

CPN Retail Growth Leasehold REIT ("CPNREIT") was established on 1 December 2017 from the conversion from CPN Retail Growth Leasehold Property Fund ("CPNRF"). The trust units of CPNREIT were first traded on the Stock Exchange of Thailand on 14 December 2017.

In March 2020, CPNREIT completely invested in the two projects namely The Ninth Towers Office Building and Unilever House Office Building from GLAND Office Leasehold Real Estate Investment Trust ("GLANDRT"), and also appointed Grand Canal Land Public Company Limited ("GLAND") and Sterling Equity Company Limited as a property manager of each project respectively. Additionally, the registration of the leasehold rights over the real property in the CentralPlaza Rama 2 (Renewal Period) was completed for the 30-year lease term starting from 16 August 2025 until 15 August 2055. In this regard, CPNREIT will proceed with seeking sources of funds in 2025 for payment of the rent for CentralPlaza Rama 2 (Renewal Period) by issuing and offering for sale additional trust units and/or borrowing additional money, which will be conducted pursuant to the resolutions of such Extraordinary General Meeting of Trust Unitholders of CPNREIT No. 1/2019.

At the end of 2020, CPNREIT had been investing in leasehold rights of five shopping malls, which are CentralPlaza Rama 2, CentralPlaza Rama 3, CentralPlaza Pinklao, CentralPlaza Chiangmai Airport and CentalFestival Pattaya Beach with total leasable area of 213,886 sq.m., four office buildings namely Pinklao Tower A and Tower B, The Ninth Towers and Unilever House totaling 112,237 sq.m., and one hotel which is Hilton Pattaya totaling 304 guest rooms.

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### **Economic Overview and Performance**

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Thailand economic growth rate (GDP) in 2020 contracted by -6.1%, mainly from the Coronavirus Disease 2019 (COVID-19) pandemic since the beginning of the year and had severe impact in April due to the lockdown measures across the country. However, Thai economy recovered in the second half of 2020, supported primarily by the good control of the COVID-19 spreading as well as the government stimulus measures resulting to less contraction of private consumption and private investment. The value of merchandise exports improved as the economy of the main trading partners recovered better than expensed after the relaxation of their control measures. However, the tourism sector continued to be affected by the restrictions on foreign tourists for the whole year, also the resurgence of the COVID-19 pandemic in late December 2020.

### **Major Events in 2020**

Progress of the investment in additional assets in accordance with the Extraordinary General Meeting of Trust Unitholders of CPNREIT No. 1/2019

- CPNREIT invested in The Ninth Towers Office Building on 1 March 2020 and in Unilever House Office Building on 2 March 2020. The investment value totaled Baht 7,430.0 million and the registration fees, value added tax, stamp duties, as well as other related fees and expenses totaled Baht 350.0 million, recorded in investment in leasehold properties.

#### Details of invested assets

<b>Office Building</b>	<b>The Ninth Towers</b>	<b>Unilever House</b>
<b>Gross Area</b>	95,997 sq.m.	30,176 sq.m.
<b>Term of Leasehold Right</b>	27 years 1 month 18 days ending 18 April 2047	14 years 8 months 13 days ending 14 November 2034
<b>Investment Value</b>	Baht 5,847 million	Baht 1,583 million

- On 12 March 2020, CPNREIT disclosed, via the Stock Exchange of Thailand, the postponement of subscription period for the capital increase in order to invest in additional assets from Central Pattana Plc. (CPN), namely CentralMarina (Pattaya), CentralPlaza Lampang, CentralPlaza Suratthani, and CentralPlaza Ubonratchathani, due to the severe fluctuation of the capital markets in March 2020.
- On 31 March 2020, CPNREIT completed the registration of the leasehold rights over the real property in CentralPlaza Rama 2 (Renewal Period) for the lease term starting from 16 August 2025 until 15 August 2055. The rental payment is scheduled in 2025 totaling 25,394 million excluding the registration fees, value added tax, stamp duties, as well as other related fees and expenses, of which CPNREIT has secured its obligation for payment of the rental fee in the form of a bank guarantee totaling Baht 1,800.0 million.
- On 24 November 2020, CPNREIT re-submitted the registration statement and the draft prospectus for offering for sale of the additional trust units in the number of not exceeding 355,557,300 units to the Office of the Securities and Exchange Commission of Thailand (the "SEC Office"), the proceeds derived from the capital increase will be utilized for the investment in CentralMarina and CentralPlaza Lampang in the total investment value of not exceeding Baht 5,672.0 million (excluding registration fees, value added tax, stamp duties, fees and any other related expenses). In respect of the investment in CentralPlaza Suratthani and CentralPlaza Ubonratchathani, the REIT Manager will consider investing in such properties when market conditions are favorable for offering of the trust units, so it will accomplish the investment in accordance with the resolution of the EGM No. 1/2019.

#### Impact from the COVID-19 pandemic situation

##### A. Temporary closures of shopping centers and hotel invested by CPNREIT

The government announced measures to control the covid-19 outbreaks in Bangkok and other provinces at the end of March 2020. CPNREIT has taken the safety and well-being of all stakeholders and strictly complied with the protocol through temporary closures of shopping centers as follows:

- CentralPlaza Rama 2, CentralPlaza Rama 3, and CentralPlaza Pinklao were closed from 22 March – 16 May 2020.
- CentralPlaza Chiangmai Airport was closed from 23 March – 16 May 2020.
- CentralFestival Pattaya Beach was closed from 25 March – 16 May 2020, and from 30 December 2020 – 4 January 2021 as the second round of COVID-19 pandemic happened at the end of the year.

However, those shopping centers still opened the supermarkets, drug stores, convenience stores, and banks as well as facilitate convenience for visitors by arranging areas for food and beverages delivery and take-away. CPNREIT has adopted the best practices for social distancing and arranging call center system, pick-up counters and drive through pick-up stations to facilitate safety and convenience for customers, implementing thorough preventive measures to comply with the current situation whilst provide as much service for customers as possible, as well as adjusting operating hours to be from 11am-20pm.

During the temporary closure, the REIT Manager provided rent waivers to tenants that cannot be opened for business during the shutdown period announced by the government and provided rental discounts to tenants that remained open but are considerably affected by the situation.

All office buildings invested by CPNREIT were operating as normal (except for certain businesses which were ordered to be temporary closed i.e. tutoring centers, aesthetic clinics and spas) with tightened measures to protect and control the safety and health of incoming and outgoing visitors.

Hilton Pattaya was closed from April 2020 onwards, therefore, CPNREIT had taken this opportunity to accelerate the renovation plan for Hilton Pattaya, starting from April 2020.

**B. Measures to support tenants affected by the COVID-19**

The REIT Manager has continued to provide rental discounts to tenants affected from the COVID-19 pandemic situation. The amount of rental discount provided to tenants has been considered by mall traffic recovery and individual tenant's sales performance on monthly basis. In 2020, the average rental discount for shopping malls and Pinklao Tower A & Tower B office buildings was at 31.9% of total rental income.

**Major renovation of shopping center and hotel**

Hilton Pattaya has been temporarily closed for major renovation since April 2020 and gradually re-opened on 14 November 2020. The investment cost is approximately Baht 320.0 million. CPNREIT still recognizes fixed rental income from hotel as shown in the financial statements, but has not received cash flow due to the postponement of the fixed rental income in the event of major renovation according to the terms and conditions in the hotel sublease agreement between CPNREIT and the sublessee.

CentralPlaza Rama 2 has begun a major renovation since July 2020, taken place in phases and is scheduled for completion in October 2021. After the renovation is completed, the salable area will increase approximately 10,000 sq.m. The investment cost is approximately Baht 1.1. billion.

**Royal Decree on Reduction of Land and Building Taxes B.E. 2020**

Under the Royal Decree on Reduction of Land and Building Taxes B.E. 2020, announced on 10 June 2020, with the objective to alleviate tax burdens on people and entrepreneurs across the country affected by the COVID-19, tax on land and buildings shall be reduced by 90% of the amount calculated. This was resulting to the reduction of land and buildings tax expense of CPNREIT, therefore, CPNREIT has reduced the collection of land and building tax revenue in 2020 from tenants at the same rate.

**Distribution payment to trust unitholders**

In 2020, the REIT Manager has placed a focus on liquidity to support its business operations in a challenging environment by considering cash flow from operations, fixed cost expense, repayment schedule of debts, and reserve for return of deposit from tenants. The REIT Manager announced the distribution payment and/or capital reduction for the full year 2020 operation period totaled Baht 0.7419 per unit.

**TRIS Rating affirmed CPNREIT credit rating at "AA"**

On 22 July 2020, TRIS Rating affirmed the company rating on CPNREIT and the rating on its senior unsecured debentures at "AA", reflecting high-quality assets, predictable cash flow from contract-based rental and service income, and conservative financial policy. Additionally, TRIS Rating revised downward the rating outlook to "negative" from "stable" to reflect the delay in the asset acquisition and capital increase plan and the expectation of a material deterioration in CPNREIT's income, resulting from the COVID-19 impact.

**Summary of Operating Performance**

In 2020, the REIT Manager together with the Property Manager have maintained proactive measures "Central's Hygiene and Safety Plan" to enhance cleanliness and highest safety measures practical for shopping centers, shops, tenants, and all employees to minimize the risk and response for "New Normal" lifestyle. The practical measure as mentioned help to regain customer's confidence leading to shoppers traffic improved relatively quickly to 75-80% of normal traffic level. Only malls exposed to foreign tourists have recovered at lower rate as much of the tourist traffic has not recover back to normal. Additionally, the resurgence of the COVID-19 in late December 2020 resulted in the slight decline in the number of shopper traffic coming to the shopping centers at the end of 2020 and gradually recovered in late January 2021.

In 4Q20, the average occupancy rate of shopping malls and office buildings in CPNREIT was at 92.2%, slight decreased from 92.6% in 3Q20. The average occupancy rate of CentralPlaza Chiangmai Airport increased from new tenants. The average occupancy rate of CentralPlaza Rama 2, CentralPlaza Pinklao, and Pinklao Tower A & Tower B remained stable from the previous quarter. Meanwhile, the occupancy rates of CentralPlaza Rama 3, CentralFestival Pattaya Beach, and the Ninth Towers decreased as some tenants affected by the COVID-19 outbreak situation early terminated the contract and some affected tenants did not renew their contracts. Unilever House's occupancy rate maintained at 100%. Hilton Pattaya was temporary closed for renovation since April 2020 and gradually re-opened on 14 November 2020, the average occupancy rate was 57.2% of total rooms available for sales in 4Q20.

**The Change of Accounting Policy in 2020**

From 1 January 2020 onwards, CPNREIT has adopted the Accounting Guidance to lease accounting (TFRS 16) which requires lessee to recognize rights-of-use assets and lease liabilities for all lease agreement over 1 year period, and the lease liabilities were discounted using interest rate implicit in the lease or lessee's incremental borrowing rate if the interest rate implicit in the lease was not available, recorded in the balance sheet. Also, interest expense from lease liabilities were included in the finance cost each year in the profit and loss statements. These accounting transactions are non-cash items. In this regard, CPNREIT recognized the rights-of-use assets and lease liabilities for the two lease agreements as follows:

- 1) the lease agreement of the wastewater treatment of CentralPlaza Rama 2, with the remaining lease period of 5 years ended August 15, 2025, which was recognized on 1 January 2020
- 2) the lease agreement of CentralPlaza Rama 2 (Renewal), 30 years lease period starting from 16 August 2025 – 15 August 2055, which was recognized on 31 March 2020.

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**Financial and Operating Performance in 3Q20**

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**Income**

*Total income was Baht 4,069.6 million, decreased by 20.8%yoy.*

In 2020, CPNREIT reported total income of Baht 4,069.6 million, a decrease of Baht 1,072.0 million or 20.8%yoy, this was attributable to:

Rental and service income totaled Baht 4,041.1 million, declined by 20.9%yoy. CPNREIT recognized rental income and rental discount on a straight-line basis over the lease term under TFRS 16, resulting in the rental income shown in the financial statements was more than the actual

rental income received while the straight-line rental discount was less than the actual rental discount given. The details are as follows:

- Rental and service income from all shopping centers and Pinklao Tower A and Tower B totaled Baht 3,053.4 million, declined by 35.4%yoy, mainly due to the impact from the current COVID-19 situation and the financial support provided to tenants in term of rental discount amounting to Baht 1,361.9 million. Additionally, the collection of property tax income from tenants reduced by 90% in accordance with the Royal Decree on Reduction of Land and Building Taxes B.E. 2020.
- Rental and service income from The Ninth Towers and Unilever House totaling Baht 529.6 million, which CPNREIT has invested since early March 2020.
- The accounting adjustment in accordance with TFRS 16 including rental income on a straight-line basis from shopping centers and office buildings totaled Baht 54.3 million, which was included in the rental and service income, and rental discount on a straight-line basis of Baht 168.5 million reduced the actual rental discount to Baht 1,193.4 million.
- Rental income from sublease of Hilton Pattaya was Baht 218.2 million from fixed rental income only as Hilton Pattaya had been temporary closed for renovation from 1 April – 20 December 2020 and gradually re-opened since mid of November 2020. Also, hotel business was affected by the COVID-19 outbreak resulting to significant reduction in bookings, therefore CPNREIT did not receive variable rental income in 2020. Additionally, CPNREIT recorded the additional of Baht 17.1 million as a straight-line rental income, which was a non-cash item.

According to the hotel sublease agreement stipulated in the case of renovation, the sublessee has the right to defer the rental payment in the month that there has been a renovation during the quarter. However, the sublessee shall pay the deferred rent within the same fiscal year provided that such payment shall have no impact to the sublessee's liquidity. Therefore, CPNREIT allowed the sublessee to postpone the rental payment for 1 April – 20 December 2020 to be paid later. Moreover, CPNREIT waived the fixed rental payment for the period of 21 -31 December 2020 to the sublessee due to the ongoing COVID-19 pandemic, which is classified as the force majeure circumstance under the hotel sublease agreement.

Interest income was Baht 7.2 million, decreased by 32.4%yoy resulting from lower portion of fixed deposits at banks and lower deposit interest rate, and other incomes were Baht 21.3 million, increased by 8.0%yoy, since there was income from restoring of the lease space.

In comparison 4Q20 to 4Q19 total income was Baht 1,035.3 million, decreased by Baht 232.7 million or 18.4%yoy, mainly due to a decrease of rental and service income resulting from rental discounts provided to tenants affected by the COVID-19 and lower promotion income due to less number of marketing events in 4Q20.

**Expense**

*In 2020, total expense (excluding interest expense from lease liabilities) was Baht 1,410.8 million, increased by 1.8%yoy.*

In 2020, CPNREIT reported total expense of Baht 2,532.1 million, increased by Baht 1,146.6 million or 82.8%yoy, resulting from the accounting recognition of non-cash interest expense from lease liabilities amounting Baht 1,121.3 million of the lease agreement of CentralPlaza Rama 2 (Renewal) in accordance with TFRS 16. (if excluding interest expense from lease liabilities, total expense was Baht 1,410.8 million, increased by Baht 25.3 million or 1.8%yoy, mainly due to the additional investment in The Ninth Towers and Unilever House.)

Property expenses totaled Baht 621.9 million, decreased by 11.9%yoy, driven mainly from effective cost saving measures implemented since 2Q20 and continued throughout the year 2020. This was mainly due to a decrease of advertising and promotion expense for organizing less marketing events at shopping centers. (Same store property expense decreased by 29.0%yoy mainly from the 90% discount of land and building tax expenses and lower advertising and promotion expense).

Property management fee was Baht 404.8 million, decreased by 14.2%yoy. This was mainly from declining rental collection fee due to lower net rental income and less incentive fee from lower net property income. Meanwhile, leasing commission fee and property management fee remained stable.

Cost of rental and service was Baht 124.4 million, increased by 2.2%yoy, mainly from utilities expense of The Ninth Towers and Unilever House that CPNREIT has invested since March 2020.

Management fee was Baht 150.3 million, increased by 11.7%yoy, and trustee fee was Baht 40.9 million, increased by 11.5%yoy, following an increase of total assets resulting from investments in leasehold properties at fair value of The Ninth Towers and Unilever House. Moreover, interest expense was Baht 592.2 million, increased by 17.9%yoy due to borrowing from banks to invest in those two office buildings in March 2020.

Meanwhile, registrar fee was Baht 4.2 million, declined by 19.4%yoy, resulting from a 20% discount for the annual registrar fee in 2020 for the listed securities on the Stock Exchange of Thailand (SET) provided by the Thailand Securities Depository Co., Ltd. (TSD) to mitigate the impact of the COVID-19.

In comparison 4Q20 to 4Q19, total expense was Baht 733.3 million, increased by Baht 377.8 million or 106.2%yoy, driven by an increase of interest expense totaling Baht 142.9 million or 14.8%yoy from borrowings from bank to invest in The Ninth Towers and Unilever House in March 2020. Also, the accounting recognition of non-cash interest expense from lease liabilities totaling Baht 373.7 million of the lease agreement of CentralPlaza Rama 2 (Renewal).

**Net Investment Income**

*Net investment income totaled Baht 1,537.5 million, decreased by 59.1%yoy.*

In 2020, CPNREIT reported net investment income totaling Baht 1,537.5 million, decreased by Baht 2,218.6 million or 59.1%yoy from Baht 3,756.1 million in 2020. This was attributable to a decrease of rental and service income due to the ongoing rental discount provided to tenants, as well as the temporary closure of Hilton Pattaya for renovation as well as impact from COVID-19 pandemic to hotel business causing no variable rental income from hotel in 2020. Additionally, expenses increased from the accounting record of non-cash interest expense from lease liabilities of the lease agreement of CentralPlaza Rama 2 (Renewal) in accordance with TFRS 16.

However, if eliminating the impact from TFRS 16 i.e. the accounting record of interest expense from lease liabilities amounting Baht 1,121.3 million, and the rental income and rental discount on a straight-line basis totaling Baht 239.9 million, which was a non-cash item, CPNREIT's net investment income would be Baht 2,418.9 million.

In comparison 4Q20 to 4Q19, net investment income totaled Baht 302.0 million, decreased by Baht 610.4 million or 66.9%yoy. This was attributable to lower rental and service income which was affected by the COVID-19 situation, while expense increased from non-cash interest expense from lease liabilities.

**Profitability**

*Net property income margin stood at 84.7%, decreased by 1.5%yoy and net investment income margin was 37.8%, decreased by 35.4%yoy.*

Net property income margin for 2020 stood at 84.7%, decreased by 1.5%yoy. This was the result of a decrease in property income of 20.8%yoy, and a decrease in property expenses of 11.9%yoy. Net investment income margin stood at 37.8%, decreased by 35.4%yoy due to an increase of interest expense from both interest expense from lease liabilities and interest expense from additional borrowings. (if excluding interest expense from lease liabilities, net investment income margin equaled to 65.4%.)

In comparison 4Q20 to 4Q19, net property income margin was 83.9%, decreased by 1.4%yoy, from 85.3% in 4Q19, resulting from a decrease of property income by 18.1%. The net investment income margin was 29.2%, decreased by 43.0%yoy, from 72.2% in 4Q19, mainly due to an increase of interest expense from lease liabilities. (If excluding interest expense from lease liabilities, net investment income margin stood at 65.3%)

**Balance Sheet Movement**

*Total asset totaled Baht 71,577.2 million, increased by Baht 24,890.1 million from the end of 2019.*

As of 31 December 2020, CPNREIT reported total assets of Baht 71,577.2 million, increased by Baht 24,890.1 million or 53.3% from total assets at the end of 2019. This is mainly attributable to:

- 1) Investment in leasehold properties at fair value amounting to Baht 68,269.7 million, increased by Baht 23,797.7 million or 53.5%yoy from investment value of Baht 7,430.0 million of The Ninth Towers and Unilever House office buildings, and the registration fees, value added tax, stamp duties, as well as other related fees and expenses totaled Baht 350.0 million. Additionally, the registration of the leasehold rights over the real property in the CentralPlaza Rama 2 (Renewal Period) totaling 16,713.9 million in March 2020. However, based on the fair value of investment properties at the end of 2020, there was the net unrealized loss from changes in investment value totaled 1,223.6 million, which was non-cash item.
- 2) Investment in securities amounting to Baht 1,072.8 million, mainly investing in money market funds, fixed deposits at banks, and government bonds.
- 3) Rental and service receivables totaling Baht 644.1 million, increased by 221.7%yoy, resulting from delay of rental payment totaled Baht 347.6 million and receivables from accounting record on a straight-line basis totaled Baht 296.5 million.
- 4) Refundable value added tax was Baht 319.0 million, decreased by 18.8%yoy, as during the year CPNREIT received Baht 384.9 million VAT refund from investment in additional assets in December 2017, and the investment in additional assets in March 2020 added up refundable value added tax totaling Baht 378.2 million.

Total liabilities were Baht 43,533.2 million, increased by Baht 26,547.4 million or 156.3%yoy due to the record of lease liabilities for the lease agreement of CentralPlaza Rama 2 (Renewal) totaling Baht 17,727.1 million. Borrowings from banks totaled Baht 8,524.0 million for investment in The Ninth Towers and Unilever House in March 2020 and for asset renovation. Moreover, other liabilities were Baht 1,107.3 million, increased by 26.1%yoy, from accrued expense for renovation of CentralPlaza Rama 2 and Hilton Pattaya. At the end of 2020, interest-bearing debt to total assets (excluding lease liabilities) equaled to 32.2%.

As at 31 December 2020, Net Asset Value ("NAV") was recorded at Baht 28,044.0 million or Baht 12.6753 per unit, decreased from Baht 13.4244 per unit as of 31 December 2019.

At the end 2020, CPNREIT had accumulated deficit of Baht 723.9 million, mainly resulting from the net unrealized loss from changes in investment value of Baht 1,223.6 million.

**The Distribution to Unitholders**

In consideration of the distribution of payment to trust unitholders from the 2020 operating results, the REIT Manager remains committed to liquidity by considering cash flow from operations affected by the postponement of fixed rental income from hotel, ongoing rental discount policy to assist tenants affected by the COVID-19 situation, accrued rental income and debt repayment schedule. Additionally, CPNREIT reported accumulated deficit arising from net unrealized loss from the fair value of investments in leasehold assets.

Therefore, CPNREIT announced the distribution of return and/or capital reduction from the 2020 operation performance as follows:

Type of Payment	Operation Period	Baht per Unit	Payment Date
Distribution of return	1 Jan – 31 Mar 2020	0.2707	10 Jun 2020
Capital reduction	1 Apr – 30 Sep 2020	0.2100	8 Dec 2020
Capital reduction	1 Oct – 31 Dec 2020	0.2612	5 Mar 2021

### FINANCIAL SUMMARY

Table 1: Income Statement

Unit: Baht Million	2020	2019	Change YoY	4Q20	4Q19	Change YoY	3Q20	Change QoQ
<i>Property income</i>	4,062.5	5,131.0	(20.8%)	1,034.6	1,263.4	(18.1%)	1,114.4	(7.2%)
Rental and service income	4,041.1	5,111.2	(20.9%)	1,027.5	1,255.9	(18.2%)	1,113.0	(7.7%)
Other income	21.3	19.7	8.0%	7.1	7.5	(5.0%)	1.4	405.9%
Interest income	7.2	10.6	(32.4%)	0.7	4.6	(85.5%)	1.0	(33.2%)
<b>Total income</b>	<b>4,069.6</b>	<b>5,141.6</b>	<b>(20.8%)</b>	<b>1,035.3</b>	<b>1,268.0</b>	<b>(18.4%)</b>	<b>1,115.3</b>	<b>(7.2%)</b>
<i>Property expenses</i>	621.9	705.7	(11.9%)	167.0	186.3	(10.4%)	163.3	2.3%
Cost of rental and service	124.4	121.7	2.2%	5.4	23.6	(77.1%)	44.6	(87.9%)
Selling and administrative expenses	92.7	112.2	(17.4%)	39.5	35.9	9.9%	17.4	127.4%
Property management fee	404.8	471.7	(14.2%)	122.1	126.8	(3.7%)	101.4	20.5%
Interest expense	592.2	502.4	17.9%	142.9	124.5	14.8%	159.3	(10.3%)
Interest of lease liability	1,121.3	-	100.0%	373.7	-	100.0%	373.5	0.0%
Other management fees and expenses	196.7	177.4	10.9%	49.7	44.7	11.1%	50.5	(1.7%)
<b>Total expense</b>	<b>2,532.1</b>	<b>1,385.5</b>	<b>82.8%</b>	<b>733.3</b>	<b>355.5</b>	<b>106.2%</b>	<b>746.7</b>	<b>(1.8%)</b>
<b>Net investment income</b>	<b>1,537.5</b>	<b>3,756.1</b>	<b>(59.1%)</b>	<b>302.0</b>	<b>912.4</b>	<b>(66.9%)</b>	<b>368.7</b>	<b>(18.1%)</b>
Net realised gain (loss) from changes in investment value	(9.7)	(0.8)	(1102.7%)	(10.0)	0.0	(57489.8%)	(1.1)	(779.9%)
Net unrealised gain (loss) from changes in investment value	(1,223.2)	(435.7)	(180.8%)	(339.0)	(341.8)	0.8%	(861.3)	60.6%
<b>Net increase in net assets from operations</b>	<b>304.6</b>	<b>3,319.6</b>	<b>(90.8%)</b>	<b>(47.0)</b>	<b>570.6</b>	<b>(108.2%)</b>	<b>(493.8)</b>	<b>90.5%</b>
<b>Income available for distribution</b>	<b>1,537.5</b>	<b>3,756.1</b>	<b>(59.1%)</b>	<b>302.0</b>	<b>912.4</b>	<b>(66.9%)</b>	<b>368.7</b>	<b>(18.1%)</b>
<b>Distribution</b>	<b>598.9</b>	<b>3,590.8</b>	<b>(83.3%)</b>		<b>898.3</b>	<b>(100.0%)</b>		n/a
<b>Distribution per unit (in Baht)</b>	<b>0.2707</b>	<b>2.0290</b>	<b>(86.7%)</b>		<b>0.4060</b>	<b>(100.0%)</b>		n/a
Net property income margin	84.7%	86.2%	(1.5%)	83.9%	85.3%	(1.4%)	85.3%	(1.4%)
Net investment income margin	37.8%	73.2%	(35.4%)	29.2%	72.2%	(43.0%)	33.1%	(3.9%)
Net investment income margin excluded interest of lease liability	65.4%	73.2%	(7.8%)	65.3%	72.2%	(6.9%)	66.6%	(1.3%)

Table 2: Balance Sheet

Unit: Baht Million	CPNREIT				
	31-Dec-19	31-Mar-20	30-Jun-20	30-Sep-20	31-Dec-20
<i>Investment at fair value</i>					
Central Rama 2	6,359.0	23,107.1	23,180.3	23,229.4	24,220.7
Central Rama 3	11,447.0	11,447.0	11,447.0	11,447.0	11,888.0
Central Pinklao	5,216.0	5,216.0	5,216.0	5,216.0	4,226.0
Chiangmai Airport	10,655.0	10,655.0	10,655.0	10,655.0	10,287.0
CentralFestival Pattaya Beach	7,290.0	7,290.0	7,290.0	7,290.0	7,145.0
Hilton Pattaya	3,505.0	3,505.0	3,505.0	3,505.0	3,452.0
The Ninth Towers	-	6,107.1	6,107.1	5,521.0	5,704.0
Unilever House	-	1,673.3	1,673.3	1,354.0	1,347.0
Total investment in properties	44,472.0	69,000.5	69,073.8	68,217.4	68,269.7
Investment in securities	901.6	967.5	767.9	767.7	1,072.8
Cash on hand and at banks	509.9	181.6	230.7	875.1	1,162.1
Rental and service receivables	200.2	298.1	588.4	724.1	644.1
Refundable value added tax	392.8	771.0	763.3	351.5	319.0
Other assets	210.4	162.0	147.5	191.6	109.5
<b>Total assets</b>	<b>46,687.0</b>	<b>71,380.8</b>	<b>71,571.6</b>	<b>71,127.5</b>	<b>71,577.2</b>
Deposits received from customers	1,583.6	1,703.2	1,696.7	1,688.7	1,664.0
Lease liability	-	16,532.8	16,979.7	17,353.4	17,727.1
Borrowings	-	8,162.8	8,372.7	8,373.0	8,524.0
Debentures	14,524.1	14,524.9	14,525.8	14,526.7	14,510.7
Other liabilities	878.2	853.2	947.4	630.1	1,107.3
<b>Total liabilities</b>	<b>16,985.8</b>	<b>41,776.9</b>	<b>42,522.3</b>	<b>42,571.9</b>	<b>43,533.2</b>
<b>Net Asset</b>	<b>29,701.2</b>	<b>29,603.8</b>	<b>29,049.4</b>	<b>28,555.6</b>	<b>28,044.0</b>
Capital received from unitholders	29,016.4	29,016.4	29,016.4	29,016.4	28,551.8
Equalisation account	216.1	216.1	216.1	216.1	216.1
Retained earning (deficit)	468.7	371.3	- 183.2	- 676.9	- 723.9
<b>NAV per unit (in Baht)</b>	<b>13.4244</b>	<b>13.3804</b>	<b>13.1297</b>	<b>12.9066</b>	<b>12.6753</b>

Source: 1) Reviewed Interim Financial Statements for the three-month period 2) Audited Financial Statements for the year

**OPERATIONS SUMMARY**

Table 3: Leasable Area and Occupancy

	Area (sqm)		Average Occupancy Rate				
	GFA	NLA <sup>1</sup>	4Q19	1Q20	2Q20	3Q20	4Q20
CentralPlaza Rama 2	251,182	82,961	95.5%	94.6%	94.1%	94.0%	94.1%
CentralPlaza Rama 3	169,740	36,477	96.6%	97.0%	96.8%	96.3%	95.8%
CentralPlaza Pinklao	137,692	27,656	99.4%	99.1%	99.2%	99.3%	99.3%
Pinklao Tower A & Tower B	50,653	34,389	89.4%	87.8%	86.5%	86.2%	85.4%
CentralPlaza Chiangmai Airport	122,991	37,405	94.7%	94.8%	94.4%	95.0%	96.8%
CentralFestival Pattaya Beach	70,095	29,388	98.6%	98.5%	97.1%	94.5%	93.6%
The Ninth Towers	95,997	59,322 <sup>2</sup>		94.1%	89.4%	84.3%	81.8%
Unilever House	30,176	18,527		100.0%	100.0%	100.0%	100.0%
<b>Total/ Average</b>	<b>928,526</b>	<b>326,123</b>	<b>95.4%</b>	<b>95.0%</b>	<b>93.8%</b>	<b>92.6%</b>	<b>92.2%</b>
Hilton Pattaya	49,686	304 rooms	83.9%	61.1%	Close for renovation	Close for renovation	57.2% <sup>3</sup>

**Note:** <sup>1</sup> Anchor and in-line tenants only

<sup>2</sup> excluding meeting room area of 3,068 sq.m.

<sup>3</sup> % of total rooms available for sales in 4Q20

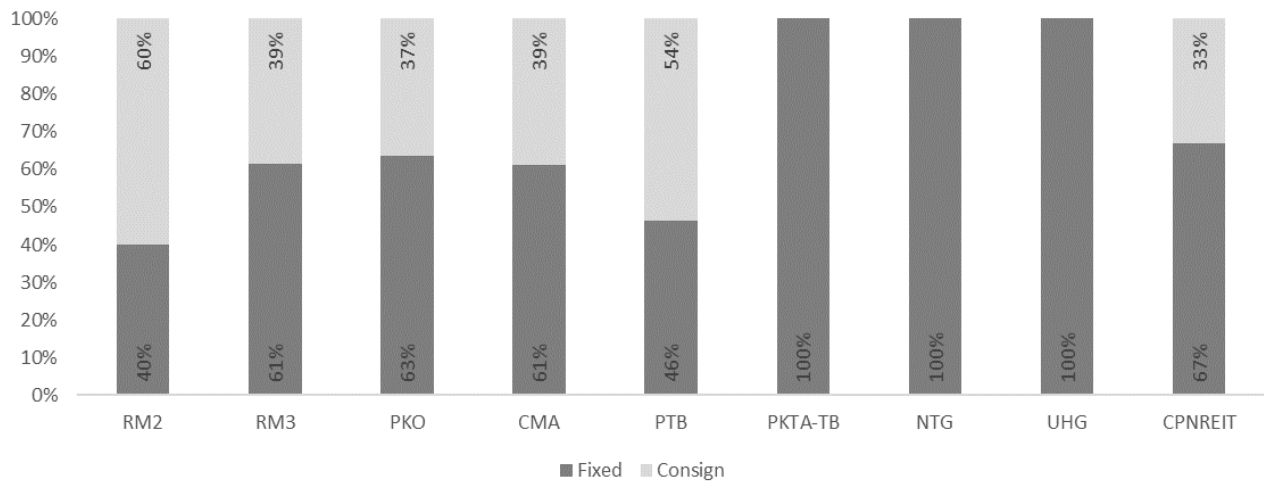
Table 4: Renewals and New Leases

	From 1 October to 31 December 2020		
	Renewals and New Leases <sup>1</sup>		
	No. of Leases	Area (sqm)	%of Total <sup>2</sup>
CentralPlaza Rama 2	68	10,485	29%
CentralPlaza Rama 3	46	5,532	25%
CentralPlaza Pinklao	19	2,692	14%
Pinklao Tower A & Tower B	13	5,413	18%
CentralPlaza Chiangmai Airport	12	1,255	5%
CentralFestival Pattaya Beach	5	826	5%
The Ninth Towers	8	2,837	6%
<b>Total</b>	<b>171</b>	<b>29,040</b>	<b>15%</b>

**Note:** <sup>1</sup> Exclude rental agreements < 1 year and Anchor tenants

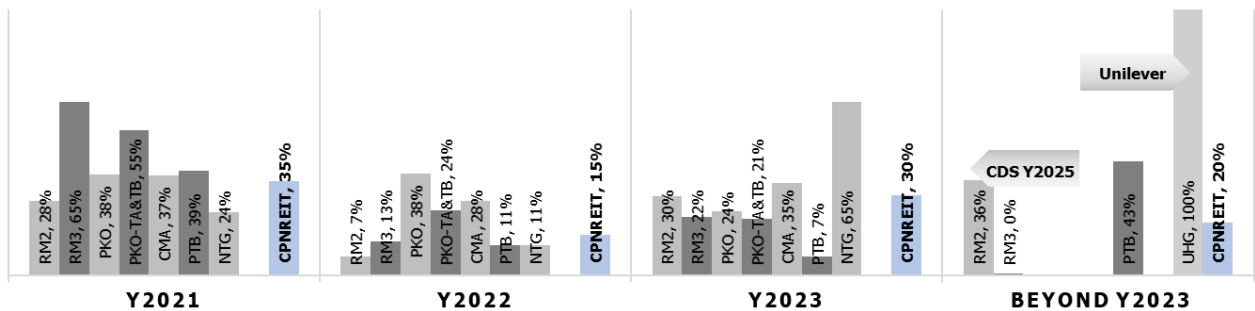
<sup>2</sup> Percentage of in-line tenants' leasable area as at 31 December 2020

**Graph 1: Rental Structure**



**Note:** As at 31 December 2020

**Graph 2: Lease Expiry Profile**



**Note:**

1. Percentage of total occupied area as at 31 December 2020
2. Exclude rental agreements < 1 year