

No. ASRM 21-032

1 April 2021

Subject: Information and performance report of Amata Summit Growth Freehold and Leasehold Real Estate

Investment Trust (AMATAR)

To: Trust unitholders

Enclosures:

1. Performance Report of AMATAR of the year 2019 disseminated to unitholders in lieu of holding the Annual General Meeting in 2020
2. Financial Statements for the fiscal year ended 2020
3. Biographies of the Trust's auditors

As Amata Summit REIT Management Company Limited, as the REIT manager of Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust (hereinafter "Trust") has announced about the Actions for Holding the Annual General Meeting (AGM) of Trust unitholders for Year 2021 via the letter no. ASRM 21-012, on 15 February 2021. The board committee had resolved to cancel the Annual General Meeting of the year 2020 in accordance with the announcement of the Office of the Securities and Exchange Commission Sor Ror. 7/2021 regarding the Actions for Holding the AGM for the Year 2021. Because the situation of Outbreak of Coronavirus Disease 2019 (COVID-19) has not been resolved, and the virus can easily spread when large numbers of individuals are gathering. Additionally, the agenda for the 2021 AGM is only the acknowledgment without seeking approval from the Trust unitholders. Therefore, in order to reduce the risks and for the safety of unitholders and staff involved in organizing the annual general meeting of 2021 from COVID-19, the REIT Manager herein has summarized the 2020 Trust's performance to unitholders for acknowledgement, instead of holding the AGM 2021 as follows.

**Agenda 1 To consider and acknowledge the Performance Report of the year 2019**

The REIT manager proposed the performance report of AMATAR of the year 2019 which was disseminated on the REIT's website on 13 April 2020 in lieu of holding the Annual General Meeting in 2020. The detail is attached as **Enclosure No.1**.

Agenda 2 To consider and acknowledge the REIT's Operating performance for the year 2020, highlight in managing the REIT and future management direction,

The REIT manager has summarized the performance of the REIT for the year 2020, from 1 January 2020 to 31 December 2020 as follows.

Highlights of 2020	
Authorized capital	3,478.69 MB
Number of units Trust	357,890,000 units
Par value per unit trust	9.72 Baht
Total Assets	4,934.95 MB
Total Liabilities	1,337.55 MB
Net Assets	3,597.39 MB
Total Income	363.76 MB
Proportion of loans to total assets	24%
Net Assets Value per unit	10.0516 Baht
Occupancy rate	86%

The REIT has invested in properties consisting of the factory buildings for 88 units with total rented space about 160,586.52 square meters located on the land with total area of 224 rai, 1 ngan 82.1 square wah, more detail can be described as follows;

Type of Investment	Location	Land Area (Rai-Ngan-Sq. wah)	Area of factory building (Sq.m.)	Fair value as of 31 December 2020	Value Invested by the REIT
1. Freehold for 25 buildings	Amata City Industrial Estate	61-2-85	48,408.00	1,866.00 MB	1,619.38 MB
2. Leasehold 30 year for 60 buildings	Chonburi	153-3-49	105,516.02	2,594.20 MB	2,992.61 MB
3. Leasehold 30 year for 3 buildings	Amata City Industrial Estate Rayong	8-3-48.1	6,662.50	163.80 MB	180.97 MB
Total		224-1-82.1	160,586.52	4,624.00 MB	4,792.96 MB

The REIT is the owner of the properties or holder of leasehold right of the land, buildings and utility systems. A policy of the REIT in order to make the benefits from the invested properties is to lease out to tenants. The REIT Manager has employed Amata Summit Ready Built Co., Ltd. to be the property manager for making contact and procuring customers and those interested in the services and/of space of the properties invested by the REIT. However, the REIT will enter into a lease agreement with the lessee directly, in which lease agreement is standardized in accordance with the similar criteria and conditions of the agreement made with every lessee. As of 31 December 2020, the remaining terms of the lease agreement of the key properties invested by the REIT are as shown in the table below.

(unit: percent)

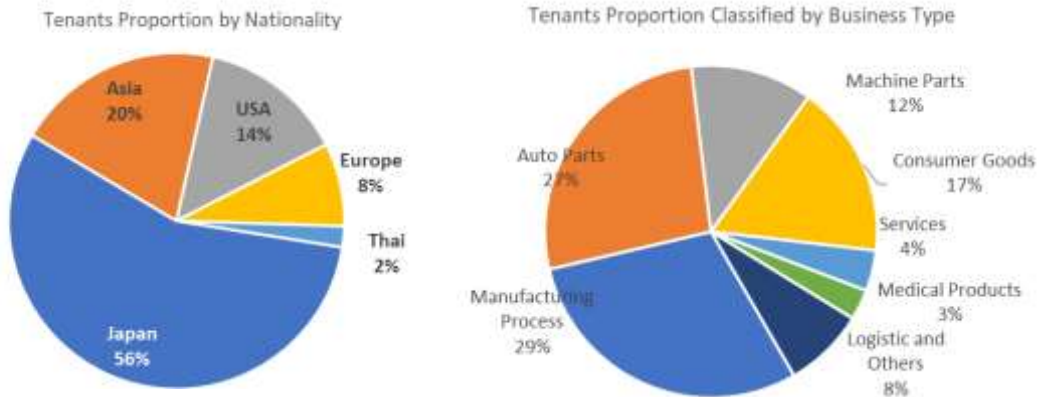
Lease Agreement expired in year	Amata City Industrial Estate Chonburi	Amata City Industrial Estate Rayong	Total
2564	40.46	0.00	38.95
2565	33.78	51.32	34.44
2566	23.86	48.68	24.78
2567	1.00	0.00	0.96
2568	0.90	0.00	0.87

Source: Amata Summit Ready Built Co., Ltd. arranged as of 31 December 2020

Remark: percentage is calculated per the total areas that has tenants.

In term of customers, most of the customers in Amata City Industrial Estate Chonburi and Amata City Industrial Estate Rayong are foreign investors undertaking the business in Thailand. Over 56 percent are Japanese. Other 44 percent consists of Asian (20%), American (14%), European (8%) and Thai and others (2%). The statistic shows an increasing trend in Asian tenants, there is more Asian tenants than in the prior year, in which most of Asian tenants are Chinese investors. This sign is benefit to the REIT because it is showing that the tenants of the REIT are various classified by nationality, they are not mainly Japanese like in the past anymore.

When classifying the REIT's tenant using business type, it is found that the tenants come from various kind of industries, such as industrial processes particularly packaging, plastic modeling, automotive industry, consumer goods and so on. Summary of information of the tenants during the period from 1 January 2020 to 31 December 2020 classified by Nationality and type of businesses could be presented as follows.



Source: Amata Summit Ready Built Co., Ltd. arranged as of 31 December 2020

Moreover, the average occupancy rate of the REIT in 2020 is 86 percent decreasing from 2019 which the occupancy rate in 2019 was 90 percent. The average rental rate for 2020 is 217.50 baht per square meter decreasing from 219 baht per square meter in previous year, as the REIT discounted the rent for some tenants who got adverse impacts from the COVID-19 outbreak.

#### Highlight in managing the REIT and future management direction

##### 1) Highlight in managing the REIT

In 2020 The REIT investing in Freehold and Leasehold Real Estate has proceeded various important activities as follows.

1.1 Borrowings -none-

1.2 Reduction of capital -none-

##### 1.3 Distribution payment

In 2020, Trust had paid the distribution to unitholders 3 times, in which the total distribution equaled 0.515 baht per unit or 94.11 percent of adjusted net income. The distribution is complying with the Trust Deed in which the distribution to the unitholders shall not less than 90% of adjusted net profit and not over 4 times per fiscal year

##### 1.4 Repair and Maintenance work

In 2020, the REIT had employed professionals in repairing and maintaining invested properties following the yearly repair and maintenance plan. It is to ensure that all the properties of the REIT are in the good condition and always ready for generating the income.

## 2) Future management direction

- Future Investment

The REIT has a plan to invest more properties to create more opportunities for the REIT to grow and generate consistent and great benefit in long term for all unitholders. The REIT may exercise its right of first refusal to consider the properties in which the sponsor develops and aims to sell, transfer or lease out (Right of First Refusal). Now it is on the process that sponsor is preparing the properties to meet with the REIT's requirements in regarding to investment policy both sizing and occupancy rate. And the REIT manager will consider financial tools such as borrowing or issuing bonds as alternative options in sourcing money for investment.

- Searching new tenants

In 2021, the company will develop more active market plan by enhancing more channels for current tenants to reach the information of our available factory buildings. Moreover, the company will actively find new tenants through participating in networks as well as activities both domestically and internationally organized by government agencies, embassies, trade offices, etc. So that, we get to know more of potential investors and promote our products and services. Moreover, the company also disseminates the company-product information via various publications, distribution channels which are more up-to-date and effective, so anyone who is interested in the REIT products can easily access information.

### Agenda 3 To consider and acknowledge the Financial Statements for the fiscal year ended 31 December 2020

The REIT manager provided the statement of financial position and income statement of the REIT as of 31 December 2020 which was audited and certified by EY Office Limited. The statement reports granted an approval from the Board of Directors on 15 February 2021, and the Board requested to inform all unitholders of the statement of financial position and income statement for their acknowledgment. The detail of the financial position and income statement could be summarized as follows and for more detail can be seen in Enclosure No.2.

### Financial Statements for the period of 1 January 2020 to 31 December 2020

#### (1) Investment Income

Investment Income (Unit: Baht)	2020	2019	% Change
Rental income	360,235,894	381,220,980	(5.50)
Revenue from property manager	0	259,138	(100.00)
Interest income	933,775	854,509	9.28
Other income	2,585,568	12,317,190	(79.01)
Total investment income	363,755,237	394,651,817	(7.83)

In 2020 the REIT had total investment income of 363.76 Million Baht (MB) which decreased of 30.90 MB or 7.83 percent from 2019. It is mainly led by following factors,

- A decrease of 20.99 MB from rental incomes, due to the impact of COVID-19 outbreak which led to a rise in vacant factory. It was because the investor could not travel to Thailand. Accordingly, the average occupancy rate was 86 percent, decreased from the average occupancy rate of 90 percent in 2019. Also, the REIT offered the rental discount to some tenants diversely affected by the COVID-19 outbreak.
- A decrease of 9.73 MB in other incomes from reversing of security deposit when the tenants decided to early terminate their Lease agreements.

## (2) Expenses of the REIT

Expenses (Unit: Baht)	2020	2019	% Change
REIT management fee	16,219,051	13,754,256	17.92
Trustee and custodian fee	14,994,421	14,942,653	0.35
Registrar fee	1,278,491	1,605,038	(20.35)
Property management fee	18,616,189	14,594,258	27.56
Professional fees	1,275,803	1,573,986	(18.94)
Amortisation of deferred expenses	3,079,751	6,771,852	(54.52)
Other expenses	8,690,646	20,120,933	(56.81)
Interest expenses	29,026,849	29,998,242	(3.24)
<b>Total</b>	<b>93,181,201</b>	<b>103,361,218</b>	<b>(9.85)</b>

Total expenses of the REIT are categorized into 3 major groups such as interest expenses, fees of the REIT management and property management, and property maintenances.

In 2020, the REIT had total expenses of 93.18 MB which decreased of 10.18 MB or 9.85 percent from previous year. It is mainly led by following factors,

- A considerable decrease of 11.43 MB in other expenses from the repair and maintenance fee, equaled the decrease of 56.81 percent. This was because in 2020 there was not many new tenants due to the COVID-19 pandemics, so the repair cost for renovations for new customers is lower than the previous year. Moreover, management has controlled expenses in accordance with the income and the situation of economic downturn.
- An amortization of deferred expense is 3.08 MB, decreasing by 3.69 MB or 54.52 percent comparing to the same period in 2019. As the expense from the establishment of the REIT

which is required to be amortized over a period of 5 years has already been completely amortized in the second quarter of 2020.

- While the property management fee in 2020 has been considerably rose by 4.02 MB or 27.56 percent compared to the same period of 2019. However, this rise is according to the property manager assignment agreement.

### (3) Net Investment Income

Description (Unit: Baht)	2020	2019	% Change
Total income	363,755,237	394,651,817	(7.83)
Total expenses	93,181,201	103,361,218	(9.85)
Net investment income	270,574,036	291,290,599	(7.11)
Net realised gains on investments in securities	652,489	0	100.00
Net gains (losses) on changes in fair value of investments	(66,694,660)	18,287,356	(464.70)
Net increase in net assets resulting from operations	204,531,865	309,577,955	(33.93)

In 2020, the REIT had net investment income of 270.57 MB which decreased from previous year of 20.72 MB or 7.11 percent, and an increase in net assets resulting from operations of 204.53 MB which decreased from previous year of 105.05 MB or 33.93 percent.

While the unrealised loss on investments was of 66.69 MB which mainly came from assessing by an independence appraiser using the income approach.

### Financial Situation of the REIT

#### (1) Assets

Description (Unit: Baht)	2020	2019	% Change
Investment in security at fair value	245,305,340	204,678,446	19.85
Investment in properties and leasehold rights at fair value	4,624,000,000	4,691,000,000	(1.43)
Cash and cash equivalents	52,573,410	77,476,316	(32.14)
Account receivable from rental and interest and other receivables	12,498,871	3,991,776	213.12
Deferred expenses	0	3,079,751	(100.00)
Other assets	568,188	628,785	(9.64)
Total assets	4,934,945,809	4,980,855,074	(0.92)

On 31 December 2020, Trust had total assets equaled to 4,934.95 MB in total, which decreased of 45.91 MB or 0.92 percent from previous year. The significant items were:

- Investments in securities at fair value totaled of 245.31 MB, increased of 40.63 MB or 19.85 percent from previous year, which were the investment in Fixed Income Funds.
- Investments in properties and leasehold rights at fair value totaled of 4,624.00 MB, decreased of 67.00 MB or 1.43 percent from the Investments in properties and leasehold rights at fair value on 31 December 2019 due to assessing by an independence appraiser using the income approach.
- Account receivables from rental and interest and other receivables of 12.50 MB which increased by 8.51 MB or equaled to 213.12 percent from the recognition of transactions in accordance with accounting standards as the REIT has measures to assist tenants by giving discounts. However, the REIT has real outstanding payments from the tenants of only 0.50 MB and the rest is from straight line revenue recognition of 12.00 MB.
- Deferred expenses related to the establishment of the REIT, requiring to be amortized over a period of 5 years decreased by 3.08 MB or 100.00 percent because the REIT had completed the amortization in the second quarter of 2020.

## (2) Liabilities

Description (Unit: Baht)	2020	2019	% Change
Trade payable and accrued expense	12,658,475	16,437,979	(22.99)
Deposit from rental	124,157,670	123,833,923	0.26
Rental revenue received in advance	737,400	2,568,167	(71.29)
Long-term loans	1,200,000,000	1,200,000,000	0.00
Total liabilities	1,337,553,545	1,342,840,069	(0.39)

On 31 December 2020, total liabilities of the REIT were 1,337.55 MB which decreased of 5.29 MB or 0.39 percent comparing to the information on 31 December 2019. The significant items were:

- A long-term borrowing of 1,200.00 MB which is 89.72 percent of total liabilities,
- Accounts payable and accrued expenses of 12.66 MB decreased by 3.78 MB or 22.99 percent due to the decrease in the repair and maintenance expenses.
- Rental revenue received in advance of 0.74 MB, decreased by 1.83 MB or 71.29 percent because there were not many tenants paid the rent in advance.



(3) Net Assets

Description (Unit: Baht)	2020	2019	% Change
<b>Net assets</b>			
Capital from unitholders	3,478,690,800	3,478,690,800	0.00
Retained earnings	118,701,464	159,324,205	(25.50)
<b>Net assets</b>	<b>3,597,392,264</b>	<b>3,638,015,005</b>	<b>(1.12)</b>

On 31 December 2020, Net Assets Value (NAV) of the REIT was equal to 3,597.39 MB which decreased of 40.62 MB or 1.12 percent from previous year. The REIT had fund registered and the capital from unitholders of 3,478.69 MB and the retained earnings of 118.70 MB. The net assets value per unit of the REIT as of 31 December 2020 was at 10.0516. (net assets value per unit as of 31 December 2019 was 10.1651 baht)

**Agenda 4** To consider and acknowledge the distribution payment for the year 2020

The REIT has the distribution policy following the Trust Deed in which the distribution to the unitholders shall not less than 90 percent of adjusted net profit and not over 4 times per fiscal year.

Due to the REIT's business performance from 1 January 2020 to 31 December 2020, the REIT has the net profit of 204.53 MB. The distributions in 2020 were summarized as follows.

No.	Operating Results	Distribution payment (Baht : Unit)	Operating Results
1	1 January 2020 – 31 March 2020	0.175	12 June 2020
2	1 April 2020 – 30 June 2020	0.170	11 September 2020
3	1 July 2020– 30 September 2020	0.170	18 December 2020
4	1 October 2020 – 31 December 2020	-	-
<b>Total Distribution payment per unit</b>		<b>0.515</b>	
<b>Distribution Payment Ratio</b>		<b>94.11%</b>	

The record of the distribution payment to the Trust unitholders since the establishment of the REIT can be shown as below.

Performance for the year	2020	2019	2018	2017	2016	2015	Total
Total Distribution payment (Baht: unit)	0.515	0.745	0.645	0.745	0.665	0.420	3.735
Distribution Payment Ratio (%)	94.11	93.80	95.23	91.16	93.51	94.12	

The record in paid-up capital reduction since the establishment of the REIT can be presented as below table.

The number of the capital reduction	The reduction in a par value (baht: unit)	The Distribution Payment Date of capital reduction
No. 1	0.17	28 March 2017
No. 2	0.11	28 March 2019
No. 3	0.16	22 March 2021
Total	0.44	

The distribution payments in 2020 are in accordance with the policies set out in the trust deed. Therefore, it is appropriate to report to the Trust unitholders for acknowledgment.

**Agenda 5** To consider and acknowledge the appointment of auditor and determination of remuneration for the year 2021

The REIT manager considered and appointed the auditor from EY Office Limited's name as follows to be the REIT's auditors for the year 2021:

- Ms. Supanee Triyantakul, C.P.A. Registration No. 4498 and/or
- Ms. Watoo Kayankannavee, C.P.A. Registration No. 5423 and/or
- Ms. Isaraporn Wisutthiyan, C.P.A. Registration No. 7480

One of the abovementioned auditors shall be authorized to audit and opinion the financial statement of the REIT. In the case that the auditors are unable to perform the duties, EY Office Limited shall provide other auditors of its office to audit accounts and express opinions on the REIT's financial statements instead of the aforesaid auditors. The information with regard to profile, experience, and capability of the designed auditors are set out in **Enclosure No.3**.

The REIT manager opinioned that EY Office Limited had properly performed the duties as an auditor for the REIT since the beginning. They have a rigid knowledge, experiences and skills on the REIT's auditing and no conflict of interest with the REIT. Thus, the REIT Manager would like to propose the unitholders to appoint the EY Office Limited as the auditors of the REIT for year 2021 with remuneration of 685,000 baht as same as in 2020.

If any unitholders have questions or inquiries, please contact us via email: [ir@amatareit.com](mailto:ir@amatareit.com) within 30 April 2021. The company the company will summarize and disclose all the questions and the answers via SET Link system and the website of the REIT : [www.amatareit.com](http://www.amatareit.com) within 14 May 2021.

Furthermore, the unitholders can download the annual report of the year 2020 from our website or scan the QR code as below. In case, any unitholders wish to receive the annual report in a hard copy, please contact IR and Operation Department, Amata Summit REIT Management Co. , Ltd. Address : 2126 Kromadit Building, New Petchburi Road, Bangkok, Huay Kwang Bangkok 10310, Thailand 10310, or Tel:+66-2-792-0089, or Email: [ir@amatareit.com](mailto:ir@amatareit.com).



Respectfully yours,



(Ms. Karntima Charoenchaiprasert)

REIT Manager

## Enclosure no.1

Performance Report of AMATAR of the year 2019 disseminated to unitholders in lieu of holding the Annual General Meeting in 2020



No. ASRM 20-033

13 April 2020

Subject: Information and performance Report of Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust (AMATAR)

To: Trust unitholders

Enclosures:

1. Minutes of the 2019 Annual General Meeting of Trust unitholders
2. Financial Statements for the fiscal year ended 2019
3. The appointment of auditor and determination of remuneration for the year 2020

As Amata Summit REIT Management Company Limited as the REIT manager of Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust (hereafter called the "Trust") has announced the Annual General Meeting of Trust unitholders for Year 2020 via the letter no. ASRM 20-011 since 13 February 2020 to be held on 27 April 2020 at 14.00 hrs at Parichart room, Golden Tulip Sovereign Hotel.

Despite of the announcement of the Office of the Securities and Exchange Commission Sor Ror. 27/2020 about the Actions for Holding Annual General Meeting for Year 2020 of Trust unitholders of Real Estate Investment Trust due to Situation of Outbreak of Coronavirus Disease 2019 (COVID-19), issued on 20 March 2020, Clause No.3 stated that "if the agenda for the Annual General Meeting for the year 2020 of any Trust are only the acknowledgment without seeking approval from the Trust unitholders, the REIT Manager may proceed with other method in lieu of holding the Annual General Meeting in order to give information to the Trust unitholders for their acknowledgment."

Therefore, the company would like to inform that on 2 April 2020 the board committee has resolved to cancel the Annual General Meeting of the year 2020 in accordance with the announcement of the Office of the Securities and Exchange Commission Sor Ror. 27/2020, as there is no agenda in the 2020 Annual General Meeting that is seeking for approval from the Trust unitholders. However, the company will provide all the meeting information related to the Annual General Meeting to the Trust Unitholders as follows.

**Agenda 1 To consider and acknowledge the Minutes of the 2019 Annual General Meeting of Trust unitholders**

The REIT manager had provided the Minutes of the Annual General Meeting of the year 2019 which was held on 26 April 2020, submitted such a report to the Stock Exchange of Thailand (SET), and also disseminated it on the Trust's website. The Minutes is attached as **Enclosure No.1**.

**Agenda 2** To consider and acknowledge the Trust's Operating performance for the year 2019

In accordance with Trust Deed, it is crucial for the Trust to report its annual operation performance to Trust unitholders. Herein, the REIT manager has summarized the performance of the Trust for the year 2019 as of 31 December 2019 as follows.

Highlights of 2019	
Authorized capital	3,478.69 MB
Number of units Trust	357,890,000 units
Par value per unit trust	9.72 Baht
Total Assets	4,980.85 MB
Total Liabilities	1,342.84 MB
Net Assets	3,638.01 MB
Total Income	394.65 MB
Proportion of loans to total assets	24%
Net Assets Value per unit	10.1651 Baht
Occupancy rate	90%

The Trust has invested in properties developed by Amata Ready Built Co., Ltd. (“Amata Summit” or “Property Manager”) which are consisting of the factory buildings for 88 units with total rented space about 160,586.52 square meters located on the land with total area of 224 rai, 1 ngan 82.1 square wah, more detail can be described as follows;

Type of Investment	Location	Land Area (Rai-Ngan-Sq.wah)	Area of factory building (Sq.m.)	Fair value as of 31 December 2019	Value Invested by the Trust
1. Freehold for 25 buildings	Amata City Industrial Estate	61-2-85	48,408	1,781.00 MB	1,619.38 MB
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Total		224-1-82.1	160,586.52	4,691.00 MB	4,792.95 MB

The Trust is the owner of the properties or holder of leasehold right of the land, buildings and utility systems while the policy of the Trust is to utilize the benefits of the properties to be invested through leasing out such properties to the lessees. The REIT Manager will employ Amata Summit Ready Built Co., Ltd. to be the property manager for making contact and procuring customers and those interested in the services and/of space of the properties invested by the Trust for leasing. The Trust will enter into a lease agreement with the lessee directly. Such agreement is standardized in accordance with the similar criteria and conditions of the agreement made with every lessee. As of 31 December 2019, the remaining terms of the lease agreement of the key properties invested by the trust are as shown in the Table below.

Lease Agreement expired in year	Amata City Industrial Estate Chonburi		Amata City Industrial Estate Rayong		Total	
	(Unit)	(Percentage)	(Unit)	(Percentage)	(Unit)	(Percentage)
2020	24	25.04	1	37.39	25	25.42
2021	26	40.45	0	0	26	39.23
2022	24	33.61	1	62.61	25	34.49
2023	1	0.90	0	0	1	0.86
Total	75	100.00	2	100.00	77	100.00

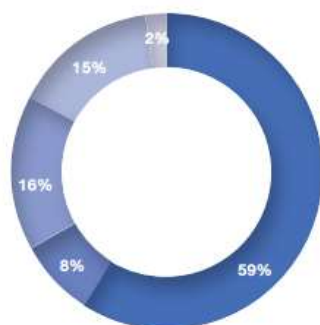
Source: Amata Summit Ready Built Co., Ltd. arranged as of 31 December 2019

Remark: percentage is calculated per the total areas that has tenants.

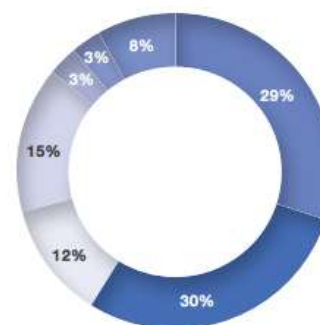
In term of customers, most of the customers in Amata City Industrial Estate Chonburi and Amata City Industrial Estate Rayong are foreign investors undertaking the business in Thailand. Over 59 percent are Japanese. Other 41 percent consists of Asian (16%), American (15%), European (8%) and Thai and others (2%). This year, it is found that there are more Asian tenants than the past, in which most of Asian tenants are Chinese investors. This is good because it is showing that the tenants of the Trust are various classified by nationality, they are not mainly Japanese like in the past anymore.

The customers have undertaken various kind of businesses in both industrial estates, particularly various part of the production like packaging, plastic modeling, auto parts industry and consumer goods which are in accordance with the customer group that the lessee of the properties to be invested by the Trust. Summary of information on the customers and type of businesses undertaken by the lessees of the properties to be invested by the Trust during the year 2019 from 1 January 2019 to 31 December 2019 could be as follows.

**Proportion of Revenue Classified  
by National of Business 2019**



**Proportion of Revenue  
Classified by Business Type 2019**



Source: Amata Summit Ready Built Co., Ltd. arranged as of 31 December 2019

Moreover, the average occupancy rate of the Trust in 2019 is 90 percent. It decreased from the occupancy rate in 2018 which was 92 percent. The average rental rate for 2019 is 219 baht per sq.m. increasing from 218 baht per sq.m. in previous year.

#### Highlight in managing the Trust and future management direction

- **Highlight in managing the Trust**

In 2019 The Trust investing in Freehold and Leasehold Real Estate has executed many efforts to generate the best benefit. The important events can be summarized as follows.

##### 1.1 Borrowings

On 28 February 2019, the Trust refinanced a loan from Kasikornbank, Bank of Ayudhya and ICBC Bank to Krungthai Bank. The new loan was a long-term loan for 1,200 MB and Krungthaibank make a revolving short-term loan available to the trust for another 60 MB. Thus, the limit of loan is a total of 1,260 MB. The management refinanced for the Trust with very competitive interest rate, resulting in a decrease in the interest expense

##### 1.2 Reduction of capital

The Trust executed the 2nd reduction by reducing 0.11 baht per a par value, equaled a reduction of 39.37 MB in total. As the result of the distribution of paid-up capital to Trust unitholders, the paid-up capital was at 3,478.69 MB and the par value of trust unit was decreased to 9.72 baht per trust unit. The distribution in regarding capital reduction was paid to the unitholders on 28 March



2019, in which the distribution was derived from excess liquidity of the net unrealized loss from asset valuation in freehold and leasehold real estate investment of Trust.

### **1.3 Distribution payment**

In 2019, Trust had paid the distribution to unitholders 4 times, in which the total distribution equaled 0.745 baht per unit or 93.80 percent of adjusted net income. The distribution is complying with the Trust Deed in which the distribution to the unitholders shall not less than 90% of adjusted net profit and not over 4 times per fiscal year

### **1.4 Repair and Maintenance**

In 2019, the Trust had employed professionals in repairing and maintaining invested properties following the yearly repair and maintenance plan. It is to ensure that all the properties of the Trust are in the good condition and always ready for generating the profit.

## **2) Future management direction**

### **Future Investment**

The Trust has a plan to invest more properties to create more opportunities for the Trust to grow and generate consistent and great benefit in long term for all unitholders. The Trust may exercise its right of first refusal to consider the properties in which the sponsor develops and aims to sell, transfer or lease out (Right of First Refusal). Now it is on the process that sponsor is preparing the properties to meet with the Trust's requirements in investment policy both sizing and occupancy rate. And the REIT manager will consider financial tools such as borrowing or issuing bonds as alternative options in sourcing money for investment.

### **Searching new tenants**

In 2020 the company will develop more active market plan by enhancing more channels for current tenants to reach the information of our available factory buildings. Moreover, the company will actively find new tenants through participating in networks as well as activities both domestically and internationally organized by government agencies, embassies, trade offices, etc. So that, we get to know more of potential investors and promote our products and services. Moreover, the company also disseminates the company-product information via various publications, distribution channels which are more up-to-date and effective, so anyone who is interested in the Trust products can easily access information.

## **Agenda 3 To consider and acknowledge the Financial Statements for the fiscal year ended 31 December 2019**

The REIT manager provided the statement of financial position and income statement of trust as of 31st December 2019 was audited and certified by EY Office Limited. The statement reports granted an approval from the Board of Directors on 13 February 2020, and the Board recommended to inform all unitholders of the statement of financial position and income statement for their acknowledgment. The detail of the financial position and income statement could be presented as Enclosure No.2.

## Financial Statements for the period of 1 January 2019 to 31 December 2019

1. Investment Income

Investment Income	2019	2018	%change
Rental Income	381,220,980	367,982,082	3.6
Revenue from property Manager	259,138	17,934,834	(98.6)
Interest Income	854,509	623,887	37.0
Other Income	12,317,190	1,328,092	827.4
<b>Total Income</b>	<b>394,651,817</b>	<b>387,868,895</b>	<b>1.8</b>

In 2019 the Trust had total investment income of 394.65 MB which increased of 6.8 MB or 1.8 percent from previous year. It is mainly from an increase of 13.24 MB from rental incomes, a rise of 0.23 MB from interest income. When other incomes from recognition the income from reversing of security deposit when the tenants decided to early terminate their Lease agreements and also the fee from delay payment in total of 10.99 MB. While the revenue from property manager showed a significant drop by 17.68 MB, equally 98.6 percent. This is because the revenue guarantee by property manager has been gradually expired by the early 2020.

2. Expense of the Trust

Expenses	2019	2018	%change
REIT manager fee	13,754,256	11,665,780	17.9
Trustee and custodian fee	14,942,653	14,988,842	(0.3)
Registrar fee	1,605,038	1,582,801	1.4
Property Management fee	14,594,258	10,453,043	39.6
Professional fee	1,573,986	2,100,896	(25.1)
Amortization of deferred expenses	6,771,852	6,771,852	-
Interest expenses	29,998,242	45,934,038	(34.7)
Other expenses	20,120,933	13,721,664	46.6
<b>Total expenses</b>	<b>103,361,218</b>	<b>107,218,916</b>	<b>(3.6)</b>

Total expenses of the Trust are categorized into 3 major groups such as interest expenses, fees of REIT management and property management, and property maintenances.

In 2019, the Trust had total expenses of 103.36 MB which decreased of 3.86 MB or 3.6 percent from previous year. Most of the expenses incurred from the interest from the loan, equaled of 30 MB, or 29.0 percent of the Trust's total expenses which decreased of 34.7 percent (incurred from the refinance of long-term loan with the new lender). Property management fee was at 14.6 MB which considerably rose of 4.1 MB or 39.6 percent from previous year according to the property manager assignment agreement. REIT management fee was at 13.8

MB which increased for 2.0 MB or 17.9 percent from previous year. Trustee and custodian fees were 14.9 MB. Registrar fee was 1.6 MB. Professional fees were 1.6 MB. Moreover, the amortization of deferred was 6.8 MB, or equaled 6.6 percent of its total expenses, this amortization related to the expense for the establishment of the Trust which is required to be amortized over a period of 5 years. While other expenses of 20.1 MB which increased for 6.4 MB or 46.6 percent incurred from the major maintenance of one factory located in free zone of Amata City Rayong. After the renovation, it is already rented out to new tenant.

### 3. Net Investment Income

Description (Unit:Baht)	2019	2018	%change
Total Investment income	394,651,817	387,868,895	1.8
Total expense	103,361,218	107,218,916	(3.6)
Net investment income	291,290,599	280,649,979	3.8
Net realized gains on investments in securities	-	787,350	(100.0)
Net realized gains (loss) investments	18,287,356	(39,508,910)	146.3
<b>Net income in net assets resulting from operations</b>	<b>309,577,955</b>	<b>241,928,419</b>	<b>28.0</b>

In 2019, the Trust had net investment income of 291.3 MB which increased from previous year of 10.6 MB or 3.8 percent and had an increase in net assets resulting from operations of 309.6 MB which increased from previous year of 67.6 MB or 28.0 percent.

While the unrealised gain on investments was of 18.3 MB which mainly came from the accretion of investments in properties and leasehold rights at fair value of 14.8 MB from assessing by an independence appraiser using the income approach. Moreover, the Trust had unrealized gains from the investments in securities of 3.5 MB.

### Financial Situation

#### (1) Assets

On 31 December 2019, Trust had assets equaled to 4,980.9 million baht in total, which increased of 23.4 million baht or 0.5 percent from previous year. The significant items were:

- 3) Investments in properties and leasehold rights at fair value totaled of 4,691 million baht, increased of 14.8 million baht or 0.3 percent from previous year due to assessing by an independence appraiser using the income approach.
- 4) Investments in securities at fair value totaled of 204.7 million baht, increased of 3.5 million baht or 1.7 percent from previous year, which were the investment in Fixed Income Funds.
- 5) Cash at banks equaled to 77.5 million baht which increased of 8.8 million baht or 12.8 percent from previous year.
- 6) Deferred expenses of 3.1 million baht which were expenses related to the establishment of the Trust, requiring to be amortized over a period of 5 years.

**(2) Liabilities**

On 31 December 2019, total liabilities of the Trust were 1,342.8 million baht which decreased of 14.2 million baht or 1.0 percent from previous year. The majority of liabilities were from a long-term borrowing of 1,200 million baht (89 percent of total liabilities) and the deposits from rental guarantee of 123.8 million baht or 9.2 percent of total liabilities. The Trust also had accounts payable and accrued expenses of 16.4 million baht or 1.2 percent of total liabilities.

**(3) Net Assets**

On 31 December 2019, Net Assets Value (NAV) of the Trust was equal to 3,638.0 million baht which increased of 37.6 million baht or 1.0 percent from previous year. The Trust had fund registered and the capital from unitholders of 3,478.7 million baht and the retained earnings of 159.3 million baht. The Trust had net assets value per unit as of 31 December 2019 was at 10.1651 baht.

**Agenda 4 To consider and acknowledge the distribution payment for the year 2019**

The Trust has the distribution policy following the Trust Deed in which the distribution to the unitholders shall not less than 90% of adjusted net profit and not over 4 times per fiscal year.

Due to the Trust's business performance from 1 January 2019 to 31 December 2019, the Trust has the net profit of 309.58 MB. The distributions in 2019 were made for 4 times summarized as follows.

No.	Operating Results	Distribution payment (Baht:Unit)	Operating Results
1	1 January 2019 – 31 March 2019	0.200	10 June 2019
2	1 April 2019 – 30 June 2019	0.190	9 September 2019
3	1 July 2019 – 30 September 2019	0.185	13 December 2019
4	1 October 2019 – 31 December 2019	0.170	20 March 2020
Total Distribution payment per unit		0.745	
Distribution Payment Ratio		93.80%	

The record of the distribution payment to the Trust unitholders since the establishment of the Trust can be shown as below.

Performance for the year	2019	2018	2017	2016	2015	Total
Total Distribution payment (Baht: unit)	0.745	0.645	0.745	0.665	0.420	3.220
Distribution Payment Ratio (%)	93.80	95.23	91.16	93.51	94.12	

The record in paid-up capital reduction since the establishment of the Trust can be presented as below table.

The number of the capital reduction	The reduction in a par value (baht: unit)	The Distribution Payment Date of capital reduction
No. 1	0.17	28 March 2017
No. 2	0.11	28 March 2019
Total	0.28	

The distribution payment in 2019 is in accordance with Trust Deed.

**Agenda 5** To consider and acknowledge the appointment of auditor and determination of remuneration for the year 2020

The Trust deemed that it is appropriate to appoint the auditor from EY Office Limited's name as follows to be the Trust's auditors for the year 2020:

- Ms. Supanee Triyanantakul, C.P.A. Registration No. 4498 and/or
- Ms. Watoo Kayankannavee, C.P.A. Registration No. 5423 and/or
- Ms. Isaraporn Wisutthiyan, C.P.A. Registration No. 7480

One of the abovementioned auditors would audit and opinion the financial statement of the Trust. In the case that the aforesaid auditors are unable to perform the duties, EY Office Limited shall provide other auditors of its office to audit accounts and express opinions on the Trust's financial statements instead of the aforesaid auditors. The biographies of the designed auditors are presented in the **Enclosure No.3**.

The REIT manager opined that EY Office Limited had properly performed the duties as an auditor for the Trust since the beginning. They have a rigid knowledge, experiences and skills on the Trust's auditing and no conflict of interest with the Trust. Thus, the REIT Manager would like to propose the unitholders to appoint the EY Office Limited as the auditors of the Trust for year 2020 with remuneration of 685,000 baht as same as in 2019.

If any unitholders have questions or inquiries, please contact us via email: [ir@amatareit.com](mailto:ir@amatareit.com) within 8 May 2020. The company the company will summarize and disclose all the questions and the answers via SETLink system and the website of the Trust : [www.amatareit.com](http://www.amatareit.com) within 22 May 2020.

Furthermore, the unitholders can download the annual report of the year 2019 from our website or scan the QR code as below.



In case, any unitholders wish to receive the annual report in a hard copy, please contact IR and Operation Department, Amata Summit REIT Management Co., Ltd. Tel: +66 2 792 0000 ext. 415 or +662 792 0089, Fax: +66 2 318 1096, Email: [ir@amatareit.com](mailto:ir@amatareit.com).

Respectfully yours,



(Ms. Karntima Charoenchaiprasert)

REIT Manager

## Enclosure no.2

Statement of Financial Position and Income Statement of AMATAR

for the year 2020

**Statement of Financial Position and Income Statement of AMATAR for the year 2020**  
(For the period from 1 January 2020 to 31 December 2020)

## 1. Statement of Financial Position as at 31 December 2020

(Unit: Baht)

Description	2020	%	2019	%
<b>Assets</b>				
Investments in securities at fair value (at cost as of 31 December 2020: Baht 245,000,000 and 31 December 2019: Baht 200,000,000)	245,305,340	4.97	204,678,446	4.11
Investments in properties and leasehold rights at fair value (at cost: Baht 4,792,951,897)	4,624,000,000	93.70	4,691,000,000	94.18
Cash and cash equivalent	52,573,410	1.07	77,476,316	1.56
Accounts receivable from interest	124,533	0.00	19,319	0.00
Accounts receivable from rental	12,233,718	0.25	3,548,004	0.07
Other accounts receivable	140,620	0.00	424,453	0.01
Deferred expenses	0	0.00	3,079,751	0.06
Other assets	568,188	0.01	628,785	0.01
<b>Total assets</b>	<b>4,934,945,809</b>	<b>100.00</b>	<b>4,980,855,074</b>	<b>100.00</b>
<b>Liabilities</b>				
Accounts payable and accrued expenses	12,658,475	0.26	16,437,979	0.33
Deposits from rental	124,157,670	2.51	123,833,923	2.49
Rental revenue received in advance	737,400	0.01	2,568,167	0.05
Long-term loans	1,200,000,000	24.32	1,200,000,000	24.09
<b>Total liabilities</b>	<b>1,337,553,545</b>	<b>27.10</b>	<b>1,342,840,069</b>	<b>26.96</b>
<b>Net assets:</b>				
Capital from unitholders 357,890,000 units of Baht 9.72 each	3,478,690,800	70.49	3,478,690,800	69.84
Retained earnings	118,701,464	2.41	159,324,205	3.20
<b>Net assets</b>	<b>3,597,392,264</b>	<b>72.90</b>	<b>3,638,015,005</b>	<b>73.04</b>
<b>liabilities and Net assets</b>	<b>4,934,945,809</b>	<b>100.00</b>	<b>4,980,855,074</b>	<b>100.00</b>
Net assets value per unit (Baht)	10.0516		10.1651	



## 2. Income Statement for the year ended 31 December 2020

(Unit: Baht)

Description	2020	%	2019	%
<b>Investment income</b>				
Rental income	360,235,894	99.03	381,220,980	96.60
Revenue from property manager	0	0.00	259,138	0.06
Interest income	933,775	0.26	854,509	0.22
Other income	2,585,568	0.71	12,317,190	3.12
<b>Total income</b>	<b>363,755,237</b>	<b>100.00</b>	<b>394,651,817</b>	<b>100.00</b>
<b>Expenses</b>				
REIT management fee	16,219,051	4.46	13,754,256	3.48
Trustee and custodian fee	14,994,421	4.12	14,942,653	3.79
Registrar fee	1,278,491	0.35	1,605,038	0.41
Property management fee	18,616,189	5.12	14,594,258	3.70
Professional fees	1,275,803	0.35	1,573,986	0.40
Amortisation of deferred expenses	3,079,751	0.85	6,771,852	1.71
Other expenses	8,690,646	2.39	20,120,933	5.10
Finance cost	29,026,849	7.98	29,998,242	7.60
<b>Total expenses</b>	<b>93,181,201</b>	<b>25.62</b>	<b>103,361,218</b>	<b>26.19</b>
<b>Net investment income</b>	<b>270,574,036</b>	<b>74.38</b>	<b>291,290,599</b>	<b>73.81</b>
<b>Net gains (losses) on investments</b>				
Net realised gains on investments in securities	652,489	0.18	0	0.00
Net gains (losses) on changes in fair value of investments	(66,694,660)	(18.34)	18,287,356	4.63
<b>Total net gains (losses) on investments</b>	<b>(66,042,171)</b>	<b>(18.16)</b>	<b>18,287,356</b>	<b>4.63</b>
<b>Net increase in net assets resulting from operations</b>	<b>204,531,865</b>	<b>56.22</b>	<b>309,577,955</b>	<b>78.44</b>

## 3. Cash Flow Statements for the year ended 31 December 2020




(Unit: Baht)

Description	2020	2019
Net cash from operating activities	249,311,426	310,623,654
Net cash used in financing activities	(274,214,332)	(301,813,766)
Net increase (decrease) in cash and cash equivalent	(24,902,906)	8,809,888
Cash and cash equivalent at the beginning of year	77,476,316	68,666,428
Cash and cash equivalent at the end of year	52,573,410	77,476,316

## Enclosure no.3

Biographies of the Trust's auditors

## Biographies of the Trust's auditors

	<p><b>Name:</b> Supanee Triyanantakul Certified Public Accountant (Thailand) No. 4498</p> <p><b>Education:</b> Master of Accountancy, Chulalongkorn University</p> <p><b>Position:</b> Partner</p> <p><b>Key audit clients served:</b></p> <ul style="list-style-type: none"><li>➤ National Power Supply Public Company Limited</li><li>➤ Ingress Industrial (Thailand) Public Company Limited</li></ul>
	<p><b>Name:</b> Watoo Kayankannavee Certified Public Accountant (Thailand) No. 5423</p> <p><b>Education:</b> Master of Accountancy, Chulalongkorn University</p> <p><b>Position:</b> Partner</p> <p><b>Key audit clients served:</b></p> <ul style="list-style-type: none"><li>➤ Nusasiri Public Company Limited</li><li>➤ JCK Hospitality Public Company Limited</li><li>➤ Winner Group Enterprise Public Company Limited</li></ul>
	<p><b>Name:</b> Isaraporn Wisutthiyan Certified Public Accountant (Thailand) No. 7480</p> <p><b>Education:</b> The degree of Bachelor of Business Administration in Accounting, Assumption University</p> <p><b>Position:</b> Partner</p> <p><b>Key audit clients served:</b></p> <ul style="list-style-type: none"><li>➤ Bangkok Expressway and Metro Public Company Limited</li><li>➤ Forth Corporation Public Company Limited</li><li>➤ The Platinum Group Public Company Limited</li></ul>