TREIT's accrued fees and service fees of TREIT management in December 2017. The increased fees resulted from the expansion of TREIT which caused fee calculation base stay in the same direction.

As well as that, there were also accrued expenses including accrued factory repair fees, accrued infrastructure fees, accrued property taxes at year end, some of which were transferred from property funds to be paid by January 2018

### 2.3 Accrued Interest

Accrued interests on December 31, 2017 were in total 18.90 million baht, which were interest from corporate bonds to be paid in April and October or every six months and interests of short-term loans to be paid every first day of the next operating month. Therefore, TREIT had accrued interests by January 2018.

### 2.4 Withholding Taxes Payable

Withholding taxes payable at year end were 18.50 million baht, increasing by 12.33 million baht, were withholding taxes of property funds' dividends which were transferred to TREIT and to be paid by TREIT January 2018.

### 2.5 Advance Receipts for Rental and Service

Advance receipts for rental and service on December 31, 2018 were 2.28 million baht, coming from advance rent paid by tenants in December 2017 and were to be acknowledged as revenues from January 2018 onwards.

### 2.6 Deposits from Rental and Service

On December 31, 2017, rent and service fee deposits were 761.83 million baht, increasing from the end of 2016 by 609.98 million baht due to the transfers of the deposits from property funds TFUND, TLOGIS and TGROWTH to TREIT.

### 2.7 Other Liabilities

Other debts on December 31, 2017 were 7.03 million baht, increasing by 2.43 million baht due to increase in output taxes resulting from services fees.

## 3. Trust Registered and Capital from the Unitholders

On December 31, 2017, authorized capital and funds from TREIT's unitholders were 25,423.45 million baht, increasing from December 31, 2016 by 19,881.39 million baht resulting from The Trust issued trust units to PFPOs TFUND, TLOGIS and TGROWTH in a total amount of 2,035,587,048 trust units in exchange for the assets and obligations of the Funds. The swap ratios of investment units to trust units are as follows:

- (1) At the rate of 1 investment unit of TICON Property Fund to 0.9874 trust unit of the Trust with Baht 1.6977 of cash per unit, whereby the total amount of 1,135,057,711 trust units with Baht 1,951,577,352 of cash were exchanged for the assets and obligations of TICON Property Fund.
- (2) At the rate of 1 investment unit of TPARK Logistics Property Fund to 1.0129 trust units of the Trust with Baht 1.7415 of cash per unit, whereby the total amount of 419,177,837 trust units with Baht 720,701,158 of cash were exchanged for the assets and obligations of TPARK Logistics Property Fund.



- (3) At the rate of 1 investment unit of TICON Industrial Growth Leasehold Property Fund to 0.8673 trust unit of the Trust with Baht 1.4911 of cash per unit, whereby the total amount of 481,351,500 trust units with Baht 827,560,500 of cash were exchanged for the assets and obligations and cash of Baht 240,127,258 for the repayment of the existing loan of TICON Industrial Growth Leasehold Property Fund.

After the issue of new trust units, the registered capital of the Trust is Baht 25,066,972,762, divided into 2,602,387,048 trust units at a par value of Baht 9.6323 each (the registered capital as of December 31<sup>st</sup>, 2018 has included the increase in fair value of investments in properties amounting to Baht 356,479,015), and the newly issued trust units have been listed on the Stock Exchange of Thailand with the trade beginning on 28 December 2017 onwards.

### Future Trend of Factory and Warehouse For Rent and TREIT's Growth Plan

For 2018, the world's and Thailand's economic condition, according to the speculation of the REIT manager, is probably better and likely to be positive when compared with 2017. However, by the new economic policies of the new leaders of the USA, China and other Asian countries as well as compliance with the policy of the NCPO, the world's and Thailand's economic situations are affected. Nevertheless, Thailand is situated in the strategic location with great potential in Southeast Asia, connected to some other countries, has efficient and proper technologies, making it suitable to be the center of transportation and production sectors. This offers benefits to businesses of warehouses and factories for rent in Thailand. Besides, as a result of the plan to develop eastern economic areas or Eastern Economic Corridor (EEC), there are demands for industry developments, factories, warehouses in the areas. TREIT has areas for rent measuring approximately 1 million SQ.M., which is the largest in EEC. Furthermore, average occupancy rates are at 80%. Positive factors mentioned are certain to yield long-term benefits to TREIT.

The REIT manager has outlined strategies for managing TREIT in terms of investments in new assets which have potential to yield proper benefits through considering investments in assets of TICON Group and other owners so that TREIT will grow continuously through proper uses of financial sources from both loans and capital increase. In addition, the management of TREIT have also paid attention to situations of warehouses and factories for rent nowadays, trying to increase rental rates and efficient administration as well as the management of TREIT for sustainable benefits of TREIT's unitholders and continuous growth of TREIT.

### Capital Management

The objective of The REIT manager is to manage and direct TREIT so that TREIT can yield highest distribution to TREIT's unitholders. Key factors related are TREIT's capital management. At the present, TREIT raises capital through capital increase or selling TREIT units to those in need. As at December 31, 2017, TREIT had received capital raising three times from unitholders as follows.

	Number of trust units (Thousand Unit)	Value per unit (Baht)	Total (Thousand Baht)	Objective of Capital Increase
1. Initial Trust Capital	342,500	10.0000	3,425,000	Investment in properties which composed of factory and warehouse total 45 units
• The 1 <sup>st</sup> reduction on trust unit value	-	(0.1934)	(66,240)	
• The 2 <sup>nd</sup> reduction on trust unit value	-	(0.1743)	(59,697)	
2. The 1 <sup>st</sup> capital increase	224,300	10.0000	2,243,000	Investment in properties which composed of factory and warehouse total 53 units
3. Capital increase during the year	2,035,587	9.7669	19,881,389	Investment in properties which composed of factory and warehouse total 392 units and liabilities of TFUND, TLOGIS and TGROWTH
<b>Total</b>	<b>2,602,387</b>		<b>25,423,452</b>	

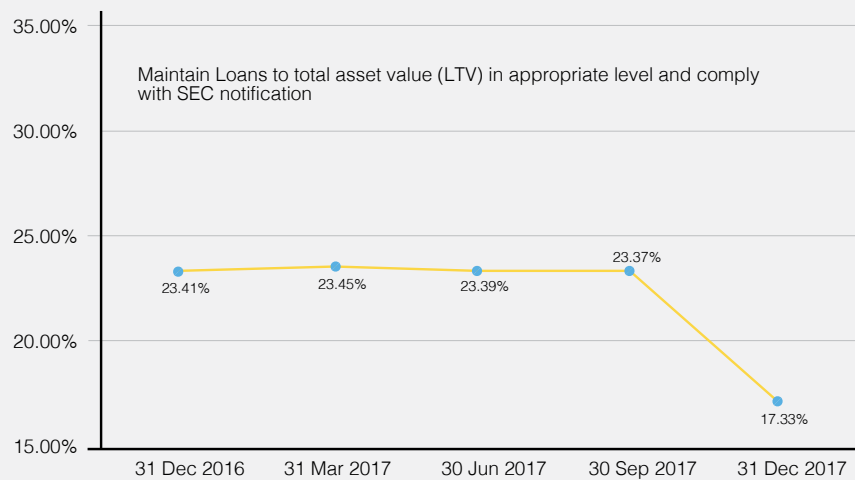
Concerning capital raising through loans as at December 31, 2017, TREIT had debts resulting from issuing corporate bonds 1,800 million baht and short-term loans about 3,740 million baht with average cost of debt approximately at 2.87%. The ratio of loans and corporate bonds to total assets as at December 31, 2017 was at 17.33%, which was lower than what was imposed at 35% in the announcement issued by SEC (for organizational credits lower than investment level) and 60% (for organizational credits at investment level).

In addition, TREIT's organizational credit rating ranked by Fitch Ratings Thailand Limited was at level A-(tha) (positive outlook). However, as *at February 22, 2018, Fitch Ratings Thailand Limited upgraded credit rating of TREIT to A(th) (Stable Outlook) which is the highest credit rating off all REITs in Thailand.*

## Summary Capital Management of FY 2017

	As at 31 December 2016	As at 31 December 2017
<b>Loan and Debentures</b>	<b>1,819 Million Baht</b>	<b>5,540 Million Baht</b>
Short term loan	-	3,740 Million Baht
Long term loan	1,819 Million Baht	-
Debentures	-	1,800 Million Baht
<b>Loan to Total Asset Value (TAV)</b>	<b>23.41%</b>	<b>17.33%</b>
<b>Credit Rating (Rated by FITCH)</b>	<b>A-(tha)</b>	<b>A-(tha) Upgraded to A(thu) On 22 February 2018</b>
<b>Average Cost of Debt</b>	<b>~4.00%</b>	<b>2.87%</b>

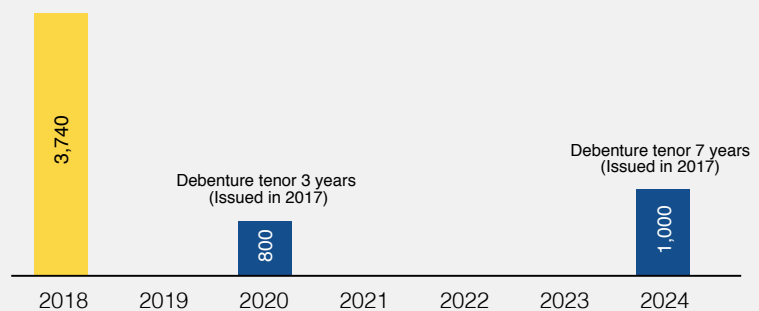
## LTV in Fiscal Year 2017

Short Term Loan and Debentures  
(As at 31 December 2017)

5,540 Million Baht



## Debt Maturity Profile

Short term loan tenor 6 months  
(lending on 20 December 2017)





# THAILAND INDUSTRIAL & LOGISTICS PROPERTY MARKET OVERVIEW

## 1. Thailand Economic Outlook

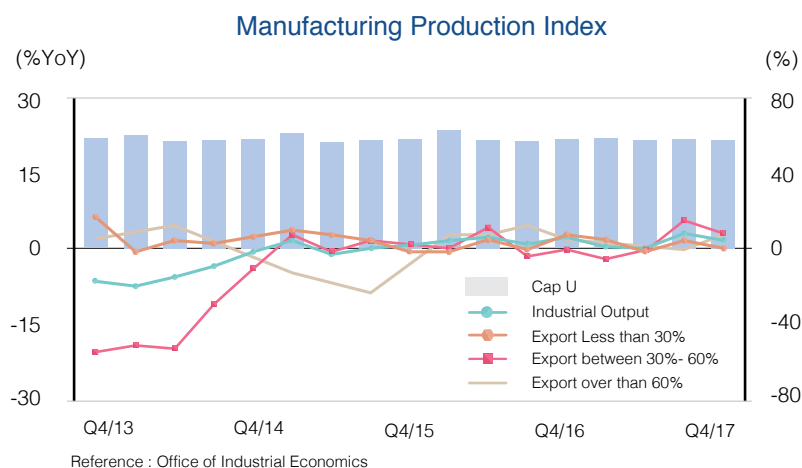
In 2017, the Thai economy expanded by 3.9 percent, improving from 3.3 percent in 2016. Export value grew by 9.7 percent while private consumption and total investment increased by 3.2 and 0.9 percent respectively. The headline inflation averaged 0.7 percent and the current account remained in a surplus of 10.8 percent to GDP.

GPD Growth (%)

	2016	2017	2016				2017			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP	3.3	3.9	3.4	3.6	3.1	3.0	3.4	3.9	4.3	4.0
GDP Adjusted	-	-	0.9	0.8	0.6	0.8	1.2	1.3	1.0	0.5

Reference : Office of The National Economic and social Development Board

**1.1 Industrial Sector** expanded most, of all 18 quarters, by 4.3%, obviously better due to the expansion by 1.1% in the previous quarter following the speedy growth and the distribution of key industries, corresponding to industrial product index which increased by 4.0%. Industrial product index with export ratio in the range of 30%-60% increased by 8.6%. Industrial product index of manufactures for domestic consumption (export ratio less than 30%) expanded by 2.6% while industrial product index of manufactures for exports (export ratio more than 60%) dropped by 0.4% due to the reduction of manufactures of general machines. Meanwhile, key export industries expanded with more speed with average productivity rate at 62.0% compared with 58.5% in the same period of the previous year. Almost all key industrial product indexes expanded such as automobiles, engines, assemblies and accessories for automobiles, electronic tubes and electronic assemblies, by-products from petroleum refinery, plastic products, meat produce, non-alcohol drinks and etc. Decreasing industrial product index, for example, was general machines, jewellery, ornaments and other related products, textile pre-production and production.





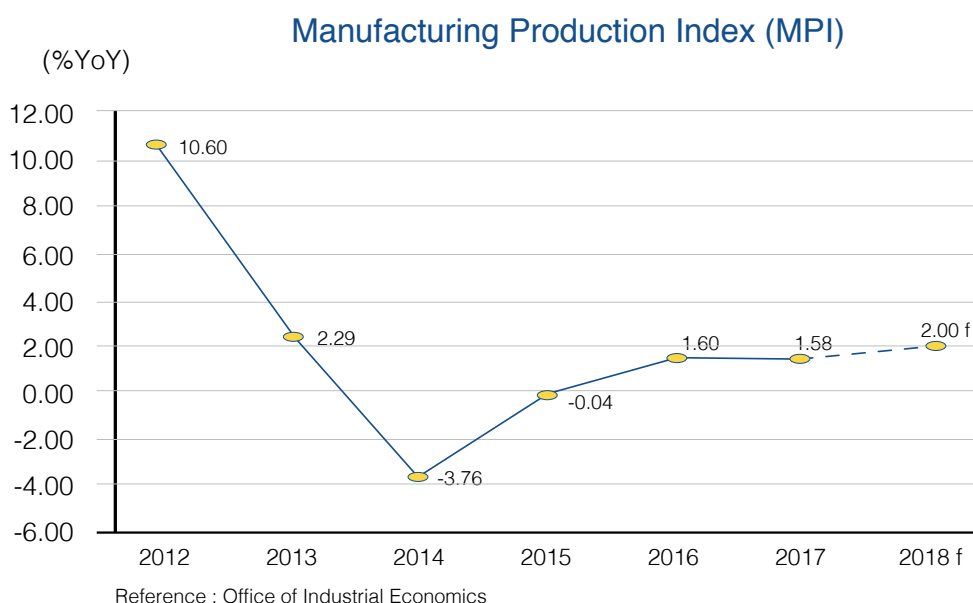
**1.2 Goods Exports** cost 61,633 million dollars. The Electronic Government Agency expanded most, of all 19 quarters, by 12.5% from 7.9% in the previous quarter and distributed more in terms of numbers and export markets, corresponding to the speedy expansion of the partner countries' economy and increase in goods' prices in the world's market. A number of exports increased by 8.7% and prices of export products increased by 3.5%. Export products of which values increased included rice, rubber, cassava, sugar, rubber products, automobiles' assemblies and accessories, machines and accessories, and petroleum products and etc. Export products which decreased in value were automobiles, pick-ups, trucks, air-conditioners and etc. Exporting goods to the USA, EU countries (15), China, Japan, ASEAN countries expanded well and continuously, while exporting goods to Middle-East returned to expansion for the first time in 13 quarters. However, exporting goods to Australia's markets dropped a little. When raw gold exports were deducted, export values increased by 11.2%. When converted to Thai baht, exports increased by 7.7%.

(%YoY)	2016	2017				
	Annually	Annually	Q1	Q2	Q3	Q4
Export Volume Index (%YoY)	0.5	5.9	2.9	5.0	8.7	7.0
Export Price Index (%YoY)	-0.4	3.6	3.7	2.8	3.5	4.3
Export Value (Million USD)	214,251	235,106	56,220	56,088	61,633	61,164
Export Product (%YoY)						
Automotive	3.2	6.3	2.6	2.3	2.6	18.1
- Passenger Cars	22.7	-7.1	-19.1	-9.8	-10.8	13.5
- Van and Truck	-35.0	11.8	15.8	4.3	-1.8	30.2
- Automobile Part and Equipment	5.2	13.6	13.4	9.7	14.4	16.9
Telecommunication Equipment	-6.2	51.1	21.6	71.6	49.6	60.4
Petroleum Product	-30.9	32.6	43.0	36.7	29.7	26.0
Computer Part and Equipment	-10.1	5.8	-0.8	4.4	2.5	16.6
Rubber Product	8.1	41.2	51.5	32.4	37.1	44.3
Rice	-4.4	17.2	-7.2	19.3	43.9	20.5
Rubber	-12.1	35.7	78.3	37.9	22.9	11.7
Potato	-19.0	-7.0	-18.5	-13.7	5.8	2.7
Sugar	-8.6	7.0	-19.3	32.0	26.0	-9.5
Gold (Un-process)	89.8	-20.7	-37.5	-45.4	52.7	-46.6

Reference : Bank of Thailand

## 2. The Whole Picture of the Economic Situation of Thailand's Industries

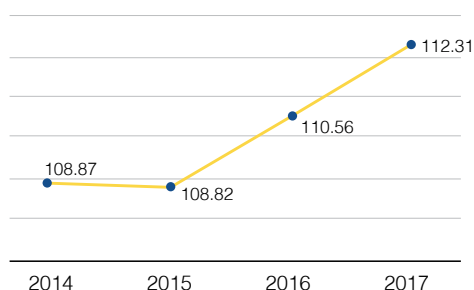
The economic situation of Thailand's industries in 2017, taking MPI into account, expanded by 1.58%, close to that of 2016 which expanded by 1.6%. The industries which expanded were, for example, electronics (the increase in exports to core markets and the trend of the Internet of Things (IoT), automobiles (domestic market expansion due to domestic economic expansion), food industry (due to increasing products and the industry itself driven by exports with consumers' demand expanding continuously as well as higher domestic consumption).



### Key Industrial Index

#### Manufacturing Production Index

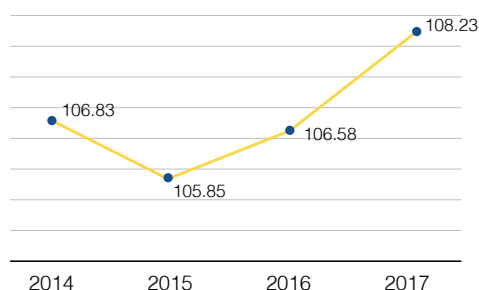
Jan – Dec 2017 growth 1.58%  
(%YOY)



Reference: Office of Industrial Economics

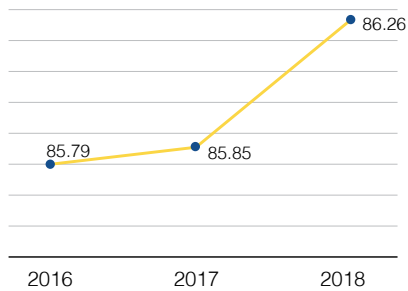
#### Export Index

Jan – Dec 2017 growth 1.54%  
(%YOY)



Reference : Office of Industrial Economics

**Thai Industries Sentiment Index**  
Jan – Dec at 86.26%



Reference : Office of Industrial Economics

In the period of 12 months (January-December) of 2017, industrial product index was 112.31, increasing from the same period of 2016 (110.56) by 1.58%.

The industries which had an impact on the increase of industrial index included other rubber productions, manufactures of electronic tubes and assemblies, and manufactures of assemblies and accessories for automobiles and engines and etc.

Concerning the 2018 trend, it is speculated that industrial product index will expand more than 2017 due to the world's economic expansion as a factor continuously supporting export sectors, a drive of public sectors' investments, better adjustment of private sector's investments and employments and etc.

In the 12 months' period (January-December) of 2017, freight index was at 108.23, increasing from the same period of 2016 (106.58) by 1.54%.

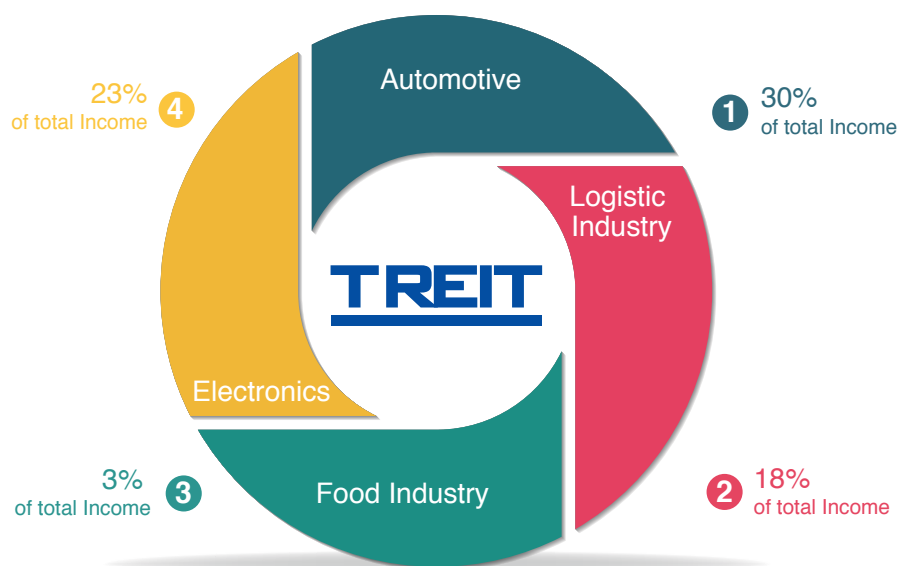
The industries which helped raise freight index from the same period of 2016 included manufactures of assemblies and accessories for automobiles and engines, manufactures of electronic tubes and assemblies, oil productions from plants, animal oil, tallow and etc.

Regarding 2018 trend, it is speculated that freight index will expand more than 2017, corresponding to industrial product index (increased value) above.

In the period between January-December (the first twelve months) of 2017, average index was 86.26, increasing from the same period of 2016 (85.5) and confidence index measured three months in advance was at 101.26, increasing from the same period of 2016 (100.38)

Regarding 2018 trend, it is speculated that industrial confidence index will grow better than 2017 as a result of the continuous expansion of the country's economy due to the governmental drive in large-scale infrastructure investments such as, concerning transportation, there has been an investment in railway project by Mass Rapid Transit Authority of Thailand to solve traffic congestion problems in Bangkok and investments in Eastern Economic Corridor (EEC) to elevate industrial economy to be the manufacture center of the region.

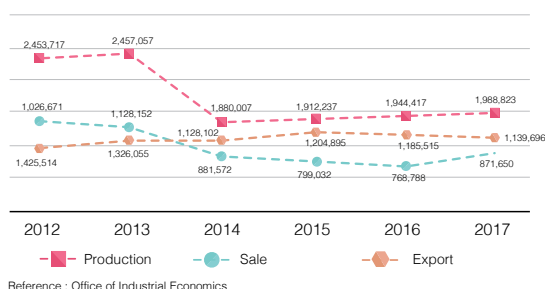
## Analysis of Tenants Industry



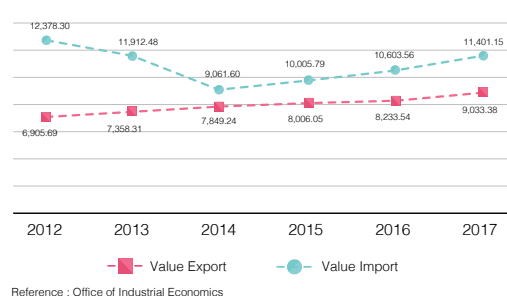
### 2.1 The whole picture of automobile and assembly manufactures

A number of automobile manufacturers in 2017 expanded, compared with the same period of the previous year, which was domestic expansion since domestic economic condition also expanded, corresponding to what the Office of the National Economic and Social Development Board speculated that Thailand's 2017 economy would expand by 3.9% and there would be the introductions of new automobile models to promote domestic market. However, export markets declined in Asian, Middle-east, African and European countries.

Car Production, Sale and Export (Number)



Value of Car Export and Import of Car Components and Equipments (Million USD)



### Automobile Manufactures

In 2017 (January-December), 1,988,823 automobiles had been produced, compared with 1,944,417 in the same period of the previous year, which increased by 2.28%, breaking into passenger cars 42%, pick-up cars 1 ton and derivatives 56% and other commercial cars 2%.

### Domestic Automobile Trading

In 2017 (January-December), there were 871,650 units, compared with the same period of the previous year. The number of purchases was at 768,788 units, increasing by 13.38%, classified as purchases of passenger cars 40%, 1-ton pick-ups 41%, PPVs and SUVs 14% and other commercial cars 5%.

### Automobile Exports

In 2017, (January-December), a number of automobile exports were 1,139,696 units, compared with the same period of the previous year with the number of exports recorded at 1,188,515 units, decreasing by 4.11%. The decrease happened in almost all markets except for the markets in Oceanian and North American countries.

### Export Values of Automobiles' Assemblies and Accessories

In 2017 (January-December), export values of automobiles' assemblies and accessories were 9,033.88 million US dollars, compared with the same period of the previous year valued at 8,233.54 million US dollars, increasing by 9.72. Dominant export markets of automobiles' assemblies and accessories were Japan, Indonesia and Malaysia.

### Import Values of Automobiles' Assemblies and Accessories

In 2017 (January-December), import values of automobiles' assemblies and accessories, compared with the same period of the previous year valued at 10,603.56 million US dollars, increasing by 7.52%. Dominant export markets of automobiles' assemblies and accessories were Japan, China, and the USA.

### The Trend of Automobile Industries in 2018

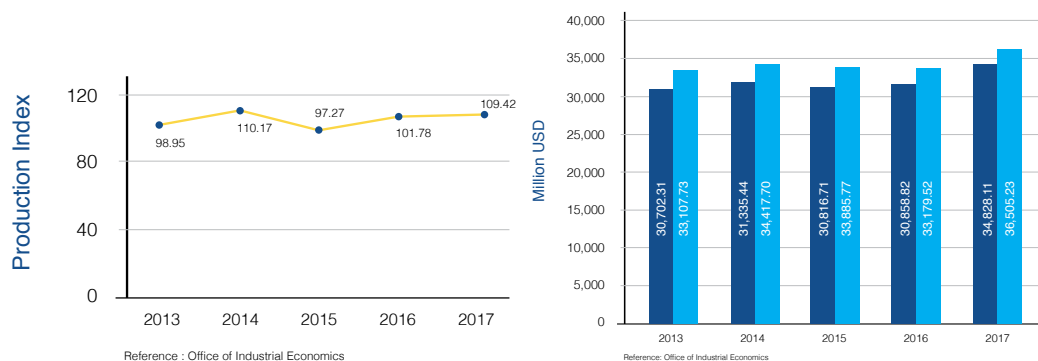
Concerning the estimation of automobile industries in 2018, according to the speculation of the automobile industry group, the Federation of Thai Industries assumes that a number of manufactured automobiles will rise by 2,000,000 units, increasing by 2.56. 1,100,000 units will be manufactured for exports, corresponding to the speculation of the Office of the National Economic and Social Development Board which expects the economic expansion of (GDP) 2018 to increase by 3-4%. Concerning the export markets, the trend will be better following the recovery of the world's economy.

## 2.2 Electronics Industries

The manufactures of electronics in 2017 increased by 7.51 percent, compared with those of 2016, in Semiconductor, IC, HDD and PCBA due to increased demand of electronics products and increased value of export in Japan, ASEAN, China, EU and US markets.



Production Index, Import Value  
and Export Value of Electronics Products



### Electronics Production

The manufactures of electronics index in 2017 equal 109.42 increased by 7.51 percent, compared with those of 2016, in Semiconductor, IC, HDD and PCBA that increased by 14.78%, 16.24%, 8.84% and 1.95% respectively. This resulted from the expansion of electronics goods due to the world's higher demands because IC is an essential part for the manufacture of goods which require advanced technology and thus is used as smartphones and tablets' assemblies, both of which have been in high demand. Concerning HDD manufacture, higher storage was in trend as it could be used in Cloud Storage.

### The Exports of Electronics Goods

In 2017, the exports of electronics goods were 36,505.23 million US dollars, increasing by 10.02% with the main export markets Japan, China, ASEAN and UN countries and America all increasing. Export values of computers' assemblies and accessories were 14,258.12 million US dollars, increasing by 7.01%. IC values were 8,250.85 million US dollars, increasing by 7.66%. Mobile phones and accessories increased by 120.71%, valued at 2,079.73 million US dollars especially in Japanese and UN markets.

### The Trend of Electronics Industries in 2018

"Concerning the electronics industries in 2018, it is speculated that the manufactures of electronics goods will increase by 5.00% and will have values of exports to main markets increasing by 7.00%, compared with the previous year. Goods which are likely to increase are IC due to higher demand and the fact that it is an integral part for developing goods which require advanced technology and can be used as assemblies of smartphones and tablets which are also in high demand".

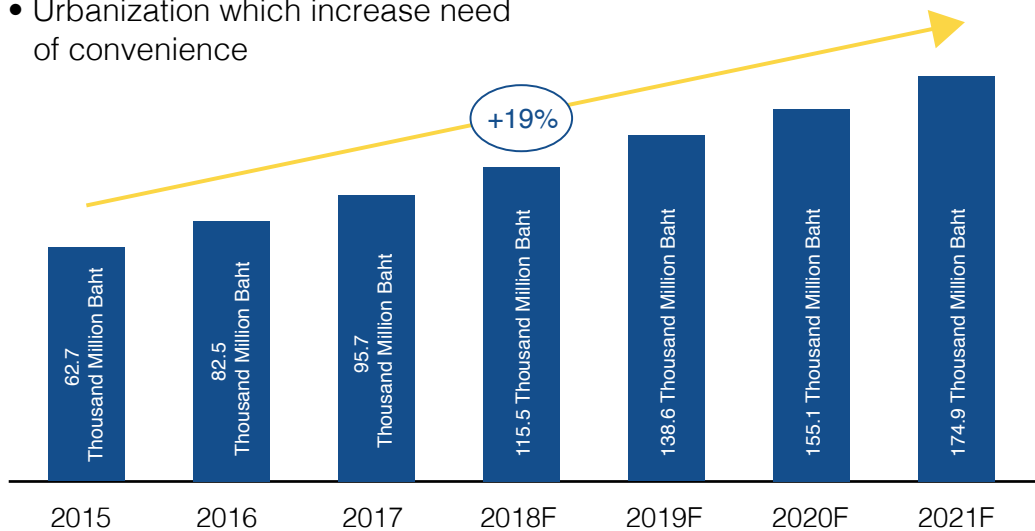
## 2.3 Logistics Industries

Thai logistics industries have many advantages. Taking the potential of Thailand in terms of strategic locations which are suitable for manufactures and trading into account, we all might know that Thailand has readily prepared fundamental structures and it also connects trading doors through land transportation to neighboring countries as well as the fact that opportunities for logistics business in Thailand have continuously increased due to free trade negotiations with many countries.

Logistics industries in 2017 grew by 16%, compared with 2016 at approximately 13,200 million baht resulting mainly from the growth of E-Commerce which was mainly affected by positive factors of the growth of internet uses, smartphones. This was also due to the urban lifestyles which were more dependent on IT accessories, thus E-Commerce businesses having positive effects on higher demands in warehouse buildings for storage and real-time distributions of goods and punctuality.

### Key Factors that Stimulus Growth of Logistic Industry

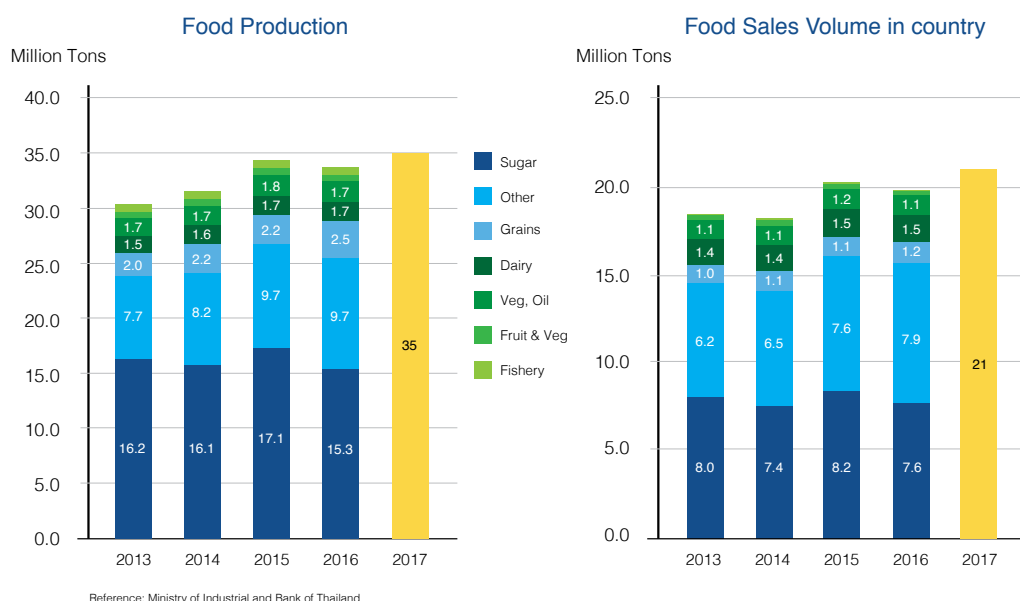
- Increase of using smartphone
- Increase of using internet
- Urbanization which increase need of convenience



Reference : Roland Burger

#### 2.4 Food Industries

A number of food industries in 2017 increased, when compared with those of 2016, as an effect of increasing products and food industries were also driven by exports of which consumers' needs expanded consistently. Also, domestic consumption increased due to better trend of economy in the whole picture.



### Food Trading

In 2017, food purchases were measured at 20,695,424.37 tons, increasing from 2016 by 3.99 (%YOY) as a result of livestock sales (frozen and chicken), fishery (frozen fish), vegetable oil (crude palm oil), vegetables and fruits (juice and coconut milk), grain and flour (cassava flour) and animal foods (chicken and pork instant foods) as economy in the whole picture tends to be better continuously, resulting in higher consumption.

### Food Manufactures

In 2017, food manufactures were measured at 34,975,148.03 tons, expanding from 2016 by 5.61% (%YoY) due to manufactures of key goods such as crude palm oil, canned pineapple, frozen and chilled chicken, semi-finished or brown-sugar-cooked chicken, frozen shrimp, instant noodle, animal foods in response to continuously expanding domestic and international consumers' needs.

### Exports

In 2017, export values were 28,959.94 million US dollars, expanding from 2016 by 10.72% (%YoY) due to increasing exports of key goods in every product group, especially for export goods which increased in both number and value such as white rice, jasmine rice, rice flour, rice noodles, crispy bread, instant noodles, convenience foods, chilled and frozen chicken, semi-finished and cooked chicken, frozen fresh, frozen and dried fruits (durian and longan) flavour additives (sauces and flavour powders) as well as those goods which drop in quantity but grow in value such as chilled and frozen raw shrimp, canned tuna, brown sugar due to the recovery of the partner countries' economy such as the USA, UN countries, China, Japan and CLMV.

### Governmental Policies on Food Industries

Super Cluster and Food Innopolis which are the policies that encourage the development of all-in food process innovation, the establishment of special economic areas along borders and financial measures to support farmers with low income, SMEs and community enterprises, boost the expansion of food and drink industries.

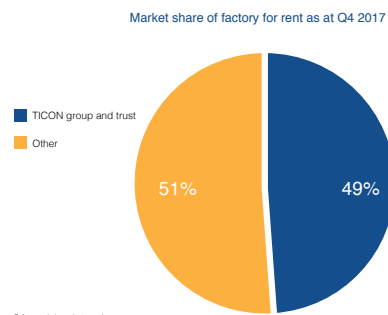
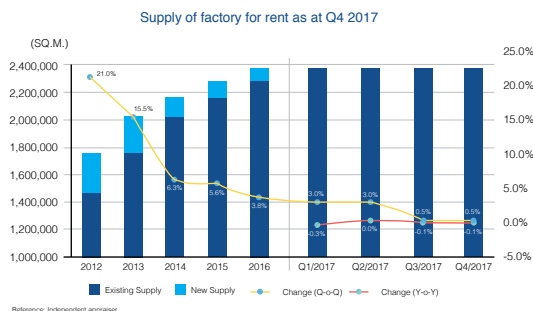
### The Trend of Food Industries in 2018

“The manufactures and exports, in the whole picture, of food industries in 2018 are expected to expand, when compared with the previous year due to increase in agricultural produces following proper climate condition. The recovery of the world’s economy, especially that of Thailand’s partner countries such as the USA, UN countries, China, Japan and CLMV and declining manufacture costs following the reduction of raw materials’ costs contribute to the consistent expansion of exports in livestock, fishery, vegetables and fruits, sugar and rice, grain and flour with increase in the whole picture of domestic economy”.

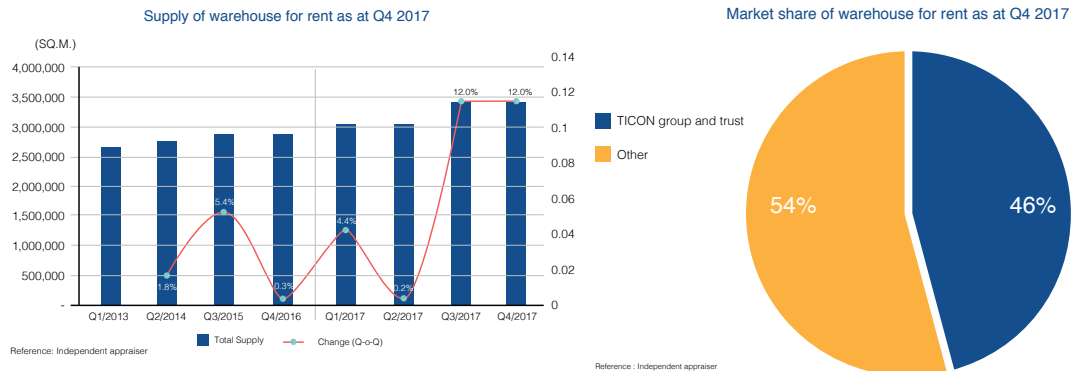
## 3. The Whole Picture of Industries of Factory Buildings and Warehouses for Rent Supply

Concerning supplies of industrial real estates, there were unoccupied lands in industrial locations (industrial estates, industrial parks and industrial areas), ready-to-use factories and warehouses. It was found out that, by the end the fourth quarter of 2017, the supply of unoccupied lands was approximately 157,000 rai and expected to increase by 26,000 rai in the future, which were under development or suspended for development. Regarding locations, Eastern Seaboard Industrial Estate was found to be the most popular since it is located close to port, which enhances the transportation and safety regardless of floods. The second popular location was in Phra Nakhon Si Ayutthaya as it is located close to Bangkok.

Concerning ready-to-use factories, 6 dominant entrepreneurs including TICON Group and TREIT, Thai Factory Development Plc., Hemaraj Land and Development, PINTHONG GROUP MANAGEMENT AND CONSULTANTS CO., LTD., Amata Corporation PCL and WHA Corporation Pcl. had number of supplies in total 1,100 units, equalling to 2,300,000 Sq.m, decreasing by 0.1% when compared with the previous quarter resulting from some ready-to-use factories sold to tenants and increasing by 0.5% when compared with the same quarter of the previous year, most owned by TICON (approximately 49%) and other entrepreneurs altogether (51%).



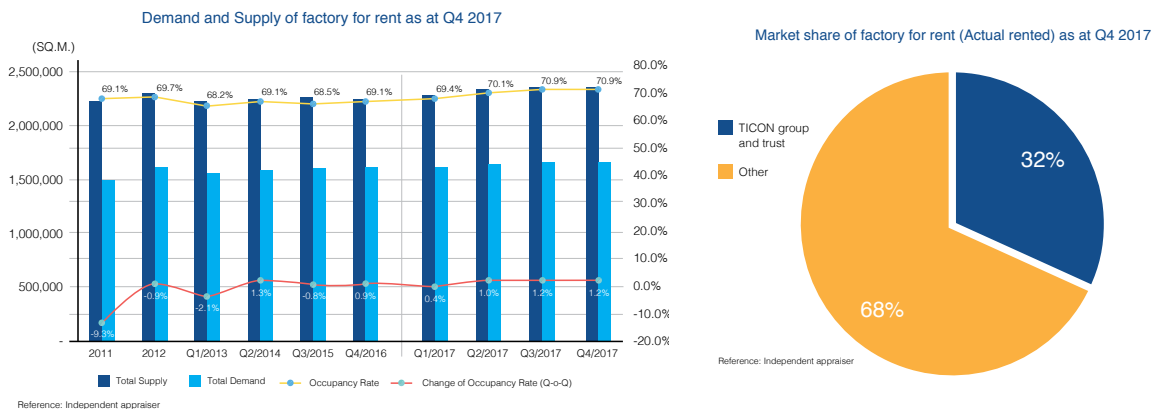
Regarding ready-to-use warehouses for rent, numbers of supplies were 3,400,000 Sq.m, increasing by 360,000 Sq.m. or 12% from the previous quarter, most owned by TICON Group and TREIT (approximately 46%) and other entrepreneurs altogether (54%). In 8-14 months' time, it is speculated that numbers of supplies will increase by 230,000 Sq.m which is under development of the fourth quarter of 2018.



## Demand

Concerning a number of demands for ready-to-use factory areas for rent at the fourth quarter of 2017, rental rates were at 70%, increasing from the previous quarter by 1.2%. It was the fourth continuous increase.

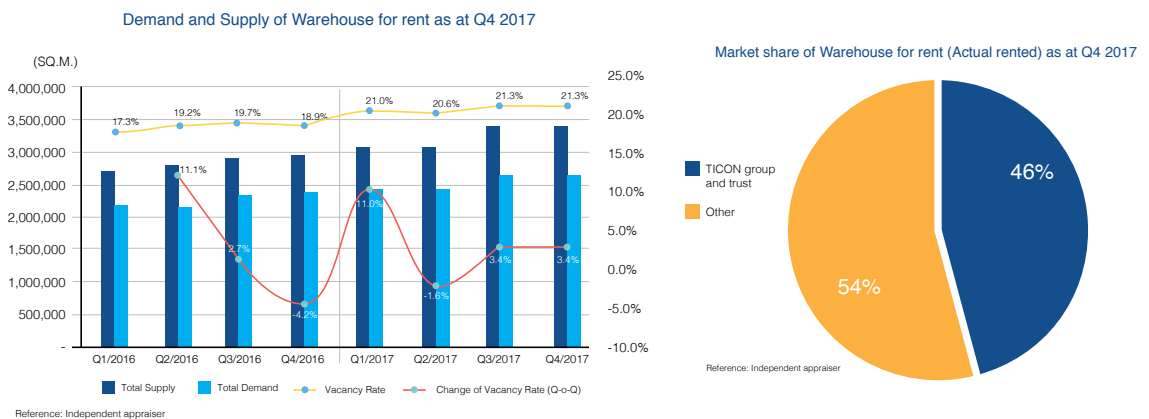
Regarding the actual market shares of ready-to-use factories for rent's areas, it was found out that TICON Group and TREIT had the most market shares with areas measuring 580,000 Sq.m. or 32% of all the areas for rent. The rest 54% were owned by other entrepreneurs.

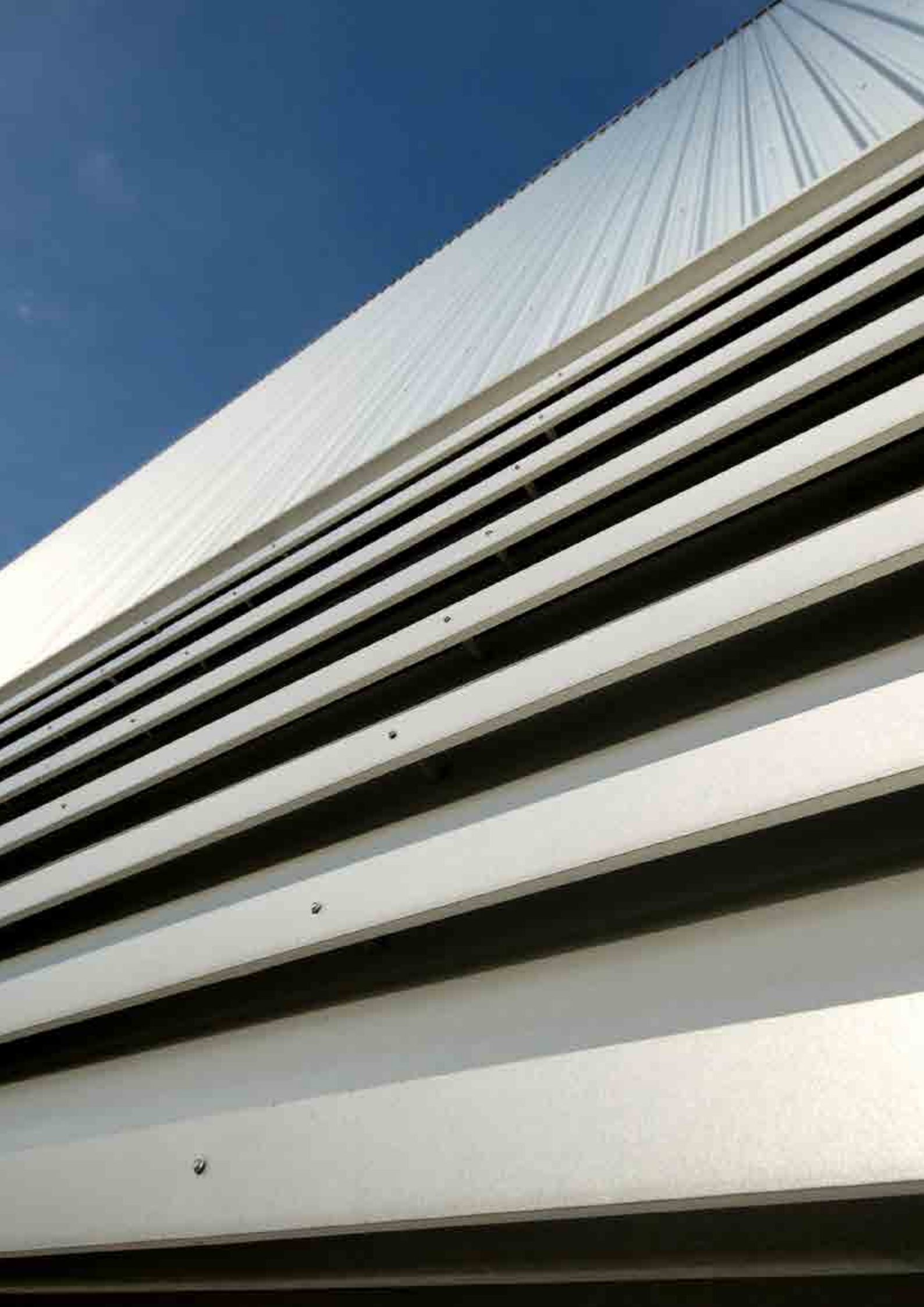




In terms of demands for ready-to-use warehouses for rent, rental rates were 79%, dropping from the previous quarter by 0.9%. However, if the actual rental rates were taken into account, it was found out, that at the end of the last quarter of 2017, demands for warehouse areas for rent increased by 260,000 Sq.m. Yet, due to dramatically increasing supplies of ready-to-use warehouses for rent, rental rates declined, which happened in the fourth quarter of 2016 as well, indicating the arrival of brand new warehouse areas for rent which were adding up to the market outnumbered demands for area rentals in each quarter.

Concerning the actual market shares of ready-to-use warehouse areas for rent, it was found that TICON Group and TREIT had the most market shares with areas in total measuring 1,500,000 Sq.m or 46% of all the areas for rent. The rest 54% were owned by other entrepreneurs including WHA, Hemraj, Amata, Pinthong and others.





# OPERATIONAL REVIEW

No of Properties  
**490** Units

- Factory 298 Units
- Warehouse 192 Units

Net Leasable Area  
**1,484,660** SQ.M.

Portfolio Value  
**30,451**  
Million Baht

Occupancy  
**79%**

Renewal Rate  
Approximately  
**85%**

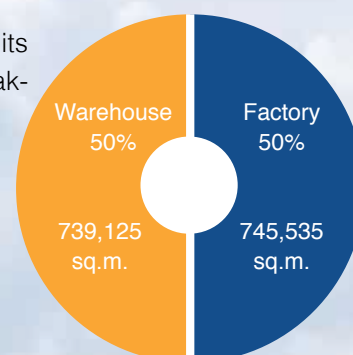
Average Property Age  
**10.55** years

According to the conversion, acquired TFUND, TLOGIS and TGROWTH into TREIT in December 2017, TREIT has grown its portfolio from 98 units to 490 units with an increasing in Net leasable area from 369,705 sq.m. to 1,484,660 sq.m., and grown in portfolio value from 7,352 million baht to 30,451 million baht. With net leasable area and portfolio value, TREIT is “The largest industrial REIT in Thailand”. Operational overview of fiscal year 2017 can be summarized as follows:

## Type of Property

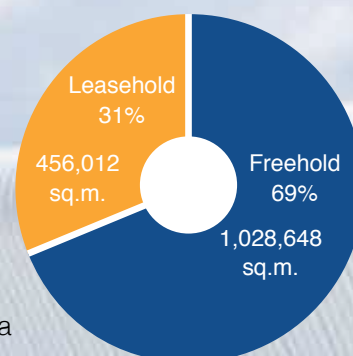
As of December 31, 2017 TREIT has been invested in 490 units of properties, Total leasable area of 1,484,600 sq.m. can break-down as following details;

- Factory 298 units  
Leasable area 745,535 sq.m.
- Warehouse 192 units  
Leasable area 739,125 sq.m.



## Type of Right on Assets

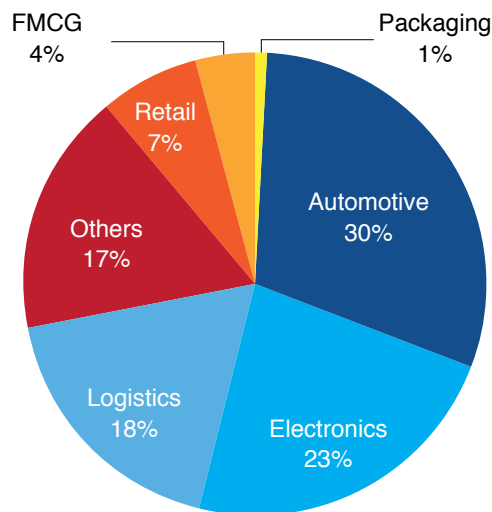
- Freehold 69% of total leasable area  
Leasable area equal to 1,028,648 sq.m. as follows;  
Factory 255 units,  
619,435 sq.m. of leasable area  
Warehouse 109 units,  
409,213 sq.m. of leasable area
- Leasehold 31% of total leasable area  
Leasable area equal to 456,012 sq.m. as follows;  
Factory 41 units, 126,100 sq.m. of leasable area  
Warehouse 83 units, 329,912 sq.m. of leasable area



### Breakdown Tenants by Industry

Currently tenants of TREIT assets (both warehouse and factory) come from various industries. Industries with the highest number of tenants are automotive, electronics/electrical and logistics respectively.

Details of the tenants classified by industries and the percentage of rental and services income are as follows:

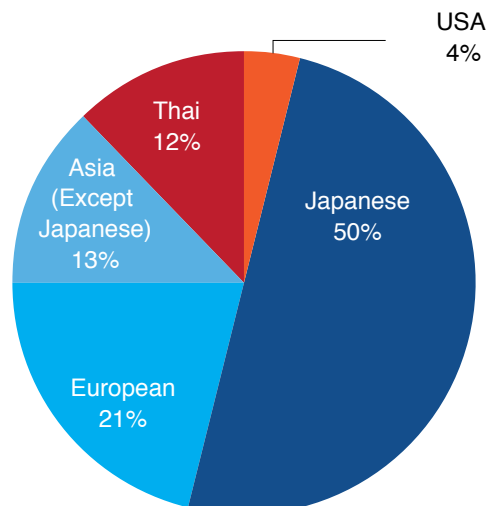


Note : Reference from Rental and Service Income as of 31 December 2017

### Nationalities

Currently most of tenants (both warehouse and factory) are Japanese companies, Europe, Asia, Thai and USA respectively.

Details of the tenants classified by nationalities and the percentage of rental and services income are as follows:

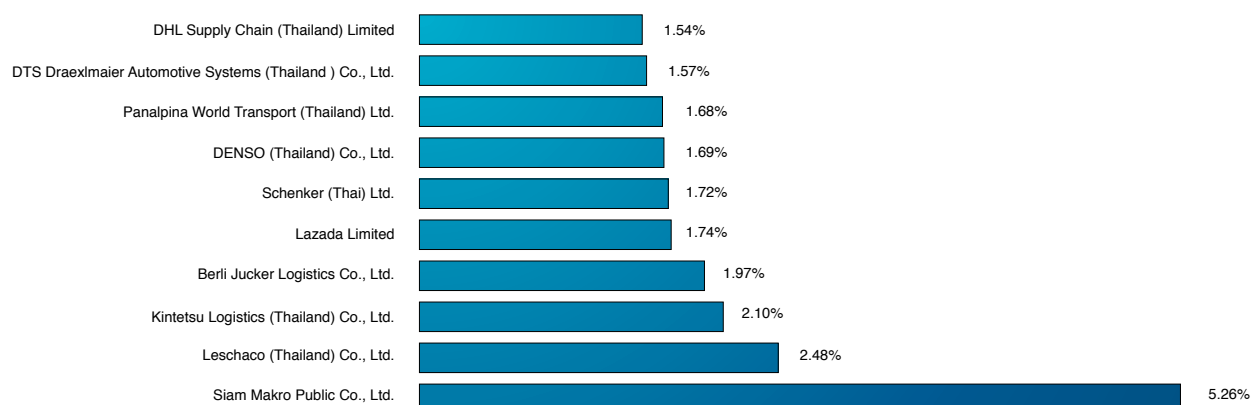


Note : Reference from Rental and Service Income as of 31 December 2017

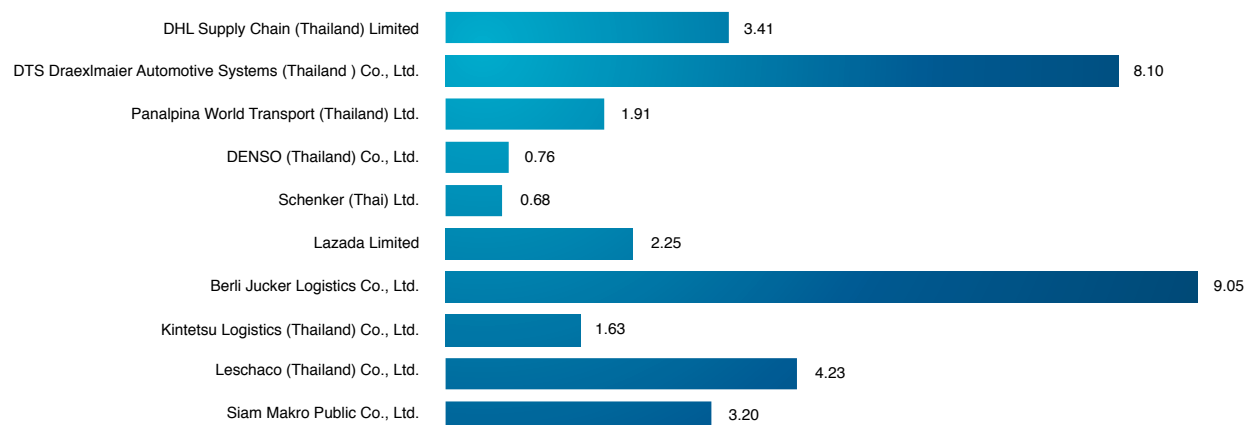
### Tenants of the Trust

With a tenant base of around 252 well reputed local, multinational and listed companies, TREIT has a diversified and high quality tenant profile across wide range of industries. The top 10 tenants collectively contributed 22% of the total revenue which represent better tenants diversification than last year which top 10 tenants that contributed 56% of total revenue. This reduce concentration risk and contributes to income stability and diversity in portfolio better than last year.

### Top 10 Tenants by GRI (% TREIT Gross Income)



### WALE of Top 10 Tenants by GRI (Number of Years)





# PORTFOLIO OVERVIEW

## 1. Warehouse

TREIT has invested in two types of warehouse building, Ready-Built and Built to Suit, which are located in strategic locations as good distribution center. The selected warehouses are able to handle modern inventory management system with building design which takes into account the column span, floor loading, operation height, number of doors for loading and unloading goods, hydraulic dock leveler to match different heights of trucks and the space for office area.



International Standard Quality of TREIT Assets  
(Example : Warehouse)

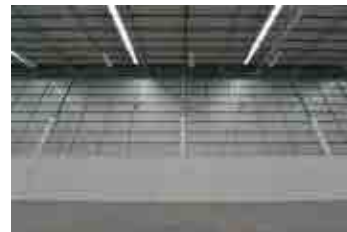
**FIRE PROTECTION  
SYSTEM**



**EXTRA  
ROOF RIDGE**



**EXTRA CLEAR HEIGHT  
(10-12 METERS)**



**WIDE COLOME SPAN  
(18-30 METERS)**



**OVERHEAD DOORS  
WITH HYDRAULIC  
DOCK LEVELERS**



**OFFICE AREA**



**INDUSTRIAL  
CONCRETE FLOOR**



## 2. Factory

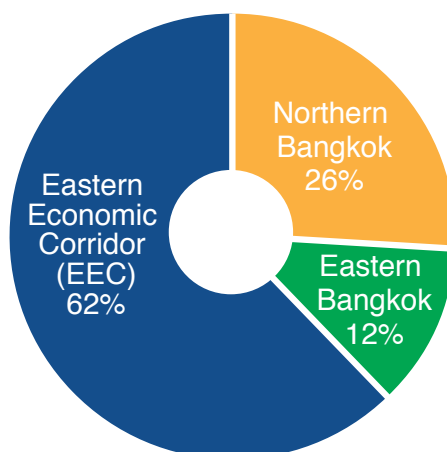
Most of TREIT's factory buildings are single-storey buildings with mezzanine for office space, locating in fenced areas with guard house, parking space and loading area. Presently, all factory buildings in TREIT are standardised ready-built which can be adjusted to fit the tenant's requirements. The size of the buildings is approximately 1,200 to 14,250 square meters with floor loading capacity ranging from 1 – 3 tons/sq.m. With roof structure of pre-engineered steel columns and rafters, the buildings do not need middle columns to support the roof, which provide maximum operation space for factory and built-in office space.

As of December 31, 2017 TREIT has been invested in 490 units of high-quality warehouses and factories in many strategic locations and industrial estates. Total leasable area equal to 1,484,660 square meter as following detail:



## Portfolio Distribution

Locations of invested properties can be defined into 3 group of strategic locations : The majority of properties located in Eastern Economic Corridor : EEC, Northern Bangkok and Eastern of Bangkok respectively. Investment proportion and detail as follows:



Project / Industrial Estate / Industrial Park	No. of Warehouse (Unit)	No. of Factory (Unit)	Net leasable Area ("NLA") (Sq.m.)	NLA Proportion (%)	Assets Value (Million Baht)
Amata City Rayong Industrial Estate	-	30	81,600	5.5%	1,844.0
Amata City Chonburi (Amata Nakorn) Industrial Estate	7	94	250,875	16.9%	5,737.9
Bangpa-in Industrial Estate Ayutthaya	-	13	27,050	1.8%	594.8
Bangpoo Industrial Estate Samut Prakan	-	11	35,525	2.4%	784.1
Hemaraj Industrial Estate Chonburi (Bowin)	-	3	7,200	0.5%	168.7
Hi-Tech (Ban Wa) Industrial Estate Ayutthaya	-	36	98,828	6.7%	1,999.4
Navanakorn Industrial Promotion Zone Pathumthani	-	17	41,200	2.8%	793.4
Pinthong Industrial Estate (Project 1) Chonburi	-	20	41,200	2.8%	897.1
Pinthong Industrial Estate (Project 2) Chonburi	-	9	21,025	1.4%	550.7
Pinthong Industrial Estate (Project 3) Chonburi	-	13	38,100	2.6%	1,059.4
Rojana Industrial Park Ayutthaya	3	52	140,906	9.5%	2,829.0

Project / Industrial Estate / Industrial Park	No. of Warehouse (Unit)	No. of Factory (Unit)	Net leasable Area ("NLA") (Sq.m.)	NLA Proportion (%)	Assets Value (Million Baht)
TPARK Bangna Chochoengsao	81	-	258,260	17.4%	5,101.1
TPARK Bangplee 1 Samut Prakan	10	-	76,477	5.2%	1,313.2
TPARK Bangplee 3 Samut Prakan	13	-	56,700	3.8%	1,059.4
TPARK Eastern Seaboard 1 (A) Chonburi	6	-	27,016	1.8%	439.1
TPARK Eastern Seaboard 1 (B) Chonburi	4	-	11,400	0.8%	204.7
TPARK Eastern Seaboard 2 (A) Chonburi	4	-	15,800	1.1%	284.2
TPARK Laemchabang 1 Chonburi	21	-	69,404	4.7%	1,229.4
TPARK Laemchabang 2 Chonburi	15	-	43,950	3.0%	880.0
TPARK Phan Thong 1 Chonburi	5	-	10,600	0.7%	189.3
TPARK Rojana Prachinburi	1	-	10,020	0.7%	198.4
TPARK Sriracha Chonburi	5	-	44,418	3.0%	764.5
TPARK Wangnoi 1 Phra Nakorn Sri Ayutthaya	13	-	67,306	4.5%	1,452.3
TPARK Wangnoi 2 Ayutthaya	4	-	9,800	0.7%	178.1
<b>Total</b>	<b>192</b>	<b>298</b>	<b>1,484,660</b>	<b>100.0%</b>	<b>30,450.6</b>

REIT Manager manage assets under trust with professional and effectiveness to secure high occupancy rate and rental rate for sustainable growing. Moreover, REIT manager plan to reduce operation expense by changing normal light bulb to LED, consideration of using CCTV to monitoring the assets and set efficient schedule of repairing factory and warehouse.

Miss. Tirakarn Thammasarakoon  
Senior Asset Management Manager  
TICON Management Co., Ltd.





# PROPERTY LOCATIONS



- Northern Bangkok
- Eastern Bangkok
- Eastern Economic Corridor (EEC)

## Ayutthaya

### Factory

Bangpa-in Industrial Estate  
- 13 Factories  
- NLA 27,050 SQ.M

### Hi-Tech Industrial Estate

- 36 Factories  
- NLA 98,828 SQ.M

### Rojana Industrial Park

- 52 Factories  
- NLA 122,582 SQ.M

### Warehouse

Rojana Industrial Park  
- 3 Warehouses  
- NLA 18,324 SQ.M

### TPARK Wangnoi 1

- 13 Warehouses  
- NLA 67,306 SQ.M

### TPARK Wangnoi 2

- 4 Warehouses  
- NLA 9,800 SQ.M

## Pathumthani

### Factory

Navanakorn Industrial  
Promotion Zone  
- 17 Factories  
- NLA 41,200 SQ.M

## Prachinburi

### Warehouse

TPARK Rojana Prachinburi  
- 1 Warehouse  
- NLA 10,020 SQ.M

## Samutprakarn

### Factory

Bangpoo Industrial Estate  
- 11 Factories  
- NLA 35,525 SQ.M

### Warehouse

TPARK Bangplee 1  
- 10 Warehouses  
- NLA 76,477 SQ.M

### TPARK Bangplee 3

- 13 Warehouses  
- NLA 56,700 SQ.M

## Chonburi

### Factory

Amata City Chonburi (Amata  
Nakorn) Industrial Estate  
- 94 Factories  
- NLA 231,225 SQ.M

### Hemaraj Chonburi Industrial

Estate  
- 3 Factories  
- NLA 7,200 SQ.M

### Pinthong Industrial Estate

- 42 Factories  
- NLA 100,325 SQ.M

### Warehouse

Amata City Chonburi (Amata  
Nakorn) Industrial Estate  
- 7 Warehouses  
- NLA 19,650 SQ.M

### TPARK Laemchabang 1

- 21 Warehouses  
- NLA 69,404 SQ.M

### TPARK Laemchabang 2

- 15 Warehouses  
- NLA 43,950 SQ.M

### TPARK Eastern Seaboard

1 (A)  
- 6 Warehouses  
- NLA 27,016 SQ.M

### TPARK Eastern Seaboard

1 (B)  
- 4 Warehouses  
- NLA 11,400 SQ.M

### TPARK Eastern Seaboard

2 (A)  
- 4 Warehouses  
- NLA 15,800 SQ.M

### TPARK Phan Thong

- 5 Warehouses  
- NLA 10,600 SQ.M

### TPARK Sriracha

- 5 Warehouses  
- NLA 44,418 SQ.M

## Rayong

### Factory

Amata City Rayong Industrial  
Estate  
- 30 Factories  
- NLA 81,600 SQ.M



Factory



Warehouse



Airport



Port

7 Province  
24 Strategic  
Locations



## Amata City Chonburi (Amata Nakorn) Industrial Estate

Amata City Chonburi (Amata Nakorn) Industrial Estate strategically located in Eastern Economic Corridor (EEC), on Bangna-Trad Road (Km. 57). Close to Bangkok, Suvarnabhumi Airport and Laemchabang Port. This prime location provides advantages in logistics and transportation, directly connected to Bangna-Trad Highway, Burapha Withi Elevated Highway, and Highway 7 (Motorway).

Amata Nakorn Industrial Estate considered as the largest area of industrial estate in Thailand, complete with infrastructures and utilities to support production and/or other industrial activities. In addition, these industrial estate not far from Laemchabang port and Suvarnabhumi airport.

**Note :** Picture in this page is assets of TREIT and TICON group.  
Not specific to detail in each page

### Amata City Chonburi (Amata Nakorn) Industrial Estate

Location	Chonburi
GPS	13.423834, 101.000064

#### Distance from (Kilometers)

Bangkok	57 Km.
Suvarnabhumi Airport	42 Km.
Laemchabang Port	46 Km.

#### Current Asset Investment

Factory	94 Units
Warehouse	7 Units
Leasable Area	250,875 Sq.m.
Investment Type	Freehold 65% Leasehold 35% Remaining leasehold 26 years (Ended December 12, 2043)
Assets Value	5,737.90 Million Baht



## Hemaraj Chonburi Industrial Estate (Bowin) Chonburi

Hemaraj Chonburi Industrial Estate located in Bowin Sub-district, Sriracha District, Chonburi Province, 110 Km. from Bangkok. Conveniently access from both Highway 331 and the new Highway 331, connected to Highway No.7 (Motorway), logistically convenient to the Laemchabang deep sea port and Sri Racha city, both of which are only 25 Km. away.

Hemaraj Chonburi is an another important cluster for the manufacture of steel, electronics, power, auto parts, logistics and export-oriented industries.

### Hemaraj Chonburi Industrial Estate (Bowin) Chonburi

Location	Chonburi
GPS	13.050115, 101.092231

### Distance from (Kilometers)

Bangkok	100 Km.
Suvarnabhumi Airport	83 Km.
Laemchabang Port	25 Km.

### Current Asset Investment

Factory	3 Units
Leasable Area	7,200 Sq.m.
Investment Type	Freehold 100%
Assets Value	168.7 Million Baht

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## Pinthong Industrial Estate (Project 1) Chonburi

Pinthong Industrial Estate (Project 1) located just 10 Km. away from Laemchabang Port on Highway Route 7 (Motorway). 60 Minutes to Suvarnabhumi Airport and easy access to major towns in Eastern Region. 15 Km. to Sriracha and 30 Km. to Pattaya.

Moreover, prime location of Pinthong Industrial Estate is in the center of all major Industrial Estates in Eastern area. Easy to link as Supply Chain System or Logistic Base in Eastern Region.

### Pinthong Industrial Estate (Project 1) Chonburi

Location	Chonburi
GPS	13.123703, 100.990931

### Distance from (Kilometers)

Bangkok	95 Km.
Suvarnabhumi Airport	80 Km.
Laemchabang Port	9 Km.

### Current Asset Investment

Factory	20 Units
Leasable Area	41,200 Sq.m.
Investment Type	Freehold 100%
Assets Value	897.1 Million Baht

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## Pinthong Industrial Estate (Project 2) Chonburi

Pinthong Industrial Estate (Project 2) located close to Pinthong Industrial Estate (Project 1) and just 13 Km. away from Laemchabang Port. Conveniently transport to Bangkok and Suvarnabhumi Airport. And easy access to major towns in Eastern Region such as Sriracha and Pattaya.

Pinthong Industrial Estate (Project 2) can effectively support high demand of manufacturing in Eastern area. Easy to link as Supply Chain System or Logistic Base in Eastern Region.

### Pinthong Industrial Estate (Project 2) Chonburi

Location	Chonburi
GPS	13.119116, 101.032842

### Distance from (Kilometers)

Bangkok	100 Km.
Suvarnabhumi Airport	85 Km.
Laemchabang Port	13 Km.

### Current Asset Investment

Factory	9 Units
Leasable Area	21,025 Sq.m.
Investment Type	Freehold 59% Leasehold 41% Remaining leasehold 26 years (Ended December 12, 2043)
Assets Value	550.7 Million Baht

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## Pinthong Industrial Estate (Project 3) Chonburi

Pinthong Industrial Estate (Project 3) was developed in order to accommodate growing demand of investor and manufacturer in Eastern area. Located close to Pinthong Industrial Estate - Project 1, 2 and just 17 Km. away from Laemchabang Port. Conveniently transport to Bangkok and Suvarnabhumi Airport. Complete with infrastructures and utilities.

### Pinthong Industrial Estate (Project 3) Chonburi

Location	Chonburi
GPS	13.10551, 101.066961

### Distance from (Kilometers)

Bangkok	104 Km.
Suvarnabhumi Airport	89 Km.
Laemchabang Port	17 Km.

### Current Asset Investment

Factory	13 Units
Leasable Area	38,100 Sq.m.
Investment Type	Freehold 87% Leasehold 13% Remaining leasehold 26 years (Ended December 12, 2043)
Assets Value	957.8 Million Baht

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## TPARK Eastern Seaboard 1 (A) Chonburi

TPARK Eastern Seaboard is strategically located near the industrial estates cluster on the Eastern Seaboard. Including the Eastern Seaboard Industrial Estate, Hemraj Chonburi Industrial Estate, Pinthong Industrial Estate and Amata City Rayong Industrial Estate.

TPARK Eastern Seaboard provides the advantages for the logistics needs of the automotive industry.

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### TPARK Eastern Seaboard 1 (A) Chonburi

Location	Chonburi
GPS	13.032656, 101.14151

### Distance from (Kilometers)

Bangkok	121 Km.
Suvarnabhumi Airport	119 Km.
Laemchabang Port	40.5 Km.
Amata City Rayong Industrial Estate	9 Km.
Eastern Seaboard Industrial Estate (Rayong)	1 Km.
Hemaraj Chonburi Industrial Estate	10 Km.
Hemaraj Eastern Seaboard Industrial Estate	13 Km.
Laemchabang Industrial Estate	40 Km.
Pinthong Industrial Estate Project 1	25 Km.
Pinthong Industrial Estate Project 2	21 Km.
Pinthong Industrial Estate Project 3	17 Km.

### Current Asset Investment

Warehouse	6 units
Leasable Area	27,016 Sq.m.
Investment Type	Freehold 100%
Assets Value	439.1 Million Baht



## TPARK Eastern Seaboard 1 (B) Chonburi

TPARK Eastern Seaboard 1 (B) located near the industrial estates cluster on the Eastern Seaboard. Offers excellent opportunities for growing demand in automotive industry and support logistic activities for manufacturers in surrounded industrial estate including the Eastern Seaboard Industrial Estate, Hemraj Chonburi Industrial Estate, Pinthong Industrial Estate and Amata City Rayong Industrial Estate.

### TPARK Eastern Seaboard 1 (B) Chonburi

Location	Chonburi
GPS	13.000251, 101.160822

### Distance from (Kilometers)

Bangkok	126 Km.
Suvarnabhumi Airport	123 Km.
Laemchabang Port	44.5 Km.
Amata City Rayong Industrial Estate	6 Km.
Hemraj Chonburi Industrial Estate	14 Km.
Hemraj Eastern Seaboard Industrial Estate	9 Km.
Laemchabang Industrial Estate	44 Km.
Pinthong Industrial Estate Project 1	29 Km.
Pinthong Industrial Estate Project 2	25 Km.
Pinthong Industrial Estate Project 3	21 Km.

### Current Asset Investment

Warehouse	4 Units
Leasable Area	11,400 Sq.m.
Investment Type	Freehold 100%
Assets Value	204.7 Million Baht

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## TPARK Eastern Seaboard 2 (A) Chonburi

TPARK Eastern Seaboard 2 (A) is located only 2 minutes away to the industrial estates cluster in Eastern Seaboard area, another good project to facilitate the logistics needs.

### TPARK Eastern Seaboard 2 (A) Chonburi

Location	Chonburi
GPS	13.092771, 101.088552

### Distance from (Kilometers)

Bangkok	107 Km.
Suvarnabhumi Airport	103 Km.
Laemchabang Port	21.5 Km.
Amata City Rayong Industrial Estate	18.5 Km.
Eastern Seaboard Industrial Estate (Rayong)	16 Km.
Hemaraj Chonburi Industrial Estate	6.8 Km.
Hemaraj Eastern Seaboard Industrial Estate	14 Km.
Laemchabang Industrial Estate	22.5 Km.
Pinthong Industrial Estate Project 1	10 Km.
Pinthong Industrial Estate Project 2	6 Km.
Pinthong Industrial Estate Project 3	2 Km.

### Current Asset Investment

Warehouse	4 Units
Leasable Area	15,800 Sq.m.
Investment Type	Freehold 100%
Assets Value	284.2 Million Baht

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## TPARK Laemchabang 1 Chonburi

TPARK Laemchabang 1 is strategically located on Highway 7 (Motorway) just 7 minutes from Laemchabang Port. Surrounded by a cluster of major industrial estates, TPARK provides all the advantages that come from being positioned at the country's primary seaport – Laemchabang Port.

### TPARK Laemchabang 1 Chonburi

Location	Chonburi
GPS	13.114945, 100.983088

### Distance from (Kilometers)

Bangkok	99 Km.
Suvarnabhumi Airport	92 Km.
Laemchabang Port	11 Km.
Amata City Rayong Industrial Estate	24.5 Km.
Amata City Chonburi (Amata Nakorn) Industrial Estate	42 Km.
Hemaraj Chonburi Industrial Estate	18 Km.
Laemchabang Industrial Estate	8 Km.
Pinthong Industrial Estate Project 1	1 Km.
Pinthong Industrial Estate Project 2	5 Km.
Pinthong Industrial Estate Project 3	9 Km.

### Current Asset Investment

Warehouse	21 Units
Leasable Area	69,404 Sq.m.
Investment Type	Freehold 100%
Assets Value	1,229.4 Million Baht

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## TPARK Laemchabang 2 Chonburi

TPARK Laemchabang 2 is ideally located close to the Laemchabang Port and Laemchabang Industrial Estate. Our customers can increase the efficiency in their logistics operations while able to minimize their costs of operations.

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### TPARK Laemchabang 2 Chonburi

Location	Chonburi
GPS	13.126585, 100.956759

### Distance from (Kilometers)

Bangkok	97 Km.
Suvarnabhumi Airport	97 Km.
Laemchabang Port	8 Km.
Amata City Rayong Industrial Estate	32.1 Km.
Amata City Chonburi (Amata Nakorn) Industrial Estate	47 Km.
Eastern Seaboard Industrial Estate (Rayong)	25 Km.
Hemaraj Chonburi Industrial Estate	23 Km.
Laemchabang Industrial Estate	5 Km.
Pinthong Industrial Estate Project 1	6 Km.
Pinthong Industrial Estate Project 2	10 Km.
Pinthong Industrial Estate Project 3	14 Km.

### Current Asset Investment

Warehouse	15 Units
Leasable Area	43,950 Sq.m.
Investment Type	Freehold 100%
Assets Value	880.0 Million Baht



## TPARK Sriracha Chonburi

TPARK Sriracha is situated midway between Amata City Chonburi (Amata Nakorn) Industrial Estate and Laemchabang Port. Suitable for logistics operators supporting the manufacturing industry as well as operating distribution centers for import and export activities via Laemchabang Port.

### TPARK Sriracha Chonburi

Location	Chonburi
GPS	13.173828, 101.002979

### Distance from (Kilometers)

Bangkok	88 Km.
Suvarnabhumi Airport	83.8 Km.
Laemchabang Port	18 Km.
Amata City Rayong Industrial Estate	32.6 Km.
Amata City Chonburi (Amata Nakorn) Industrial Estate	29.8 Km.
Eastern Seaboard Industrial Estate (Rayong)	33.3 Km.
Hemaraj Chonburi Industrial Estate	23 Km.
Laemchabang Industrial Estate	17 Km.
Pinthong Industrial Estate Project 1	12 Km.
Pinthong Industrial Estate Project 2	16 Km.
Pinthong Industrial Estate Project 3	20 Km.

### Current Asset Investment

Warehouse	5 Units
Leasable Area	44,418 Sq.m.
Investment Type	Freehold 100%
Assets Value	764.5 Million Baht

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Not specific to detail in each page





## TPARK Phan Thong 1 Chonburi

TPARK Phan Thong projects are adjacent to Amata City Chonburi (Amata Nakorn) Industrial Estate, strategical located at the midway between Amata Nakorn Industrial Estate and Laemchabang Port, which fit for operators who would like to provide logistics support for their clients with industrial facilities around the areas. For example, logistics operators who support raw material prior to delivery to the manufacturing plant and/or for storing finished goods for further distribution. Also ideally suited for distribution center for Import and export activities via Laemchabang port.

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### TPARK Phan Thong 1 Chonburi

Location	Chonburi
GPS	13.464547, 101.080527

### Distance from (Kilometers)

Bangkok	55.6 Km.
Suvarnabhumi Airport	60.4 Km.
Laemchabang Port	59.8 Km.
Inland Container Depot	66.3 Km.
Bangplee Industrial Estate	46.6 Km.
Laemchabang Industrial Estate	57.4 Km.
Pinthong Industrial Estate Project 1	51.8 Km.
Wellgrow Industrial Estate	29.5 Km.

### Current Asset Investment

Warehouse	5 Units
Leasable Area	10,600 Sq.m.
Investment Type	Freehold 100%
Assets Value	189.3 Million Baht



# Amata City Rayong Industrial Estate Rayong

Amata City Rayong Industrial Estate located on 331 road, strategically located in the center of Eastern Seaboard automotive cluster. Surrounded by a cluster of major industrial estate and closed to Laemchabang Port. Complete with infrastructures and utilities. Moreover, This area has never flooded problem.

## Amata City Rayong Industrial Estate

Location	Rayong
GPS	13.024091, 101.071044

## Distance from (Kilometers)

Bangkok	114 Km.
Suvarnabhumi Airport	100 Km.
Laemchabang Port	27 Km.

## Current Asset Investment

Factory	30 Units
Leasable Area	81,600 Sq.m.
Investment Type	Freehold 79% Leasehold 21% Remaining leasehold 27 years (Ended February 27, 2044)
Assets Value	1844.0 Million Baht

**Note :** Picture in this page is assets of TREIT and TICON group.  
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## TPARK Bangna Chachoengsao

TPARK Bangna is strategically located on the Bangna-Trad, connect to Highway 7 (Motorway)-the main artery linking the capital and the Eastern Economic Corridor (EEC).

Close to Suvarnabhumi Airport, Bangkok and Laemchabang ports, and surrounded by a cluster of industrial estates, TPARK Bangna provides all the advantages that come from ready access to all of the country's major logistics Hubs.

### TPARK Bangna Chachoengsao

Location	Chachoengsao
GPS	13.567351, 100.945719

### Distance from (Kilometers)

Bangkok	30 Km.
Suvarnabhumi Airport	33 Km.
Laemchabang Port	58 Km.
Inland Container Depot	30 Km.
Outer Ring Road	30 Km.
Amata City Chonburi (Amata Nakorn) Industrial Estate	19 Km.
Bangplee Industrial Estate	22 Km.
Bangpoo Industrial Estate	52 Km.
Ladkrabang Industrial Estate	40 Km.
Wellgrow Industrial Estate	2.3 Km.

### Current Asset Investment

Warehouse	81 Units
Leasable Area	258,260 Sq.m.
Investment Type	Freehold 31% Leasehold 69% Remaining leasehold 26 years (Ended December 20, 2043)
Assets Value	5,101.1 Million Baht

**Note :** Picture in this page is assets of TREIT and TICON group.  
Not specific to detail in each page





## Bangpoo Industrial Estate Samut Prakan

Bangpoo Industrial Estate located in Bangpoo Mai and Phraeksa district, Samut Prakan. Manage by the Industrial Estate Authority of Thailand (IEAT), being one of the first industrial estates in Thailand. Provides advantages in convenient for transportation and easy for labor sourcing. Adjacent to Bangkok and conveniently connect to industrial cluster in Eastern Economic Corridor (EEC) and Laemchabang Deep Sea Port.

### Bangpoo Industrial Estate Samut Prakan

Location	Samut Prakan
GPS	13.565688, 100.671443

### Distance from (Kilometers)

Bangkok	37 Km.
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Suvarnabhumi Airport	20 Km.
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Bangkok Port (Khlong Toei)	24 Km.
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Laemchabang Port	100 Km.
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### Current Asset Investment

Factory	11 Units
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Leasable Area	35,525 Sq.m.
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Investment Type	Freehold 100%
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Assets Value	784.1 Million Baht
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**Note :** Picture in this page is assets of TREIT and TICON group.  
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## TPARK Bangplee 1 Samut Prakan

TPARK Bangplee 1 is location on Bangna-Trad road Km. 22, near the industrial ring road bridge connecting to other regions of Thailand. Close to Bangkok, Suvarnabhumi Airport, and Laemchabang ports. Superb location for logistics and distribution, especially for the consumer goods industry and retail operators.

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### TPARK Bangplee 1

Location	Samut Prakan
GPS	13.594435, 100.795269

### Distance from (Kilometers)

Bangkok	14 Km.
Suvarnabhumi Airport	19.4 Km.
Bangkok Port	32.3 Km.
Laemchabang Port	81 Km.
Inland Container Depot	23.9 Km.
Outer Ring Road	14 Km.
Amata City Chonburi (Amata Nakorn) Industrial Estate	35 Km.
Bangplee Industrial Estate	2.7 Km.
Bangpoo Industrial Estate	21 Km.
Ladkrabang Industrial Estate	24.2 Km.
Wellgrow Industrial Estate	15.9 Km.

### Current Asset Investment

Warehouse	10 Units
Leasable Area	76,477 Sq.m.
Investment Type	Leasehold 100% Remaining leasehold 26 years (Ended February 21, 2043)
Assets Value	1,313.2 Million Baht



## TPARK Bangplee 3 Samut Prakan

TPARK Bangplee 3 is located on Lieb Klong Chonlahan Pijitroad (connect from Bangna-Trad Road Km. 19). Close to Bangkok, Suvarnabhumi Airport, and Laemchabang ports. Strategic location for logistics and distribution.

### TPARK Bangplee 3

Location	Samut Prakan
GPS	13.58505, 100.758104

### Distance from (Kilometers)

Bangkok	15 Km.
Suvarnabhumi Airport	18.7 Km.
Bangkok Port	31.6 Km.
Laemchabang Port	87 Km.
Inland Container Depot	23.3 Km.
Outer Ring Road	15 Km.
Amata City Chonburi (Amata Nakorn) Industrial Estate	40.5 Km.
Bangplee Industrial Estate	6.3 Km.
Bangpoo Industrial Estate	17.3 Km.
Ladkrabang Industrial Estate	23.6 Km.
Wellgrow Industrial Estate	21.5 Km.

### Current Asset Investment

Warehouse	13 Units
Leasable Area	56,700 Sq.m.
Investment Type	Leasehold 100% Remaining leasehold 28 years (Ended December 20, 2045)
Assets Value	1,059.4 Million Baht

**Note :** Picture in this page is assets of TREIT and TICON group.  
Not specific to detail in each page





## TPARK Rojana Prachinburi

TPARK Rojana is situated inside Rojana Prachinburi Industrial Park, 304 road, providing advantages for the logistics need of operators who support the automotive/ electronics manufacturing inside the estate. Offering strategic network to other regions in Thailand and major sea ports.

In additional, also connect to the Special Economic Zone in Sakaew province which is dedicated to the preparation of production bases which will accommodate ASEAN demands.

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### TPARK Rojana Prachinburi

Location	Prachinburi
GPS	13.810576, 101.54397

### Distance from (Kilometers)

Bangkok	124 Km.
Suvarnabhumi Airport	111 Km.
304 Industrial Estate	15.1 Km.
Gateway City Industrial Estate	36.1 Km.
Hi-Tech Kabin Industrial Estate	21.4 Km.
Sahapat Industrial Estate Park (Kabinburi)	44.1 Km.

### Current Asset Investment

Warehouse	1 Unit
Leasable Area	10,020 Sq.m.
Investment Type	Freehold 100%
Assets Value	198.4 Million Baht



## Bangpa-in Industrial Estate Ayutthaya

Bangpa-In Industrial Estate located in Klongjig, Bangpa-in district, Ayutthaya. Strategic located on highway network, convenient for transporting and distributing to other regions of Thailand.

Complete with infrastructure and utilities. Moreover, Bangpa-in Industrial Estate is one of important electronics manufacturing cluster.

### Bangpa-in Industrial Estate Ayutthaya

Location	Ayutthaya
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GPS	14.208052, 100.590397
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### Distance of projects (Kilometers)

Bangkok	56 Km.
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Don Mueang Airport	41 Km.
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Suvarnabhumi Airport	95 Km.
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Bangkok Port (Khlong Toei)	65 Km.
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### Current Asset Investment

Factory	13 Units
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Leasable Area	27,050 Sq.m.
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Investment Type	Freehold 100%
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Assets Value	594.8 Million Baht
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**Note :** Picture in this page is assets of TREIT and TICON group.  
Not specific to detail in each page





## Hi-Tech Industrial Estate (Ban Wah) Ayutthaya

Hi-Tech Industrial Estate (Ban Wah) located on Highway No.32 (Asian Highway) Km. 59-60, Ban Wah Sub-district, Bangpa-in District, Ayutthaya.

Strategic located on highway network, convenient for transporting and distributing. One of important electronics manufacturing cluster.

### Hi-Tech Industrial Estate (Ban Wah) Ayutthaya

Location	Ayutthaya
GPS	14.241765, 100.612377

### Distance from (Kilometers)

Bangkok	60 Km.
Don Mueang Airport	44 Km.
Suvarnabhumi Airport	85 Km.
Bangkok Port (Klong Toei)	65 Km.

### Current Asset Investment

Factory	36 Units
Leasable Area	98,828 Sq.m.
Investment Type	Freehold 88% Leasehold 12% Remaining leasehold 26 years (Ended December 11, 2043)
Assets Value	1,999.4 Million Baht

**Note :** Picture in this page is assets of TREIT and TICON group.  
Not specific to detail in each page



## Navanakorn Industrial Promotion Zone Pathumthani

Navanakorn Industrial Promotion Zone is a complete Industrial Town located on Phaholyothin Road (Highway 1) at 46 Km. Supporting manufacturers in various industries. Convenient in Commuting, only 45 minutes away from the center of Bangkok by standard 10 lanes road, express way and only 5 minutes away from outer ring road. Create simplicity in commuting to and from many part of the country.

### Navanakorn Industrial Promotion Zone Pathumthani

Location	Pathumthani
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GPS	14.116196, 100.618104
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### Distance from (Kilometers)

Bangkok	46 Km.
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Don Mueang Airport	33 Km.
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Suvarnabhumi Airport	70 Km.
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Bangkok Port (Khlong Toei)	60 Km.
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### Current Asset Investment

Factory	17 Units
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Leasable Area	41,200 Sq.m.
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Investment Type	Freehold 88% Leasehold 12% Remaining leasehold 26 years (Ended December 11, 2043)
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Assets Value	793.4 Million Baht
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**Note :** Picture in this page is assets of TREIT and TICON group.  
Not specific to detail in each page



## Rojana Industrial Park Ayutthaya

Rojana Industrial Park located on Rojana road (Highway 309) which is connected to Thailand's Major Highway No.32 (Asian Highway) and Phaholyothin road (Highway 1). It takes only 45-60 minutes from Bangkok, offers excellence transportation to other regions and fully equipped with infrastructures and utilities system.

**Note :** Picture in this page is assets of TREIT and TICON group.  
Not specific to detail in each page

### Rojana Industrial Park Ayutthaya

Location	Ayutthaya
GPS	14.315149, 100.639153

### Distance from (Kilometers)

Bangkok	70 Km.
Don Mueang Airport	59 Km.
Suvarnabhumi Airport	84 Km.
Bangkok Port (Khlong Toei)	75 Km.

### Current Asset Investment

Factory	52 Units
Warehouse	3 Units
Leasable Area	140,906 Sq.m.
Investment Type	Freehold 92% Leasehold 8% Remaining leasehold 26 years (Ended December 11, 2043)
Assets Value	2,829.0 Million Baht



## TPARK Wangnoi 1 Ayutthaya

TPARK Wangnoi 1 is strategically located on Phaholyothin road (Highway 1). Just 200 meters from the Eastern Outer Ring road for efficient distribution to Bangkok, Central, North and Northeast Thailand.

Surrounded by major retail distribution centers, ideally suited for logistics and distribution.

### TPARK Wangnoi 1 Ayutthaya

Location	Ayutthaya
GPS	14.188418, 100.643169

### Distance from (Kilometers)

Bangkok	31 Km.
Don Mueang Airport	44 Km.
Suvarnabhumi Airport	64 Km.
Laemchabang port	167 Km.
Inland Container Depot	60 Km.
Khlongluang Transportation Station	16 Km.
Outer Ring Road	0.9 Km.
Hi-Tech Industrial Estate	17 Km.
Navanakorn Industrial Promotion Zone	13.5 Km.
Rojana Industrial Park	26 Km.

### Current Asset Investment

Warehouse	13 Units
Leasable Area	67,306 Sq.m.
Investment Type	Freehold 100%
Assets Value	1,452.3 Million Baht

**Note :** Picture in this page is assets of TREIT and TICON group.  
Not specific to detail in each page





## TPARK Wangnoi 2 Ayutthaya

TPARK Wangnoi 2 located on Phahonyothin road (Highway 1) Km. 57 (close to TPARK Wangnoi 1). Has been developed in order to accommodate growing demand in this area. Just 4 Km. from the Eastern Outer Ring Road and can connect to Motorway No.6 (Bangpa-in Nakorn Ratchasima) in the future. Offers efficient distribution to Bangkok and other regions of Thailand. Especially logistics and distribution to Northeast region.

### TPARK Wangnoi 2 Ayutthaya

Location	Ayutthaya
GPS	14.190108, 100.646503

### Distance from (Kilometers)

Bangkok	33 Km
Don Mueang Airport	46 Km
Suvarnabhumi Airport	66 Km
Laemchabang port	169 Km
Inland Container Depot	62 Km
Khlongluang Transportation Station	18 Km
Outer Ring Road	2.9 Km
Hi-Tech Industrial Estate	19 Km
Navanakorn Industrial Promotion Zone	15.5 Km
Rojana Industrial Park	28 Km

### Current Asset Investment

Warehouse	4 Units
Leasable Area	9,800 Sq.m.
Investment Type	Freehold 100%
Assets Value	178.1 Million Baht

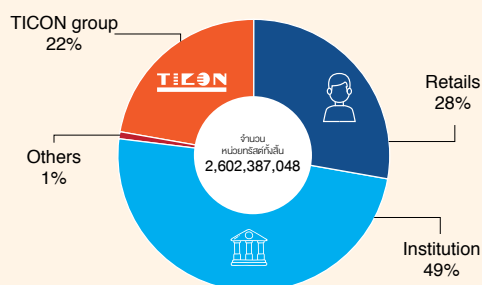
**Note :** Picture in this page is assets of TREIT and TICON group.  
Not specific to detail in each page



# INVESTOR RELATIONS

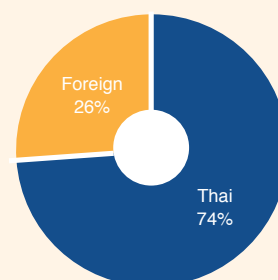
## Unitholders by type, Nationality and Top 10 unitholders

Unitholders by Type  
(As at 27 December 2017)



Remark: 1. TICON group = TICON Industrial Connection PCL and TICON International Pte. Ltd.  
2. Institution = Bank, Funds, Asset management, Insurance company, Life assurance, Social Security Office and/or other financial institution  
3. Retail = Individual, company, partnership limited  
4. Others = University, Co-op and government agency

Unitholders by Nationality  
(As at 27 December 2017)



### Top 10 unitholders (As at 27 December 2017)

Unitholder Name	Number of Units (Unit mm)	Ratio (%)
TICON Group/ <sup>1</sup>	575	22.08%
Social Security Office (SSO)	448	17.22%
Bangkok Life Assurance PCL	158	6.06%
Bangkok Bank PCL	105	4.03%
Muang Thai Life Assurance PCL	53	2.03%
SCB Income Plus	39	1.48%
Bangkok Insurance PCL	37	1.44%
Mitsui & Co (Asia Pacific) Pte. Ltd.	35	1.34%
One Property Plus Fund	22	0.85%
UBS AG SINGAPORE BRACH	20	0.78%
<b>Total</b>	<b>1,492</b>	<b>57.31%</b>

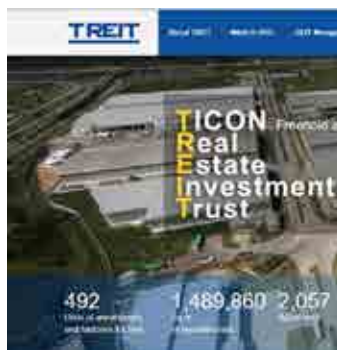
Remark : 1. TICON group = TICON Industrial Connection PCL and TICON International Pte. Ltd

## 1. Investor Relationship Management

The REIT Manager manage TREIT to allocate the benefits among unitholders constantly, growingly, firmly and continues to foster strong relationship with all unitholders by engaging them in regular and transparent communications. In additional, The REIT manager seek to communicate proactively and allow existing and potential investors to make informed decision.

From unitholders approval to convert conversion PFPOs (TFUND, TLOGIS and TGROWTH) into TREIT, number of unitholders increase to around 8,000. The REIT manager have intention and commitment to adopt high standard of transparency and regularly public TREIT information to all unitholders, potential investors, analysts and media through various communications channels such as the TREIT website, annual general meeting, extra ordinary meeting, social media (Line@ and Facebook) and other investor relation activities which shall be announced throughout the year.

### Multiple Communications Channels (Via Website, Facebook and Line)



Website  
([www.treit.co.th](http://www.treit.co.th))



Facebook  
[www.facebook.com/Ticonreit](https://www.facebook.com/Ticonreit)



Line@  
[@ticonreit](https://line.me/tv/@ticonreit)

TREIT's website allows unitholders for comfortable access to overall TREIT information. Information such as REIT unit data, Announcements, Quarterly and Annually Financial statements, new releases, AGM and EGM presentation slide, Annual Report, Investor relationship activities, REIT strategy and other TREIT information are regularly updated to keep unitholders and stakeholders simultaneously update of the TREIT's performance in a timely basis.

In addition to TREIT's website, Unitholders can update TREIT performance, announcement and others information from social media channels which are Facebook and Line@. The REIT manager will response and provide information to unitholders in a timely basis.

### General Announcement

Unitholders can update TREIT new release from other channels such as SETTRADE website ([www.settrade.com](http://www.settrade.com)) and SET website ([www.set.or.th](http://www.set.or.th)).

### Annual and Extraordinary General Meeting

TREIT will hold its Annual General Meeting (“AGM”) every April for reporting TREIT annual performance and audited financial statement and/or other matters which required approval from unitholders such as assets acquisition which have value over 30% of REIT total asset value in each period, issue debenture and etc. Extraordinary General Meetings (“EGM”) will be held, when required, to discuss specific issues and request approval in matters which not proposed to unitholders in AGM.

### Key investors activities for fiscal year 2017

Date	Event
26 April 2017	Annual General Meeting for fiscal year 2017
7 October 2017	TICON Investor Day
11 October 2017	Pre session of Extraordinary General Meeting No.1/2017 (Pre-EGM)
19 October 2017	Extraordinary General Meeting No.1/2017
28 December 2017	1 <sup>st</sup> Trading day of new Trust units after conversion at SET

## 2. Distribution policy, Historical distribution, Unit price movement for fiscal year 2017 and Summary financial calendar and IR events

### Rules, Policy and Distribution Payment to Unitholders

TREIT has distribution payment policy to be made at least 2 times per year. However, the REIT Manager may consider more distribution payments to unitholders. Distribution would be paid under:

1. The REIT Manager will pay dividend to unitholders at least 90% of the adjusted net profit of the accounting year within 90 days from the end of the accounting year or the accounting period in which the benefits are to be paid, as the case may be or in any ratio as specified by the Securities and Exchange Commission. For capital reduction, The REIT manager can decide to pay distribution inform of capital reduction in case TREIT have material unrealized loss from revaluation of assets and/or other matters .
2. In case that TREIT has accumulated loss, the REIT Manager will not pay distribution to unitholders.

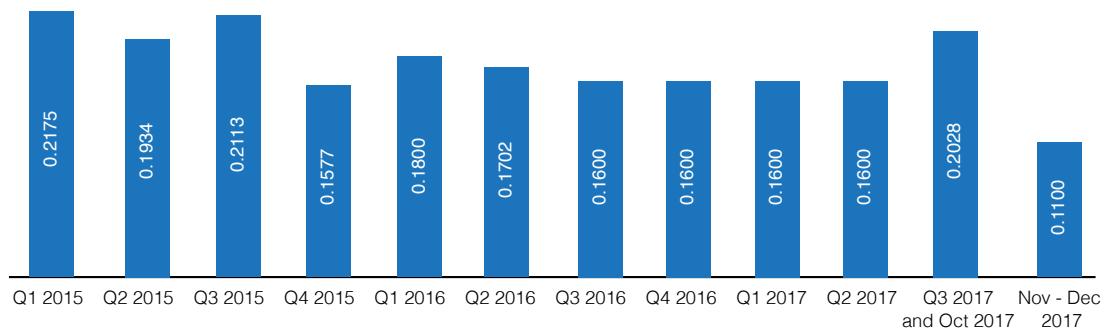
### Restriction and Method of Distribution Payment to Unitholders

1. Where the facts appear to the REIT Manager that a person or persons in the same group holds trust units over 50% of the total outstanding trust units, the REIT Manager will notify such person(s) without delay regarding restriction on benefits payment. The REIT Manager will not pay distribution to such person or persons in the same

group who holds over 50% of the total outstanding trust units unless otherwise stated or exempted by the relevant laws. The dividend of the portion exceeding 50% of the total outstanding trust units shall be given to other unit holders in proportion to their holding ratio and the REIT Manager will consider such distribution allocation to unitholders in that payment period.

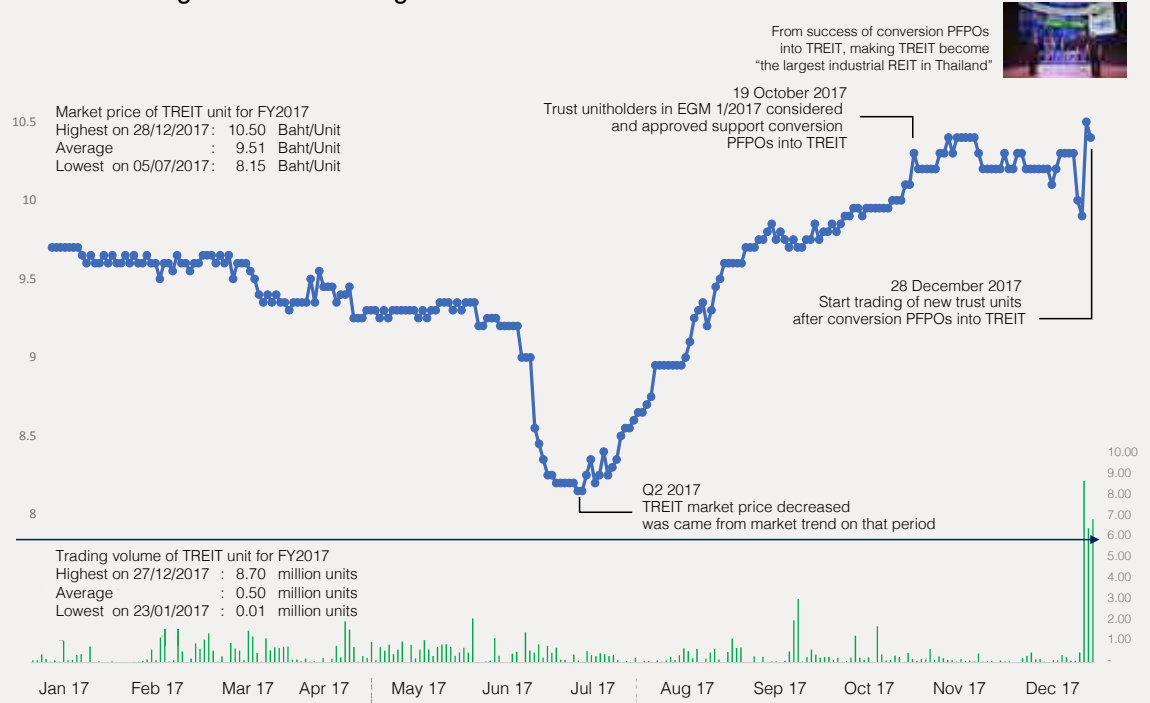
2. The REIT Manager will make announcement of distribution payment and the book closing date, by the following means:
  - (a) Publication in at least 1 newspaper.
  - (b) Posting a notification in anywhere of the REIT Manager's official place.
  - (c) Sending a notification to the unitholders whose name appear in TREIT's register as at the book closing date and to the Trustee or announcing through the Securities and Exchange Commission.
3. The REIT Manager would pay distribution by bank transfer to unitholders' bank account or in form of an A/C payee cheque payable to the unitholder only in the name and at the address under registered name at the book closing date.
4. If unitholders do not exercise the right to receive distribution within the period prescribed in the Civil and Commercial Code, the REIT Manager will not use such distribution for purposes other than interest of TREIT.
5. If distribution (dividend) payment per unit during the accounting year is equal or lower than 0.10 Baht, the REIT Manager reserves the right not to pay dividend and accumulate such dividend amount to be paid in the next payment period.

#### History of Dividend Payment and Capital Reduction since Trust established

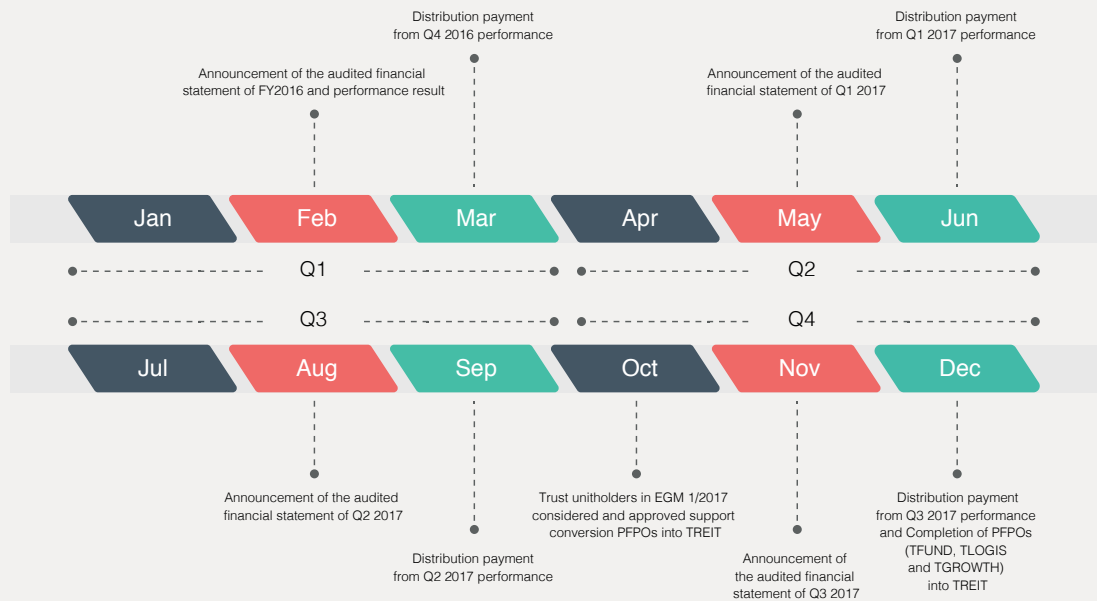


Remark : 1 Distribution payment for Q2 2015 composed of dividend and capital reduction  
 2 Distribution payment for Q3 2015 composed of dividend and capital reduction  
 3 Distribution payment for Q4 2015 composed of dividend and capital reduction  
 4 Distribution payment for November and December 2017 composed of dividend and capital reduction

## TREIT Closing Price and Trading Volume in FY2017



## Summary distribution payment and announcement of audited financial statement for FY2017





### Analyst Coverage

The Following brokerage firms provide research coverage on TREIT as at 31 December 2017:

- Thanachart Securities PCL
- DBS Vickers Securities (Thailand) Co., Ltd
- Capital Nomura Securities PCL.

### Contact Investor Relationship

Investor relationship have pleasure to answer and provide information to unitholders and potential investors or any parties.

For enquiries or feedback on TREIT, please contact to The REIT manager:

**Mr. Bhumpharn Arunthammakul**

Head of Strategic Finance,  
Investment and Investor Relations

Tel : +66 2679 6565

Fax : +66 2287 3153

E-mail : [ir.treit@tmanrm.com](mailto:ir.treit@tmanrm.com)

Website : [www.treit.co.th](http://www.treit.co.th)



# CORPORATE INFORMATION

## TREIT

TICON Freehold and Leasehold Real Estate Investment Trust  
13<sup>th</sup> Fl., Sathorn City Tower  
175 South Sathorn Rd., Sathorn District, Bangkok 10120  
Tel : +66 2679 6565  
Fax : +66 2287 3153  
Website : <http://th.treit.co.th/>

## Registrar

Thailand Securities Depository Co., Ltd.  
93 Ratchadaphisek Road, Dindaeng Bangkok 10400  
Tel : +66 2009 9999  
Website : <http://set.or.th/tsd/th/tsd.html>

## Board of Directors TICON Management Co., Ltd. (REIT Manager)

Mr. Sun Vithespongse  
Chairman of the Board and Independent Director  
Mr. Sopon Punyaratabandhu  
Independent Director  
Mr. Virapan Pulges  
Director  
Mr. Michio Maeda  
Director  
Mr. Sopon Racharaksa  
Director  
Mr. Peerapat Srisukont  
Managing Director

## REIT Manager

TICON Management Co., Ltd.  
13<sup>th</sup> Fl., Sathorn City Tower  
175 South Sathorn Rd., Sathorn District, Bangkok 10120  
Tel : +66 2679 6565  
Fax : +66 2287 3153

## Auditors

EY Office Limited  
33<sup>rd</sup> Floor, Lake Rajada Office complex  
193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110  
G.P.O. Box 1047, Bangkok 10501, Thailand  
Tel : +66 2264 9090  
Fax : +66 2264 0789-90  
Website : <http://ey.com>

## Trustee

BBL Asset Management Co., Ltd.  
7<sup>th</sup>, 21<sup>st</sup> Fl. and 26<sup>th</sup>, Sathorn City Tower 175 South Sathorn Rd., Sathorn District, Bangkok 10120  
Tel : +66 2674 6468  
Fax : +66 2679 6882  
Website : <http://bblam.co.th/>

## Secretary to Board of Directors of TICON Management Co., Ltd. (REIT Manager)

Mr. Bhumpharn Arunthammakul  
Head of Strategic Finance, Investment and IR

# KEY RISKS

## 1. Risk from Operation of TREIT

### 1.1 Risk in relation to the performance of obligations

In order to invest in and seek benefit from the assets, TREIT will enter into agreements in relation to the investment and administration of TREIT's assets in order to seek benefit from the properties, and take any action to ensure that the other party complies with the terms and conditions of the agreements.

Although there are terms and conditions set out in the agreements, the other party may breach the agreements or any event may occurred, which causes an event of default or the termination of the agreements. In case of nonperformance, which causes an event of default or the termination of the agreements, it is entitled to terminate the agreement, and claim for damages including the loss of income.

### 1.2 Risk in relation to the solicitation of lessees when lease term is close to expire

Part of assets to be invested by the Trust are leasehold rights in lands with a leased term of 27 and 30 years since the dates of leasehold registration, the Trust can seek benefit from the investment assets for such period. Therefore, TREIT may have risk in soliciting lessees when the leased period is close to expiry, due to the fact that leased period is one of the factors lessees take into consideration prior to entering into the lease agreement. However, most of lease agreement have period not over 3 years thus this risk tend to effect to last 3 years of remaining leasehold. Moreover, REIT manager have confidence that REIT manager can find tenants who need factory and warehouse during the last 3 years before end of leasehold rights period.

### 1.3 Risk from operating result of the Trust rely on ability of the Property Manager

For the investment, TREIT will appoint TICON and TPARK as the Property Managers for factories and warehouses respectively. The Property Managers will be responsible for operating and managing the assets as assigned by REIT Manager which includes seeking benefits from such assets, for example, soliciting new lessees, renewing lease agreements and service agreements with existing lessees, advertisement, public relations, maintenance and development of the investment assets to be in a good condition. The ability of the Property Manager to perform its tasks will have direct impact to the Trust's operational and financial results.

Additionally, if TICON and TPARK cannot perform their duties as the Property Managers for any reasons, TREIT may not be able to appoint another manager to manage the investment assets as good as TICON and TPARK although TREIT would offer competitive remuneration for the Property Manager, which would have an adverse effect to the operational ability, financial results of TREIT.

#### 1.4 Risks arising from potential conflicts of interest between TREIT and TPARK and TICON that may affect the operation of TREIT

The REIT manager of TREIT appointed TPARK and TICON the administrator of real estate assets which included invested warehouses and factories respectively. Meanwhile, TPARK and TICON are still the owners of warehouses and factories in industrial estates and parks in which TREIT invested. In addition, TPARK and TICON are the ones which offer warehouses and factories to TREIT to consider purchasing. These roles which TICON and TPARK have had might one day cause conflicts of interests to TREIT in terms of either selections of warehouses and factories to sell to TREIT or seeking new tenants. Besides, TICON is a major unitholder of TREIT and serves as the administrator of real estates and in charge of finding tenants to rent assets of TREIT, TICON and TPARK.

However, the management of TREIT proposed the measures to prevent the conflicts of interests mentioned above, thoroughly imposing rules and regulations of purchasing warehouses and factories, functions and areas of TICON and TPARK's responsibilities as the administrator of real estates as follows;

- The REIT manager of TREIT impose the criteria for direction and management, proposing that the property manager of real estates present information of warehouses and factories owned by TPARK or TICON or TREIT equally. Besides, the REIT manager of TREIT are the one who price the rent of warehouses and factories which are comparable when taking building size, utility space, locations and types of buildings into account. All these details are arranged at the similar levels for transparency and for customers to have sufficient information of warehouses and factories for rent for decision equally.
- Concerning the presentation of assets owned by the administrators of real estates of TREIT to interested customers, the property manager will present the information of warehouses and factories which are unoccupied without mentioning their ownership of those assets. The measure will enhance equality of presentations. Besides, the property manager of real estates will arrange reports or lists of customers interested in renting assets owned by the property manager and TREIT to the management monthly. These reports mention the locations and details of warehouses and factories which customers are interested in. The measure helps the management examine work transparency of the property manager of real estates in terms of seeking tenants to rent assets owned by TREIT, the property manager of real estates and/or mutual property funds which were under the property manager of real estate administrators.
- The REIT manager of TREIT are in charge of imposing forms and fee rates of the property manager of real estates which TICON and TPARK will reasonably receive from serving as the property manager.
- The REIT manager of TREIT impose the direction of considering the overall operations of the real estate administrators. The REIT manager of TREIT can change the property manager in case of the following.

- Annual overall operations of real estates which TREIT has invested in lower than operational speculation stated in annual plan proposed by TREIT's administrators and approved by The REIT Manager for two fiscal years in succession except for force majeure.
- Rental rates managed by TPARK or TICON (the property manager) lower than 50% for three months in succession except for force majeure.

However, in some cases, the property manager of real estates might consider repairing the assets in which TREIT has invested in. The property manager might process the repairs on their own and make reimbursement as TREIT's expense in case of minor repairs or professional repairs which require very limited duration. Still, in case of costly repairs, the REIT manager have a policy to hire professionals to estimate prices for initial consideration.

#### 1.5 Risks arising from entering loan agreements

As at December 31, 2017, the ratios of loan to total asset of TREIT was approximately 17.33 percent with amounting of Baht 5,540 million which composed of Debentures Baht 1,800 million and short-term loan Baht 3,740 million

TREIT might be at risk from borrowing and repayment of interest and/or principal in part or in whole cause the breach of the loan agreement and/or the terms of the relevant debentures. In such cases, this could lead to another default on the contract (Cross Default).

At present, REIT Managers do not set a clear plan for repaying bank loans and/or debentures due to REIT Managers have a policy to issue and offer new debentures and/or loans from financial institutions to repay principal of bank loans and repay the debentures were issued (Refinancing). However, TREIT may be at risk of not issuing and offering new debentures and/or refinancing a new loan agreement or offer a new loan agreement and/or be able to issue and offer new debentures. However, the terms of the new loan agreement and/or new debentures are not as good as the original terms and conditions.

In the event that TREIT was unable to repay partial of the loan and/or repay principal of the debentures were issued (Refinancing) according to the above events, REIT Managers might consider alternatives to financing and/or repayment of principal such as the issuance and offering of new Trust Units including sale of some TREIT's properties to pay off debt. This might affect the returns to the unitholders. Nevertheless, REIT Managers would consider the options that would be the best benefit to the unitholders by taking consideration of ability to pay interest bearing debt, the ability to make commitments, such as the ratios of debt to capital, and the continued ability to generate income of TREIT in the future. However, REIT Manager believes that the risk that TREIT would default on the debt is low.



## 2. Risks in relation to the Ability to Seek Benefit from the Assets

### 2.1 Risk from higher competition which may result in the decrease of number of the lessees

Real Properties business operators of the similar nature as the trust may compete for credible lessees to lease their Real Properties. Such competition may have an adverse effect on performance of TREIT. In addition, such competitors may have access to TREIT and other advantages to compete with the trust. Such competition may increase cost of the Real Properties management, decrease the occupancy rate or the rental that the trust collects from the lessees.

### 2.2 Risks of domestic political and economic situations

Changes in factors affecting the domestic economy and the overall global economy as well as macroeconomic factors such as the rate of economic expansion, government policy on trade, investment and foreign affairs, the Bank of Thailand monetary policy and the government fiscal policy, the property prices in the country, the value of domestic consumption and political uncertainties in the country, are among the factors that influence the decision to rent a warehouse and factory of existing tenants and future prospects, especially entrepreneurs from abroad who are the main tenants of TREIT's properties. These uncertainties may also affect the rental rates.

With the awareness of the risk of uncertainties in Thailand, economically and politically, the REIT Manager is to focus on the development of business strategies to enhance the strengths of the invested properties especially in the view of target customers both domestic and abroad. The key strategies include the selection of properties, which located in high potential areas, the investment in high-quality properties and the delivery of comprehensive services and solutions to assist business operations of retail tenants. All these will build competitive advantages and retain customer base in a time of economic recession. In addition, the public sector and government agencies have actively supported the industrial and investment sector in the country through various measures such as the special promotion through the Board of Investment to encourage industrial enterprises that move their production base to Thailand.

However, if the global economy or the regional economy are badly affected and move into recession, or there are political unrest or conflicts in the country, the domestic economy and the Stock Exchange of Thailand would hardly avoid the impacts. Consequently, the demand for rental warehouse and factory, the turnover of tenant's business, the financial status of TREIT and the price of the trust unit, will also be severely affected. Since the REIT Manager cannot be in control of all these factors, it cannot guarantee that the country's political situations now and in the future will have any significant impacts on the Trust's operation, its financial status, business turnover of its tenants and the price of the trust unit.

**2.3 Risk from termination or non-renewal of the lease agreement**

TREIT has risks in case where certain lessees may not renew the lease agreements or certain lessees may request for an adjustment of the terms and conditions in the lease agreements which are less favourable to TREIT compared with the existing lease agreements or several lessees do not renew the lease agreements and TREIT is not able to find new lessees within a suitable timeframe. The above mentioned situations may directly affect cash flow and the operational results of TREIT. Nevertheless, in the normal proceeding, the Property Managers will discuss with the lessees in advance prior to the termination of the lease term. As a result, the Property Managers will be able to look for new lessees to replace the existing lessees who do not wish to renew the lease agreements. This is shown in the track record of the Property Managers' operational results, who had managed to achieve high occupancy rate of the investment assets.

**2.4 Risk in relation to the ability to pay rental and service fees of the lessees**

The rentals that TREIT will receive from the lessees under the lease agreements and the service agreements are major income of TREIT. Therefore, financial weakness of the lessees due to company-specific or industry wide reasons will adversely impact the performance of TREIT. Normally, the lessees have to pay rental deposit as a security at the rate of approximately 3-6 months of rental, whereby TREIT may forfeit such deposit if TREIT cannot collect the rentals from the lessee when due. However, in the case that TREIT has to evict the lessees pursuant to the laws because the lessees fail to pay the rentals or breach the lease agreements. In practice, it may take more than 6 months for the lessees to move out and/or for TREIT to find new lessees. Such delays may directly affect income of TREIT. However, in

**2.5 Risks of concentration of retail tenants and/or industrial and/or the nationality of the tenants**

As at December 31, 2017, the top 10 tenants of the investment assets paid total rental fee of 22 percent of total rental and service income that TREIT received from all invested assets. While the contribution of first ranked tenant accounted for 5.26 percent of total rental and service income that TREIT received from all invested assets. TREIT is subject to the risks of the major tenants unable to pay the rent, cancel the lease agreement or not renew the agreement.

Apart from the above mentioned risk of tenant concentration, TREIT is subject to the risk of concentration of the tenant's industry and/or the tenant's nationality. If any industry is shrinking or problems arose in the conflicts between the countries, it could impact such tenants to cancel the rent and/or not renew the contract, which will consequently affect the performance of TREIT.

However, TPARK and TICON, as the Property Manager, believe that the properties that TREIT invested are in prime location and it is a common practice that business operators will choose to stay in a cluster of business partners and their supply chains. Also the government's policies to enhance relations with foreign countries and foreign investors reduce the chance that the existing tenants will move out and/or discontinue the rental contracts. And the possibility to find new tenants to replace is high.

**2.6 Risk relating to construction permit**

The lessee may modify the property leased from the Trust which requires a modification permit from the relevant local authority. In cases where the leased property is modified without obtaining the buildings modification permit, the local authority may request the modifier or the owner of the buildings to reinstate the illegal modification to original conditions or suspend the use of the modified parts of the buildings. Therefore, there are risks that the trust may incur expenses from demolishing the modified part if the local officer has such order but the lessee fails to do so.

**2.7 Risk associates to the handover of the land after the land lease agreement has ended**

TREIT will invest in the leasehold of the land whereby TREIT will enter into the land lease agreements and the land and constructions lease agreements with TICON and TPARK, which, according to the lease agreements, the Trust has obligations to demolish the buildings and any constructions on the land in order to handover the land back to TICON and TPARK at the end of the lease term. TREIT, therefore, has risks associated to obligations and incurred expenses in order to demolish the buildings and constructions.

However, TREIT can bring remainders from demolish factory and warehouse to sell for offset demolish expense. In additional, TREIT have 180 days to send right of land to TICON and TPARK therefore this is risk is not material effect to TREIT.

This demolish might change in the future which shall have cost to TREIT and might effect to financial statement position of TREIT in the period of lease maturity or terminate

**2.8 Risk of expropriation of some or all of TREIT's invested assets under the expropriation law, which may affect TREIT's utilization of such assets and impact the performance of TREIT**

In the event of expropriation of some or all of the invested assets in accordance with the rules and procedures prescribed in the Expropriation of Immovable Property Act B.E. 2530 (1987) (with amendments) and other related laws ("Law on Expropriation"), TREIT may not receive any compensation under the law due to not meeting the prescribed criteria, or receive compensation with the amount less than the invested amount, which will significantly impact TREIT's performance and its financial status.

For the assets which TREIT invested in the leasehold right, if the assets are expropriated partially or entirely, TPARK agreed to return the rental fee of such asset in partial to the Trust within 30 days from the date of TPARK receives the expropriation compensation as stated in lease agreement.

For the investment assets, there is a lease agreement, which is still in effect, of 1 unit with 24,043 square meters warehouse space, which is less than 6.5 percent of gross leasable area of the initial invested assets. This lease agreement included the clause requiring the lessor, in case of property was expropriated, to compensate for actual and reasonable damages and expenses and to use the best effort to supply new rental space and/or build new warehouse for the tenant. When the Trust invested in such asset, it is obligated to fulfil the obligations under such agreement over the lease period. However, the Trust has made an agreement with TPARK which required TPARK, in the event of expropriation, to be responsible for the implementation of such provisions to the retail tenants and all related costs.

## **2.9 Risk regarding the tenants exercising their right in the lease agreement made with TPARK and/or TICON**

Currently, there are some lease agreement signed with TPARK and/or TICON, which grants the tenant the right to terminate the land lease agreement and/or warehouse and/or factory and/or service agreement and/or common area service agreement. (If any) (“Lease Agreement”) before the expiration of the contract period. Thus, if the tenant has exercised after a period of 12 months from the start of the contract (Option to Early Terminate) by written notice at least 3 months in advance without the deposit.

In the event the tenant exercises such right as mention above within the remaining period of the current lease (Excluding the case where the tenant exercises the option to swap to other TREIT’s assets) TPARK and/or TICON (As the case may be) agrees to compensate to TREIT in the amount equal to the rental security as specified in the lease agreement. Therefore, TREIT will not be affected by the tenant’s exercise of the rights under the contract.

However, if the lessee would like to renew the lease after the current lease expires, REIT Manager may consider the option to swap and the right to terminate the lease agreement before the expiration without the deposit (Option to Early Terminate) to encourage the tenant to renew the lease. In this case, if the tenant exercised such right after the renewal of the lease, TREIT are at risk of being compensated for any rental payments from TPARK and/or TICON. Then, REIT Managers may negotiate with tenants or assign Property Management to negotiate with the tenant for amendment of conditions without the option to swap and the right to terminate the lease agreement before the expiration without the deposit (Option to Early Terminate), or REIT Manager may negotiate with TPARK and/or TICON to provide TPARK and/or TICON as the property manager and the former lessor to compensate the rental fee as specified in the new lease agreement to reduce the risk and taking into account the benefits of the unitholders.

## LEGAL DISPUTE

TREIT has no legal dispute that may significantly and adversely impact to TREIT's business operation.

## HISTORY OF PUNISHMENT AND FINE PENALTY

### **1. History of punishment and fine penalty of the REIT Manager**

The REIT Manager has no punishment and fine penalty according to the Securities and Exchange Act B.E 2535 (and its amendment) and TREIT for Transactions in Capital Market Act B.E 2550.

### **2. History of punishment and fine penalty of Directors and Management of the REIT Manager**

Directors and Management of the REIT Manager had no punishment and fine penalty according to the Securities and Exchange Act B.E 2535 (and its amendment) and TREIT for Transactions in Capital Market Act B.E 2550.



# CORPORATE GOVERNANCE

## 1. Corporate Governance Policy

The REIT Manager recognizes the importance of good corporate governance since it is necessary for the management of TREIT and helps build confidence among its unitholders. It also allows the unitholders, investors and the public to get informed and be able to monitor TREIT operations conveniently, quickly, equitably and efficiently. The REIT Manager has managed TREIT according to the Trust Deed and related law, the REIT Manager believes that TREIT has good management highly accountable Board of Directors and management, and effective control mechanism with check and balance. While good corporate governance is critical and necessary for managing TREIT for sustainable development and benefit of the unitholders. Following are key principles of TREIT good corporate governance.

### 1.1 Right of Unitholders

The REIT Manager is aware of its duty to promote and protect the right of unitholders including basic shareholder rights abided by laws as follows:

- (1) Right to approve the connected transactions or the acquisition or disposal of assets with the size specified by law and related regulations;
- (2) Right to buy and sell trust units

Every unitholder has the right to buy and sell the trust units independently. The REIT Manager has appointed the Thailand Securities Depository Company Limited: TSD to act as the Registrar in order to facilitate the unitholders regarding the registration and trust certificate (Please see details in the topic "Registrar and Auditor");

- (3) Right to vote on items in the agenda presented in the Unitholders' meeting

Every unitholder has the right to participate in the unitholders' meetings and to exercise his/her right to vote on an equitable basis according to the number of units that he/she holds. In the voting process, the REIT Manager will prepare voting ballots and give to every unitholder during the registration process before the meeting starts. Barcode system is used for the meeting registration and the vote counting of each meeting agenda. The REIT Manager will announce the voting results after the voting of each agenda so that the unitholders will be informed of the results immediately;

- (4) Right to equally earn the returns of investment

Each unitholder has the right to receive the distribution at the rate of not less than 90% of adjusted net profit of each fiscal year or at any rate specified by the Securities and Exchange Commission. The distribution will be paid within 90 days after the end date of fiscal year or of other period, which TREIT announces to pay the distribution. (Please see details in the topic "Dividend Payment Policy");

**1.2 Disclosure of complete, sufficient, trustworthy and timely information to all stakeholders**

The REIT Manager emphasizes the importance of facilitating the unitholders to access the TREIT's information conveniently, evenly and equally by disclosing the accurate, complete and timely information on regular basis. The information including financial information, the operating results of TREIT and other important information, which will support the unitholder's decision about his/her investment, are disseminated through various channels and medias of the Stock Exchange of Thailand, the TREIT's Annual Report, and the REIT Manager's website.

**2. Sub-Committee**

Presently, TMAN as the REIT Manager is managed by the Board of Directors and management who has proper qualifications as defined by the guidelines in the Capital Market Supervisory Board's concerning the qualification of person in capital market.

**3. The Board of Directors' Meeting**

The REIT Manager has arranged the meeting of the Board of Directors at least one time in each quarter to consider the operation of the TREIT, with the following procedures:

1. Compliance and Investor Relations Department shall send out the invitation together with meeting agenda and supporting documents with necessary contents for consideration to every director at least 7 days prior to the meeting date, so that the directors will have sufficient times to review the information prior to the meeting.
2. The proposed agenda for the Board of Directors' meeting shall be about the operations of TREIT including the operating result, the annual budget, the distribution, the arrangement of unitholder's meeting, the investment in additional assets, the connected transactions, business and investment plan as well as the progress in the implementation of the business plan.
3. In every meeting, the number of attending directors shall be more than one half of total directors. Every director has the right to vote for one vote. The director who has a conflict of interest in any matter shall have no right to vote on such matter.
4. At the meeting, the Chairman of the Board will oversee the allocation of sufficient time for management to provide documents and information to debate important issues, and sufficient time for the directors to discuss the important issues. All directors are free to comment and propose the agenda.
5. There shall be the minute with the record keeping of all related documents in accurate, complete and checkable manners. The minutes which are certified from the Board of Directors shall be kept as evidence for future reference.

#### 4. Rules for proper use of Inside Information

The Director and management shall not use of the material information of TREIT which not been disclosed to the public for their own benefit or others. For making control over this matter, the Company has a policy that the Directors and management have to report on trading unit trust to Compliance and Investor Relations Department and submit staff dealing report to the Securities and Exchange Commission.

#### 5. Process and Factors in Consideration of Investment and Management of TREIT

##### 5.1 Investment in Core Assets of TREIT

The REIT Manager takes the following actions before acquisition of each core asset.

- (1) Conduct a due diligence on assets;
- (2) Organize valuation of assets under investment as specified in the Trust Deed;
- (3) Establish risk prevention measure or remedy measure for potential damage caused by breach of agreements or non-enforcement under lease agreements, and disclose such risk prevention measures to the Trustee and unitholders in case of leasehold investment in form of sub-lease.

For acquisition of additional core assets, the REIT Manager shall take additional actions as follows:

- (1) Propose to the Trustee for consideration and approval of investment in assets as specified in the Trust Deed and related laws;
- (2) Apply for approval for investment in assets as follows:
  - (2.1) Investment in assets owned by the REIT Manager or a connected person
    - (a) Except the transactions that have already been disclosed in this disclosure;
    - (b) For transactions value over 1 million Baht or equal to or above 0.03% of the net asset value of TREIT, whichever is higher, an approval must be obtained from the Board of Directors;
    - (c) For transactions value equal to or above 20 million Baht or over 3% of the net asset value of TREIT, whichever is higher, an approval must be obtained by resolution of a meeting of unitholders;
    - (d) The REIT Manager shall appoint a financial advisor regarding connected transactions to be entered into with the REIT Manager so that the Board of Directors and/or unitholders can make informed decision on approval of investment in such assets;
    - (e) The REIT Manager shall prohibit a person who is connected to the assets under disposal from participating in approval of investment in such assets.
  - (2.2) Investment in assets owned by a person who is not the fund manager or a connected person
    - (a) For investment in assets with value equal to or above 10% of total asset value of TREIT, an approval must be obtained from the Board of Directors;
    - (b) For investment in assets with value equal to or above 30% of total asset value of TREIT, an approval must be obtained by a three-fourth of total votes of unitholders who attend the meeting and are eligible to vote.

## 5.2 Criteria for Investment in Core Assets and Equipment

Acquisition of core assets and equipment by TREIT must be in accordance with the criteria specified in the Trust Deed. The material details are summarized below:

- (1) It must be an investment in property in category of land and factory, warehouse and/or office buildings for acquisition of ownership or possessory right;
- (2) In case of acquisition of possessory right, the property must be acquired by means of issuance of a Nor.Sor.3 Kor. In case of leasehold, the property must be acquired by means of issuance of a title deed or a possessory right deed in a form of Nor.Sor.3 Kor;
- (3) Properties to be acquired must not be enforced under the law on property right or dispute unless the REIT Manager and the Trustee jointly consider and issue a written opinion that such enforcement under the law on property right or such dispute has no material effect on making profit from the property and condition of acquisition of such property will benefit unitholders;
- (4) An agreement for acquisition of a property must not specify an agreement or an obligation that may prevent the trust from disposing the property at a fair price (at the time of disposal) such as a pre-emptive right at fixed price;
- (5) Properties and/or assets to be acquired which are classified as core assets as prescribed in the notification of The Capital Market Supervisory Board must be ready for profit making with minimum aggregate value of 75% of the units under offering (if any) for each issuance including borrowing amounts (if any). TREIT may make investment in projects under construction where the total value of investment amount for acquisition and development of the property until ready for profit making must not exceed 10% of total value of assets of TREIT (after offering of units) and TREIT must be able to prove that there is sufficient working capital for such development without affecting the survival of the trust;
- (6) Properties to be acquired must be fully valued including verification of title deed for disclosure to investors at least six months prior to application for acquisition but not exceeding one year preceding investment in such property minimum two valuers who are approved by the Securities and Exchange Commission;
- (7) Properties to be acquired must have minimum aggregate value of Baht 500 million for the first time investment in core assets;
- (8) In case of indirect investment in core assets by TREIT, it must be an investment in property specified in (1) - (7) above through shareholding in a company incorporated with objectives to engage in the same business as TREIT as specified in the Trust Deed. Such investment must meet the following criteria:
  - (a) TREIT must hold shares in such company in a ratio as prescribed in the notification of the Securities and Exchange Commission or The Capital Market Supervisory Board;

- (b) TREIT must be able to prove that there are measures or mechanism to enable the Trustee and the REIT Manager to take care and control such company to ensure the operation as specified in the Trust Deed and the criteria of the Securities and Exchange Commission in a similar manner as if TREIT makes direct investment in such core assets.
- (9) If value of properties to be acquired is above 5% higher than the minimum valuation price assigned by the valuation company within one year preceding the acquisition, facts and reasons of acquisition at such price must be provided.

### 5.3 Disposal of Core Assets of TREIT

The REIT Manager may consider disposing core assets of TREIT under the following procedure:

- (1) The REIT Manager must have core assets valued by an independent valuator in accordance with the criteria specified in the notification of Office of the Securities and Exchange Commission;
- (2) Disposal of core assets must be overt and contain transaction details and approval procedure as specified in the Trust Deed and it must be approved by the trustee or a resolution of a meeting of unit holders in the same manner as acquisition of the assets.
- (3) Disposal of core assets in the following categories is permitted only when necessary and appropriate and with approval from the Board of Directors:
  - (a) Disposal of core assets before one year anniversary from the date on which the trust acquires such core assets;
  - (b) Disposal of core assets that TREIT acquired ownership to the previous owner.

### 5.4 Management of Core Assets of the TREIT

In relation to management of core assets of TREIT, the Company as the REIT Manager appoints a Property Manager who is selected based on experience in management of each type of properties in which TREIT will make investment. The REIT Manager appointed TPARK as the Property Manager for asset in category of warehouse, TICON as the Property Manager for asset in category of factory, (Please see details in the topic "Property Manager"); The REIT Manager supervises and controls the Property Manager by the following means:

- (1) The REIT Manager establishes a marketing policy and strategy in property management for the Property Manager to comply with;
- (2) The REIT Manager controls and oversees the Property Managers' performance on a regular basis and check accuracy and completeness of property-related tasks such as rental fee, outstanding payment, marketing activities, property conditions, repair expenses, and insurance of core assets.



### 5.5 Selection of Connected Persons to manage TREIT

The REIT Manager selects personnel to manage TREIT based on related experience and conducts a background check to assess if a person to be appointed to manage TREIT possesses qualifications as prescribed in the notification of the Securities and Exchange Commission as follows:

- (1) Having experience in managing investment or making profit from property for minimum period of three years within five years preceding commencement of employment for the REIT Manager;
- (2) Having no prohibited characteristics of a person who has a power to manage TREIT as prescribed in the notification of The Capital Market Supervisory Board re: Prohibited Characteristics of Persons in Capital Market Business;
- (3) Being selected by the Board of Directors or an assigned person (as the case may be) based on the above qualification with Compliance and Investment Relations Department to participate in checking qualification of the candidate.

Persons who are selected for each position are restricted from taking duty in other positions which may create conflict with their assigned positions.

### 5.6 Investment in Other Assets for Cash Flow Management

The REIT Manager implements a procedure to control investment in other assets for management of cash flow of TREIT, checking category of assets under investment and investment ratio in other assets to ensure it complies with the Trust Deed.

### 5.7 Selection of Property Managers

The REIT Manager may appoint one or more individuals to act as property manager (s) to manage assets of TREIT. Property Managers must be competent to manage the and have knowledgeable people in estate management experience for not less than 3 years. The REIT Manager is responsible for property management fees and TREIT is responsible for other costs incurred by the property management, such as maintenance fees, etc.

However, if a new Property Managers are appointed, the REIT Manager informs the trustee of the appointment within 15 days of the appointment of the new Property Managers. Property Managers have the maturity each 5 years of contract and can be renewed automatically. However, REIT Manager may appoint additional or change Property Managers to the terms outlined in the contract, when one of the following;

- (1) Property Managers do not perform their duties according to terms and conditions of the contract of appointment and Property Managers do not remedy the remedy within 60 days after receipt of notice from REIT Manager to rectify such non-performance.

- (2) If the rental rate of TREIT's properties under management of any Property Managers is less than 50% for 3 consecutive months and if the annual performance of the property is less than the performance estimate specified in the annual operating plan that Property Managers have proposed and approved by the REIT Manager for a consecutive period of more than 2 years except in case of force majeure.
- (3) Property Managers were ordered by the court to be in receivership or the court has appointed the official receiver to manage the property of all real estate managers or only in significant parts.
- (4) Property Managers lack the ability to act as Property Managers as determined by the REIT Manager and do not fix such disability within 60 days.

### 5.8 Monitoring Property Managers performance

The management of properties of TREIT, the REIT Manager supervises Property Managers appointed by TREIT to achieve its purpose and to preserve the best benefit of TREIT and unitholders. The REIT Manager has a system for executing and supervising Property Managers as follows;

#### 1. Monthly Monitoring

- (1) Property Management Department assigns Property Managers to submit a summary of factory visits of potential customers with customers' names and phone numbers. In addition, they need to submit report on the lease of the main properties, and property repair or maintenance report.
- (2) Accounting and Finance Department monitors the completeness of the rental received in TREIT's accounts in each month.
- (3) Accounting and Finance Department investigates the unpaid rental report and check out the overdue rental tracking records. The property management department ensures that Property Managers follow the unpaid process and audit the tracing process include a copy of the notice (if any).
- (4) Property Management Department examines the documents used in marketing to find tenants to ensure that such documents are not conducive to a conflict of interest in finding tenants of Property Managers by performing at least the examination of the presentation of each rental property equally, without regard to the ownership title and check on the pricing of property rental as a price advantage to any property owner or not.

Property Management Department will contact the potential customers in item (1) by random to verify that the Property Managers are acting in a neutral manner without favoring any one property owner.

## 2. Semi Annual Monitoring

Every 6 months, or when appropriate, Property Management Department meets with Property managers to announce marketing policies, strategies, asset management. Property Managers provide information about the competition, relevant industry conditions, and issues that may arise with tenants.

## 3. Annual Monitoring

- (1) Property Management Department audits properties with Property Managers and property appraiser to ensure that the core assets of TREIT are in normal use. There is no addition beyond the permission of TREIT and for the purposes of annual properties appraisal.
- (2) Property Management Department reviews and audits the quotation, coverage and premium rates to confirm the insured's primary coverage including the main insurance document to ensure that the core asset is properly insured as required by company.

## 4. Property Maintenance

Property Management Department reviews and audits the reasonableness of the property's repairing or maintenance. This is included a list of repairers and cost before approval to ensure that the Property Managers perform repairs to the property standards without any conflict of interest which is divided into two cases:

- (1) In case of repair and maintenance, the cost is not allow to exceed the amount approved by TREIT that Property Managers can carry out their own procurement.

However, every month, Property Management Department reviews and audits the correctness of the repair and maintenance items prepared by Property Managers.

- (2) In case of repair and maintenance costs are more than the amount approved by TREIT;
  - (a) Urgency case, Property Managers must first obtain the approval from Property Management Department as principle, via phone or E-mail.
  - (b) No urgency case, Property Managers send the letter of approval to Property Management Department by including details of the property such as property number, name of the lessee, damaged property photos, and the amount of money to ask for approval. In the support documentation must be included illustrates the necessity and appropriateness of the proposed costs, such as photographs of property damage, or compare prices of service providers with other service providers.
  - (c) Property Management Department prepares a letter of approval of the cost limit back to the Property Managers with copies of the book are kept as evidence, together passing documents to Accounting and Finance Department for further processes.

### 5.9 TREIT's Interest Tracking Procedure

The Company as the REIT Manager has appointed TPARK, TICON and may appoint other persons as deemed appropriate to collect revenue and manage spending of TREIT. In this regards, the Company has a procedure to track interest of TREIT which requires the appointed person to submit a report of such to the REIT Manager such as lease income report, lease cost report, selling and administrative expenses report, outstanding debt report, debt collection report, occupancy report, repair and maintenance hiring report, tenant's core assets insurance report.

## 6. Information Disclosure to Unitholders

The REIT Manager has emphasized the importance of information disclosure to unitholders in a sufficient, accurate, complete, fast and transparent manner. Also the information disclosure of TREIT shall be complied with rules and guidelines of information disclosure of the Securities and Exchange Commission and the Stock Exchange of Thailand.

### Key principles of information disclosure

- (1) Information to be disclosed must be accurate, complete, clear and timely.
- (2) Must be complied the rules and regulations of information disclosure accurately and completely.
- (3) Every unitholder has the right to receive the information equally.

### Parties who responsible for information disclosure

The Managing Director has assigned the Compliance Department, Investor Relations Department and the Accounting Finance Department for disclosing of information to the Securities and Exchange Commission and/or the Stock Exchange of Thailand. The information to be disclosed shall be approved by the Board of Directors and/or the Managing Director (as the case may be) prior to disclosure.

### Channels of Information Disclosure

In order to communicate efficiently, transparent and on timely basis, the REIT Manager has arranged various channels for information disclosure as follows:

- (1) Report to the Stock Exchange of Thailand, which is the formal channel of the Trust to disclose information.
- (2) The REIT Manager's website ([www.treit.co.th](http://www.treit.co.th)) which gather all important information of the Trust such as general information, TREIT Structure, Financial Statement, Annual Report, Invitation to the Unitholder's Meeting, Distribution and interested news.

## 7. Unitholders' Meeting

### Guidelines of arranging the unitholders' meeting

The REIT Manager shall arrange a meeting for unitholders as Annual General Meeting within four months after the end of fiscal year. Other meeting of unitholders shall be called Extraordinary General Meeting. The REIT Manager shall hold the Extraordinary General Meeting to be in line with the Trust Deed and related laws as follows:

- (1) When the REIT Manager considers that it is appropriate to call the unitholders' meeting for TREIT management propose
- (2) When the REIT Manager is required by the Trust Deed to get the resolution from the unitholders to carry out the following activities:
  - (a) The acquisition or disposal of TREIT's major assets with the value equal to or over 30% of the total asset value;
  - (b) The issuance of debenture or any debt instruments;
  - (c) The increase or decrease of TREIT's paid-up capital, as indicated in the Trust Deed;
  - (d) The connected transactions with the REIT Manager or connected persons with the REIT Manager, with the transaction value equal to or above Baht 20 million or higher or more than 3% of net asset value, whichever is higher;
  - (e) The change of benefits and the capital returned to the unitholders;
  - (f) The change of Trustee;
  - (g) The change of REIT Manager and the appointment of new REIT Manager
  - (h) The amendment of Trust Deed that significant impacts to the right of unitholder or the increase of fee and/or expenses to be higher than the maximum rate specified in the Trust Deed;
  - (i) The cancellation of the Trust
  - (j) Any other circumstance that the Trustee and/or the REIT Manager deem necessary and appropriate to propose to the unitholders' meeting and to get resolution of such matter;
  - (k) Any other circumstance required by the Securities and Exchange Commission;
- (3) When the unitholders with the total number of units is not less than 10% of total units sold, make a written request to the REIT Manager to call for Unitholders Meeting with clear reason stated in the request. The REIT Manager shall arrange unitholders' meeting within 1 month after the date receiving such request.

### Rights of the Unitholders

At the unitholders' meeting, the REIT Manager has a policy to facilitate and encourage all unitholders to attend the meeting by assigning the Compliance Unit to administrate the unitholder's meeting in accordance with the Trust Deed and related laws.



### Procedure for unitholders' meeting

- (1) The Compliance Department is responsible for the meeting appointment, preparing invitation, and meeting documents, accurately, completely and adequately. All documents will be given to The Thailand Securities Depository: TSD, the Registrar of the Trust, who will distribute invitation to all unitholders within 7 days or 14 days prior to the meeting (as the case may be). The REIT Manager will disclose the invitation letter in daily newspaper at least 3 days prior to the meeting date so that the unitholders will have sufficient time to review the related information before attending the meeting. In addition, the unitholder can download the invitation letter and supporting documents from the REIT Manager's website ([www.treit.co.th](http://www.treit.co.th)) in both Thai and English. This is the same information that the REIT Manager send to unitholders as printed document. Information in the invitation shall include the explanation of how to attend the meeting as well as the detailed agenda, which are sufficient for unitholders to review and make decision.
- (2) At the meeting, every unitholder has the right and equality to express his/her opinion and ask any questions to the Board of Directors on any matters relating to TREIT according to the agenda or proposed topic. The REIT Manager shall inform the unitholders to acknowledge their voting right and procedure for voting prior to the meeting.
- (3) Unitholders have the right to consider and approve the connected transaction or the acquisition or disposal of the assets with the value specified by law and related regulations.

### Voting of the unitholders

Voting of the unitholders in general case must receive an approval from the majority of the unitholders who attending the meeting and entitled to vote.

Voting of the following material transactions must receive at least three-fourth of total unitholders attending the meeting and entitled to vote.

- (1) The acquisition or disposal of the major assets with the value over 30% of the total assets value;
- (2) The increase or decrease of the Trust's paid-up capital, especially there is required the unitholders' approval;
- (3) The capital increase under general mandate;
- (4) The connected transactions with the REIT Manager or connected person with the REIT Manager, with the transaction value equal to or above Baht 20 million or higher or more than 3% of the net asset value, whichever is higher;
- (5) The change of benefits and the capital returned to the unitholders;
- (6) The change of Trustee;

- (7) The amendment of Trust Deed that significant impacts to the right of unitholder;
- (8) The cancellation of the TREIT

#### **8. Selection and Nomination of Directors and Management**

The REIT Manager shall select the personnel to be responsible for the management of TREIT based on his/her past experience in the related functions, to ensure that such person could manage TREIT for the maximum benefit of the unitholders. The REIT Manager shall consider the qualifications of candidate as defined by the guidelines in the Capital Market Supervisory Board's concerning the qualification of person in capital market as follows:

- (1) Having work experience in the field of investment management or management of revenue- generating real estate for not less than 3 years within the period of 5 years before the date of joining with the company;
- (2) No prohibited characteristics of authorised personnel of the TREIT management in accordance with the Capital Market Supervisory Board's concerning the qualification of person in capital market.

#### **9. Remuneration of the Auditor**

TREIT has appointed EY Office Limited as the Auditor of TREIT for financial period ended December 31st, 2017 with the auditing fee in total amount of Baht 634,746.

#### **10. Other Compliance with Good Corporate Governance (if any)**

- None -

# PREVENTION OF CONFLICT OF INTEREST

## 1. Policy for making transaction between TREIT and the REIT Manager or its Related Parties

Trust Deed has a procedure for making transaction between TREIT and the REIT Manager or its Related Parties with the following criteria:

- (1) Transaction between TREIT and the REIT Manager or its Related Parties with the following criteria:
  - (a) The transaction must be in accordance with the Trust Deed and the related laws;
  - (b) The transaction must be in the best interest of TREIT.
  - (c) The transaction must be justifiable at fair price and fair market conditions.
  - (d) Expense to be charged from TREIT (if any) must be in justified rate and reasonable
  - (e) Persons who have interest in the transaction will not participate in decision making for approval of the transaction.
- (2) However, if it is necessary to enter into a transaction that may create conflict of interest, the Company has the following procedure to ensure the best interest of TREIT / its unitholders:
  - (a) The transaction must be certified by the Trustee that it is in accordance with the Trust Deed and related laws.
  - (b) For transactions value over Baht 1 million or equal to or above 0.03% of the net asset value of TREIT, whichever is higher, an approval must be obtained from the Board of Directors;
  - (c) For transactions value equal to or over Baht 20 million or over 3% of the net asset value of TREIT, whichever is higher, an approval must be obtained by resolution of a meeting of unitholders by a three-fourth of total votes of unitholders who attend the meeting and are eligible to vote.
- (3) If the related party transaction is a transaction to acquire or sell of main properties, the calculation of value will base on acquisition or sell value of all properties of each project that will make it ready to seek benefit, including all properties relating to that project.
- (4) In order to seek approval from Trustee or unitholders' meeting, the REIT Manager and Trustee shall have the following responsibilities:
  - (a) The REIT Manager shall prepare a paper requesting for approval or notice for unitholders' meeting with the REIT Manager's opinion on nature of transaction according to clause 1) together with supporting reasons and clear information;
  - (b) Trustee must attend the unitholders' meeting to provide its opinion whether the transaction is conform to Trust Deed and relating applicable laws. In case that approval from the unitholders' meeting is required, the notice for meeting must include opinion from an independent financial advisor for such approval.

- (5) In case that the information on related party transaction between TREIT and the REIT Manager or any person relating to the REIT Manager has been clarified in the information memorandum, such transaction shall not require approval in clause 2) and does not require to follow procedures to request for approval in clause 4).

## 1.1 Transaction between TREIT and its Related Parties who may have a Conflict of Interest

### 1. Related party Transaction with Major Shareholders of the REIT Manager

Juristic Person that may have a conflict of interest	Nature of Relationship	Nature of Transaction	Necessity and Reasonableness of Transactions	Opinion and Conditions
TICON Industrial Connection Public Company Limited ("TICON")	TICON is a major shareholder of the REIT Manager. Currently, TICON holds approximately 70% of the Company's total paid-up shares and controls the Company. Also, TICON is a major shareholder of TREIT.	TREIT has appointed TICON as the property manager for factories.	TICON was the owner of TREIT's factory buildings. It knows and understands well to manage the assets invested by TREIT. In addition, TICON is a leader in managing factories for rent, with skilled personnel and standard operation. TICON is a listed company on the Stock Exchange of Thailand, conducting good corporate governance. This makes tenants confident and benefits the leasing of TREIT's factories.	The REIT Manager has appointed and paid the fee to TICON, the Property Manager of factory buildings. The Property Management Fee is similar to the fee that TICON received from other property funds for their property management service, which is market price and considerably acceptable.

2. Related party Transaction with Juristic Person who has the same Major Shareholder with the REIT Manager

Juristic Person that may have a conflict of interest	Nature of Relationship	Nature of Transaction	Necessity and Reasonableness of Transactions	Opinion and Conditions
TICON Logistics Park Company Limited ("TPARK")	TPARK has the same major shareholder as the REIT Manager. TICON is a major shareholder of the REIT Manager and TPARK since TICON holds the shares of approximately 99.99 percent of the total voting rights in the REIT Manager and TPARK.	TREIT has appointed TPARK as the property manager for warehouses.	TPARK was the owner of TREIT's warehouse buildings. It knows and understands well to manage the assets invested by TREIT. In addition, TPARK is a leader in managing warehouses for rent, with skilled personnel and standard operation.	The REIT Manager has appointed and paid the fee to TPARK, the Property Manager of warehouse buildings. The Property Management Fee is similar to the fee that TPARK received from other property funds for their property management service which is market price and considerably acceptable.

**1.2 Policy related to transactions between the Trust and the REIT manager and connected persons to the REIT manager in the future**

The REIT manager may make transaction between TREIT and the REIT manager and connected persons to the REIT manager in the future. It is important that such transaction shall be committed to the maximum benefit of TREIT and can be verified that the transaction is done at a fair price, under the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and the Trust Deed. (Please see more details on the topic "Policy for making transaction between TREIT and the REIT Manager or its Related Parties")

**1.3 Guidelines to prevent conflicts of interest**

The REIT manager has a system to prevent conflicts of interest between TREIT and a persons who may have conflicts of interest. The management who responsible for making transactions that may cause a conflict of interest with the Legal and Compliance Department jointly ensure that such transaction is in accordance with the following guidelines:

- (1) Transaction must be complied with the Trust Deed and related laws and incurred to the maximum benefits of TREIT;



- (2) Transaction must be reasonable and committed on the fair price and fair market conditions;
- (3) Stakeholders of the transaction shall not participate in the approval process of such transaction.

## 2. Transaction between the Trustee and Related Parties of the Trustee who may have a Conflict of Interest

Juristic person who may have conflicts of interest	Relationship	Nature of connected transactions	Necessity and reasonableness of the transaction
Bangkok Bank Public Company Limited ("Bangkok Bank PCL.")	<p>Bangkok Bank PCL. is a major shareholder of the Trustee, holding 75% of the issued and paid-up capital of the Trustee.</p> <p>Bangkok Bank PCL. is a lender of long-term loans to TREIT.</p>	Bangkok Bank PCL. has provided long-term loans to TREIT for its investments in properties.	Terms and conditions of the loan agreements are based on general commercial terms, which will not cause any damages to TREIT. Also, the conditions applied are comparable with the conditions offered to other prime major customers who have relative risk models in the same industry.

## 3. Soft Commission

TREIT has no soft commission.





# CORPORATE SOCIAL RESPONSIBILITIES

## 1. Overview of the policy

The REIT Manager has a policy to manage the Trust with transparency to all related stakeholders for the best interests of the unitholders. The REIT Manager gives priority to the good corporate governance (Please see more details on the topic “Corporate Governance”) as well as business operations with responsibilities to society and environment. The REIT Manager has carried out the policy based on the Stock Exchange of Thailand's guideline on corporate social responsibilities.

### 1.1 Business Operation Fairness

Operating the business with fairness is one of business ethics which the REIT Manager gives priority to and always practice when managing the Trust. The REIT Manager shall manage the Trust with strictly compliance to related laws including the Securities and Exchange Act B.E. 2535 (with amendments), the Trust for Transactions in Capital Market Act, B.E. 2550 and Rules and Regulations of the related regulators as well as to the provisions in the Trust Deed. The Trust shall be managed under good governance principles, avoiding practices or actions that could pose conflicts of interest, promoting free and fair trade competition. All tenants shall be fairly treated. There shall be no propaganda or false advertisement which may mislead and cause damage to consumers. All the above practices are aimed to be fair to other business operators, the unitholders, business partners and related stakeholders, which will build investor's confidence in the long term.

### 1.2 Respect for Human Rights and Fair Treatment to the labor

The REIT manager focuses on the fundamental rights of individuals including the right to life and liberty, the right to equality under the law, the right to freedom of speech, the right to work, the right to basic healthcare as well as right to social security. The REIT Manager also provides to staff a chance to show their potential, encourages them to express their idea freely, and provides opportunities to enhance their knowledge and skills continually. The details are as follows:

- (1) Provide work process and system that focuses on proper safety and healthcare in the workplace. Provide a clean workplace to prevent safety hazards that may arise from accidents and disease, including encouraging employees to have a good health through annual health check program;
- (2) Enhance staff's skill and potential by providing an opportunity for employees to learn and to be promoted when the opportunity is right;
- (3) Provide fair employment conditions for employees and provide reasonable compensations that fit their capacity;
- (4) Provide employee's welfare such as annual vacation, medical treatment as necessary and appropriate;

- (5) Provide important information to employees and employee representatives about the actual conditions and operating results of business entities;
- (6) Promote collaborations among employers and employees to improve work life quality.

### 1.3 Responsibilities to Consumer

The Trust invested in the assets which are land and warehouse and factory buildings and appointed TPARK and TICON as the property manager. (Please see more details on the topic. "Property Manager". In property management, the Property Managers focus on fair and responsible treatment to the tenants, taking into account their health and safety.

- (1) Construction of the buildings done by business partners who are responsible contractor with high standard;
- (2) Deliver products and services with high quality, safe and not harmful to tenant's health;
- (3) Contact the tenants politely, effectively and trustworthy.

### 1.4 Environment Preservation

The REIT Manager recognizes the importance of environment preservation and treats that to preserve the environment is a shared responsibility of everyone. Therefore, the REIT Manager encourages its employees to use resources efficiently, with regards to energy saving measures and recycling and reuse of materials. The REIT Manager also provides knowledge and training to employees on environment, safety and healthcare.

In addition, the Property Managers have a policy to build modern and safe warehouse and factory, with no impact on the environment and with ability to respond to social needs and environmental protection to customers. TICON, one of the Trust's property managers, has developed a green factory building that is environmental friendly (Green Building), which has been certified as a building that is environmental friendly by the standard of "LEED" or Leadership in Energy and Environmental Design from the U.S.Green Building Council (USGBC), a leading certification body of green building standards in the United States. TICON is the first developer of factory and warehouse in Thailand certified with LEED Certification. In addition, the property managers also focus on preserving the environment around its factories and warehouses so that to people who live nearby can live their daily life in a better and quality environment.

## 2. Business Operating with effect to Social Responsibility (if any)

- None -



## OTHER SIGNIFICANT INFORMATION

TREIT had no other significant information that may impact to the decision making of the unitholders.









**BBL ASSET MANAGEMENT CO., LTD.**  
บริษัทหลักทรัพย์จัดการกองทุนรวม บัวหลวง จำกัด

### Trustee's opinion

7<sup>th</sup> March 2018

To : Unitholders of Ticon Freehold and Leasehold Real Estate Investment Trust

Whereas, BBL Asset Management Company Limited ("BBLAM") acting as the Trustee of the Ticon Freehold and Leasehold Real Estate Investment Trust ("TREIT") which manages by Ticon Management Company Limited ("TMAN") as the REIT manager during accounting period from 1st January 2017 to 31st December 2017.

In our opinion, TMAN has performed its duties in managing the TREIT appropriately in accordance with the objectives specified in the Trust Deed and the Trust for Transactions in Capital Market Act B.E. 2550.

Yours Faithfully,

BBL Asset Management CO., Ltd.

Trustee of TICON Freehold and Leasehold Real Estate Investment Trust

(Mr. Thawatchai Lueangsurarungse)  
Senior Vice President

(Mr. Chukiet Wiriyakorkitkul)  
Senior Vice President



# FINANCIAL STATEMENTS CONTENTS

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# INDEPENDENT AUDITOR'S REPORT

To the Unitholders of TICON Freehold and Leasehold Real Estate Investment Trust

## Opinion

I have audited the accompanying financial statements of TICON Freehold and Leasehold Real Estate Investment Trust (the Trust), which comprise the balance sheet, including the details of investments as at 31 December 2017, and the related statements of income, changes in net assets, cash flows and significant financial information for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TICON Freehold and Leasehold Real Estate Investment Trust as at 31 December 2017, its financial performance, changes in its net assets, cash flows and significant financial information for the year then ended in accordance with Thai Financial Reporting Standards.

## Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Trust in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are describe below.

# INDEPENDENT AUDITOR'S REPORT

## Acquisitions of investments in properties from property funds

As discussed in Notes 1 and 7 to the financial statements, in 2017, the Trust has received assets, most of which are properties, and obligations through the transfers from 3 property funds in exchange for newly issued units of the Trust and cash for the switching of the property funds' units with the Trust's units. Since the proceeds are in the significant amount, the test of the acquisition and the examination of the existence and ownership of the assets are considered a key audit matter.

I have examined the proceeds of these business transactions with the approval by the Extraordinary General Meeting of Unitholders of the Trust (dated 19 October 2017). I have also checked the cash payments with supporting documents and examined the existence and the ownership of the Trust over the properties with the documents of title.

## Valuation of investments in properties

As discussed in Notes 5.2 and 7 to the financial statements, the Trust had investments in properties presented in the balance sheet as at 31 December 2017 at their fair value of Baht 30,451 million, representing 95.3% of total assets. These investments are not traded on an active market hence the appropriate comparable quoted price for the same or similar investments on an inactive market cannot be established. The Trust Manager therefore determined the fair value of these investments based on the value appraised by an independent appraiser using the income approach. As the Trust Manager is required to exercise significant judgement with respect to the estimation of future operating results and the determination of a discount rate and key assumptions, there is therefore significant risk with respect to the measurement of such investments.

I gained an understanding of the calculation of the fair value of investments in properties by making enquiry of responsible executives. I considered the extent and objectives of the assessment of fair value made by the independent appraiser and assessed the techniques and models used by the independent appraiser to measure the fair value, as specified in the appraisal report prepared by the appraiser, by comparing them to my knowledge and past experience regarding the valuation of the same or similar assets. I also considered the consistency of the application of such techniques and models, and assessed the competence and independence of the independent appraiser by checking publicly available data. In addition, I reviewed the data and key assumptions used in the measurement of fair value, by comparing past estimates of operating results with the Trust's actual operating results to evaluate the judgement of the Trust Manager in terms of projections of operating results, checked them to the lease agreements, and tested the calculation of the fair value made based on the above models and assumptions. Moreover, I reviewed the disclosure of information related to the measurement of the fair value of investments in properties in the notes to the financial statements.



# INDEPENDENT AUDITOR'S REPORT

## Other Information

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

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

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

When I read the annual report of the Trust, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

# INDEPENDENT AUDITOR'S REPORT

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

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

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,

# INDEPENDENT AUDITOR'S REPORT

I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Chayapol Suppasdtanon  
Certified Public Accountant (Thailand) No. 3972


EY Office Limited  
Bangkok: 22 February 2018

# BALANCE SHEET

As at 31 December 2017

			(Unit: Baht)
	Note	2017	2016
<b>Assets</b>			
Investments			
Investments in properties at fair value (at cost 2017: Baht 30,268 million and 2016: Baht 7,387 million)	7	30,450,600,000	7,351,650,000
Investments in securities at fair value (at cost 2017: Baht 142 million and 2016: Baht 271 million)		141,812,925	270,554,548
Cash and cash at banks	8	1,168,439,021	41,049,387
Accounts receivable			
From rental and service	9, 19	68,054,555	43,646,894
From interest	19	380,143	468,422
Other	19	19,239,169	7,527,147
Deferred expenses	10	95,254,124	51,973,509
Other assets		17,524,451	4,405,963
<b>Total assets</b>		<b>31,961,304,388</b>	<b>7,771,275,870</b>
<b>Liabilities</b>			
Short-term loans	11, 19	3,739,966,268	-
Accrued property tax		52,961,857	15,495,358
Accrued expenses	19	91,736,684	27,293,433
Accrued interest	19	18,899,479	-
Withholding taxes payable		18,504,017	6,171,755
Advance receipts for rental and service		2,282,000	-
Deposits from rental and service		761,828,954	151,849,647
Long-term loans	12, 19	-	1,819,000,000
Debentures	13, 19	1,800,000,000	-
Other liabilities		7,031,649	4,596,949
<b>Total liabilities</b>		<b>6,493,210,908</b>	<b>2,024,407,142</b>
<b>Net assets</b>		<b>25,468,093,480</b>	<b>5,746,868,728</b>
<b>Net assets:</b>			
Trust registered and capital from the unitholders	14	25,423,451,777	5,542,062,750
Retained earnings	15	44,641,703	204,805,978
<b>Net assets</b>		<b>25,468,093,480</b>	<b>5,746,868,728</b>
Net asset value per unit		9.7864	10.1391
Number of units issued - end of year (units)		2,602,387,048	566,800,000

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

  
(Mr. Peerapat Srisukont)  
Managing Director

# DETAILS OF INVESTMENT

As at 31 December 2017

## Details of investments classified by asset type

Type of investments/ Land title deed				Area (Rai-Ngan-Sq. Wah)	Locations	Factory / warehouse building no.	2017		2016	
							Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
Investments in properties,										
Leasehold on land and freehold on factories										
35027	4-2-46	Rojana Industrial Park, Uthai Sub-district, Uthai District, Phra Nakhon Si Ayutthaya Province	L2.8/2 - 37-9	55,100,000	0.18	-	-			
31575	2-1-29	Rojana Industrial Park, Bancharang Sub-district Uthai District, Phra Nakhon Si Ayutthaya Province	S1/1 - 42.1	20,500,000	0.07	-	-			
29087	4-3-41	Rojana Industrial Park, Bancharang Sub-district Uthai District, Phra Nakhon Si Ayutthaya Province	B3.1 - 20-1	60,300,000	0.20	-	-			
29083	4-1-99	Rojana Industrial Park, Bancharang Sub-district Uthai District, Phra Nakhon Si Ayutthaya Province	M2.7/3 - 20-2	53,000,000	0.17	-	-			
58257	3-3-0	Nava Nakorn Industrial Promotion Zone, Khlong Nueng Sub-district, Khlong Luang District, Pathum Thani Province	B2.2/2 - 1	42,300,000	0.14	-	-			
58258	3-3-0	Nava Nakorn Industrial Promotion Zone, Khlong Nueng Sub-district, Khlong Luang District, Pathum Thani Province	A2.1/1 - 1	38,500,000	0.13	-	-			
Leasehold on land and freehold on warehouses										
29403	7-0-46	TICON Logistics Park Bangna project Bang Wua Sub-district, Bang Pakong District, Chachoengsao Province	DG1/1 DG1/2 DG1/3 DG1/4	115,800,000	0.38	111,590,000	1.46			
28339	12-0-68	TICON Logistics Park Bangna project Bangsamak Sub-district, Bang Pakong District Chachoengsao Province	M2/1 M2/2 M2/3 M2/4 M2/5 M2/6	172,100,000	0.56	169,260,000	2.22			
30792	54-1-49	TICON Logistics Park Bangna project Bang Samak Sub-district, Bang Pakong District, Chachoengsao Province	SW.FZ4/1 SW.FZ4/2 SW.FZ4/3 SW.FZ4/4 SW.W8/1 SW.W8/2 SW.W8/3 SW.W8/4 SW.W9 SW.W10/1 SW.W10/2 SW.W12/1 SW.W12/2 SW.W12/3 SW.W12/4	758,300,000	2.48	-	-			
30848	26-2-12	TICON Logistics Park Bangna project Bang Samak Sub-district, Bang Pakong District, Chachoengsao Province	SW.W1/1 SW.W1/2 SW.W1/3	474,900,000	1.55	-	-			
28337	27-2-50	TICON Logistics Park Bangna project Bang Samak Sub-district, Bang Pakong District, Chachoengsao Province	SW.W2/1 SW.W2/2 SW.W2/3	484,200,000	1.58	-	-			
34669	46-0-67	TICON Logistics Park Bangna project Bang Samak Sub-district, Bang Pakong District, Chachoengsao Province	SW.W4/1 SW.W4/2 SW.W4/3 SW.W4/4 SW.W5/1 SW.W5/2 SW.W5/3 SW.W5/4	363,300,000	2.82	-	-			
30841	12-2-48	TICON Logistics Park Bangna project Bang Samak Sub-district, Bang Pakong District, Chachoengsao Province	SW.W11/1 SW.W11/2 SW.W11/3 SW.W11/4	181,800,000	0.59	-	-			

The accompanying notes are integral part of the financial statement.



# DETAILS OF INVESTMENT

As at 31 December 2017

## Details of investments classified by asset type

Type of investment/ Land title deed				Area	Locations	Factory / warehouse building no.	2017	2016	
							Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)
(Rai-Ngan-Sq. Watt)									
30839	0-1-31	TICON Logistics Park Bangna project Bang Samak Sub-district, Bang Pakong District, Chachoengsao Province	SW.W13	40,400,000	0.13	-	-		
34665	10-1-90	TICON Logistics Park Bangna project Bang Samak Sub-district, Bang Pakong District, Chachoengsao Province	SW.M1.1/10	178,600,000	0.59	-	-		
			SW.M1.1/11						
			SW.M1.1/12						
			SW.M1.1/13						
			SW.M1.1/14						
			SW.M1.1/15						
			SW.M1.1/16						
34684	7-2-60	TICON Logistics Park Bangna project Bang Wua Sub-district, Bang Pakong District, Chachoengsao Province	SW.B3.1	55,200,000	0.21	-	-		
Leasehold (portion) on land sublease and warehouses									
23638, 23793	3-0-17.5	TICON Logistics Park Bangpae 1 Bang Sao Thong Sub-district, Bangpae District, Samutprakan Province	W6	25,200,000	0.08	24,640,000	0.32		
Leasehold on land and warehouses									
2806, 18806, 18811, 18812 23638, 23793 2806	98-3-7.6	TICON Logistics Park Bangpae 1 Srisa Chonkhe Yai Sub-district, Bang Sao Thong District, Samutprakan Province	W1/1 W1/2 W1/3 W2 W3 W4	553,900,000 44,100,000 174,100,000 484,600,000	1.81 0.14 0.57 1.52	528,970,000 42,840,000 159,960,000 387,520,000	6.94 0.56 2.10 5.08		
2805, 23033, 23793, 00713, 00714 18789, 18790, 18791, 18792, 2806 2806, 23033, 23793, 00713			DG1/1 DG1/2 DG1/3	51,300,000	0.17	46,450,000	0.61		
88158, 88160, 88161, 105253, 105254, 105255, 105256, 105257, 105258, 105259, 105260, 118032	35-0-71.1	TICON Logistics Park Bangpae 3 Bangpae Sub-district, Bangpae District, Samutprakan Province	W4/1 W4/2 W4/3 W4/4 W4/5 W4/6 W4/7	592,100,000	1.94	516,680,000	6.78		
8486, 86155, 86156, 86157, 86158, 86162, 86163, 86164, 105259, 118032	27-0-87.3	TICON Logistics Park Bangpae 3 Bangpae Sub-district, Bangpae District, Samutprakan Province	W5/1 W5/2 W5/3 W5/4 W5/5 W5/6	467,300,000	1.53	386,420,000	5.05		
35276	13-2-62.4	Amata Nakorn Industrial Estate, Ban Khoa Sub-district, Paritong District, Chonburi Province	SW.W1/1_G724 SW.W1/2_G724 SW.W1/3_G724 SW.W1/4_G724 SW.W2/1_G724 SW.W2/2_G724 SW.W3_G724	300,800,000	0.96	-	-		
35277	6-1-36.3	Amata Nakorn Industrial Estate, Ban Khoa Sub-district, Paritong District, Chonburi Province	SW.W3_G724	109,500,000	0.36	-	-		
Freehold on land and warehouses									
165065	6-1-71.4	TICON Logistics Park Eastern Seaboard 2 Bo Win Sub-district, Si Racha District, Chonburi Province	W2/1 W2/2	106,400,000	0.35	120,800,000	1.59		
165062	9-2-77	TICON Logistics Park Eastern Seaboard 2 Bo Win Sub-district, Si Racha District, Chonburi Province	W5/1 W5/2	177,800,000	0.58	201,140,000	2.64		
177126	24-0-56	TICON Logistics Park Sriracha Surasak Sub-district, Si Racha District, Chonburi Province	W5/1 W5/2 W5/3	378,900,000	1.24	422,060,000	5.56		

The accompanying notes are integral part of the financial statement.

# DETAILS OF INVESTMENT

As at 31 December 2017

## Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai-Ngan-Sq. Wah)	Locations	Factory / warehouse building no.	2017		2016	
				Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
173839, 11303	8-1-22	TICON Logistics Park Sriracha Surasak Sub-district, Si Racha District, Chonburi Province	W16	73,200,000	0.24	94,030,000	1.10
194794	24-0-37.9	TICON Logistics Park Sriracha Surasak Sub-district, Si Racha District, Chonburi Province	W20	312,400,000	1.02	347,130,000	4.55
176448	7-0-21.4	TICON Logistics Park Laemchabang 2 Nong Kham Sub-district, Si Racha District, Chonburi Province	W2	117,600,000	0.39	123,440,000	1.62
177198	6-2-4.8	TICON Logistics Park Laemchabang 2 Nong Kham Sub-district, Si Racha District, Chonburi Province	FZ4	77,300,000	0.25	92,520,000	1.21
47950	13-0-8	Rojana Industrial Park (Prachinburi) Huawa Sub-district, Si Maha Phot District, Prachinburi Province	W1	198,400,000	0.65	180,570,000	2.37
44200	11-3-59	TICON Logistics Park Wangnoi 2 Payom Sug-district, Wang Noi District, Phra Nakhon Si Ayutthaya Province	W11/1 W11/2 W11/3 W11/4	178,100,000	0.59	203,930,000	2.68
38797	12-3-64.5	TICON Logistics Park Eastern Seaboard 1(B) Phuakdaeng Sub-district, Phuakdaeng District, Rayong Province	W2/1 W2/2 W2/3 W2/4	204,700,000	0.67	232,400,000	3.05
177199	13-1-54.1	TICON Logistics Park Laemchabang 2 Nong Kham Sub-district, Si Racha District, Chonburi Province	W1/1 W1/2 W1/3 W1/4	209,200,000	0.68	208,480,000	2.74
173846	15-2-35.9	TICON Logistics Park Laemchabang 2 Nong Kham Sub-district, Si Racha District, Chonburi Province	FZ1/1 FZ1/2 FZ1/3 FZ1/4 FZ1/5	280,200,000	0.92	320,580,000	4.20
177200	11-2-37	TICON Logistics Park Laemchabang 2 Nong Kham Sub-district, Si Racha District, Chonburi Province	FZ3/1 FZ3/2 FZ3/3 FZ3/4	195,700,000	0.64	213,130,000	2.79
45769	13-2-11	TICON Logistics Park Panthong 1 Panthong Sub-district, Panthong District, Chonburi Province	W2/1 W2/2 W2/3 W2/4 W2/5	189,300,000	0.62	222,330,000	2.92
30847	11-1-77	TICON Logistics Park Project - Bangna Bang Samak Sub-district, Bangpakong District, Chacheongsao Province	SW.W6-1 SW.W6-2 SW.W6-3 SW.W6-4	210,900,000	0.69	-	-
30638	12-0-34	TICON Logistics Park Project - Bangna Bang Samak Sub-district, Bangpakong District, Chacheongsao Province	SW.W7/1 SW.W7/2 SW.W7/3 SW.W7/4	211,000,000	0.69	-	-
887	18-2-4	TICON Logistics Park project - Bangna T. Bangsamuk A. Bangpakong, Chacheongsao Province	W3/1 - W3/2	358,300,000	1.20	-	-
30845	11-1-83	TICON Logistics Park project - Bangna T. Bangsamuk A. Bangpakong, Chacheongsao Province	FZ3/1 - FZ3/4	211,200,000	0.69	-	-

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# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai-Ngeng-Sq. Wah)	Locations	Factory / warehouse building no.	2017		2018	
				Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
30844	11-1-93	TICON Logistics Park project - Bangna T. Bangsamuk A. Bangpakong, Chachoengsao Province	FZ5/1 - FZ5/4	212,600,000	0.89	-	-
25513	24-2-96	TICON Logistics Park project - Wang Noi T. Payom A. Wongnoi, Ayuthaya Province	W2/1 - W2/4	374,000,000	1.22	-	-
24728	20-2-90	TICON Logistics Park project - Wang Noi T. Payom A. Wongnoi, Ayuthaya Province	SM1	546,000,000	1.78	-	-
152508, 130252 104395, 112194 112195	48-2-16.9	TICON Logistics Park project - Laem chabang T. Nongkham A. Sriracha, Chonburi Province	SWA SWB SWC SWD SWF SWE SWG SWH SWI SWJ SWK	736,800,000	2.41	-	-
30848	15-0-11	TICON Logistics Park project - Bangna T. Bangsamuk A. Bangpakong, Chachoengsao Province	FZ1/1-FZ1/2	310,000,000	1.01	-	-
28625	23-2-24	TICON Logistics Park project - Wang Noi T. Payom A. Wongnoi, Ayuthaya Province	W3/1 - W3/4	375,700,000	1.23	-	-
28628	11-3-91	TICON Logistics Park project - Wang Noi T. Payom A. Wongnoi, Ayuthaya Province	W5/1 - W5/4	156,600,000	0.51	-	-
4631	13-1-49	TICON Logistics Park project - Bangna T. Bangwua A. Bangpakong, Chachoengsao Province	M1.1/1 - M1.1/9	242,300,000	0.79	-	-
59659 172407 172406	9-2-26.6 4-1-62 21-0-31.7	TICON Logistics Park project - Laem chabang T. Nongkham A. Sriracha, Chonburi Province T. Nongkham A. Sriracha, Chonburi Province	L, M, N, O, P W1/1 - W1/5	150,300,000 342,300,000	0.49 1.12	-	-
31975	19-0-65	TICON Logistics Park project - Rojana T. U-thai A. U-thai, Ayuthaya Province	W1, W2, W3	294,000,000	0.96	-	-
172584 172588, 172587 172586	7-3-17.3 4-2-6 5-1-59.1 14-2-38.4	TICON Logistics Park project - Eastern Seaboard I T. Bowin A. Sriracha, Chonburi Province	W1, W2/1, W2/2 W4, W5, W6	439,100,000	1.44	-	-
<b>Freehold on land and factories</b>							
9994, 14727	5-1-39.7	Amata City Industrial Estate Mabhyangpoom Sub-district, Pluak Daeng District, Rayong Province	SF.B1.9 A32.39	75,800,000	0.25	81,180,000	1.07
31698	6-0-87.9	Amata City Industrial Estate Mabhyangpoom Sub-district, Pluak Daeng District, Rayong Province	SF.M3.3 A220/1	86,600,000	0.28	93,480,000	1.23
7435	4-0-18	Pinthong Industrial Estate Nong Kham Sub-district, Si Racha District, Chonburi Province	SF.A1.8/1 L_42	55,400,000	0.18	60,190,000	0.79
181769, 181770	4-0-11.4	Pinthong Industrial Estate Nong Kham Sub-district, Si Racha District, Chonburi Province	SF.A1.8/2 L_42/2 L_43/2	55,400,000	0.18	62,840,000	0.82
183315	4-0-29.2	Pinthong Industrial Estate Bo Win Sub-district, Si Racha District, Chonburi Province	SF.M1.8 G_007	54,500,000	0.18	59,340,000	0.78
185321, 185322	11-1-29.4	Pinthong Industrial Estate Bo Win Sub-district, Si Racha District, Chonburi Province	SF.A3 G_025/3 SF.A2.2 G_025/2	149,900,000	0.49	161,660,000	2.12

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# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai Ngan Sq. Wah)	Locations	Factory / warehouse building no.	2017		2016	
				Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
167088	20-3-60	Pinthong Industrial Estate Bueng Sub-district, Si Racha District, Chonburi Province	SF.L3.2 G_032/1 SF.A2.7/3 G_032/2 SF.A2.7/2 G_032/3 SF.A2.7/1 G_032/4, G_033/1	328,000,000	1.07	352,280,000	4.62
167086	21-3-97.8	Pinthong Industrial Estate Bueng Sub-district, Si Racha District, Chonburi Province	SF.B3.5 G_033/2 SF.L4.4 G_033	223,800,000	0.73	245,180,000	3.22
20170	5-2-1	Ban Wah Industrial Estate (Hi-Tech) Ban Lan Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province	SF.A1.3 G1/4-4 SF.A1.5/3 G_1/4_5	73,700,000	0.24	78,450,000	1.03
59721	3-3-15	Ban Wah Industrial Estate (Hi-Tech) Ban Lan Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province	SF.C2.2 F_7/12	60,400,000	0.20	64,590,000	0.85
55952	4-1-42	Ban Wah Industrial Estate (Hi-Tech) Ban Lan Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province	SF.M2.2 F_7/13	55,600,000	0.18	59,790,000	0.78
30621	2-2-72	Rojana Industrial Park Ban Chang Sub-district, Uthai District, Phra Nakhon Si Ayutthaya Province	SF.A1.3/1 2B_1	35,600,000	0.12	40,490,000	0.53
52780	3-3-5	Hemarej Chonburi Industrial Estate Bo Win Sub-district, Si Racha District, Chonburi Province	SF.M1.5/2 D_1	42,400,000	0.14	50,150,000	0.66
52781	3-1-84	Hemarej Chonburi Industrial Estate Bo Win Sub-district, Si Racha District, Chonburi Province	SF.M1.5/1 D_2	42,300,000	0.14	50,300,000	0.66
31576	2-1-28	Rojana Industrial Park Ban Chang Sub-district, Uthai District, Phra Nakhon Si Ayutthaya Province	SF.S1/2-42.2	25,600,000	0.08	29,990,000	0.39
52785	8-0-33	Hemarej Chonburi Industrial Estate Bo Win Sub-district, Si Racha District, Chonburi Province	SF.L3.2-D6	84,000,000	0.27	80,090,000	1.18
38800	4-0-13.5	Amata City Industrial Estate Mabyangpoom Sub-district, Pluekdaeng District, Rayong Province	SF.A2_A220/6	54,600,000	0.18	58,530,000	0.77
7301	3-0-15.4	Amata City Industrial Estate, Mabyangpoom Sub-district, Pluekdaeng District, Rayong Province	SF.M1.5-A2	40,000,000	0.13	-	-
14720	3-2-46.5	Amata City Industrial Estate, Mabyangpoom Sub-district, Pluekdaeng District, Rayong Province	SF.L2.0-A8/9	53,200,000	0.17	-	-
14874	2-3-79.7	Amata City Industrial Estate, Mabyangpoom Sub-district, Pluekdaeng District, Rayong Province	SF.A1.375/1-A30	37,000,000	0.12	-	-
14875	2-2-77.6	Amata City Industrial Estate, Mabyangpoom Sub-district, Pluekdaeng District, Rayong Province	SF.A1.3/5/2-A30	36,600,000	0.12	-	-
14898	5-2-7.7	Amata City Industrial Estate, Mabyangpoom Sub-district, Pluekdaeng District, Rayong Province	SF.C3-6/3	77,600,000	0.25	-	-
14899	3-2-54.8	Amata City Industrial Estate, Mabyangpoom Sub-district, Pluekdaeng District, Rayong Province	SF.B2.1-A9/3	54,400,000	0.18	-	-
7308	2-3-91.5	Amata City Industrial Estate, Mabyangpoom Sub-district, Pluekdaeng District, Rayong Province	SF.A1.375/5-A30	36,000,000	0.12	-	-
14897	3-0-23.8	Amata City Industrial Estate, Mabyangpoom Sub-district, Pluekdaeng District, Rayong Province	SF.B1.5-A8/11	42,700,000	0.14	-	-

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# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Type of investments/ Land title deed	Area	Locations	Factory / warehouse building no.	2017		2016	
				Fair value	Percentage	Fair value	Percentage
				(Baht)	(%)	(Baht)	(%)
(Rai-Ngan-Sq. Wah)							
9993, 14728	4-1-97.8	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.B2.9-A33	74,700,000	0.24	-	-
14612	3-2-84.1	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.B2.1-6/1	54,500,000	0.16	-	-
9996	4-1-44	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.L2.2-A52/1	53,100,000	0.19	-	-
9992	3-0-91.9	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.B1.7/1-A34	49,800,000	0.15	-	-
9990, 9992	3-0-70.4	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.B1.7/2-A37	49,900,000	0.15	-	-
14695	3-2-64.4	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.B2.1-A8/1	55,000,000	0.16	-	-
9988, 9990	3-2-19.3	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.B1.9-A39	50,800,000	0.17	-	-
7318	3-1-48.8	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.A1.7-A8/1	44,400,000	0.15	-	-
14673	3-2-7.1	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.B1.7-A6/1	47,500,000	0.16	-	-
15540	2-0-51.1	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.A1.1-A52	30,000,000	0.10	-	-
9960	3-3-64	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.B2.2-A52/5	58,300,000	0.19	-	-
16791	3-1-45.2	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.A1.5-A52/6	38,800,000	0.13	-	-
9891, 9989	3-0-21.7	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.B1.7/3-A39	46,700,000	0.15	-	-
7322	3-2-13.2	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.L2.2-A5/9_1	60,000,000	0.20	-	-
9958	3-1-72.0	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.L2-A52/3	53,300,000	0.17	-	-
9959	3-2-12.0	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.B2.1-A52/4	54,400,000	0.18	-	-
31700	3-3-18.9	Amata City Industrial Estate, Mabiyangporn Sub-district, Pluakdaeng District, Rayong Province	SF.S1.8-A.220/3	44,400,000	0.15	-	-
11353, 11354	4-2-78, 4-3-12	Amata Nakorn Industrial Estate, Bankeo Sub-district, Phanithong District, Cholburi Province	SF.A1.5/1-38 SF.A1.5/2-38 SF.A2-38	129,500,000	0.42	-	-
20126, 20709	2-1-30, 3-1-53	Amata Nakorn Industrial Estate, Bankeo Sub-district, Phanithong District, Cholburi Province	SF.G3.2 - G253, G253/2	88,600,000	0.29	-	-
20122	2-3-73	Amata Nakorn Industrial Estate, Bankeo Sub-district, Phanithong District, Cholburi Province	SF.M1.5/3 - G256	42,800,000	0.14	-	-

The accompanying notes are integral part of the financial statement.



# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai-Ngan-Sq. Wai)	Locations	Factory / warehouse building no.	2017		2016	
				Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
20123	2-3-79	Amata Nakorn Industrial Estate, Bangkok Sub-district, Phantong District, Choburi Province	SF.M1.5/4 - G255	42,200,000	0.14	-	-
20124	2-3-82	Amata Nakorn Industrial Estate, Bangkok Sub-district, Phantong District, Choburi Province	SF.M1.5/5 - G254	42,200,000	0.14	-	-
20125	3-1-1	Amata Nakorn Industrial Estate, Bangkok Sub-district, Phantong District, Choburi Province	SF.M1.6 - G253/1	47,400,000	0.16	-	-
20131	2-2-45	Amata Nakorn Industrial Estate, Bangkok Sub-district, Phantong District, Choburi Province	SF.B1.2-G258/2	32,900,000	0.11	-	-
20132	2-3-55	Amata Nakorn Industrial Estate, Bangkok Sub-district, Phantong District, Choburi Province	SF.M1.3 - G259	39,100,000	0.13	-	-
20133	2-3-84	Amata Nakorn Industrial Estate, Bangkok Sub-district, Phantong District, Choburi Province	SF.M1.5/1 - G260	43,400,000	0.14	-	-
20134	2-3-61	Amata Nakorn Industrial Estate, Bangkok Sub-district, Phantong District, Choburi Province	SF.M1.5/2 - G261	42,800,000	0.14	-	-
20135	5-0-16	Amata Nakorn Industrial Estate, Bangkok Sub-district, Phantong District, Choburi Province	SF.C3 - G262/1	82,100,000	0.27	-	-
122540	7-0-78	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.C5.6 - G702/5	135,000,000	0.44	-	-
122543	3-0-12	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.M1.6 - G702/2	45,700,000	0.15	-	-
95450	3-0-41	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.M1.8/4 - G122/4	49,300,000	0.16	-	-
6015	1-3-69	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.125/1-G131/4	29,500,000	0.10	-	-
87778	3-0-73	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.5/1-59	41,100,000	0.13	-	-
8010	2-0-38.3	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.125/2-131	29,500,000	0.10	-	-
120646	3-0-49	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.M1.6/3-G122/3	49,200,000	0.16	-	-
123210, 122537	4-3-91	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.L2.8-G702/8	71,100,000	0.23	-	-
122535	4-1-74	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.B2.1-G702/9	58,700,000	0.19	-	-
122532	3-2-81	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.C2.2-G702/12	64,600,000	0.21	-	-
120648	3-0-49	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.M1.8/1-G122/1	49,500,000	0.16	-	-
130484	2-3-98	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.5/1-G58/1	41,000,000	0.13	-	-

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# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai Ngan Sq. Wah)	Locations	Factory / warehouse building no.	2017		2016	
				Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
67777	2-2-83	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.5/2-G59	41,300,000	0.14	-	-
48912	3-2-36	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.75-G59	47,100,000	0.15	-	-
6009	2-1-34.5	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.375-G-131/6	38,200,000	0.12	-	-
122542	3-0-14	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.M1.6/2-G702/3	46,000,000	0.15	-	-
25962	4-1-54	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.B2.9-G800/1	78,100,000	0.26	-	-
25487	5-2-36	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.L3.2-G752	65,000,000	0.28	-	-
90677	3-1-24	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.75-G98	47,200,000	0.15	-	-
108456	2-3-40	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.B1.9/1-G152	54,200,000	0.18	-	-
53050	2-1-90.1	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.375-G158/4	38,100,000	0.12	-	-
120647	3-0-49	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.M1.6/2-G122/2	50,300,000	0.17	-	-
122544	3-3-37	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.L2.4-G702/1	66,300,000	0.22	-	-
122533	3-0-21	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.L1.8/2-G702/11	52,400,000	0.17	-	-
53176	2-2-97	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.M1.5-G702/14	43,400,000	0.14	-	-
53859	2-1-18.4	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.25-G156/5	35,400,000	0.12	-	-
130485	2-2-86	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.5/2-G56/2	40,900,000	0.13	-	-
53858	2-0-89.5	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1-G156/8	26,600,000	0.09	-	-
6008	2-1-98.6	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.5-G131/7	41,600,000	0.14	-	-
6002	2-3-35.7	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.75-G131/3	47,300,000	0.15	-	-
122539	3-1-26	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.L2/1-G702/6	58,200,000	0.19	-	-
122531	2-3-74	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.B1.7-G702/13	49,300,000	0.16	-	-

The accompanying notes are integral part of the financial statement.

# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai-Ngan-Sq. Wah)	Locations	Factory / warehouse building no.	2017		2016	
				Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
24505	7-3-28	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.L4.8-G737	122,000,000	0.40	-	-
25604	3-0-82	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.S1.7/1-G800/3	44,500,000	0.15	-	-
25603	4-3-7	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.L3.4-G800/2	89,300,000	0.29	-	-
26244	3-1-13	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.M2.1/2-G802	66,500,000	0.18	-	-
26245	3-0-75	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.A1.7-G802	46,900,000	0.15	-	-
29662	2-3-47	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.A1.5-G802/7	41,700,000	0.14	-	-
29660	2-3-63	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.M1.3-G802/6	49,900,000	0.16	-	-
29691, 24980	2-2-35, 0-1-25	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.A1.2-G802/10, G812	35,100,000	0.11	-	-
29686	2-3-5	Amata Nakorn Industrial Estate, Nong Ka Kha Sub-district, Phanthong District, Choburi Province	SF.M1.5/2-G865/2	42,400,000	0.14	-	-
29687	2-1-96	Amata Nakorn Industrial Estate, Nong Ka Kha Sub-district, Phanthong District, Choburi Province	SF.M1.3-G865/3	38,600,000	0.13	-	-
29688	5-0-42	Amata Nakorn Industrial Estate, Nong Ka Kha Sub-district, Phanthong District, Choburi Province	SF.M3-G865	78,700,000	0.25	-	-
6041	2-2-12.3	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.M1.2-G153/1	31,800,000	0.10	-	-
158005	2-3-3.5	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.3-G153/2	39,000,000	0.13	-	-
25468	4-1-31	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.C2.5-G751	70,800,000	0.23	-	-
25243	3-2-78	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.B2.4-G802/2	66,700,000	0.21	-	-
25246	4-3-71	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.C3.5-G802/5	64,500,000	0.31	-	-
29689, 30763	7-3-43	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SFC4.5-G802/11, G812	117,200,000	0.38	-	-
158004	3-1-14.1	Amata Nakorn Industrial Estate, Don Hualor Sub-district, Muang Choburi District, Choburi Province	SF.A1.7-G153/3	47,700,000	0.16	-	-
31356	3-0-09.0	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.S1.7/2-G800/6	44,500,000	0.15	-	-
31357	3-1-24.0	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.S1.7/3-G800/7	44,500,000	0.15	-	-
26241	4-2-76.0	Amata Nakorn Industrial Estate, Phanthong Sub-district, Phanthong District, Choburi Province	SF.C3-G802/9	62,100,000	0.27	-	-

The accompanying notes are an integral part of this financial statement.

# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai-Ngan-Sq. Wah)	Location	Factory / warehouse building no.	2017		2016	
				Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
24802	9-0-90.0	Amata Nakorn Industrial Estate, Phanithong Sub-district, Phanithong District, Cholburi Province	SF.B4.9-G811	122,900,000	0.40	-	-
36402	3-2-35	Amata Nakorn Industrial Estate, Nong Ka Kha Sub-district, Phanithong District, Cholburi Province	SF.A2-G908/3	52,700,000	0.17	-	-
36398	3-0-32	Amata Nakorn Industrial Estate, Phanithong Sub-district, Phanithong District, Cholburi Province	SF.A1.8/1-G908/2	49,900,000	0.16	-	-
36397	3-3-19	Amata Nakorn Industrial Estate, Phanithong Sub-district, Phanithong District, Cholburi Province	SF.M2.2-G808/1	60,500,000	0.20	-	-
48775	3-2-82.7	Bangpa-In Industrial Estate, Bangkrasun Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2/1-31,32	49,100,000	0.16	-	-
48776	3-1-64.2	Bangpa-In Industrial Estate, Bangkrasun Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2/2-31,32	49,200,000	0.16	-	-
48777	3-0-44.2	Bangpa-In Industrial Estate, Bangkrasun Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A1.75-31,32	43,700,000	0.14	-	-
33600	1-2-43	Bangpa-In Industrial Estate, Klong Jig Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A1/1-29	24,700,000	0.08	-	-
48509, 48814	2-2-83.6 2-0-12.72 2-2-38.44 2-2-83.6 3-3-80.28 2-2-38.4	Bangpa-In Industrial Estate, Bangkrasun Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A1.5/4-5,13 SF.A1-5,13 SF.A1.5/1-5,13 SF.A1.5/2-5,13 SF.B2.45-5,13 SF.A1.5/3-5,13	239,800,000	0.78	-	-
57260	3-2-97	Bangpa-In Industrial Estate, Bangkrasun Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.C3-3 - 2/3	78,600,000	0.26	-	-
48778	4-1-52.1	Bangpa-In Industrial Estate, Bangkrasun Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.C3-2/33	77,000,000	0.25	-	-
40215	2-2-62	Bangpa-In Industrial Estate, Klong Jig Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A1.5-29	32,700,000	0.11	-	-
4793	17-3-34	Hi-Tech Industrial Estate, Banlane Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A1.6/1-G2/6 SF.A1.6/2- G2/6 SF.A1.6/3 - G2/6 SF.B1.7-G2/6 SF.C3-G2/6	242,400,000	0.79	-	-
57205	3-1-80	Hi-Tech Industrial Estate, Banlane Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2/1-G7	48,900,000	0.16	-	-
48941, 62392	3-1-83	Hi-Tech Industrial Estate, Banlane Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2.125/3-E5/10-13	152,200,000	0.50	-	-
48940, 62393	3-1-77	Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2.125/2-E5/10-13	-	-	-	-
48942, 62391	3-1-59	Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2.125/4-E5/10-13	-	-	-	-
20168	5-3-79	Hi-Tech Industrial Estate, Banlane Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.B2.6-G1/4	66,800,000	0.22	-	-
59720	2-2-63	Hi-Tech Industrial Estate, Banlane Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A1.2-F7/11-12	31,800,000	0.10	-	-
4942	4-2-37	Hi-Tech Industrial Estate, Banlane Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.L2.6/1-G7	68,100,000	0.22	-	-
63447	6-1-20	Hi-Tech Industrial Estate, Banlane Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya	SF.M1.9/1-G1/4 SF.A1.6-G1/4	89,700,000	0.29	-	-

The accompanying notes are integral part of the financial statement.



# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai Ngan Sq. Wah)	Locations	Factory / warehouse building no.	2017		2016	
				Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
63446	3-0-14	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.M1.6/2-G1/4	41,600,000	0.14	-	-
49559	4-0-43	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.B1.7-G2/5	44,500,000	0.15	-	-
57262	3-2-92	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2.1-G7	60,600,000	0.17	-	-
57263	3-1-53	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2/3-G7	47,900,000	0.16	-	-
56720	4-1-84	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2.6/1-G7	62,500,000	0.23	-	-
53533	4-1-95	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2.6/2-G7	61,100,000	0.20	-	-
56911	4-2-34	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.L2.8/2-G7	68,900,000	0.23	-	-
53189	3-1-11	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A1.7-E5/4-5	46,400,000	0.15	-	-
56947	3-3-65	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2.3/2-F7/14-15	55,700,000	0.18	-	-
12749	21-1-12	Hi-Tech Industrial Estate, Bangpa Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.EF.1-G5/6,G5/7	211,300,000	0.69	-	-
57204	3-1-78	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2/2-G_7/3	48,500,000	0.16	-	-
71623	3-0-97	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.M1.6/1-G_1/4_3	42,000,000	0.14	-	-
59403	3-3-2-0	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.A2.3/1-F_7/14_2	56,200,000	0.18	-	-
20167	5-0-26	Hi-Tech Industrial Estate, Banlana Sub-district, Bangpa-In District, Phra Nakhon Si Ayutthaya Province	SF.B2.9-G_14_1	70,900,000	0.23	-	-
14592, 14597	4-3-03, 4-3-85	Rojana Industrial Park, Kamham Sub-district, U-thai District (Uthaisai), Phra Nakhon Si Ayutthaya Province	SF.A1.8/1-304, 305 SF.A1.8/2-304, 305 SF.S1.5-304, 305	125,000,000	0.41	-	-
21199	8-2-93	Rojana Industrial Park, Thanu Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A1.6-5/2 SF.S1.2/1-5/2 SF.S1.2/2-5/2	87,700,000	0.29	-	-
25822	3-0-4	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.M1.8/1 - F	43,800,000	0.14	-	-
25823	4-0-17	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.B2.6/1 - C	64,000,000	0.21	-	-
25827	4-0-11	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.B2.6/2 - D	64,000,000	0.21	-	-
21159	3-1-7	Rojana Industrial Park, Thanu Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.B1.75/1-4-1	44,700,000	0.15	-	-
26524	2-3-70	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.M1.9/2-FZ-G2	208,300,000	0.68	-	-
26523	3-0-57	U-thai District, Phra Nakhon Si Ayutthaya Province	SF.M2.1-FZ-G3	-	-	-	-
26525	3-1-7	U-thai District, Phra Nakhon Si Ayutthaya Province	SF.B2.2-FZ-G1	-	-	-	-
25833	3-1-53	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A1.6-5/2	39,400,000	0.13	-	-

The accompanying notes are integral part of the financial statement.



# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai-Ngeng-Sq. Wah)	Locations	Factory / warehouse building no.	2017		2016	
				Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
26522	2-3-97	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.M1.8 - FZ-H3	43,900,000	0.14	-	-
22644, 26626	6-2-1	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.W4.1 - 1B-3, 1B-4	137,900,000	0.45	-	-
26063	3-3-80	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.M2.2/3 - E	54,400,000	0.16	-	-
21160	3-0-97	Rojana Industrial Park, Thanu Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.B1.7/2-4-2	43,800,000	0.14	-	-
26520	3-0-26	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.M1.9/1-FZ-H1& part FZ-H2	40,700,000	0.13	-	-
27351	2-0-2	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.S1 - FZ-C3	25,000,000	0.08	-	-
26521	2-3-50	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A1.6-FZ-H2	39,100,000	0.13	-	-
26632	2-3-65	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.S1.4/2 - 1B-6	33,300,000	0.11	-	-
27703	2-1-29	Rojana Industrial Park, Thanu Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.B1 - 24-4	26,000,000	0.08	-	-
27704	14-0-95	Rojana Industrial Park, Thanu Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.B1.9 - 24-5 SF.C2.7 - 24-6 SF.M3.1 - 24-7	191,400,000	0.63	-	-
26831	3-0-85	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A1.7/1 - 1B-7	42,300,000	0.14	-	-
27702	2-2-3	Rojana Industrial Park, Thanu Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.B1.2 - 24-3	29,600,000	0.10	-	-
14683	4-1-7	Rojana Industrial Park, Khan Ham Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.L3-13	71,100,000	0.23	-	-
27353	2-3-9	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A1.5/2-FZ-D3	37,000,000	0.12	-	-
29060	3-3-93	Rojana Industrial Park, Baan-chang Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A2.2/1-20	53,700,000	0.18	-	-
29069	3-3-93	Rojana Industrial Park, Baan-chang Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A2.2/2-20	53,700,000	0.18	-	-
26065	3-1-28	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.B2.1/1-H1	51,200,000	0.17	-	-
28472	4-0-81	Rojana Industrial Park, Khan Ham Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.L2.6-13	62,700,000	0.20	-	-
26626	2-3-56	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A1.3/1-1B-1	34,200,000	0.11	-	-
26827	2-3-71	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A1.3/2-1B-2	34,800,000	0.11	-	-
26829	2-3-74	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.S1.4/1-1B-5	33,900,000	0.11	-	-
25832	3-1-68	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.M1.9-5_13	46,500,000	0.15	-	-
14584	4-1-55	Rojana Industrial Park, Khan Ham Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.L2.8-13_1	66,900,000	0.22	-	-
29091	6-1-89	Rojana Industrial Park, Baan-chang Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.C4.5-20_5	106,800,000	0.35	-	-
32784	3-2-85	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.M2.1/1-37_1	50,300,000	0.17	-	-
31577	2-1-80	Rojana Industrial Park, Baan-chang Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.S1.1-42.3	27,000,000	0.09	-	-
34444	7-0-26	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.M1.8/1-37_6 SF.M2.1/3-37	93,800,000	0.31	-	-
29040	3-1-33.0	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A1.7-54.3	41,600,000	0.14	-	-
26039	2-3-30.0	Rojana Industrial Park, U-thai Sub-district, U-thai District, Phra Nakhon Si Ayutthaya Province	SF.A1.3/1-54.4	34,800,000	0.11	-	-

The accompanying notes are integral part of the financial statement.

# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Investments classified by asset type				2017		2016	
Type of investments/ Land title deed	Area	Locations	Factory / warehouse building no.	Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
(Rai-Ngan-Sq. Wah)							
288255	2-1-19.4	Bangpu Industrial Estate, Phraeksa Sub-district, Muang District, Samut Prakan Province	SF.A1.3-G27	33,300,000	0.12	-	-
6432	5-1-32.5	Bangpu Industrial Estate, Phraeksa Sub-district, Muang District, Samut Prakan Province	SF.M2.3-G61/2	69,900,000	0.23	-	-
288258	3-0-81.8	Bangpu Industrial Estate, Phraeksa Sub-district, Muang District, Samut Prakan Province	SF.A2.1/2-G61/4	53,100,000	0.17	-	-
2826	7-1-62.5	Bangpu Industrial Estate, Phraeksa Sub-district, Muang District, Samut Prakan Province	SF.C5.5-G84/2	132,700,000	0.43	-	-
9936	5-0-7.5	Bangpu Industrial Estate, Phraeksa Sub-district, Muang District, Samut Prakan Province	SF.M3.1-G27/5	75,400,000	0.26	-	-
303058	9-2-71.2	Bangpu Industrial Estate, Phraeksa Sub-district, Muang District, Samut Prakan Province	SF.S1.5/1-G61/6	154,400,000	0.50	-	-
304329	0-0-3.3	Muang District, Samut Prakan Province	SF.C4.7-G81/7	-	-	-	-
288257	3-1-10.0	Bangpu Industrial Estate, Phraeksa Sub-district, Muang District, Samut Prakan Province	SF.A2-G61/5	49,300,000	0.16	-	-
288259	3-0-54.4	Bangpu Industrial Estate, Phraeksa Sub-district, Muang District, Samut Prakan Province	SF.A2.1/1-G61/1	52,100,000	0.17	-	-
291346	6-0-93.6	Bangpu Industrial Estate, Phraeksa Sub-district, Muang District, Samut Prakan Province	SF.C3.2-G64/1	82,200,000	0.27	-	-
98630	5-0-59.0	Bangpu Industrial Estate, Phraeksa Sub-district, Muang District, Samut Prakan Province	SF.M3.3-G70	78,700,000	0.26	-	-
115908	2-3-83.3	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.M1.6/2-P12	46,700,000	0.15	-	-
115909	3-0-47.9	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.M1.6/3-P13	45,400,000	0.15	-	-
64255	7-3-57.4	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF. M1.2/1-P10/1 SF. A1/1-P10/2 SF. A1/2-P10/3 SF. M1.2/2-P10/4	123,200,000	0.40	-	-
64256	6-0-46.9	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF. A1/3-P14 SF. A1/4-P14 SF. A1/5-P14 SF. A1/6-P14 SF. A1/7-P14 SF. M1.2/3-P14	173,600,000	0.57	-	-
104491	3-0-55.9	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF. M1.8-P9	49,500,000	0.16	-	-
64247	3-3-70	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF. M2.6/4-P24	66,900,000	0.22	-	-
116367	6-2-26.2	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.L4.0-P6	102,500,000	0.34	-	-
115921	4-2-97.2	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.B2.9/1-P20	77,600,000	0.25	-	-
115924	3-3-72.1	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.M2.5/3-P23	66,400,000	0.22	-	-
115923	3-3-75.4	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.M2.5/2-P22	67,200,000	0.22	-	-
115925	5-0-75.3	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.B2.9/2-P25	78,100,000	0.26	-	-
7155	3-1-46.6	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.S1.6/2-41	41,200,000	0.13	-	-
115922	4-0-9	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.M2.5/1-P21	66,600,000	0.22	-	-
131715	3-1-82.0	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.A1.5-L13	40,900,000	0.13	-	-
172409	4-2-30.9	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.M2.4-L14/1,L15/1	62,800,000	0.21	-	-
164899, 174822	3-1-47.6	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Choburi Province	SF.S1.6/1-L_40,L_41	41,800,000	0.14	-	-
166517	4-2-12	Pinthong Industrial Estate, Bowin Sub-district, Sri Racha District, Choburi Province	M1.9-G-007	53,300,000	0.17	-	-

The accompanying notes are integral part of the financial statement.

# DETAILS OF INVESTMENT

As at 31 December 2017

Details of investments classified by asset type

Type of investments/ Land title deed				Factory / warehouse building no.	2017		2016	
					Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
(Rai-Ngan-Sq. Wah)								
167207	3-3-0.40	Pinthong Industrial Estate, Bowin Sub-district, Sri Racha District, Choburi Province	A1.G-G-025/1	43,500,000	0.14	-	-	
130030	3-1-80	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.M1.9/1-F1	45,100,000	0.15	-	-	
130032	3-0-23	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.M1.5-F3	34,100,000	0.11	-	-	
130034	3-3-52	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.M2.2/1-F5	50,900,000	0.17	-	-	
130033, 138714	4-0-0	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.L2.2-F4	50,700,000	0.17	-	-	
130042	4-0-46	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.M2.5/1-F13	55,600,000	0.18	-	-	
130043	4-0-01	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.M2.5/2-F14	55,600,000	0.18	-	-	
130044	4-0-61	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.M2.5/3-F15	56,500,000	0.18	-	-	
130046	3-3-30	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.A2.1-F16	47,000,000	0.15	-	-	
130047	3-1-51	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.M1.9/1-F18	43,900,000	0.14	-	-	
130048	3-1-75	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.M1.9/2-F19	43,900,000	0.14	-	-	
130049	3-1-75	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.M1.9/3-F20	44,900,000	0.15	-	-	
130031	3-2-12	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.M1.9/2-F2	43,900,000	0.14	-	-	
58255	3-3-0	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.A2.1/2-I	47,500,000	0.16	-	-	
58256	3-2-87.5	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.B2.2/1-I	51,200,000	0.17	-	-	
130036	3-2-30.0	Nava Nakorn Industrial Promotion Zone, Klong Nung Sub-district, Klong Luang District, Patumthani Province	SF.A1.8-F7	41,700,000	0.14	-	-	
Leasehold on land and factories								
26247	6-1-48	Amata Nakorn Industrial Estate Panthong and Nong Kakhia Sub-district, Panthong District, Don Hua Lo Sub-district, Muang District, Chonburi Province	SF.M2.7_G802/6	69,300,000	0.23	73,890,000	0.97	
37061	6-1-66	Amata Nakorn Industrial Estate Panthong and Nong Kakhia Sub-district, Panthong District, Don Hua Lo Sub-district, Muang District, Chonburi Province	SF.B3.8_G856/4	98,200,000	0.32	103,480,000	1.36	

The accompanying notes are integral part of the financial statement.



# DETAILS OF INVESTMENT

As at 31 December 2017

Details of Investments classified by asset type

				2017		2016	
Type of investments/ Land title deed	Area	Locations	Factory / warehouse building no.	Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
(Rai-Ngan-Sq. Wah)							
170335	7-2-24	Amata Nakorn Industrial Estate Panthong and Nong Kakha Sub-district, Panthong District, Don Hua Lo Sub-district, Mueang District, Chonburi Province	SF.L4_G625	111,400,000	0.36	117,870,000	1.55
36404	4-1-9	Amata Nakorn Industrial Estate Panthong and Nong Kakha Sub-district, Panthong District, Don Hua Lo Sub-district, Mueang District, Chonburi Province	SF.M2.5/2_G906/2	67,000,000	0.22	70,440,000	0.92
57261	4-2-58	Ban Wa (Hi-Tech) Industrial Estate Ban Lane Sub-district, Bangpa-in District, Phra Nakhon Si Ayutthaya Province	L2.8 - G2/5-2	55,600,000	0.18	-	-
70257	4-1-0	Ban Wa (Hi-Tech) Industrial Estate Ban Po Sub-district, Bangpa-in District, Phra Nakhon Si Ayutthaya Province	L2.6/1 - G14/7	51,600,000	0.17	-	-
74498	8-3-76	Ban Wa (Hi-Tech) Industrial Estate Ban Po Sub-district, Bangpa-in District, Phra Nakhon Si Ayutthaya Province	A2.5/1 - G14/4 A2.5/2 - G14/3	94,700,000	0.31	-	-
35270	3-3-55.8	Amata Nakorn Industrial Estate, Bankhoe Sub-district, Panthong District, Chonburi Province	SF.M2.1 - G724/S5	50,300,000	0.17	-	-
35275	4-1-67.5	Amata Nakorn Industrial Estate, Bankhoe Sub-district, Panthong District, Chonburi Province	SF.M2.4 - G724/S1	57,700,000	0.19	-	-
35272	4-2-31.9	Amata Nakorn Industrial Estate, Bankhoe Sub-district, Panthong District, Chonburi Province	SF.M2.7/1 - G724/S4	67,100,000	0.22	-	-
35271	4-1-99.1	Amata Nakorn Industrial Estate, Bankhoe Sub-district, Panthong District, Chonburi Province	SF.M2.7/2 - G724/S5	63,000,000	0.21	-	-
35274	4-2-53.9	Amata Nakorn Industrial Estate, Bankhoe Sub-district, Panthong District, Chonburi Province	SF.A2/1 - G724/S2	47,100,000	0.15	-	-
35273	4-1-77.3	Amata Nakorn Industrial Estate, Bankhoe Sub-district, Panthong District, Chonburi Province	SF.A2/2 - G724/S3	47,100,000	0.15	-	-
25860	3-2-58	Amata Nakorn Industrial Estate, Nong Kakha Sub-district, Panthong District, Chonburi Province	SF.B1.5 - G893	40,800,000	0.13	-	-
38252	3-2-20	Amata Nakorn Industrial Estate, Nong Kakha Sub-district, Panthong District, Chonburi Province	SF.B2.1/1 - G907/2	52,400,000	0.17	-	-
36401	5-2-75	Amata Nakorn Industrial Estate, Nong Kakha Sub-district, Panthong District, Chonburi Province	SF.M2.4 - G906/4	57,900,000	0.19	-	-
31496	12-3-79	Amata Nakorn Industrial Estate, Panthong Sub-district, Panthong District, Chonburi Province	SF.A2.6 - G807/1 SF.A2.3 - G807/2 SF.B2.8 - G807/3	183,500,000	0.60	-	-
36400	4-0-23	Amata Nakorn Industrial Estate, Panthong Sub-district, Panthong District, Chonburi Province	SF.A1.8/3 - G808/4	45,000,000	0.15	-	-
37960	13-1-7	Amata Nakorn Industrial Estate, Panthong Sub-district, Panthong District, Chonburi Province	SF.C2.5 - G856/1 SF.M2.4 - G856/2 SF.M2.7 - G856/3	184,900,000	0.60	-	-
122538	3-1-50	Amata Nakorn Industrial Estate, Don Hua Lo Sub-district, Mueang Chonburi District, Chonburi Province	SF.L2.2 - G702/7	54,800,000	0.18	-	-
176580	8-1-09	Amata Nakorn Industrial Estate, Don Hua Lo Sub-district, Mueang Chonburi District, Chonburi Province	SF.M2.5 - G823/5 SF.A1.5/4 - G823/4	96,700,000	0.32	-	-

The accompanying notes are integral part of the financial statement.

# DETAILS OF INVESTMENT

As at 31 December 2017

## Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai-Ngen-Sq. Wah)	Locations	Factory / warehouse building no.	2017		2016	
				Fair value (Baht)	Percentage of investments (%)	Fair value (Baht)	Percentage of investments (%)
179578	7-1-9	Amata Nakorn Industrial Estate, Don Hua Lo Sub-district, Mueang Chonburi District, Chonburi Province	SF.C3.2 - G523/7	79,300,000	0.26	-	-
172408	4-3-53.8	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Chonburi Province	M2.7 - L15	64,000,000	0.21	-	-
7143	5-0-85	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Chonburi Province	L3.2 - L40	77,100,000	0.25	-	-
7436	3-3-39.7	Pinthong Industrial Estate, Nong Kham Sub-district, Sri Racha District, Chonburi Province	A1.8/3 - L43/1	45,500,000	0.15	-	-
166514	9-0-94.2	Pinthong Industrial Estate, Bowin Sub-district, Sri Racha District, Chonburi Province	M2.7 - G-005 A1.6 - G-005	104,800,000	0.34	-	-
31609	4-2-88.6	Amata City Industrial Estate, Map Yang Phon Sub-district, Phrak Daeng District, Rayong Province	M2.4 - A220/2	55,700,000	0.19	-	-
31701	18-0-23.6	Amata City Industrial Estate, Map Yang Phon Sub-district, Phrak Daeng District, Rayong Province	AA14.2 - A220/4	327,800,000	1.07	-	-
Total investments in properties				30,450,600,000	99.54	7,351,650,000	96.44

The accompanying notes are integral part of the financial statement.



# DETAILS OF INVESTMENT

As at 31 December 2017

## Details of investments classified by asset type

Type of investments/ Issuer	Maturity date	Interest rate (Percent)	2017			2016		
			Cost (Baht)	Fair value (Baht)	Percentage of Investment (Percent)	Cost (Baht)	Fair value (Baht)	Percentage of Investment (Percent)
Investments in securities								
Fixed deposits								
CIMB Thai Bank Public Company Limited	20 January 2017	1.30	-	-	-	100,327,671	100,327,671	1.32
CIMB Thai Bank Public Company Limited	10 February 2017	1.30	-	-	-	40,000,000	40,000,000	0.53
CIMB Thai Bank Public Company Limited	23 February 2017	1.35	-	-	-	30,000,000	30,000,000	0.39
CIMB Thai Bank Public Company Limited	28 February 2017	1.35	-	-	-	40,129,644	40,129,644	0.53
CIMB Thai Bank Public Company Limited	13 March 2017	1.45	-	-	-	30,000,000	30,000,000	0.39
CIMB Thai Bank Public Company Limited	20 March 2017	1.45	-	-	-	30,097,233	30,097,233	0.40
CIMB Thai Bank Public Company Limited	22 January 2018	1.20	101,688,267	101,688,267	0.33	-	-	-
CIMB Thai Bank Public Company Limited	13 March 2018	1.25	40,124,658	40,124,658	0.13	-	-	-
Total fixed deposits			141,812,925	141,812,925	0.46	270,554,548	270,554,548	3.56
Total investments in securities			141,812,925	141,812,925	0.46	270,554,548	270,554,548	3.56
Total investments				30,992,412,925	100.00		7,622,204,548	100.00

The accompanying notes are integral part of the financial statement.

# STATEMENT OF INCOME

For the year ended 31 December 2017

			(Unit: Baht)
	<u>Note</u>	<u>2017</u>	<u>2016</u>
<b>Investment Income</b>			
Rental and service income		587,407,906	563,070,093
Interest income	19	3,715,314	3,885,062
Income from rental and service guarantees	18, 19	515,162	62,054,459
Income from forfeiture of rental and service deposits		3,598,000	24,994,750
Other income		9,195	1,770,597
Total income		<u>595,245,577</u>	<u>655,774,961</u>
<b>Expenses</b>			
Trust management fee	17, 19	65,025,962	60,508,304
Trustee fee	17, 19	6,802,579	5,891,766
Registrar fee	17	2,354,095	2,272,800
Professional fees		1,881,786	589,661
Operating expenses	19	59,821,267	99,994,839
Amortisation of deferred expenses	10	15,477,664	15,184,885
Interest expenses	19	74,785,459	74,208,411
Total expenses		<u>226,148,812</u>	<u>258,650,666</u>
<b>Net investment income</b>		<u>369,096,765</u>	<u>397,124,295</u>
<b>Unrealised gains (losses) on investments</b>			
Net unrealised gains (losses) on investments	7	<u>(142,250,000)</u>	<u>90,890,000</u>
<b>Total unrealised gains (losses) on investments</b>		<u>(142,250,000)</u>	<u>90,890,000</u>
<b>Net increase in net assets resulting from operations</b>		<u>226,846,765</u>	<u>488,014,295</u>

The accompanying notes are integral part of the financial statement.

# STATEMENT OF CHANGES IN NET ASSETS

For the year ended 31 December 2017

			(Unit: Baht)
	<u>Note</u>	<u>2017</u>	<u>2016</u>
<b>Increase in net assets resulting from operations during the year</b>			
Net investment income		369,096,765	397,124,295
Net unrealised gains (losses) on investments	7	(142,250,000)	90,890,000
<b>Increase in net assets resulting from operations</b>		<b>226,846,765</b>	<b>488,014,295</b>
<b>Distributions to unitholders</b>	16	<b>(387,011,040)</b>	<b>(342,460,783)</b>
<b>Increase in capital during the year</b>	14	<b>19,881,389,027</b>	<b>-</b>
<b>Increase in net assets during the year</b>		<b>19,721,224,752</b>	<b>145,553,512</b>
Net assets at the beginning of year		5,746,868,728	5,601,315,216
<b>Net assets at the end of year</b>		<b>25,468,093,480</b>	<b>5,746,868,728</b>

The accompanying notes are integral part of the financial statement.

# STATEMENT OF CASH FLOWS

For the year ended 31 December 2017

	(Unit: Baht)	
	<u>2017</u>	<u>2016</u>
<b>Cash flows from operating activities</b>		
Increase in net assets resulting from operations	226,846,765	488,014,295
Adjustments to reconcile the increase in net assets resulting from operations to net cash provided by (used in) operating activities:		
Purchases of investments in securities	(1,147,261,429)	(1,292,189,482)
Sales of investment in securities	1,276,003,052	1,331,905,441
Net purchases and sales of investment in securities	128,741,623	39,715,959
Amortisation of deferred expenses	15,477,664	15,184,885
Increase in accounts receivable from rental and service	(49,794,940)	(28,930,215)
Decrease (increase) in accounts receivable from interest	88,279	(100,772)
Increase in other receivables	(11,712,023)	(4,544,332)
Increase in deferred expenses	(58,758,279)	(5,398,959)
Increase in other assets	(13,118,489)	(1,965,971)
Increase in accrued expenses	101,909,750	2,920,845
Increase (decrease) in withholding tax payables	12,332,262	(47,071,690)
Increase in advance receipts for rental and service	2,282,000	-
Increase (decrease) in deposits for rental and service	609,979,307	(17,848,170)
Increase in other liabilities	2,434,700	290,773
Doubtful debts	25,387,279	30,843,636
Interest expenses	74,785,459	74,208,411
Net unrealised losses (gains) on investments	142,250,000	(90,890,000)
<b>Net cash flows from operating activities</b>	<b>1,209,131,357</b>	<b>454,428,695</b>

The accompanying notes are integral part of the financial statement.

# STATEMENT OF CASH FLOWS

For the year ended 31 December 2017

	(Unit: Baht)	
	<u>2017</u>	<u>2016</u>
<b>Cash flows from financing activities</b>		
Repayments of long-term loans	(1,819,000,000)	-
Cash received from short-term loans	3,739,966,268	-
Cash received from issuance of debentures	1,800,000,000	-
Cash paid for interest expenses	(55,885,980)	(74,214,979)
Cash paid in exchange of investment units	(1,912,522,742)	-
Changes in net assets after receiving the transfers of assets and obligations from the property funds	(1,447,288,229)	-
Distributions to unitholders	(387,011,040)	(342,460,783)
<b>Net cash flows used in financing activities</b>	<u>(81,741,723)</u>	<u>(416,675,762)</u>
<b>Net increase in cash and cash at banks</b>	<u>1,127,389,634</u>	<u>37,752,933</u>
Cash and cash at banks at the beginning of year	<u>41,049,387</u>	<u>3,296,454</u>
<b>Cash and cash at banks at the end of year (Note 8)</b>	<u><u>1,168,439,021</u></u>	<u><u>41,049,387</u></u>
<b>Supplemental cash flows information:</b>		
Non-cash item		
Investment in properties received from the issuance and exchange the investment units	23,241,200,000	-

The accompanying notes are integral part of the financial statement.



# SIGNIFICANT FINANCIAL INFORMATION

For the year ended 31 December 2017

	For the years ended 31 December			(Unit: Baht) For the period as from 12 December 2014 to 31 December 2014
	2017	2016	2015	2014
<b>Operating performance (per unit)</b>				
Net asset value - beginning of year/period	10.1391	9.8823	10.0232	-
Income from investment operations				
Net investment income	0.5824	0.7006	0.8147	0.0232
Net realised gains on investments	-	-	0.0006	-
Net unrealised gains (losses) on investments	(0.2245)	0.1604	(0.3597)	-
Total net income from investment operations	0.3579	0.8610	0.4556	0.0232
Add: Increase (decrease) in capital from unitholders	(0.0278)	-	0.0894	10.0000
Less: Distributions to unitholders	(0.6828)	(0.6042)	(0.3182)	-
Decrease in capital reduction	-	-	(0.3677)	-
Increase (decrease) in net assets value during the year/period	(0.3527)	0.2568	(0.1409)	10.0232
Net asset value - end of year/period	9.7864	10.1391	9.8823	10.0232
<b>Ratio of increase in net assets resulting from operations to average net assets during the year/period (%)</b>	<b>3.07</b>	<b>8.60</b>	<b>4.46</b>	<b>0.23</b>
<b>Significant financial ratios and additional information</b>				
Net assets - end of year/period (Baht)	25,468,093,480	5,746,868,728	5,601,315,216	3,432,972,764
Ratio of total expenses to average net assets during the year/period (%)	3.06	4.51	3.59	0.11
Ratio of investment income to average net assets during the year/period (%)	8.06	11.43	11.55	0.34
Ratio of weighted average investment turnover during the year/period to average net assets during the year/period (%)*	313.20	-	87.81	123.43
Average net assets during the year/period (Baht)	7,386,241,533	5,739,121,196	3,598,025,066	3,425,398,639

\* Investment trading transactions exclude cash at banks and investment in promissory notes, and must be real purchases or sales of investments which exclude purchases of investments under resale agreements or sales under repurchase agreements.

The accompanying notes are integral part of the financial statement.

# NOTES TO FINANCIAL STATEMENTS

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**For the year ended 31 December 2017**

## **1. Information of TICON Freehold and Leasehold Real Estate Investment Trust**

TICON Freehold and Leasehold Real Estate Investment Trust ("the Trust") is a closed-end trust with specific purpose. The Trust was established as a trust on 12 December 2014, with no project life stipulated, with the current capital of Baht 25,423 million.

The Trust's objectives are to raise funds from general investors and to use the proceeds from such fundraising to acquire, lease and/or sub-lease of immovable properties. The Trust will take the transfer of the ownership and/or leasehold rights and/or sub-leasehold rights therein and seek benefits from those properties by way of lease, sub-lease, transferring and/or disposing of immovable properties the Trust invests in or acquires. The Trust will also improve, modify, construct and/or develop immovable properties by taking the transfer of a construction permit and/or applying for other permits and/or executing any transactions necessary and advisable for immovable properties, with the aim of generating income and returns for the Trust and its unitholders. This includes investment in other properties and/or securities and/or seeks interest by any other means as prescribed by securities laws and/or other relevant law.

The Stock Exchange of Thailand approved the listing of the Trust's units and permitted their trading from 9 January 2015 onwards.

TICON Management Company Limited acts as the Trust Manager, BBL Asset Management Company Limited acts as the Trustee, TICON Logistics Park Company Limited and TICON Industrial Connection Public Company Limited are hired as the Property Management Managers and Thailand Securities Depository Company Limited acts as the Trust Registrar.

The Trust's major unitholders are TICON International Pte. Ltd. and Social Security Office, which holds 21.15% and 17.22%, of the trust units, according to the latest registry of unitholders on 29 December 2017 (31 December 2016: TICON Industrial Connection Public Company Limited and Social Security Office which holds 19.60% and 12.45%).

# NOTES TO FINANCIAL STATEMENTS

On 20 December 2017, the Trust received the transfers of assets, which were mostly properties, and obligations of TICON Property Fund, TPARK Logistics Property Fund and TICON Industrial Growth Leasehold Property Fund (the Funds), as approved by the Extraordinary General Meeting of Unitholders of the Trust No. 1/2017 held on 19 October 2017. The Trust issued trust units to the Funds in a total amount of 2,035,587,048 trust units and paid Baht 3,739,966,268 of cash in exchange for the assets and obligations of the Funds. The swap ratios of investment units to trust units are as follows:

- 1) At the rate of 1 investment unit of TICON Property Fund to 0.9874 trust unit of the Trust with Baht 1.6977 of cash per unit, whereby the total amount of 1,135,057,711 trust units with Baht 1,951,577,352 of cash were exchanged for the assets and obligations of TICON Property Fund.
- 2) At the rate of 1 investment unit of TPARK Logistics Property Fund to 1.0129 trust units of the Trust with Baht 1.7415 of cash per unit, whereby the total amount of 419,177,837 trust units with Baht 720,701,158 of cash were exchanged for the assets and obligations of TPARK Logistics Property Fund.
- 3) At the rate of 1 investment unit of TICON Industrial Growth Leasehold Property Fund to 0.8673 trust unit of the Trust with Baht 1.4911 of cash per unit, whereby the total amount of 481,351,500 trust units with Baht 827,560,500 of cash were exchanged for the assets and obligations and cash of Baht 240,127,258 for the repayment of the existing loan of TICON Industrial Growth Leasehold Property Fund.

After the issue of new trust units, the registered capital of the Trust is Baht 25,066,972,762, divided into 2,602,387,048 trust units at a par value of Baht 9.6323 each (the registered capital in Note 14 has included the increase in fair value of investments in properties amounting to Baht 356,479,015), and the newly issued trust units have been listed on the Stock Exchange of Thailand with the trade beginning on 28 December 2017.

## 2. Distribution policy

The Trust has a policy to pay distributions to unitholders at least twice a year. However, the Trust Manager might consider paying special dividends to unitholders as it deems necessary and appropriate.

- (1) In the event that the Trust has net profit in any accounting period, the Trust Manager shall distribute distributions to unitholders for not less than 90% of the net profit after deducting unrealised gain on revaluation or valuation review of the properties or leasehold rights of the properties in that accounting period, including other adjustments according to the Notification of the Office of the Securities and Exchange Commission.

# NOTES TO FINANCIAL STATEMENTS

(2) In the event that the Trust has accumulated losses remaining, the Trust Manager will not pay distributions to unitholders.

Distributions will not be paid from either profit or retained earnings if the payments would result in an increase in the Trust's deficit in the period that payment is made.

In consideration of making a distributions payment, if the value of the interim dividend per unit to be paid during the financial year is equal or below Baht 0.10, the Trust Manager reserves its right to withhold that distributions payment and carry the whole amount over the next distributions payment.

### 3. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and in accordance with the regulations and format specified in Accounting Standard No. 106 "Accounting for Investment Business".

The financial statements in Thai language are the official statutory financial statements of the Trust. The financial statements in English language have been translated from the Thai language financial statements.

### 4. New financial reporting standards

#### (a) Financial reporting standards that became effective in the current year

During the year, the Trust has adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Trust's financial statements.

#### (b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.



# NOTES TO FINANCIAL STATEMENTS

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The Trust's management believes that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

## **5. Significant accounting policies**

### **5.1 Revenue and expenses**

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

Premium or discounts on debt instruments are amortised evenly over the remaining term of the debt instruments, using the effective interest rate, and are treated as part of interest income.

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

Expenses are recorded on an accrual basis.

### **5.2 Measurement of Investments**

Investments are recognised as assets at cost, on the date when the Trust receives the rights in the investments. The cost of investments comprises the purchase price and all direct expenses incurred by the Trust in their acquisition.

#### **Investments in properties**

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

Gains or losses on valuation of investments in properties are presented as net unrealised gains or losses in the statement of income.



# NOTES TO FINANCIAL STATEMENTS

## Investments in securities

Investments in marketable debt securities which can be freely traded on an open market are presented at their fair value, based on the latest yield rate quoted by the Thai Bond Market Association as of the date on which the investments are valued. The fair value of investments which cannot be freely traded on an open market is based on the yield rate as quoted by a market maker which the Trust Manager considers to be the nearest equivalent to fair value. The Trust uses the amortised cost method to determine the fair value of debt securities, which time to maturity is within 90 days from investment date. Gains or losses from the valuation of investments in securities are recorded as net unrealised gains or losses in the income statement. To determine the cost of investments which are disposed of, the weighted average method is used.

Investments in bank deposits, bill of exchange and non-transferable promissory notes are presented using the sum of principal and accrued interest as of the date on which the investment is valued to determine fair value. Accrued interest is separately presented under the caption of "Accounts receivable from interest" at the end of reporting period.

Investments in transferable promissory notes are stated based on the yield rate quoted by a market maker which the Trust Manager considers to be the nearest equivalent to fair value. Gains or losses from the valuation of investments are presented as net unrealised gains or losses in the statement of income.

## 5.3 Accounts receivable from rental and service

Accounts receivable from rental and service are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debtor aging.

## 5.4 Deferred expenses

Deferred expenses consist of expenses incurred for issuing and initial public offering the trust units such as underwriting fee, trust setup costs and other direct expenses. Amortisation is charged to expense on a straight-line basis for 5 years.

## 5.5 Related party transactions

Related parties comprise individuals or enterprises that own a voting interest of at least 10% in the Trust, control, or are controlled by, the Trust, whether directly or indirectly, or which are under common control with the Trust.

# NOTES TO FINANCIAL STATEMENTS

They also include individuals or enterprises which directly or indirectly own a voting interest in the Trust that gives them significant influence over the Trust, the Trust Manager, key management personnel, directors, and officers of the Trust Manager with authority in the planning and direction of the Trust's operations.

Relationships with related parties are as follows.

<u>Entities' name</u>	<u>Relationship</u>	<u>Details of Business Transactions</u>
TICON International Pte. Ltd.	- The Trust's major unitholder	- The Trust's unitholder
TICON Industrial Connection Public Company Limited	- Property Manager - The parent company of Trust Manager	- Entered into the lease agreements on land and factories as the lessor or sub lessor - Entered into the selling agreements on land and factories as the seller - Entered into Property Management Agreement, as the property manager
TICON Logistics Park Company Limited	- Property Manager	- Entered into the lease agreements on land and warehouses as the lessor or sub lessor - Entered into the selling agreements on warehouses as the seller - Entered into Property Management Agreement, as the property manager
TICON Management Company Limited	- The Trust Manager	- Receive base fee for managing the Trust - Receive performance fee for managing main Trust's properties - Receive incentive fee and commission from the Trust
BBL Asset Management Company Limited	- Trustee	- Receive Trustee fee
TICON Property Fund	- Common management	- Transfer of assets and obligations in exchange of Trust's units
TPARK Logistics Property Fund	- Common management	- Transfer of assets and obligations in exchange of Trust's units
TICON Industrial Growth Leasehold Property Fund	- Common management	- Transfer of assets and obligations in exchange of Trust's units
Bangkok Bank Public Company Limited	- A director is as the same family member of the major shareholder of the Trust's major unitholder	- Receive deposit and provide loan to the Trust

# NOTES TO FINANCIAL STATEMENTS

<u>Entities' name</u>	<u>Relationship</u>	<u>Details of Business Transactions</u>
Mitsui & Co. (Asia Pacific) Pte. Ltd.	- The major shareholder of the Trust manager	- The Trust's unitholder
TICON Demco Power 6 Co., Ltd.	- Joint venture of the Trust's major unitholder	- Receive rental and service income
TICON Demco Power 11 Co., Ltd.	- Joint venture of the Trust's major unitholder	- Receive rental and service income

## 5.6 Distribution to unitholders

Decreases in retained earnings are recognised as at the date a cash distribution is declared.

## 5.7 Long-term leases

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

## 5.8 Provisions

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

## 5.9 Income tax

The Trust has no corporate income tax liability since it is exempted from corporate income tax in Thailand.

## 5.10 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Trust apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Trust measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

# NOTES TO FINANCIAL STATEMENTS

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Trust determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## 6. Use of significant judgement and accounting estimates

The preparation of financial statements in conformity with financial reporting standards at times requires the Trust Manager to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ. Significant judgements and estimates are as follows:

### Fair value of assets

The Trust measures its investments in leasehold rights to properties on the balance sheet date at fair value based on the value as assessed by an independent appraiser. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. The Trust considers such fair value is appropriate. However, the actual returns to be received by the Trust on such investments in properties could differ depending upon certain factors and conditions which will be incurred to the assets in the futures.

### Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the Trust Manager is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

### Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the Trust Manager needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.



# NOTES TO FINANCIAL STATEMENTS

## Fair value of financial instruments

In determining the fair value of financial instruments recognised in the balance sheet that are not actively traded and for which quoted market prices are not readily available, the Trust Manager exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the balance sheet and disclosures of fair value hierarchy.

## 7. Investments in properties

	(Unit: Thousand Baht)	
	2017	2016
<b>Investments in properties - at cost</b>		
Investments in properties - beginning of year	7,387,260	7,387,260
Add: Purchases during the year	23,241,200	-
Investments in properties - end of year	30,628,460	7,387,260
<b>Net unrealised losses on investments in properties</b>		
Net unrealised losses on investments - beginning of year	(35,610)	(126,500)
Add: Net unrealised gains (losses) from the revaluation of investments during the year	(142,250)	90,890
Net unrealised losses on investments - end of year	(177,860)	(35,610)
<b>Investments in properties - end of year</b>	<b>30,450,600</b>	<b>7,351,650</b>

Movements of the investments in properties account during the year 2017 were summarised below.

The Trust hired an independent appraiser to revalue its investments in 98 units using the income approach, as detailed below, in accordance with an independent appraiser's report.

Date	Fair value	Unrealised losses from the revaluations
	(Million Baht)	(Million Baht)
18 May 2017	7,302	49.5
15 December 2017	7,209	92.8
		142.3



# NOTES TO FINANCIAL STATEMENTS

The Trust received main assets of the Funds totalling Baht 23,241 million as the following details:

Main assets of TICON Property Fund transferred to the Trust.

Lands, factory buildings, and standard warehouse buildings in the total of 242 buildings which have the approximate total leasable area of 577,985 square meters, situated on lands with total approximate area of 874 rai 0 ngan 7.8 square wah, divided into factory buildings of 234 buildings, approximate leasable area of factory is 558,385 square meters, situated on lands with approximate area of 847 rai 0 ngan 62.8 square wah in 8 industrial estates, industrial promotion area, and industrial park and lands of warehouse buildings in the total of 8 buildings, with approximate leasable area of 19,600 square meters situated on lands with approximate area of 23 rai 2 ngan 11 square wah, which located in TICON Logistics Park Bang Na Project.

Main assets of TPARK Logistic Property Fund transferred to the Trust.

Lands and warehouse buildings at the total amount of 63 units in 5 projects, having approximate leasable area of 243,625 square meters, situated on lands with total approximate area of 285 rai 3 ngan 64 square wah.

Main assets of TICON Industrial Growth Leasehold Property Fund transferred to the Trust.

Leasehold rights in land and leasehold right or ownership in warehouse buildings at the total amount of 16 warehouses, divided into 50 units in 2 projects with warehouse total approximate area of 182,095 square meters, situated on lands with total approximate area of 214 rai and leasehold right or ownership in factory buildings at the amount of 37 buildings in 6 projects with factory total approximate area of 111,250 square meters, situated on lands with total approximate area of 177 rai.

Key assumptions used in the valuation for the year 2017 are summarised below:

Key assumptions	Assumptions	Result to fair value where as an increase
		in assumption value
Rental per square meter (Baht)	125 - 215	Increase in fair value
Discount rate (%)	9.5 - 10.0	Decrease in fair value
Capitalised rate (%)	0.0 - 7.5	Decrease in fair value
Occupancy rate (%)	85.0 - 97.0	Increase in fair value

# NOTES TO FINANCIAL STATEMENTS

Movements of the investments in properties account during the year 2016 were summarised below.

On 1 April 2016, the Trust hired an independent appraiser to appraise the fair value of the investments in 98 units of properties using the income approach. It subsequently adjusted the value of these properties to their fair value of Baht 7,352 million, with a net unrealised gain from the revaluation of Baht 91 million.

Key assumptions used in the valuation for the year 2016 are summarised below:

Key assumptions	Assumptions	Result to fair value where as an increase in assumption value
Rental per square meter (Baht)	120 - 284	Increase in fair value
Discount rate (%)	9.5 - 10.0	Decrease in fair value
Capitalised rate (%)	0.0 - 7.75	Decrease in fair value
Occupancy rate (%)	90.0 - 100.0	Increase in fair value

The terms of leasehold on land and warehouses are between 26 years and 28 years and the Trust has obligations to demolish buildings and any construction on the land under the leasehold rights in order to handover the land back to lessor at the end of the lease term on the year 2043 to year 2045.

The Trust has several operating lease agreements in respect of the lease of lands, factories and warehouses buildings. The terms of the agreements are generally between 4 months and 12 years. As at 31 December 2017 and 2016, future minimum rental income to be generated under these operating leases is as follows.

	(Unit: Million Baht)	
	<u>2017</u>	<u>2016</u>
Less than 1 year	1,891	398
In over 1 and up to 5 years	2,290	714
In over 5 years	483	468

# NOTES TO FINANCIAL STATEMENTS

## 8. Cash and cash at banks

As at 31 December 2017 and 2016, the Trust has the following deposits with the following banks.

Bank	Principal (Thousand Baht)		Interest rate per annum (%)	
	2017	2016	2017	2016
Cash	100	5	-	-
Bank deposits				
<u>Saving accounts</u>				
Bangkok Bank Public Company Limited	1,168,333	40,558	0.375 – 0.500	0.375 - 0.750
<u>Current accounts</u>				
Bangkok Bank Public Company Limited	6	486	-	-
Total bank deposits	1,168,339	41,044		
Total	1,168,439	41,049		

## 9. Accounts receivable from rental and service

The balances of accounts receivable from rental and service as at 31 December 2017 and 2016, aged on the basis of due dates are summarised below.

	(Unit: Thousand Baht)	
	2017	2016
<u>Age of receivables</u>		
Not yet due	1,140	763
Past due		
Not over 3 months	16,451	2,811
3 - 6 months	2,537	128
6 - 12 months	-	19,553
Over 12 months	45,770	8,775
Total	65,898	32,030
Unbilled operating leases receivables	59,391	43,464
Less: Allowance for doubtful debts	(57,234)	(31,847)
Accounts receivable from rental and service, net	68,055	43,647

# NOTES TO FINANCIAL STATEMENTS

## 10. Deferred expenses

	(Unit: Thousand Baht)	
	2017	2016
Deferred expenses - beginning of the year	51,974	61,759
Add: Increase during the year	58,758	5,399
Less: Amortised during the year	(15,478)	(15,184)
Deferred expenses - end of the year	95,254	51,974

## 11. Short-term loans

			(Unit: Thousand Baht)	
	Interest rate	Maturity date	2017	2016
	(% per annum)			
Short-term loans				
from financial				
institutions	2.50	20 June 2018	3,739,966	-

The short-term loans contained certain restrictions, which can be waived when a waiver letter from borrower is provided. Details are as follows:

- Resistance of additional borrowing, indebtedness or obligation from the debt or obligation that the Trust has had as at the contract date.
- Sale or transfer of properties and leasehold rights, except (a) sale of properties under option to buy in accordance with the prospectus or (b) sale of properties totaling not exceeding Baht 1.6 billion for each transaction and at the total of Baht 6.4 billion.
- Reduction of the registered capital of the Trust, except the reduction of capital from the excess liquidity of the normal operation as stated in the prospectus or reduction following of the resolution passed by the unitholders' meeting.
- Resistance of obligation with assets, leasehold rights or income of the Trust, change or addition of the Property Management Manager of the Trust.

# NOTES TO FINANCIAL STATEMENTS

## 12. Long-term loans

(Unit: Thousand Baht)

Loan	Interest rate (% per annum)	Repayment schedule	2017	2016
1	MLR less the rate specified in the agreement	Payment of principal by semi-annual which 1st principal payment on December 2021 with the last payment within June 2024	-	860,000
2	MLR less the rate specified in the agreement	Payment of principal by semi-annual which 1st principal payment on December 2022 with the last payment within June 2025	-	959,000
Total long-term loans			-	1,819,000

The Trust drawn from long-term loan from Bangkok Bank Public Company Limited for its investments in properties.

The long-term loans were unsecured and the loan agreements contained general conditions, such as limitation of debt-to-assets ratio, resistance of additional borrowing, indebtedness or obligation, sale or transfer of properties and leasehold rights.

During the current period, the Trust made full repayment of long-term loans.

## 13. Debentures

Type of debenture	Interest rate	Age	Maturity date	Number of debenture (Unit)		Amount (Thousand Baht)	
				2017	2016	2017	2016
Unsubordinated and unsecured debentures							
- No. 1/2017							
- Tranche I	Fixed rate of 2.98% p.a	3 years	5 April 2020	800,000	-	800,000	-
- No. 1/2017							
- Tranche II	Fixed rate of 4.18% p.a	7 years	5 April 2024	1,000,000	-	1,000,000	-
Total debentures - at face value				1,800,000	-	1,800,000	

Interest on debentures is due for repayment on a semi-annually basis on 5 April and 5 October of every years.

The debentures contained certain restriction, such as the limitation of debt-to-total assets ratio of not exceed 60% at the year ended throughout the age of debentures, the resistance of additional borrowing, or obligation except those incurred under normal business or operations.



# NOTES TO FINANCIAL STATEMENTS

## 14. Registered capital

Movements in the capital received from the unitholders account are as follows.

	Number of trust units	Value per unit	Total
	(Thousand Unit)	(Baht)	(Thousand Baht)
Initial trust capital	342,500	10.0000	3,425,000
The 1st reduction on trust unit value	-	(0.1934)	(66,240)
The 2nd reduction on trust unit value	-	(0.1743)	(59,697)
The 1st capital increase	224,300	10.0000	2,243,000
Total	566,800		5,542,063
Capital increase during the year	2,035,587	9.7669	19,881,389
Total	2,602,387		25,423,452

## 15. Retained earnings

	(Unit: Thousand Baht)	
	2017	2016
Net accumulated income from investments	691,649	294,525
Net accumulated realized gains on investments	211	211
Net accumulated unrealized losses on investments	(35,610)	(126,500)
Accumulated distributions to unitholders	(451,444)	(108,984)
Retained earnings - beginning of year	204,806	59,252
Add: Increase in net assets resulting from operation during the year	226,847	488,014
Less: Distribution to unitholders the year	(387,011)	(342,460)
Retained earnings - end of year	44,642	204,806

# NOTES TO FINANCIAL STATEMENTS

## 16. Distributions to unitholders

During the years, the Trust paid distributions to its unitholders as follows.

Declared date	For the operations as from	Per unit (Baht)	Total (Thousand Baht)
23 February 2017	1 October 2016 - 31 December 2016 and retained earnings	0.1600	90,688
12 May 2017	1 January 2017 - 31 March 2017 and retained earnings	0.1600	90,688
8 August 2017	1 April 2017 - 30 June 2017 and retained earnings	0.1600	90,688
9 November 2017	1 July 2017 - 31 October 2017 and retained earnings	0.2028	114,947
Total distributions for the year 2017		0.6828	387,011
23 February 2016	1 November 2015 - 31 December 2015 and retained earnings	0.0940	53,279
9 May 2016	1 January 2016 - 31 March 2016 and retained earnings	0.1800	102,024
8 August 2016	1 April 2016 - 30 June 2016 and retained earnings	0.1702	96,470
8 November 2016	1 July 2016 - 30 September 2016 and retained earnings	0.1600	90,688
Total distributions for the year 2016		0.6042	342,461

## 17. Expenses

Details of the trust management fee, trustee fee and registrar fee are summarised below.

Expenses	Percentage
1. Trust management fee	
- Base fee	0.25 % per annum of the Trust's total assets
- Performance fee	3.00 % per annum of net income from rental and service agreement for December 2017
	2.00 % per annum of net income from rental and service agreement on warehouse buildings for the period as from January to November 2017 and for the year 2016

# NOTES TO FINANCIAL STATEMENTS

Expenses	Percentage
	4.00 % per annum of net income from rental and service agreement on factory buildings for the period as from January to November 2017 and for the year 2016
- Incentive fee	5.00 % per annum of net operating income for December 2017
	0.00 - 10.50 % per annum of net operating income of warehouse buildings of the Trust for the period as from January to November 2017 and for the year 2016
	0.00 - 19.50 % per annum of net operating income of factory buildings of the Trust for the period as from January to November 2017 and for the year 2016
- Commission fee for acquiring a new lessee	In proportion to rental and service periods but not over 3 months based on the latest rental and service rate of new lessee
- Commission fee for buying/selling/ transferring leasehold/ receiving leasehold	3.00 % per annum of the value of buying / selling / transferring leasehold/receiving leasehold
2. Trustee fee	For December 2017 at the rate as follows:
	0.060 % per annum of total asset value for a portion not more than Baht 15,000 million
	0.045 % per annum of total asset value for a portion that exceeds Baht 15,000 million up to Baht 30,000 million
	0.030 % per annum of total asset value for a portion that exceed Baht 30,000 million
	0.09875 % per annum of the Trust's net assets for the period as from January to November 2017 and for the year 2016
3. Registrar fee	Actual paid but not over 0.05% per annum of the Trust's net asset value

The above fees are calculated and charged to the Trust's account on a monthly basis. Operating expenses include expenses incurred specifically for the Trust such as the Trust's setting up expenses, utilities, insurance premium, bank charge, postage and various expenses which are incurred legally and in accordance with regulations.

# NOTES TO FINANCIAL STATEMENTS

## 18. Income from rental and service guarantees

TICON Logistics Park Company Limited and TICON Industrial Connection Public Company Limited, hired by the Trust Manager to be as the Property Management Managers, have agreed to guarantee the occupancy for only properties that have been vacant after the registration of the transfer of ownership or leasehold rights of properties was completed or the tenants exercise their right to move out from the rental properties by compensating the Trust at the same rate of rental and service fee that the latest tenant had paid until the Property Management Manager is able to find a new tenant and the new tenant pays the rental and service fee to the Trust or until after 12 months from date that the Trust first invested in the properties.

## 19. Related party transactions

During the years, the Trust had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Trust and those related parties.

	(Unit: Thousand Baht)		
	<u>2017</u>	<u>2016</u>	<u>Pricing policy</u>
<b>TICON Logistics Park Company Limited</b>			
Compensation from rental and service income guarantee	515	62,054	As specified in property management agreement (Note 18)
Rental expenses	8,092	8,038	Contract price
Common area service fee	15,319	13,866	Contract price
Repair and maintenance expenses	1,506	351	Actual charge
Utility expenses	119	149	Actual charge
<b>TICON Industrial Connection Public Company Limited</b>			
Common area service fee	153	54	Contract price
Repair and maintenance expenses	363	200	Actual charge
Distributions paid	50,603	44,611	As declared
Other service expense	3,783	-	As declared
<b>TICON Management Company Limited</b>			
Trust Management fee	65,026	60,508	As detailed in Note 17
<b>BBL Asset Management Company Limited</b>			
Trustee fee	6,803	5,892	As detailed in Note 17
<b>Bangkok Bank Public Company Limited</b>			
Interest income	352	91	Market rate
Underwriting fee	2,160	-	Contract amount
Interest expense	35,170	74,208	As detailed in Note 11 and 12
<b>Mitsui &amp; Co. (Asia Pacific) Pte. Ltd.</b>			
Distributions paid	23,898	21,147	As declared

# NOTES TO FINANCIAL STATEMENTS

			(Unit: Thousand Baht)
	<u>2017</u>	<u>2016</u>	<u>Pricing policy</u>
<b>TICON Demco Power 6 Co., Ltd.</b>			
Rental and service income	162	162	Contract price
<b>TICON Demco Power 11 Co., Ltd.</b>			
Rental and service income	76	76	Contract price

In addition, the Trust has business transactions with the Funds as discussed in Note 1 to the financial statements.

The balances of the accounts as at 31 December 2017 and 2016 between the Trust and those related companies are as follows:

		(Unit: Thousand Baht)
	<u>2017</u>	<u>2016</u>
<b>BBL Asset Management Company Limited</b>		
Accrued trustee fee	1,971	1,010
Accrued expenses	1,428	-
<b>TICON Management Company Limited</b>		
Accrued trust management fee	23,927	9,994
Accrued expenses	2,403	-
<b>TICON Industrial Connection Public Company Limited</b>		
Accrued expenses	4,214	-
<b>TICON Logistics Park Company Limited</b>		
Accounts receivable from rental and service	3	3
Other receivables	-	2,851
Accrued expenses	2,842	1,255
<b>Bangkok Bank Public Company Limited</b>		
Interest receivables	110	6
Short-term loans	3,239,966	-
Debenture	470,000	-
Long-term loans	-	1,819,000
Accrued interest	6,821	305
<b>TICON Demco Power 6 Co., Ltd.</b>		
Accounts receivable from rental and service	14	14
Deposit payables	54	54
<b>TICON Demco Power 11 Co., Ltd.</b>		
Accounts receivable from rental and service	6	6
Deposit payables	25	25
<b>TICON Property Fund</b>		
Other receivables	192	-
<b>TPARK Logistics Property Fund</b>		
Other receivables	187	-
<b>TICON Industrial Growth Leasehold Property Fund</b>		
Other receivables	4,765	-



# NOTES TO FINANCIAL STATEMENTS

## Loans from related party

The outstanding balances and the movements of the borrowings between the Trust and its related party as at 31 December 2017 are as follows.

(Unit: Thousand Baht)

	Balance as at	Increase	Decrease	Balance as at
Long-term loans	31 December 2016	during the year	during the year	31 December 2017
<b>Short-term and long-term loans from related party</b>				
Bangkok Bank Public				
Company Limited	1,819,000	3,239,966	(1,819,000)	3,239,966

## 20. Information on trading in investments

In 2017, the Trust investment trading transactions, excluding bank deposits and promissory note, amount to Baht 23,241 million which is 314.66% of the average net assets value during the year.

## 21. Commitments

21.1 The Trust is committed to pay the trust management fee, trustee fee and registrar fee under the terms and conditions specified in Note 17 to the financial statements.

21.2 As at 31 December 2017 and 2016, the Trust has future minimum lease payments required under non-cancellable operating leases contracts in respect of sub-leases and common service as follows.

(Unit: Million Baht)

	2017	2016
Payable:		
In up to 1 year	20.6	20.3
In over 1 year and up to 5 years	72.6	47.2
In over 5 years	249.8	259.1

## 22. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

# NOTES TO FINANCIAL STATEMENTS

The Trust is principally engaged in the rental of immovable properties. Its operation is carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

For the year 2017, the Trust has no major customer with revenue of 10 percent or more of the Trust's revenues. (2016: the Trust had revenue from a major customer totaled Baht 55 million).

## 23. Fair value hierarchy

As at 31 December 2017 and 2016, the Trust had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)				
As at 31 December 2017				
	Level 1	Level 2	Level 3	Total
Investments in properties	-	-	30,451	30,451
Investments in securities	-	142	-	142

(Unit: Million Baht)				
As at 31 December 2016				
	Level 1	Level 2	Level 3	Total
Investments in properties	-	-	7,352	7,352
Investments in securities	-	271	-	271

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

## 24. Financial instruments

### 24.1 Financial risk management

The Trust's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise investments in securities, cash and cash at banks, accounts receivable from rental and service, accounts receivable from interest, other receivables, loans and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

# NOTES TO FINANCIAL STATEMENTS

## **Credit risk**

The Trust is exposed to credit risk primarily with respect to accounts receivable from rental and service. The Trust Manager manages such risk by stipulating that lessees are to provide lease deposits as security against collection losses. In addition, the Trust does not have high concentration of credit risk since it has a large and varied base of creditworthy customers. As a result, it does not anticipate material loss from its debt collection. The maximum exposure to credit risk is limited to the carrying amounts of accounts receivable from rental and service as stated in the balance sheet.

## **Interest rate risk**

The Trust's exposure to interest rate risk relates primarily to its cash at banks, loans and debentures. Most of the Trust's financial assets and liabilities bear floating interest rates.

As at 31 December 2017 and 2016, significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 December 2017				
	Fixed interest rates within 1 year	Floating Interest rate	Non-interest bearing	Interest rates (% p.a.)
<b>Financial assets</b>				
Investments in securities	142	-	-	1.20 - 1.25
Cash and cash at banks	-	1,168	-	0.38
Accounts receivable				
from rental and service	-	-	68	-
Other receivables	-	-	19	-
<b>Financial liabilities</b>				
Short-term loans	3,740	-	-	2.50
Debentures	1,800	-	-	2.29 - 4.18

# NOTES TO FINANCIAL STATEMENTS

(Unit: Million Baht)

As at 31 December 2016				
	Fixed interest rates within 1 year	Floating Interest rate	Non-interest bearing	Interest rates (% p.a.)
<b>Financial assets</b>				
Investments in securities	271	-	-	1.30 - 1.45
Cash and cash at banks	-	41	-	0.38
Accounts receivable				
from rental and service	-	-	44	-
Other receivables	-	-	8	-
<b>Financial liabilities</b>				
Long-term loans	-	1,819	-	4.00

## 24.2 Fair values of financial instruments

Since the majority of the Trust's financial instruments are short-term and financial liabilities in nature or carrying interest at rates close to the market interest rate, their fair value is not expected to be materially different from the amounts presented in the balance sheet, except debentures which has fair value of Baht 1,841 million, estimating based on yield rate quoted by the Thai Bond Market Association as of the date of the balance sheet.

## 25. Capital management

The primary objectives of the Trust's financial management are to maintain its ability to continue as a going concern and to maintain an appropriate capital structure in order to provide returns for unitholders in accordance with the Trust's establishment objective.

## 26. Event after the reporting period

On 22 February 2018, a meeting of the Trust Manager's Board of Directors approved the payment of a distribution to the unitholders of Baht 0.0171 per unit from the operating results for the period as from 1 November 2017 to 31 December 2017 and retained earnings, or a total of Baht 44.5 million, and decreasing value of unit trust at the rate of Baht 0.0929 per unit, or a total of Baht 241.8 million, which is to be paid on 22 March 2018.

# NOTES TO FINANCIAL STATEMENTS

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## **27. Approval of financial statements**

These financial statements were authorised for issue by the authorised director of the Trust Manager on 22 February 2018.







**TICON Freehold and Leasehold  
Real Estate Investment Trust**

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