Annual Report 2022

CPN REIT

CENTRAL RAMA 2

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CAMPUS

SUMMARY OF CPNREIT

As of 31 December 2022

Thai Name	ทรัสต์เพื่อการลงทุนในสิทธิการเช่าอสังหาริมทรัพย์ CPN รีเทล โกรท
English Name	CPN Retail Growth Leasehold REIT
Ticker	CPNREIT
REIT Establishment Date	29 November 2017
Approval Date	10 November 2017

REIT Manager	CPN REIT Management Company Limited
Property Manager	Central Pattanna Public Company Limited (“Central Pattana”) Grand Canal Land Public Company Limited (“GLAND”) Sterling Equity Co., Ltd. (“Sterling”)
Trustee	SCB Asset Management Company Limited
Auditor	KPMG Phoomchai Audit Ltd.

Market Capitalization	THB 50,076.66 million	**Closing Price as of 30 Dec 2022**	THB 19.50 per Unit
		No : of Trust Unit	2,568,034,000 Units
Net Asset Value	THB 33,277.17 million	**NAV per Unit**	THB 12.9582 per Unit
Authorized Capital	THB 30,919.64 million	**PAR Value**	THB 12.0402 per Unit
Price/NAV	1.5048 time	**Weighted Average Lease Expiry**	32.39 years

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

Details of Asset

Details	Project				
	Central Rama 2	Central Rama 3	Central Pinklao	Pinklao Tower A & B Office Building	Central Chiangmai Airport
Location	No. 160 Rama 2 Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok	No. 79, 79/1-79/2, 79/4-79/33 Sathu Pradit Road, Chong Nonsi Sub-district, Yannawa District, Bangkok	No. 7/3-7/128, 7/129-7/221, 7/222-7/552 and 7/553, Borommaratchachonnani Road, Arun Ammarin Sub-district, Bangkok Noi District, Bangkok		No. 2 Mahidol Road, 252-252/1 Wualai Road, Haiya Sub-district, Mueang District, Chiangmai
Gross Area (SQ.M.)	286,580	169,740	137,692	50,653	122,991
Leasable Area (SQ.M.)	88,832	36,040	27,711	34,096	36,829
Parking Area (SQ.M.)	122,554	90,186	66,118		44,142
Land's Leasehold Right	For 20 years, and expires on 15 August 2025	For 30 years, and expires on 15 August 2035 [(2)]	For approximately 15 years, and expires on 31 December 2024		For 30 years, and expires on 22 April 2044
Building's Leasehold Right and/or Building's Sub-leasehold Right	For 20 years, and expires on 15 August 2025[(1)]	For 30 years, and expires on 15 August 2035[(2)]	For approximately 15 years and expires on 31 December 2024		For 30 years and expires on 22 April 2044
Date of appraisal	31 December 2022				
Fair value (THB Million)	27,056	13,099	1,786	398	10,439
Appraiser	TAP Valuation Co., Ltd.	Quality Appraisal Co., Ltd.			
Appraisal Method	Income Approach				

[(1)] The registration of the leasehold rights over the real property in the Central Rama 2 (Renewal) was completed on 31 Mar 2020 and the lease term is 30 years (until 15 Aug 2055). In this regard, CPNREIT will proceed with seeking sources of funds forrental payment in 2025.

[(2)] The right to renew the lease agreement for 2 further terms of 30 years each

Details	Project					
	Central Pattaya	Hilton Pattaya Hotel	The Ninth Towers Office Building	Unilever House Office Building	Central Marina	Central Lampang
Location	No.333/99 and 333/101 Moo 9 Pattaya 1 Road, Nong Prue, Bang lamung, Chonburi		No. 33/4, Rama 9 Road, Huaykwang Sub-District, Huaykwang District, Bangkok	No. 161, Rama 9 Road, Huaykwang, Sub-Distruct, Huaykwang District, Bangkok	No. 78/54 and 78/12 Moo 9, Pattaya Sai 2 Road, Nong Prue Sub-District, Banglamung District, Chonburi	No. 319 Super Highway Road, Lampang-Ngao Road, Suan-Dok Sub-District, Mueang Lampang District, Lampang
Gross Area (SQ.M.)	70,095	49,686	95,997	30,176	45,149	45,716
Leasable Area (SQ.M.)	29,388	15,182	58,914	18,527	15,453	16,363
Parking Area (SQ.M.)	14,930	572	27,206	10,035	15,959	13,993
Land's Leasehold Right	-		-	-	-	-
Building's Leasehold Right and/or Building's Sub-leasehold Right	For approximately 20 years and expires on 31 August 2037		For approximately 27 years and expire on 18 April 2047	For approximately 14 years and expire on 14 November 2034	For approximately 14 years and expires on 30 April 2035	For approximately 20 years and expires on 16 December 2041
Date of appraisal	31 December 2022					
Fair value (THB Million)	7,474	3,790	5,921	1,361	1,904	2,963
Appraiser	Quality Appraisal Co., Ltd.		TAP Valuation Co., Ltd.		Quality Appraisal Co., Ltd.	
Appraisal Method	Income Approach					

Investment Proportion

DIRECT
100%

LEASEHOLD RIGHT
100%

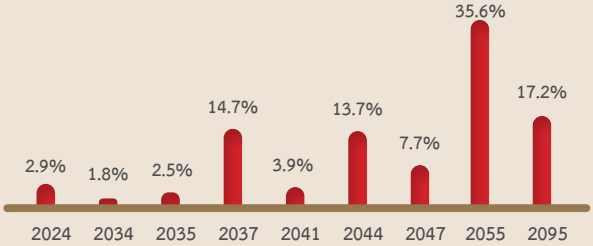
Revenue Structure

Shopping Malls	Offices	Hotel
78%	17%	5%

Asset Type
(Appraisal Value)

Shopping Malls	Offices	Hotel
85%	10%	5%

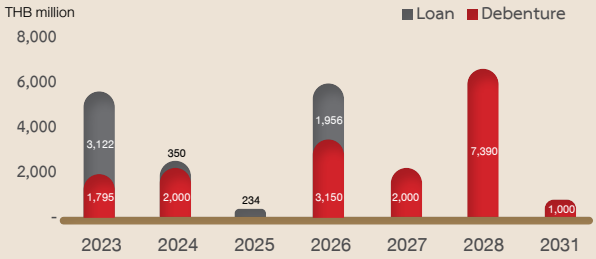
Weighted Average Lease Expiry (WALE)
(% of total leasehold)



Capital Structure

	(THB million)
Total Assets	80,316.81
Total Liabilities	47,039.65
Equity	33,277.17
Retained earnings (Deficit)	156.09
IBD/Total assets	28.64%
Credit Rating	AA (Negative Outlook)

Debt Expiry Profile



List of the top 10 trust unitholders as of 30 December 2022

Trust unitholders	No. of trust units	%
1. Centralpattana Group[/1]	777,590,037	30.3
2. Social Security Office	146,383,100	5.70
3. TMB EASTSPRING Property and Infrastructure Income Plus Flexible Fund	74,511,300	2.90
4. Government Saving Bank	64,072,393	2.49
5. DEUTSCHE BANK AG SINGAPORE – PWM	62,224,741	2.42
6. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	60,595,700	2.36
7. K Property Infrastructure Flexible	58,377,610	2.27
8. PRINCIPAL PROPERTY INCOME FUND	44,347,978	1.73
9. Krungthai-AXA Life Insurance Public Company Limited	26,168,066	1.01
10. MFC Property Dividend Fund	25,905,005	1.00
Foreign Limit		100.00
Current Foreign Holding		7.79

Remark: [/1] CENTRAL PATTANA PLUBIC COMPANY LIMITED and CENTRALPATTANA DEVELOPMENT CO.,LTD. .

Distribution Payment Policy

THB per unit

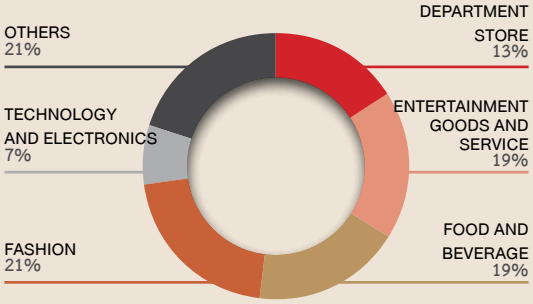
CPNREIT shall make distribution of returns not less than 90% of the adjusted net profit of such accounting period and not less than 2 times per year.	Type of Payment (THB per Unit)	2017	2018	2019	2020	2021	2022	Total
	Distribution of returns	-	1.6170	1.6230	0.2707	0.0552	0.8221	4.3880
	Capital Reduction	0.2879[/1]	-	-	0.4712	0.5480	0.3148	1.6219
	Total	**0.2879**	**1.6170**	**1.6230**	**0.7419**	**0.6032**	**1.1369**	**6.0099**

Remark: [/1]Payment from the operation period of CPNRF from 1 Oct – 30 Nov 2017 before the conversion to CPNREIT and the operation period of CPNREIT from 29 Nov – 31 Dec 2017.

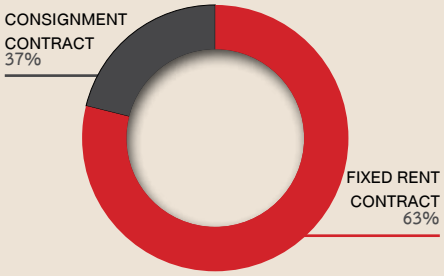
Detail of Tenants

As of 31 December 2022

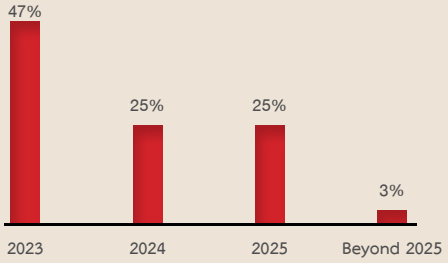
%Merchandise Mix
(% of Occupied area)



Rental Structure
(% of Occupied area)



Lease Expiry Profile
(% of Occupied area)

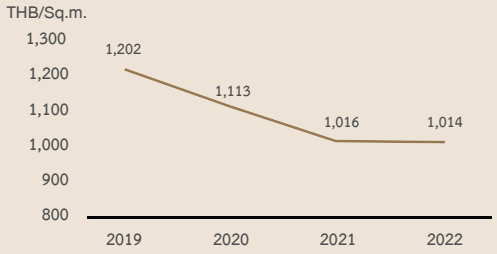


%Lease Renewals

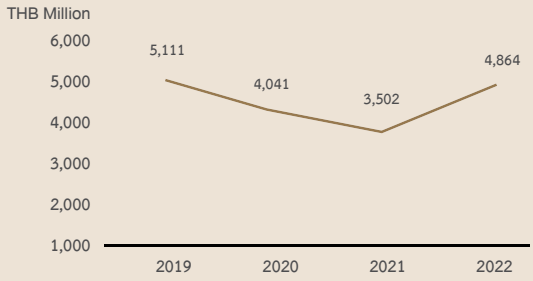
year	Existing Assets (%)	Additional Assets (%)
2019	96	-
2020	98	95
2021	91	100
2022	90	-

Financial Highlights

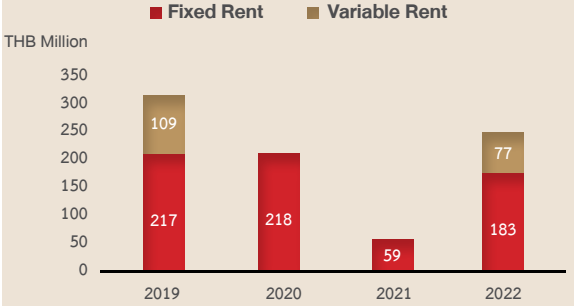
Average Rental Rate
(Shopping Malls and Offices)



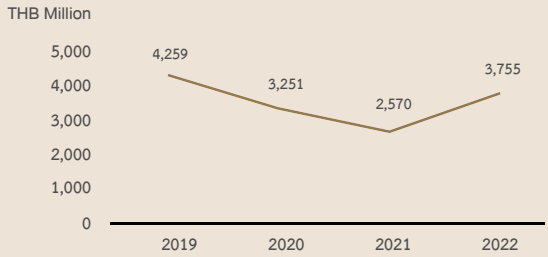
Rent and Service Income



Total Rent from Sub-Lessee



EBITDA



Financial Highlights

Key Financial Highlights	Unit	2020	2021	2022
Income	THB Million	4,041	3,502	4,864
Other Income	THB Million	28	26	23
EBITDA	THB Million	3,251	2,570	3,755
Net Investment Income	THB Million	305	866	2,111
Earnings Per Unit (EPU)	THB	0.1377	0.3372	0.8221
Payment to trust unitholder per unit	THB	0.7419	0.6032	1.1369
Distribution Per Unit (DPU)	THB	0.2707	0.0552	0.8221
Capital Reduction per unit	THB	0.4712	0.5480	0.3148
Interest Bearing Debt to total assets	Times	0.32	0.28	0.29
Finance cost[/1]	Percentage	3.15	2.63	2.74
Net Cash Provided By (Used In) Operating Activities	THB Million	(5,299)	(3,818)	3,707
Net Cash Provided By (Used In) Financing Activities	THB Million	5,951	3,815	(2,824)
Net Increase (Decrease) In Cash	THB Million	652	(3)	883
Net Assets Value (NAV)	THB Million	28,044	33,819	33,277
Net Assets Per Unit	THB	12.6753	13.1691	12.9582
Price / NAV	Times	1.50	1.53	1.50
Dividend Yield	Percentage	1.42	0.27	4.22
Market Capitalization	THB Million	42,037	51,874	50,076
Closing Price (at the last day of fiscal year)	THB per unit	19.00	20.20	19.50
No. of Trust unit (at the last day of fiscal year)	Million unit	2,212	2,568	2,568

Remark: [/1] Financial cost excluded interests form lease liabilities / Interest bearing debt (average)

Borrowings and Debentures at the ended of 2022

Borrowings		
1.	Lender	Financial institution
	Amount (THB Million)	4,585
2.	Lender	Financial institution
	Amount (THB Million)	1,091

Debentures	Amount (THB Million)	Maturity (Years)	Interest Rate (%)	Maturity Date
CPNREIT288A	7,390	10	3.80	17 Aug 2028
CPNREIT232A	1,795	4	3.30	8 Feb 2023
CPNREIT243A	2,000	3	1.50	31 Mar 2024
CPNREIT263A	1,500	5	2.13	31 Mar 2026
CPNREIT268A	1,650	5	1.65	13 Aug 2026
CPNREIT318A	1,000	10	2.96	13 Aug 2031
CPNREIT272A	2,000	5	2.40	28 Feb 2027
Total	**17,335**			

More information is available in the 56-REIT1 on www.sec.or.th or www.cpnreit.com

BOARD OF DIRECTORS

Mrs. Auyporn Footrakul
Chairman and Independent Director

Mr. Pongsakorn Thiengtham
Independent Director

Ms.Wallaya Chirathivat
Director

Ms. Naparat Sriwanvit
Director

Ms. Pirinee Pringsulaka
Director

Dear Trust Unitholders,

In 2022, the COVID-19 situation had constantly improved, and the government gradually relaxed the control measures coupled with the international travelling restrictions of several countries were lifted off, resulting in swiftly recovering foreign and domestic tourism sectors. The wide-spreading economic recovery, coupled with the Russia-Ukraine conflict having comparatively less effect on Thailand, also saw a recovery in trade and the service sectors alongside improvements in private consumption and domestic investments. However, a handful of risks remain to require close monitoring, namely rising inflation, interest rates, energy costs, and costs of living, as they affect businesses both in terms of income and upfront cost, whereby the Thai economy grew by 2.6% in 2022 or an increase from 1.5% in 2021.

For the management of CPN Retail Growth Leasehold REIT ("CPNREIT"), the REIT Manager has been focusing on generating revenue alongside managing costs and liquidity maintenance, controlling operational efficiency-expenditure and sufficient cash flow for business management and operations, including continuous growth under the CPNREIT investment policy, as well as creating sustainable returns for trust unitholders by prioritizing trust-investment management of the following assets:

Asset Management

The REIT Manager and the property manager have jointly and continuously taken care of and developed the shopping center to increase the number of visitors and attract both Thai and foreign tourists since the relaxing of COVID-19 prevention measures and people returning to normal life, the country reopening to welcome tourists alongside government measures to stimulate tourism, by continuously organizing marketing and sales promotion activities and organizing a grand year-end campaign at shopping centers to promote sales to lessees and partners, resulting in a substantial reduction in rental discounts to tenants, coupled with ongoing cost control measures to maintain profitability. CPNREIT still maintained the occupancy rate of shopping centers more than 90% and a lease renewal rate above 90% of the expired lease area, also the occupancy rate of Hilton Pattaya rose to 85% in the second half of 2022.

The overall market for commercial real estate offices began showing signs of recovery as well, although some organizations still allowed employees to work from home. However, the ratio of employees returning to work in office buildings began to increase steadily with new lease contracts seeing. The occupancy rate of office buildings was at 86%, a slight increase from the previous year.

Performance and Distribution of Returns to Trust Unitholders

In 2022, CPNREIT reported total income of THB 4,886.7 million, an increase of THB 1,359.5 million or 38.5%yoy, reflecting a recovery across all property categories ;- shopping malls seeing lower rental discount, higher rental income from promotion area, and increasing rental income from consignment, office buildings showing higher occupancy rate driven by new tenants, and Hilton Pattaya presenting significantly improvement in occupancy rate as well as the room rate at the end of 2022 reached its pre-COVID-19 level. At the same time, total expenses increased by 10.9%yoy, due mainly to recording interest expenses on lease liabilities from Central Rama 2 (renewal period) under the Thai Financial Reporting Standard No. 16 for Leases ("TFRS 16"), a non-cash item, alongside property management expenses that increased with rising energy costs and land and building taxes without a 90% discount like the previous year, and increased interest expenses under rising interest rate environment. In addition, CPNREIT recorded a gain from changes in the fair value of leasehold investments mainly from Central Rama 2, resulting in the net profit of THB 2,111.2 million, an increase of 143.8%yoy.

Given the improved performance, the REIT Manager has considered the payment to trust unitholders in total of THB 1.1369 per unit, an increase of 88.5%yoy, comprising of distribution of return of THB 0.8221 per unit and payment in form of capital reduction of THB 0.3148 per unit.

At the end of 2022, CPNREIT reported total assets of THB 80,316.8 million, increased by 1.7%yoy, and total loans and debentures of THB 23,001.4 million, resulting in net assets per unit of THB 12.9582, a reduction from THB 13.1691 per unit at the end of 2021. Interest-bearing debt (excluding lease liabilities) to asset ratio stood at 28.6%.

CPNREIT was affirmed credit rating at 'AA' with a 'Negative' outlook by TRIS Rating Co., Ltd., reflecting its high-quality assets as well as predictable cash flow from leasing revenue and services performed under conservative contracts and financial policies.

Additional Asset Investments

In 2022, although the REIT Manager had not made the additional investment in the remaining assets, namely Central Surat Thani and Central Ubon, under the resolution of the Extraordinary General Meeting of Unitholders No. 1/2019. Nevertheless, the REIT Manager has continued to follow the investment policy stated in the trust deed to create income base growth and return to CPNREIT with additional asset investments considering quality assets, solid performance, and high-potential locations. The REIT Manager will proceed the investment at the right time and valuation with appropriate capital structure aiming to maximize the ability to generate consistent returns to CPNREIT and trust unitholders over the long-term.

Asset Enhancement

Optimizing asset quality being a key factor in increasing return on CPNREIT's asset performance, therefore, in 2022 the REIT Manager approved the renovation plan for Central Pattaya to modernize and increase the competitiveness of the shopping mall by developing and improving the merchandise mix with various New Special Zones added to facilitate the number of shoppers, of whom are expected to increase significantly, given the THB 181.4 million investment budget. The renovation is scheduled to be completed by the third quarter of 2023.

Sustainability Development

As the REIT Manager and property managers take into account the Environment Social Governance (ESG), CPNREIT has been recognized for its outstanding sustainability following its sustainability assessments from S&P Global, known worldwide as a standard for analyzing and making investment decisions, and has been recognized as a Member in the S&P Global Sustainability Yearbook 2023 for the second year. CPNREIT has also participated in the Global Real Estate Sustainability Benchmark (GRESB) assessment and rating for the second year running.

The REIT Manager would like to thank all trust unitholders for their trust and support in good and bad times. The REIT Manager has determination to manage CPNREIT for sustainable growth that generates stable returns for the trust unitholders by operating under good corporate governance principles.

Mrs. Auyporn Footrakul
Chairman
CPN REIT Management Company Limited
The REIT Manager of CPNREIT

Objective and Investment Policy of CPNREIT

1. Objective of CPNREIT

The objective of CPNREIT is to invest in the core properties by means of purchasing and/or leasing and/or sub-leasing and/or accepting transfer of leasehold rights and/or sub-leasehold rights of properties. CPNREIT shall seek benefits from such core properties in the form of rental and service fees, or any other income of similar nature. In addition, CPNREIT will engage in modification, change, enhancement of potential, development and/or disposal of assets for the purpose of generating income and returns for the interest of unitholders in the long run. CPNREIT also aims to make additional investments in core properties for the purpose of continuous growth of its income base, as well as to invest in other assets and/or securities and/or seek interests by any other means in compliance with the securities law and/or any other applicable laws.

2. Investment Policy

CPNREIT will focus on its investments in immovable properties, leasehold rights in immovable properties, and sub-leasehold rights in high-end immovable properties, particularly shopping malls. CPNREIT will also invest in other types of immovable properties that are related to or complement immovable properties in the category of shopping malls, such as assets for commercial purposes, office buildings, hotels, and serviced apartments, etc., as core assets of CPNREIT. CPNREIT will do so by means of purchasing and/or leasing and/or sub-leasing and/or accepting transfer of leasehold rights and/or sub-leasehold rights in the core assets, and place emphasis on the generation of benefits in the form of rental income and service fees, or any other income of a similar nature. In addition, CPNREIT shall cause improvement, change, enhancement, development, and/or disposal of assets for the purposes of generating income and returns to CPNREIT in the continuous interests of the unitholders in the long-term. Furthermore, CPNREIT also intends to make additional investments in additional assets in order to achieve the continuous growth of its income and so as to diversify risks through investment in immovable properties in different locations, as well as to invest in other assets and/or securities and/or to seek other benefits from any other methods in accordance with the Securities Laws and/or any other relevant laws.

Significant change and development in 2022

- **Issuance of Bond "CPNREIT272A"**

  On 28 February 2022, CPNREIT issued CPNREIT272A debenture worth THB 2,000.0 million with 5 years term due 2027 at coupon rate of 2.40%, interest payment every 6 months throughout the term of debenture, offering to Private Placement to institutional investors. The proceeds from the debentures were used for debt repayment. TRIS Rating assigned the ratings of "AA" to the senior unsecured debentures on 4 February 2022.

- **The 2022 Annual General Meeting of Trust Unitholders**

  The REIT Manager of CPNREIT has convened the 2022 Annual General Meeting of Trust Unitholders on 21 April 2022 at 2.00 p.m. via Electronic Media ("E-AGM") and disclosed the Minutes of 2022 Annual General Meeting of Trust Unitholders via the Stock Exchange of Thailand and on CPNREIT's website (www.cpnreit.com) since 5 May 2022.

- **TRIS Rating affirmed CPNREIT credit rating at "AA" with "Negative" outlook**

  On 22 August 2022 and 20 December 2022, 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. The rating outlook "negative" reflected the concerns over delays in the CPNREIT's asset acquisitions and equity injections that have led to weaker-than-expected financial performance and continued high financial leverage.

- **Renovation plan of Central Pattaya**

  In December 2022, CPNREIT approved the renovation plan of Central Pattaya to modernize the shopping center and increase its competitiveness, with the investment cost of THB 181.4 million. The renovation has been taken place in phases and scheduled for completion in 3Q23.

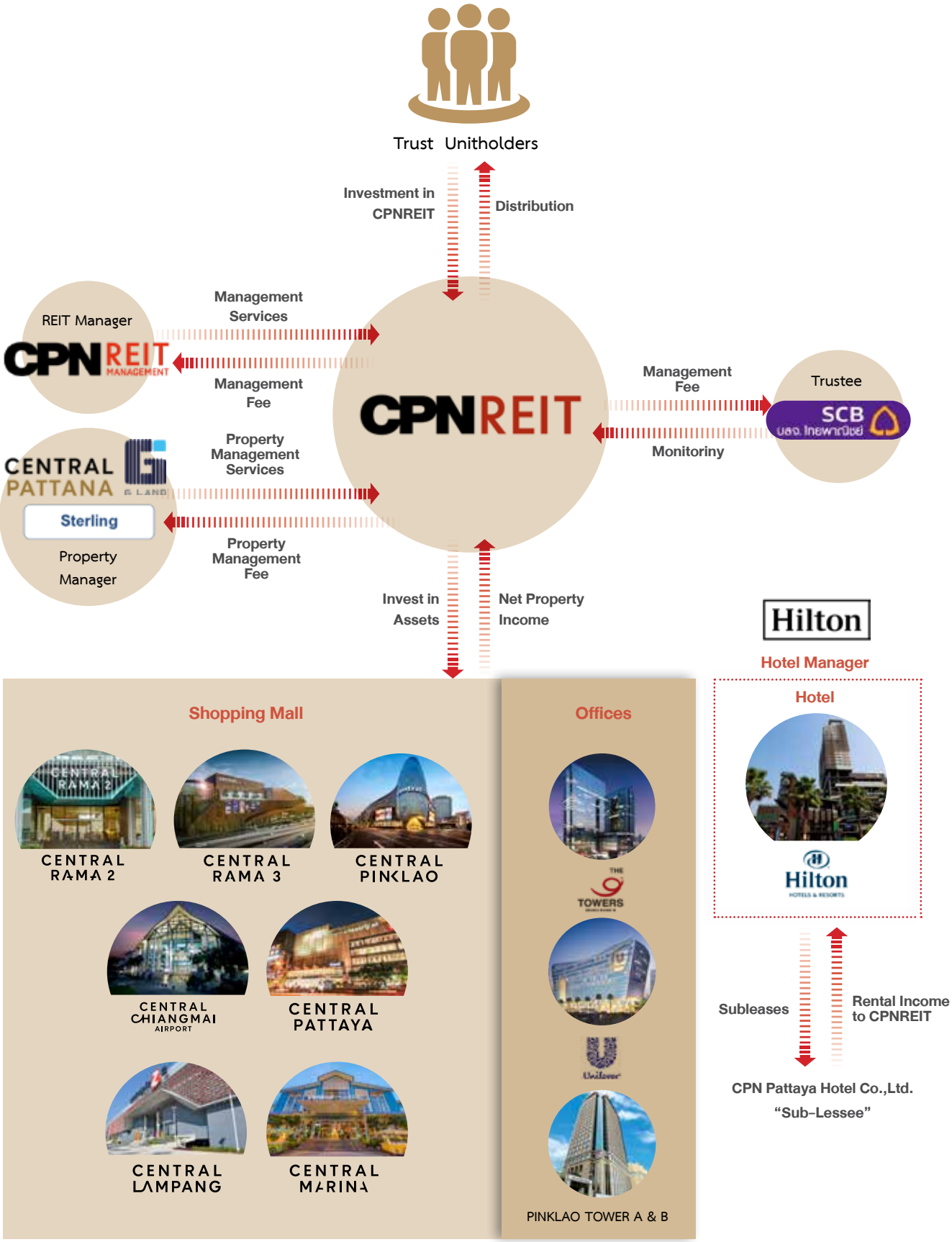
- **Distribution payment to trust unitholders from the 2022 operation period**

  CPNREIT announced the distribution payment from the 2022 operation period totaled THB 1.1369 per unit trust, increased by 89.0%yoy from THB 0.6032 paid from the 2021 operation period. The distribution payment divided into the distribution of return amounting THB 0.8221 per unit and the payment in form of capital reduction amounting THB 0.3148 per unit.

- **Sustainability Excellence**

  CPNREIT was selectively listed in S&P Global's Sustainability Yearbook 2023 in Real Estate business category for the two consecutive years. S&P Global assessed and analyzed the sustainability operations in all 3 dimensions, namely the environment, society, economy & governance.

Structure of CPNREIT



Detail of Total Assets

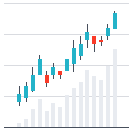
As of 31 December 2022

TOTAL ASSETS

80,317 (THB MILLION)

NET ASSET VALUE

33,277 (THB MILLION)



NET ASSET VALUE PER UNIT

12.9582 (THB)

PRICE

19.50 (THB)

(as of 30 Dec 2022)

As of 31 December 2022	Value (THB)	% to NAV
Investments measured at fair value through profit or loss	873,909,750	2.63
Investments in leasehold properties at fair value	76,303,517,769	229.30
Cash equivalents	2,041,833,116	6.14
Accrued rental and service receivables	671,483,655	2.02
Receivables form the Revenue Department	256,178,296	0.77
Prepaid expenses	18,038,194	0.05
Other assets	151,853,311	0.46
Total Assets	**80,316,814,091**	**241.36**
Net Assets (NAV)	**33,277,166,951**	**100.0**

Details of Properties invested by CPNREIT

At the end of 2022, CPNREIT had been investing in 12 Projects including 7 shopping malls, 4 office buildings, and one hotel. The details are as follows:

CENTRAL RAMA 2 PROJECT

286,580 SQM. GROSS FLOOR AREA	88,832 SQM. GROSS LEASABLE AREA	93.8% OCCUPANCY RATE

General Information of Asset

Central Rama 2 Project was completely developed and has been operating since December 2002. Central Rama 2 is located on Rama 2 Road, one of the most important roads in term of economics. It is the main road for transportation towards Southern region of Thailand and it is surrounded by large residential communities and numbers of industrial factories in the Western and Southern parts of Bangkok with developed transportation and communication network. The Project is located at No. 160 Rama 2 Road, Samae Dam Sub-district Bang Khun Thian District, Bangkok.

Details of Central Rama 2 Project

(as of 31 December 2022)

Characteristic of Investment in Central Rama 2 (the agreement expiring on 15 August 2025)	1. Sub-leasehold rights over the land with the total land area of 53-2-38.4 rais. 2. Leasehold rights over immovable properties (partial) including parking areas (partial) 3. Leasehold rights over utilities systems which are related to the project. For approximately 20 years, (thie agreement expiring on 15 Audust 2025). 4. Ownership of movable assets which are related to the project.
Characteristic of Investment in Central Rama 2 (Renewal Period)	1. Leasehold rights (excluding Land) over immovable properties for approximately 30 years from Central Pattana Rama 2, the agreement start from 16 August 2025 to 15 August 2055. These comprise building areas, common areas, and parking areas which are related to the project. The investment area is approximately 264,530 square meters. 2. Leasehold rights over utilities systems which are related to the project for approximately 30 years from Central Pattana Rama 2 since 16 August 2025 to 15 August 2055, which will comprise the electrical system, utilities system, telephone system, elevators, escalators, air conditioning system, engineering works system, wastewater treatment system, and various facilities that have been installed and used in the building and structures of the project which will be invested in by CPNREIT. At present, CPNREIT is the owner of movable assets of Central Rama 2 Project, therefore, there will be no additional investment in these assets.
Property Manager	Central Pattana
Building Area	Gross Floor Area (include parking area) approximately 286,580 sq.m. Gross Leasable Area approximately 88,832 sq.m.
Date of Transfer from CPNRF	1 December 2017
Transfer Value from CPNRF	THB 7,186 million
Cost as of 31 Dec 2022	THB 24,995 million
Fair Value as of 31 Dec 2022	THB 27,169 million

CENTRAL RAMA 3 PROJECT

169,740 SQM. GROSS FLOOR AREA	**36,040** SQM. GROSS LEASABLE AREA	**94.0%** OCCUPANCY RATE

General Information of Asset

Central Rama 3 Project was completely developed and has been operating since October 1997. It's located in one of the best locations of Sathupradit Road which is a continuous area in the heart of Bangkok (Sathorn and Silom). The area is known as one of the main residential and business areas of Bangkok. Central Rama Project 3 is located at No. 79, 79/1-79/2, 79/4-79/33 Sathu Pradit Road, Chong Nonsi Sub-district, Yannawa District, Bangkok.

Details of Central Rama 3 Project

(as of 31 December 2022)

Characteristic of Investment	1. Leasehold right over the land with the total area of 12-2-44.6 rais. 2. Leasehold rights over immovable properties, these comprise building areas (partial), and all parking areas. For approximately 30 years, (the agreement expiring on 15 August 2035). CPNREIT is entitled to renew the lease agreement for another 2 times, for a period of 30 years each as CPNRF (which was converted into CPNREIT) has paid single and full amount of rental fee and deposit pursuant to the condition of the lease agreement). 3. Leasehold rights over utilities systems which are related to the project. 4. Ownership of movable assets which are related to the project.
Property Manager	Central Pattana
Building Area	Gross Floor Area (include parking area) approximately 169,740 sq.m. Gross Leasable Area approximately 36,040 sq.m.
Date of Transfer from CPNRF	1 December 2017
Transfer Value from CPNRF	THB 9,179 million
Cost as of 31 Dec 2022	THB 9,723 million
Fair Value as of 31 Dec 2022	THB 13,099 million

CENTRAL PINKLAO PROJECT AND PINKLAO TOWER A AND B OFFICE BUILDINGS

Central Pinklao

137,692 SQM. GROSS FLOOR AREA	**27,711** SQM. GROSS LEASABLE AREA	**97.7%** OCCUPANCY RATE

Pinklao Tower A and B

50,653 SQM.. GROSS FLOOR AREA	**34,096** SQM. GROSS LEASABLE AREA	**80.8%** OCCUPANCY RATE

General Information of Asset

Central Pinklao Project was completely developed and has been operating since March 1995. It is a large commercial real estate project, located on Borommaratchachonnani Road, the main road on the west side of Bangkok. The project consists of Central Pinklao shopping mall, Pinklao Tower A, and Tower B, and Central Department Store building. Central Pinklao shopping mall and office buildings are located at No. 7/3-7/128, 7/129-7/221, 7/222-7/552 and 7/553, Borommaratchachonnani Road, Arun Ammarin Sub-district, Bangkok Noi District, Bangkok.

Details of Central Pinklao Project

(as of 31 December 2022)

Characteristic of Investment	1. Sub-leasehold right over the land with the total area of 24-2-84 rais. 2. Leasehold rights over immovable properties, these comprise one shopping mall building (partial), and two office buildings, as well as parking areas inside the building. 3. Leasehold rights over utilities systems which are related to the project. For approximately 15 years, (the agreement expiring on 31 December 2024). 4. Ownership of movable assets which are related to the Project Invested by CPNREIT.
Property Manager	Central Pattana
Building Area	Gross Floor Area (include parking area) approximately 188,345 sq.m. Gross Leasable Area approximately 61,807 sq.m.
Date of Transfer from CPNRF	1 December 2017
Transfer Value from CPNRF	THB 5,543 million
Cost as of 31 Dec 2022	THB 5,659 million
Fair Value as of 31 Dec 2022	THB 2,184 million

CENTRAL CHIANGMAI AIRPORT PROJECT

122,991 SQM. GROSS FLOOR AREA	**36,829** SQM. GROSS LEASABLE AREA	**96.4%** OCCUPANCY RATE

General Information of Asset

Central Chiangmai Airport Project is the one of the largest shopping mall in Chiangmai and the upper northern region. It was completely developed and has been operating since 1993 (the year Central Pattana acquired the project). Central Chiangmai Airport Project is located at No. 2 Mahidol Road, 252-252/1 Wualai Road, Haiya Sub-district, Muang District, Chiangmai, whereby Mahidol Road is one of the main roads of Chiangmai. Furthermore, the shopping mall is located closely to Chiang Mai International Airport.

Details of Central Chiangmai Airport Project

(as of 31 December 2022)

Characteristic of Investment	1. Leasehold right over the land where the shopping mall building is located. Multi-purpose buildings, indoor car parking, including roads around the project and entrance (partial) of Central Chiang Mai Airport project with the total area of 32-3-56.85 rais. 2. Leasehold rights over immovable properties, these comprise one shopping mall building areas (partial), one multipurpose hall, as well as parking areas which are related to the project. (proportional to the use of shopping mall area and multi-purpose building invested by CPNREIT). 3. Leasehold rights over utilities systems which are related to the Project Invested by CPNREIT. For approximately 30 years. (the agreement expiring on 22 April 2044). 4. Ownership of movable assets which are related to the project.
Property Manager	Central Pattana
Building Area	Gross Floor Area (include parking area) approximately 122,991 sq.m. Gross Leasable Area approximately 36,829 sq.m.
Date of Transfer from CPNRF	1 December 2017
Transfer Value from CPNRF	THB 10,494 million
Cost as of 31 Dec 2022	THB 10,546 million
Fair Value as of 31 Dec 2022	THB 10,439 million

CENTRAL PATTAYA PROJECT

70,095 SQM. GROSS FLOOR AREA	**29,388** SQM. GROSS LEASABLE AREA	**90.9%** OCCUPANCY RATE

General Information of Asset

Central Pattaya Project was completely developed and has been operating since January 2009. It is located near the largest coastline in Southeast Asia. Hilton Pattaya Hotel , a 5-star hotel, is located within the same project as the shopping center, was completely developed and started its operation since November 2010. Central Pattaya and Hilton Pattaya Hotel Project is located at No. 333/99 and No. 333/101 Moo. 9 Pattaya Sai. 1 Nong Prue Sub-district Bang Lamung District, Chonburi Province.

Details of Central Pattaya

(as of 31 December 2022)

Characteristic of Investment	1. Leasehold/subleasehold rights over the immovable properties comprising: building areas (partial), and parking areas (partial), which are related to the project. Nonetheless, the leased properties are exclusive of areas of which 1) CPN Pattaya Co., Ltd. ("CPN Pattaya") leased out to tenants who have made rental payments on a long-term basis, and under renovation, and 2) relevant parking areas in respect of CPN Pattaya rights 2. Leasehold rights over utilities systems which are related to the project. These will comprise electrical system, utilities system, telephone system, elevators, escalators, air conditioning system, engineering works system, wastewater treatment system, and various facilities that have been installed and used in the building and structures of the Project. For approximately 20 years. (the agreement expiring on 31 August 2037). 3. Ownership of movable assets which are related to the project, which will comprise equipment for decoration, tools, instruments, whether are permanently fixed or not, including other equipment used for the purpose of decorating or facilitating users of the building and structures of the Project, which are located on and/or fixed on the exterior or in the interior of the areas of the building and structures of the Project, or on the surface of the building and structures of the Project including any other rights relating to or in connection with the aforementioned properties (as the case may be), excluding the properties that are component parts of the building and structures.
Property Manager	Central Pattana
Building Area	Gross Floor Area (include parking area) approximately 70,095 sq.m. Gross Leasable Area approximately 29,388 sq.m.
Investment Date	1 December 2017
Investment Value	THB 8,154 million
Cost as of 31 Dec 2022	THB 8,351 million
Fair Value as of 31 Dec 2022	THB 7,474 million

HILTON PATTAYA HOTEL

49,686 SQM.
GROSS FLOOR AREA

304
ROOMS

75.6%
OCCUPANCY RATE

Details of Hilton Pattaya

(as of 31 December 2022)

Characteristic of Investment	1. Leasehold rights over the immovable properties comprising a hotel building and parking areas which are related to the project. 2. Leasehold rights over utilities systems which are related to the project. These will comprise electrical system, utilities system, telephone system, elevators, escalators, air conditioning system, engineering works system, wastewater treatment system, and various facilities that have been installed and used in the hotel building and structures of the Project. For approximately 20 years. (the agreement expiring on 31 August 2037). 3. Ownership of movable assets which are related to the project, which will comprise equipment for decoration, tools, instruments, whether are permanently fixed or not, including other equipment used for the purpose of decorating or facilitating users of the hotel building and structures of the Project, which are located on and/or fixed on the exterior or in the interior of the areas of the hotel building and structures of the Project, or on the surface of the hotel building and structures of the Project including any other rights relating to or in connection with the aforementioned properties (as the case may be), excluding the properties that are component parts of the hotel building and structures.
Sub-Lessee	CPN Pattaya Hotel Company Limited ("CPN Pattaya Hotel")
Hotel Manager	Hilton Group
Building Area	Gross Floor Area (include parking area) approximately 49,686 sq.m. 304 Rooms Remark: Gross Floor Area means guest room areas and other areas
Investment Date	1 December 2017
Investment Value	THB 3,754 million
Cost as of 31 Dec 2022	THB 4,122 million
Fair Value as of 31 Dec 2022	THB 3,790 million

Remark : For investment in Central Pattaya Project and Hilton Pattaya, CPNREIT did not invest in the plots of land where both assets are located; however, CPN Pattaya under the (partial) building lease agreement and the (partial) building sub-lease agreement with CPNREIT, permits customers and counterparty of CPNREIT, tenants in the leased properties under the agreements in which CPNREIT would make investments, the sub-lessee of properties from CPNREIT as well as any other service users of Hilton Pattaya to utilize certain areas where CPNREIT has not invested but related to such leased properties, e.g. common areas, parking lots, roads surrounding the real properties, and entrances and exits of Central Pattaya Project and Hilton Pattaya, which shall be deemed the areas for common use with free of compensation, whereby the interest of the operation of Central Pattaya and Hilton Pattaya are taken into account.

THE NINTH TOWERS OFFICE BUILDING PROJECT

95,997 SQM. GROSS FLOOR AREA	**58,914** SQM. GROSS LEASABLE AREA	**84.6%** OCCUPANCY RATE

General Information of Asset

The Ninth Towers Office Building Project is located at No. 33/4, Rama 9 Road, Huaykwang Sub-District, Huaykwang District, Bangkok. It was completely developed and has been operating since February 2014. The project comprises a 34-storey Tower A with 2-level basement and a 32-storey Tower B with 2-level basement. The basement, G Floor and the 2nd Floor of both towers are leasable areas for retail and common areas connecting between Tower A and Tower B. The parking areas are on 3rd to 10th Floor with parking capacity of approximately 1,100 cars. The Ninth Towers Office Building Project is part of the Grand Rama 9 Project which is developed by Grand Canal Land Public Company Limited ("GLAND") Group to be a new central business district on the area located at the corner of Rama 9 Road and Ratchadaphisek Road intersection.

Details of The Ninth Towers Office Building Project

(as of 31 December 2022)

Characteristic of Investment	1. Leasehold rights over immovable properties which comprise office building areas for lease (Partial) areas, convention room areas, common areas and parking areas. 2. Leasehold rights over utilities systems For approximately 27 years. (the agreement expiring on 18 April 2047) 3. Ownership of movable assets tha CPNREIT invested, i.e. equipment for decoration, tools, instruments, whether are permanently fixed or not, including other equipment used for the purpose of decorating or facilitating users of the building and structures of the Project. 4. Rights and obligations under the related agreements to be transferred from GLANDRT, and/or directly entering into any agreements with GLAND relating to or in connection with The Ninth Towers Office Building Project.
Property Manager	GLAND
Building Area	Gross Floor Area (include parking area) approximately 95,997 sq.m. Gross Leasable Area approximately 58,914 sq.m.
Invesment Date	1 March 2020
Investment Value	THB 5,847 million
Cost as of 31 Dec 2022	THB 6,138 million
Fair Value as of 31 Dec 2022	THB 5,921 million

UNILEVER HOUSE OFFICE BUILDING PROJECT

30,176 SQM. GROSS FLOOR AREA	**18,527** SQM. GROSS LEASABLE AREA	**100.0%** OCCUPANCY RATE

General Information of Asset

Unilever House Office Building was completely developed, and has been operating since December 2014. The project comprises a 12-storey building with 1-level basement for lease of offices and retail shops together with parking areas from 3rd to 6th Floor with parking capacity of approximately 409 cars. Unilever House Office Building Project is part of the Grand Rama 9 Project which is developed by GLAND Group to be a new central business district on the area located at the corner of Rama 9 Road and Ratchadaphisek Road intersection.

Details of Unilever House Office Building Project

(as of 31 December 2022)

Characteristic of Investment	1. Leasehold rights over immovable properties which comprise office building areas for lease (Partial) and common areas, and parking areas relating to the said areas. 2. Leasehold rights over utilities systems For approximately 14 years. (The agreement expiring on 14 November 2034) 3. Ownership of movable assets, i.e. equipment for decoration, tools, instruments, whether are permanently fixed or not, including other equipment used for the purpose of decorating or facilitating users of the building and structures of the Project, which are located on and/or fixed on or in the interior of the areas of the building and structures of the Project. 4. Rights and obligations under the related agreements to be transferred from GLANDRT, and/or directly entering into any agreements with GLAND relating to or in connection with Unilever House Office Building Project.
Property Manager	Sterling
Building Area	Gross Floor Area (include parking area) approximately 30,176 sq.m. Gross Leasable Area approximately 18,527 sq.m.
Invesment Date	2 March 2020
Investment Value	THB 1,583 million
Cost as of 31 Dec 2022	THB 1,676 million
Fair Value as of 31 Dec 2022	THB 1,361 million

CENTRAL MARINA PROJECT

45,149 SQM. GROSS FLOOR AREA	15,453 SQM. GROSS LEASABLE AREA	89.3% OCCUPANCY RATE

General Information

Central Marina Project was completely developed and has been operating since July 1995. The project has a 3-storey building and a 2-storey building without basement. CentralMarina Project is located at No. 78/54 and 78/12 Moo 9, Pattaya Sai 2 Road, Nong Prue Sub-District, Banglamung District, Chonburi Province.

Details of Central Marina Project

(as of 31 December 2022)

Characteristic of Investment	1. Leasehold/sub-leasehold rights over immovable properties from Central Pattana. These will comprise building areas (partial), common areas, and parking areas which are related to the Project. Non etheless, the leased properties are exclusive of areas leased out to tenants who have made rental payments on a long-term basis and relevant parking areas. 2. Leasehold rights over utilities systems from Central Pattana. These will comprise electrical system, utilities system, telephone system, elevators, escalators, air conditioning system, engineering works system, wastewater treatment system, and various facilities that have been installed and used in the building and structures of the Project, along with other rights relating to or in connection with the aforementioned systems. For approximately 14 years (the leasehold/sub-leasehold rights will end on 30 April 2035) 3. Ownership of movable assets from Central Pattana, which will comprise equipment for decoration, tools, instruments, whether are permanently fixed or not, including other equipment used for the purpose of decorating or facilitating users of the building and structures of the Project, which are located on and/or fixed on the exterior or in the interior of the areas of the building and structures of the Project, or on the surface of the building and structures of the Project, and/or in the leased areas occupied by tenants in the building and structures of the Project, including any other rights relating to or in connection with the aforementioned properties (as the case may be), excluding the properties that are component parts of the building and structures.
Property Manager	Central Pattana
Building Area	Gross Floor Area (include parking area) approximately 45,149 sq.m. Gross Leasable Area approximately 15,453 sq.m.
Invesment Date	25 February 2021
Investment Value	THB 2,574 million
Cost as of 31 Dec 2022	THB 2,640 million
Fair Value as of 31 Dec 2022	THB 1,904 million

CENTRAL LAMPANG PROJECT

45,716 SQM. GROSS FLOOR AREA	**16,363** SQM. GROSS LEASABLE AREA	**93.0%** OCCUPANCY RATE

General Information of Asset

Central Lampang Project was completely developed and has been operating since November 2012. The project has a 3-storey building with 1-level basement. Central Lampang Project is located at No. 319 Super Highway Road, Lampang-Ngao Road, Suan-Dok Sub-District, Mueang Lampang District, Lampang Province.

Details of Central Lampang Project

(as of 31 December 2022)

Characteristic of Investment	1. Leasehold rights over immovable properties from Central Pattana Development. These will comprise building areas (partial), common areas and parking areas which are related to the Project Nonetheless, the leased properties are exclusive of areas leased out to tenants who have made rental payments on a long-term basis and relevant parking areas. 2. Leasehold rights over utilities systems from Central Pattana Development. These will comprise electrical system, utilities system, telephone system, elevators, escalators, air conditioning system, engineering works system, wastewater treatment system, and various facilities that have been installed and used in the building and structures of the Project, along with other rights relating to or in connection with the aforementioned systems. For approximately 21 years (the leasehold rights will end on 16 December 2041) 3. Ownership of movable assets from Central Pattana, which will comprise equipment for decoration, tools, instruments, whether are permanently fixed or not, including other equipment used for the purpose of decorating or facilitating users of the building and structures of the Project, which are located on and/or fixed on the exterior or in the interior of the areas of the building and structures of the Project, or on the surface of the building and structures of the Project, and/or in the leased areas occupied by tenants in the building and structures of the Project, including any other rights relating to or in connection with the aforementioned properties (as the case may be), excluding the properties that are component parts of the building and structures.
Property Manager	Central Pattana
Building Area	Gross Floor Area (include parking area) approximately 45,716 sq.m. Gross Leasable Area approximately 16,363 sq.m.
Invesment Date	25 February 2021
Investment Value	THB 3,098 million
Cost as of 31 Dec 2022	THB 3,262 million
Fair Value as of 31 Dec 2022	THB 2,963 million

Performance outcomes of each project can be summarized as follows:

Project	Area (sq.m.)	Yearly average occupancy rate for 2022 (%)	Rental and service income for 2022 (THB Million)
Central Rama 2	88,832	93.8	1,223.9
Central Rama 3	36,040	94.0	588.0
Central Pinklao	27,711	97.7	888.9
Pinklao Tower A&B	34,096	80.8	181.1
Central Chiangmai Airport	36,829	96.4	437.1
Central Pattaya	29,388	90.9	331.0
The Ninth Towers Office Building	58,914	84.6	467.1
Unilever House Office Building	18,527	100.0	159.4
Central Marina	16,080	89.3	69.9
Central Lampang	16,363	93.0	253.0
Total/Average	**362,152**	**91.5**	**4,599.4**
Hilton Pattaya	304 Rooms	75.6	264.2

Nature of Benefit Procurement

CPNREIT intends to create good and sustainable returns from investment to unitholders in long-term, whereby the REIT Manager has its duties to procure benefits from the assets of CPNREIT by setting-out the suitable policies and strategies for managing CPNREIT's assets in order to create commercial income to CPNREIT and to maximize benefits to overall unitholders. In this regard, the REIT Manager has entered into the property manager appointment agreement with the Property Manager to procure benefits from current Assets. Details of which are as follows:

Project	Property Manager
Current Assets	
Central Rama 2	Central Pattana
Central Rama 3	Central Pattana
Central Pinklao	Central Pattana
Central Chiangmai Airport	Central Pattana
Central Pattaya	Central Pattana
Hilton Pattaya	CPNREIT has subleased all of this property to CPN Pattaya Hotel, which has appointed Hilton Group as the hotel manager.
Additional Assets in 2020	
The Ninth Towers Office Building	GLAND
Unilever House Office Building	Sterling
Additional Assets in 2021	
Central Marina	Central Pattana
Central Lampang	Central Pattana

The REIT Manager, Central Pattana, GLAND, Sterling and CPN Pattaya Hotel are the subsidiaries of the Central Pattana Group. Central Pattana holds 100.0 percent of shares in REIT Manager and the Central Pattana Group holds 100.0 percent of shares in CPN Pattaya Hotel. Additionally, the Central Pattana Group holds 67.5 percent of shares in GLAND, and GLAND holds100.0 percent of shares in Sterling.

In order to achieve its objective in managing the assets invested in by CPNREIT in the long-term and to create good returns to the unitholders. The REIT Manager has implemented the strategies of benefit procurement from CPNREIT's assets as follows:

- Monitoring operating results of CPNREIT on a yearly basis by comparing with its annual budget and its previous year operating resuits. If the operating results of CPNREIT do not achieve the target planned, the REIT Manager will analyze the situation and seek for the causes, including to adjust and develop the working plans as necessary to achieve the goal.
- Monitoring operational results of a single sublessee of an asset type of hotel by comparing with an annual budget and its previous year operatin resuits (if any). If the operating results do not achieve planned target, the REIT Manager will analyze the situation and seek for the causes, including adjust and develop the working plans as necessary to achieve the goal.
- Regularly analyzing market and customer information to adjust the shops mix in the shopping malls to suit the customer demand as well as to search for new shops in both local and overseas stores to enhance the shopping malls to be modernized and give new experiences to the customers. This shall include analyzing the market and office tenants' information to improve the services to serve the needs of the customers.
- Always have marketing strategy to attract targeted customers to boost the store sale volume and creating decent experiences to the customers i.e., arranging promotional activities, which are in line with the strategy by collaborating in obtaining marketing research information with the department store and Central's affiliates and business alliances, concurrently with hosting signature events. In giving this strategy, all protocols of which will be effectively communicated to the customers throughout various channels.
- Developing personnel and enhancing service quality to meet international standard as well as using modern technologies to increase customer's pleasure and to reduce business cost, e.g., developing a parking system, public relations center point and restrooms, etc.
- Enhancing returns from the assets invested in by CPNREIT by developing and modifying immovable properties, e.g., adjusting floor plans and modifying stores in order to utilize the spaces efficiently and increase the rent, as well as developing and modifying the shopping malls and office buildings to maintain the good and modern image to tenants and customers.
- Determining appropriate rates of the rental and service fees.

CPNREIT has a policy to procure the benefits from such assets in the characteristics which are subject to types of the assets i.e., shopping mall, office building or hotel. The characteristics of benefit procurement in each type of the assets are as follows:

Benefit Procurement from Shopping Malls and Office Buildings

Nature of Benefit Procurement

CPNREIT's policy concerning benefits procurement from shopping malls and office buildings involves leasing out the areas in those assets to tenants, as well as the service provided in relation to the lease. In this regard, the REIT Manager will appoint the Property Managers who will manage and administer the works in connection with the immovable properties, i.e., seeking the benefits from the assets by leasing out areas and service provided in relation to the lease, pursuant to the policy and business plan of the REIT Manager, procuring tenants to lease areas in the assets, contacting, liaising, and facilitating tenants, collecting rental and service fees for remittance to CPNREIT, as well as performing the maintenance and repairs of the immovable properties of CPNREIT to ensure that they are in good condition and ready for use. CPNREIT has directly entered into lease agreements with tenants/service receivers. Most of lease agreements entered into by CPNREIT contain standard terms and conditions applicable to every tenant and service receivers.

The lease agreements of shopping malls comprise 2 main types, which are the lease agreements with fixed rental rate and consignment lease agreements. While, the lease agreements of office buildings are in the form of fixed rental rate only.

Each type of the lease agreements provides different advantage. The fixed rate lease agreements enable CPNREIT to obtain stable income and cash flow in each month from areas leasing and services providing. While, the consignment lease agreements give CPNREIT the upside potential if the tenants get more income. To decide the type of agreement to be entered into with the tenant, whether it would be a fixed-rate or consignment agreement, it depends on business type of the tenant, business strategy of the tenant, negotiation between the lessor and the tenant, including creditability of the sales report system of the tenant.

In addition, the lease of the shopping mall and office building areas to tenants will be the lease of areas to multi-tenants (except for Unilever House Office Building Project). The type of tenants in the shopping malls projects are categorized with 2 main types, i.e., anchor tenants that lease the areas from 700 square meters and in-line tenants that lease the areas less than 700 square meters. The anchor tenants mainly are in the types of theatres and specialty stores (i.e. electrical appliances stores, sport equipment stores, bookstores, fitness center) which appeal the shopping malls. Those stores are also the magnets that attract customers to purchase products and use services in the shopping malls. By giving that, it will increase number of in-line tenants to lease the areas in the shopping malls.

In regards to the characteristics of the benefit procurement as mentioned above, the main income that CPNREIT will derive from investment in the shopping malls and office buildings will be from the rental and service fees by leasing out the areas and providing related services to the tenants in the shopping malls, who are retailers, and service operators, and to the tenants in office buildings who are in business organizations, governmental agencies, financial institutes, educational institutes (i.e., tutorial schools, language schools, computer training centers, etc.). The rent and fee in providing related services which CPNREIT will charge are subject to the size of space, location, type of lease, lease term and business type of tenant by taking in account the price list of rental and service fees of each shopping mall. In addition, CPNREIT obtains other type of income which is related to rental and service fees such as parking fee and billboard fee, etc.

Major tenants of CPNREIT, who were a group of persons associated with the REIT Manager from business related to Central Pattana, a major trust unitholder, included Central Department Store Company Limited, Central restaurants Group Co.,Ltd., Central Trading Co.,Ltd. and Central Food Retail Company Limited accounted for 5.2% of rental and service income. The REIT Manager reviewed and analyzed the rental rate of these related parties and found that their rental rates were close to those of other major tenants operating in the same business and leasing areas in several shopping malls of CPNREIT. However, the rental rate could be different depending on floor, location, and physical characteristics of the rental area.

Project with Single Tenant or Having Significant Cluster of Tenants

The benefit procurement from Unilever House Office Building Project will be sub-leasing to one tenant, Unilever Thai Trading ("Unilever"), the subsidiary of Unilever which is the global group of companies engaging in commodity products business. Unilever group's products have been sold across the world (Source: Unilever Annual Report and Account 2022). As of 31 December 2022, Unilever leased totaling 12,326 sq.m., equivalent to 66.5% of total leasable areas of Unilever House office Building Project and another tenant lease the remaining 33.5% of total leasable areas.

The term of the sub-lease agreement between CPNREIT and Unilever will be the same as the term of the lease agreement of Unilever House Office Building Project to be invested in by CPNREIT (which expires on 14 November 2034). However, although the sublease agreement that CPNREIT entered into with Unilever will be registered the sub-leasehold right, the conditions of the sublease agreement will grant Unilever Thai Trading the right to terminate the agreement by giving CPNREIT an advance notice of not less than 90 days. In this regard, Unilever must indemnify CPNREIT loss by compensating with the rate of 30% of the rental and service fees of the remaining lease and service terms, or CPNREIT may forfeit the deposits giving under the lease and service agreements, whichever is higher.

However, Unilever has requested to gradually reduce its leasing space in February and July 2023 with the remaining leasing area of 6,187 sq.m., equivalent to 33.4% of total leasable area of the Unilever House Office Building, also agreed to pay the additional rental and services fees for the lease area reduction at the rate of 30% of the rental and service fees of the remaining lease and service terms. CPNREIT will record the rent received in advance and recognize as rental income over the remaining lease and service terms. At the same time, Sterling, the property manager, is finding new tenants in replacement for the vacancy. Therefore, if could not find new tenants, the occupancy rate of Unilever House Office Building from 1 July 2023 onwards will be 66.5%.

Since Unilever House Office Building Project is an office building located in a prominent area which has comparative points since the project is in the new central business district on Rama 9 Road and located adjacent to the public transportation hub, MRT, which are considered as the strength and advantage for procuring new tenants.

Details of the Property Manager

1. Central Pattana Public Company Limited

- **Related experience in the property management (shopping mall and office building)**

Central Pattana was established on 17 June 1980 with objectives of developing and managing the integrated large-sized shopping malls. Central Pattana was listed on the SET on 1 March 1995. At the end of 2022, the issued and paid-up capital of CPN totals THB 2,244 million. In 2018, Central Pattana acquired 67.5% shares in Grand Canal Land Plc. ("GLAND"), whose assets consist of 1) The Ninth Tower office building; 2) Unilever House office building, both of which have been transferred to the CPNREIT; 3) G Tower office building; 4) BELLE condominium for sale; and 5) four plots of undeveloped land: two for mixed-use project development and two for residential development. In 2021, Central Pattana acquired share of Siam Future Development Public Company Limited ("SF") and held approximately 96.9% of SF's share. SF's assets including 1) 1 Shopping center, 2) 17 community malls, 3) 1 regional mall under it's Joint-Venture company (Mega Bangna) and 4) Undeveloped landbanks in Bangkok.

Central Pattana's core businesses comprise the development of shopping center and other complementary mixed-use development projects, which include office building, hotel, and residence, to add value to the shopping centers. By the end of 2022, Central Pattana manages 38 shopping centers, 16 in Bangkok Metropolitan Areas, 21 in prime provincial areas and one in Malaysia; 17 community malls; 1 regional mall under it's Joint-Venture company; 10 offices in Bangkok; 4 hotels; 1 residential project for rent; and 28 residential projects for sale. Furthermore, Central Pattana invested in CPNREIT and CPN commercial Growth Leasehold Property Fund ("CPNCG").

Central Pattana continues to develop and expand its shopping mall business by opening new shopping malls in the country and on abroad, renovating the existing ones, and boosting the capacity of space usage in those shopping malls for the constant income. Central Pattana has undertaken the shopping mall business under main concepts that the shopping mall is the center of life to serve the consumers' lifestyle more relevantly; therefore, each shopping mall of Central Pattana must present a variety of goods and services to the shoppers while various destination concepts are created inside to respond to all groups of customers at all ages who may have different lifestyles and favor. Each shopping mall of Central Pattana is also designed and decorated by presenting the outstanding style and identity of each local area while the interior decoration there also attracts and satisfies the shoppers in order that the shopping malls of Central Pattana have the unique style and Central Pattana continues to be the leader in this shopping mall business.

In addition, shopping mall projects which CPNREIT has invested in/will be investing in, and to which Central Pattana has been appointed/shall be appointed the Property Manager, include all shopping mall projects developed and managed by the Central Pattana Group. As CPN is appointed as the Property Manager to continue the management of such assets, the asset management will be uninterrupted and run in the same direction.

Regarding the office building business of Central Pattana, as of 31 December 2022, according to its latest annual report for the year of 2022, Central Pattana has managed 7 office building projects in total have been managed by Central Pattana (excluding GLAND assets). All of these office buildings are located in the shopping mall projects because Central Pattana considers that the demand on office buildings can support the shopping mall business, i.e. School of Languages and Music or beauty clinics, add the higher value for those projects from the worthwhile utilization of the same plot of land, and increase the efficiency of using and managing the parking space.

- **Relationship between REIT Manager and Property Manager**

Central Pattana holds 100.0 percent of shares in the REIT Manager.

- **Other properties managed by Property Manager that may be competitive with properties of CPNREIT and mechanism or measures to prevent the conflicts of interest**
  - 38 Shopping centers under the management of Central Pattana
  - 17 Community Malls
  - 1 Shopping center project under joint venture

More information is available in the annual report of Central Pattana or www.centralpattana.co.th

CENTRAL RAMA 2

While the REIT Manager has used caution in specifying the roles and scope of duties to be performed by Central Pattana as the Property Manager for the management of assets invested by CPNREIT in types of shopping mall and office building, the conflicts of interest between CPNREIT and Central Pattana may arise out because Central Pattana is also in charge of managing other properties in types of shopping mall and office building in several areas other than the assets invested/to be invested by CPNREIT.

Nevertheless, due to diverse demands of tenants on shopping mall and office building spaces when selecting the leased areas, e.g. location, facilities, budget, traveling convenience, and convenience in business contact, etc., the tenants shall determine which shopping mall and/or office building area should be rented. Moreover, CPNREIT has engaged Central Pattana to manage the assets of CPNREIT under the contractual structure which motivates Central Pattana to generate the good profit to the assets of CPNREIT continually. This could partially mitigate the risk of conflicts of interest mentioned above.

The REIT Manager also formulates the work performance evaluation guideline for the Property Manager, that is, the REIT Manager is entitled to change the Property Manager if the following event occurs:

- If the occupancy rate in the assets invested by CPNREIT and managed by Central Pattana drops less than 50 percent for longer than 3 consecutive months, the REIT Manager may propose the unitholders' meeting to consider and resolve to terminate the Property Manager appointment agreement. The termination of such agreement requires the votes by the unitholders of CPNREIT holding aggregate trust units of more than a half of the total votes of the unitholders.

  The occupancy rate is calculated from the actual leased areas divided by the total leasable areas. The total leasable areas exclude the common area, meeting area, and other areas that may not be leased in any period due to force majeure or space repair and decoration. Such calculation of leased areas shall be based on the information from the monthly report.

- **Fees that Property Managers Will Be Received from CPNREIT**

Central Pattana, who is or will be the Property Manager for shopping malls and office building projects (except for The Ninth Towers Office Building Project and Unilever House Office Building Project, is entitled to the fees for being the Property Manager collected from CPNREIT according to the property manager appointment agreement, which can be summarized as follows:

1. **Fee for rental collection on behalf of CPNREIT,** at the rate of not exceeding 3.00 percent of Net Rental Income of CPNREIT. Net Rental Income means total incomes receiving from lease agreements and service agreements before deducting any expenses, including incomes from promotion areas, and direct or indirect incomes from operation of shopping malls, excluding compensations or reimbursements, such as money of property tax or insurance premiums reimbursed from tenants or the sub-lessee, and common area service charges which are charges on the usage of common area, air-conditioning, smoke exhaust, water supply and electricity supply (appeared on the meter of each tenant), and deducting the shop discount to tenant or sub-lessee.

2. **Leasing Commission** for procuring all types of tenants of CPNREIT, in case of both new lease agreements and renewal lease agreements for all types of lease agreements, in both short-term and long-term lease. Details of which are as follows:

2.1 For shopping mall tenants

Leasing Commission Calculated Based on Monthly Rental Fee of Each Tenant	
1. Renewal lease with existing tenants	Not exceeding 0.5 (zero point five) month
2. Entry into lease agreement with the news tenants consisting 4 (four) rates depending on terms of lease agreements	
- The tenant who enters into lease agreement with less than 1 (one) year term	Not exceeding 0.5 (zero point five) month
- The tenant who enters into lease agreement with 1 (one) year but no more than 3 (three) years term	Not exceeding 1.0 (one point zero) month
- The tenant who enters into lease agreement with 3 (three) years term and above	Not exceeding 1.5 (one point five) months
- The tenant who enters into lease agreement with more than 3 (three) years term and the tenant has paid lump sum rental fee in advance	Not exceeding 3.0 (three point zero) percent of the lump sum rental fee received from the tenant in advance

2.2 For office building tenants

Leasing Commission Calculated Based on Monthly Rental Fee of Each Tenant	
1. Renewal lease with existing tenants	Not exceeding 0.5 (zero point five) month
2. Entry into lease agreement with the new tenants consisting of 3 (three) rates depending on terms of lease agreements	
- The tenant who enters into lease agreement with less than 3 (three) years term	Not exceeding 0.5 (zero point five) month
- The tenant who enters into lease agreement with 3 (three) years term and above	Not exceeding 1.0 (one point zero) month
- The tenant who enters into lease agreement with more than 3 (three) years term and the tenant has paid lump sum rental fee in advance	Not exceeding 3.0 (three point zero) percent of the lump sum rental fee received from the tenant in advance

The Property Manager will charge the Leasing Commission for the agreements with a term of at least 1 (one) month and above, but not charge the Leasing Commission for the service agreements of promotion areas or other agreements relating to advertisement media, such as video wall or light box, etc.

Therefore, in case the lease agreements between CPNREIT and tenants are made in a form different from the above case, the REIT Manager will have a power to determine term of payment for the Leasing Commission as it deems appropriate.

3. **Base Management Fee,** at the rate of not exceeding 0.28 percent per year of the investment properties value according to the net asset value report of CPNREIT monthly approved by the Trustee, calculated on the last business day of each month. This shall exclude the investment properties value in hotel and Central Rama 2 Project (Renewal Period) during the period which is before commencement of the lease term according to the building lease agreement.

4. **Incentive Fee,** at the rate of not exceeding 2.35 percent of Net Property Income

   Net Property Income means total revenues from immovable properties received by CPNREIT deducted by total costs and expenses from procuring benefits from the immovable properties, excluding fees and expenses of CPNREIT, such as fees for the Property Manager under Items 1. and 2. and fee for the REIT Manager (the costs and expenses from the lease will be adjusted with the difference between costs and expenses from the lease according to the Thai Accounting Standards No. 17 (or as may be amended or replaced by other Thai Accounting Standards), and costs and expenses according to lease agreements).

5. **Fee in relation to the sale and purchase of immovable properties of CPNREIT,** at the rate of not exceeding 1.50 percent of value of asset additionally invested in by CPNREIT, and the rate of not exceeding 0.75 percent of value of immovable properties disposed from CPNREIT.

6. **Fee in relation to supervision of renovation and/or development of immovable properties of CPNREIT,** being the fee that CPNREIT will pay to the Property Manager due to its supervision of the development of CPNREIT's immovable properties, which includes recommendations of renovation and/or development of the immovable properties of CPNREIT for value enhancement of CPNREIT's immovable properties, at the rate of not exceeding 2.00 percent of total costs of renovation and/or development of the renovated and/or developed immovable properties of CPNREIT. Such costs of renovation and/or development shall include the costs for compensation paid to tenant due to the early termination in the event of obtaining the leasable area back for renovation and/or development, but exclude the expenses relating to designing, consulting fee, other professional fee. However, the Property Manager may propose renovation and/or development plans to the REIT Manager, together with the fees in relation to the supervision, as well as related details to the REIT Manager for consideration and approval, from time to time. The above fees do not include value added tax.

2. Grand Canal Land Public Company Limited and Sterling Equity Co., Ltd.

- **Related experience in the property (management office building)**

GLAND was established on 22 April 1985, and, at present, it is a listed company on the SET. As of 31 December 2022, its paid-up capital totals THB 6,500 million. GLAND operates the property development business, including the residential project in the type of detached house, residential condominium, and commercial building in the type of office building and retail space for sale or rent, and GLAND also provides the project management service. Central Pattana holds 67.5 percent of shares of GLAND through CPN Pattaya in the fourth quarter of 2018.

Sterling was established in 1996. As of 31 December 2022, its paid-up capital totals THB 1,800 million. Sterling has operated the property development business in the forms of office building and retail space. GLAND holds 100.0 percent of shares of Sterling. At present, Sterling has the office building for rent, Unilever House, and the retail space for rent, The Shoppers@Unilever House.

Currently, The Grand Rama 9 Project has been under development by the GLAND Group. This property project is a major project, located on a 73 Rai plot of land at Rama 9 intersection of Ratchadapisek Road, and connected with several main roads; therefore, its potential location responds to all kinds of travelling. The GLAND Group intends to develop this project to become the central business district in the center of Bangkok.

The Grand Rama 9 Project consists of the projects and businesses as follows:

Project Name	Project Type	Year of Operation
1. Belle Grand Rama 9 Project	Residential Condominium	September 2012
2. The Ninth Towers Grand Rama 9 Project	Office Building	February 2014
3. Unilever House Grand Rama 9 Project	Office Building	December 2014
4. G Tower Grand Rama 9 Office Building Project	Office Building	September 2016
5. Super Tower Project and Convention Center	Office Building and Convention Hall	The project model is under revision
6. Arcade Project	Retail Space	
7. Hotel Project	Hotel	
8. The Shoppes Grand Rama 9 Project	Retail space, shops, restaurant located at the basement, Floor 1 or Floor 2 of each project in The Grand Rama 9 Project	Belle Grand Rama 9 Project, The Ninth Towers Grand Rama 9 Project, Unilever House Grand Rama 9 Project, and G Tower Grand Rama 9 Project have commenced the operations already.

Source : Annual Report of GLAND (Year 2022)

In addition, the office building in which CPNREIT invested to which GLAND and Sterling will be appointed the Property Managers are office building projects that have been entirely developed and managed by the GLAND Group. Therefore, GLAND and Sterling will be appointed the Property Managers to continue the management of the said assets to ensure that the asset management will not be interrupted and go in the same direction.

- **Relationship between REIT Manager and Property Manager**

GLAND and the REIT Manager are the subsidiaries of the Central Pattana Group. The Central Pattana Group holds 67.5 percent of shares in GLAND, and Central Pattana holds 100.0 percent of shares in the REIT Manager.

Sterling and the REIT Manager are the subsidiaries of the Central Pattana Group. The Central Pattana Group (by GLAND) holds 100.0 percent of shares in Sterling, and Central Pattana holds 100.0 percent of shares in the REIT Manager.

- **Other properties managed by Property Managers that may be competitive with properties of CPNREIT and mechanism or measures to prevent the conflicts of interest**

The Ninth Towers Office Building Project and Unilever House Office Building Project are a part of The Grand Rama 9 Project, which is a major property project comprising the office building, retail space, convention hall, hotel, and residential condominium, developed by the GLAND Group. The GLAND Group also has a duty of managing G Tower Grand Rama 9 Project, located in The Grand Rama 9 Project. As a result, the potential conflicts of interest in procuring the tenants between the additional investment assets and the said projects may occur.

Office Building Projects Managed by GLAND Group

Project	Year of Operation	Note
1. The Ninth Towers Grand Rama 9 Project	February 2014	Additional asset to be invested by CPNREIT
2. Unilever House Grand Rama 9 Project	December 2014	Additional asset to be invested by CPNREIT
3. G Tower Grand Rama 9 Office Building Project	September 2016	-

Source : Annual Report of GLAND (Year 2022)

To prevent potential risks caused by such conflicts of interest, the undertaking agreement to be entered into between CPNREIT, GLAND, and Sterling contains the following requirements:

(1) GLAND and Sterling as the grantors agree that, in undertaking the rental office building business in The Grand Rama 9 Project, the grantors and/or any persons related to the grantors shall not undertake any actions to persuade, invite, or induce the tenants of office spaces in the assets to be invested by CPNREIT to rent the office spaces in other minor projects in The Grand Rama 9 Project.

(2) Upon the date CPNREIT makes investments in the leased properties, the grantors agree that the setting of rental and service rate of office spaces to be leased to the new tenants and service receivers, and existing tenants and service receivers who want to rent some additional spaces of other minor projects in The Ninth Grand Rama 9 Project must not compete with the lease of office spaces to the new tenants and service receivers, and existing tenants and service receivers who want to rent some additional spaces of The Ninth Grand Rama 9 Project and Unilever House Office Building Project. The grantors must neither give any support or compensation to the new tenants and service receivers, and existing tenants and service receivers who want to rent some additional spaces of other minor projects in The Ninth Grand Rama 9 Project, which is not based on the arm's length basis, to persuade them to enter into the lease and service agreements.

However, except a written consent by CPNREIT, the grantors agree that, throughout the lease term, if the occupancy rate of the leased asset, The Ninth Towers Office Building Project, or the leased asset, Unilever House Office Building Project, is lower than 92 percent of each project invested by CPNREIT, the grantors and/or any persons related to the grantors shall fix the rental and service rate of the office spaces leased to the new tenants and service receivers, and existing tenants and service receivers who want to rent some additional spaces of other minor projects in The Ninth Grand Rama 9 Project as follows:

- Higher than 15 percent of the rental and service rate of office spaces leased to the new tenants and service receivers, and existing tenants and service receivers who want to rent some additional spaces in the leased asset, The Ninth Towers Office Building Project.
- Higher than 10 percent of the rental and service rate of office spaces leased to the new tenants and service receivers, and existing tenants and service receivers who want to rent some additional spaces in the leased asset, Unilever House Office Building Project.

Such rental and service rate of office spaces leased to the new tenants and service receivers, and existing tenants and service receivers who want to rent some additional spaces of other minor projects in The Ninth Grand Rama 9 Project shall be fixed by the REIT Manager when preparing the annual budget in each year. An agreement on setting such rental and service rate shall apply to the leased office spaces where have the zone and the space size equal or close between (a) spaces in other minor projects in The Grand Rama 9 Project; and (b) spaces in The Ninth Towers Office Building Project and/or Unilever House Office Building Project as specified in the Agreement.

In this regard, the parties agree that the agreement on setting such rental and service rate shall not apply to the leased office spaces of any projects in other minor projects in The Grand Rama 9 Project in the following cases:

- In case the grantors and/or any persons related to the grantors sell, dispose of, transfer, or lease (which is not the lease of spaces in operating the rental office space business to general customers on the arm's length basis) the entire leased office spaces in that project to other persons who are not the related persons of the grantors under the terms and conditions on the right of first refusal.
- In case CPNREIT invests in the leased office spaces in that project.

- **Fees that Property Managers Will Be Received from CPNREIT**

1. GLAND

GLAND, the Property Manager of The Ninth Towers Office Building Project, is entitled to the fees for being the Property Manager collected from CPNREIT according to the property manager appointment agreement which can be summarized as follows:

1.1 Fee for rental collection on behalf of CPNREIT, at the rate of not exceeding 3 percent per year of Gross Property Operating Revenue.

Gross Property Operating Revenue means income from rental fees, service fees and other incomes from procuring benefits from the investment properties of CPNREIT, approved of net value asset by the Trustee and the REIT Manager. (The rental income will be adjusted with the difference between rental income according to the Thai Accounting Standards No. 17 (or as may be amended or replaced by other Thai Accounting Standards), and rental income according to lease agreements.).

1.2 Incentive Fee, at the rate of not exceeding 2 percent per year of Property EBITDA.

Property EBITDA means Gross Property Operating Revenue deducted by total costs and expenses from procuring benefits from the investment properties of CPNREIT (the costs and expenses from the lease will be adjusted with the difference between costs and expenses according to the Thai Accounting Standards No. 17 (or as may be amended or replaced by other Thai Accounting Standards), and costs and expenses from the lease according to lease agreements.).

The above fees do not include value added tax.

2. Sterling

Sterling, who will be the Property Manager of CPNREIT for Unilever House Office Building Project, is entitled to the fees for being the Property Manager collected from CPNREIT according to the property manager appointment agreement which can be summarized as follows:

2.1 Fee for rental collection on behalf of CPNREIT, at the rate of not exceeding 4 percent per year of Gross Property Operating Revenue.

Gross Property Operating Revenue means income from rental fees, service fees and other incomes from procuring benefits from the investment properties of CPNREIT, approved of net asset value by the Trustee and the REIT Manager. (The rental income will be adjusted with the difference between rental income according to the Thai Accounting Standards No. 17 (or as may be amended or replaced by other Thai Accounting Standards), and rental income according to lease agreements.).

2.2 Incentive Fee, at the rate of not exceeding 3 percent per year of Property EBITDA.

Property EBITDA means Gross Property Operating Revenue deducted by total costs and expenses from procuring benefits from the investment properties of CPNREIT (the costs and expenses from the lease will be adjusted with the difference between costs and expenses according to the Thai Accounting Standards No. 17 (or as may be amended or replaced by other Thai Accounting Standards), and costs and expenses from the lease according to lease agreements).

The above fees do not include value added tax.

For the sake of this clause, if the occupancy rate of The Ninth Towers Office Building Project or Unilever House Office Building Project is lower than 92 percent as required above, the grantors agree to disclose or arrange any persons related to the grantors to disclose the information in writing about the rental and service fee, conditions, and lease term of the leased office spaces of other minor projects in The Grand Rama 9 Project to CPNREIT on the quarterly basis, and to permit CPNREIT to check such information pursuant to the request by CPNREIT and as it deems appropriate.

In addition, the appointment of GLAND and Sterling as the Property Manager of The Ninth Towers Office Building Project and Unilever House Office Building Project respectively under the contractual structure which motivates GLAND and Sterling to generate the good profit to the assets of CPNREIT continually. This could partially mitigate the risk of conflicts of interest mentioned above.

Benefit Procurement from Hotels

- **Nature of Benefit Procurement**

  CPNREIT has invested in the core property in Hilton Pattaya Hotel by sub-leasing the whole property to CPN Pattaya Hotel for benefit procurement, whereby CPN Pattaya Hotel has appointed Hilton Group, the international hotel management network as a hotel manager. The sub-lease agreement has 3-year terms commencing from 1 January 2018 to 31 December 2020. Upon termination of such sub-lease agreement, both CPNREIT and CPN Pattaya Hotel is entitled to renewal of the agreement for 2 times for 3-year period each. The rental are in the form of both fixed rent and variable rent. On 24 July 2020, CPN Pattaya Hotel submitted the letter of intention to CPNREIT. Later, the REIT Manager already renewed the agreement.

Details of Sub-Lessee

Name of Company	CPN Pattaya Hotel Company Limited
Incorporation Date	25 September 2017
Paid-up and Registered Capital	Baht 200,000,000 (Baht two hundred million) consisting of 20,000,000 (twenty million shares) shares with the par value of Baht 10 (Baht ten)
Board of Directors	1. Mr. Sudhitham Chirativat 2. Mr. Kobchai Chirativat 3. Ms. Wallaya Chirativat 4. Mr. Suthipak Chirativat 5. Mr. Chanavat Uahwatanasakul 6. Mr. Preecha Ekkunagul
Major Shareholder	Central Pattana holds 100.0 percent shares
Relationship with REIT Manager	CPN Pattaya Hotel and the REIT Manager are the subsidiaries of Central Pattana, whereby Central Pattana holds 100.0 percent in CPN Pattaya Hotel and Central Pattana holds 100.0 percent in the REIT Manager.

Source: BOL database

Information of Hilton Group

- **Related experience in the property management (Hotel)**

  The Hilton Group is an international hotel chain from the United States of America established in 1919. Up to now, the Hilton Group has managed over 18 hotel brands with 6,800 hotels under its management in 118 countries, covering approximately 1,065,400 rooms (source: Hilton 2021 Annual Report and Hilton Reports Fourth Quarter Results 2022).

- **Relationship between REIT Manager and Property Manager**

  None.

- **Other properties managed by Property Manager that may be competitive with properties of CPNREIT and mechanism or measures to prevent the conflicts of interest**

  Hotel Projects in Thailand under the Management of Hilton Group

  From the database of www.hiltonhotels.com/th_TH/, the Hilton Group has now managed 12 hotels in Thailand (including Hilton Pattaya Hotel). Other 11 hotels, except Hilton Pattaya Hotel, are located in main tourism provinces of Thailand, e.g. Bangkok, Koh Samui, Koh Phuket, and Hua Hin. The project details are in the table below.

Project	Province	Note
Hilton Pattaya Hotel	Chonburi	Asset invested by CPNREIT
Conrad Bangkok Hotel	Bangkok	-
DoubleTree by Hilton Bangkok Ploenchit	Bangkok	-
DoubleTree by Hilton Sukhumvit Bangkok	Bangkok	-
Hilton Hotel Sukhumvit Bangkok	Bangkok	-
Millennium Hilton Hotel Bangkok	Bangkok	-
Waldorf Astoria Hotel Bangkok	Bangkok	-
Hilton Hua Hin Resort & Spa Hotel	Prachuap Khiri Khan	-
Conrad Koh Samui Hotel	Surat Thani	-
DoubleTree by Hilton Phuket Banthai Resort	Phuket	-
Hilton Phuket Arcadia Resort & Spa Hotel	Phuket	-
Hilton Garden Inn Phuket Bangtao	Phuket	-

The hotels under the management of the Hilton Group in Thailand, except Hilton Pattaya Hotel that is the asset currently invested by CPNREIT, are located in other provinces which do not directly compete with Hilton Pattaya Hotel. Therefore, it is less likely to have the risk caused by the conflicts of interest between CPNREIT and Hilton Group.

Besides, CPN Pattaya Hotel has engaged the Hilton Group to manage Hilton Pattaya Hotel under the contractual structure which motivates the Hilton Group to generate the good profit to Hilton Pattaya Hotel continually. This could partially mitigate the risk of conflicts of interest mentioned above.

Rent to be Received by CPNREIT from Sub-Lease Agreement

Rental to be received by CPNREIT from sub-leasing of Hilton Pattaya is in form of fixed rent and variable rent. Fixed rent shall comprise at least two-thirds of total rental. This helps to partially mitigate risk associated with fluctuation of rental and is in compliance with the SEC Office's regulatory requirement.

With the exception of deferral of rental payment and exemption of rental due to force majeure, or deferral of rental payment due to renovation as specified under the sub-lease agreement, CPN Pattaya Hotel agrees to make payment of the rental to CPNREIT in accordance with the terms and conditions of the sub-lease agreement. Rental under the sub-lease agreement comprises 2 portions, which are fixed rent and variable rent, using the calculation criteria basing on the actual sub-lease period. The method of calculation is as follows.

1. Calculation of rental from 1 January 2018 to 31 December 2020

1.1 Fixed rent

CPN Pattaya Hotel agrees to pay fixed rent with respect to the buildings, structures, utilities systems and movable properties within 45 days from the end of each quarter, calculated based on the actual period of sub-lease, from 1 January 2018 to 31 December 2020, in accordance with the rate provided in the table below, payable in equal amount for each quarter.

Year	Annual Fixed Rent (THB)
2018	210,000,000
2019	217,350,000
2020	224,957,250

1.2 Variable rent

CPN Pattaya Hotel agrees to pay variable rent with respect to the buildings, structures and utilities systems within 45 days from the end of each quarter, calculated based on the actual period of the sub-lease, from 1 January 2018 to 31 December 2020. The method of calculation shall be the aggregated value criteria, that is, for any accounting year, the variable rent for the current quarter shall be based on aggregated variable rent as at the end of the current quarter, less the accumulated variable rent as at the end of the preceding quarter of the same year. The variable rent shall be calculated as follows:

Variable Rent = 90% x (A – B – C – D)

A = The total revenue earned from both direct and indirect operation of Hilton Pattaya Hotel in that accumulated quarter, exclusive of valued added tax, specific business tax, or other similar taxes, service charge collected from hotel guests, revenue or money received from sale of assets, compensation received from insurance (except the compensation received from business interruption insurance), compensation received from expropriation of immovable properties, and interest income.

B = The total costs and expenses from the operation of Hilton Pattaya Hotel in that accumulated quarter, including costs and expenses of food and beverages, costs of raw materials and operating supplies, costs and expenses of procurement of equipment for operation in replacement of or in addition to the existing equipment, costs of salaries, labors, and other benefits paid to employees and staffs, costs and expenses of employees and staff training, costs and expenses of advertising and public relations, costs and expenses of maintenance, repair and decoration of Hilton Pattaya Hotel to be in a good condition, insurance premium, taxes and fees (except corporate income tax), administrative fees, and expenses that the hotel manager of Hilton Pattaya Hotel charges, and other costs and expenses relevant to the operation of Hilton Pattaya Hotel, exclusive of valued added tax, specific business tax, or other similar taxes, and expenses occurred from repair using the past reserves of CPN Pattaya as the previous asset owner, and interest expenses, fees in relation to loans or financing that are not those incurred from financial transactions in connection with the operation of Hilton Pattaya Hotel

C = Reserves for repair, improvement, procurement for replacement or additional procurement of furnishings, equipment, and vehicles of Hilton Pattaya Hotel (FF&E Reserve Deduction) as specified in the management agreement of Hilton Pattaya Hotel, entered into by and between CPN Pattaya Hotel and the hotel manager of Hilton Pattaya Hotel

D = Fixed rental in that accumulated quarter as specified in 1.1 Fixed rent

If the accumulated variable rental as at the end of the current quarter as calculated by the formula above is less than zero, the variable rental shall be deemed as zero. If the accumulated variable rental as at the end of the current quarter as calculated by the formula above exceeds 50 percent of the aggregated fixed rental as at the end of the current quarter, the variable rental shall be reduced to 50 percent of the aggregated fixed rental as at the end of that quarter.

If the amount of accumulated variable rental as at the end of the preceding quarter paid by CPN Pattaya Hotel to CPNREIT exceeds the accumulated variable rental as at the end of the current quarter to be payable by CPN Pattaya Hotel in accordance with the calculation formula based (clause 1.2) on CPN Pattaya Hotel's financial information as appeared in the financial statement prepared by CPN Pattaya Hotel for purpose of the calculation of quarterly variable rental, CPNREIT agrees to set off the excess variable rental paid by CPN Pattaya Hotel with the variable rental of the subsequent quarter to which CPNREIT is entitled to receive from CPN Pattaya Hotel until the excess variable rental is equal to zero. Notwithstanding the foregoing, in the last quarter, CPNREIT agrees to set off the remaining sum of the variable rental it has received with the fixed rental for the last quarter to which

CPNREIT is entitled. If, however, the fixed rental of the last quarter is less than the remaining balance of excess variable rental received by CPNREIT, CPNREIT agrees to return the whole balance of excess variable rental to CPN Pattaya Hotel within 15 days from the date on which the auditor has certified the financial statements of the accounting year of CPN Pattaya Hotel.

Moreover, if the amount of variable rental that CPNREIT receives for any accounting year is greater or less than the variable rental of the same accounting year that CPNREIT should receive in accordance with the calculation result from the formula based (clause 1.2) on the CPN Pattaya Hotel's financial information as appeared in financial statement certified by the auditor of CPN Pattaya Hotel for the purpose of adjustment of the variable rental for that accounting year, CPNREIT shall refund the excess rental fee received, or CPN Pattaya Hotel shall pay the different amount (as the case may be) within 15 days from the date the auditor has certified the financial reports for the accounting year of CPN Pattaya Hotel.

Notwithstanding the foregoing if there are amendments or changes to the Securities Laws in relation to the criteria of payment of fixed rental and/or variable rental, CPNREIT and CPN Pattaya Hotel agree to further consider and discuss the terms and conditions regarding the payment of fixed rental and/or variable rental.

If CPN Pattaya Hotel is not capable of paying the rental fee in full when the payment is due, any rental fee not received by CPNREIT shall be deemed the accrued rental revenue, and CPN Pattaya Hotel shall pay CPNREIT the accrued rental revenue within 30 days from the due date. This shall not apply to the circumstance where the payment of the rental fee is deferred, or exempted whether in whole or in part due to force majeure, or deferred due to major renovation in any particular month.

The accrued rental revenue shall be subject to the default interest at the rate of 15 percent per annum calculated according to the amount accrued and from the payment due date until payment is made in full, except for the first default of the rental payment for any year and CPN Pattaya Hotel has paid the accrued amount within 30 days from the due date. In this connection, if CPN Pattaya Hotel makes payment of the first accrued amount for any year later than the specified 30-day period, CPN Pattaya Hotel shall be subject to the default interest incurred from the accrued rental revenue at the rate of 15 percent per annum calculated based on the outstanding amount and from the payment due date until the date on which the payment is made to CPNREIT in full.

2. Calculation of rental in the event of renewal of sub-lease agreement upon expiration of sub-lease agreement

Term of the existing sub-lease agreement between CPNREIT and CPN Pattaya Hotel is 3 years from 1 January 2018 to 31 December 2020. Upon the expiry of the term of the sub-lease agreement, CPNREIT and CPN Pattaya Hotel may exercise their right to renew the lease term for another 2 times for a period of 3 years each. The parties agree that the fixed rents for the second renewed sub-lease agreement (from 1 January 2021 to 31 December 2023) and the third renewed sub-lease agreement (from 1 January 2024 to 31 December 2026) are as follows:

2.1 Fixed rent

CPN Pattaya Hotel agrees to pay fixed rent with respect to the buildings, structures, utilities systems and movable properties within 45 days from the end of each quarter, calculated based on the actual period of sub-lease, from 1 January 2021 to 31 December 2026, in accordance with the rate per annum as specified in the table below, payable in equal amount for each quarter.

Year	Annual Fixed Rent (THB)
2021	232,830,754
2022	242,143,984
2023	252,265,602
2024	263,264,383
2025	275,216,586
2026	288,206,809

Remark : CPN Pattaya Hotal and CPNREIT agreed to adjust fixed rent since 2023 onwards due to renovation as stated in the Sub-lesse Agreement of Hilton Pattaya

2.2 Variable rent

CPN Pattaya Hotel agrees to pay variable rent with respect to the buildings, structures and utilities systems within 45 days from the end of each quarter, calculated according to the actual period of sub-lease, from 1 January 2021 to 31 December 2026, using the calculation method in Item 1.2.

In this regard, the fixed rent and variable rent are divided into proportions in accordance with the related lease agreements as agreed by CPNREIT and CPN Pattaya Hotel. Details of which are set out in the related agreements i.e. Building Sub-lease Agreement and Utility System Sub-lease Agreement and Movable Assets Lease Agreement.

Opinion of REIT Manager Regarding Ability of Lessee to Comply with Lease Agreement

The REIT Manager considers that CPN Pattaya Hotel has the ability to comply with the sub-lease agreement conditions including to make the fixed rental payment since Hilton Pattaya Hotel is a hotel that had decent historical operating results. It is also situated in a good location of Pattaya City

which is a major tourist attraction in Thailand. These are important factors affecting the upcoming growth in operating results of Hilton Pattaya Hotel. One major of such factors resulting in a constant upside growth in operating results of the hotel is that CPN Pattaya Hotel has appointed the Hilton Group to manage the hotel. The Hilton Group has experience and proficiency in managing international hotels, where the familiarity and experiences gave it successfully managing such hotels over time. Moreover, a major shareholder of CPN Pattaya Hotel, which is Central Pattana, also benefits the operation of the Hilton Pattaya Hotel since central pattana is well familiar with this hotel making Central Pattana to be able to use its high experiences in succeeding the development and management of the shopping malls to support the business operation of Hilton Pattaya Hotel because both types of assets can support each other's business. Pursuant to the undertaking agreement, Central Pattana agrees to control, supervise and take any necessary preventive actions or remedy in order that Central Pattana Pattaya Hotel, which is the subsidiary of Central Pattana, will strictly comply with the terms and conditions of the agreements to which it is a party.

CPN Pattaya Hotel had consistently fulfilled its sublease terms with CPNREIT. However, the Coronavirus outbreak and the social distancing and the international travel ban, prevented tourists from reaching Hilton Pattaya and thus handicapped operations of the hotel. Given the circumstances, CPN Pattaya Hotel could explicitly identify the pandemic and government control measures as an extraordinary event beyond its control and exercise its rights under the force majeure sublease clause to exempt or postpone fixed lease fees. For 2022, CPNREIT waived the fixed rent for the first quarter for CPN Pattaya Hotel, while CPN Pattaya Hotel has completed payment of the fixed rent of the second to the fourth quarter of 2022. Regarding the fixed rent from hotel business postponed due to the major renovation or the force majeure circumstance, CPN Pattaya Hotel will pay to CPNREIT within 2023.

Details of the rents received by CPNREIT from CPN Pattaya Hotel of the previous years are as follows:

(Unit : THB Million)	2018	2019	2020	2021	2022
Rent to be Received by Sub-Lease Agreement[/1]					
Fixed rent	210	217	225	233	242
Variable rent	105	109	-	-	77
Total rent	**315**	**326**	**225**	**233**	**319**
The postponement of the rental income in the event of major renovation or force majeure					
Fixed rent	-	-	162	59	-
Variable rent	-	-	-	-	-
Total rent	**-**	**-**	**-**	**-**	**-**
The waived of rental payment due to the force majeure					
Fixed rent	-	-	7	174	60
Variable rent	-	-	-	-	-
Total rent	**-**	**-**	**7**	**174**	**-**
Total rental recorded in its financial statement according the related accounting standards					
Fixed rent	210	274	235	73	187
Variable rent	105	109	-	-	77
Total rent	**315**	**383**	**235**	**73**	**264**

Remark : [/1] Rental by Sub-Lease Agreement before excluding the postponement

Impact from Change of Property Sub-lessee of Hilton Pattaya Hotel

In the event that CPN Pattaya Hotel, which is the Property Sub-lessee of Hilton Pattaya Hotel does not renew the sub-lease agreement or terminates the agreement prior to the end of the lease term, CPNREIT may need some time to look for another person to act as the Property Sub-lessee in replacement of CPN Pattaya Hotel. Such person may not have the same qualifications or capability as CPN Pattaya Hotel, and CPNREIT might not be able to even find a new Property Sub-lessee at all, or the replacing person might not be able to pay the same rents as CPN Pattaya Hotel, and these will directly impact the revenues of CPNREIT and its capability to distribute the benefits to the unitholders.

In order to mitigate the risk in this event, CPNREIT has entered into a sub-lease agreement of immovable assets and a lease agreement of movable assets, with the lease term of 3 years, under which of the existing agreements commencing from 1 January 2018 to 31 December 2020, and upon the expiry of the lease term, both CPNREIT and CPN Pattaya Hotel may exercise their right to renew the agreements for 2 times, with a 3-year term each.

In the case that CPNREIT no longer grants the sub-lease of Hilton Pattaya Hotel to CPN Pattaya Hotel, the REIT Manager will follow the protocol in selection of the new sub-lessee by mainly taking into account the benefits of CPNREIT and the unitholders. However, with the asset highlights of Hilton Pattaya Hotel which is situated in a good location of Pattaya City which is a major tourist attraction in Thailand, the seeking of a new sub-lessee in replacement of CPN Pattaya Hotel due to such case should be able proceeded.

Borrowing

1. Loans

Summary of loan agreements

The sources of funds for investment in The Ninth Towers Office Building Project and Unilever House Office Building Project and expenses and fee related to the registrar fee of Central Rama 2 Project (renewal period) was from loan from financial institutions. At present, the preliminary important terms and conditions of the loan transactions that CPNREIT has been offered are as follows:

Lender	Financial institution No.1
Borrower	Trustee on behalf of CPNREIT
Credit Facility	Facility A: THB 10,000 million To invest in the Additional Assets, including to pay the relevant expenses and/or to refinance the loans, which will be used for investment in Additional Assets, Facility B: THB 4,170 million For refinancing of credit facility and liabilities which were due under Facility A. Facility C: THB 1,800 million For issuance the bank guarantee to Central Pattana Rama 2 as the collateral for the rental payment of the renewal period for Central Rama 2 Project (Renewal Period)
Interest Rate	Fixed rate and/or Floating rate
Term of Loan	Not exceeding 6 years
Repayment	Repayment by amortizing repayment and/or bullet repayment as specified in the loan agreement
Collateral	None
Loan covenant	Debt to total asset ratio must not be greater than 35 percent throughout the contract term as calculated from the yearly financial statements ended on 31 December of each year. If CPNREIT has been given the credit rating at the level of 'Investment Grade', CPNREIT shall maintain its debt to total assets ratio not to exceed 60 percent as calculated from the yearly financial statements ended on 31 December of each year. The borrower agrees to maintain the ratio of its repayment ability at the rate of not less than 1.2 times at the end of every fiscal year as shown in the financial statement.

Lender	Financial institution No.2
Borrower	Trustee on behalf of CPNREIT
Credit Facility	Facility A: THB 2,000 million To invest in the Additional Assets, including to pay the relevant expenses and/or to refinance the loans, which will be used for investment in Additional Assets, Facility B: THB 1,500 million For expenses incurred from renovation and repair of assets, or for repayment to the Borrower for any expenses for which the Borrower has advanced for modification and repair of assets. Facility C: THB 100 million For working capital of CPNREIT's operation expenses
Interest Rate	Fixed rate and/or Floating rate
Term of Loan	Not exceeding 6 years
Repayment	Repayment by amortizing repayment and/or bullet repayment as specified in the loan agreement
Collateral	None
Loan Covenant	Debt to total asset ratio must not be greater than 35 percent throughout the contract term as calculated from the yearly financial statements ended on 31 December of each year. If CPNREIT has been given the credit rating at the level of 'Investment Grade', CPNREIT shall maintain its debt to total assets ratio not to exceed 60 percent as calculated from the yearly financial statements ended on 31 December of each year. The borrower agrees to maintain the ratio of its repayment ability at the rate of not less than 1.2 times at the end of every fiscal year as shown in the financial statement.

2. Debentures

CPNREIT has issued 7 tranches of debentures since August 2018, details are as follows;

Debenture/1	Amount (THB Million)	Issue Date	Maturity Date	Tenor (Year)	Coupon (%)	guarantee	Rating/2
CPNREIT288A	7,390	17 Aug 2018	17 Aug 2028	10 Years	3.80	None	AA
CPNREIT232A	1,795	8 Feb 2019	8 Feb 2023	4 Years	3.30	None	AA
CPNREIT243A	2,000	31 Mar 2021	31 Mar 2024	3 Years	1.50	None	AA
CPNREIT263A	1,500	31 Mar 2021	31 Mar 2026	5 Years	2.13	None	AA
CPNREIT268A	1,650	13 Aug 2021	13 Aug 2026	5 Years	1.65	None	AA
CPNREIT318A	1,000	13 Aug 2021	13 Aug 2031	10 Years	2.96	None	AA
CPNREIT272A	2,000	28 Feb 2022	28 Feb 2027	5 Years	2.40	None	AA

Remark:

/1 CPNREIT had registered the debentures with the Thai Bond Market Association (ThaiBMA) within the Issue Date of each series, and will maintain, throughout the term of debentures, the debentures be securities registered with the Thai Bond Market Association, or any other secondary market center which is registered with the SEC Office.

/2 On 22 August 2022 and 20 December 2022, TRIS remained giving credit rating for organization, and senior unsecured debentures of CPNREIT at "AA" level, with "Negative" outlook.

With the issuance of debentures for loan repayment, the Benefit of these newly issued debentures is a fixed interest rate, which is, in the long run, lower than the floating interest rate of the existing bank loans, which be fluctuated over the duration of the loans.

Status of borrowing as at 31 December 2022

Loan[/1]	THB 5,676.5 million
Debentures	THB 17,324.9 million
Total assets	THB 80,316.8 million
Debt to Total Asset Ratio	28.6%[/2]
The ratio of its repayment ability	not less than 1.2 times

Remark: [/1] In March 2020, the sources of funds for investment in The Ninth Towers Office Building Project and Unilever House Office Building Project and expenses and fee related to the registrar fee of Central Rama 2 Project (renewal period) by THB 8,380.7 million was from loan.

[/2] Total asset value of CPNREIT includes the asset value of Central Rama 2 (Renewal Period) which is in accordance with the relevant accounting standards, while the lease liability of Central Rama 2 (Renewal Period) is not considered as borrowings under regulations of the Office of the SEC. Nonetheless, if excluding the asset value of Central Rama 2 (Renewal Period), the proportion of the loan to the total asset value of CPNREIT will be approximately 40.8%

3. Provision for debt repayment

The REIT manager has allocated funds to meet CPNREIT debt repayment obligations, mainly from committed loans, that come due each year until the debt is properly repaid in full.

In 2023, the REIT manager will set aside reserves for the debt repayment in the amount not exceeding THB 140 million and proceed with distribution or capital reduction, or both, per REIT distribution policy, whereby the adjusted net profit reflects the provisions for debt repayment per relevant SEC criteria and announcement.

Thai Economy 2022

According to the 2022 economic report by the Office of the National Economic and Social Development Council (NESDC), the overall Thai economy in 2022 rose by 2.6%, or an increase from 1.5% in 2021, indicating a sign of economic recovery. The factors supporting the recovery were higher private consumption and investment, as well as exports sector and private investment. The Consumer Confidence Index in 4th quarter of 2022 was at 42.0, an increase from 37.6 in the previous quarter which was the highest in the past seven quarters. Economic activity continued to be driven by private consumption with main support from the tourism sector. In 2022, there were 11 mn foreign tourists traveling to Thailand, or an increase from 400,000 people in 2021, accounting for 28% of the total number of 39 mn tourists in 2019. However, it was expected for tourist continual growth in 2023 after China announced the relaxation of COVID-19 measures in January 2023.

Economic Outlook 2023

NESDC expects Thai economy in 2023 would grow by 2.7-3.7%. The key positive factors for economic growth in 2021 included 1) recovery of the tourism sector, 2) more private and public investment, 3) continual expansion of domestic consumption, and 4) the recovery in agricultural. NESDC expects the private consumption to grow by 3.2%, while the private and public investment tended to grow by 2.1% and 2.7%, respectively. The main positive driver of economic recovery of 2023 includes the recovery of tourism sector. When comparing to the year 2019, there was a continual increase of overall monthly tourists in 2022. In October, November, and December of 2022, the number of tourists was recovered by 48%, 52%, and 57% of the total tourists in 2019, respectively. After Thailand officially opened its borders in June 2022, the revenue from tourism sector in 2022 was increased to Baht 1.25 tb, with the recovery from Thai and foreign tourists by 59.5% and 31.7%, respectively.

In 2023, Tourism Authority of Thailand (TAT) sets a target for the revenue of Baht 2.38 tb from tourism, with total number of 25 mn foreign tourists. Thailand is expected to benefit from the official return of Chinese tourists on January 8, 2023 as a sign of "the end of COVID-19". Moreover, the potential tourist groups which expected to increase include 1) the Middle East group with high spending rate per trip on medical tourism of Thailand's advantage, 2) India group with a high growth of middle-class people on a large population base and their spending behaviors in tourism and hotel sectors, and 3) the long stay group such as Europeans and Americans who benefit from Work From Anywhere style that enables them to manage their time for more traveling than before. The highly increasing foreign tourists make a booming in Thai tourism during 2023, especially in important destination such as Bangkok, Chonburi, Phuket, Songkhla, and Chiangmai. Meanwhile, the secondary cities with tourism potential and capabilities are expected to grow by connecting to main cities among foreign tourists to enhance the long-term growth of Thai tourism towards the highest level in the next one or two years.

Nevertheless, there remains some important risks that could slow down the recovery, such as geopolitical tensions, e.g. war in Ukraine and China-Taiwan conflict, which sluggish the private consumption and lead to higher energy costs. In the meantime, the increase of interest rate by FED and the U.S. economic slowdown may affect the global, and China's economic recovery to be slower than expected as well as the deceleration to tourism and export sectors in Thailand, along with a high level of household debts and a decrease of domestic purchasing power.

Retail Industry in 2022 and outlook in 2023

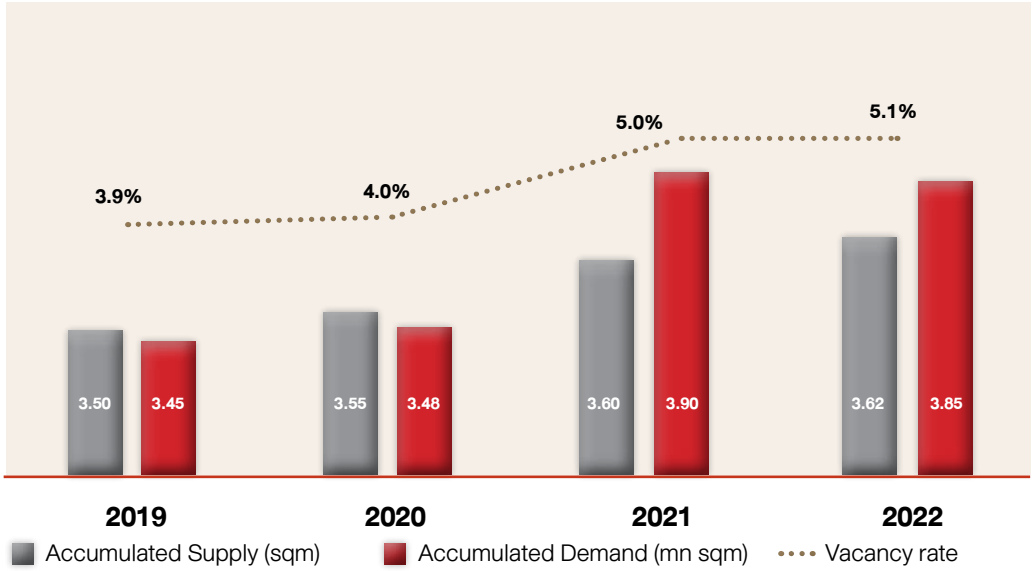
In 2022, the retail business gradually improved in line with the economic situation. The supporting factors included 1) the government's measures to promote more spending, 2) the gradual return of foreign tourists, and 3) the middle- and upper-income groups of consumers with lots of spending potential.

For the year 2023, the retail business is expected for a continual sales growth from 2022 as follows 1) a higher purchasing power in line with Thai economic growth at an average of 2.7-3.7% per year, 2) revenue foreign tourists expected by TAT to increase to 80% compared to the pre-COVID-19 period, 3) the mega-project investments to increase employment and cash flow in the system, 4) the economic growth of neighboring countries with increasing opportunities to gain more income, and 5) the stimulation of more spending from election in 2023.

The business direction of modern retail stores tends to expand more branches with storefronts, along with the development of online marketing channels, including new business models and widespread technology applications. This can help differentiate and increase more intense competitiveness in business among entrepreneurs to accelerate their customer base expansion and coverage in omni-channel format towards a long-term revenue growth.

According to the data from Jones Lang LaSalle Thailand (JLL Thailand), in the third quarter of 2022, the industrial demands were slightly improved when compared to the previous year. There was a slight increase in vacancy rate from 4.5% in the third quarter of 2021 to 5.1% in the third quarter of 2022 due to a higher supply during the fourth quarter of 2022, mainly from the opening of shopping centers after renovation, such as The Mall Life Store Tha Phra and the area expansion of Central Rama 2.

Prime Supply, Demand, and Vacancy Rate – Prime Grade



Source: JLL Thailand Research

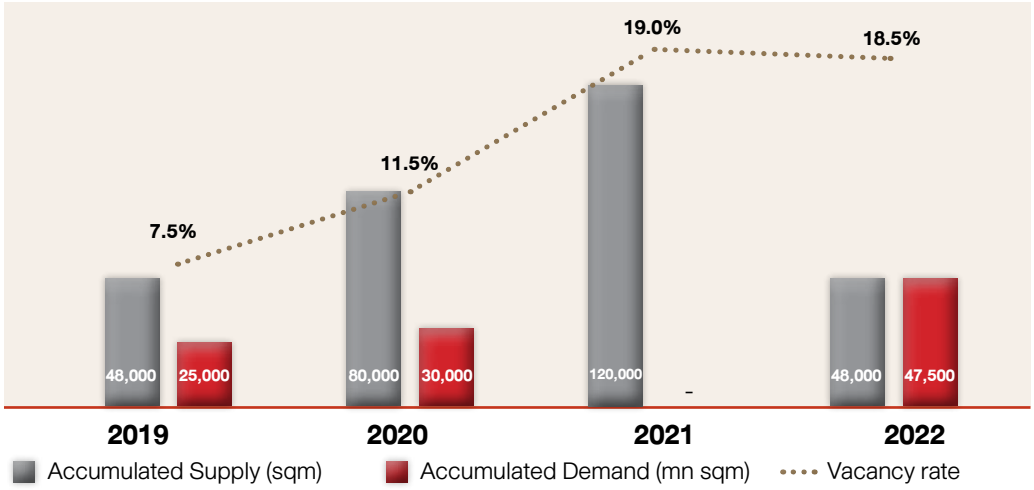
For the supply in 2023, there is a significant increase in retail supply, mainly from One Bangkok and Central Westville projects. It is expected for a higher number of new projects in 2023 with total area of approximately 400,000 sqm.

Following the supply mostly in the upper market with high purchasing power groups and not much affected by the crisis, most of the markets are still owned by large entrepreneurs who have advantages in both capitals and lands in potential locations. Meanwhile, those in the heart of city with limitations in expanding to new areas will focus their investments on modernizing the styles of retail space to attract more customers for services or mixed-style project development.

Office Building Industry 2022 and outlook in 2023

The Bangkok office building business in 2022 remained to fluctuate amidst the impact of COVID-19 crisis. The supply of office space in Bangkok in the third quarter of 2022 was approximately 10 mn sqm, an increase of almost 400,000 sqm from the third quarter of 2021, especially in the upper market. The vacancy rate of offices in the upper market group in Bangkok was increased to 18.3% in the third quarter of 2022 from 15.4% in the third quarter of 2021. Overall, the net absorption rate since the beginning of 2022 has been negative at 22,535 sqm. Meanwhile, in the upper market group, the net absorption rate is still surplus at 45,415 sqm, indicating that the lower market of office buildings is severely affected by the declining occupancy rate.

CBA Net New Supply, Net Absorption, And Vacancy Rate – Prime Grade



Source: JLL Thailand Research

The Bangkok office market outlook in 2023 is expected for an additional supply of over 446,000 square meters, with the majority located in the central business areas of Bangkok in the upper market. Because of the changes in working behaviors of large companies and the upcoming supply in the next three to five years, it is likely that the vacancy rate may continue to increase in the near future. Office buildings outside the central business areas of Bangkok tend to be improved with greater demands from tenants for attractive off-center locations. However, in the medium to long term, it is possible that there will be a balance in the market if the supply is changed. For instance, older office buildings are removed from the market or renovated in line with a stronger demand.

Hotel Industry in 2022 and outlook in 2023

The hotel business in 2022 tended to gradually recover because of not much return of foreign tourists, especially Chinese tourists who still faced with the restrictions from the zero-COVID policy. In addition, there was a slow-down of the global economy as a result of the Russo-Ukrainian war. Thus, the nationwide occupancy rate tends to remain at a low average of 45% in 2022. However, the number of foreign tourists is expected for a rapid growth during 2023-2024 with the recovery at a similar level to the pre-COVID-19 period of 38-40 mn arrivals in 2025. Meanwhile, the number of Thai tourists is likely to recover because of domestic tourism promotion measures, by trend increase to 55% and 65% in 2023 and 2024, respectively. For the supply, it is expected that major hotel entrepreneurs will continue to increase their investment despite the behind schedules. The hotel business in Bangkok and big cities will face with intense competitions due to high oversupply, and mainly rely on foreign tourists. Hotels in the region tend to recover because of more focus on Thai tourists.

The following statements describe certain material risk factors that may affect CPNREIT. Other than the risk factors listed in this report, there may be other risk factors that are currently unknown to the REIT Manager or those risk factors that have been considered to be immaterial by the REIT Manager, which could be or could become material risks in the future. All risks listed in this report and the risks which may arise in the future could materially affect the business, the performance and the financial position of CPNREIT.

1. Risks Associated with CPNREIT or Operation of CPNREIT

1.1 Risks from Economic Volatility That May Affect Immovable Properties Invested In or to be Invested In by CPNREIT

1.2 The outbreak of communicable diseases around the world may lead to higher volatility in the global capital markets, which may materially and adversely affect benefit procurement, financial condition and results of operations of CPNREIT

The global outbreak and spread of infectious diseases over the past several years, including the severe acute respiratory syndrome (SARS), the influenza A virus (H5N1), etc., and the most recent coronavirus disease 2019 (COVID-19), may affect investment decisions and lead to ongoing volatility in the capital markets worldwide or may adversely impact the economy in various aspects. In addition, such outbreaks may disrupt traveling and public transport systems and may prompt recreation venues and workplaces to be closed, thus threatening the world economy. Any material changes in the capital markets or economies at either regional or global level triggered by the pandemic situation or development may have significant adverse impacts on benefit procurement, financial position and operating results of CPNREIT.

Since 2022, Thai economy has recovered from COVID-19 pandemic due to the relaxation of epidemic control measures and significant return of foreign tourists. People and shops are able to return to their normal lives and more businesses return to their normal operations. However, the assets invested by CPNREIT are still affected as follows:

Shopping Malls: Due to a slowdown in purchasing power and lower sales among tenants to the point that they are unable to pay rent or have insufficient cash flow. The REIT Manager and property manager continued to provide rental discounts or delay of rental payment for those tenants.

Office buildings: Due to the hybrid workplace behavior or work from home, the demand for rental space tends to decrease, which could result in the tenants reducing their rented spaces or not renewing their rental agreement upon expiry of the agreement, thus further hurting rental income that CPNREIT will receive from the lessee respectively.

Hotels: Travel restrictions of Chinese tourists in the past year, resulting to the recovery of occupancy rate may not be as expected and subsequently dampened tenants' revenues and ability to pay rent that CPNREIT will receive from the sub-lessee.

1.3 Risks from Increasing Competition of Business and Change in Lifestyle

CPNREIT's operating performance may be impacted by the real estate market condition and the stiffer competition in this business from both the existing players and the new entrants that have consistently opened and renovated their shopping centers, office buildings and hotels. Moreover, the changes in todays' consumer lifestyle and behavior and the technological

advances have led to a challenge from emergence of a variety of product and service shopping channels such as online channels for purchasing products and services and ordering food, financial transaction via mobile banking, etc., which could better respond to the target groups' lifestyle. Therefore, retail business operators and shopping mall operators alike have to adjust themselves and align their strategies with the changing business environment.

As such, the REIT Manager will work with the Property Manager (for shopping malls and office buildings) and the Property Sub-lessee (for hotels) in taking necessary actions within the scope of authority and responsibility of the REIT Manager as specified in the Trust Deed, the REIT Manager Appointment Agreement, other related agreements, and the relevant rules and regulations under supervision of the Trustee, with the objective to enhance competitiveness of the properties invested/to be invested in by CPNREIT. A focus will be placed on development and improvement of those properties to increase efficiency in benefit procurement from the properties, utilization of the spaces, and maintaining of a good image and modernity among the tenants and users of services in the properties. Particularly for shopping malls, the REIT Manager will collaborate with the Property Manager in devising strategies for development and improvement of shopping malls under the Center of Life concept by offering new formats of shopping malls and utilization areas to deliver a new atmosphere and experience that match the behavior and lifestyle of each target group. This will also include a well-organized layout of retail shops and service stores, arrangement of activities that fulfill needs of persons having similar interests (community), and use of digital platform and technology system for increasing efficiency in communication and servicing of shopping mall customers in order to deliver modernity and impressive experience and enhance efficiency and effectiveness in shopping mall management.

CPNREIT has worked with the Property Manager (for shopping malls: and office buildings) and the Property Sub-lessee (for hotels) in taking actions as follows:

Shopping Malls: The property manager use digital technology to improve services and privileges via omnichannel sales, such as One call One click (Chat & Shop, Central Eats, Central kitchen), as well as digital experiences through Central Life on Line platform and Central Life X on Android & IOS application. The support and help the tenants as End-to-End solutions for partners, such as support for growth and store expansion with the Co-investment, Funding, and Franchise models, business operation assistance by using SERVE application, Big Data from The 1 and The 1 BIZ, stimulation of store sales through targeted marketing activities, and assistance to the affected stores through discounts, delay of rental payments and adjustment on type of lease agreement, promotion and development of potential tenants through experience exchange, business matching, and business expansion both domestically and internationally with Start-Up market, Central Pattana Lead and Retail Academy projects.

Office buildings: The property manager use digital technology for online channel development through the creation of a website to access rental spaces vis 360 VR Tour, while considering rental conditions, appointments, and space reservation, as well as application development (B2C) for tenants and building users with more convenience and efficient communication.

Hotels: The hotel management (Hilton Group) increase sales of domestic tourists through promotions according to government measure of "We travel together", Use of influencers from social media for advertising and more focus on corporate customers. Seeking tourists from other countries to replace the declining number of Chinese tourists by focusing on countries with potential, such as the US, the European Union, the Middle East, and South Asia.

1.4 The Operating Performance of CPNREIT Partly Depends On Management Capability of the REIT Manager of the Properties Invested In and to be Invested by CPNREIT

The REIT Manager shall be a person who will set the policy for action plans, marketing, for realizing benefits, and management strategy of CPNREIT in order to comply with the Trust Deed, and other relevant agreements. Actions of the REIT Manager will be under the supervision of the Trustee, and will be governed by the Trust Deed, the REIT Manager appointment agreement, and relevant laws.

There is no assurance that the REIT Manager will be able to achieve the implementation of the CPNREIT investment strategy as the REIT Manager is subject to various uncertain factors, including the management capability of the REIT Manager and its ability to properly realize benefits from invested properties and in compliance with the investment principles of CPNREIT, as well as obtain good financial results. Therefore, the REIT Manager cannot guarantee that the operation as

per the plan for strategic management and the realization of benefits from the invested properties by the REIT Manager will actually meet such plan, or can be achieved within the timeframe and budget. If the REIT Manager fails to manage according to the strategy, such failure may have an adverse impact on the core assets and may affect CPNREIT's performance and ability to pay dividends to unitholders. While the Trustee will supervise and follow up with the REIT Manager's actions to ensure that such actions shall be in line with the Trust Deed, the REIT Manager appointment agreement, and other relevant agreements and the REIT Manager will take care, follow up, and cause the Property Manager and Property Sub-lessee (in the case of the hotel sector) to comply with relevant agreements.

1.5 CPNREIT Must Rely On the Property Manager's Personnel Who Have Skills and Experience in Managing and Realizing Benefits from Properties

Directors and chief executives of Central Pattana, GLAND and Sterling as Property Manager, in the case of the shopping mall and office building sector, together with the management team of the Hilton Group, who is in charge of the management of Hilton Pattaya Hotel, have important roles in managing and realizing benefits of properties that are invested in or will be invested in by CPNREIT. Loss of such personnel would constitute a loss of persons who have gained the necessary experience, knowledge, business relationships and the skills required for managing immovable property. In case Central Pattana and/or GLAND and/or Sterling and/or Hilton Group lose any such personnel and are unable to attract, employ and develop new personnel with the necessary experience, knowledge, and qualification in relation to the management and realization of benefits of properties to replace such personnel losses, CPNREIT's ability to make profit may decrease. This will further affect CPNREIT's ability to pay dividends to unitholders.

Nonetheless, this risk can be managed because Central Pattana Group, including GLAND and Sterling, set policy and measures to manage human resource covering aspects of selection and maintaining of personnel, and to develop the potential of personnel in order to have a sufficient number of personnel with a sufficient level of competency required to work responsibly and who are happy to work with dedication and good creativity at all times. With respect to the risk from a change of management team of Hilton Pattaya Hotel, Hilton Group has its own network for hotel management at an international level and is equipped with a good internal working system. It is thus anticipated that in case of a change of the hotel management team, a new hotel management team can be dispatched to seamlessly replace the existing team.

1.6 Risk Caused by Refusal to Renew Hotel Management Agreement Upon Its Expiration, or Even If Renewal Is Made, the Terms and Conditions in the Renewal May Differ

The performance of the Hilton Pattaya Hotel may be affected if the hotel management agreement entered into by the Property Sub-lessee and the current hotel management executives is not renewed upon its expiration, or is terminated prior to its terms. Such event will cause the Property Sub-lessee to seek and appoint new hotel management executives to replace the former management executives. This may cause a disruption of the Hilton Pattaya Hotel. Also, even if the hotel management agreement entered into by the Property Sub-lessee and the current hotel management executives (Hilton Group) is renewed, there is still a risk since new terms and conditions under the new agreement or the renewed agreement may differ from the previous agreement. These factors are regarded as factors which may affect the operation and ability of CPNREIT to pay dividends to unitholders.

However, since there is a period of approximately 4 years remaining under the current hotel management agreement (which expires on 30 November 2025), and if the Property Sub-lessee can continue to comply with the conditions of rent payment to CPNREIT as per the sub-lease agreement and the hotel management agreement until the expiry of the hotel management agreement, the REIT Manager anticipates that there is the likely possibility of renewing the hotel management agreement upon its expiry under terms and conditions that will be beneficial to all parties. However, if the hotel management agreement is not renewed or is terminated early, the Property Sub-lessee will have the duty to procure and select appropriate new management executives to replace the former management executives in order to continue complying with the sub-lease agreement.

1.7 Risk from a Decrease in the Number of Tourists That Will Affect Hotel Business Operation

1.8 Risk Associated with the Hotel License and Other Relevant Licenses for Business Operation

If the hotel business license and/or any other business license that is related to the Property Sub-lessee (in the case of the hotel sector) is terminated or its renewal is refused, the Property Sub-lessee will not be able to continue operating the hotel. This may be deemed to constitute failure of the Property Sub-lessee to comply with terms and conditions set forth in the Sub-Lease Agreement.

However, the Property Sub-lessee will carry out and comply with relevant procedures and requirements for applying for and the renewal of the hotel license and other business licenses to ensure that any related undertakings are smoothly carried out and in compliance with relevant rules and regulations.

1.9 CPNREIT's Income is Derived from Property in the Hotel Sector Depends On the Financial Condition of the Property Sub-lessee and Compliance with the Sub-Lease Agreement

Part of CPNREIT's performance and ability to pay dividends depends on income which is derived from rent of the property in the Hilton Pattaya Hotel, which has been sub-leased out by CPNREIT to a single sub-lessee (CPN Pattaya Hotel), which is a subsidiary of Central Pattana. CPNREIT's income from this part comprises of fixed rent, and variable rent (calculated according to the method as prescribed in the sub-lease agreement), which will be paid to CPNREIT by CPN Pattaya Hotel. As a result, CPNREIT is exposed to risk from investment in the leasehold right of this hotel property by sub-leasing only to CPN Pattaya Hotel. Therefore, at any time if the financial condition of CPN Pattaya Hotel has deteriorated from the unexpected poor performance of the hotel, CPN Pattaya Hotel may delay the payments or may be in default of paying rent, and such event may cause the sub-lease agreement to be terminated, resulting in the material adverse effect to the financial condition, operational performance and ability of CPNREIT to pay dividends.

However, according to the conditions set forth in the sub-lease agreement, CPN Pattaya Hotel is not allowed to conduct any action which may cause a risk to the financial condition of CPN Pattaya Hotel. In addition, in order to reduce the risk of this case, the REIT Manager and CPN Pattaya Hotel, as the Property Sub-lessee, will continually and jointly follow up with and evaluate the performance of the Hilton Pattaya Hotel, and will jointly proceed with any actions necessary to modify and improve, and enhance the level of competency in operating the hotel business, by taking into consideration the overall strategy for business management and realization of benefits of CPNREIT's properties. In addition, under the undertaking agreement, Central Pattana agrees to control, oversee, and proceed with any actions that are necessary to enable CPN Pattaya Hotel, which is Central Pattana subsidiary, to strictly comply with the terms and conditions set forth in the agreements to which CPN Pattaya Hotel is a party, including but not limited to agreements for the realization of benefits in the Hilton Pattaya Hotel, as well as documents and other agreements in connection with the realization of benefits of CPNREIT whereby CPN Pattaya Hotel is related to or has entered into as a party. In particular, Central Pattana will use its best efforts to provide any financial assistance, such as providing loans to CPN Pattaya Hotel, additional investments in shares of CPN Pattaya Hotel in the case of a capital increase, etc. Such financial assistance is not aimed at guaranteeing income to be paid to CPNREIT, rather, the purpose of such money is for support and is to be used as working capital for the operation of CPN Pattaya Hotel so that CPN Pattaya Hotel is not in default or breach of contractual conditions, or does not give cause for contract termination; provided that the planning and withdrawal of money for the operation of Hilton Pattaya Hotel is operated by the Hilton Group, as hotel management executives.

1.10 Risk from Postponement of Rental Payment or the Waiver of Rental Payment Due to a Force Majeure Event Affecting the Business Operation of Hilton Pattaya

In the case of a force majeure event affecting the business of Hilton Pattaya Hotel, which is regarded as an event under the conditions that provide for postponement or waiver of rental payment due to an event of force majeure set forth in the building sub-lease agreement, the utilities sub-lease agreement and movable assets lease agreement in relation to core assets in Hilton Pattaya Hotel, CPN Pattaya Hotel, as Property Sub-lessee, is entitled to request the postponement of rental payment, either in part or in

whole, in any quarter. Also, CPN Pattaya Hotel is entitled to request the waiver of rental payment, either in part or in whole, in any quarter to CPNREIT. In the case of postponement of rental payment or waiver of rental payment by CPN Pattaya Hotel, income and working capital of CPNREIT may be materially affected, which may have an impact on the payment of dividends to unitholders.

However, in order to mitigate the risk which may arise, both parties agree to calculate rent if such event occurs. This may cause CPN Pattaya Hotel to be obligated to continue making a partial rental payment, provided that such rental payment will be determined based on the ability of CPN Pattaya Hotel to pay the rent, together with the effect on Hilton Pattaya Hotel's business of CPN Pattaya Hotel. In case such event has passed, CPN Pattaya Hotel still has to continue making rental payment for the quarter as usual according to the calculation method for normal rent. In addition, CPN Pattaya Hotel must make payment of rent which was postponed and has not been paid in full. The rent which has been postponed and has not been paid in full will be calculated in every quarter according to the criteria prescribed in the building sub-lease agreement, the utilities sub-lease agreement and movable assets lease agreement in relation to core assets in Hilton Pattaya Hotel.

1.11 Risk from Not Being Able to Procure a Sub-Lessee for the Hotel Property in the Future

1.12 Risk of Ability to Pay Rental and Service Fees by Tenants in the Shopping Malls and Office Buildings

The ability to conduct business of the tenants in shopping malls and office buildings that are invested in by CPNREIT may affect their ability to pay rental and service fees, to renew agreements, or lead to early termination of agreements. These results will directly affect the income and working capital of CPNREIT and CPNREIT's ability to pay dividends to unitholders. However, the majority of the lease agreements for spaces in shopping malls and office buildings which are invested in by CPNREIT have a lease period of about three years. This allows the Property Manager to adjust the shops in shopping malls and the tenants of office buildings. In addition, the Property Manager has policies to protect against risk of payment defaults of tenants in the following cases: (1) for general lease agreements, the amount equivalent to about 3-6 months' rent is requested as lease deposit to compensate for CPNREIT's loss of income if such tenant fails to pay rent, and to compensate for loss of benefits and/or damage which may occur to CPNREIT upon a tenant's request for early termination of a lease agreement; (2) termination of the lease agreement is required in case of failure to make outstanding rent payment for an extended period, and timely cooperation is required of the tenant in negotiating and solving the problem; and (3) overdue payments will be closely followed up on, and if payment default occurs, cooperation with the relevant work units will continually be sought in order to solve the problem. However, the COVID-19 pandemic breaking out in the past year has materially affected the business operation of CPNREIT as a consequence of the subdued domestic purchasing power, the practicing of a new normal, the diminishing number of tourists, and the government's measures to curb the spread of the virus such as the closure of shopping centers. These factors have impacted the tenants' sales and ability to pay rental and service fees, as well as to renew the agreements. Nonetheless, Central Pattana, as the Property Manager, has devised measures to grant a discount on rent to the affected tenants based on type of the tenants and the impact on them in a bid to remedy the tenants and enable them to carry on their business until the crisis eases, which will help retain the tenant base in shopping malls and office buildings in the long term.

1.13 Risk in the Event of Early Termination of the Sub-Lease Agreement by the Single Sub-Lessee of Space in Unilever House Office Building Project

1.14 Risk of Loss of Anchor Tenants of Shopping Mall Projects

1.15 Risk Associated with Renovation of CPNREIT's Properties

The property of CPNREIT, i.e. shopping malls, office buildings, and hotels, requires repair, renovation and refurbishment for the purposes of safety, making them look brand new and modern, and for serving the needs of customers who come to purchase goods and use the services in shopping malls, including the tenants (for properties which are shopping malls and office buildings), and customers who use services within the hotel. Normally, the annual renovation and maintenance will not have much affect on the operation of CPNREIT's properties, except for the case of major renovation that requires renovating for a significant image change on the inside and outside of the properties, or change of important utilities system of the properties, which is normally conducted every 10-15 years. In general, there is no cessation of such property's operations during the renovation, and the renovation will be conducted only in specific areas required for renovation, while other areas are still in operation as usual, unless it is considered that cessation of the property's operations for renovation is more advantageous than a gradual renovation action on such parts of the properties that would have an adverse affect on tenants and customers who come to purchase goods and use services (for properties which are shopping malls and office buildings), and customers who come to use services in the hotel, as well as CPNREIT's income.

For each major improvement, the REIT Manager, the Property Manager (in the case of shopping malls and office buildings), and the Property Sub-lessee, together with the hotel manager (for the hotel property), will prepare a plan in order to minimize the effects to tenants and customers who come to purchase goods and use services (for the properties which are shopping malls and office buildings) and customers who use services in the hotel, by taking into consideration the necessary financial resources and the appropriate timeframe for such action. Also, a study on the effects of the income and benefits expected to be derived must be conducted prior to undertaking renovation actions in every case. Major renovations are necessary for conducting the business of shopping malls, office buildings, and hotels in order to maintain image, to enhance modernization, to be in line with changes of market conditions at all times, and to create attractiveness for the properties invested in by CPNREIT, and to respond to the needs of tenants in the shopping malls and office buildings, together with customers who come to use services in the shopping malls, office buildings and hotels. These actions help to maintain and increase opportunities to realize income and cash flow of CPNREIT on a long-term basis.

Furthermore, with respect to maintenance of the core assets in the Hilton Pattaya Hotel, to be in good condition and in a position to realize benefits, the Property Sub-lessee must use its best efforts as that of a general hotel operator in taking care of sub-leased property to be in good condition throughout the lease period and appropriate for use as per its objectives as prescribed in the agreement. The Property Sub-lessee shall be responsible for any and all maintenances, repairs, and actions necessary for maintaining the sub-leased property as a hotel. Such expenses shall be deemed as part of the operating expenses according to the budget mutually agreed upon and approved by the parties.

For 2021, Central Rama 2 was undergone a major renovation from July 2020 to November 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. The overall shopping mall's ambience was revamped with the highlight magnets including new look of department store providing seamless integration shopping experience, uplifted Tops Supermarket to Central Food Hall, the largest SuperSports in the area as well as world-renowned restaurants.

1.16 Risk Due to the Fact that CPNREIT Has No Right to the Space of Big Retail Super Centers Inside Certain Shopping Malls Invested In or to be Invested by CPNREIT

1.17 Risk Arising from the Impact of Damage in the Space That Is Not Invested by CPNREIT

1.18 Risk Associated with Non-Performance by the Contractual Parties

1.19 Risk from Termination of Sub-Lease of Land of Central Rama 2 Project and Central Pinklao Project Due to Termination of Main Lease Agreement

Given the fact that investments in land sub-leasehold rights exist in Central Rama 2 Project and Central Pinklao Project, and even though the long-term sub-leasehold right is registered with the relevant authorities, CPNREIT is still subject to the risk that may occur from termination of the sub-lease of land agreement as a result of expiry or termination of the land lease agreement between sub-lessor of the land to CPNREIT and the landlord. In order to mitigate such risk, CPNREIT has thus proceeded with the following risk management activities:

a) To proceed with the request for consent together with setting the conditions of the sub-lease of land with the owner of the land according to the land lease agreement between Central Pattana Rama 2 and the landlord, as well as arrangements for the prevention of risk that may occur from the termination of such land lease agreement by obtaining subrogation rights contained in the land lease agreement of Central Pattana Rama 2 from the landlord.

   On 28 February 2007, CPNREIT (previously CPNRF) had not obtained such right from the landlord. Therefore, CPNREIT thus agreed with Central Pattana and Central Pattana Rama 2 to establish additional measures until CPNREIT has obtained the subrogation right of the land lease agreement. Since 28 February 2007, CPNREIT, Central Pattana and Central Pattana Rama 2 have proceeded with the following actions:

   1. Central Pattana Rama 2 has granted CPNREIT the right to pay the land lease fee in substitution of Central Pattana Rama 2 if Central Pattana Rama 2 fails to pay the land lease fee to the landlord according to the land lease agreement.
   2 Central Pattana Rama 2 will send evidence of the lease payments to CPNREIT every month.
   3. Central Pattana and/or Central Pattana Rama 2 have arranged for procurement of collateral that is acceptable to CPNREIT, in the form of investment units of a general fixed income fund, for the lease payments as per Clause 1 above, in the amount that is equivalent to the land lease fee, which must be paid by Central Pattana Rama 2 to the landlord for the period of 2 years.
   4. Central Pattana Rama 2 has a policy to conduct business as it deems necessary in order to be a company that operates with a low risk profile, by amending part of its memorandum of association relating to the company's objects, in order to be in line with its policy for conducting the necessary business of the company.
   5. Central Pattana agrees to maintain a financial ratio at a level acceptable to CPNREIT, provided that it will be the same ratio which is committed to the creditors of Central Pattana, of which are D/E Ratio, and Debt Service Coverage Ratio (DSCR). If Central Pattana is unable to maintain such ratios and cannot rectify such failure within 3 months, Central Pattana Rama 2 or Central Pattana must provide security money or pledge of instruments that are acceptable to CPNREIT in an amount equivalent to the outstanding land lease fee that Central Pattana Rama 2 is obligated to pay to the landlord

   The above additional measures will be canceled once CPNREIT has obtained from the landlord the subrogation right of the land lease agreement for replacement of Central Pattana Rama 2, or another alternative that is acceptable to CPNREIT has been substituted.

b) Central Pattana has amended the lease of land agreement between Central Pattana and Central Department Store Ltd., where Central Pinklao Project is located. The amendment provides that CPNREIT can subrogate the land lease agreement if Central Pattana fails to comply with the terms of the land lease agreement, when such failure may result in the termination of the land lease agreement, as well as amending the land lease agreement if Central Department Store Ltd. wishes to transfer ownership of the land where Central Pinklao is located. In such case, Central Department Store Ltd. must cause the transferee

of land ownership to accept transfer of all rights and obligations of the lessor with the lessee according to the land lease agreement.

However, regardless of the grounds for the termination of the sub-lease of land agreement, CPNREIT still maintains and holds possessory right of the building as a lessee and can seek benefits from the leased property. If the sub-lease of land agreement is terminated due to the fault of the sub-lessor of the land and CPNREIT fails to exercise the right or is unable to exercise the right to subrogate as the party to the land lease in place of the of sub-lessor of the land as per the conditions set forth in the sub-lease of land agreement, CPNREIT will obtain the sublease fee of the land, which is paid in advance, from the sub-lessor of the land, on a pro rata basis for the remaining period of the sub-lease of land. In addition, if the land lease agreement between the sub-lessor of the land to CPNREIT and the landlord expires or is terminated causing the building and structure on such land to become property of the landlord, such landlord will still have the obligation and responsibility to lease the building and structure to CPNREIT according to the law, for CPNREIT's benefit.

1.20 Risk Arising in the Event That the Lease Agreement of Central Rama 3 Project Is Not Renewed in the 30th Year and 60th Year

The lease agreement of Central Rama 3 Project, which is entered into by CPNREIT and Central Pattana Rama 3, will expire on 15 August 2035. It provides that upon expiry of such lease agreement, Central Pattana Rama 3 agrees to promise to CPNREIT that CPNREIT has the right to renew the agreement 2 more times, each of which is for a 30-year term. Although CPNREIT has the right to renew such lease agreement as per the promise granted by Central Pattana Rama 3 according to the lease agreement, CPNREIT may be unable to exercise its right to renew such agreement by any reason, for example, intentional breach of agreement by Central Pattana Rama 3, or change in laws, or change in practice of the law in relation to lease agreements, or a transferee of ownership of the leased property to a third party who fails to perform in accordance with such promise or Central Pattana Rama 3 is under bankruptcy or rehabilitation proceedings.

In order to reduce such risk, CPNREIT established conditions in the lease agreement that Central Pattana Rama 3 represents that it will not sell, dispose, or transfer ownership of the leased property in order to maintain the position of the lessor under the lease agreement. Also, it provides that CPNREIT has the right to purchase the leased property if Central Pattana Rama 3 is unable to grant the right to CPNREIT to renew the lease agreement as per its promise. Also, Central Pattana, as a shareholder having control over Central Pattana Rama 3, agrees to control and oversee that Central Pattana Rama 3 shall strictly perform its obligations under the lease agreement. Furthermore, CPNREIT has arranged that Central Pattana Rama 3 must mortgage the leased property with CPNREIT as a guarantee of performance under the lease agreement and for remedying damage which CPNREIT may incur from its inability to procure benefits from the leased property as per the lease agreement. Nevertheless, such actions may not fully compensate all damage incurred by CPNREIT.

1.21 CPNREIT's Investment in Certain Projects That Have No Investment in Land

1.22 Risk from Investment in Sub-Leased Space of Central Pattaya Project

Since part of the building space in Central Pattaya Project that is invested in by CPNREIT, which has an area of approximately 4,827 square meters, are sub-leases of space in buildings that are leased by the lessor from an owner (that is, Central Superstore Company Limited (Central Pattaya Branch), the owner of the space leases out the said space to CPN Pattaya. The investment in such sub-lease space causes CPNREIT not to have the power to ensure compliance with the lease agreement by the relevant parties. Therefore, CPNREIT is unable to guarantee that such lease agreement will not be terminated, which may affect the realization of benefits in the future.

However, the said sub-lease spaces in Central Pattaya Project constitute only part of the building. Their investment ratio is low compared to the entire space in the buildings invested in by CPNREIT. Also, Central Pattana, as a parent company of CPN Pattaya, which is the lessor of the building in Central Pattaya Project, has established standard rules for controlling and taking care of CPN Pattaya's compliance with agreements, and measures to prevent CPN Pattaya from performing any actions that may constitute a default of the lease of building space for which CPNREIT has been given consent from the owner of the space of Central Pattaya Project in granting CPNREIT the right to subrogate CPN Pattaya if CPN Pattaya is unable to perform its obligations under the said agreement.

In addition, if CPNREIT is unable to realize the benefits of the sub-lease spaces of Central Pattaya Project due to CPN Pattaya's fault, CPNREIT shall be entitled to terminate the agreement immediately; provided that CPN Pattaya must return to CPNREIT the rent of sub-lease spaces for the remaining sub-lease period, and any money and benefits obtained on behalf of CPNREIT, together with the amount of loss of benefits due to CPNREIT's inability in procure benefit of the sub-lease properties.

Therefore, the risk of CPNREIT's sub-leasing the space of the said projects is regarded as low, and will not materially affect CPNREIT's ability to realize benefits from the investment properties.

1.23 Restrictions in Benefit Procurement of The Ninth Towers Office Building Project

In the lease agreement for The Ninth Towers Office Building Project with some tenants, there is a restriction that prohibits the lessor from operating business or allowing any person to operate business in competition with business of the tenants in the spaces inside of The Ninth Towers Office Building Project throughout the term of such lease agreement. This restriction may hinder CPNREIT's procurement of benefits from the spaces in The Ninth Towers Office Building Project.

However, considering the current high occupancy rate of The Ninth Towers Office Building Project, such restriction might not be a significant hindrance to benefit procurement from the spaces in The Ninth Towers Office Building Project. The REIT Manager and the Property Manager will make an endeavor to reduce such restriction on benefit procurement when considering the next renewal of the space lease agreement and service agreement. As at 31 December 2021, the spaces leased by the tenants with such restriction set out in the space lease agreement made up only approximately 2.5% of the leased spaces of The Ninth Towers Office Building Project.

1.24 Risk from Borrowings

In accordance with the Notification of the Capital Market Supervisory Board No. Tor Jor. 49/2555 Re: Issuance and Offer for Sale regarding Units of Real Estate Investment Trust (Codified) ("Notification Tor Jor 49/2555"), stipulating that a REIT may procure a loan at an amount not exceeding 35% of total asset value of the REIT or 60% of total asset value of the REIT in case the REIT has the latest rating level in the investment grade, which CPNREIT is currently rated 'AA' with 'Negative' outlook by TRIS Rating on 20 December 2022. As of 31 December 2022, CPNREIT's debt-to-total assets ratio was 28.3% (total asset value of CPNREIT includes fair value of Central Rama 2 (renewal period) which compiles with the relevant accounting standards, however, lease liabilities of Central Rama 2 (renewal period) were not considered as borrowings under the rule of REIT). In 2022, the issuance of debentures to repay debts from the issuance of matured debentures and loans did not affect the debt-to-total assets ratio.

1.25 Risk from borrowings and debt repayment

CPNREIT's debt-to-total assets ratio was approximately 28.3%. (Calculating based on CPNREIT's borrowings as of 31 December 2022, total asset value of CPNREIT includes fair value of Central Rama 2 (renewal period) which compiles with the relevant accounting standards, however, lease liabilities of Central Rama 2 (renewal period) were not considered as borrowings under the rule of REIT (the Notification of the Capital Market Supervisory Board No. Tor Jor. 49/2555 Re: Issuance and Offer for Sale regarding Units of Real Estate Investment Trust (Codified)) (If excluding the asset value of Central Rama 2 (renewal period), debt-to-total asset value of CPNREIT would be approximately 40.8%). Of which CPNREIT may be exposed to borrowings risk due to fluctuating economic conditions, interest rates, and the repayment capacity of relevant counterparties that may affect CPNREIT operating results. Consequently, CPNREIT may not have sufficient liquidity or ability to repay principal, interest, or both.

However, the REIT Manager reserves for repayment of loans and debt instruments each year and discloses in the annual report, which is considered as the adjustment item of net profit in accordance with the SEC rules for

considering distribution payment to trust unitholders not less than 90%. In addition, the REIT Manager will issue and offer debentures to repay loans or debt from the issuance of debentures, as well as prepare credit facilities to repay the remaining debts if the debenture issuance and offer for sale could not be made. Moreover, CPNREIT may be subject to financial risk from refinancing the loan given cash flow depletion from the expiration of the leasehold rights of invested properties, as well as rising interest cost affecting distribution payment to trust unitholders. CPNREIT thus may need to issue and offer additional trust units for debt repayment.

As of 31 December 2022, CPNREIT had THB 3,125 million in outstanding loans that fell due in the following year. CPNREIT plans to repay the one-year due debts with operating cash flows, available financial borrowings, and debenture issuance.

CPNREIT will use its best efforts to proceed with any action that is necessary for mitigation of such risks. However, in conducting any actions, CPNREIT will have to consider the interest of unitholders.

1.26 Risks Arising from the Fact that Central Pattana Is the Major Shareholder of and the Controlling Person of the REIT Manager

The major shareholder and controlling person of the REIT Manager is Central Pattana. Central Pattana holds 99.99 percent of all shares having voting rights of the REIT Manager. This enables Central Pattana to have control over all business policies, operations and finances of the REIT Manager. Furthermore, the fact that Central Pattana is the largest unitholder of CPNREIT enables Central Pattana to have a significant proportion of voting rights meetings of the unitholders of CPNREIT for agenda items for which Central Pattana is not a special interested person.

However, actions of the REIT Manager are under the supervision of the Trustee. In managing and operating CPNREIT, the REIT Manager must comply with the terms set forth in the Trust Deed, the REIT Manager appointment agreement, and other relevant rules. In addition, for operation of the REIT Manager, independent directors have been appointed at a ratio of one-third of all members of directors of the REIT Manager. The independent directors have duties to comments or giving notes for matters involving related person of CPNREIT, or matters for which there may be a conflict of interest. In this way, monitoring and balancing within the structure of board of directors of the REIT Manager can be arranged. In addition, in acquisition and disposition of important properties, connected transactions, and other transactions that are considered material matters by CPNREIT, the REIT Manager will proceed with consideration and approval of such transactions and cause such transactions to be in line with relevant principles. A unitholder who has a special interest in any agenda item of a meeting shall have no right to vote for such agenda item.

1.27 Risk from Conflict of Interest Which May Occur Between CPNREIT and Central Pattana Group, Who Acts as Property Manager

Although the REIT Manager has set roles and scope of responsibilities of Central Pattana, GLAND and Sterling, who acts as the Property Manager to carefully manage and operate CPNREIT's shopping mall and office building properties, conflicts of interest between CPNREIT and Central Pattana Group may still occur due to the fact that Central Pattana Group has engaged in the business of leasing out and providing services in spaces in shopping malls and office buildings in various locations as it major business, and due to the fact that Central Pattana also has the duty to procure tenants of shops and office buildings for CPNREIT's properties. Such conflict may result in the decrease of occupancy rate and the decrease of rent or the restriction of the increase of the rent of shopping malls and/or office building of CPNREIT.

However, the possibility of such conflict of interest is not high because decision making for the selection of spaces for lease depends on the need of each tenant. Selection of spaces depends on the location of office buildings or shopping malls, size of space, and differences of Central Pattana projects in terms of targeted customers, services, architecture, decoration, and location, all of which are important factors for making decisions by tenants. Therefore, in principle, tenants are persons who consider and make decisions for selection of spaces in shopping mall projects or office building projects according to their needs.

Furthermore, CPNREIT has employed Central Pattana Group to manage CPNREIT's shopping mall and office building properties by way of an agreement that is structured to provide incentives for Central Pattana to continuously earn a good profit for CPNREIT, with objectives to motivate Central Pattana to manage and operate CPNREIT's shopping mall and office building properties to increase income from rent and service fees, by controlling relevant costs and expenses to be at appropriate levels, which will help reduce risk from the occurrence of conflicts of interest.

With respect to measures set forth for preventing conflicts of interest related to properties managed by Central Pattana, as the Property Manager, the REIT Manager has established measures for consideration of Central Pattana's performance in the Property Manager appointment agreement, thereby entitling the REIT Manager to change the Property Manager upon occurrence of any of the following events:

- If the occupancy rate of properties invested in by CPNREIT and under Central Pattana management decreases to lower than 50% for a consecutive period of longer than three months, the REIT Manager may propose to a meeting of unitholders to consider and resolve to terminate the Property Manager appointment agreement by the affirmative votes of more than half of all trust units of CPNREIT.

The occupancy rate shall be calculated on actual leased spaces, divided by all leasable spaces excluding common spaces, meeting spaces, and spaces which cannot be leased out temporarily due to force majeure events or due to repair and refurbishment of such spaces. Information from monthly reports shall be used for calculation of such leased spaces.

With respect to measures for preventing conflicts of interest in the properties which GLAND or Sterling act as Property Manager, conditions set forth in undertaking agreements to be entered into between CPNREIT, GLAND and Sterling specify as follows:

(1) GLAND and Sterling, as the Promisors, agree that, in the operation of office buildings for rent in The Grand Rama 9 Project, the Promisors and/or persons related to the Promisors shall not perform any act in such a way as to persuade, induce or motivate tenants of office space in the properties invested in by CPNREIT to lease office space of other minor projects in The Grand Rama 9 Project.

(2) As from the date CPNREIT has invested in the leased properties, the Promisors agree that the determination of rental and service fees for office spaces leased out to new tenants and service users and existing tenants and service users who desire to lease additional spaces of other minor projects in The Grand Rama 9 Project shall not be in competition with the lease-out of office spaces to new tenants and service users and existing tenants and service users who desire to lease additional spaces of the leased properties in The Ninth Towers Office Building Project and the leased properties in Unilever House Office Building Project, and that no support and benefit shall be provided to new tenants and service users and existing tenants and service users who desire to lease additional spaces of other minor projects in The Grand Rama 9 Project in a way that is inconsistent with the normal course of business in order to motivate them to enter into the lease agreements and service agreements.

Provided that written consent is obtained from CPNREIT, the Promisors agree that if, throughout the lease period, the occupancy rate of leased office spaces of the leased properties in The Ninth Towers Office Building Project or the leased properties in Unilever House Office Building Project is lower than 92% of each project invested in by CPNREIT, the Promisors and/or persons related to the Promisors shall determine rental and service fees for office spaces leased out to new tenants and service users and existing tenants and service users who desire to lease additional spaces of other minor projects in The Grand Rama 9 Project as follows:

- higher than 15% of rental and service fees of office spaces leased out to new tenants and service users and existing tenants and service users who desire to lease additional spaces of the leased properties in The Ninth Towers Office Building Project; and
- higher than 10% of rental and service fees of office spaces leased out to new tenants and service users and existing tenants and service users who desire to lease additional spaces of the leased properties in Unilever House Office Building Project.

The rental and service fees for office spaces leased out to new tenants and service users and existing tenants and service users who lease additional spaces of such leased properties shall be determined in the preparation of each yearly budget by the REIT Manager. The said terms and conditions for determination of rental and service fees shall apply to office spaces for rent that have equal or similar zone and size between (a) the spaces of other minor projects in The Grand Rama 9 Project and (b) the spaces in The Ninth Towers Office Building Project and/or Unilever House Office Building Project as specified in the agreement.

In this respect, the parties to the agreement agree that the terms and conditions for determination of rental and service fees shall not apply to office spaces for rent of any of other minor projects in The Grand Rama 9 Project in the event that:

- the Promisors and/or persons related to the Promisors have disposed of, sold, transferred or leased out (where it is not a lease-out of spaces in the office space for rent business to general customers in the normal course of business) the office spaces for rent in any such project entirely to other person who is not related to the Promisors, subject yet to the right of first refusal condition; or
- CPNREIT has invested in the office spaces for rent in any such project.

For the benefit of this clause of the agreement, if the occupancy rate of the leased properties in The Ninth Towers Office Building Project or the leased properties in Unilever House Office Building Project is lower than 92% as specified above, the Promisors agree to disclose, or arrange for persons related to the Promisors to disclose, information regarding rental and service fees, lease terms and conditions, and lease period of the office spaces for rent of other minor projects in The Grand Rama 9 Project to CPNREIT in writing on a quarterly basis, and to give CPNREIT the right to examine such information as requested and deemed fit by CPNREIT.

In addition, within a period of about four years (ended 18 April 2024) from the date of CPNREIT's investment in The Ninth Towers Office Building Project and Unilever House Office Building Project, if GLAND or Sterling and/or persons related to GLAND or Sterling wish to dispose of, sell, transfer or lease out (where it is not a lease-out of spaces in the office space for rent business to general customers in the normal course of business) a whole or a part of properties used in the operation of office spaces for rent business in The Grand Rama 9 Project, GLAND or Sterling agrees that GLAND or sterling and/or persons related to GLAND or Sterling will arrange for CPNREIT to obtain the right of first refusal with respect to the investment in such properties.

1.28 Risk in Central Marina Project, Central Lampang Project and Central Rama 2 Project (Renewal Period) Due to the Fact that the Landlord May Not Want to Obtain the Transfer of Buildings and Structures

The land lease agreements of Central Marina Project, Central Lampang Project andCentral Rama 2 Project (Renewal Period) stipulate that the landlord has the option to take transfer of ownership of the buildings and structures. If the landlord chooses not to take ownership of the buildings and structures, the land lessee, who is the lessor of property to CPNREIT, must demolish the buildings and structures and must be responsible for demolition expenses.

However, such agreements for the lease of buildings and structures of the said project specify that CPNREIT is obligated to demolish buildings and structures for the land lessee, who is the lessor of property to CPNREIT. In such case, CPNREIT must be responsible for demolishing the buildings and structures of Central Marina Project, Central Lampang Project and Central Rama 2 Project (Renewal Period). If the landlord chooses not to take ownership of the buildings and structures upon cessation of the lease agreements, CPNREIT will be responsible for demolition expenses.

With respect to consideration of investment value, the REIT Manager has conducted an evaluation of the necessary expenses and timeframe in relation to the demolition, if it is to occur, which may affect income during such period.

2. Risk Associated with the Ability to Realize Benefits from the Properties Invested by CPNREIT

2.1 Risk of The Ninth Towers Office Building Project and Unilever House Office Building Project Regarding the Right to Use the Entrance-Exit to the Public Way

Presently, The Ninth Towers Office Building Project and Unilever House Office Building Project are accessible by two ways: one is the access via Phra Ram 9 Road and the other is the access via Ratchadaphisek Road. The access to public roads of these two projects bears risk concerned with the right of way as follows:

(1) Access to The Grand Rama 9 Project via Rama 9 Road

GLAND was permitted by Bangkok Metropolitan Administration (BMA)'s Public Works Department to make a pavement slope to connect the access of The Grand Rama 9 Project to Rama 9 Road, subject to a condition that the general public must be allowed to freely use the road in the project as a short cut between Ratchadaphisek Road and Rama 9 Road. Therefore, failure by GLAND to abide by such condition may result in BMA consider revoking the permission to make the pavement slope to link the access to Rama 9 Road.

(2) Access to The Grand Rama 9 Project via Ratchadaphisek Road

Mass Rapid Transit Authority of Thailand (MRTA) issued a letter permitting GLAND's The Grand Rama 9 Project to use land in that area as access to Ratchadaphisek Road. Nonetheless, if MRTA needs to conduct any act for the benefit of maintaining the security of the electric train system and the safety of people in the electric train system area, whether directly and/or indirectly, or for any other benefit of the people and the public, MRTA shall have the authority to change and revise the permitted land, move or reduce size of the permitted land, whether wholly or partly, and revoke such permission without prior notice, whereby GLAND may not demand any compensation or claim for any damage. Therefore, if GLAND fails to abide by such condition or MRTA exercises such authority, The Ninth Towers Office Building Project and Unilever House Office Building Project may be unable to use the access via Ratchadaphisek Road.

As for road in The Grand Rama 9 Project and road in front of The Ninth Towers Office Building Project and Unilever House Office Building Project, GLAND has registered a right of servitude over such roads for the benefit of the tenants and service users of The Ninth Towers Office Building Project and Unilever House Office Building Project, including their attendants.

CPNREIT, the tenants and service users have to share the access and road in The Grand Rama 9 Project with other persons in The Grand Rama 9 Project. Therefore, CPNREIT, the tenants and service users may face difficulties in using such access and road if those other persons violate the right of CPNREIT and cause damages to such access and road.

However, it is stipulated in the lease agreement of office spaces, parking spaces and utilities and/or the Undertaking Agreement that GLAND and Sterling shall have duty to comply with all conditions and regulations under the permit, letter of permission and related documents and/or to take any action in order to enable CPNREIT, the tenants and service users, and their attendants to utilize and make use of the access and passage in The Grand Rama 9 Project to the public road. GLAND and Sterling shall also have duty to maintain and repair the project's road and access to be in a good and suitable condition for use by CPNREIT throughout the lease period of CPNREIT. If GLAND and Sterling fail to maintain and repair the project's road and access to be in a good and suitable condition, CPNREIT shall have the right to undertake such repair and maintenance work by itself or assign other person to do so at GLAND's and Sterling's sole cost and expense.

2.2 Risk Due to the Fact that The Ninth Towers Office Building Project and Unilever House Office Building Project are Minor Projects Inside The Grand Rama 9 Project

The Ninth Towers Office Building Project and Unilever House Office Building Project are minor projects in The Grand Rama 9 Project, which is a large-scale project being developed by GLAND Group to become a new central business district on Rama 9 Road. It will feature shopping center projects, residential condominium projects, office building projects, hotel projects and others. Therefore, given a change in the situation triggered by economic, political or technological conditions, GLAND Group may be unable to develop these minor projects in The Grand Rama 9 Project in accordance with the established format and concept, or fail to completely develop The Grand Rama 9 Project as planned, or may change the format of The Grand Rama 9 Project without consent from CPNREIT. Thus, CPNREIT may be exposed to risk of the overall environment of The Grand Rama 9 Project changing from its expectation, which may affect the image of The Ninth Towers Office Building Project and Unilever House Office Building Project, as well as the tenants' decision to lease the spaces or renew the lease agreements, and may also result in a greater difficulty in acquiring tenants to lease the spaces in both projects.

2.3 Risk Arising from Expropriation

2.4 Properties Invested In or to be Invested Are Subject to Environmental Laws, whereby Compliance with Them May Incur Expenses and Liabilities to CPNREIT

2.5 Risks Associated with Natural Disasters, Accident, Unrest

2.6 Risk Arising from Insurance

CPNREIT's business may be subject to risk associated with the operation of and realizing benefits from the properties invested in or to be invested by CPNREIT. Even though CPNREIT may procure appropriate insurance for the properties invested in or to be invested according to relevant laws, CPNREIT may not be able to procure insurance to cover certain risks that may arise. Even though CPNREIT can procure insurance, the premium rate may not be worth the economic benefit to be obtained by CPNREIT, or CPNREIT may be unable to exercise its claim according to the terms set forth in such insurance, either in whole or in part, or the compensation payments may be delayed in accordance with the terms of such insurance, which would not CPNREIT's fault. Also, CPNREIT may be subject to risk from financial loss once due to the occurrence of a severe for which Central Pattana is not appropriately compensated for damages, or insurance could not be procured to cover such event. This may directly affect the dividends that are anticipated by unitholders.

2.7 Increase in Expenses Relating to the Immovable Properties That Are in Possession of CPNREIT, as well as an Increase in Operating Expenses

The ability of CPNREIT to pay dividends to unitholders may be adversely affected by expenses relating to the properties and increased operation costs while income is not increased or increases at a lower rate.

Factors which may affect expenses on such properties and increasing operation costs are:

- Increase of maintenance expenses;
- Increase of relevant taxes on immovable property and other fees according to law;
- Changes in law, regulations, rules and policies of government, which may increase expenses as a result of the need to comply with such changes of law, regulations, rules and policies;
- Increase of expenses for public utilities;
- Increase of service fees for sub-contractors (if any);
- Increase in the rate of inflation;
- Increase of insurance premiums;
- Increased expenses due to damage or defects of properties that require repair and for which such expenses cannot be estimated, and also an increase of operating expenses involving property and CPNREIT's operation for realizing benefits from the of properties.

3. Risk Associated with Investment in Properties by CPNREIT

3.1 Investment in Properties Is Exposed to Various Risks

Investment in properties has various risks, including but not limited to (1) adverse change in political or economic conditions, (2) adverse change to market situations, (3) financial conditions of tenants, buyers and sellers of property, (4) sources for supporting funds, i.e. loans, debt instruments, or equity instruments, which may be changed, and which then impact CPNREIT's ability to acquire more properties or maintain and repair properties, (5) change in interest rates, cost of funds, and other operating expenses, (6) change in environmental law, law on zoning and other regulations of governments, and financial policies, (7) claims on environmental impacts from properties, (8) change of market lease fee rates, (9) change of power prices, (10) competition among owners of properties or lessors of properties for attracting tenants and space users, which may affect vacancy rates of lease space or space cannot be leased out with advantageous agreements, (11) renewal of lease agreements cannot be made upon expiry of the existing agreement, (12) inability to promptly collect rent or consideration of use from users and/or tenants or inability to collect it due to bankruptcy of users and/or tenants, (13) inability to procure sufficient insurance or any insurance to cover damages, or an increase of insurance premium, (14) increase in the rate of inflation, (15) property defects requiring repair and unforeseeable expenses, (16) failure of tenants to comply with terms and conditions set in lease agreement, (17) dependency on cash flow for repair and improvement of property, (18) increase of operating costs including property-related taxes, (19) any rights or encumbrances which were not found during the due diligence examination or review at the Land Department, (20) force majeure events causing damage that cannot be insured against and (21) The global outbreak and spread of infectious diseases.

These factors may cause occupancy rates, rental rates, consideration for use of space, or operating expenses to fluctuate. These factors cause adverse effects on property values and income to be derived from properties. The value of CPNREIT's properties may materially decrease under a rapid downturn in Thailand's immovable property market and Thailand's economy.

3.2 Risk Arising from Verification of Information Prior to Investing

Prior to investing in properties, the REIT Manager conducted a study of the information and details of such properties by examining and reviewing relevant information (due diligence) prior to making the decision to invest. The REIT Manager studied the report issued by the Appraisal Company, the engineering report on the properties, the legal due diligence report, together with other information and agreements. However, such actions do not guarantee that the properties to be invested in by CPNREIT are free from damages or defects that may require incurring expenses to improve and repair the properties. The report issued by the Appraisal Company, the report on the investigation of properties to be invested by CPNREIT, and the legal due diligence report by legal advisors that were used

as the basis for evaluation and examination by the REIT Manager, may be incomplete or incorrect since the investigation of certain defects on property is difficult to find out or unable to uncover due to inherent limitations of the investigation, which may include techniques or methods used for investigation, or other factors that are regarded as limitations of investigations held by appraisers, engineers, and legal advisors.

Further, properties to be invested by CPNREIT may violate various rules and regulations which are related to properties, and the study of information, details and due diligence documents by the REIT Manager may not have uncovered such matters, resulting in expenses that may be higher than the budget estimated by the REIT Manager prior to investing, or incurring duties to follow such obligations involving violations of such regulations as prescribed by relevant authorities.

3.3 Value of Immovable Properties Invested In by CPNREIT According to the Valuation of the Appraisal Companies Does Not Reflect Their Actual Value and There Is No Guarantee that the Selling Price of Immovable Properties Will Be In Line with the Appraised Value, whether at Present or in the Future

3.4 Risk from CPNREIT Investment in Leasehold Right over Immovable Properties

CPNREIT investment is to invest in leasehold right of immovable properties. Therefore, the value of such leasehold right may be reduced due to the reduction of the remaining lease period, or leasehold right value may be changed due to change of appraisal of the leasehold right. These factors may affect the value of the trust units, and may cause the value of trust units to increase or decrease.

4. Other Risks

4.1 Changes of Accounting Standards or Relevant Laws

4.2 Net Asset Value of CPNREIT May Not be Actual Value That CPNREIT Will Obtain Upon Disposal of All Properties or Upon the Dissolution of CPNREIT

4.3 Risk from Liquidity of Trust Units Trading in Secondary Market

4.4 Risks in Aspects of Taxes and Fees

The purchase, sale, transfer, or obtaining the transfer of immovable property, or the purchase, sale, transfer, or obtaining of leasehold rights (in case of CPNREIT investment in lease of immovable property), or the operation for the realization of benefits from CPNREIT properties in the future may incur tax burdens and fees on the purchase, sale, transfer, obtaining ownership, or the transfer or obtaining the transfer of leasehold rights of immovable property, which such burden CPNREIT may have to assume in part or in whole, and the rate of taxes and fees to be paid by CPNREIT or applying of tax incentives may differ from what they are now.

In addition, in the future, the tax burden of CPNREIT and/or the tax burden of unitholders, as it relates to the investment in and/or sale and purchase of trust units, and/or the operation of the CPNREIT properties and obtaining benefits from CPNREIT, may be changed and differ from now if there is the change in law or tax regulations or other aspects relevant to such matters.

4.5 Ability of CPNREIT to Distribution of Returns

Payment of returns by CPNREIT will be considered based on CPNREIT's performance, and the performance depends on various factors, i.e., the economic situation in country and abroad, the ability of tenants and sub-tenants to pay rents, costs of immovable property management, other operational costs, competition of operators, occupancy rate of CPNREIT investment projects, changes in law and regulations relating to the properties, natural disasters, and the political situation. Therefore, investors may be subject to the risk that payment of dividends will not be made as anticipated, or CPNREIT may be unable to maintain the payment of dividends or to increase the dividend rate.

4.6 Sale & Purchase Price of Trust Units May Not Reflect Net Asset Value of CPNREIT

4.7 Repayment of Capital from Dissolution of CPNREIT May Be Less Than Amount of Investment Made by Unitholders

4.8 Risk from CPNREIT's failure to mobilize funds completely as planned for investment in the properties to be additionally invested in

The Extraordinary General Meeting of Unitholders of CPNREIT No. 1/2019 on 22 November 2019 passed a resolution approving a capital increase of CPNREIT through an issue and offering of additional trust units in an amount of not more than 770 million units in order to use the proceeds from the capital increase for the following purposes:

(1) Investment in Central Marina Project, Central Lampang Project, Central Suratthani Project, Central Ubon Project, Central Rama 2 Project (Renewal Period) (excluding rental payment of Central Rama 2 Project (Renewal Period)), The Ninth Towers Office Building Project and Unilever House Office Building Project, and/or

(2) Repayment of debts incurred from borrowing to finance the investment in Central Marina Project, Central Lampang Project, Central Suratthani Project, Central Ubon Project, Central Rama 2 Project (Renewal Period) (excluding rental payment of Central Rama 2 Project (Renewal Period)), The Ninth Towers Office Building Project and Unilever House Office Building Project, and/or

(3) Payment of all expenses arising from fund mobilization and investment in Central Marina Project, Central Lampang Project, Central Suratthani Project, Central Ubon Project, Central Rama 2 Project (Renewal Period) (excluding rental payment of Central Rama 2 Project (Renewal Period)), The Ninth Towers Office Building Project and Unilever House Office Building Project, and/or

(4) Meeting working capital needs of CPNREIT.

The REIT Manager obtained the approval for the issue and offering of additional trust units from the SEC on 24 February 2020. In the present circumstances where the COVID-19 pandemic has created far-reaching impacts on the operation of related businesses, including commercial properties invested in by CPNREIT at present and in the future, and also led to drastic fluctuations in investment in the capital market, the REIT Manager therefore deems it appropriate to postpone the offering of additional trust units for sale.

However, to comply with the established investment plan, CPNREIT proceeded to invest in The Ninth Towers Office Building Project on 1 March 2020 and Unilever House Office Building Project on 2 March 2020, and register the leasehold rights for Central Rama 2 Project (Renewal Period) on 31 March 2020 (rental payment of Central Rama 2 Project (Renewal Period is due in 2025), all of which were financed by loans from financial institutions. Additionally, on 25 February 2021, CPNREIT utilized the proceeds from the capital increase totaling THB 6,578 million from the issuance and offering of additional trust units to invest in Central Marina Project and Central Lampang Project with the total investment value of THB 5,672 million (excluding the registration fees, value added tax, stamp duties, as well as other related fees and expenses), and to repay some loans. As regards the investment in Central Suratthani Project and Central Ubon Project, the REIT Manager will consider making investment in those properties when the investment environment in the capital market is favorable for an offer of additional trust units so that the entire investment will be accomplished according to the resolution of the Extraordinary General Meeting of Unitholders of CPNREIT No. 1/2019.

Details of invested assets are as follows:

Detail	Central Marina	Central Lampang
Leasable Area	14,793 sq.m.	15,863 sq.m.
Term of Leasehold Right	14 years 2 month 6 days ending 30 April 2035	20 years 9 month 22 days ending 16 December 2041
Investment Value	THB 2,574 million	THB 3,098 million

4.9 Risk from investment in Central Rama 2 Project (Renewal Period)

- **CPNREIT having to record lease liabilities in its financial statements for the investment in Central Rama 2 Project (Renewal Period)**

  For the investment in Central Rama 2 Project (Renewal Period), there will be rental fee payable in 2025 in the amount of not exceeding THB 25,394 million (excluding registration fee, value added tax, stamp duty, and other related fees and expenses). The leasehold right for Central Rama 2 Project (Renewal Period) was registered on 31 March 2020. According to the regulations under the relevant accounting standards, CPNREIT must record lease liabilities together with Central Rama 2 Project (Renewal Period) properties in its financial statements as from the date of investment, which was the same date as the leasehold right registration.

  However, such lease liabilities are not incorporated into borrowing in the calculation of loan proportion pursuant to the Notification No. TorChor. 49/2555. Moreover, interest expenses incurred from such lease liabilities are non-cash expenses and, hence, will not affect CPNREIT's ability to pay distribution to its unitholders.

- **CPNREIT having to secure adequate funding sources for rental payment of Central Rama 2 Project (Renewal Period) in 2025**

  For the investment in Central Rama 2 Project (Renewal Period), there will be rental fee payable in 2025 in the amount of not exceeding Baht 25,394 million (excluding registration fee, value added tax, stamp duty, and other related fees and expenses). Therefore, CPNREIT must secure funding sources for such rental payment in 2025, thereby posing risk of raising sufficient funds for rental payment by the specified period.

  However, to prepare for securing of funds for such rental payment, the REIT Manager arranged to propose the unitholders' meeting to approve a capital increase of CPNREIT. Then, the Extraordinary General Meeting of Unitholders of CPNREIT No. 1/2019 on 22 November 2019 passed a resolution approving a capital increase of CPNREIT through an issue and offering of additional trust units in 2025 in an amount of not more than 630 million units with the objective to use the proceeds from the capital increase for rental payment of Central Rama 2 Project (Renewal Period) and/or for repayment of debts incurred from borrowing to finance the rental payment of Central Rama 2 Project (Renewal Period) and/or for payment of all expenses arising from the rental payment of Central Rama 2 Project (Renewal Period) and/or for meeting working capital needs of CPNREIT.

  The REIT Manager will arrange to disclose information on the said funding source for the rental payment of Central Rama 2 Project (Renewal Period) in 2025 as per the resolution of the Extraordinary General Meeting of Unitholders of CPNREIT No. 1/2019 in CPNREIT's annual report, as well as at the annual general meeting of unitholders of CPNREIT.

  Moreover, loans will be another funding source that CPNREIT can use for the rental payment of Central Rama 2 Project (Renewal Period). The loan proportion of CPNREIT will conform with the Notification of the Capital Market Supervisory Board No. TorChor. 49/2555, stipulating that a REIT can raise loans for not more than 35% of its total asset value, or not more than 60% of total asset value for a REIT whose credit rating is at the investment grade. The current credit rating of CPNREIT is assigned by TRIS at AA with "Negative" outlook (rated on 20 December 2022). After completion of additianal investment in the properties in, CPNREIT will have a larger asset size, which will grow from its existing total assets of approximately THB 80,316.8 million (as at 31 December 2022).

  However, if CPNREIT has to mobilize funds entirely from borrowing to cover the rental payment of Central Rama 2 Project (Renewal Period) in 2025, its loan proportion is expected to be approximately 59.1%, assuming that its credit rating at that time will remain at the investment grade. Loans will consist of (1) loans according to the latest financial statements as at 31 December 2022, (2) loans to finance the entire rental payment of Central Rama 2

Project (Renewal Period) in 2025. Meanwhile, assets will consist of (1) existing properties according to the latest financial statements as at 31 December 2022, (2) properties to be additionally invested in, based on the highest value of this investment, and (3) properties of Central Rama 2 Project (Renewal Period). Given that, in 2025, CPNREIT does not obtain credit rating at the investment grade, its ability to mobilize funds through borrowing will decrease from the original forecast of 59.1% under the above assumption to a maximum of 35% under the same assumption. As such, it is expected that CPNREIT will have to secure other alternative funding sources of around THB 19,739.2 million.

In the case where CPNREIT is unable to secure sufficient funding sources for the total rental payment of Central Rama 2 Project (Renewal Period) in 2025, the contractual parties will hold discussions to mutually reach an agreement regarding such matter. If a mutual agreement cannot be reached, Central Rama 2 will be entitled to enforce the collateral for rental payment according to the actual damage incurred, with the maximum collateral value of THB 1,800 million.

- **Impacts from CPNREIT's issue and offering of additional trust units to fund the rental payment of Central Rama 2 Project (Renewal Period) in 2025**

For the investment in Central Rama 2 Project (Renewal Period), there will be rental fee payable in 2025 in the amount of not exceeding Baht 25,394 million (excluding registration fee, value added tax, stamp duty, and other related fees and expenses). In this respect, the Extraordinary General Meeting of Unitholders of CPNREIT No. 1/2019 on 22 November 2019 passed a resolution approving a capital increase of CPNREIT through an issue and offering of additional trust units in 2025 in an amount of not more than 630 million units with the objective to use the proceeds from the capital increase for rental payment of Central Rama 2 Project (Renewal Period) and/or for repayment of debts incurred from borrowing to finance the rental payment of Central Rama 2 Project (Renewal Period) and/or for payment of all expenses arising from the rental payment of Central Rama 2 Project (Renewal Period) and/or for meeting working capital needs of CPNREIT. At least 50% of the trust units to be additionally issued and offered for sale will be allocated to the existing unitholders of CPNREIT, and the remainder will be offered to specific investors through private placement and/or to the general public as deemed appropriate at the same price as the offering price to the existing unitholders of CPNREIT. Therefore, the existing unitholders of CPNREIT may be affected by the said issue and offering of additional trust units during that period, including the effects from control dilution, price dilution or earnings dilution. From the calculation of such effects based on the maximum amount of trust units to be issued and offered in 2025 (assuming the maximum amount of 630 million units), it is expected that the dilution effect in 2025 on the existing unitholders who do not subscribe for the newly issued trust units in 2025 will be around 20% based on the number of trust units after this capital increase of 2,568.03 million units (assuming the maximum amount of 355.56 million newly issued trust units) combined with the maximum amount of trust units expected to be additionally issued in 2025 and given that there is no issue and offering of additional trust units after this period until 2025. However, the actual number of trust units to be additionally issued and offered may be lower than the said maximum amount of trust units (not exceeding 630 million units). The REIT Manager will take into account the appropriate capital structure at that time in the issue and offer of new trust units in conjunction with such other funding sources as borrowing and/or issue of debentures so as to ensure the utmost benefit for CPNREIT and the unitholders.

4.10 Debt Instrument Investment Risks

- **Credit Risks**

  Bondholders face default risks of issuers defaulting interest or principal payments due to poor operating performance or insufficient assets to support business operations or meet debts obligations that fall due. Investors should exercise prudence in considering the issuer's financial position and debt serviceability based on the information provided in the issuer's prospectus before making investment decisions. In assessing the credit risks of a bond issuer, investors can look at credit ratings provided by credit rating agencies to simplify the investment decision. If the credit rating is low, the bond's credit risk is high, and so should be the expected return on the bond to offset higher uncertainties. The bond issuer will provide a credit rating approved by the Securities and Exchange Commission (SEC) throughout the bond term. It is advisable investors keep abreast of credit rating news and updates via official websites of the SEC, credit rating agencies, or the Thai Bond Market Association.

- **Price Risks**

  The market price of debentures fluctuates with several factors, such as interest rates in the financial market, Bank of Thailand policies, overall economic conditions, inflation-deflation, bonds maturity, or surplus-deficit shifts in bond demand. Bondholders thus may be affected by the volatility of bond prices if their instruments are traded before maturity.

- **Liquidity Risks**

  Bondholders may not be able to promptly sell their bonds before maturity at a preferred price in the secondary market with few trading instruments. Nonetheless, holders can sell debentures at commercial banks, securities companies, or other licensed bond trading jurists as bond issuers do not trade debentures in the secondary market.

4.11 Risk of Cyber Attack

The rapidly changing technology is a major driving force in changing consumer behaviors and competitive environment in the industry that the Company currently performs its business operations. The REIT manager and property manager has increasingly used digital technology for setting goals and performance, providing customer service, and collecting data for analysis to help make decisions and appropriate strategy. Moreover, cyber-attacks have been on the rise over the past several years, especially for ransom demands and the theft of sensitive corporate data. Due to the relying more on technology and digital systems, The REIT manager and property manager has a risk for information security and cyber-attack from hackers. Since 2022, the personal data protection law has been fully enforced and may also increase the motivation for cyber-attack. If the REIT manager's and property manager's data and information are attacked, this is more likely to affect its continual business operations or reputation in case that the incident is not managed effectively. The REIT manager and property manager has developed and improved its information security management system, with ISO 27001:2013 and NIST SP800-53 as frameworks for implementation to cover the security of data and information systems, such as hardware, software, and network systems.

The REIT manager focuses on educating and raising awareness among personnel across the organization through regular press releases on threats and impacts, including proper responses when an incident occurs by improving and practicing its Business Continuity Plan (BCP) to suit current environments and systems. In addition, the Company also provides a cyber insurance to mitigate risks and reduce potential impacts in cases of any incidents.

LEGAL DISPUTE

In managing CPNREIT, the REIT Manager complies fully with relevant laws, namely Securities and Exchange Act B.E. 2535 (including its subsequent amendments), Trust for Transactions in the Capital Market Act B.E. 2550 (including its subsequent amendments) regulations from regulatory bodies and Trust Deed.

As of 31 December 2022, CPNREIT had no litigation either as a party or litigant in a lawsuit or dispute in arbitration or other significant legal disputes which directly relates to CPNREIT's business that the REIT Manager believes will severely and negatively impact CPNREIT's net asset value more than 5%, financial position, operating performance and operating outlook. Moreover, CPNREIT has no litigation that would significantly impact the procurement of benefit from properties that CPNREIT manages.

Milestones

Year 2017

- CPNREIT was established pursuant to the Trust Act on 29 November 2017 from the conversion of CPNRF.
- The trust units of CPNREIT have been started trading on the SET on 14 December 2017.

Year 2018

- On 25 May 2018, TRIS rated CPNREIT's credit rating as "AA" with a "Stable" outlook.
- On 29 June 2018, TRIS maintained CPNREIT's credit rating as "AA" with "Stable" outlook and rated CPNREIT's senior unsecured debentures as "AA" with "Stable" outlook.
- On 17 August 2018, CPNREIT issued its debentures pursuant to the resolution of the 2018 Annual General Meeting of Trust Unitholders of CPNREIT for not exceeding THB 16,250 million under the Medium Term Note Program: MTN of CPNREIT in the amount of THB 10,040 million for the purposes of the repayment of loans or any debts and expenses relating to the issuance of debentures and repayment of the said debts.

Year 2019

- On 8 February 2019, CPNREIT issued debentures in the amount of THB 4,495 million (under the Medium Term Note Program: MTN of CPNREIT for an amount not exceeding THB 16,250 million) for the purposes of the repayment of loans or any debts and expenses relating to the issuance of debentures and repayment of the said debts.
- On 25 June 2019, TRIS maintained CPNREIT's credit rating and its senior unsecured debentures at "AA" with "Stable" outlook.
- On 8 August 2019, the Board of Directors Meeting of the REIT Manager acknowledged the resignation of Mr. Charly Madan from the Company's Independent Director and the Chairman of the Board of Directors, which was effective from 31 August 2019 and approved the appointment of Mr. Pongsakorn Thiengtham as an Independent Director and Director of the Company, which was effective from 1 September 2019.
- On 22 August 2019, the Extraordinary General Meeting of the Shareholders No.1/2562 of the REIT Manager approved the appointment of Mrs. Auyporn Footrakul as the Company's Independent Director and Director, which was effective from 1 September 2019.
- On 22 November 2019, the Extraordinary General Meeting of Unitholders No. 1/2019 of CPNREIT passed the resolution to approve the additional investment by CPNREIT, the details of which were as disclosed and posted on CPNREIT's website (www.cpnreit.com) and via the SET's disclosure system on 6 December 2019.
- On 9 December 2019, the Stock Exchange of Thailand and FTSE Russell announced the result of the review for FTSE SET Index Series, effective from December 23, 2019 onwards. CPNREIT was selected as an addition to the FTSE SET Mid Cap Index.

Year 2020

- CPNREIT invested in The Ninth Towers Office Building Project on 1 March 2020 and in Unilever House Office Building Project on 2 March 2020. It registered with the Land Office a transfer of leasehold rights of immovable properties in the two projects from GLAND Office Leasehold Real Estate Investment Trust ("GLANDRT") on 2 March 2020.
- CPNREIT registered the leasehold right of Central Rama 2 Project (Renewal Period) with the Land Office on 31 March 2020, and will start rental payment for this project in 2025.
- Shopping malls under CPNREIT's management were temporarily closed in accordance with the government's notification to control the spread of COVID-19 from 22 March to 16 May 2020. All zones of the shopping malls were closed, except zones for financial institution branches and supermarket floor where certain types of businesses were allowed to open according to announcements of the concerned authorities.
- Hilton Pattaya Hotel was temporarily closed in accordance with the government's notification from April 2020 onwards. During such period, the hotel was speedily renovated from April to December 2020.
- Central Rama 2 Project was renovated from July 2020 onwards. The renovation was gradually carried out in phases, expected to be completed in October 2021.
- On 22 July 2020, TRIS maintained credit rating of CPNREIT and its senior unsecured debentures at "AA" but with "Negative" outlook.
- On 24 November 2020, the REIT Manager filed the registration statement for offering of trust units and the draft prospectus to the Office of the Securities and Exchange Commission ("SEC") for the issue and offering of additional trust units in the amount of not exceeding 355,557,300 units. Proceeds from such capital increase will be used for investment in Central Marina and Central Lampang at a total value of THB 5,672 million (excluding registration fee, value added tax, stamp duty, and other related fees and expenses). As regards the investment in Central Suratthani and Central Ubon, the REIT Manager will consider making investment in those properties when the investment environment in the capital market is favorable for the issue and offering of trust units so that the entire investment will be accomplished according to the resolution of the Extraordinary General Meeting of Unitholders No. 1/2019.

Year 2021

- On 25 February 2021, CPNREIT utilized the proceeds from the capital increase totaling THB 6,578 million from the issuance and offering of additional trust units of 355,557,300 units with the offering price of THB 18.50 per unit to invest in Central Marina Project and Central Lampang Project with the total investment value of THB 5,672 million (excluding the registration fees, value added tax, stamp duties, as well as other related fees and expenses), and to repay some loans.

Details of invested assets are as follows:

Detail	Central Marina	Central Lampang
Leasable Area	14,793 sq.m.	15,863 sq.m.
Term of Leasehold Right	14 years 2 month 6 days ending 30 April 2035	20 years 9 month 22 days ending 16 December 2041
Investment Value	THB 2,574 million	THB 3,098 million

- On 31 March 2021, CPNREIT issued 2 tranches of debentures worth THB 3,500.0 million, offering to Private Placement to not more than 10 investors (PP10). The proceeds from the debentures were used for debt repayment. The details are as follows:
  - CPNREIT243A worth THB 2,000 million with 3 years term due 2024 at coupon rate of 1.50%, interest payment every 6 months throughout the term of debenture.
  - CPNREIT263A worth THB 1,500 million with 3 years term due 2026 at coupon rate of 2.13%, interest payment every 6 months throughout the term of debenture.

  TRIS Rating assigned the ratings of "AA" to the two tranches of senior unsecured debentures on 21 April 2021.
- On 30 July 2021, TRIS Rating affirmed the company rating on CPNREIT and the rating on its senior unsecured debentures at "AA" with "negative" outlook.
- On 13 August 2021, CPNREIT issued 2 tranches of debentures worth THB 2,650 million, offering to Institution Investor and for repayment of debenture CPNREIT218A. The details are as follows:
  - CPNREIT268A worth THB 1,650 million with 5 years term due 2026 at coupon rate of 1.65%, interest payment every 6 months throughout the term of debenture.
  - CPNREIT318A worth THB 1,000 million with 10 years term due 2031 at coupon rate of 2.96%, interest payment every 6 months throughout the term of debenture.

  TRIS Rating assigned the ratings of "AA" to the two tranches of senior unsecured debentures on 30 July 2021.

Year 2022

- On 28 February 2022, CPNREIT issued CPNREIT272A debenture worth Baht 2,000.0 million with 5 years term due 2027 at coupon rate of 2.40%, interest payment every 6 months throughout the term of debenture, offering to Private Placement to institutional investors. The proceeds from the debentures were used for debt repayment. TRIS Rating assigned the ratings of "AA" to the senior unsecured debentures on 4 February 2022.
- On 22 August 2022 and 20 December 2022, TRIS Rating affirmed the company rating on CPNREIT and the rating on its senior unsecured debentures at "AA", with "negative" outlook.
- In December 2022, CPNREIT approved the renovation plan of Central Pattaya to modernize the shopping center and increase its competitiveness, with the investment cost of Baht 181.4 million. The renovation has been taken place in phases and scheduled for completion in 3Q23.
- CPNREIT was selectively listed in S&P Global's Sustainability Yearbook 2023 in Real Estate business category for the two consecutive years. S&P Global assessed and analyzed the sustainability operations in all 3 dimensions, namely the environment, society, economy & governance.

OTHER KEY MATTERS

The additional investmant in assets in accordance with the resolutions of the Extraordinary General Meeting of trust Unitholders No.1/2019

Due to the spread of Coronavirus 2019 disease (COVID-19) that caused severe fluctuation of the capital markets, the REIT Manager considered the postponement of the issuance and offering for sale of the trust units and disclosed relevant information on websites of CPNREIT and the SET on 12 March 2020. According to the Notification of the Capital Market Supervisory Board TorJor. 49/2555 Re: Issuance and Offer for Sale regarding Units of Real Estate Investment Trust dated 21 November 2012 (as amended) (the "Notification TorJor. 49/2555") stipulates that the REIT Manager must complete the sale of the trust units within 6 months from the date the SEC Office notifies the approval, it resulted in termination of the approval granted to the REIT Manager on 23 August 2020. Nonetheless, the SEC Office has issued the Notification of the Capital Market Supervisory Board TorNor/Jor. 36/2563 Re: Extension for Operations of Property Funds, Infrastructure Funds, Real Estate Investment Trusts due to the Spread of Coronavirus Disease 2019 (COVID-19), dated 17 July 2020. According to the notification, an approved person who is unable to sell the trust units within the specified period under Notification TorJor. 49/2555 due to the impact of COVID-19, shall be entitled to request to the SEC Office for extension for sale of the trust units for another 6-month period. In this regard, the REIT Manager submitted the request for such extension to the SEC Office which prolongs the offering period to be ended on 23 February 2021.

When overall capital market outlook shows good recovery and in accordance with the plan of investment in the additional properties as approved from the EGM No. 1/2019, the REIT Manager 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 (the "Additional Trust Units") with the final offering price at THB 18.50 per unit to the SEC Office on 24 November 2020. The proceeds derived from the capital increase will be utilized for the following purposes.

1) To utilize the proceeds from fundraising by means of the capital increase, with the money borrowings (if any) and/ or working capital to invest in Central Marina Project and Central Lampang Project (collectively, the "Additional Properties"), in the total investment value of not exceeding THB 5,672 million (excluding registration fees, value added tax, stamp duties, fees and any other related expenses); and/or
2) To repay loan which was drawn to invest in The Ninth Towers Office Building Project and Unilever House Office Building Project in which the investment was already completed, and for the related expenses incurred due to the registration of the leasehold rights over the immovable properties in Central Rama 2 Project (Renewal Period); and/or
3) To pay for other expenses relating to the fundraising and investment in the Additional Properties; and/or
4) To be utilized as working capital of CPNREIT.

In respect of the investment in Central Suratthani Project and Central Ubon Project, 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 resolutions of the EGM No. 1/2019.

More information is available in the 56-REIT1 on www.sec.or.th or www.cpnreit.com

1. Trust Units and Unit Prices

1) Information of Trust Unit as of 31 December 2022

Investment Capital	30,919,642,962	THB
PAR Value	12.0402	THB per Unit
Number of Units	2,568,034,000	Unit

2) Information of Unit Prices as of 30 December 2022

Closing Value as of 30 December 2022	19.50	THB per Unit
Highest Price	20.80	THB per Unit
Lowest Price	17.90	THB per Unit
Average Price	19.19	THB per Unit
Market Capitalization as of 30 December 2022	50,076.66	THB Million
Trading Value per Year	4,765.78	THB Million
Trading Volume per Year	248,308.57	Thousand Units

Net asset Value

as of 31 December 2021	33,818,784,096	THB
as of 31 December 2022	33,277,166,951	THB

3) Capital Reduction

Since establishment, CPNREIT has reduced its paid-up capital 9 times and made payment to unitholders due to the excess amount of liquidity. The details are as follows:

No.	Operation Period	Capital Reduction (THB)	THB per Unit	Book Closed Date	Payment Date
1/2018	29 Nov – 31 Dec 2017	636,972,041.9	0.2879	9 Mar 2018*	22 Mar 2018
2/2020	1 Apr. – 30 Sep 2020	464,620,107.0	0.2100	25 Nov 2020	8 Dec 2020
3/2020	1 Oct – 31 Dec 2020	577,898,914.0	0.2612	23 Feb 2021	5 Mar 2021
4/2021	1 Jan – 31 Mar 2021	515,147,620.8	0.2006	27 May 2021	10 Jun 2021
5/2021	1 Apr – 30 Jun 2021	263,223,487.3	0.1025	26 Aug 2021	10 Sep 2021
6/2021	1 Jul – 30 Sep 2021	215,714,855.3	0.0840	19 Nov 2021	2 Dec 2021
7/2021	1 Oct – 31 Dec 2021	413,196,670.6	0.1609	3 Mar 2022	17 Mar 2022
8/2022	1 Jan – 31 Mar 2022	142,525,889.4	0.0555	20 May 2022	6 Jun 2022
9/2022	1 Oct – 31 Dec 2022	665,891,216.2	0.2593	2 Mar 2023	16 Mar 2023

Remark: *Recorded date

Causes of paid-up capital reduction

No.	Causes of paid-up capital reduction
1/2018	CPNREIT has cash remaining from the operation before the conversion, including the remaining cash due to unearned transactions before the conversion, and the adjusted net profit that exceeds the net accounting profit. Value of immovable properties or leasehold rights over the immovable properties decrease due to valuation or review of the valuation of assets.
2/2020	Value of immovable properties or leasehold rights over the immovable properties decrease due to valuation or review of the valuation of assets.
3/2020	Value of immovable properties or leasehold rights over the immovable properties decrease due to valuation or review of the valuation of assets.
4/2021	CPNREIT has excess liquidity from non-cash items recorded in accordance with the financial reporting standards.
5/2021	CPNREIT has excess liquidity from non-cash items recorded in accordance with the financial reporting standards.
6/2021	Value of immovable properties or leasehold rights over the immovable properties decrease due to valuation or review of the valuation of assets.
7/2021	CPNREIT has excess liquidity from non-cash items recorded in accordance with the financial reporting standards.
8/2022	CPNREIT has excess liquidity from non-cash items recorded in accordance with the financial reporting standards.
9/2022	CPNREIT has excess liquidity from non-cash items recorded in accordance with the financial reporting standards and value of immovable properties or leasehold rights over the immovable properties decrease due to valuation or review of the valuation of assets.

2. Debentures

On 28 February 2022, CPNREIT issued CPNREIT272A debenture worth Baht 2,000.0 million with 5 years term due 2027 at coupon rate of 2.40%, interest payment every 6 months throughout the term of debenture, offering to Private Placement to institutional investors. The proceeds from the debentures were used for debt repayment. TRIS Rating assigned the ratings of “AA” to the senior unsecured debentures on 20 August 2022.

Additionally, CPNREIT has issued debentures for debt repayment since August 2018. As of 31 December 2022, CPNREIT had 7 tranches of debentures, details are as follows:

Debenture[/1]	Amount (THB Million)	Issue Date	Maturity Date	Tenor (Year)	Coupon (%)	Guarantee	Rating[/2]
CPNREIT288A	7,390	17 Aug 2018	17 Aug 2028	10 Years	3.80	None	AA
CPNREIT232A	1,795	8 Feb 2019	8 Feb 2023	4 Years	3.30	None	AA
CPNREIT243A	2,000	31 Mar 2021	31 Mar 2024	3 Years	1.50	None	AA
CPNREIT263A	1,500	31 Mar 2021	31 Mar 2026	5 Years	2.13	None	AA
CPNREIT268A	1,650	13 Aug 2021	13 Aug 2026	5 Years	1.65	None	AA
CPNREIT318A	1,000	13 Aug 2021	13 Aug 2031	10 Years	2.96	None	AA
CPNREIT272A	2,000	28 Feb 2022	28 Feb 2027	5 Years	2.40	None	AA

Remark:

/1 CPNREIT had registered the debentures with the Thai Bond Market Association (ThaiBMA) within the Issue Date of each series, and will maintain, throughout the term of debentures, the debentures be securities registered with the Thai Bond Market Association, or any other secondary market center which is registered with the SEC Office.

/2 On 22 Augest 2022 and 20 December 2022, and TRIS remained giving credit rating for organization, and senior unsecured debentures of CPNREIT at "AA" level, with "Negative" outlook.

3. Detail of Trust Unitholders

List of Top 10 Trust Unitholders as of 30 December 2022

No.	Unitholders	Number of The Units	Unitholders Proportion (%)
1	Central Pattana Group[/1]	777,590,037	30.3
2	Social Security Office	146,383,100	5.70
3	TMB EASTSPRING Property and Infrastructure Income Plus Flexible Fund	74,511,300	2.90
4	Government Saving Bank	64,072,393	2.49
5	DEUTSCHE BANK AG SINGAPORE – PWM	62,224,741	2.42
6	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	60,595,700	2.36
7	K Property Infrastructure Flexible	58,377,610	2.27
8	PRINCIPAL PROPERTY INCOME FUND	44,347,978	1.73
9	Krungthai-AXA Life Insurance Public Company Limited	26,168,066	1.01
10	MFC Property Dividend Fund	25,905,005	1.00
	Total top 10 unitholders	**1,340,175,930**	**52.19**
	Other unitholders	**1,227,858,070**	**47.81**
	Total	**2,568,034,000**	**100.00**

Remark :/1 CENTRAL PATTANA PLUBIC COMPANY LIMITED and CENTRALPATTANA DEVELOPMENT CO.,LTD.

4. Distribution Payment Policy

1) Policy on Distribution of Returns

CPNREIT unitholder payout is no less than 90% (ninety) of adjusted net profit of the accounting year and is distributed on a semiannual basis at a minimum within 90 (ninety) days from the end of either the accounting year or the base accounting period, as the case may be.

Net profit can be adjusted under the following items:

1. Repair and maintenance, or improvement (or "property optimization") under plans specified in the registration statement, prospectus, annual registration statement, annual report, or advance unitholder notification by the REIT manager.
2. Debt repayment or contingent liabilities from REIT loans under the specified limit, registration statement, prospectus, annual registration statement, annual report, or advance unitholder notification by the REIT manager.
3. Payouts to prioritized holders of trust units with return on capital or benefit rights, if any.

Also, other adjustment of entries made in accordance with the guidelines of the Office of the SEC to be in line with the cash flows status of CPNREIT can be adjusted to the adjusted net profit in addition to those reserved mention in 1., 2. and 3.

4. Unrealized gain from the valuation or review of valuation of CPNREIT's assets
5. Difference of rental income recognized in the income statement and actual rental income under the lease agreement
6. Difference of realized expenses/fees in the income statement and actual expenses/fees paid under the contract, such as interest paid on loans, etc.
7. Other items that not correspond to cash status, such as gains from changes in fair value of right-of-use assets (ROU), interest expense from lease liabilities, and actual rental payments under the lease agreement

2) Limitations on Distribution of Returns

- In the case where CPNREIT has retained earnings in any accounting period, the REIT Manager may make distribution of returns to the trust unitholders from the retained earnings.
- Unitholders are informed by the REIT manager through the SET communication system when payouts cannot be distributed in the due period.
- In the case where CPNREIT has incurred accumulated losses, the REIT Manager shall not make any distribution of returns to the trust unitholders.
- In considering the distribution of returns, in the case where the distribution to be made per trust unit during any accounting year or accounting period is less than or equal to THB 0.10, the REIT Manager reserves the rights not to make such distribution, provided that the distribution shall be carried forward to the following distribution of returns.
- The REIT Manager will comply with the policy on distribution, with the exception of the case where the SEC, the SEC Office and/or any competent authorities amends, changes, adds, announces, determines, instructs, approves, and/or otherwise grants a waiver, whereby the REIT Manager shall comply with such actions.
- The REIT Manager shall make distribution of returns to the trust unitholders in accordance with the holding proportion of each trust unitholder. The REIT Manager reserves the right not to make distribution of returns to the trust unitholders whose holding proportion exceeds the limit or not in compliance with the specified criteria in the Notification No. TorJor. 49/2555 only for the portion exceeding the limit or not complying with the criteria. Any returns not distributed shall be distributed to other trust unitholders in accordance with their holding proportion.
- The REIT Manager shall notify the distribution of returns, the book closing date and the rate of distribution by notifying the trust unitholders whose names are recorded in the trust unitholder register as at the book closing date via the SET information system and notifying the Trustee in writing.
- Payouts are conducted via money transfer to the unitholder's account or a crossed-check payable to the unitholder according to information in the trust unitholder registry book.

- If a Unitholder fails to exercise the right to any return within the period of prescription of claims under the Civil and Commercial Code, the REIT Manager shall not use such returns for any purpose other than that of CPNREIT.

In 2022, the REIT Manager plans to reserve for the repayment of the loans not exceeding THB 140 million and reserve for repairment, maintenance, and renovation not exceeding THB 266 million, in accordance with the guidelines of the SEC for the adjusted net profits for distribution of return to trust unitholders.

3) Distribution Payments and Capital Reduction during the Past 3 Years

Historical distribution of returns as follow :

Operating Period	Distribution Payment / Distribution Payment in Form of Capital Reduction	Book Closing Date / Date of Determining List of Unitholders	Payment Date of Distribution / Payment Date of Distribution in Form of Capital Reduction	Rate of Distribution / Rate of Distribution in Form of Capital Reduction (THB)
1 January 2020 to 31 March 2020	Distribution payment	27 May 2020	10 June 2020	0.2707
1 April 2020 to 30 June 2020/1/2	Payment in form of capital reduction	25 November 2020	8 December 2020	0.2100
1 July 2020 to 30 September 2020/2				
1 October 2020 to 31 December 2020/3	Payment in form of capital reduction	23 February 2021	5 Mach 2021	0.2612
1 January 2021to 31 March 2021/4	Payment in form of capital reduction	27 May 2021	10 June 2021	0.2006
1 April 2021 to 30 June 2021/5	Payment in form of capital reduction	26 August 2021	10 September 2021	0.1025
1 July 2021 to 31 September 2021/6	Payment in form of capital reduction	19 November 2021	2 December 2021	0.0840
1 October 2021 to 31 December 2021/7	Distribution payment	3 March 2022	17 March 2022	0.0552
	Payment in form of capital reduction			0.1609
1 January 2022 to 31 March 2022/8	Distribution payment	20 May 2022	6 June 2022	0.1814
	Payment in form of capital reduction			0.0555
1 April 2022 to 30 June 2022	Distribution payment	19 August 2022	2 September 2022	0.2800
1 July 2022 to 31 September 2022	Distribution payment	18 November 2022	2 December 2022	0.3000
1 October 2022 to 31 December 2022 /9	Distribution payment	2 March 2023	16 March 2023	0. 0607
	Payment in form of capital reduction			0.2593

Remark:

/1 On 14 August 2020, the Board of Directors Meeting had passed a resolution of the postponement of interim distribution of returns and / or capital reduction of CPNREIT from the operation period from 1 April 2020 to 30 June 2020. Since the distribution of returns is less than Baht 0.10 per unit trust, the REIT Manager reserves the right not to make such distribution, provided that the distribution shall be carried forward to be considered together with the following distribution of returns in accordance with the defined distribution method.

/2 On 10 November 2020, The Board of Directors Meeting had passed a resolution of the payment in form of capital reduction to unitholders for the performance period from 1 April 2020 to 30 September 2020 in accordance with the Trust Deed as CPNREIT recorded deficit retained earnings resulting from net unrealized loss from changes in fair value of investments and the amount of the payment in form of capital reduction to unitholders is THB 0.2100 per unit.

/3 On 5 February 2021, The Board of Directors Meeting had passed a resolution of the payment in form of capital reduction to unitholders for the performance period from 1 October 2020 to 31 December 2020 in accordance with the Trust Deed as CPNREIT recorded deficit retained earnings resulting from net unrealized loss from changes in fair value of investments and the amount of the payment in form of capital reduction to unitholders is THB 0.2612 per unit.

/4 On 12 May 2021, the Board of Directors Meeting had passed a resolution of the payment in form of capital reduction to unitholders for the performance period from 1 January 2021 to 31 March 2021 in accordance with the Trust Deed as CPNREIT has excess liquidity from non-cash items recorded in accordance with the financial reporting standards and the amount of the payment in form of capital reduction to unitholders is THB 0.2006 per unit.

/5 On 11 August 2021, the Board of Directors Meeting had passed a resolution of the payment in form of capital reduction to unitholders for the performance period from 1 April 2021 to 30 June 2021 in accordance with the Trust Deed as CPNREIT has excess liquidity from non-cash items recorded in accordance with the financial reporting standards and the amount of the payment in form of capital reduction to unitholders is THB 0.1025 per unit.

/6 On 4 November 2021, the Board of Directors Meeting had passed a resolution of the payment in form of capital reduction to unitholders for the performance period from 1 July 2021 to 30 September 2021 in accordance with the Trust Deed as CPNREIT recorded deficit retained earnings resulting from net unrealized loss from changes in fair value of investments and the amount of the payment in form of capital reduction to unitholders is THB 0.0840 per unit.

/7 On 16 February 2022, the Board of Directors Meeting had passed a resolution of the payment in form of capital reduction to unitholders for the performance period from 1 October 2021 to 31 December 2021 in accordance with the Trust Deed as CPNREIT has excess liquidity from non-cash items recorded in accordance with the financial reporting standards and the amount of the payment in form of capital reduction to unitholders is THB 0.1609 per unit.

/8 On 6 May 2022, the Board of Directors Meeting had passed a resolution of the payment in form of capital reduction to unitholders for the performance period from 1 January 2022 to 31 March 2022 in accordance with the Trust Deed as CPNREIT has excess liquidity from non-cash items recorded in accordance with the financial reporting standards and the amount of the payment in form of capital reduction to unitholders is THB 0.0555 per unit

/9 On 16 February 2023, the Board of Directors Meeting had passed a resolution of the payment in form of capital reduction to unitholders for the performance period from 1 October 2022 to 31 December 2022 in accordance with the Trust Deed, since CPNREIT has excess liquidity from non-cash expense items recorded in accordance with the financial reporting standards and losses from changes in fair value of investments and the amount of the payment in form of capital reduction to unitholders is THB 0.2593 per unit

REIT Manager

1. General Information

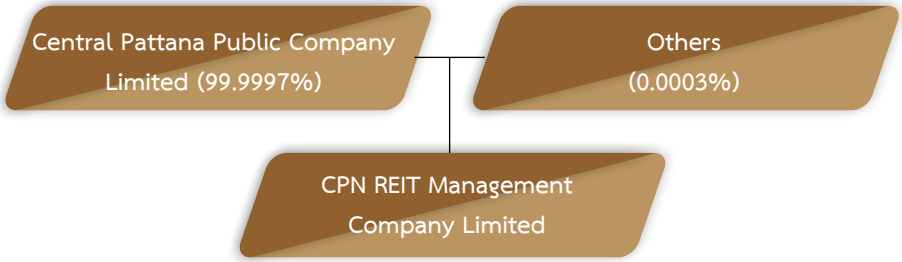
CPN REIT Management Company Limited (the "Company" or the "REIT Manager) which acts as the REIT Manager of CPNREIT, is a limited company incorporated in Thailand on 27 June 2017 with the paid-up capital of THB 10 million, divided into 1,000,000 ordinary shares at par value of Baht 10 each. The main objective of the Company is to manage the real estate investment trust. Central Pattana is the major shareholder in the REIT Manager, holding 99.9997 percent of the total issued shares.

The key information of the REIT Manager

Name of the REIT Manager	CPN REIT Management Company Limited
Address	999/9, Rama I Road, Pathumwan Sub-district, Pathum District, Bangkok
Company Registration Number	0105560104638
Date of Incorporation	27 June 2017
Telephone	02-667-5555 ext. 1660
Facsimile	02-667-5590
Website	www.cpnreit.com/th/management/reit-manager/company-information
Registered Capital	Registered Capital of THB 10 million Paid-Up Capital of THB 10 million Issued of 1,000,000 shares and PAR value of THB 10 per unit
Nature and Scope of Business Operation	Act as a REIT manager of real estate investment trust
Major Shareholder (Shareholding)	Central Pattana Public Company Limited (Holding 99.9997 percent)
List of Directors	1. Mrs. Auyporn Footrakul 2. Mr. Pongsakorn Thiengtham 3. Ms. Wallaya Chirathivat 4. Ms. Naparat Sriwanvit 5. Ms. Pirinee Pringsulaka
Authorized Directors	Ms. Wallaya Chirathivat and Ms. Naparat Sriwanvit jointly sign with the company seal affixed
Accounting Period	1 January - 31 December

2. Shareholders' structure

2.1 Shareholders' structure



2.2 Shareholders of the REIT Manager as of 31 December 2022 were listed as follows:

List of Shareholders	Number of Shares Held (share)	Shareholding (%)
1. Central Pattana Public Company Limited	999,997	99.9997
2. Mr. Kobchai Chirathivat	1	0.0001
3. Ms. Wallaya Chirathivat	1	0.0001
4. Mr. Chanavat Uahwatanasakul	1	0.0001
Total	**1,000,000**	**100.0000**

2.3 The group of the major shareholder, which by circumstances has the significant power over the determination of the management policy or operation of the REIT Manager:

The major shareholder and controlling person of the REIT Manager is Central Pattana which holds 99.9997 percent of the total paid-up shares of the REIT Manager. Central Pattana is a listed company on the SET in property development sector, which conducts main businesses in developing and managing large shopping centers for rent and conducts other related businesses to support the mixed-used shopping centers projects, i.e. residential buildings, office buildings and hotels. It also conducts other related and supporting businesses such as food courts, conference halls, water theme parks and resting areas in some of the shopping center projects. The details of the subsidiaries, mutual funds, associates and other related businesses of Central Pattana as of 31 December 2021 and 31 December 2022 are presented in the table below.

Name of Entity	Type of Business	Country of Incorporation	Central Pattana Shareholding Percentage	
			31-Dec-22	31-Dec-21
Direct subsidiaries				
Central Pattana Rama 2 Co., Ltd.	(1) (4)	Thailand	100.0	100.0
Central Pattana Chiangmai Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
Central Pattana Realty Co., Ltd.	(2) (6)	Thailand	100.0	44.0
Central Pattana Rattanathibet Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
Central Food Avenue Co., Ltd.	(4)	Thailand	100.0	100.0
Central World Co., Ltd.	(1) (2) (4) (7)	Thailand	100.0	100.0
Central Pattana Rama 3 Co., Ltd.	(1) (4)	Thailand	100.0	100.0
Central Pattana Chonburi Co., Ltd. (Completed registration of liquidation)	(1) (2) (4)	Thailand	-	100.0
CPN Residence Co., Ltd.	(10)	Thailand	100.0	100.0
Central Pattana Development Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
CPN Global Co., Ltd.	(6)	Thailand	100.0	100.0

Name of Entity	Type of Business	Country of Incorporation	Central Pattana Shareholding Percentage	
			31-Dec-22	31-Dec-21
Central Pattana Nine Square Co., Ltd.	(1) (2)	Thailand	93.3	93.3
Central Pattana Khon Kaen Co., Ltd.	(1) (2) (4) (10)	Thailand	78.1	78.1
CPN Pattaya Co., Ltd.	(1) (2) (4) (7)	Thailand	100.0	100.0
CPN Rayong Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
CPN Korat Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
CPN Estate Co., Ltd.	(6)	Thailand	100.0	100.0
CPN Residence Khon Kaen Co., Ltd.	(6)	Thailand	100.0	100.0
Suanlum Property Co., Ltd.	(1)	Thailand	85.0	83.5
Phraram 4 Development Co., Ltd.	(6)	Thailand	90.0	90.0
Saladang Property Management Co., Ltd.	(1)	Thailand	100.0	100.0
CPN REIT Management Co., Ltd.	(11)	Thailand	100.0	100.0
Dara Harbour Co., Ltd.	(6)	Thailand	65.0	65.0
CPN Pattaya Hotel Co., Ltd.	(7)	Thailand	100.0	100.0
Chanakun Development Co., Ltd.	(1)	Thailand	100.0	100.0
CPN Village Co., Ltd.	(1)	Thailand	70.0	70.0
Bayswater Co., Ltd.	(1)	Thailand	50.0	50.0
CentralPattana Life Co., Ltd. (formerly name Siam Future Management Co., Ltd.)	(2)	Thailand	100.0	-
Indirect subsidiaries				
Central Pattana Realty Co., Ltd.	(2) (6)	Thailand	-	56.0
Central Pattana Nine Square Co., Ltd.	(1) (2)	Thailand	4.4	4.4
Bangna Central Property Co., Ltd.	(1) to (5)	Thailand	99.9	99.9
Global Retail Development & Investment Limited	(6)	Hong Kong	100.0	100.0
Global Commercial Property Limited (Completed registration of liquidation)	(6)	Hong Kong	-	100.0
CPN Complex Co., Ltd.	(6)	Thailand	99.9	99.9
CPN City Co., Ltd.	(6)	Thailand	99.9	99.9
C.S. City Co., Ltd.	(1)	Thailand	100.0	100.0
CPN Residence Management Co., Ltd.	(12)	Thailand	100.0	100.0
CPN Ventures Sdn. Bhd.	(8)	Malaysia	100.0	100.0
Central Plaza i-City Real Estate Sdn. Bhd.	(6)	Malaysia	60.0	60.0
Grand Canal Land Public Company Limited	(1) (2) (3) (4) (8)	Thailand	67.5	67.5
Belle Development Co., Ltd.	(1) (10)	Thailand	79.6	79.6
Belle Assets Co., Ltd.	(6)	Thailand	100.0	100.0
Sterling Equity Co., Ltd.	(1)	Thailand	100.0	100.0
G Land Property Management Co. Ltd.	(1)	Thailand	100.0	100.0
Rama 9 Square Co., Ltd.	(1)	Thailand	93.1	93.1
Rama 9 Square Hotel Co., Ltd.	(7)	Thailand	99.9	99.9
GLAND REIT Management Co., Ltd. (Under liquidation process)	(11)	Thailand	100.0	100.0

Name of Entity	Type of Business	Country of Incorporation	Central Pattana Shareholding Percentage	
			31-Dec-22	31-Dec-21
Ratchada Assets Holding Limited	(6)	Thailand	100.0	100.0
Chipper Global Limited	(6)	British Virgin Islands	100.0	100.0
Bayswater Co., Ltd.	(1)	Thailand	50.0	50.0
Siam Future Development Public Company Limited	(1) (2)	Thailand	99.7	96.9
Petchkasem Power Center Co., Ltd.	(1) (2)	Thailand	74.0	74.0
Ekkamai Lifestyle Center Co., Ltd.	(1) (2)	Thailand	51.0	51.0
Siam Future Property Co., Ltd.	(1) (2)	Thailand	100.0	100.0
Ratchayothin Avenue Co., Ltd.	(1)	Thailand	50.0	50.0
Ratchayothin Avenue Management Co. Ltd.	(2)	Thailand	50.0	50.0
Siam Future Management Co. Ltd.	(2)	Thailand	-	100.0

Source: Financial Statements of Central Pattana, for the year ended 31 December 2022.

Type of business

(1) Construction of shopping malls and office buildings for rent
(2) Providing utility services in shopping malls
(3) Construction of residential and shop houses for rent
(4) Sale of food and beverages
(5) Operator of amusement park and water theme park on shopping centers
(6) Real estate investment
(7) Hotel business
(8) Corporate management and property management consulting services
(9) Training and personnel development service
(10) Real estate business for sales of land and houses and condominium units
(11) Management of a real estate investment trust
(12) Management of condominium juristic person and housing estate juristic person

As of 9 March 2023, which was the latest closing date of share register book, Central Pattana has the list of top 10 major shareholders as follows*

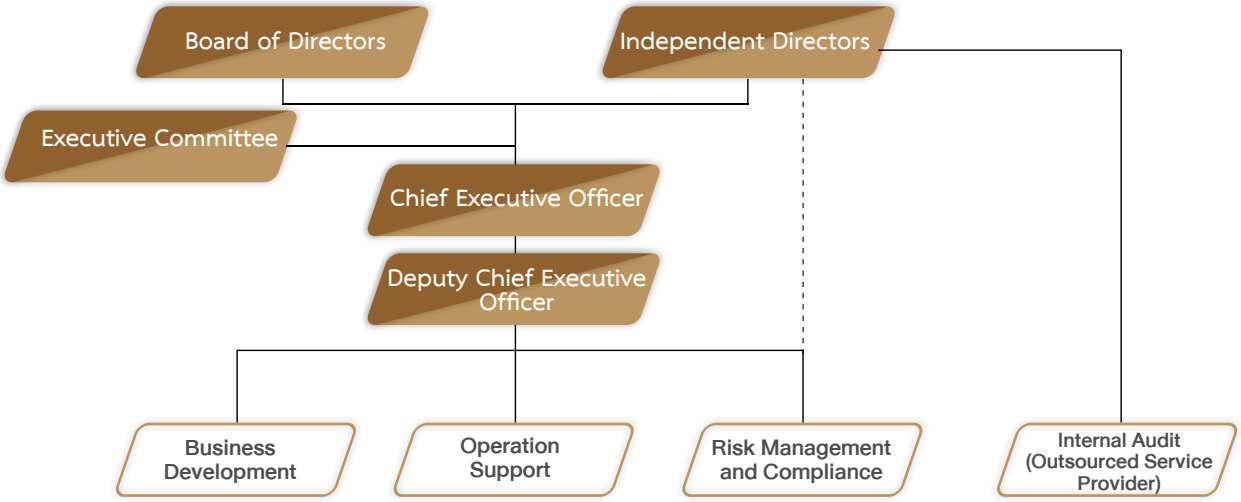
No.	Name	No. of Shares Held (shares)	Proportion (%)
1	CENTRAL HOLDING CO., LTD.**	1,176,343,960	26.21
2	THAI NVDR CO., LTD.	352,422,499	7.85
3	STATE STREET EUROPE LIMITED***	118,305,475	2.64
4	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED***	99,750,696	2.22
5	UBS AG SINGAPORE BRANCH***	87,420,382	1.95
6	MR. NITI OSATHANUGRAH	83,234,500	1.85
7	SOCIAL SECURITY OFFICE	60,757,688	1.35
8	BBHISL NOMINEES LIMITED***	58,266,200	1.30
9	THE BANK OF NEW YORK MELLON***	54,487,250	1.21
10	BANK OF SINGAPORE LIMITED-THB SEG AC***	53,968,648	1.20

Remarks : * The top ten shareholders are ranked by Thailand Securities Depository Co., Ltd.
** Shareholding of Chirathivat family.
*** The Share Registrar is not able to give details of the names of Shareholders; however these nominee accounts do not have any influence over the Company's strategies or operational management.

3. Management Structure of the REIT Manager

3.1 Management Structure of the REIT Manager

The management structure of the REIT Manager follows the principle of the clear separation of duties and responsibilities of



each department where each department shall be independent with its own system, taking into account the risk control and conflict of interest which may arise in order that the REIT Manager would be able to manage the investment for the investors with honesty, integrity and carefulness and take into account the interest of the investors before the interest of the REIT Manager.

The REIT Manager has the management structure which comprises the Board of Directors, the Chief Executive Officer and departments, i.e. the Business Development, the Operation Support, the Risk Management and the Compliance (which are internal departments) and the Internal Audit (which the third party shall be appointed) as per the structure presented above.

The REIT Manager has the duties and responsibilities to manage CPNREIT and supervise the Property Manager and sub-lessee of the core assets of CPNREIT, i.e. Hilton Pattaya Hotel and to manage CPNREIT in accordance with the policy of the REIT Manager, Trust Deed, REIT manager appointment agreement, Registration Statement, prospectus, rules and related laws.

3.2 Board of Directors

The Board of Directors consists of 5 directors as follows:

1 **Mrs. Auyporn Footrakul**

Chairman and Independent Director (Appointed on 1 September 2019)

Education

- Master of Management and Human Relations, Abilene Christian University, U.S.A.
- Bachelor of Business Administration, Ramkhamhaeng University
- Bachelor of Business Administration, Dhurakij Pundit University

Work Experience

2016 - 2018	Bangkok Area Revenue Office 7, Revenue Department
2015 - 2016	Bangkok Area Revenue Office 14, Revenue Department
2014 - 2015	Bangkok Area Revenue Office 6, Revenue Department
2013 - 2014	Bangkok Area Revenue Office 28, Revenue Department
2013	Revenue Technical Officer, Expert Level, E-Revenue Department, Revenue Department

2 **Mr. Pongsakorn Thiengtham**

Independent Director (Appointed on 1 September 2019)

Education

- Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Science, Electrical Engineering, New Jersey Institute of Technology, U.S.A.

Work Experience

2017 - Present	Partner, Castle Partners Company Limited
2012 - Present	Partner, PPK Partners Limited
2017 - 2019	Advisor to the Board of Directors, CPN REIT Management Company Limited
2004 - 2008	President, Corporate Finance & Capital Market, Syrus Securities PCL)
2001 - 2004	Managing Director, SICCO Advisory Company Limited
1996 - 2000	Chief Representative, HSBC Investment Bank Asia, Bangkok

3 **Ms. Wallaya Chirathivat**

Director

Education

- Master of Business Administration, University of Hartford, U.S.A.
- Bachelor of Business Administration, University of California, Los Angeles, U.S.A.

Work Experience

2022 – Present	President and Chief Executive Officer, Central Pattana Public Company Limited
2021 – Present	Director, Co-Chairman and Authorized Director, Siam Future Development Plc.
2018 – 2021	Deputy Chief Executive Officer, Central Pattana Public Company Limited
2011 – 2018	Senior Executive Vice President, Business Development and Project Construction, Central Pattana Plc.
2005 - 2011	Executive Vice President, Business Development and Project Construction, Central Pattana Public Company Limited
1998 - 2004	Executive Vice President, Central Retail Corporation Co., Ltd

4 **Ms. Naparat Sriwanvit**

Director

Education

- Certified Public Accountant (CPA), Federation of Accounting Profressions Under the Royal Patronage of His Majesty the King
- Master of Business Administration, Thammasat University
- Bachelor of Accountancy, Chulalongkorn University

Work Experience

2021 - Present Director, Siam Future Development Public Company Limited

2018 - Present Chief Executive Officer (Acting) and Executive Director, Grand Canal Land Plc.

2015 - Present Senior Executive Vice President, Finance, Accounting and Risk Management, Central Pattana Plc.

2013 - 2014 Executive Vice President, Finance, Accounting and Risk Management, Central Pattana Plc.

2012 - 2015 Company Secretary, Central Pattana Plc.

5 **Ms. Pirinee Pringsulaka**

Director (Appointed on 1 June 2021)

Education

- Master of Science in Finance, University of Illinois at Urbana - Champaign, U.S.A.
- Master of Arts in International Economics and Finance, Chulalongkorn University
- Bachelor of Business Administration in International Business Management, Chulalongkorn University

Work Experience

2022 – Present Executive Director, Siam Future Development Plc.

2021 – Present Senior Vice President, Corporate Finance, Central Pattana Public Company Limited

2017 - 2021 Chief Executive Officer, CPN REIT Management Company Limited

2006 - 2017 Senior Vice President, Corporate Finance, Central Pattana Public Company Limited

2005 - 2006 Manager, Investment Banking, Equity Capital Markets, DBS Vickers Securities (Thailand) Company Limited

4. Roles, Duties, and Responsibilities of the Board of Directors

The REIT Manager shall have a board comprising of not less than 3 qualified directors. At least one-third of the total directors of the Company shall be the independent directors with the qualifications in accordance with the criteria specified in the Notification of the Capital Market Supervisory Board regarding Application for and Approval of Offer for Sale of Newly Issued Shares.

1. Duties and Responsibilities of the Board of Directors to the Company

1) To perform the duties in accordance with laws, objectives and Company's bylaws, as well as the resolutions of the Board of Directors and shareholders' meetings with good faith, prudence, and fairness to the shareholders of the Company and unitholders of CPNREIT whereas such performance of duties shall not contradict with the duties of the Company as the REIT Manager.
2) To define the operating policy of the Company, oversee, and supervise the executives of the Company to perform the actions in conformity with the policy and regulations under the principles of good corporate governance.
3) To approve the financial statements of the REIT Manager, and to report the operating performance of the Company to the shareholders.
4) To oversee and control every department of the Company to operate with the fair and equitable treatment to the stakeholders.
5) To consider and propose the crucial meeting agenda item which should be considered by the Board of Directors, but has not yet been included in the agenda of the meeting of the Board of Directors.
6) To consider, select, and appoint the directors of the Company to replace those vacated from office, as well as to select and propose the appointment of additional directors to the shareholders of the Company.
7) To consider and approve the key matters related to the operation of the Company, e.g. dividend payment to the shareholders, arrangement of the shareholders' meeting as required by law, annual audit plan, selection, appointment, and remuneration of the auditors of the Company, etc.
8) To provide the information about the business operation of the Company, as well as relevant laws, notifications, criteria, and regulations to the new directors of the Company.
9) To convene at least 4 meetings of the Board of Directors in each year, and the attendance by more than half of the total directors shall constitute a quorum. The resolution of the board meeting shall be passed by the majority votes of the directors present at the meeting. A director with conflict of interest in that particular matter is not eligible to vote.
10) To arrange to have the Company Secretary with the duties of proposing the meeting agenda presented by each department, and of preparing the minutes of meeting of the Board of Directors and other related supporting documents.
11) To evaluate the performance of the Chief Executive Officer. If the Chief Executive Officer also holds directorship, the director who holds the position of the Chief Executive Officer shall not be involved in considering and making decision on such evaluation.

2. Duties and Responsibilities of the Board of Directors to CPNREIT

1) To consider and approve the crucial policies for the management of CPNREIT, e.g. policy of management of CPNREIT, the management of CPNREIT's capital structure, investment policy of real properties, and policy of procurement of benefits from real properties, etc., which shall be implemented by the relevant departments.
2) To consider and approve the investment or the acquisition of real properties or leasehold rights in real properties in the first and additional investment in order to procure the benefits from those real properties or from the leasehold rights of such real properties as well as to supervise to ensure that those matters are in accordance with the policy of the REIT Manager, Trust Deed, REIT Manager Appointment Agreement, filing, prospectus, regulations, relevant laws, andnotifications, which may be amended, and to approve the capital increase of CPNREIT as well as to file for any related permissions.

3) To consider and approve the disposal of core properties and equipment of CPNREIT to be in line with the policy of the REIT Manager, Trust Deed, REIT Manager Appointment Agreement, filing, prospectus, regulations, relevant laws, and notifications, which may be amended.
4) To consider and approve the risk management and control policy related to the management of CPNREIT which shall be implemented by the relevant departments.
5) To consider and approve the policies, code of conducts, and procedures to manage any related conflicts of interest, especially between CPNREIT and the REIT Manager and connected persons of the REIT Manager. This includes the measures or guidelines to sustain the maximum interest of CPNREIT or the trust unitholders as a whole upon the occurrence of a conflict of interest.
6) To consider and approve the transactions to be entered into between CPNREIT and the connected persons to ensure that it complies with the criteria stipulated and notifications, which may be amended.
7) To consider and select the Chief Executive Officer to manage CPNREIT.
8) To consider and approve the appointment of the Property Manager to be further approved by the Trustee.
9) To consider and approve the work performance of the Property Manager to be further acknowledged by the Trustee.
10) To consider, select, and approve the lease of the core properties to the sub-lessee that shall be further submitted to the Trustee for approval.
11) To consider and approve the work systems to be outsourced to the service providers under the relevant regulations, as well as to select such outsourced service providers to be acknowledged by the Trustee.
12) To consider and approve the engagement of advisors related to the management of CPNREIT to be acknowledged by the Trustee.
13) To monitor and supervise the performance of the REIT Manager and its delegated persons to ensure that their performance is in line with the policy of the REIT Manager, Trust Deed, REIT Manager Appointment Agreement, filing, prospectus, regulations, relevant laws, and notifications, which may be amended, as well as the reporting of important matters to the Board of Directors on quarterly basis or when it deems appropriate, and the performance evaluation of the Chief Executive Officer.
14) To consider and approve the annual budget.
15) To consider and approve the special expenses and/or capital expenditure budget beyond the annual budget.
16) To supervise the reporting of internal audit outcome (if any) in accordance with the defined plan and criteria.
17) To consider and approve the operating performance and the distribution payment to the trust unitholders.
18) To consider and approve the arrangement of the annual general meeting of trust unitholders or when it deems appropriate, which is beneficial to the management of CPNREIT, or when the trust unitholders jointly holding not less than 10 percent of the total issued unit trusts sign to submit a notice calling the unitholders' meeting in which the rationale of such meeting call is specified clearly.
19) To consider and approve the guideline of settling the significant disputes and complaints related to the operation of CPNREIT as it deems necessary and appropriate to ensure that the complaints and disputes related to the operation of CPNREIT filed by the third persons or trust unitholders are solved or undertaken in other ways in accordance with the relevant laws, requirements, resolutions of the unitholders' meeting, Trust Deed, REIT Manager Appointment Agreement, filing, and prospectus.
20) The Board of Directors of the REIT Manager may delegate one director or several directors or the other person to take an action on behalf of the Board, but such delegation excludes the delegation or the sub-delegation that shall enable the director or the person authorized by such director to approve the transaction in which he or she may have the conflict of interest, or benefit in other manner that contradicts the benefit of CPNREIT.

21) To consider and approve the legal proceedings for the disputes occurred.

3. Duties and Responsibilities of the Independent Directors

The REIT Manager is required to have the independent director(s) as an integral part of the Board of Directors. An independent director shall have knowledge and skills beneficial to the business of the Company. He or she shall have the duties of monitoring, supervising, and examining the performance of the executives and departments of the REIT Manager to ensure that it conforms to the principle of good corporate governance; of giving opinion and support to the policy beneficial to CPNREIT and/or trust unitholders; or of raising an objection when it appears that the REIT Manager may make decision that may cause adverse effect to CPNREIT and/or trust unitholders. The independent director must be neither under control of the executives or major shareholders of the Company, nor involved or have the interest in the decision on operation of the REIT Manager and CPNREIT. The roles, duties, and responsibilities of the independent director are as follows:

1) To give opinion or remarks on the transactions made with the connected persons of CPNREIT, or those with potential conflicts of interest, as well as the acquisition or disposal of material assets for benefits of the trust unitholders.
2) To give advice or opinion toward important matters, e.g. capital structure, policy of the REIT Manager, operation control policy, etc.
3) To give opinion about the risk management and control policy, as well as the risk control or mitigation criteria and methods.
4) To recommend or advise in the board meeting of the REIT Manager on important matters that should be considered, e.g. investment in core properties, consideration of complaints, consideration of legal disputes, change of the sub-lessees of the core properties of CPNREIT or the Property Manager (if any), as well as to provide advice or opinion on the matters in which the independent director has the special expertise or experience and related to the management of CPNREIT.
5) To consider, supervise, and advise the REIT Manager on the preparation of the financial statements of the REIT Manager and CPNREIT to ensure that they are complete and accurate.
6) To recommend the important matters that should be considered in the board meeting of the REIT Manager.
7) To appoint, monitor, examine, and give advice or opinion about the operation plan, evaluate the work performance, and give advice or opinion about the work performance of the internal auditor (if any), as well as to propose and provide opinion about the internal audit report in the board meeting of the REIT Manager.
8) To consider the arrangement of internal audit if it deems appropriate.
9) To ensure that the advisor(s) to the Board of Directors of the REIT Manager shall not attend the meeting where the issues in which the advisor may have the conflict of interest are considered.
10) To perform other actions assigned by the Board of Directors of the REIT Manager and beneficial to CPNREIT.

According to the roles, duties, and responsibilities of the independent director specified above, the relevant departments shall regularly submit their reports to the independent director for consideration and acknowledgement. They shall also give advice on the connected transactions or transaction that may have the conflict of interest with CPNREIT, weakness of the internal control, improvement of the internal control, performance of duties as the REIT Manager, and progress of improvement. To select the independent director, the REIT Manager determines that the independent director shall hold at least the following qualifications:

1) Holding not more than 1 percent of the total eligible voting shares of the REIT Manager, parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the REIT Manager or its connected persons, which shall be inclusive of the shares held by persons related to such independent director under Section 258 of the Securities Act;

2) Not being or having been a director participating in management, or not being an employee, a staff member, an advisor who receives a regular salary, or a controlling person of the REIT Manager, parent company, subsidiaries, affiliates, same-level subsidiaries, major shareholder, controlling person of the REIT Manager, or connected person both at present and at least 2 years prior to taking the independent directorship;
3) Not having relationship by blood or legal registration in a way that makes the independent director being a parent, spouse, sibling, and children, including spouse of the children of directors, executives, major shareholders, controlling persons, or nominated persons to be directors, executives, or controlling persons of the REIT Manager or subsidiaries;
4) Neither having nor had business relationship with the REIT Manager, parent company, subsidiaries, affiliates, major shareholders, controlling persons of the REIT Manager, or juristic persons with conflict of interest in a way which may obstruct his independent judgment, or not being significant shareholders, non-independent directors, or management having business relationship with the REIT Manager, parent company, subsidiaries, affiliates, major shareholders, or juristic persons who may be the connected persons both at present and at least 2 years prior to taking the independent directorship;
5) Neither being nor having been the auditor of the REIT Manager, parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the REIT Manager or juristic persons who may be the connected persons, and nor being a significant shareholder, a controlling person of the REIT Manager, a non-independent director, management, or a partner of the audit firm which employs the auditor of the REIT Manager, parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the REIT Manager or juristic persons who may be the connected persons both at present and at least 2 years prior to taking the independent directorship;
6) Neither being nor was any professional service provider including legal or financial advisor who receives the annual service fee in the amount of more than THB 2 million from the REIT Manager, parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the REIT Manager or juristic persons who may be the connected persons, and nor being a significant shareholder, a controlling person, a non-independent director, management, or partner of such professional service provider both at present and at least 2 years prior to taking the independent directorship;
7) Not representing a director of the REIT Manager, major shareholders, or shareholders connecting to the major shareholders;
8) Not operating business with the same nature and in competition with the REIT Manager, or its subsidiaries, nor being a significant partner in a partnership or a director involved in administration or an employee, officer, salaried advisor or holding shares more than 1 percent of the total shares with voting rights of other company with the same nature and in competition with the REIT Manager or its subsidiaries;
9) Not being a person in the list made by the Stock Exchange of Thailand stating that such person shall not be an executive or management in accordance with the requirement of the Stock Exchange of Thailand and/or not having prohibited characteristics as specified in the Notification of the Capital Market Supervisory Board concerning the Prohibited Characteristics of Personnel in Capital Market Industry, mutatis mutandis under Clause 12(4) of the Notification of the Office of the Securities and Exchange Commission No. SorChor. 29/2555 Re: Rules, Conditions and Procedures for the Approval of REIT Manager and Standard Conduct and its amendments or under other regulations to be further changed by the Office of the SEC;
10) Never been under court ruling that he or she has breached or violated the Securities and Exchange laws including any laws related to fund management business, securities and credit fancier business, banking, insurance, money laundering, and/or any other financial business

prescribed by relevant authorities in any jurisdictions, either Thailand or others; provided that such breach or violation be unfair trade practices in connection with securities trading, or fraud, bad faith in managing the Company; and

11) Having no other things restricting him or her from giving opinions independently in connection with the operation of the REIT Manager.

In this respect, the terms "parent company", "subsidiary", "same-level subsidiary", "affiliate", "connected person", "management", "major shareholder", "controlling person", and "person with conflict of interest" shall have the same definitions to such terms as defined in the Notification of the Capital Market Supervisory Board regarding Application for and Approval of Offer for Sale of Newly Issued Shares.

The Board of Directors of the REIT Manager and the independent director shall have the duties of supervising and providing necessary advice to the REIT Manager; meanwhile, the Chief Executive Officer shall have the authorities, duties, and responsibilities in controlling, monitoring, and overseeing the management of the REIT Manager to ensure that the performance of duties as the REIT Manager conforms to the established policy, Trust Deed, REIT Manager Appointment Agreement, Registration Statement, prospectus, regulations, and relevant laws regarding management of CPNREIT.

4. Duties and Responsibilities of the Executive Committee

The Executive Committee ensures CPNREIT asset management readiness and flexibility, consistently optimizing REIT assets for unfolding opportunities, keeping abreast of the competitive landscape and persisting developments, and effectively responding to rapidly changing consumer behavior. As such, the Executive Committee has the following roles, duties, and responsibilities:

1) Consider and approve asset acquisition-disposal and THB 100 million and-under management expenses.
2) Consider and plan asset optimization guidelines, readiness, and return potential before proposing to the Board of Directors.

This includes hiring REIT consultants to study, survey, design, and conduct other activities related to CPNREIT asset optimization.

5. Duties and Responsibilities of the Chief Executive Officer

The Chief Executive Officer shall have the authorities, duties, and responsibilities in controlling, monitoring, and overseeing the management of the REIT Manager as follow:

1) To formulate the operation plan in the management of CPNREIT, management of the capital structure, decision-making on investment, establishment of the strategy and policy for selection and procurement of benefits from real properties under the policy of the REIT Manager;
2) To consider and approve the audit plan, and to review the annual operation;
3) To consider, select, and approve the employment, and approve the termination of employment, as well as other matters related to the employment of personnel by the REIT Manager;
4) To oversee the operation and/or daily management as the REIT Manager, as well as to supervise the overall operation of the REIT Manager, and evaluate the work performance of the personnel of the REIT Manager to ensure that it conforms to the corporate governance policy defined by the REIT Manager, resolutions of the Board of Directors of the REIT Manager, Trust Deed, REIT Manager Appointment Agreement, filing, prospectus, regulations, resolutions of the unitholders' meeting, and laws related to the operation of the REIT Manager;
5) To consider and approve the disclosure of information connected to the REIT Manager and the operation of CPNREIT;
6) To consider and approve the legal proceedings suitable to the disputes occurred which are significant and under authority limit of the Chief Executive Officer;
7) To represent the REIT Manager, and to have the authority to assign other persons to contact with the relevant government agencies and supervisory authorities;
8) To have the authority to issue, amend, add, or revise the rules, orders, and regulations in connection with the working of the REIT Manager under the policy given by the Board of Directors;
9) To have any authorities, duties, and responsibilities in accordance with the assignment or policy given by the Board of Directors of the REIT Manager; and

10) To have the authority in granting the sub-delegation and/or to assign other persons to perform any particular work on behalf of him/her. Such sub-delegation and/or assignment shall be under the scope of delegation as stated in the Power of Attorney and/or in accordance with rules, regulations, or orders stipulated by the Board of Directors of the REIT Manager. In this regard, the authorization of the duties and responsibilities by the Chief Executive Officer must not be in the manner of granting the delegation or the sub-delegation which enables the Chief Executive Officer or such person delegated by the Chief Executive Officer to approve the transactions in which he/she or the person who may have conflict or interest, or receive the benefits in any way or may have other conflicts of interest with CPNREIT.

6. Duties and Responsibilities of the Deputy Chief Executive Officer

1) Oversee daily operations and administration as the REIT manager, including overall Company operations under Corporate Governance policy, resolutions of the Board of Directors of the REIT Manager, Trust Deed, REIT Manager Appointment Agreement, filing, prospectus, regulations, resolutions of the unitholders' meeting, and laws related to the operation of the REIT Manager.
2) Implement authorities, duties, and responsibilities as endowed by Company policy or as assigned by the Chief Executive Officer.

7. Duties and Responsibilities of the Outsourced Service Provider who has been Assigned to Perform the Work

The REIT Manager may delegate the third person to perform the matter relating to conducting the business of some department provided that the REIT Manager shall oversee that the performance of duties of the third person is in accordance with the policy of the REIT Manager, Trust Deed, REIT manager appointment agreement, Registration Statement, prospectus, regulations, and relevant laws regarding management of CPNREIT. The duties and responsibilities of the outsourced service provider are as follows:

1) The REIT Manager may assign other person to perform the internal audit work reporting directly to the independent directors who are independent and separated from other departments. The main duties are to audit and evaluate the internal operational system of the REIT Manager and to report the examination to the independent directors so as to maintain the good internal control system. The following matters shall be audited:
   (1) The efficiency of the internal control, the good corporate governance and the risk management;
   (2) The accuracy and reliable of the financial information and the non-financial information relating to the management of CPNREIT;
   (3) The internal control audit to prevent the conflict of interest and the transaction which may have the conflict of interest;
   (4) The sufficiency and efficiency of the risk management.
2) The REIT Manager may assign other person to perform the duty relating to the REIT Manager business in the part of information technology, law, human resources (excluding the duty to select the personnel of the REIT Manager) provided that such person shall comply with the same regulation as that of the internal staffs of the REIT Manager, such as the access to the internal information of CPNREIT, including to acknowledge the policies of the REIT Manager, relevant work performance regulations and notification.

Management team

1 Ms. Pattamika Pongsurayamas

Chief Executive Officer (Appointed on 1 June 2021) and Acting Head of Department

Education

- Master of Science in Investment Management, City University, London, UK
- Master of Arts in International Financial Analysis, University of Newcastle upon Tyne, UK
- Bachelor of Accountancy (Accounting Information System), Chulalongkorn University

Work Experience

2021 -Present	Chief Executive Officer CPN REIT Management Co., Ltd.
2019 -2021	Deputy Chief Executive Officer CPN REIT Management Co., Ltd.
2015 –2019	Vice President, Corporate Finance, Central Pattana Public Company Limited
2013 - 2014	Senior Manager, Investor Relations, Thoresen Thai Agencies Public Company Limited
2008 – 2013	Vice President, Investor Relations, Kiatnakin Bank Public Company Limited
2005 – 2008	Vice President, Investor Relations, TISCO Bank Public Company Limited

2 Ms. Nattiya Pholvarin

Vice President of Business Development

Education

- MSc Accounting and Finance, Leicester University, UK
- Bachelor of Business Administration, Kasetsart University

Work Experience

2017 – Present	Vice President, CPN REIT Management Company Limited
2011 – 2017	Assistant Manager, Central Pattana Public Company Limited

3 Ms. Chompoonuch Phraewphiphat

Vice President of Risk Management and Compliance (resigned on 15 October 2022)

Education

- Master of Business in Finance and Banking, Ramkhamhaeng Univercity
- Bachelor of Computer Business, Rajchapat Suansunanta Univercity

Work Experience

2021 - 2022	Vice President, CPN REIT Management Company Limited
2015 - 2021	Senior Associate, Trustee of Real Estate Investment Trust SCB Asset Management Co., Ltd.
2012 - 2015	Custodian Assistant Manager Citibank N.A.
2010 - 2012	Support Fund Manager, Investment Management TMB Asset Management Co., Ltd.

4 Ms. Ploypailin Tianchawalit

Vice President of Operation Support (appoint on 17 February 2023)

Education

- Bachelor of Accounting, Thammasat University

Work Experience

2023 - Present	Vice President, CPN REIT Management Company Limited
2020 - 2023	Deputy Vice President, CPN REIT Management Company Limited
2018 - 2022	Audit Assistant, KPMG Phoomchai Audit Ltd.

Personnel of the REIT Manager

The REIT Manager comprises 4 staff members in total as listed below.

Department	Key Responsible Persons	Work Experience
Business Development	Ms. Nattiya Pholvarin Vice President	- Assistant Manager, Corporate Finance, Central Pattana Public Company Limited (2011 – 2017)
Operation Support	Ms. Ploypailin Tianchawalit Vice President	- Audit Assistant, KPMG Phoomchai Audit Ltd. (2018 – 2020)
	Ms. Untika Godard Assistant Vice President	- Assistant Manager, Fund Account, Ticon Industrial Connection Public Company Limited (2013 - 2017) - Senior Accountant, Golden Land Property Development Public Company Limited (2006 – 2013)
Risk Management and Compliance	Ms. Pattamika Pongsurayamas Chief Executive Officer and acting Head of Department	- Vice President, Corporate Finance, Central Pattana Public Company Limited (2015– 2019)

Duties of the REIT Manager

The REIT Manager has the primary duty and responsibility to manage CPNREIT entrusted by the Trustee, as well as to invest in the properties of CPNREIT. The REIT Manager shall perform its functions under supervision of the Trustee with the following scope of authority, duties, and responsibilities.

1. Duties to CPNREIT

1.1 The REIT Manager shall conform to the principle of business conduct as follows:

1) To perform its duties with knowledge and skills that may reasonably be expected as a professional, and with care and integrity. In this regard, the REIT Manager shall treat the trust unitholders fairly for the best interest of the trust unitholders as a whole. Additionally, the REIT Manager shall comply with the Trust Deed, REIT Manager Appointment Agreement, objectives of establishing CPNREIT, resolutions of the trust unitholders, and relevant laws.

2) To maintain sufficient capital to operate the business, and to compensate for any detriment, which may occur from performing the duties as the REIT Manager.

3) To disclose, give opinion, or provide important and relevant information which is sufficient for making investment decision by the investors. In this regard, such information must be clearly communicated, not be distorted, and not misleading.

4) Not to exploit any information gained from performing the duties of the REIT Manager for its own interest, or in manner of damage or impact to the interests of CPNREIT.

5) To perform its duties with prudence to avoid conflicts of interest. In the event of conflicts, the REIT Manager shall perform the actions to ensure that the investors shall be treated fairly and appropriately.

6) To comply with the securities laws and other relevant laws on the operation of CPNREIT, code of ethics, and standards of professional conduct as defined by associations related to securities business or by organizations in connection with securities business recognized by the Office of the SEC, mutatis mutandis. In addition, the REIT Manager shall not conspire, employ, or collaborate with anyone to violate such laws or regulations.

7) To cooperate with the Trustee or the Office of the SEC in performing their duties, and to disclose information which may significantly affect the management of CPNREIT or other information they should be notified.

1.2 The REIT Manager shall arrange to have proper operation procedures, including an efficient check and balance system, in place, to support the work under its responsibility entirely. To ensure proper and efficient management of CPNREIT entrusted by the Trustee, the operation procedures shall at least cover the following issues:

1) The determination of the management policy of CPNREIT, structuring of the investment capital of CPNREIT, and formation of policy and strategy relating to the procurement of benefits from core properties in order that the management of investment entrusted by the Trustee is under prudence, care, and in conformation to the investment policy stipulated in the Trust Deed, and in compliance with securities laws and relevant laws on the operation of CPNREIT, as well as to protect the interest of CPNREIT and the trust unitholders as a whole.

2) A system to manage the risks associated with the management of CPNREIT as assigned so as to prevent and mitigate the risks effectively.

3) To prevent the conflicts of interest, especially between CPNREIT and the REIT Manager and connected persons with the REIT Manager, including measures or guidelines of keeping the best interest of CPNREIT or the trust unitholders as a whole, when a conflict of interest is inevitable.

4) Selection of personnel of the REIT Manager and service providers for functions related to the operation of CPNREIT (if any) to ensure that the knowledgeable and skilled personnel with appropriate qualifications are suitable to the nature of work allocated to them.

5) Supervision of performance of the REIT Manager and related personnel including the service providers of outsourced functions related to the management of CPNREIT to ensure the compliance with the securities laws, relevant laws, and Trust Deed.

6) Disclosure of complete, accurate, and adequate information of CPNREIT in compliance with the provisions stipulated in the Trust Deed and securities laws.

7) A back-office system.

8) An internal audit and control system.

9) Investor relation, and handling of investors' complaints.

10) Handling of legal disputes.

The REIT Manager may assign other persons to proceed with the issues related to management as the REIT Manager provided that such assignment is in accordance with the established criteria.

1.3 The REIT Manager may assign other persons to proceed with the issues related to management and operation of the REIT Manager as it deems necessary in order to enhance the effectiveness of the REIT Manager's operation. The outsource must be under established criteria.

1.4 The REIT Manager shall prepare financial statements of CPNREIT in accordance with financial reporting standards as stipulated by the law on accounting profession, and submit such financial statements to the Office of the SEC within three months from the end of each fiscal year.

1.5 The REIT Manager shall not undertake any actions that may restrain the Trustee from performing its duties independently; for instance, investing in real properties owned or possessed by the related persons of the Trustee.

1.6 The REIT Manager shall procure liability insurance possibly occurred from the performance of its functions as the REIT Manager, as well as the performance of its directors, executives, and personnel, throughout the terms of the Trust Deed, which is in accordance with the operating procedures of the REIT Manager.

1.7 The REIT Manager shall convene theTrust unitholders' meetings to consider and vote for issues specified in the Trust Deed such as amendment of the Trust Deed, capital increase of CPNREIT, change of the Trustee, etc.

1.8 In case where an advisor is appointed to provide advice or recommendations related to investment and management in real properties, the REIT Manager shall act in accordance with the following regulations:

1) Arrange for the advisor to declare his/her conflicts of interest in issues under consideration; and

2) Not allow the advisor with direct or indirect conflicts of interest to be involved in decision making on such issues.

1.9 For transactions related to real properties for CPNREIT, the REIT Manager shall comply with the following criteria:

1) To proceed to ensure that the sales, disposal of, transfer of real properties, or entering into an agreement relating to real properties for CPNREIT is done appropriately and is enforceable by law.

2) To proceed to ensure that the investment in real properties of CPNREIT is done appropriately, and to perform at least the following actions:

a) To conduct self-assessment on preparedness to manage the investment in that property before accepting the assignment as the REIT Manager or before making any additional investment in such real properties for CPNREIT, as the case may be.

b) To carry out an analysis and feasibility study, and to undertake due diligence for the real properties including the assessment of various risks that may arise from the investment in those real properties together with the risk management guideline. Such risk exposures shall include the risk associated with the development or construction of real properties (if any) such as risk from the delayed construction and the inability to procure benefits from real properties, etc.

1.10 To arrange for the core properties invested by CPNREIT to be appraised by an appraisal company authorized by the Office of the SEC in accordance with the relevant laws, under the regulations stipulated in the Trust Deed and relevant laws; for example, appraisal prior to an acquisition or disposal of the core properties of CPNREIT, review of the appraised value of the core properties of CPNREIT, periodical appraisal of the value of the core properties in compliance with the relevant laws, etc.

1.11 To arrange for the properties to be invested by CPNREIT to be professionally examined and reviewed in accordance with the relevant laws including the condition of the property, capability of the counterparty of agreement, financial and legal information, appropriateness of other aspects, etc., which shall be used to support decision-making on investment and information disclosure of CPNREIT. Under any circumstance where the REIT Manager is unable to perform its duty, the Trustee shall manage CPNREIT as deemed necessary in order to prevent, refrain, or limit any severe damage to the interest of CPNREIT or the entire unitholders. In this regard, the Trustee may appoint other person to manage CPNREIT instead during such period.

1.12 To perform any actions to acquire the core properties or real properties to be additionally invested by CPNREIT within 60 (sixty) days from the complete establishment of CPNREIT in case of IPO; or from the closing date of the offering of trust units in case of offering of trust units for capital increase of CPNREIT.

1.13 The property investment shall apply to the acquisition of ownership or possessory right of the property only. In case of possessory right, it shall be the acquisition of document of entitlement in the form of Nor.Sor.3 Kor or the acquisition of leasehold right with the document of ownership or document of possessory right in the form of Nor.Sor. 3 Kor only.

1.14 The real properties acquired shall not be under the enforcement of real rights, or have any disputes unless the REIT Manager and the Trustee have provided the opinion in writing that such enforcement of real right or disputes do not have any significant impact on the provision for benefits from such properties and the conditions for the acquisition of such properties are still beneficial to the trust unitholders as a whole.

1.15 The agreement pertaining to the acquisition of real properties shall not have any provision or obligation that may obstruct CPNREIT to sell such real properties at a fair price at the time of selling, such as the agreement granting the right of first refusal to the counterparty in purchasing property from CPNREIT with the purchasing price fixed in advance; or may cause CPNREIT to bear more responsibility than what should be under normal situation when the lease agreement expires.

1.16 To arrange for CPNREIT to maintain non-life insurance or insurance covering benefits of the trust unitholders similar to or replacing the non-life insurance against damage caused by the core properties as mutually agreed by the counterparty and not contrary to the relevant laws, third party liability insurance against damage caused by the core properties or operations related to the core properties. Such insurance shall be procured from an acceptable insurer with an insured sum at least sufficient and appropriate for the provision for benefits from the core properties

1.17 To provide opinion on transactions related to the acquisition of the core properties together with rationale and related supporting information in the document seeking approval from the trust unitholders or the invitation letter calling the unitholders' meeting to consider capital increase for additional investment in the core properties by CPNREIT.

1.18 Upon disposal of the core properties, to arrange for an appraisal company to appraise the value of the core properties, call the unitholders' meeting for approval resolution, obtain consent from the Trustee, and disclose the information according to the regulations specified in the Trust Deed and the relevant laws.

1.19 In case of a change in the REIT Manager, to arrange the new REIT Manager to agree to perform the duties in accordance with the Trust Deed and relevant laws, except in the case where the unitholders' meeting passes the resolution of appointing a new REIT manager as nominated by the Trustee since the REIT Manager is unable to seek for any person to replace it within the specified period. Meanwhile, the former REIT Manager shall provide necessary cooperation to ensure successfully handover of the works.

1.20 In case of a modification or an amendment of the Trust Deed, the REIT Manager shall oversee to ensure that the modification or amendment is in line with the conditions and methods specified in the Trust Deed and relevant laws. Following the completion of the modification or amendment, the REIT Manager shall submit a copy of the new Trust Deed to the Office of the SEC within 15 days from the signing date or the date on which the Trust Deed is modified or amended (as the case may be).

1.21 In case of a change in Trustee, the REIT Manager shall notify the trust unitholders and the Office of the SEC of such change within the time frame specified in the Trust Deed.

1.22 To apply for approval to offer the units of CPNREIT in case of capital increase by filing related documents and evidence, and duly certifying correctness and completeness of the information regarding the performance of its functions in the filings.

1.23 To give opinion on the ability of the revenue guarantor in honoring the obligations under the guarantee of revenue agreement (if any).

1.24 To proceed to list the sold units or newly issued units (in case of capital increase) on the Stock Exchange of Thailand within 45 days from the closing date of unit offering.

1.25 To proceed to allocate the units to any person or a group of persons in accordance with the ratio and rules stipulated by the relevant laws and regulations.

2. Duties in the Management of CPNREIT and Properties of CPNREIT

2.1 To give opinion to the relevant competent officers regarding the qualifications and characteristics of real properties invested by CPNREIT upon request.

2.2 To supervise and monitor the sub-lessee to manage, renovate, improve, and maintain the core properties to ensure that they are always in good conditions and ready to use to procure the benefits as specified in the annual actions plan, Trust Deed, and relevant laws.

2.3 To arrange for the core properties to be renovated, restored, and modified as deemed necessary and appropriate without violating or contradicting the Trust Deed and relevant laws including the land lease agreement made with the owner of the land where the core properties are located and its amendments, and the real property sublease agreement, and other related movable property lease agreement with the sub-lessee of the core properties. In this regard, prior notice to the Trustee is required.

2.4 To oversee and manage the core properties including the procurement of benefits from such core properties, emergency management, and renovation of the properties as deemed necessary. In case of major renovation, prior notice to the Trustee is required.

2.5 To manage and procure the benefits from other properties of CPNREIT apart from the core properties, and undertake any necessary actions to ensure that the management of other properties of CPNREIT is in compliance with the annual action plan, Trust Deed, and relevant laws.

2.6 To Supervise and monitor the sub-lessee, including any joint actions enabling trustees and the sub-lessee to obtain a license, waiver, or other required documents to secure income from principal assets.

2.7 To facilitate the examination of the core properties by CPNREIT or other persons designated by the Trustee within the working dates and hours of the REIT Manager. In this regard, the REIT Manager shall also give information and testimony and/or deliver any documents (except for information and testimony and/ or any documents related to the property rights of the REIT Manager or its subsidiaries) upon request of the Trustee as deemed necessary and appropriate.

2.8 To facilitate the survey of properties of CPNREIT for value appraisal by the property appraisal company or other persons designated by such property appraisal company. The REIT Manager shall also give information and testimony and/or deliver any documents (except for the information and testimony and/or any documents related to the property rights of the REIT Manager or its subsidiaries) upon request of the property appraisal company as deemed necessary and appropriate.

2.9 To arrange to have any documents related or relevant to the core properties possessed by the REIT Manager and/or possessed by CPNREIT, including any accounting documents and evidence related or relevant to CPNREIT for the Trustee or the persons designated by the Trustee and/or the auditors to examine within the working dates and hours of the REIT Manager. The REIT Manager shall also deliver any documents related or relevant to CPNREIT requested by the Trustee or the persons designated by the Trustee and/or the auditors (as the case may be) within 15 business days from the date on which such request is acknowledged or should be acknowledged, except on reasonable ground or otherwise agreed by the counterparty of the agreement.

2.10 To control, supervise, and monitor the sub-lessee of the core properties, and to cooperate with the Trustee and/or the sub-lessee of such core properties to enable the Trustee and/or the sub-lessee of the core properties to pay fees and property tax (or any other similar taxes) arising from the core properties; and to contact, coordinate, provide information, submit documents, and pay withholding taxes deducted by the Trustee and/ or any other taxes related to the management of the REIT Manager to relevant competent officers.

2.11 To control, supervise, and monitor the sub-lessee of the core properties to perform its duties as specified in the subleasing agreements and other related agreements, Trust Deed, and relevant laws.

2.12 To notify the Trustee of the following issues in due time: (a) existence of any damage or defect of the core properties including other equipment and facilities or upon occurrence of the event that will result in the

reduction in the value of the core properties significantly; and (b) there is a material breach of agreement by the sub-lessee of the core properties.

2.13 To undertake any other actions as CPNREIT deems necessary and appropriate to ensure that the core properties are in good condition and ready for procuring the benefits or exactly in line with the objectives of the REIT Manager Appointment Agreement. In addition, the REIT Manager shall also provide advices on market situation in case that CPNREIT wishes to sell or assign the leasehold right, or sublease the core properties.

3. Duties in the Preparation of the Accounting and Reports, and Documents relating to Management and Internal Audits

3.1 To prepare and disclose the information of CPNREIT to the Office of the SEC, the Stock Exchange of Thailand, the Trustee, and trust unitholders with the provisions stipulated in the Trust Deed and securities laws; and to submit the annual report of CPNREIT to the Trustee and trust unitholders together with the invitation letter to the annual general meeting.

3.2 To arrange to have the accounting and various financial reports related to the management of CPNREIT and its core properties as assigned by the Trustee or as deemed necessary and appropriate, in place; and to submit such accounting reports and documents to the Office of the SEC, the Stock Exchange of Thailand, the Trustee, and trust unitholders within the time frame specified by the Trustee to be in conformity with the securities laws, relevant laws, and orders of relevant competent officers.

In this regard, the REIT Manager shall prepare such accounting reports in accordance with the generally accepted accounting principles by segregating the properties and/or any interests arising from the core properties invested by CPNREIT and/or any other properties that had been accepted and/or should be accepted by the REIT Manager on behalf of CPNREIT from its own properties. In this respect, the REIT Manager shall maintain the documents and evidence supporting the accounting process and accounting records in the complete condition and ready for examination by the Trustee for at least 1 year.

3.3 To deliver the following documents to the Trustee within the time frame assigned by the Trustee in order to comply with the securities laws, other relevant laws, and orders of relevant competent officers:

1) A full report on property appraisal to be delivered to the Trustee at least 7 days before the date on which the net asset value of CPNREIT is scheduled to be notified to the trust unitholders.

2) Reports on the net asset value and the unit value of CPNREIT at the last business day of each quarter to be delivered to the Trustee for approval before being further submitted to the Office of the SEC within 45 days from the end of each quarter. This shall include the calculation on the net asset value of the core properties at the end of each quarter to be delivered to the Trustee who shall calculate the net asset value of CPNREIT and the value of such trust unit.

3) The updated information about the related persons of the REIT Manager, and information of the connected transactions between CPNREIT and the REIT Manager or the connected persons to the REIT Manager to be delivered to the Trustee within 30 days from 30 June and 31 December of each year and to submit such information for the consideration of the Trustee before entering into each transaction.

4) The information of connected transactions between CPNREIT and the REIT Manager or the related persons of the REIT Manager for the previous and current accounting periods to be published in the annual report and the financial statements of CPNREIT.

5) The information about conflicts of interest between CPNREIT and the owner of the core properties invested by CPNREIT together with measures of preventing such conflicts of interest to be notified to the investors on the first day of the initial public offering of the units and upon occurrence of any conflicts.

6) The information pertaining to the interest or benefits accepted by the REIT Manager or the related persons to the REIT Manager from the company or person who is the supplier or service provider of CPNREIT to be disclosed in the filing, the Trust Deed, the invitation letter to the unitholders' meeting seeking approval for various transactions, and the annual report of CPNREIT in order that it shall be used by the unitholders and the Trustee in considering the independence of the REIT Manager in executing the transactions for CPNREIT and the validity of such transactions. The interest or benefits that must be disclosed include the creditors, debtors, guarantors, or recipients of the guarantee, cross shareholding, sharing of the same major shareholders of management, service provision or receipt, intra-group transaction, paying expenses on behalf of another company, etc.

7) Disclose CPNREIT information to the public on a semiannual basis at a minimum, or immediate disclosure to address recent changes, and deliver investment audit information to querying trustees.

8) The updated information related to the acquisition or disposal of the core properties of CPNREIT to be submitted to the Trustee and trust unitholders at least 30 days before executing the transaction, and to be disclosed to the public and the Office of the SEC within 15 days following the date on which the core properties are acquired or disposed of.

9) The information of the acquisition or disposal of the core properties and equipment of CPNREIT during the previous and current accounting periods to be disclosed in the annual report and the financial statements of CPNREIT.

10) The updated information about borrowing and creation of encumbrances of CPNREIT together with the borrowing agreement to be submitted to the Trustee for acknowledgement before the date on which CPNREIT enters into such agreement.

11) The information about borrowing and creation of encumbrances of CPNREIT during the previous and current accounting periods to be disclosed in the annual report and the financial statements of CPNREIT.

12) The information related to the transaction deemed by the Trustee as having the material impact on the properties of CPNREIT to be submitted as requested by the Trustee at least 14 days before executing such transaction.

13) The financial statements of the REIT Manager together with the related information to be submitted to the Trustee at least 3 days before the due date of filing the financial statements to the Office of the SEC.

The aforesaid reports are just samples of primary requirement. The counterparties may modify, increase or reduce the number and type of reports, or change the reporting format in the future as mutually determined by the counterparties to comply with the securities laws and relevant laws, and orders of relevant competent officers.

4. Duties in the Execution of Agreements relating to the Procurement of Benefits from Real Properties of CPNREIT

4.1 Principal real estate properties can be used for leasing or subletting only, where the aggregate value is 75% or more of offered trust units, including loan amounts (if any).

4.2 To control, supervise, implement the measures to control and undertake any other actions as deemed necessary and appropriate as the REIT Manager to ensure that the sub-lessee and/or the third persons related to the management of the core properties perform their functions in accordance with the duties, conditions and/or agreements specified in the sublease contract and/or any other agreements related to the core properties, as well as the rules, criteria, regulations, and any provisions of the core properties or policy related to the core properties.

4.3 To prepare the lease agreement, the service agreement, the public utilities service agreement, the outsourcing service agreement, and any other agreements related to the core properties (if any).

4.4 To proceed and/or arrange for the cash reserve maintained to be sufficient to the projected contract terms and the deposits to be returned in each period.

5. Management

The REIT Manager has separated all affairs in the Company into 3 departments to ensure that the performance of duties is in line with the Company's policy, Trust Deed, REIT Manager Appointment Agreement, filing, prospectus, rules, and laws related to the management of CPNREIT. The duties and responsibilities of each department are summarized below.

5.1 Business Development Department

Business Development Department has the main duties of preparing the work plan and strategy to procure the benefits from the core properties of CPNREIT; setting up the marketing plan, sales promotion, public relation, and competition strategy to ensure that the core properties of CPNREIT is able to generate the compensation as expected; examining and reviewing the real properties to be invested by CPNREIT; preparing the investment plan and proposing the capital structure and appropriate fund sources for investment in the core properties by CPNREIT; seeking for and selecting a new Property Manager and/or sub-lessee of the core properties when it is changed; monitoring and evaluating the performance of the Property Manager and sub-lessee of the core properties; and managing and maintaining the core properties of CPNREIT in the appropriate and ready condition for benefit procurement.

5.2 Operation Support Department

Operation Support Department has the main duties of preparing the budget of CPNREIT; preparing and disclosing the material information of CPNREIT, including but not limited to the quarterly and yearly financial statements, net asset value, and other information about the core properties to ensure that they comply with the relevant requirements; monitoring and supervising the provision of insurance relating to the operation of the core properties of CPNREIT in accordance with the relevant requirements; and proposing the engagement of the outsourced service providers for both CPNREIT and the REIT Manager to the Chief Executive Officer for approval.

5.3 Risk Management and Compliance Department

Risk Management and Compliance Department has the main duties of examining and monitoring the risks associated with the operation and investment of CPNREIT; setting up the appropriate measures to mitigate such risks; supervising and monitoring the operation of CPNREIT to ensure that it complies with relevant regulations and the operating manual; overseeing and monitoring the personnel connected to the operation of CPNREIT to have the appropriate qualifications in accordance with their job characteristics and relevant requirements; overseeing and preventing the occurrence of conflicts of interest between CPNREIT and connected persons; setting up the appropriate measures to manage the conflicts of interest; and ensuring the preparation of reports and disclosure of information about CPNREIT are in accordance with the relevant criteria.

Method and Conditions for Replacement of REIT Manager

1. Grounds for the Replacement of REIT Manager

1) The REIT Manager has informed the SEC Office in writing expressing its intention to termination the performance as the REIT Manager who has been approved by the SEC Office and the SEC Office has granted the approval thereof;
2) The SEC Office revokes the approval for being REIT Manager or orders a suspension of operation as REIT Manager for the remaining period of the approval;
3) The validity of the approval is expired, and the REIT Manager does not apply for renewal;
4) The REIT Manager has been ordered by the Court for the control of the property, the Court has ordered for the rehabilitation or the REIT Manager ceases to be the juristic person;
5) Resolution of unitholders to remove the REIT Manager since the REIT Manager has violated or does not comply with its duties or does not have the qualification in accordance with relevant laws prescribed in the REIT Manager appointment agreement and the Trustee has already provide written termination letter for the REIT Manager appointment agreement to the REIT Manager; or
6) The REIT Manager notifies the intention to retire according to the appointment agreement.
7) The REIT Manager has exercised its right to terminate the agreement as stipulated in the REIT Manager appointment agreement in case the Trustee has intentionally breached or does not comply with its duties, agreement of the significant nature or has breached the material representation as prescribed in the REIT Manager appointment agreement;
8) The REIT manager cannot maintain capital funds under rules in relevant announcements.

2. Resignation of the REIT Manager

In case the REIT Manager wishes to resign, it shall inform the resignation in writing to the unitholders by disclosing through the information system of the SET and shall provide written notice to the Trustee not less than 90 days in advance prior to the effective resignation date. In this regard, it shall not cause damage to the beneficiary and the Trustee. During the period that the Trustee is not able to appoint the new Trustee, the former Trustee shall perform its duties until the new trustee can fully performs its duties replacing the former Trustee in accordance with the REIT Manager appointment agreement. The period for such former trustee to perform its duties shall not be more than 90 days from the termination date of the REIT Manager appointment agreement.

3. Procedure in case the REIT Manager cannot Perform its Duties

In any circumstances, in case the REIT Manager cannot perform its duties, the Trustee shall manage CPNREIT as necessary to protect, prevent or restrict severe damage to the benefit of CPNREIT or unitholders as a whole. The Trustee can delegate other person to manage CPNREIT during such period in accordance with the Trust Deed.

4. REIT Manager's Duties after the Resignation

After resignation, the REIT Manager still has the duties as follows:

1) To deliver the work, work system, list of customers, accounting, documents and any information relating to its duties as the REIT Manager whether the trade secret information to the Trustee and/or the new REIT Manager, as well as perform any act as reasonably requested by the Trustee so that the new REIT Manager can perform its duties consistently for the maximum benefit of CPNREIT and unitholders as a whole.
2) To keep the trade secret information confidential by not disclosing the information, draft of drawing, list of customers and other documents that have the nature of trade secret information of CPNREIT to third person without obtaining the written consent from CPNREIT.
3) To perform any other acts as deem appropriate so that the new REIT Manager can perform its duties consistently according to the REIT Manager appointment agreement which shall include certify the accuracy of the items delivered to the Trustee or the new REIT Manager.

5. Method for Appointment of New REIT Manager

The Trustee shall request for unitholders' resolution to appoint the new REIT manager within 60 days from the occurrence date of the grounds for the replacement of the REIT Manager and shall appoint the person approved by unitholders within 30 days from the resolution date or any other period according to the notification of the SEC Office. In case of the request for the resolution but does not obtain the approval, the Trustee is entitled to appoint the new REIT manager by itself taking into the consideration of the maximum benefit of unitholders as a whole.

In case the Trustee cannot appoint the new REIT manager since there is no person with the appropriate qualification or no person interests in being the REIT Manager, the Trustee has the duty to perform the duty in replacement of the REIT Manager as prescribed in Trust Deed and under the regulations prescribed in the Securities Laws and other relevant laws.

Other Trust Management by CPNREIT

At present, CPN REIT Management Co., Ltd. (who has become the REIT Manager of CPNREIT upon the establishment of CPNREIT) does not manage other real estate investment trusts. In performing the duty of the Trustee and the REIT Manager in accordance with Trust Deed and other relevant agreements, the Trustee and the REIT Manager have to exercise in due care to prevent the conflict of interest between CPNREIT and the Trustee or the REIT Manager in accordance with the following protocols:

1) The Trustee and the REIT Manager shall not have any other interest which may be conflict with the best interest of CPNREIT and should there be the case of the conflict of interest, they might be able to demonstrate that there is the mechanism to management CPNREIT for the best interest of CPNREIT and unitholders as a whole;
2) In case the REIT Manager also manages other real estate investment trusts, the core assets of CPNREIT that have been applied for the sale of the trust units shall not be the same type as that of the core assets of other real estate investment trusts;
3) CPNREIT shall not enter into any transaction which may cause the Trustee not being able to perform its duty independently, such as the acquisition of the real property from Connected Person of the Trustee which may resulting in the Trustee not being able to provide the opinion regarding to the performance of the REIT Manager independently.

Property Manager

1. Information of the Property Manager

1.1 Central Pattana Public Company Limited

Name of the Property Manager	Central Pattana Public Company Limited
Address	999/9 The Offices at CentralWorld, Rama I Road, Patumwan Sub-District, Patumwan District, Bangkok
Company Registration Number	0107537002443
Registration Date	19 July 1994
Registered Capital	Registered Capital of THB 2,244,000,000 Issued of 4,488,000,000 shares and PAR value of THB 0.50 per unit
Telephone	0-2667-5555
Facsimile	0-2664-5593
Website	www.centralpattana.co.th

- **Shareholders' structure**

The detail of shareholding structure or organization structure of Central Pattana Public Company Limited can be found on the website www.centralpattana.co.th.

1.2 GLAND

Name of the Property Manager	Grand Canal Land Public Company Limited
Address	33/4, Rama 9 Road, Huay Kwang Sub District, Huay Kwang District Bangkok
Company Registration Number	0107538000118
Registration Date	3 March 1995
Registered Capital	Registered Capital of THB 6,535,484,202 Paid-Up Capital of THB 6,499,829,661 Issued of 6,499,829,661 shares and PAR value of THB 1.00 per unit
Telephone	0-2246-2323
Facsimile	0-2247-1082
Website	www.grandcanalland.com

1.3 Sterling

Name of the Property Manager	Sterling Equity Co., Ltd.
Address	33/4, Rama 9 Road, Huay Kwang Sub District, Huay Kwang District Bangkok 10310
Company Registration Number	0105539047078
Registration Date	22 April 1996
Registered Capital	Paid-up Capital of THB 1,800,000,000 Issued of 18,000,000 shares and PAR value of THB 1.00 per unit
Telephone	0-2354-2301-4
Facsimile	0-2354-2300

- **Shareholders' structure**

The detail of shareholding structure or organization structure of GLAND and Sterling can be found on the website www.grandcanalland.com.

2. Duties and Responsibilities of the Property Manager

The property manager has a right to be compensated from CPNREIT for acting as a property manager according to the appointment agreement between CPNREIT and the property manager.

The property manager has rights, duties and project responsibilities as follows:

(1) To be compensated from CPNREIT for acting as a property manager according to the appointment agreement between CPNREIT and the property manager;

(2) To maintain and manage CPNREIT properties day-to-day operation to be in good condition and always primed for benefit procurement;

(3) To collect revenues and procure benefits from properties and other related assets;

(4) To comply with agreements or other duties as specified in the property manager appointment agreement;

(5) To perform other duties as stipulated by the SEC, the Capital Market Supervisory Board or the Office of the SEC to be duties of the property manager or other duties that the REIT management company assigned.

• Sub-Lessee

1. General Information

CPN Pattaya Hotel, in which Central Pattana hold 100.0% of the total issued shares and is a limited company registered in Thailand on 25 September 2017, acts as the sub-lessee of the hotel building of CPNREIT. Details of the company are as follow;

Name	CPN Pattaya Hotel Co., Ltd.
Objectives	To be the sub-lessee and to operate Hilton Pattaya business under CPNREIT
Registered Capital	THB 200 million, divided into 20,000,000 ordinary share at a par value of THB 10 per share.
List of Directors	Mr. Sudhitham Chirativat Mr. Kobchai Chirativat Ms. Wallaya Chirativat Mr. Suthipak Chirativat Mr. Chanavat Uahwatanasakul Mr. Preecha Ekkunagul
Major Shareholder	Central Pattana Public Company Limited (Holding 100.0%)

2. Duties and Responsibilities of the Sub-Lessee

(1) To select and engage a person to manage hotel business or to perform in any function or duty under the sub-lease objectives as specified in the Sub-Lease Agreement;

(2) To maintain and manage CPNREIT's properties to ensure they are always be in good condition and primed for benefit procurement;

(3) To comply with agreements, rules, conditions or other duties as specified in the Sub-Lease Agreement;

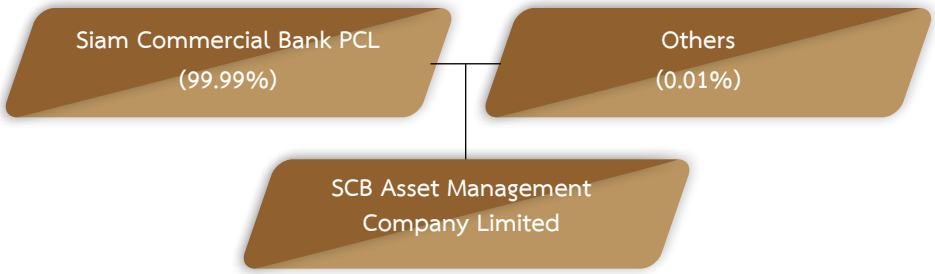
(4) To perform other duties as stipulated by the SEC, the Capital Market Supervisory Board or the Office of the SEC to be duties of the property manager or other duties that the REIT management company assigned.

• Trustee

1. General Information

Name of Trustee	SCB Asset Management Company Limited
Address	18, SCB Park Plaza 1, 7 - 8th Floor, Ratchadapisek Road, Chatuchak, Bangkok
Company Registration Number	0105535048398
Telephone	0-2949-1500
Website	www.scbam.com
Registered Capital	THB 200,000,000
Paid-up Capital	THB 100,000,000
Related License	The Office of the SEC granted a trustee license to the trustee on 18 September 2013

2. Shareholders' structure



3. Duties and Responsibilities of the Trustee

1. The trustee is obligated to manage the trust in good faith for the utmost benefit of the trust's unitholders, according to the trust deed, relevant laws, as well as any additional obligations made to the trust unitholders, in so doing, with no limitation of trustee liability in the event thereof failure.
2. The trustee is responsible for monitoring the REIT manager or any other assignees under Clause 7 to perform their duties under the trust deed and related contracts.
3. The Trustee has the duty to enforce debt repayment or oversee the enforcement of debt repayment to ensure compliance with the agreements between CPNREIT and third persons.
4. The Trustee has the duty to take over the management of the REIT in the absence of the REIT Manager or in the event rendering the REIT Manager being unable to perform its duties until a new REIT Manager is appointed, subject to the criteria prescribed in the Notification Kor.Ror. 14/2555 whereas the Trustee has the duty to manage and operate the REIT as necessary to prevent, inhibit, or limit damage which might adversely affect the benefits of the REIT or trust unitholders as a whole, as well as to perform the acts in accordance with the duties specified in the Trust Deed and the Trust Act. The Trustee may appoint another person to engage in the interim management of the REIT in its place, provided that such delegated person complies with the scope, criteria, and conditions specified in the Trust Deed. The Trustee also has the power to appoint a new REIT Manager in accordance with the scope of authorities and duties specified in the Trust Deed and the Trust Act or any relevant notifications or regulations and their amendments.
5. The trustee has to manage the REIT in the event the REIT manager is absent or incapacitated under the rules specified in SEC Announcement Kor. 14/2555 and applicable legal requirements.
6. Trustees have other rights, duties, and responsibilities as specified in the Kor. 14/2555 announcement as well as other relevant laws.

7. The trustee is also responsible for managing and securing benefits from non-core REIT assets, in addition to core assets, taking any other necessary actions to ensure that the management thereof is per the trust deed and applicable laws, including assigning a REIT manager to manage non-core asset investments on their behalf.

8. The Trustee is responsible for amending the trust deed under SEC Office instructions.

9. In entering into a juristic act or a transaction with a third person for benefits of the REIT, the Trustee shall notify the third person in writing that it acts in the capacity of a trustee.

10. The Trustee shall prepare the accounts of the assets of the REIT separately from any other accounts under its responsibility. If the Trustee manages several REITs, the Trustee shall prepare the accounts of the assets of each REIT separately. In doing so, the Trustee shall keep such accounts correct and up-to-date. In managing the REIT, the Trustee shall separate the assets of the REIT from the assets which it holds in its own capacity and any other assets in its possession.

11. The trustee must prepare a separate account for trust assets, versus other assets and accounts of the trustee, themself. When the trustee manages several trust funds, each fund must be recorded and prepared correctly, completely, and up-to-date by clearly separating assets from different accounts as well as the trustee's personal and other assets.

12. If the Trustee fails to perform its duty under Clause 10, which causes the assets of several REIT's to be commingled to the extent that it is unable to distinguish to which REIT the assets belong, it shall be presumed that the commingled assets, including those that are transformed into a different form or state, and any benefits or obligations arising from the management thereof shall belong to each REIT proportionately to the amount each REIT contributed to the commingled assets.

13. The Trustee's exercise of power and performance of duties in managing the REIT is its personal duty. The Trustee shall not delegate its duty to other persons except for in the following cases:

    (13.1) It is otherwise specified in the Trust Deed;

    (13.2) The transaction is not personal in nature and does not require the professional capability of a Trustee;

    (13.3) The transaction that a reasonable and prudent owner of the assets share the same characteristics as those of the REIT, who manages such assets with similar objectives as those of the REIT, may delegate a third person to manage such assets;

    (13.4) The safekeeping of assets, preparation of the unitholders register book as well as monitoring, allocation of dividends or provision of support operation services may be delegated to an affiliated company of the Trustee or the REIT Manager or another registrar approved by the SET; and

    (13.5) Any other cases being under responsibility of and actions by the REIT Manager specified in the Trust Deed or the criteria prescribed in the Notification TorJor. 49/2555, KorRor. 14/2555, and SorShor. 29/2555 or other relevant notifications or requirements and their amendments. If the Trustee acts in violation of the above, any act taken shall bind the Trustee personally and shall not bind the REIT.

14. If the Trustee lawfully delegates the management of the REIT to the other person in accordance with Clause 13, the Trustee shall exercise prudence and care in selecting such assigned person as well as adequately and thoroughly supervise and review the delegated management in a careful manner. The Trustee shall establish the operational measures in relation to work delegation in compliance with the criteria prescribed in the SEC Notification No. KorKhor. 1/2553 re: Work System, Contact with Investors, and General Business Operation of Trustee as follows:

    (14.1) Selection of appropriate persons for delegation of duties which takes into account the readiness of the work system and of the delegated persons, as well as any possible conflict of interest between the delegated persons and the REIT;

    (14.2) Supervision and evaluation of the performance of the delegated persons; and

    (14.3) Actions to be taken by the Trustee when it appears that the delegated persons are nolonger appropriate for further delegation of duties. The SEC may prescribe and notify the details of the actions to be taken by the Trustee in such event.

15. In case of the change of the Trustee, if the new Trustee finds that the previous management of the REIT is not in compliance with the Trust Deed or the Trust Act, and causes damage to the REIT, the new trustee shall take the following actions:

    (15.1) Claim damages from the liable Trustee; and

    (15.2) Recover the assets from the third persons, regardless whether such assets have been directly acquired by the former Trustee and regardless whether the assets had been transformed into a different form or state, except in the event that the third persons had acquired those assets in good faith, in exchange for payment of consideration, and unawareness or there were no reasonable grounds that the third persons should have known that those assets had been acquired as a result of unlawful management of the REIT.

16. For management of the REIT and delegation to the third persons to manage the REIT in accordance with Clause 13, if there are expenses or if the Trustee is required to make payments to or surrender other assets to the third persons out of the monies or assets held in its own capacity due to necessity and appropriateness, the Trustee shall be entitled to obtain reimbursement from the REIT,unless the Trust Deed specifies otherwise. The Trustee right to obtain reimbursement for monies or assets under the paragraph above shall have priority over the claim of trust unitholders and third persons with property or other rights over the REIT and may be immediately exercised and at any time prior to the dissolution of the REIT. If it is necessary to change the form or state of the assets of the REIT in order to obtain monies or assets for reimbursing the Trustee, the Trustee shall be entitled to do so, provided that such act is taken in good faith, and in compliance with the criteria, conditions, and procedures prescribed by the SEC or the Office of the SEC.

17. In properly managing the trust and appointing a power of attorney under Clause 14), the trustee is entitled to reimbursements from the trust for necessary expenses, payments, or other asset transfers to a third party that they advanced with personal resources or assets unless the trust deed specifies such advancement to be borne by the trustee.

    The right to reimbursement is the trustee's preferential right over unitholders and third parties with specified rights, or any rights, to the REIT and may be enforced immediately without trust dissolution. When reimbursement requires a change in the form or status of trust properties, the trustee may proceed to do so, provided under good faith.

    To protect trust assets, SEC rules, requirements, or measures may be prescribed for trustees to follow, namely the advancement of personal resources to a third party under the first paragraph and the exercising of trustee rights to reimbursement under the second paragraph.

18. If the Trustee fails to manage the REIT in compliance with the Trust Deed or the Trust Act, the Trustee shall be liable for the damage sustained by the REIT. However, the Trustee may, in the case of necessity and where there are reasonable grounds in the interest of the REIT, apply for the approval of the Office of the SEC prior to undertake any action in the management of the REIT in a manner that is inconsistent with the provisions under the Trust Deed. The Trustee shall not be liable under the paragraph above if it manages the REIT in accordance with the approval of the Office of the SEC in good faith and in the best interest of the REIT.

19. The Trustee has the duty to ensure that the material details of the Trust Deed are in compliance with the relevant laws. If the Trust Deed is amended, the Trustee shall act in accordance with the following criteria:

    (19.1) To ensure that any amendment to the Trust Deed complies with the procedures and conditions prescribed in the Trust Deed and the criteria prescribed in the relevant laws;

    (19.2) If an amendment of the Trust Deed does not comply with Clause 19.1), the Trustee shall proceed in accordance with the scope of authorities and duties as specified in the Trust Deed and the Trust Act in order to safeguard the rights and benefits of the trust unitholders as a whole; and

    (19.3) In the case of any subsequent amendment to the criteria relating to the offering for sale of the trust units or management of REIT promulgated under the Securities Act and the Trust Act, and the existing provisions of the Trust Deed are not in compliance therewith, the Trustee shall amend the Trust Deed to be in line with the amended criteria by following the procedures specified in the Trust Deed or as in accordance with the orders of the Office of the SEC under Section 21 of the Trust Act.

20. The Trustee has the duty to monitor, supervise, and review the performance of duties of the REIT Manager or any other delegated person (if any) to ensure that it shall comply with the Trust Deed, the relevant laws, and any other relevant notifications prescribed by the SEC or the Office of the SEC. The aforementioned duties shall also include the following:

    (20.1) Ensuring that the management of the REIT by the REIT Manager has obtained the approval of the Office of the SEC for the entire period of existence of the REIT;

    (20.2) Monitoring, supervising, and undertaking actions as necessary to ensure that the delegated person is fully qualified and complies with the criteria prescribed in the Trust Deed and the relevant laws, including dismissing the current delegated person and appointing another person to replace such person;

    (20.3) Overseeing the investment of the REIT to be in line with the Trust Deed and the relevant laws as well as the prospectus;

    (20.4) Overseeing the complete information of the REIT is accurately disclosed as prescribed in the Trust Deed and the relevant laws; and

    (20.5) Giving opinions relate to undertaking actions or entering into transactions for the REIT by the REIT Manager and other delegated persons (if any) in support of the request for a resolution at a unitholders' meeting or disclosing information about the REIT to the trust unitholders or at the request of the Office of the SEC.

21. If the REIT Manager acts or omits an act causing damage to the REIT, or fails to perform its duties in accordance with the Trust Deed or the relevant laws, the Trustee shall have the following duties:

    (21.1) Reporting the matter to the Office of the SEC within 5 (five) business days from the date on which the Trustee becomes aware of or should have been aware of such fact;

    (21.2) Rectifying, preventing, or mitigating such damage to the REIT as it deems appropriate.

22. If the Trustee is also a trust unitholder of the REIT, the rustee shall, in casting votes or taking an act as a unitholder, take into account the best interest of the unitholders as a whole by adhering to the principles of good faith and due care, including avoidance of any conflict or impact on the performance of its duties as the Trustee of the REIT.

23. Where the REIT Manager is incapable of performing its duties, the trustee can manage the REIT as necessary to prevent, inhibit, or limit serious damage to and preserve the benefits of the REIT or unitholders as a whole under the authority specified in the trust deed and the Trust Act in arranging for a new REIT manager.

    The trustee may manage the trust under the first paragraph or appoint an attorney to manage the trust during that time as long as the trust is managed under the scope, rules, and conditions specified in the trust deed.

24. The Trustee shall provide evidence representing the rights in the trust units or trust unit certificate for delivery to the unitholders in accordance with the criteria specified in the Trust Deed and the relevant laws.

25. The trustee must arrange the preparation of a trust unitholder register, whereby a securities registrar may be appointed to act on its behalf.

    The trust unitholder registration under the first paragraph shall contain at least the following particulars:

    (25.1) General details

        (a) Names of the REIT manager and trustee

        (b) Number of trust units, par value, paid-up capital, and trust unit date of issuance

        (c) Restrictions on transfers, as applicable

(25.2) Details by unitholder:

(a) Name, nationality, and address of the unitholder

(b) Trust unit number, as applicable, and the number of trust units held

(c) Date, month, and year of unitholder registration or termination

(d) Date, month, and year of issuing or canceling the trust unit certificate, as applicable

(e) The registered request number to record or change the registered item, as applicable

26. The trustee must prepare and deliver to trust unitholders the evidence of trust unit rights that meets the following minimum criteria, unless under the TSD system per Securities Depository Center conditions:

(26.1) The necessary and sufficient information for unitholders to use as evidence of their rights as a unitholder with references to the REIT trustee, manager, and any other relevant persons.

(26.2) Valid contact information of any person involved in managing the REIT, namely the trustee, manager, and registrar, among other relevant parties, for the unitholders' contact-ability.

(26.3) A disclaimer to trust unitholders denying buyback or redemption of trust units, clearly stating restrictions to trust unitholder rights.

27. Subject to Clause 26), when a unitholder requests a new unitholder certificate as evidence of trust unit rights to replace a lost, defaced, or materially damaged one, the trustee or securities registrar must arrange the issuance of the new certificate within a reasonable time.

The trust unitholders may study details about the scope of authorities, duties, and responsibilities of the Trustee in the Trust Deed.

• Others

Information of Other Persons relating to CPNREIT

1. Auditor

Name	KPMG Phoomchai Audit Ltd.
Address	50th Floor, Empire Tower, 1 South Sathon Road, Yannawa Sub-District, Sathorn District, Bangkok
Telephone	0-2677-2000

2. Trust Unit Registrar

Name	Thailand Securities Depository Co., Ltd.
Address	14th Floor, 93 Ratchadaphisek Road, Dindaeng Sub-District, Dindaeng District, Bangkok
Telephone	0-2009-9999

3. Appraisers

1) Name	Quality Appraisal Co., Ltd.
Address	110/52 ANYAMANEE VILLAGE, SOI LARDPRAO 18 YAEK 8, LARDPRAO RD., CHOMPOL, CHATUCHAK, BANGKOK
Telephone	0-2513-1674-5
2) Name	Siam City Appraisal Co., Ltd.
Address	731 PM Tower, Asok-Din Daeng Rd., Khwang Din Daeng, Khet Din Daeng, Bangkok
Telephone	0-2247-4715, 0-2248-0116-7
3) Name	TAP VALUATION COMPANY LIMITED
Address	74 Soi Nakniwas 6, Nakniwas Road, Lat Phrao Subdistrict, Lat Phrao District, Bangkok
Telephone	0-2105-4781

4. Advisors

Legal Advisor

1) Name	LS Horizon Limited
Address	93/1 Wireless Road, Lumpini Sub-District, Pathumwan District
Telephone	0-2627-3443
2) Name	Chandler MHM Limited
Address	17th and 36th Floors, Sathorn Square Office Tower, 98 North Sathorn Road, Silom, Bangrak Bangkok
Telephone	0-2009-5000

The REIT Manager recognizes the importance of corporate governance that it is crucial for the management of CPNREIT and the trust unitholders' trust. Corporate governance also enables the trust unitholders, investors, and the public to know and examine the management of the REIT Manager. All this, the REIT Manager shall manage CPNREIT in accordance with the relevant laws, Trust Deed, and other related regulations as well as the principle of good corporate governance in order that the said policy is tangibly implemented.

The REIT Manager has disclosed the Code of Business Conduct for directors, executives and employees, as well as policies and implementing guidelines on www.cpnreit.com.

1. The Meeting of REIT Manager

1.1 Board of Directors Meeting

The REIT Manager imposes that the Board of Directors shall have at least one meeting in each quarter to consider the general affairs of the REIT Manager and CPNREIT. The meeting procedures of the Board of Directors are as follows:

1. The REIT Manager shall deliver the notice to the meeting, meeting agenda items together with other supporting documents with adequate and necessary information to be considered by each director prior to the meeting date in order that he or she has sufficient time to study all information in advance.
2. The agenda items of the board meetings shall be proposed for acknowledgement or approval such as operating performance of the REIT Manager and CPNREIT, annual budget of CPNREIT, distribution of return to the trust unitholders, arrangement of the trust unitholders' meeting, investment in additional assets, entering into connected transactions, preparation of business plan and investment, and progress of business plan implementation, etc.
3. At least over a half of the total number of directors attending each meeting shall constitute a quorum. Each director is eligible to vote. A resolution of the Board of Directors shall depend on the majority votes by the directors present at the meeting. A director with conflict of interest in any matter shall be ineligible to vote on such particular matter.
4. In every meeting, the Chairman shall allocate sufficient time for the management to present documents and information for discussion, and for the Board of Directors to discuss the critical issues. Each director is free to express his or her opinion, and to propose any agenda.
5. The REIT Manager shall record the minutes of each meeting, collect all meeting documents accurately and completely so that the document can be audited, and get the meeting minutes approved by the board meeting for further evidence.

1.2 Noteworthy transactions proposed to the Board of Directors in the past year

For the year ended 31 December 2022, CPNREIT had proposed the following noteworthy transactions for the Board of Directors to consider:

No.	Date	Agenda	Resolution	Rationale
1/2022	16 Feb 2022	• Distribution of Returns • the 2022 Annual General Meeting of Trust Unitholders via Electronic Media (E-AGM)	• To pay distribution of returns to trust unitholders at THB 0.2161 per unit, comprising of distribution of return of THB 0.0552 per unit and payment in form of capital reduction of THB 0.1609 per unit on 17 Mar 2022 • To convene the 2022 Annual General Meeting of trust unitholders via Electronic Media (E-AGM)	• To comply with CPNREIT distribution payment policy and relevant regulations • To comply with the Trust Deed and relevant regulations
2/2022	6 May 2022	Distribution of Returns	To pay distribution of returns to trust unitholders at THB 0.2369 per unit, comprising of distribution of return of THB 0.1814 per unit and payment in form of capital reduction of THB 0.0555 per unit on 6 Jun 2022	To comply with CPNREIT distribution payment policy and relevant regulations
3/2022	4 Aug 2022	Distribution of Returns	To pay distribution of returns to trust unitholders at THB 0.2800 on 2 Sep 2022	To comply with CPNREIT distribution payment policy and relevant regulations
4/2022	4 Nov 2022	Distribution of Returns	To pay distribution of returns to trust unitholders at THB 0.3000 on 2 Dec 2022	To comply with CPNREIT distribution payment policy and relevant regulations

2. Control on the Use of Inside Information

2.1 Corporate Governance Policy

The REIT Manager's policy is to stringently comply with all and any securities laws, notifications, regulations, orders, or circular letters as amended or issued by the Securities and Exchange Commission ("the Office of the SEC") and the Stock Exchange of Thailand ("SET"). The REIT Manager formulates the policy that every director and executive is required to report his or her conflict of interest and trading of trust units to the Risk Management and Compliance Department and such securities holding report which shall be further submitted to the Office of the SEC.

2.2 Control on the Use of Inside Information

The Risk Management and Compliance Department shall set up the measures and guideline of preventing the conflicts of interest between CPNREIT and persons who may have conflict of interest in order to sustain the best benefits of CPNREIT and the unitholders as a whole. The said measures include:

1) Disclosure of matters in which directors and management may have an interest

1. The Risk Management and Compliance Department has the duties of submitting the Disclosure of Interests Form to all directors and executives in order that they disclose their interests prior to taking up office and/or whenever there is a change of any director

or the executive to be aware of all connected persons with CPNREIT; reporting the securities held by them and their spouse as well as their minor children who hold the trust units for which the Company acts as the REIT Manager; and reporting any change of such holding of securities.

2. The directors and executives of the Company have the duty of promptly reporting to the Risk Management and Compliance Department on the interests they and the related persons have as resulted by their management of CPNREIT when they obtain the Disclosure of Interests Form or they become aware of such interest. The Risk Management and Compliance Department requires that the directors and executives report their trading of trust units to the Risk Management and Compliance Department within 3 business days after the purchase, sales, or transfer of trust units.

3. Upon the receipt of the aforesaid information, the Risk Management and Compliance Department has the duty of examining the information disclosed by the directors and executives and/or any change in such interests. The examination shall include the inquiry and checking with websites of the relevant agencies or other reliable public information sources in order to verify completeness and accuracy of information disclosed by the directors and executives in the Disclosure of Interests Form.

4. After checking with the reliable public information sources, the Risk Management and Compliance Department shall record or print out the examination results, which shall be kept as evidence together with the Disclosure of Interests Form disclosed by the directors and executives for further examination

2) Guideline on protection and use of inside information

The REIT Manager sets up the guideline on protection and use of inside information as follows:

1. To define in writing the code of conduct and best practice for the employees of the Company, particularly, the exploitation of inside information, which shall be communicated to its new personnel who must read and sign for acknowledgement on the first date of working in the Company, and re-sign after any change.

2. To limit the receipt and use of inside information. In this regard, the Company operates under the need-to-know basis. The information received by the personnel or department shall be kept confidential and not be disclosed to other unrelated persons.

3. To set up an efficient control system to prevent any unrelated persons to know inside information by:
   a. arranging for the use of password to access into the electronic data in the computer system, and the said password shall be changed regularly;
   b. setting up the access control matrix which specifies to which data files can be accessed by each officer. In this regard, the Risk Management and Compliance Department shall review and update the access right if any officer resigns or is reshuffled;
   c. keeping the documents in a safe place or in a cabinet or a locked room; and destroying all unused documents; and
   d. setting up a security system in the workplace to prevent the third persons; for instance, rooms can be locked, or room access shall be permitted by an officer card or finger print scan.

4. The officers of the Company who permitted to receive inside information as well as the directors and executives shall report their purchase or sales of trust units to the Risk Management and Compliance Department whenever their holding of trust units is changed within 3 business days. In this regard, the Risk Management and Compliance Department may randomly examine the completeness and accuracy of the said report with any public information sources.

5. The Risk Management and Compliance Department shall perform the following actions to ensure that the executives and officers who have been aware of inside information shall not exploit it in case of making the transaction possibly affecting the price of trust units or other securities, e.g. purchase and sales of properties of CPNREIT:
   a. To list the securities of which the related transactions must be monitored (Watch List);
   b. To send e-mail messages to all related executives and officers regarding such securities;
   c. When such list is disclosed to the public, the Risk Management and Compliance Department shall move such list of securities to the account of the restricted list, and send the e-mail message to all related executives and officers under Clause b above, as well as the officers who may have chance to exploit inside information (if any); and
   d. When the personnel who have received inside information of the Company have no chance to exploit such inside information for their purchase

and sales of securities, the Risk Management and Compliance Department shall notify the executives and officers under Clause c. above of revoking those securities from the restricted list.

6. Per Company policy, third-party service providers are required to sign a non-disclosure agreement prior to commencing work involving transactions or inside information with the potential of affecting the price of trust units or securities, specifically prohibiting anyone, be they an external contractor or Company personnel, from using the information within a specified period, except for publishing or advertising services whereby information had already been disclosed to the public, i.e., in the annual report or the invitation letter of the general or extraordinary meeting of trust unit holders, thus no a non-disclosure agreement is required.

7. Provide a Whistleblowing Channel for employees to report suspected legal violations or unethical conduct with confidentiality, whereby submitted clues and information, as well as the investigation and the results thereof, are handled strictly by assigned independent directors, only.

3. Procedures and Factors for Decision Making on Investment and Management of CPNREIT

In making decision on investment in any property, the REIT Manager shall select and conduct Due Diligence on the property to be invested by CPNREIT with prudence and care and in conformity with the investment policy as stated in the Trust Deed, filing, prospectus, objectives of establishing CPNREIT, as well as the relevant rules and laws. All information about the selection, examination, and decision whether to invest or not in any property shall be recorded and kept for reference under the following working procedures:

3.1 Working Procedures

1) The REIT Manager shall select the core properties to be invested by taking into account the prospect and feasibility of investment and business operation, risks associated with investment or acquisition of such core properties, as well as preliminary details about the location and type of assets, and capital structure management of CPNREIT in investing in those assets, which shall be in accordance with the following criteria and procedures:

1.1) It is the investment in the property to acquire ownership or possessory right. Acquisition of possessory right shall be one of the followings:

a. Acquisition of the property through issuance of Nor.Sor. 3 Kor; or

b. Acquisition of leasehold right in the property through issuance of instrument of ownership or possessory right in the form of Nor.Sor. 3 Kor. However, if CPNREIT wishes to invest in the leasehold right of the property in a way of sublease, the REIT Manager shall provide certain measures on risk prevention or mitigation of possible damage from the breach of the lease agreement or the failure to enforce the rights under the lease agreement.

1.2) The acquired property is not subject to the real right or dispute unless the REIT Manager and the Trustee have made an opinion in writing that the real subject to the property right or the dispute does not significantly affect the procurement of benefits from such property; meanwhile, the conditions on acquisition of such property remain beneficial to the trust units as a whole.

1.3) The agreement entered into the acquisition of the property is not required any agreement or obligation which may deprive CPNREIT to dispose of the property at a fair price (when the disposal is made) such as the agreement granting the right of first refusal to the counterparty in purchasing property from CPNREIT with the purchasing price fixed in advance; or may cause CPNREIT to bear more responsibility than what should be under normal situation when the lease agreement expires.

1.4) The property acquired together with the properties that CPNREIT has previously owned shall be ready to procure the benefits not less than 75 percent of the value of trust units offered plus the amount of loans (if any). CPNREIT may invest in a project under construction ; however, the value of the investment to be acquired and to complete the property for further procurement of benefits shall not be greater than 10 percent of the total asset value of CPNREIT (after offering for sale of the trust units) and it is shown that there is sufficient working capital for such development without any impact to the continuity of CPNREIT.

2) The REIT Manager may engage certain advisors with specific expertise, e.g. financial advisor, auditor, legal advisor, or engineering consultant, etc. to study various issues relating to decision on property investment, and examination or due diligence on the property to be invested by CPNREIT in accordance with the criteria stipulated in Clause 3.2. The REIT Manager shall assess various possible risks deriving from investment in such property, and also provide the guideline of mitigating them. Such risks shall include those relating to the property development or construction (if any) to ensure that the REIT Manager has studied and considered all information and important factors associated with its decision on property investment thoroughly, accurately, and adequately.

3) After taking into account the study result under Clause 2) and the REIT Manager is of opinion that such property passes the established criteria, the REIT Manager shall undertake the actions in accordance with the procedures for the acquisition of additional core properties under Clause 3.3, and also take the actions to obtain consent from the Trustee that the investment and/or acquisition of such property complies with the provisions stipulated in the Trust Deed, relevant agreements, and relevant laws, and to ask for approval in conformity with the criteria stipulated in the Trust Deed and relevant laws.

4) In considering the disposal of the core properties, the REIT Manager shall assess those to be disposed of by considering the strength, weakness, and opportunities of making profit, as well as risks from disposing of such core properties. In this regard, the REIT Manager shall follow the procedures for the disposal of the core properties under Clause 3.4, which includes the actions to obtain consent from the Trustee that the investment and/or acquisition of such property complies with the provisions stipulated in the Trust Deed, relevant agreements, and relevant laws, and to ask for approval in conformity with the criteria stipulated in the Trust Deed and relevant laws.

3.2 Examination and Due Diligence on the Property to be Invested by CPNREIT

When the REIT Manager selects the core properties to be invested in accordance with the determined procedures, it shall, prior to each acquisition of the core properties and equipment (if any), examine or conduct due diligence on all information and agreements related to the core properties and equipment (if any) such as financial and legal information, etc. to ensure the right decision and disclosure of true information. For the said examination and due diligence, the REIT Manager shall examine and conduct due diligence on the following matters:

1) Examination on property and counterparty

1.1) To study the counterparty's capability to perform a juristic act, as well as completeness, accuracy, and enforceability of the documents of entitled rights or relevant documents. In case of the property to be invested is located in other country, the REIT Manager shall examine and review the capability of CPNREIT in acquiring and possessing the property under the relevant laws of that country. The opinion of the legal advisor specializing in laws of such country is also required to be enclosed with the examination and review to ensure that the purchase, sales, transfer, or making the agreements relating to the property for CPNREIT is lawful and valid.

1.2) To study the state of the property to be invested by CPNREIT that should involve at least the following issues:

1) To consider the location, economic status, and previous competition of that type of property, as well as tendency, continuity, and consistency of income from such type of property in the future. For example:

a. To consider the occupancy rate at least for the past 3 years (in case of the property having been operated less than 3 years, consider the information from the commencement of its operation) in order to compare its competitiveness with other competitors.

b. To compare the past rental rate or rental price of such property with other competitors in order to assess the probabilities of income generating, and of adding returns in the future.

c. To analyze other information related to the market condition of such property, e.g. economic growth affecting both demand and supply in the market.

2. To consider the property value, which should be high enough to provide the economy of scale in the management of CPNREIT.

3. To analyze the track record on financial status, operating performance, and net benefit at least for the past 3 years, and consider, during the last 2 years, the operating performance in each month to assess the seasonal effect to the revenue (in case of the property having been operated less than 3 years, consider the information from the commencement of its operation).

   a. To analyze the expenses and profit from the previous lease whether they are higher or lower or close to other properties in the same or similar type in order to formulate a plan to control and revise the expenses to make the good return to CPNREIT.

   b. To consider the operating performance of other similar properties located nearby, as well as the demand and supply of that type of property in order to assess the risks, income fluctuation, and appropriateness of long-term investment in case of the property that has been newly constructed and has no track record or it has been operated less than 3 years.

   c. If the property is situated on the location with potential of obtaining more rental than the track record whereas the building is still in good condition and ready for use to procure benefits without adding much investment, if CPNREIT wishes to invest in it, the REIT Manager shall provide a clear plan regarding the improvement of the management or marketing plan to enable such property to procure more benefits in the future.

4. To analyze and assess previous information about the tenants, e.g. records of rental payment, renewal of the lease agreement by the existing tenants, rental increase, tenants' types of business and nationalities, proportion of major tenants, etc. in order to identify possible risks from the lease ; and to set up the risk prevention measures, and disclose the risk factors in the filing and the prospectus of CPNREIT to the investors.

5. To arrange the inspection on the condition of building and construction, and state of assets in the building and construction to ensure that they are in good condition to procure the benefits promptly; to check the record of repair or renovation whether it has been done under the engineering principle or not ; to check the record of inspection and maintenance for infrastructure and facilities in the building and construction to ensure that they are undertaken in the appropriate period for their long life.

6. To examine the compliance with laws on building and construction control as follows:

   a. To examine the documents indicating that the construction is in line with the generally accepted safety standards.

   b. To examine whether the previous repair and renovation of construction are in line with the generally accepted safety standards required by the government authorities or not.

   c. If there was the earthquake in such area or the fire in such building and construction, the REIT Manager shall proceed with the special examination on strength of the building and construction, facilities systems in the building (e.g. fire prevention system, fire exit, lift, escalator, air-conditioning system in the building, etc.) whether they have been checked and maintained on the appropriate period or not.

After the property purchase, the REIT Manager shall arrange the annual examination to ensure that the real property invested by CPNREIT complies with all requirements prescribed in laws on building and construction control.

7. To examine the compliance with laws on environment; for example, examining whether the buildings and construction to be invested are required by law to prepare the environmental impact assessment report to be submitted to the relevant government authorities before construction or not, and whether it has been applied at the present.

8. To examine ownership and/or the possessory right in any property, construction, or assets thereon whether the person who sells such property to CPNREIT holds the lawful ownership or not, and other documents used in registering the transfer or accepting the assignment of right, or the documents giving consent in the purchase and sales of such property are prepared properly as required by law or not.

9. To examine the scope of land to be purchased or leased whether or not the cadastral survey has been done to make the boundary mark clearly, which shall prevent the problems of land intrusion or not receiving the entire land as indicated in the title deed in case of investment in ownership and/or possessory right in the property.

10. To examine to ensure that the property is free from encumbrance under any laws or agreements; or to examine if there is any dispute which shall restrict further procurement of benefits. For example:

    a. If a government authority denies renewing the lease agreement for the owner of leasehold right in the properties to be sold to CPNREIT, which makes the procurement of benefits on leasehold right of such property terminate, or the model of benefit procurement must be changed.

    b. There are complaints from the tenants or occupants surrounding such property, which shall take effect to further lease of area by CPNREIT etc.

11. To examine whether the property to be purchased has the entrance and exit or not. If not and the entrance and exit belongs to the other person, the REIT Manager shall arrange for CPNREIT the registration of servitude, encumbrance, or any other rights enabling such property to use the entrance and exit of the other person. If the REIT Manager obtains the information that such entrance and exit are the public place, the REIT Manager shall examine whether they are actually the public place as informed or not.

12. To consider appropriateness of the purchase price of the property or the price of leasehold property whereas such price must give the worthwhile returns for long-term investment and be relevant to the conditions on benefit procurement as agreed with the Sponsor. In this regard, the REIT Manager shall take into account any expenses to be borne by CPNREIT after such purchase (e.g. expenses for repair and renovation of buildings as they have fallen into much dilapidation that the procurement of benefits after purchase is affected, or expenses in demolishing the constructions after the expiration of the lease agreement), and also determine the discount rate from the present value of the future net income so that it is suitable to the risk from the fluctuating rental income in the future.

13. To examine whether taxes or other expenses on the property have been paid to the relevant authorities completely and accurately or not.

1.3) In case that CPNREIT has leased out the core properties to the sub-lessee, the REIT Manager shall analyze the status of such sub-lessee, as well as readiness to manage the properties of CPNREIT such as the counterparty's ability in entering into the transactions, readiness of working system, readiness of personnel and related experience, etc.

2) Examination on considerations in executing the agreements

2.1) In case that CPNREIT makes investment in leasehold right, the terms and conditions for the benefits of CPNREIT shall be considered; for example:

1. The lease agreement has no provision that impose the extra obligations to CPNREIT more than a normal lesee should receive.
2. There is no condition permitting the lessor to terminate the lease agreement made with CPNREIT immediately although CPREIT has not breached any conditions set forth therein.
3. There is the condition granting the right to CPNREIT to terminate the lease agreement with the lessor immediately if the lessor breaches any condition set forth therein.
4. The details, conditions, and rights of CPNREIT are clearly specified in the renewed leased agreement.
5. The conditions and the right of first refusal to CPNREIT for the purchase of such leased property at a price not higher than that proposed by other person are specified provided that the lessor wishes to sell that property.
6. There are the conditions and the right of CPNREIT for sale of leasehold right (if, later, the price of such property becomes higher and CPNREIT earns more profit from selling than from leasing the property, CPNREIT may decide to sell such property, etc.).

2.2) To examine taxes or other expenses on such property by stating clearly that they shall be borne by CPNREIT or the Sponsor.

2.3) To apply the measures for prevention of potential conflicts of interest; for example, the Sponsor undertakes any business of which the nature is in competition with the business of CPNREIT in the nearby area, etc.

2.4) In case that CPNREIT wishes to acquire the leasehold right of the property in the form of sublease, the REIT Manager shall apply the relevant measures for risk prevention or indemnity against any losses that CPNREIT may suffer as a result of the breach of the lease agreement or failure to enforce obligations under such lease agreement.

2.5) Prior to the payment by CPNREIT to purchase or lease the property, the REIT Manager shall examine to ensure that the ownership in the property has been transfered to CPNREIT (in case of investment in freehold property), or the registration of leasehold right has been completed (in case of investment in leasehold property), and/or the acquisition of any other assets in the property invested, and has been delivered the assets placed as the collateral to CPNREIT, bank guarantee, and/or guarantee agreement, as well as the registration of any servitude on the property for the procurement of benefits by CPNREIT completely as required by laws, and relevantly to the information disclosed to the investors. If the property accepted by CPNREIT includes the buildings, constructions, furniture and/or equipment, the REIT Manager shall have the fixed assets register maintained in order that completion, accuracy, and existence of each asset to be accepted by CPNREIT can be checked. Such asset register shall be submitted to the Trustee for its review of work performance of the REIT Manager.

The REIT Manager shall record and keep the information as well as other evidence relating to the selection, examination, and decision on investing or not investing in any asset of CPNREIT.

3.3 Acquisition of the Core Properties

When the REIT Manager selects the core properties to be invested, and finalizes its property examination whereas it deems appropriate to invest in such property, the actions undertaken to acquire the core properties shall be in accordance with the following criteria:

1) For investment in or acquisition of the properties or leasehold rights to procure the benefits from such real estate or leasehold rights, the REIT Manager shall perform the following acts:

1.1) To arrange for the appraisal of properties by a property appraiser; and perform other acts in compliance with the criteria of investment in assets as stipulated in the notification of the office of the SEC. In this regard, the REIT Manager shall submit the list of properties preliminarily selected to the property appraiser to appraise the property value to be invested by CPNREIT. The appraisal criteria shall be as follows:

1. The property appraiser shall be an independent appraiser approved by the Office of the SEC in accordance with the Notification of the office of the SEC regarding Granting of Approval of Valuation Companies and Principle Valuers for Public Use; and

2. It shall be a full appraisal with evidence of verification of entitled rights, and for the purpose of public use for the disclosure of the relevant information to the investors. Such appraisal shall be performed by at least two appraisers.

1.2) To consider the capital structure of the investment or acquisition of the property or leasehold property.

1.3) To consider the substance of the transaction as follows:

1. In accordance with the Trust Deed and relevant laws

2. For the best interest of CPNREIT

3. Reasonability and fair prices

4. Those with conflict of interest in the transaction shall not be involved in the decision on the transaction entered.

5. Expenses paid to prepare the transaction collected from CPNREIT (if any) are at the fair and suitable rate.

1.4) To perform other acts in order to comply with the criteria of investment in the property as stipulated in the notifications

2) For ongoing investment in and acquisition of the properties or leasehold property, the REIT Manager shall perform the following acts :

2.1) In respect with substance of the transaction, the nature of the transaction shall be as follows:

1. In accordance with the Trust Deed and relevant laws

2. For the best interest of CPNREIT

3. Reasonability and fair prices

4. Expenses paid for the preparation of the transaction collected from CPNREIT (if any) are at the fair and suitable rate.

5. those with conflict of interest in the transaction shall not be involved in the decision on the transaction entered.

2.2) With respect to the system, the approval is required to go through the following process:

1. In case that the owner, the lessor, or the transferor of the leasehold right of the property is not the REIT Manager or the person related to the REIT Manager:

a. It is approved by the Trustee that the transaction is in accordance with the Trust Deed and the relevant laws; and

b. For acquisition of the core properties which is the noteworthy transaction, the criteria relating to entering into the noteworthy transaction must be complied with.

2. In case that the owner, the lessor, or the transferor of the leasehold right of the property is the REIT Manager or the connected persons to the REIT Manager, the REIT Manager shall undertake the actions to make the transaction obtain approval from the Trustee, and in conformity with the Trust Deed and relevant laws. The consideration and approval procedure before entering into the transaction has to undergo the following steps:

a. Receive approval by the Trustee that the transaction is in compliance with the Trust Deed and relevant laws.

b. In case the value of the transaction exceeds 1 (one) million baht or is 0.03 (zero point zero three) percent of the total net asset value of the REIT or more, whichever value is higher, or in accordance with the criteria stipulated in the notification to be amended in the future, the approval of the Board of Directors of CPNREIT is required or it is in accordance with the approval limit as stipulated in the relevant notifications.

c. In case the value of the transaction exceeds 20 (twenty) million baht or more than 3 (three) percent of the total net asset value of the REIT, whichever value is higher, or in

accordance with the criteria stipulated in the notification to be amended in the future, the resolution of approval of the trust unitholders' meeting passed by at least three out of four (three-fourths) of the total votes of the trust unit holders attending the meeting and eligible to cast the vote is required or it shall be in accordance with the approval limit as stipulated in the relevant notifications. In addition, the REIT Manager shall arrange to obtain the opinion of the financial advisor about the analysis of data on the aforesaid property for the purpose of decision making and disclosure of fair information.

3) In case that the resolution of the meeting of trust unitholders is required, the invitation letter for such meeting must include the financial advisor's opinion for the purpose of passing such resolution. The invitation letter shall be delivered to the trust unitholders prior to the meeting date in accordance with the Notification, No. BorJor/Ror 29-00 regarding Listing, Disclosure of Information and Delisting of Investment Trust Units B.E. 2558, and the Notification of the SEC Office, No. SorRor. 26/2555 regarding Provisions relating to Particulars, Terms and Conditions in a Trust Instrument of Real Estate Investment Trust and their amendments.

3.4 Disposal of the Core Properties

When the REIT Manager finalizes the selection of the core properties to be disposed of and it deems appropriate to dispose of them, the disposal of such core properties shall be in compliance with the following steps:

1) The REIT Manager shall arrange for an evaluation of the core properties in accordance with the relevant provisions.

2) The REIT Manager shall arrange for an open disposal, which includes disclosure of the substance of the transaction under Clause 3.3 2) 2.1) regarding an acquisition of additional core properties, and the approval process under Clause 3.3 2) 2.2) regarding an acquisition of additional core properties, mutatis mutandis.

3) The disposal of the core properties in the following manners shall comply with the provision under Clause 2) and be a necessary and appropriate case which is approved by the Board of Directors of the REIT Manager as well:

   3.1) Any disposal of core properties prior to 1 year as from the date of the acquisition of such core properties by CPNREIT; and

   3.2) Any disposal of acquired core properties back to its former owner.

4. Selection of Property Manager and/or a sub-lessee

The REIT Manager shall evaluate and select a property manager and/or a sub-lessee. When considering entering into a contractual agreement with a property manager and/or a sub-lessee, the REIT Manager shall follow the following procedures:

1) The REIT Manager shall assess and evaluate the qualifications of each property manager and/or sub-lessee according to the criteria specified in the REIT Manager operating procedures.

2) The REIT Manager shall select the property manager and/or sub-lessee who have/has the highest weighted-average score and summarize the selection result as well as rationale to propose to the Board of Directors for approval. In the event that the score of the property manager with the highest weighted-average score does not reach a specified threshold or the scores for Capabilities and Past Experiences, and Effective Internal Control/ Maintenance of Assets are less than half, theproperty manager will not be considered as pass and the REIT Manager will have to re-run the selection procedure for a property manager. A sub-lessee whose score is less than half of the total score will not be considered as pass.

   Nevertheless, the selection procedure for property manager mentioned above will not be applied for the first investment in core properties.

3) In entering into an agreement with a property manager and/or a sub-lessee, the REIT Manager shall arrange for the appointment agreements with a property manager and/or sub-lessee to have, as a minimum, the following terms:

3.1) Allow CPNREIT to terminate the agreement and change the property manager and/or the sub-lessee if the property manager and/or the sub-lessee do/does not comply with the terms, or take(s) certain actions or fail(s) to take certain actions that results in lack of credibility to perform duties in accordance with the agreement, or neglect to maintain the assets in good condition, or the sub-lessee causes damages to CPNREIT's properties or neglect to maintain the assets to be in good condition and appropriate for use according to objectives stated in the agreement;

3.2) Specify that the property manager and/or the sub-lessee have/has duty to maintain and repair CPNREIT's assets to ensure long-term procurement of benefit;

3.3) Specify that if the REIT Manager finds that the property manager and/or the sub-lessee take(s) certain actions or fail(s) to take certain actions which causes the breach of either the property manager appointment agreement or, the sub-lease agreement, or the sub-lessee does not maintain the sub-leased assets to be in good condition and appropriate for use as specified in the agreement, the REIT Manager shall proceed to terminate the property manager appointment agreement and/or the sub-lease agreement of core properties (as the case may be), in order for the REIT Manager to be able to step in to operate, or to re-select a property manager and/or a sub-lessee to replace the former one;

3.4) Specify that the property manager and/or the sub-lessee must be able to demonstrate to the REIT Manager that the property manager and/or the sub-lessee have/has, at a minimum, the following internal control processes:

1) There are manual and standard operating procedures in place. Trainings are provided to employees to ensure that they understand the procedures and can appropriately perform their duties.

2) There is a clear segregation between personnel who manages CPNREIT's assets such as leasing department, from other departments and personnel of a property manager and/or a sub-lessee and/or a hotel manager (if any) who manage assets in the same business sector as CPNREIT. Alternatively, there must be other policies or operating procedures to prevent conflict of interest, and access and exploitation of CPNREIT information.

3) There is segregation of duties to prevent a single individual to carry out critical tasks from start to finish. Critical tasks that need to be segregated are, for example: procurement, acceptance of goods or service, accounting, properties and taking stock of properties, etc. For these critical tasks, one person should be designated as a maker and another as a checker. Moreover, there should be another party to randomly review the work of makers and checkers, creating a checks and balance system so that the risk of mistakes or fraud can be mitigated.

4) There is a monitoring and auditing system on employees operating results to prevent erroneous operation or operations that do not comply with the designed controls.

5) All transactions are recorded and all supporting document are kept for subsequent audit and prevention of potential frauds or errors.

6) There is a secure cash receipt and payment system in place that can effectively prevent leakage or fraud attempts.

7) The property manager must have in place a revenue collection system to ensure completeness of tenant revenue collection and have in place a system to prevent duplicate and fraudulent expense reimbursement as well as to ensure that the supporting documents and rationales for expense reimbursement comply with Trust Deed, filing, prospectus and relevant contracts.

8) Documents are pre-numbered for transactions related to assets or payments and receipts such as purchase orders, receipts, invoices for goods or services etc. to prevent the avoidance of auditing and transactions control check points (i.e. receive of cash without issuing receipt or issuing fictitious receipt to customers)

9) Controls and security system are in place for CPNREIT's revenue and expense data that are stored in a computerized system to enable retrospective audit of the persons who had accessed the system.

10) High value assets must be stored in secured location with restricted access to the area. Access to the area must be approved by management and closed circuit cameras may be deployed to guard the assets.

11) Controls over assets are in place. An asset register must be maintained, and updated when investment in additional assets takes place. The updated register must be submitted to the REIT Manger for reconciliation with cash payment, regular physical count of assets and preparation of asset count report. The REIT Manager shall maintain another set of assets register.

Nevertheless, the REIT Manager may have the property manager and/or the sub-lessee be liable for any damages which may occur to the benefit of CPNREIT due to the negligence of the property manager and/or the sub-lessee in the internal control systems that are prone to fraud.

3.5) In entering into an agreement with the sub-lessee, the REIT Manager and trustee may arrange to have the following additional conditions (as the case may be) to alleviate or mitigate risks to CPNREIT :

1) Specify that CPNREIT can terminate the sub-lease agreement with the sub-lessee if the sub-lessee does not strictly comply with the terms of the sub-lease agreement, particularly in paying rent according to the sub-lease agreement;

2) Specify the sub-lessee's undertaking, such as incurring of commitment, change in company's objective, etc.

3.6) Specify that the REIT Manager has a right to audit the performance of duties of the property manager and/or the sub-lessee to ensure compliance with this operating manual, property manager appointment agreement, sub-lease agreement, undertaking agreement and other relevant agreements.

3.7) Specify that the property manager and/or the sub-lessee must have a control system to monitor as well as randomly check to ensure that the property manager and/or the sub-lessee collect(s) and submit(s) revenues to CPNREIT in full, and do/does not charge from CPNREIT more than necessary expenses which must be within the framework that the Trust Deed, filing, prospectus, and relevant agreements allow.

4) In appointing the property manager and/or sub-lessee, the REIT Manager will arrange a mechanism to control, oversee, audit and evaluate their performances as indicated in the REIT Manager operating procedure manual to ensure that the property manager and/or the sub-lessee have/has accurately and thoroughly collected and submitted rental revenues to CPNREIT according to the terms in Property Manager Appointment Agreement/the sub-lease agreement, and that internal control systems operate effectively and are able to prevent fraud, or instantly detect fraud and non-compliance operations.

5. Evaluation of Work Performance of the Property Manager

5.1 System for Control, Supervision, and Evaluation of Work Performance of the Property Manager

The main objective of the Company as the REIT Manager is to provide the stable returns to the trust unitholders by taking into account the benefit to be acquired from the properties invested by CPNREIT. Therefore, the Company establishes a system for control, supervision, and evaluation of work performance of the Property Manager. The Company and the Property Manager shall work closely to enhance potential of the properties invested by CPNREIT. The Business Development Department shall be in charge of controlling, supervising, and evaluating the work performance of the Property Manager whether or not it conforms to the terms and conditions specified in the Property Manager Appointment Agreement. The actions on this matter include:

1) The Business Development Department and the Property Manager shall mutually prepare the annual budget plan of CPNREIT, which specifies the revenues

and expenses in details, determines the target of income procurement, and supervises and monitors all revenues and expenses of CPNREIT to be in line with the target or projection.

2) The Business Development Department and the Property Manager shall mutually consider or review the strategic plan of the Property Manager to ensure that more income would be earned while the risk associated with the fluctuating rental income of CPNREIT would be mitigated, as well as to monitor the performance of the Property Manager to ensure that it is in line with the established plan and strategy.

3) The Company together with the Property Manager and the Trustee shall mutually examine the assets to ensure that the core properties of CPNREIT is complete, in normal condition, ready to use, not added or lost beyond the REIT Manager's approval.

4) The Business Development Department and the Property Manager shall mutually monitor the repair and maintenance of the real properties of CPNREIT, utilities system, and essential equipment in the said properties to ensure that they are in good condition and can be used to procure the benefits consistently, and that they shall have the characteristics or qualification prescribed by laws, e.g. safety system, care for environmental quality, energy saving, etc., as well as all other related contracts under the determined budget, joint consideration between the REIT Manager and the Property Manager, and approval of the Trustee.

5) Every department of the REIT Manager shall regularly have the joint meeting with the Property Manager to evaluate the operating performance of CPNREIT, and to find out the appropriate measures to prevent the operating problems of CPNREIT.

6) The Business Development Department shall prepare the performance evaluation form for the Property Manager. The evaluation criteria consist of two sections:

    1. Section relating to duties of the Property Manager in accordance with the Property Manager Appointment Agreement

    2. Section relating to work performance of the Property Manager in respect with property management

7) The Business Development Department shall control and supervise the operation as described below.

    1. To review the relationship between monthly revenues and expenses whether there are any irregular matters or not

    2. To choose at random the supporting evidence of transaction to examine the transaction existence, accuracy, and completeness in recording payments to the account of CPNREIT with the rental report paid by customers in each month

    3. To review the aging of accounts receivable to ensure that it is in normal condition with no significant increase

    4. To review an increase or decrease of fixed assets that the approval procedure is appropriate

    5. To review any transaction that are special, rarely occur, or involve the high value to ensure that they are undertaken for a maximum benefit of the trust unitholders

    6. To review the list of expenses charged by the Property Manager to CPNREIT to ensure that no unnecessary or duplicated expenses are charged to CPNREIT, and that they are under the scope mutually agreed

    7. To regularly arrange for the evaluation of the internal control system of the Property Manager. In this regard, the Company may require the auditor of the Property Manager or the external advisory company to regularly report the weakness or defect of the internal control system of the Company, as well as remedy and improvement measures.

5.2 Property Manager Performance Evaluation

The REIT Manager has evaluated the performance of the Property Manager for the period ended 31 December 2022. The Property Manager has unerringly and thoroughly performed their duties according to the Property Manager Appointment Agreement. No mistakes that would significantly affect CPNREIT's operation was noted.

6. System for Monitoring the Benefits of CPNREIT

The REIT Manager has the main objectives to make the trust unitholders earn the benefits from investment in CPNREIT consistently and continuously in the long term with consideration on benefits generated from the development and enhancement of quality of the core properties invested by CPNREIT. The REIT Manager has the measures and systems to monitor and look after the benefits from the core properties to be invested by CPNREIT as follows:

1) For core properties in part of shopping mall and office building, CPNREIT has policy of procuring the benefits from such type of property by leasing certain areas of such properties, and providing other services relating to the leased area to tenants who are business operators. For core properties in the part of hotel, CPNREIT shall procure the benefits by subleasing such real property, and leasing other related movable properties to a sub-lessee.

2) The REIT Manager and the Trustee shall monitor the annual performance of CPNREIT in comparison with the annual budget of CPNREIT, including the operating results of CPNREIT in the previous year. If the performance of the properties invested by CPNREIT has not reached the target, the REIT Manager, the Trustee, and the Property Manager (for the property in part of shopping malls and office buildings) or the sub-lessee (for the property in part of Hilton Pattaya) shall work together to analyze the causes, and to closely work with the Property Manager or the sub-lessee (as the case may be) to develop the operating plan to improve the performance of the properties invested by CPNREIT to achieve the target or the forecast.

3) The REIT Manager shall jointly work with the Property Manager to drive the business growth and build good relationship with tenants, together with management of occupancy rate and rental charge at the level that CPNREIT obtains the maximum benefits while the REIT Manager shall jointly work with the Property Manager to supervise and manage the operating cost as well as risks and negative factors to the management of the shopping mall and office buildings by CPNREIT.

4) The REIT Manager shall cooperate with the Property Manager to enhance efficiency in property management and procurement of benefits from the properties invested by CPNREIT in part of shopping mall and office building by determining the targeted customers of the property, the leased areas and appropriate service, the pricing of the rental charge and space service charge suitable to the needs of targeted customers, together with the supervision and management of the operating expenses without any impact on quality of the leased areas and services. In addition, the REIT Manager shall care for and maintain the areas of the properties invested by CPNREIT such as improvement of the common area and specific areas suitable for their functioning, and improvement of the property image, and property maintenance up to the standard and their appropriate function to satisfy the customers.

5) The REIT Manager shall work together with the sub-lessee to enhance the business growth and good relationship with customers who use the hotel service, and also manage the occupancy rate and accommodation room rate of the core properties in part of Hilton Pattayal at the level that CPNREIT obtains the maximum benefits.

6) The REIT Manager shall work together with the sub-lessee to enhance the potential of the core properties in part of Hilton Pattaya. Such management shall include care and maintenance of the core properties up to the standard and their appropriate function, as well as the image of the core properties to satisfy the customers.

7) The REIT Manager shall procure insurance for the properties of CPNREIT in conformity with the business practice and the provisions of relevant laws as follows:

   7.1) Insurance is sufficient and suitable to the interest of CPNREIT in the properties invested to cover the damage possibly incurred to CPNREIT by determining that CPNREIT is the beneficiary or co-beneficiary with approval from the Trustee.

   7.2) Insurance against the third party possibly damaged by the defect of the building, premise or construction. If the lessor or the person granting the right in the properties to CPNREIT or

the sub-lessee of the properties has made insurance already, CPNREIT is required to arrange the insurance only for the case that CPNREIT may be claimed for liability.

7.3) Insurance procured by CPNREIT is required to cover the period that CPNREIT has invested in such property.

8) Transactions with related persons to be entered are required to be in accordance with the following criteria:

8.1) To enter into a transaction with the REIT Manager and/or the connected persons to the REIT Manager, the REIT Manager is required to undertake the work in accordance with the Trust Deed and related laws and for the best interest of CPNREIT.

8.2) The transaction with related persons is made at the fair and reasonable price.

8.3) The person with conflict of interest, whether directly or indirectly, is not allowed to participate in decision making whether to enter into the transaction or not.

8.4) Expenses incurred from the transaction entered into with the connected persons shall be based on the fair and reasonable price and rate.

7. Remuneration of the REIT Manager

The REIT shall pay the fee and expenses to the REIT Manager for the duties performed as the REIT Manager in accordance with terms and conditions set forth in the agreement, which shall be calculated on a monthly basis. Such remunerations exclude the value added tax, specific tax, or other texes in similarity as follows:

1) Fee for the duties performed as the REIT Manager in accordance with terms and conditions set forth in the agreement shall not be over 1.00 (one point zero) percent per annum of the total asset value. If the fee as calculated under this Clause in each year (excluding other fees deriving from the acquisition or disposal of the properties of CPNREIT incurred on that year (if any) in Clause 2) below) is less than THB 15 million (fifteen million baht) on the last month of any fiscal year, the Trustee shall pay the REIT Manager at the minimum of THB 15 million (fifteen million baht) per annum. The REIT Manager shall revise such amount of fee on the last month of that fiscal year to make the fee calculated by CPNREIT in each year be equal to 15 million baht (fifteen million baht) per annum.

In case that the REIT Manager has not performed its duties for the whole fiscal year of CPNREIT, which makes the calculation of the fee on that fiscal year impossible, the REIT Manager shall calculate the management fee on that fiscal year based on the actual time it has performed the duties (Pro Rata Basis) by fixing the minimum management fee at 15 million baht (fifteen million baht) per annum and a period of 1 (one) year shall be equal to 365 (three hundred and sixty-five) days.

2) Fee for an acquisition of the properties of CPNREIT shall be 1.50 percent of the value of the property acquired by CPNREIT. Fee for a disposal of the property of the REIT shall be 0.75 percent of the value of the properties disposed by CPNREIT. However, such fee shall be paid to the REIT Manager only for the acquisition or disposal of the property of CPNREIT that has been undertaken by the REIT Manager, or has been proposed by the REIT Manager to CPNREIT for consideration only. These remunerations shall be paid when the acquisition or disposal of the properties of CPNREIT is completed.

3) The REIT Manager may claim other expenses incurred in the examination of the properties of CPNREIT, e.g. traveling cost, accommodation cost, and other expenses actually incurred during the property examination as appropriate, but not exceeding THB 30,000 (thirty thousand Baht) per time. If the actual expenses exceed the limit specified, the parties shall have the mutual agreement on a case-by-case basis.

For the years ended 2022, CPNREIT paid the REIT Manager in an aggregate amount of THB 162.45 million

8. Disclosure of Information to the Trust Unitholders

The REIT Manager recognizes the importance of the adequate, accurate, complete, precise, timely, and transparent disclosure of information to the trust unitholders. Every trust unitholder has the equitable rights to receive the information. The disclosure of information by CPNREIT must be in conformity with the criteria and requirements on disclosure of information prescribed by the Office of the SEC and the SET.

Immediately	- Information taking the material effect to the unit price, decision-making on investment, benefits of the trust unitholders - Information about operating performance, e.g. distribution payment - Report upon the occurrence of any event causing the dissolution of CPNREIT - Report upon the occurrence of any event specified in the Trust Deed as grounds of the dissolution of CPNREIT or other events enabling to foresee the dissolution of CPNREIT - Report promptly upon an acquisition or disposal of real properties or the trust unitholders hold the trust units more than the limit portion.
Within 3 business days	- Information not taking the direct effect, but should be disclosed to the investors, e.g. change of the director(s), change of the auditor, etc.
Within 14 days	- Information to be compiled by the SET for reference, e.g. copy of the minutes of meeting of the trust unitholders, report on the allocation of capital-increase trust units.
Within 15 days	- Report on the reduction of paid-up capital of CPNREIT - Report on acquisition or disposal of real properties
Within 30 days	- Progress report on investment in under construction properties
Disclosure by specified periods	- Quarterly financial statements - 45 days after the end of the accounting period - Yearly financial statements - 2 months after the end of the accounting period (in case the fourth quarterly financial statements are not prepared) - Management Discussion and Analysis - Copy of 56-REIT - within 3 months after the end of the accounting period - An annual report together with Notice to the Annual General Meeting of trust unitholders within 4 months after the end of the accounting period - NAV – within 45 days after the end of the accounting period

9. Trust Unitholders' Meetings

The REIT Manager shall arrange the unitholders' meeting as prescribed in Trust Deed.

1. The REIT Manager can obtain resolutions from Unitholders only by means of holding a Unitholders' meeting.
2. Causes for obtaining resolutions and calling Unitholders' meetings have to comply with the followings and the REIT Manager has to convene Unitholders' meeting in the following circumstances:
   1. The Annual General Meeting of Trust Unitholders shall be called with in 4 (four) months from the end of the accounting year.
   2. The Extraordinary General Meeting of Trust Unitholders shall be called for the following cases:
      (1) When the REIT Manager deems appropriate to call a trust unitholders' meeting for the benefit of managing the business affairs of CPNREIT.
      (2) When the trust unitholders whose collective holding are more than 10% of issued trust units, request in writing to the REIT Manager a call for a trust unitholders' meeting by clearly specifying the matters to be considered, the REIT Manager has a duty to call a trust unitholders' meeting within one month since receiving the written request. If the REIT Manager does not convene a trust unitholders' meeting within one month as stated in clause one above, the trustee can proceed to convene a meeting.
3. Calling trust unitholders' meetings

   The REIT Manager shall prepare meeting notice by specifying place, date, time, agenda and matters to be proposed to the meeting with sufficient details. Each matter shall be clearly specified whether it is a matter for information, matter for approval or matter for consideration as the case may be, and furnished by the REIT Manager's opinion as well as impact that might affect the trust unitholders from voting in that particular matter. To distribute the meeting notice to trust unitholders, the REIT Manager shall proceed as follows:

   3.1 In general case, to distribute to the trust unitholders no less than 7 days ahead of the meeting;

   3.2 In case that there is specific regulations regarding the timing of distribution of meeting notices, to distribute according to that regulation.

In all circumstances, the meeting notice shall be publicized in at least one local newspaper not less than three days ahead of the meeting.

4. Proxies

4.1 For the trust unitholders' meeting, a trust unitholder may appoint another individual as his/her proxy to attend a meeting and cast votes on his/her behalf. The proxy form must be dated and signed by trust unitholders who wish to appoint as proxy for another individual.

4.2 The proxy forms shall be deposited to the REIT Manager or a designated person by the REIT Manager at the meeting venue before the proxies attend the meeting.

5. Quorum

5.1 To constitute a quorum in the trust unitholders' meetings, there must be at least 25 attendees, both eligible and authorized trust unitholders; or not less than half of total trust unitholders holding no less than one third of the issued units.

5.2 In any trust unitholders' meeting, if within an hour from the time appointed for the meeting, a quorum is not present as specified in section 5.1 and if the trust unitholders' meeting is called due to the trust unitholders' request according to section 2) 2. (2), the meeting shall be cancelled. However, if the meeting is not called according to the trust unitholders' request according to section 2) 2. (2), the REIT Manager shall call another meeting and disseminate meeting notice to trust unitholders before the meeting by at least not less than the time allowed for the last meeting. The adjourned meeting is not required to be in full quorum.

6. Meeting chairperson

The REIT Manager shall appoint one of the directors who is a representative of the REIT Manager to be a meeting chairperson. The meeting chairperson has power and duty to ensure that a meeting is conducted smoothly and accurately as specified in section 15.5 However, if the REIT Manager has interest in the matter being considered, trustee or representative of trustee shall appoint another person to be a chairperson in that matter.

7. Vote count

A trust unitholder has one vote for each trust unit holds and a trust unitholder who is entitled to vote must not have special interest in any matter being considered.

8. Trust unitholders' resolution

8.1 An ordinary resolution may be passed by a simple majority of the votes of trust unitholders present and entitled to vote.

8.2 In the following circumstances, a resolution may only be passed by more than three-quarters of trust units held by trust unitholders present and entitled to vote except for the agenda and voting of the trust unitholders whose trust units are divided into different classes according to section 9.

(1) In case of acquisition or disposal of core properties with total transaction size of at least 30% of total assets of CPNREIT;

(2) In case of paid-up capital increase or reduction that is not pre-specified in the trust deed;

(3) In case of an increase in capital through general mandate;

(4) In case of entering into transactions with the REIT Manager or connected persons with the REIT Manager with total transaction size of at least Baht 20,000,000 (twenty million), or 3 (three) % of Net Assets Value of CPNREIT or more, whichever is the greater;

(5) In case of change in the distribution of return and the return of the trust unitholders' capital;

(6) In case of dismissal or appointment of Trustee according to the clauses regarding the change in Trustee as specified in the Trust Deed;

(7) In case of dismissal or appointment of REIT Manager according to the clauses regarding the change in the REIT Manager as specified in the Trust Deed and REIT Manager Appointment Agreement.

(8) In case of amendment of the Trust Deed in the matters that significantly impact the right of the trust unitholders;

(9) In case of termination of CPNREIT;

8.3 The trust unitholders' resolution shall not be taken into effect if the consequences of the resolution cause CPNREIT or the management of CPNREIT to be in conflict or not in compliance with the Trust Deed or other regulations according to the Securities and Exchange Act or Trust Act.

8.4 In the circumstances that there are specific guidelines regarding obtaining resolutions and trust unitholders' meetings, the practice shall follow those guidelines.

9. Obtaining resolution and voting of trust unitholders in the circumstances that trust units are divided into several classes

9.1 When obtaining a resolution in the matters that affect the right of all classes of trust unitholders such as termination of CPNREIT, the resolution has to be passed with more than half of the votes in each class of trust unitholders present and eligible to vote.

9.2 In obtaining a resolution in the matters that affect the right of certain classes of trust unitholders such as an increase in fees and expenses of each class of trust units, the REIT Manager shall obtain resolutions only from that class of trust unitholders.

In 2022, the REIT Manager has convened the 2022 Annual General Meeting of Trust Unitholders on 21 April 2022 at 2.00 p.m. via Electronic Media ("E-AGM") pursuant to the criteria specified in the law related to the meeting via electronics means.

10. Selection and Appointment of Directors and Executives

The REIT Manager has 1 (one) Board of Directors, which comprises of at least 3 (three) qualified directors, at least one third of whom must be independent directors. The independent directors must possess qualifications according to the criteria as specified in the Notifications of the Capital Market Supervisory Board concerning the Application for and an Approval of Offer for Sale of Newly Issued Shares. Moreover, the Board of Directors and executives who are authorized to manage the REIT Manager must not possess characteristics which are prohibited under the Notification of the Capital Market Supervisory Board concerning Prohibited Characteristics of Personnel in Capital Market Industry according to clause 12(4) of Notification of the Office of the Securities and Exchange Commission No. SorChor. 29/2555, Re: Rules, Conditions and Procedures for the Approval of REIT Manager and Standard Conduct and its subsequent amendments or other relevant regulations that the Office of the SEC may subsequently amend.

Two directors (not independent directors) are authorized to bind the REIT Manager through joint-authorization with company's seal affixed. The Board of Directors may assign one or many directors or other persons to act on the Board's behalf in any matter. Nevertheless, delegation of authority shall not include the delegation or sub-delegation that enables directors or assigned persons by directors to approve transactions that they or other people might have conflict or interests or other benefits in any forms that conflicts with the benefit of CPNREIT.

The REIT Manager has appointed an independent director to be Chairman of the Board to oversee and ensure that the composition and operation of the Board foster deliberation in decision making. The Chairman of the Board has duties to:

1) Oversee, monitor and ensure that the Board functions effective and achieves objectives and goals;

2) Jointly propose meeting agenda through discussion with the Chief Executive Officer and have measures to ensure that noteworthy matters are included in the agenda;

3) Ensure that the time allotted is sufficient for the management to propose the agenda and for the Board to thoroughly discuss noteworthy matters, and promote thorough deliberation and freely express of opinion.

The Board of Directors may appoint a professional with knowledge and skills to be an advisor to the Board through approval of two out of three directors and provide remuneration as approved in the shareholders' meeting. The Advisor to the Board has duties to attend meetings, provide advice, suggestion or opinion that is beneficial to the decision making of the Board of Directors, and can request the management to ensure that matters are thoroughly examined. Nevertheless, the Advisor to the Board shall not be involved in the decision-making, and in the circumstances that the matters being considered may involve conflict of interests, the Advisor to the Board shall abstain from attending the meeting for that particular matters. The Risk Management and Compliance Department together with the Independent Director shall evaluate matters with conflicts of interests and inform the Advisor to the Board.

11. Remuneration for Auditors

The auditor's remuneration for the operation period ended 31 December 2022, details as follows;

1. Remuneration for Auditors THB 1.23 Million
2. Other Service fee THB 0.06 Million

CENTRAL RAMA 2

CPN REIT Management Company Limited as the REIT Manager pays attention to corporate social responsibility either directly or indirectly related to CPNREIT. To elaborate, the business operation of the Company is coupled with equality, anti-corruption, respect to human rights, fair treatment to employees, retention of quality of life of individuals, employees, every sector or in general public, responsibility to consumers, environmental care, involvement in community or social development, and dissemination of innovations from the operations under responsibilities to the society, environment, and stakeholders.

1. Fair Business Practices

Fair business practices are the business ethics emphasized and implemented by the REIT Manager in its management of CPNREIT. The REIT Manager has stringently carried out the management of CPNREIT in accordance with the relevant laws, e.g. Securities and Exchange Act, B.E. 2535 and its amendments, Trust for Transactions in Capital Market Act, B.E. 2550 and its amendments, regulations of any regulatory authorities, and Trust Deed. The REIT Manager also adheres to the Principle of Good Governance, avoids any actions possibly causing conflicts of interest, promotes fair and free business competition, provides fair treatment to every tenant, and gives no false advertisement or inaccurate information possibly causing misunderstanding and damage to the trust unitholders and general investors. The Property Manager also strictly respects and conforms to the commercial conditions and contracts made with other business partners for fair and equitable business competition.

2. Respect to Human Rights and Fair Treatment to Employees

The REIT Manager regards individuals' fundamental rights as an important matter, and it recognizes that respect to human rights is a foundation for human development. Therefore, the REIT Manager has encouraged employees and the organization not to participate or involve in the violation of human rights. In this regard, the rights to life, freedom of expressions, equality in law enforcement, rights in work based on laws, rights in standard health, rights in social welfare, and employee recruitment with no discrimination of race, religion and gender are clearly defined for the said equality.

3. Responsibility to Consumers

CPNREIT has invested in various assets, which include Central Rama 2 Project, Central Rama 3 Project, Central Pinklao and Pinklao Tower A and Tower B Project, Central Chiangmai Airport Project, Central Pattaya Project, Hilton Pattaya, Central Marina Project and Central Lampang Project. The REIT Manager, therefore, has appointed Central Pattana Public Company Limited as the Property Manager. In the management of the said assets, the Property Manager pays attention to the fair treatment and responsibility to all tenants and considers their safety and health. The Property Manager focuses on the building management, retention of service standards, and delivery of quality and safe service to all tenants and service users.

4. Environmental Care

CPNREIT realizes the importance of environment and preservation of natural resources. The REIT manager has tried to mitigate the impact on the environment in each shopping mall and surrounding areas by selecting the equipment that can save energy and is easy for maintenance in the long term. CPNREIT has also conducted the campaigns for recycle process, energy saving, and strict compliance with the environmental laws.

1. Internal Control

For the operation of the Company as a REIT Manager to run effectively and achieve its objectives, the REIT Manager has implemented key audit and internal control systems to check and ensure that the operations of each department comply with the REIT Manager's policy, Trust Deed, REIT Management Appointment Agreement, trust unitholders' resolutions, filing, prospectus, regulations, rules and applicable laws, and arranged for a mechanism to be regularly monitored, audit and evaluate internal control systems of the property manager and/or the sub-lessee to ensure that the internal control systems are effective, and able to prevent fraud or instantly detect fraud and non-compliant operations. For example, specify that the internal auditor must assess the internal control systems of the property manager and/or sub-lessee at least once a year and report internal control weaknesses or deficiencies to the REIT Manager. The REIT Manager shall oversee the following key systems:

1) Annual budgeting system

   CPNREIT is managed through an annual operating plan to achieve the set objectives. The annual operating plan shall align with the strategic trust management plan.

2) Special expenditure approval system and/or capital expenditure not included in annual operating budget

   When the REIT Manager sees that it is necessary for CPNREIT to incur special expenditures and/or expenditures exceeding the annual operating budget and/or other essential capital expenditures exceeding annual operating budget approved by the trustee, the REIT Manager has an evaluation and approval of special expenditure system that can be audited.

3) Rental collection monitoring system

   The REIT Manager shall arrange for a rent collection monitoring system to ensure that the rent collected by the property manager is completely ceded to CPNREIT, accounts receivable are regularly followed up, and the write-off of accounts receivable complies with the property manager's procedures.

   In the case that the REIT Manager leases the core properties to the sub-lessee, the REIT Manager shall oversee that the sub-lessee pays rent according to the payment schedule specified in the lease agreement by following up with the sub-lessee before due dates in the lease agreement to prevent payment overdue or breach of lease agreement.

4) Procurement system

   The REIT Manager maintains sound procurement procedures and processes as well as the audit of procurement procedure of the REIT Manager to ensure that the procurement procedure is compliant with best practices and regulations, transparent, fair and for the benefit of the CPNREIT.

   The REIT Manager shall assess the effectiveness of internal controls over procurement system of the property manager by auditing the validity of assets or services by tracing back to the acquisition procedures of tools, appliance, equipment and the procurement of services, and cross-checking with approved annual operating budget to ensure that goods or services that the property manager procures comply with the policy, have been authorized according to the regulations concerning compliance of contracts, the evaluation and selection of appropriate seller/contractor so that CPNREIT receives goods or services that commensurate with the money paid. The REIT Manager shall randomly audit the procurement system of CPNREIT together with the audit of CPNREIT expenses.

5) Payment control system

   The REIT Manager has established a procedure for payment control system so that operators can be informed of the payment procedure that is standardized, compliant with regulations, transparent and fair. The workflow is divided into:

1. The expense payment system of CPNREIT;
2. The audit of the expense payment system of the property manager.

Apart from this, the REIT Manager shall audit the allocation of expenses between the asset owner and CPNREIT to ensure compliance with Property Manager Appointment Agreement and that no extra expenses are charged beyond the benefits that CPNREIT receives.

6) Monitoring and evaluating system of expenses charged from CPNREIT by the property manager

Expenses that the property manager can reimburse from CPNREIT comprises of administrative and property management expenses or operating account, property management fee and liability compensation from disputes. For each type of expenses charged from CPNREIT, the REIT Manager maintains sound monitoring and evaluating mechanism to ensure that expenses are incurred for CPNREIT and within reasonable amount in the following expense categories:

1. Administrative and property management expense or operating account
2. Property management fee
3. Liability compensation from disputes

7) Safekeeping of CPNREIT's documents and evidences

The REIT Manager arranges to have a document filing system that is effective, convenient, efficient and accurate. The safekeeping system must be easy to classify, file and search for documentation efficiently.

8) Internal audit system

In the circumstances that the independent director deems fit, the independent director shall consider and select an external party to be an internal auditor by following the REIT Manager's criteria in selection of CPNREIT personnel and external service provider, and the procedures in evaluating and selecting consultants that are relevant to REIT management business. The internal audit must audit and review the REIT Manager's internal controls and assess risks that may impact to CPNREIT.

The REIT Manager shall retain the internal audit result report and remediation progress report to accommodate the audit from regulatory bodies.

2. Risk Management

The REIT Manager pays attention to risk management to safeguard trust unitholders' interest and CPNREIT's assets. The Board of Directors has duties to establish risk management policy that encompasses all CPNREIT's operations and oversee to ensure that the risk management procedures can effectively prevent and mitigate risks. The REIT Manager, through Risk Management and Compliance Department, adopts an Enterprise Risk Management Framework to identify potential events or risks that may happen as well as mitigating measures that can manage risks to tolerable levels to enable the REIT Manager to achieve its REIT management objectives.

The REIT Manager's risk management comprises the following steps:

1. Objective setting
2. Event identification
3. Risk assessment and risk response
4. Control activities
5. Monitoring
6. Reporting

The REIT Manager adopts the following criteria in assessing the priority of each risk and its impact:

1) Likelihood
2) Impact

Connected transactions

The main duties and responsibilities of the REIT Manager are to supervise and manage CPNREIT and the asset investment of CPNREIT, including to look after CPNREIT's benefits. Although CPNREIT has a policy to avoid entering into connected transactions which may cause conflicts of interest, CPNREIT has entered into such connected transactions in certain instances. In such cases, the REIT Manager will take into account reasons and necessities for CPNREIT to enter into such transactions and will proceed to take action in compliance with the REIT Manager's policies, Trust Deed, REIT Manager appointment agreement, Registration Statement, prospectus, regulations and laws relating to the supervision and management of CPNREIT.

In this regard, for the investment in the Additional Assets, there shall be transactions between CPNREIT and Central Pattana, including its subsidiaries. Those are Connected Persons of the REIT Manager as Central Pattana is a major shareholder and has controlling power over the REIT Manager and subsidiaries of Central Pattana. Details of the transactions between CPNREIT with the REIT Manager, including its Connected Persons as well as transactions between CPNREIT with the Trustee, including its Connected Persons are as follows:

1. Connected (Juristic) Persons of CPNREIT

Connected (Juristic) Persons of CPNREIT	Relationship with CPNREIT
Central Pattana	- is a major shareholder of the REIT Manager, whereby 100.0 percent of issued and paid-up shares of the REIT Manager are held by Central Pattana. - is a controlling person of the REIT Manager. - is a major unitholder of CPNREIT, whereby 25.8[/1] percent of the total number of units of CPNREIT are held by Central Pattana. - is the owner of and has a leasehold right over certain part of buildings in Central Marina Project and will be the lessor and sub-lessor of immovable properties and utilities systems and the seller of movable assets for CPNREIT. - Central Pattana was appointed as the Property Manager of the assets that CPNREIT invested.
CPN REIT Management	- is the REIT Manager of CPNREIT. - is a subsidiary of Central Pattana, whereby 100.0 percent of issued and paid-up shares of Central Pattana REIT Management are held by Central Pattana.
Central Pattana Rama 2	- is a subsidiary of Central Pattana, whereby 100.0 percent of issued and paid-up shares of Central Pattana Rama 2 are held by Central Pattana. - is the owner of Central Rama 2 Project (Renewal Period) and will be the lessor of immovable properties and utilities systems for CPNREIT.
Central Pattana Rama 3	- is a subsidiary of Central Pattana, whereby 100.0 percent of issued and paid-up shares of Central Pattana Rama 3 are held by Central Pattana. - is the owner of Central Rema3 Project and the lessor of immovable properties and utilities systems for CPNREIT
Central Pattana Chiangmai	- is a subsidiary of Central Pattana, whereby 100.0 percent of issued and paid-up shares of Central Pattana Chiangmai are held by Central Pattana. - is the owner of Central Chiangmai Airport Project and the lessor of immovable properties and utilities systems for CPNREIT.
CPN Pattaya	- is a subsidiary of Central Pattana, whereby 100.0 percent of issued and paid-up shares of CPN Pattaya are held by Central Pattana. - is the owner of Central Pattaya Project and Hilton Pattaya Hotel and the lessor of immovable properties and utilities systems for CPNREIT.

Connected (Juristic) Persons of CPNREIT	Relationship with CPNREIT
CPN Pattaya Hotel	- is a subsidiary of Central Pattana, whereby 100.0 percent of issued and paid-up shares of CPN Pattaya Hotel are held by Central Pattana.
Central Pattana Development	- is a subsidiary of Central Pattana, whereby 100.0 percent of issued and paid-up shares of Central Pattana Development are held by Central Pattana. - is a major shareholder of CPNREIT, whereby 4.5/1 percent of the total number of units of CPNREIT are held by Central Pattana Development. - is the owner of buildings in Central Lampang Project and the lessor of immovable properties and utilities systems and the seller of movable assets for CPNREIT.
Central Group	- consists of juristic persons, of which certain directors, executives or controlling persons are also the directors, executives or controlling persons of Central Pattana, whereby such juristic persons are the lessees of spaces of the properties invested in by CPNREIT for business purposes.
GLAND	- is a subsidiary of Central Pattana Group, whereby 67.5/2 percent of issued and paid-up shares of GLAND are held by Central Pattana Group. - is the owner of The Ninth Towers Office Building Project and the lessor of immovable properties and utilities systems for CPNREIT. - as the Property Manager of The Ninth Towers Office Building Project.
Sterling	- is a subsidiary of Central Pattana Group, whereby 100.0 percent of issued and paid-up shares of Sterling are held by Central Pattana Group (by GLAND). - is the owner of Unilever House Office Building Project and will be the lessor of immovable properties and utilities systems for CPNREIT. - as the Property Manager of Unilever House Office Building Project.
Siam Commercial Bank Public Company Limited ("SCB")	- is a major shareholder of the Trustee, whereby 100.0 percent of issued and paid-up shares of the Trustee are held by SCB.
SCB Asset Management Company Limited ("SCBAM")	- is the Trustee of CPNREIT. - is a subsidiary of SCB, whereby 100.0 percent of issued and paid-up shares of SCBAM are held by SCB.

Remark:

/1 Disclosure on SET as at 2 March 2023

/2 Disclosure on SET as at 10 March 2023

2. Transactions of CPNREIT with REIT Manager and its Connected Persons

Connected (Juristic) Persons of CPNREIT	Characteristics of Connected Transaction	Necessity and Rationality of Transaction
Central Pattana and its subsidiaries, including Central Pattana Rama 2, Central Pattana Rama 3, Central Pattana Chiangmai, Central Pattana Development and CPN Pattaya	Central Pattana and its subsidiaries has taken leases of spaces and services from CPNREIT whereby the rental and service fees are at market prices, which are subject to location, area, lease form, lease term and type of lease.	Such transactions have been conducted for the purpose of benefit procurement from CPNREIT's properties whereby the rental and service fees are set according to market prices, which are subject to location, area, lease form, lease term and type of lease.

Connected (Juristic) Persons of CPNREIT	Characteristics of Connected Transaction	Necessity and Rationality of Transaction
CPN Pattaya Hotel	CPNREIT has procured benefits from Hilton Pattaya Hotel by granting a sublease of such properties (i.e., sublease of buildings and utilities systems, and lease of immovable properties) to CPN Pattaya Hotel whereby the benefits received by CPNREIT from the sublease of the properties are in the form of fixed rent and variable rent) from CPN Pattaya Hotel in accordance with the conditions specified in the agreements. Details regarding fixed rent and variable rent are shown in Benefit Procurement from Hotels.	As CPNREIT is unable to manage the properties in the type of hotels in accordance with the Notification No. TorJor. 49/2555. Therefore, it had to grant a sublease of Hilton Pattaya Hotel to CPN Pattaya Hotel, thereby benefiting CPNREIT as CPNREIT could gain additional sources of income (apart from rental/service income derived from leases of spaces of the properties in the types of shopping malls and office buildings) in the forms of fixed rent and variable rent derived from the properties in the type of hotels, located in Pattaya City, which is one of the top tourist destinations of Thailand.
Central Group	Central Group has leased spaces and received services from CPNREIT whereby the rental and service fees are at market prices, which are subject to location, area, lease form, lease term and type of lease.	Such transactions have been conducted for the purpose of benefit procurement from CPNREIT's properties whereby the rental and service fees are set according to market prices, which are subject to location, area, lease form, lease term and type of lease.
Central Pattana Rama 2	Central Pattana Rama 2 has granted a lease of wastewater treatment system to CPNREIT whereby such lease is part of the lease of Central Rama 2. The lease term is 20 years from 15 August 2005 to 15 August 2025.	Such transaction has been conducted in support of the utilization of and benefit procurement from CPNREIT's properties.
	On 31 March 2020, CPNREIT registered the leasehold right of properties in Central Rama 2 Project (Renewal Period) from Central Pattana Rama 2.	The transaction is considered reasonable because: 1) CPNREIT will uninterruptedly acquire the leasehold right of Central Rama 2 Project (Renewal Period) after expiry of the current lease agreement. Central Rama 2 Project (Renewal Period) is the core asset in the type of shopping center situated in a prime area with commercial potential which will help create added value to CPNREIT and the unitholders. 2) The transaction will help diversify risk in the operation of CPNREIT by enhancing its long-term income stability through diversification of risk involved with benefit procurement from properties. It will also contribute to asset diversification since the existing properties of CPNREIT and Central Rama 2 Project (Renewal Period) are in different locations. 3) The investment in Central Rama 2 Project (Renewal Period) will help cushion against impacts from the fluctuation in revenue stream of CPNREIT in case of expiration of the leasehold/sub-leasehold rights of some properties.

Connected (Juristic) Persons of CPNREIT	Characteristics of Connected Transaction	Necessity and Rationality of Transaction
CPN REIT Management	CPN REIT Management is the REIT Manager of CPNREIT.	The directors and executives of CPN REIT Management have experiences in investment management and benefit procurement from immovable properties and have knowledge and understanding of core assets of CPNREIT. Therefore, it is appropriate for CPN REIT Management to perform the duties as the REIT Manager of CPNREIT. CPN REIT Management is a subsidiary, whereby 100.0 percent of shares are held by Central Pattana whereby Central Pattana has experiences and expertise in development and management of shopping malls and office buildings for more than 40 years, thereby supporting the performance of duties by CPN REIT Management as the REIT Manager of CPNREIT.
Central Pattana	Central Pattana is the Property Manager of CPNREIT for the properties which are all shopping malls of CPNREIL in the present and Pinklo tower A and B whereby Central Pattana shall collect property management fee from CPNREIT at the rates and in accordance with the conditions stipulated in the property manager appointment agreement.	Central Pattana has the experience and expertise in development and management of shopping malls and office buildings in Thailand for more than 40 years. Besides, Central Pattana has performed the duties as the Property Manager of CPNREIT's properties which are shopping malls and office buildings whereby Central Pattana has managed such properties since the CPNRF was established in 2005. Moreover, Central Pattana has played a major role in the development and management of the Additional Assets, which are shopping mall projects since the development of such projects commenced. As a result, Central Pattana has knowledge, understanding and experience in managing each of such assets.
GLAND	GLAND acts as the property manager of The Ninth Towers Office Building Project and collects the property management fee from CPNREIT at the rate and under the conditions as set out in the property manager appointment Agreement.	GLAND was formerly the developer and has been the property manager of The Ninth Towers Office Building Project and, therefore, has considerable knowledge, understanding and experience in management of The Ninth Towers Office Building Project.
	GLAND had leased the spaces and services from CPNREIT, with the rental and service fees being charged at the market rate, which was based on the location, size of the leased space, form of lease, lease period, and type of lease. Such lease of spaces and services by GLAND already ended on 18 April 2020.	This aims for benefit procurement from CPNREIT's properties, with the rental and service fees being charged at the market rate, which is based on the location, size of the leased space, form of lease, lease period, and type of lease.
Sterling	Sterling acts as the property manager of Unilever House Office Building Project and collects the property management fee from CPNREIT at the rate and under the conditions as set out in the property manager appointment Agreement.	Sterling has been the property manager of Unilever House Office Building Project and, therefore, has considerable knowledge, understanding and experience in management of Unilever House Office Building Project.

Value of Connected Transactions of CPNREIT with REIT Manager and its Connected Persons over the Past Period

Item (Unit: THB Thousand)	For the Year Ended 31 December 2020	For the Year Ended 31 December 2021	For the Year Ended 31 December 2022
Income			
Rental and service income			
Central Pattana and its subsidiaries	309,871	142,632	341,471
GLAND	3,326	1,618	1,318
Central Group	387,356	220,045	303,871
Other income			
Central Pattana and its subsidiaries	735	1,258	4,648
GLAND	-	5	7
Central Group	117	134	697
Expenses			
Cost of rental and services			
Central Pattana and its subsidiaries	17,149	75,199	128,495
GLAND	46,321	41,940	54,705
Sterling	8,503	8,671	13,909
Central Group	3,046	288	1,032
Management fee			
CPN REIT Management	150,348	162,465	162,448
Property management fee			
Central Pattana and its subsidiaries	376,822	378,326	460,000
GLAND	18,733	22,006	22,257
Sterling	9,225	12,463	12,419
Other expenses			
Central Pattana and its subsidiaries	11,257	7,897	9,956
Central Group	420	338	500

Outstanding Balance of CPNREIT with REIT Manager or its Connected Persons

Item (Unit: THB Thousand)	As of 31 December 2020	As of 31 December 2021	As of 31 December 2022
Rental and service receivables			
Central Pattana and its subsidiaries	222,286	190,751	260,168
GLAND	443	472	507
Sterling	336	181	478
Central Group	73,124	94,228	14,738
Trade accounts payable			
Central Pattana and its subsidiaries	108,715	95,615	120,614
CPN REIT Management	26,116	27,940	27,926
GLAND	10,455	9,975	14,265
Sterling	3,899	3,019	3,400
Central Group	110	56	210
Other accounts payable			
Central Pattana and its subsidiaries	274	11	11
Central Group	7,334	5,501	3,222
Deposits received from tenants			
Central Pattana and its subsidiaries	18,456	21,568	21,955
GLAND	3,049	-	-
Central Group	138,517	78,030	72,051
Lease Liabilities			
Central Pattana Rama 2	17,727,116	19,314,708	21,044,941
Other liabilities			
Central Pattana and its subsidiaries	6,262	7,789	10,321
GLAND	77	28	46
Sterling	29	11	36
Central Group	17,656	12,068	12,800

3.Transactions of CPNREIT with the Trustee and its Connected Persons

Connected (Juristic) Persons of CPNREIT	Characteristics of Connected Transaction	Necessity and Rationality of Transaction
SCB and its subsidiaries	SCB and its subsidiaries have taken leases of spaces and services from CPNREIT whereby the rental and service fees are at market prices, which are subject to location, area, lease form, lease term and type of lease.	Such transactions have been conducted for the purpose of benefit procurement from CPNREIT's properties whereby the rental and service fees are set according to market prices, which are subject to location, area, lease form, lease term and type of lease.
SCBAM	SCBAM is the Trustee of CPNREIT.	SCBAM has experience in acting as the trustee of real estate investment trusts as well as in managing property funds for several types of businesses and has knowledge and understanding in management of mutual funds and real estate investment trusts including relevant rules. Therefore, SCBAM is suitable for acting as the Trustee.
SCB	CPNREIT has opened deposit accounts with SCB.	It is in the ordinary course of business of CPNREIT.

Value of Connected Transactions of CPNREIT with the Trustee and its Connected Persons over the Past Period

Item (Unit: THB Thousand)	For the Year Ended 31 December 2020	For the Year Ended 31 December 2021	For the Year Ended 31 December 2022
Income			
Rental and service income			
SCB and its subsidiaries	51,025	46,625	44,625
Interest Income			
SCB	565	918	1,677
Expenses			
Trustee fee			
SCBAM	40,930	43,940	28,501
Financial cost			
SCB	503	258	166

Outstanding Balance of CPNREIT with the Trustee and its Connected Persons

Item (Unit: THB Thousand)	As of 31 December 2020	As of 31 December 2021	As of 31 December 2022
Cash at bank			
SCB	580,840	682,950	1,368,592
Rent and service receivables			
SCB	5,917	121	68
Other accounts payable			
SCBAM	7,091	7,559	4,026
SCB	130	57	55
Deposits received from tenants			
SCB	26,866	31,493	28,091
Other liabilities			
SCB and its subsidiaries	1,910	1,500	1,085

Policy on Transactions between CPNREIT and REIT Manager or its Connected Persons

In the case of potential transactions of CPNREIT with the REIT Manager or its Connected Persons (apart from those as shown above), the REIT Manager shall comply with the Securities Laws as follows:

1. Connected Persons of the REIT Manager

   Connected Persons of the REIT Manager shall have the meaning as defined in the notifications relating to the criterion for conducting connected transactions.

2. General conditions and rules of CPNREIT for conducting transactions with the REIT Manager or its Connected are as follows:

   - In conducting transactions of CPNREIT with the REIT Manager or its Connected Persons, such transactions shall be conducted in accordance with the Trust Deed and relevant laws for the benefit of CPNREIT.
   - The transactions conducted by CPNREIT with the REIT Manager or its Connected Persons must be reasonable and at fair prices. Also, expenses for entering into the transactions collected from CPNREIT (if any) must be fair and reasonable.
   - Interested persons of the transactions, whether direct or indirect, must not take part in decision making.
   - In the case that the law stipulates that for entering into any transaction by CPNREIT, approval must be obtained by the meeting of the board of directors of the REIT Manager and/or the meeting of unitholders before entering into such transaction. The REIT Manager shall have independent directors give their opinions on such transaction. The independent directors' opinions shall be presented to the meeting of the board of directors of the REIT Manager and/or the meeting of unitholders to ensure that the entering into the transaction as proposed shall be for the benefit of CPNREIT and the unitholders. If the independent directors do not have expertise in the connected transaction to be conducted, the REIT Manager shall provide independent experts such as independent financial advisors, property appraisers and auditors to give opinions regarding such connected transaction for use in support of the consideration and decision making by the board of directors of the REIT Manager or the unitholders, as the case may be. Any person who has a special interest, shall not be entitled to vote for such transaction, in which he/she has a special interest. In this regard, in considering and approving the entering into the transaction of CPNREIT, whether by the meeting of the board of directors of the REIT Manager and/or the meeting of unitholders, relevant rules shall be complied with. Besides, the connected transactions shall be disclosed in the notes to the financial statements audited or reviewed by the auditor of CPNREIT in accordance with relevant rules.

3. Approval required for entering into any transaction between CPNREIT and the REIT Manager or its Connected Persons shall follow the following steps:

   - Approval from the Trustee must be requested to ensure that such transaction is in accordance with the Trust Deed and relevant laws;
   - In the case of a transaction with a value exceeding Baht 1,000,000 or from 0.03 percent of CPNREIT's net asset value, whichever is higher, approval from the board of directors of the REIT Manager must be obtained;
   - In the case of the value of the transaction is from Baht 20,000,000 or exceeds 3.0 percent of the net asset value of CPNREIT, whichever is higher, it requires the approval of unitholders with the votes of not less than three-fourths of the total voting right of the unitholders attending the meeting and having the right to vote.

Policy on Transactions of CPNREIT with the Trustee or its Connected Persons

In the case that it is necessary for CPNREIT to enter into a transaction with the Trustee or its Connected Persons, the REIT Manager shall consider the necessity and rationality for the entering into the transaction whereby the independent directors shall give opinions on the necessity and benefits to be received by CPNREIT from the entering into the transaction. In this regard, the disclosure of information in accordance with the following steps shall be deemed sufficient disclosure to the unitholders or investors before the entering into the transaction which is contrary to CPNREIT's interest:

1. The information is disclosed via the SET in accordance with the regulations of the SET regarding such matter or via any other channel, by which the unitholders are able to gain access to the information on the entering into such transaction;
2. The period of time for disclosure of information shall be reasonable whereby it must be not less than 14 days;
3. Channels, procedures and period of time for raising objection shall be clearly disclosed whereby such period of time must be not less than 14 days, except for the case that the unitholders' resolution for the entering into such transaction is requested, the objection shall be made during the request for the unitholders' resolution.

The consideration and approval for the entering into such transaction shall be in accordance with relevant rules whereby any person who has special interest in any matter, shall not be entitled to vote for approval for the transaction, in which he/she has special interest. In the case that the unitholders holding more than one fourth of the total number of units sold evidently object to the entering into such transaction in accordance with the procedures stated in Item 3), the Trustee shall not permit or allow the entering into such transaction which is contrary to CPNREIT's interest.

In this regard, for a transaction which causes a conflict of interest between CPNREIT and the Trustee, if the SEC, the SEC Office and/or any other agency with legal authority amends, adds, announces, stipulates, instructs, approves and/or grants relaxation otherwise, CPNREIT shall comply therewith.

Financial and Operating Performance in 2022

Income

In 2022, CPNREIT reported total income of Baht 4,886.7 million, an increase of Baht 1,359.5 million or 38.5%yoy, this was attributable to:

Rental and service income totaled Baht 4,863.6 million, increased by 38.9%yoy, CPNREIT recognized rental income and rental discount on a straight-line basis over the lease term in accordance with TFRS 16, resulting in the rental income and rental discount shown in the financial statements was different from the actual rental income received and the actual rental discount given. The details are as follows:

- Rental and service income from shopping centers totaled Baht 3,898.7 million, increased by 52.5%yoy, mainly due to the decrease of rental discount to be at 14% of rental income compared to 37% of rental income in 2021 and the increase of income from promotion areas and rental income from consignment.
- Rental and service income from 4 office buildings, namely Pinklao Tower A & Tower B, The Ninth Towers and Unilever House, totaled Baht 851.4 million, increased by 10.6%yoy resulting from lower rental discount of Pinklao Tower A and Tower B and higher occupancy rates of The Ninth Towers and Pinklao Tower A.
- Rental income from hotel totaled Baht 259.7 million, divided into the fixed rent of Baht 182.4 million and the variable rent of Baht 77.3 million, an increase of 342.6%yoy as CPNREIT waived the fixed rent for 1Q21 to 3Q21 to the sublessee due to the ongoing COVID-19 pandemic, which was classified as the force majeure circumstance under the hotel sublease agreement.
- The accounting adjustment in accordance with TFRS 16 including rental income and rental discount on a straight-line basis from shopping centers, office buildings and hotel totaling Baht 146.2 million, lower rental and service income.

Other income was Baht 17.1 million, decreased by 24.5%yoy resulting from lower of penalty for early termination of the contract and compensation from insurance companies. Interest income was Baht 6.1 million, increased by 105.3%yoy resulting from higher portion of fixed deposits at banks.

Expense

In 2022, CPNREIT reported total expense of Baht 3,493.4 million, increased by Baht 343.1 million or 10.9%yoy, resulting from the accounting recognition of non-cash interest expense from lease liabilities amounting Baht 1,736.5 million in accordance with TFRS 16. If excluding interest expense from lease liabilities, total expense was Baht 1,756.9 million, increased by 12.9%yoy comprising of:

- The cost of rental and service totaling Baht 327.6 million, increased by 31.5%yoy, mainly from the land and building tax expense increased as no 90% discount like last year and higher electricity cost from the increase of units used and the fuel tariff (FT) rate.
- Other expenses were Baht 113.8 million, increased by 36.2%yoy, mainly from the advertising and promotion expense, comparing to the previous year in which the events inside shopping malls were not allowed during the COVID-19 epidemic.
- Property management fee was Baht 494.7 million, increased by 19.8%yoy, mainly from the increase of rental collection fee from higher rental and service income as well as the increase of incentive fee from higher net property income.
- Management fee was Baht 162.4 million, similar to the previous year. Trustee fee was Baht 28.5 million, decreased by 35.1%yoy resulting from the fee calculation adjustment to sliding rates.

Interest expense was Baht 624.9 million, increased by 4.3%yoy due to the rising interest rate environment.

Net Investment Income

In 2022, CPNREIT reported net investment income of Baht 1,393.3 million, increased by Baht 1,016.5 million or 269.7%yoy. If eliminating the impact from TFRS 16 i.e. the accounting record of interest expense from lease liabilities amounting Baht 1,736.5 million, and the rental income and rental discount on a straight-line basis totaling Baht 146.2 million, which were non-cash items, CPNREIT's net investment income would be Baht 3,276.0 million, increased by 76.7%yoy driven mainly from the decrease of rental discount and the increase of rental income from hotel business and promotion income.

Profitability

Net property income margin for 2022 stood at 80.8%, increased by 2.0%yoy. Net investment income margin stood at 28.5%, increased by 17.8%yoy, due to lower rental discounts and higher rental income from hotel and promotion income. If excluding interest expense from lease liabilities, net investment income margin equaled to 64.1%, increased by 8.2%yoy.

Balance Sheet Movement

As of 31 December 2022, CPNREIT reported total assets of Baht 80,316.8 million, increased by Baht 1,345.3 million or 1.7% from total assets as at the end of 2021. This is mainly attributable to:

1) Investment in leasehold properties at fair value amounting to Baht 76,303.5 million, increased by Baht 932.9 million or 1.2% from the increase of valuation of leasehold investment in Central Rama 2, while the valuation of leasehold investment in Central Pinklao and Central Marina decreased from the remaining leasehold period and the performance respectively.
2) Cash equivalents totaled Baht 2,041.8 million, increased by Baht 882.6 million, or 76.1%, from matured investments in securities, improved performance, and the unpaid rent collection from tenants.
3) Rental and service receivables totaling Baht 671.5 million, decreased by 24.8%, comprising of the accounting record on a straight-line basis of Baht 267.3 million and the receivables from the delay of rental payment of Baht 404.2 million, decreased by 15.7% from the unpaid rent collection.

Total liabilities were Baht 47,039.6 million, increased by Baht 1,886.9 million or 4.2% from the end of 2021. This is mainly attributable to:

1) Lease liability of Central Rama 2 totaling Baht 21,044.9 million, increased by Baht 1,730.2 million due to the growth of interest expense of lease liabilities recorded under TFRS 16, which was non-cash item.
2) Debentures totaled Baht 17,324.9 million, increased by 13.1% due to the issuance of debenture amounting Baht 2,000 million for loan repayment in February 2022, while borrowing totaled Baht 5,676.5 million, decreased by 21.6%.

Interest bearing debt (excluding lease liabilities) to total assets equaled to 28.6%

As at 31 December 2022, Net Asset Value ("NAV") was recorded at Baht 33,277.2 million or Baht 12.9582 per unit, decreased from Baht 13.1691 per unit as of 31 December 2021.

The Distribution of Return to Trust Unitholders

In consideration of the distribution of return to trust unitholders the REIT Manager remains committed to liquidity by considering cash flow from operations, ongoing rental discount, reserve for loan repayment and capital expenditure for renovation and maintenance of assets.

Therefore, the REIT Manager considered the distribution of return of Baht 1.1369 per unit, an increase of 88.5%yoy, comprising of distribution of return of Baht 0.8221 per unit and payment in form of capital reduction of THB 0.3148 per unit. The distribution of returns of CPNREIT in 2022 was at 93.5% of the adjusted net profit in accordance with the guidelines of the Office of the SEC, as follows:

Type of Payment	Operation Period	Baht per Unit	Payment Date
Distribution of return	1 Jan – 31 Mar 2022	0.1814	6 Jun 2022
Capital reduction		0.0555	
Distribution of return	1 Apr – 30 Jun 2022	0.2800	2 Sep 2022
Distribution of return	1 Jul – 30 Sep 2022	0.3000	2 Dec 2022
Distribution of return	1 Oct – 31 Dec 2022	0.0607	16 Mar 2023
Capital reduction		0.2593	

The distribution payment in the form of capital reduction to trust unitholders is in accordance with the Causes of Reduction of Paid-up Capital stated in the Trust Deed as follow:

1) The value of leasehold rights in immovable properties decreases with the review or appraisal value: a loss was incurred from the change in fair value in the statement of comprehensive income as the fair value of leasehold rights of Central Pinklao and Central Pattaya decreased with the remaining lease terms and operating results at the end of 2022.
2) CPNREIT has excess liquidity from non-cash income and/or expense items recorded in accordance with the financial reporting standards, as CPNREIT registered the 30-year leasehold right of Central Rama 2 (renewal period) in 2020 with a lease payment in 2025, incurring non-cash items, i.e., in interest expenses on lease liabilities, under comprehensive income.

Table 1 : Opration performance in 2022

(Unit : THB Baht)	31-Dec-21	31-Dec-22	YoY (%)
Property income	**3,524.2**	**4,880.6**	**38.4%**
Rental and service income	3,501.6	4,863.6	38.9%
Other income	22.6	17.1	(24.5%)
Interest income	3.0	6.1	105.3%
Total income	**3,527.2**	**4,886.7**	**38.5%**
Property expenses	745.6	936.1	25.6%
Cost of rental and service	249.2	327.6	31.5%
Other expenses	83.6	113.8	36.2%
Property management fee	412.8	494.7	19.8%
Interest expense	599.4	624.9	4.3%
Interest on lease liability	1,593.8	1,736.5	9.0%
Management fee	162.5	162.4	0.0%
Trustee fee	43.9	28.5	(35.1%)
Registrar fee	4.0	3.7	(5.5%)
Professional fee	1.3	1.3	0.5%
Total expense	**3,150.3**	**3,493.4**	**10.9%**
Net investment income	**376.8**	**1,393.3**	**269.7%**
Net gain (loss) on investments	(4.4)	(3.1)	31.0%
Net gain (loss) on change in fair value of investments	493.5	721.0	46.1%
Net increase (decrease) in net assets from operations	**865.9**	**2,111.2**	**143.8%**
Distribution	141.8	2,111.2	1389.3%
Distribution per unit (THB)	0.0552	0.8221	1389.3%
Capital reduction	1,407.3	808.4	(42.6%)
Capital reduction per unit (THB)	0.5480	0.3148	(42.6%)
Net property income margin	78.8	80.8	2.0%
Net investment income margin	10.7	28.5	17.8%
Net investment income margin (excluded interest on lease liability)	55.9	64.1	8.2%

Table 2 : Chang in Statement of financial position

(Unit : THB Baht)	31-Dec-21	31-Dec-22	YoY (%)
Investment in leasehold properties			
Central Rama 2	25,693.6	27,168.5	5.7%
Central Rama 3	12,753.0	13,099.0	2.7%
Central Pinklao and Pinklo Tower A & B	3,204.0	2,184.0	(31.8%)
Central Chiangmai Airport	10,435.0	10,439.0	0.0%
Central Pattaya	7,279.0	7,474.0	2.7%
Hilton Pattaya	3,668.0	3,790.0	3.3%
The Ninth Towers	5,860.0	5,921.0	1.0%
Unilever House	1,356.0	1,361.0	0.4%
Central Marina	2,188.0	1,904.0	(13.0%)
Cenrtral Lampang	2,934.0	2,963.0	1.0%
Total investment in leasehold properties	75,370.6	76,303.5	1.2%
Investment in securities	1,073.1	873.9	(18.6%)
Cash equivalents	1,159.2	2,041.8	76.1%
Accrued rental and service receivables	893.1	671.5	(24.8%)
Receivable from the Revenue Department	367.5	256.2	(30.3%)
Other assets	**107.9**	**169.9**	**57.4%**
Total assets	78,971.5	80,316.8	1.7%
Deposits received from customers	1,730.2	1,772.3	2.4%
Lease liability	19,314.7	21,044.9	9.0%
Borrowings	7,237.2	5,676.5	(21.6%)
Debentures	15,324.3	17,324.9	13.1%
Provision for decommissioning	90.5	92.9	2.7%
Other liabilities	1,455.8	1,128.1	(22.5%)
Total liabilities	**45,152.7**	**47,039.6**	**4.2%**
Net Assets	**33,818.8**	**33,277.2**	**(1.6%)**
Capital received from unitholders	31,475.4	30,919.6	(1.8%)
Capital surplus	2,201.4	2,201.4	0.0%
Retained earning (deficit)	142.0	156.1	9.9%
NAV per unit (THB)	**13.169**	**12.958**	**(1.6%)**

Table 3 : Statement of financial position Summary

(Unit : THB Baht)	31 Dec 2020	31 Dec 2021	31 Dec 2022
Assets			
Investments measured at fair value through profit or loss	1,072.80	1,073.10	873.91
Investments in leasehold properties at fair value	68,269.71	75,370.65	76,303.52
Cash equivalents	1,162.10	1,159.17	2,041.83
Accrued rental and service receivables	644.43	893.11	671.48
Receivable from the Revenue Department	-	-	-
Refunable value added tax	319.03	367.50	256.18
Prepaid expenses	27.77	9.84	18.04
Other assets	81.33	98.09	151.85
Total assets	**71,577.17**	**78,971.45**	**80,316.81**
Liabilities			
Trade accounts payable	166.89	157.90	200.32
Other accounts payable	25.88	29.97	26.72
Witholding tax payable	1.56	0.62	35.74
Accrued expenses	631.53	971.52	555.78
Rent received in advance	34.35	22.64	24.27
Deposits received from tenants	1,664.03	1,730.22	1,772.28
Borrowings	8,524.03	7,237.20	5,676.48
Debentures	14,510.68	15,324.26	17,324.92
Lease liabilities	17,727.12	19,314.71	21,044.94
Other liabilities	247.13	273.19	285.28
Provision for decommissioning and restoration	-	90.46	92.91
Total liabilities	**43,533.19**	**45,152.67**	**47,039.65**
Net assets	**28,043.98**	**33,818.78**	**33,277.17**
Net assets			
Capital from unitholders	28,551.79	31,475.37	30,919.64
Capital surplus	216.09	2,201.43	2,201.43
Retained earnings (deficit)	(723.90)	141.99	156.09
Net assets	**28,043.98**	**33,818.78**	**33,277.17**
Net asset value per unit (in Baht)	12.675	13.169	12.958
Number of units issued at the end of year (units)	2,212,476,700	2,568,034,000	2,568,034,000

Table 4 : Statement of comprehensive income Summary

(Unit : THB Baht)	For the year ended 31 December 2020	For the year ended 31 December 2021	For the year ended 31 December 2022
Income			
Rent and service income	4,041.14	3,501.59	4,863.57
Interest income	7.17	2.96	6.09
Other income	21.31	22.61	17.06
Total income	**4,069.62**	**3,527.16**	**4,886.72**
Expenses			
Management fee	150.35	162.46	162.45
Trustee fee	40.93	43.94	28.50
Registrar fee	4.16	3.95	3.73
Professional fee	1.28	1.28	1.29
Property management fee	404.78	412.80	494.68
Costs of rental and services	124.43	249.20	327.59
Other expenses	92.72	83.56	113.84
Finance cost	1,713.43	2,193.14	2,361.37
Total expenses	**2,532.08**	**3,150.34**	**3,493.45**
Net profit on investments	**1,537.54**	**376.82**	**1,393.27**
Net gain (loss) on investments			
Net gain (loss)on investments	(9.72)	(4.44)	(3.06)
Net gain (loss) on change in fair value of investments	(1,223.22)	493.51	720.96
Total net gain (loss) on investments	**(1,232.94)**	**489.07**	**717.89**
Net increase in net assets resulting from operations	**304.60**	**865.89**	**2,111.16**

Table 5 : Statement of cash flows Summary

(Unit : THB Baht)	2020	2021	2022
Cash flows from operating activities			
Net increase in net assets from operations	304.6	865.9	2,111.2
Adjustments to reconcile net increase (decrease) in net assets from			
operations to net cash used in operating activities:			
Net loss on investments	9.7	4.4	3.1
Net (gain) loss on changes in fair value of investments	1,223.2	(493.5)	(721.0)
Purchases of investments in securities	(2,333.7)	(1,497.9)	(1,647.0)
Proceed from sale of investments in securities	2,165.0	1,500.0	1,848.0
Purchases of investments in leasehold properties	(8,422.3)	(6,527.7)	(217.5)
Proceed from sale of investments in leasehold properties	1.0	1.8	0.7
(Increase) decrease in accrued rental and service receivables	(443.9)	(247.5)	223.9
(Increase) decrease in receivable from the Revenue Department	73.8	(48.5)	111.3
(Increase) decrease in prepaid expense	(2.1)	17.9	(8.2)
(Increase) decrease in other assets	99.6	(16.8)	(53.8)
Increase (decrease) in trade accounts payable	16.1	(9.0)	42.4
Increase (decrease) in other accounts payable	(8.4)	4.1	(3.3)
Increase (decrease) in witholding tax payable	(68.1)	(0.9)	35.1
Increase (decrease) in accrued expenses	297.4	356.8	(432.5)
Increase (decrease) in rent received in advance	(17.4)	(11.7)	1.6
Increase in deposits received from tenants	80.4	66.2	42.1
Increase in other liabilities	8.7	26.1	12.1
Interest income	(7.2)	(3.0)	(6.1)
Interest received	10.6	1.8	3.9
Finance cost	1,713.4	2,193.1	2,361.4
Net cash from (used in) operating activities	**(5,299.3)**	**(3,818.2)**	**3,707.4**

(Unit : THB Baht)	2020	2021	2022
Cash flows from financing activities			
Proceeds from borrowings	8,530.7	7,653.0	499.0
Repayment of borrowings	0.0	(8,940.6)	(2,080.4)
Payment of front-end fee	(8.5)	(0.3)	(1.1)
Proceeds from issue of debentures	0.0	6,150.0	2,000.0
Repayment of debentures	0.0	(5,350.0)	0.0
Transaction costs from issue of debentures	0.0	(5.6)	(2.1)
Interest paid	(602.9)	(593.9)	(581.3)
Distributions to trust unitholders	(1,497.2)	0.0	(2,097.1)
Capital return to trust unitholders	(464.6)	(1,572.0)	(555.7)
Issuing and offering unit trusts	0.0	6,577.8	0.0
Expenses related to issuing and offering unit trusts	0.0	(96.9)	0.0
Payment of lease liabilities	(6.0)	(6.2)	(6.2)
Net cash from (used in) financing activities	**5,951.5**	**3,815.3**	**(2,824.8)**
Net increase (decrease) in cash equivalents	**652.2**	**(2.9)**	**882.7**
Cash equivalents at 1 January	509.9	1,162.1	1,159.2
Cash equivalents at 31 December	**1,162.1**	**1,159.2**	**2,041.8**

Table 6: Leasable Area and Occupancy

	Area (sqm)		Average Occupancy Rate				
	GFA	NLA[/1]	4Q21	1Q22	2Q22	3Q22	4Q22
Central Rama 2	286,580	88,832	93.8%	92.7%	92.5%	94.2%	95.8%
Central Rama 3	169,740	36,040	91.6%	93.0%	93.6%	95.0%	94.5%
Central Pinklao	137,692	27,711	96.5%	97.3%	98.0%	98.1%	97.4%
Pinklao Tower A & B	50,653	34,096	80.9%	78.0%	78.1%	82.4%	84.7%
Central Chiangmai Airport	122,991	36,829	95.5%	96.6%	96.3%	96.1%	96.4%
Central Pattaya	70,095	29,388	91.2%	91.2%	90.6%	90.1%	91.6%
The Ninth Towers	95,997	58,914	81.1%	83.1%	84.2%	85.1%	85.9%
Unilever House	30,176	18,527	100.0%	100.0%	100.0%	100.0%	100.0%
Central Marina	45,149	15,453	90.7%	91.4%	89.6%	89.0%	87.1%
Central Lampang	45,716	16,363	93.7%	92.7%	93.5%	93.5%	92.4%
Total/Average	**1,054,789**	**362,152**	**90.6%**	**90.7%**	**90.9%**	**91.9%**	**92.5%**
Hilton Pattaya	49,686	304 rooms	60.2%	53.6%	79.1%	84.7%	84.8%

Remark: [/1] Anchor and in-line tenants only

[/2] excluding meeting room area of 3,068 sq.m.

Table 7: Renewals and New Leases

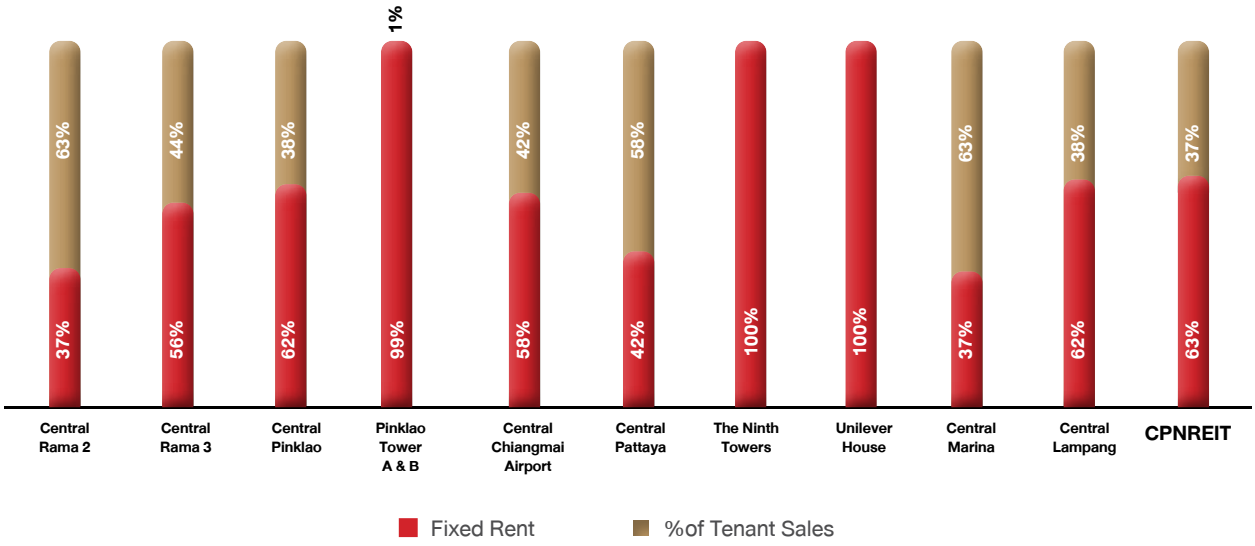
Project	From 1 January to 31 December 2022		
	Renewals and New Leases [/1]		
	No. of Leases	Area (sqm)	%of Total [/2]
Central Rama 2	177	19,703	49.2
Central Rama 3	54	8,584	41.0
Central Pinklao	61	9,421	50.1
Pinklao Tower A & B	64	19,775	68.4
Central Chiangmai Airport	64	8,120	33.9
Central Pattaya	61	9,218	56.7
The Ninth Towers	27	9,201	18.2
Central Marina	19	3,079	44.1
Central Lampang	49	6,801	59.1
Total	**576**	**93,902**	**43.1**

Remark: [/1] Exclude rental agreements < 1 year and Anchor tenants

[/2] Percentage of leasable area at 31 December 2022

Rental Structure

as of 31 December 2022 (%)

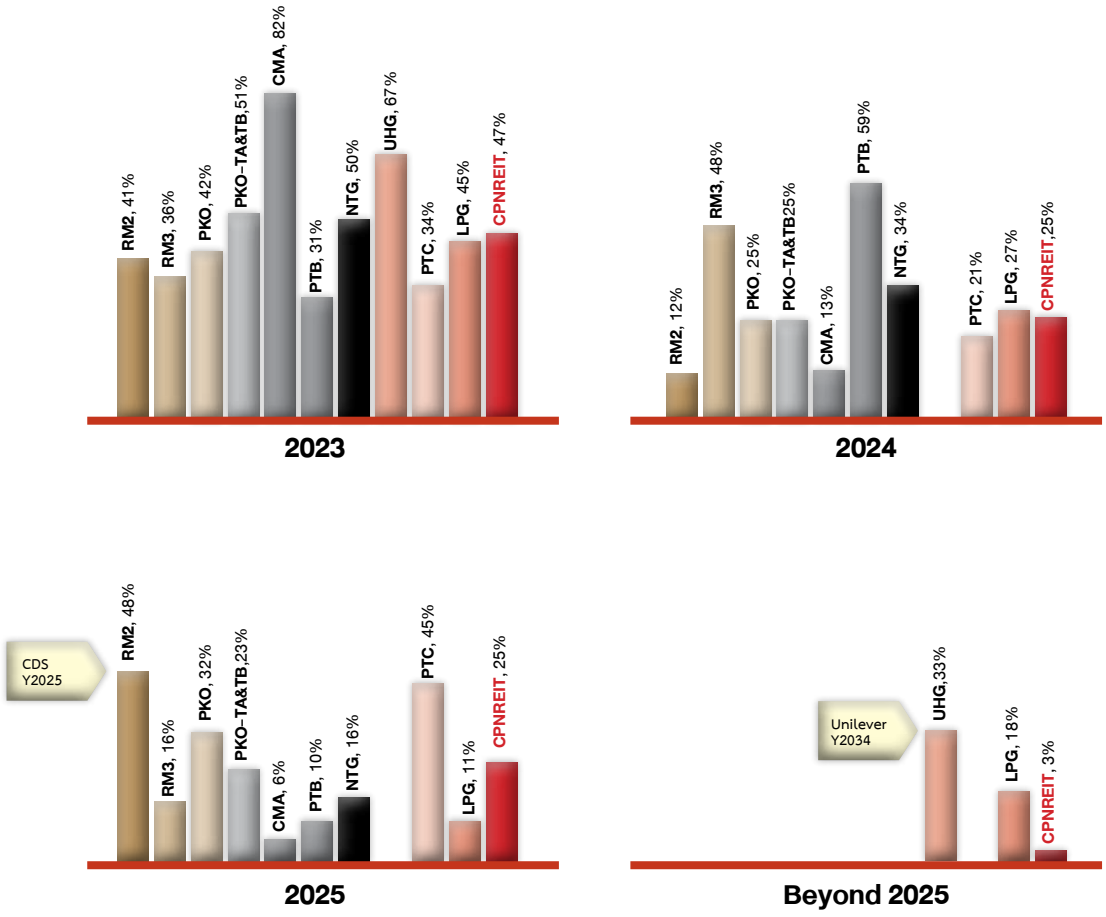


Remark:

1. Percentage of total occupied area as at 31 December 2022
2. Exclude rental agreements < 1 year

Lease Expiry Profile

as of 31 December 2022 (%)



SCB
บลจ. ไทยพาณิชย์

TRUSTEE REPORT

February 2nd, 2023

To: Trust Unitholders

CPN Retail Growth Leasehold REIT

SCB Asset Management Company Limited (the "Trustee"), as the Trustee of CPN Retail Growth Leasehold REIT (the "REIT") which managed by CPN REIT Management Co., Ltd. (the "REIT Manager"), would like to inform you that for the period of January 1st, 2022 to December 31st, 2022, the REIT Manager had managed the REIT properly and efficiently as well as in compliance with applicable laws, regulations and the trust deeds in a way that protects interests of the REIT and Trust unitholders as a whole.

Yours faithfully,

SCB Asset Management Company Limited

(Mrs. Tipaphan Puttarawigorm) (Miss Rassamee Ponsukcharoen)

Trustee

บริษัทหลักทรัพย์จัดการกองทุน ไทยพาณิชย์ จำกัด (สำนักงานใหญ่)
ชั้น 7-8 อาคาร 1 ไทยพาณิชย์ปาร์ค พลาซ่า เลขที่ 18 ถนนรัชดาภิเษก แขวงจตุจักร เขตจตุจักร กรุงเทพฯ 10900
โทรศัพท์ 0 2949 1500 โทรสาร 0 2949 1501

SCB Asset Management Co.,Ltd. (Head Office)
7th - 8th SCB Park Plaza 1 No. 18 Ratchadapisek Rd., Chatuchak, Bangkok 10900 Thailand Tel. 0 2949 1500 Fax 0 2949 1501

WWW.SCBAM.COM

FINANCIAL STATEMENTS

To the Unitholders of CPN Retail Growth Leasehold REIT

Opinion

I have audited the financial statements of CPN Retail Growth Leasehold REIT (the Trust), which comprise the statement of financial position and details of investments as at 31 December 2022, the statements of comprehensive income, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 31 December 2022 and its financial performance, changes in net assets and cash flows for the year then ended in accordance with the accounting guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies as approved by The Securities and Exchange Commission.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). 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 *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Valuation of investments in leasehold properties at fair value	
Referred to Notes 3 (b) and 7 to the financial statements	
The key audit matter	**How the matter was addressed in the audit**
Investments in leasehold properties are measured at fair value and material to the financial statements of the Trust. The fair value of investments in leasehold properties are estimated by income approach using discounted cash flows. The Trust engaged independent external valuer to assist in valuing the fair value of these investments. Identification and assessment of the fair value require significant judgment in determining the key assumptions. Therefore, such matter is an area that my audit is particularly concentrated on.	My audit procedures included: • Understanding and evaluating the basis upon which the Trust identified and assessed the fair value of assets. • Evaluating the independence, qualification and competence of the valuer of the Trust and read the terms of engagement letter between the valuer and the Trust. • Using the work of external expert engaged by KPMG in considering the reasonableness of measurement basis and key assumptions used for estimating fair value of assets. • Considering the key assumptions by comparing assumptions in appraisal report with actual occurrence and testing calculation. • Considering the adequacy of the disclosures in accordance with Thai Financial Reporting Standards.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to management and request that the correction be made.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies as approved by The Securities and Exchange Commission, 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.

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 TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the management 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with management, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Vannaporn Jongperadechanon)
Certified Public Accountant
Registration No. 4098

KPMG Phoomchai Audit Ltd.
Bangkok
16 February 2023

STATEMENT OF FINANCIAL POSITION

CPN RETAIL GROWTH LEASEHOLD REIT

	Note	31 December 2022	31 December 2021
		(in Baht)	
Assets			
Investments measured at fair value through profit or loss	*6*	873,909,750	1,073,095,044
Investments in leasehold properties at fair value	**7**	76,303,517,769	75,370,649,739
Cash equivalents	*8, 12*	2,041,833,116	1,159,173,707
Accrued rental and service receivables	*5, 12*	671,483,655	893,113,086
Receivable from the Revenue Department		256,178,296	367,499,838
Prepaid expenses		18,038,194	9,837,293
Other assets		151,853,311	98,085,202
Total assets		**80,316,814,091**	**78,971,453,909**
Liabilities			
Trade accounts payable	*12*	200,318,563	157,898,573
Other accounts payable	*12*	26,715,759	29,966,014
Witholding tax payable		35,743,693	618,125
Accrued expenses		555,782,045	971,516,258
Rent received in advance		24,267,797	22,636,530
Deposits received from tenants	*12*	1,772,284,444	1,730,221,052
Borrowings	*9*	5,676,476,619	7,237,195,416
Debentures	*10*	17,324,923,844	15,324,257,078
Lease liabilities	*12*	21,044,940,904	19,314,707,661
Provision for decommissioning and restoration		92,912,241	90,462,251
Other liabilities	*12*	285,281,231	273,190,855
Total liabilities		**47,039,647,140**	**45,152,669,813**
Net assets		**33,277,166,951**	**33,818,784,096**

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

CPN RETAIL GROWTH LEASEHOLD REIT

	Note	31 December 2022	31 December 2021
		(in Baht)	
Net assets			
Capital from unitholders	*13*	30,919,642,962	31,475,365,521
Capital surplus	*13*	2,201,430,985	2,201,430,985
Retained earnings	*13*	156,093,004	141,987,590
Net assets		**33,277,166,951**	**33,818,784,096**
Net asset value per unit *(in Baht)*		12.9582	13.1691
Number of units issued at the end of year *(units)*		2,568,034,000	2,568,034,000

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

DETAILS OF INVESTMENTS

CPN RETAIL GROWTH LEASEHOLD REIT

Details of investments are presented by investment catergory.

Type of investments	Note	Areas held	31 December 2022 Cost	31 December 2022 Fair value	31 December 2022 Percentage of investments	31 December 2021 Cost	31 December 2021 Fair value	31 December 2021 Percentage of investments
		(Rai-Ngan-Sq. Wah)	*(in Baht)*		*(%)*	*(in Baht)*		*(%)*
Investments in leasehold properties	*7*							
Leasehold and subleasehold rights on land including shopping center buildings and utility systems, hotel and office buildings under 10 projects								
1. Central Rama 2 project								
Location Rama 2 Road, Bangkhuntien, Bangkok								
Subleasehold right on land, leasehold right on shopping center building including parking building, utility systems, furniture, fixtures and equipment		53-2-38.4	7,186,000,000			7,186,000,000		
Related acquisition costs for leasehold right			136,411			136,411		
Leasehold improvements			987,687,677			828,939,717		
Rights-of-use assets			16,821,323,962			16,821,323,962		
			24,995,148,050	**27,168,517,769**	**35.20**	**24,836,400,090**	**25,693,649,739**	**33.61**
2. Central Rama 3 project								
Location Ratchadapisek Road, Yannawa, Bangkok								
Leasehold right on land, leasehold right on shopping center building including parking spaces, utility systems, furniture, fixtures and equipment		12-2-44.6	9,179,000,000			9,179,000,000		
Related acquisition costs for leasehold right			248,541			248,541		
Leasehold improvements			543,935,354			530,101,871		
			9,723,183,895	**13,099,000,000**	**16.97**	**9,709,350,412**	**12,753,000,000**	**16.68**

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

CPN RETAIL GROWTH LEASEHOLD REIT

Type of investments	Note	Areas held	31 December 2022 Cost	31 December 2022 Fair value	31 December 2022 Percentage of investments	31 December 2021 Cost	31 December 2021 Fair value	31 December 2021 Percentage of investments
		(Rai-Ngan-Sq. Wah)	*(in Baht)*		*(%)*	*(in Baht)*		*(%)*
Investments in leasehold properties	*7*							
3. Central Pinklao project								
Location Boromratchachonnanee Road, Bangkok noi, Bangkok								
Subleasehold right on land, leasehold right on shopping center building including parking building, office building, utility systems, furniture, fixtures and equipment		24-2-84	5,542,995,247			5,542,995,247		
Related acquisition costs for leasehold right			111,861			111,861		
Leasehold improvements			115,501,988			108,791,570		
			5,658,609,096	**2,184,000,000**	**2.83**	**5,651,898,678**	**3,204,000,000**	**4.19**
4. Central Chiangmai Airport project								
Location Mahidol Road and Waulai Road, Haiya, Amphur Muang Chiangmai, Chiangmai								
Leasehold right on land, leasehold right on shopping center building including parking building, multipurpose building, utility systems, furniture, fixtures and equipment		32-3-56.85	10,494,000,000			10,494,000,000		
Related acquisition costs for leasehold right			152,780			152,780		
Leasehold improvements			52,050,182			48,220,494		
			10,546,202,962	**10,439,000,000**	**13.53**	**10,542,373,274**	**10,435,000,000**	**13.65**

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

DETAILS OF INVESTMENTS

CPN RETAIL GROWTH LEASEHOLD REIT

Type of investments	Note	31 December 2022 Cost	31 December 2022 Fair value	31 December 2022 Percentage of investments	31 December 2021 Cost	31 December 2021 Fair value	31 December 2021 Percentage of investments
		(in Baht)		(%)	(in Baht)		(%)
Investments in leasehold properties	*7*						
5. Central Pattaya project							
Location Pattaya 1 road, Nong Prue, Bang La Mung, Chonburi							
Leasehold right on shopping center building including parking spaces		4,892,299,492			4,892,299,492		
Leasehold right on utility systems		3,246,532,994			3,246,532,994		
Related acquisition costs for leasehold right		176,123,198			176,123,198		
Furniture, fixtures and equipment		15,525,000			15,525,000		
Leasehold improvements		20,415,081			14,005,087		
		8,350,895,765	**7,474,000,000**	**9.69**	**8,344,485,771**	**7,279,000,000**	**9.52**
6. Hilton Pattaya Hotel project							
Location Pattaya 1 road, Nong Prue, Bang La Mung, Chonburi							
Leasehold right on hotel building including parking building		1,501,667,006			1,501,667,006		
Leasehold right on utility systems		2,192,500,508			2,192,500,508		
Related acquisition costs for leasehold right		72,830,971			72,830,971		
Furniture, fixtures and equipment		60,000,000			60,000,000		
Leasehold improvements		295,418,788			276,301,426		
		4,122,417,273	**3,790,000,000**	**4.91**	**4,103,299,911**	**3,668,000,000**	**4.80**

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

CPN RETAIL GROWTH LEASEHOLD REIT

Type of investments	Note	31 December 2022 Cost	31 December 2022 Fair value	31 December 2022 Percentage of investments	31 December 2021 Cost	31 December 2021 Fair value	31 December 2021 Percentage of investments
		(in Baht)		(%)	(in Baht)		(%)
Investments in leasehold properties	*7*						
7. The Ninth Towers office building project							
Location Rama 9 road, Huai Khwang, Huai Khwang, Bangkok							
Leasehold right on office spaces and parking spaces		3,385,367,523			3,385,367,523		
Leasehold right on utility systems		2,631,134,500			2,631,134,500		
Related acquisition costs for leasehold right		90,574,708			90,574,708		
Furniture, fixtures and equipment		37,694			37,694		
Leasehold improvements		30,876,485			30,896,922		
		6,137,990,910	**5,921,000,000**	**7.67**	**6,138,011,347**	**5,860,000,000**	**7.67**
8. Unilever House office building project							
Location Rama 9 road, Huai Khwang, Huai Khwang, Bangkok							
Leasehold right on office spaces and parking spaces		936,457,563			936,457,563		
Leasehold right on utility systems		712,350,000			712,350,000		
Related acquisition costs for leasehold right		24,521,936			24,521,936		
Leasehold improvements		2,539,500			1,775,901		
		1,675,868,999	**1,361,000,000**	**1.76**	**1,675,105,400**	**1,356,000,000**	**1.78**

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

DETAILS OF INVESTMENTS

CPN RETAIL GROWTH LEASEHOLD REIT

Type of investments	Note	31 December 2022 Cost	31 December 2022 Fair value	31 December 2022 Percentage of investments	31 December 2021 Cost	31 December 2021 Fair value	31 December 2021 Percentage of investments
		(in Baht)		(%)	(in Baht)		(%)
Investments in leasehold properties	*7*						
9. CentralMarina project							
Location Pattaya 2 road, Nong Prue, Bang La Mung, Chonburi							
Leasehold right on shopping center building including parking spaces		1,941,067,634			1,941,067,634		
Leasehold right on utility system		639,982,717			639,982,717		
Related acquisition costs for leasehold right		39,925,057			39,925,057		
Furniture, fixtures and equipment		14,450,024			14,450,024		
Leasehold improvements		4,927,951			3,441,289		
		2,640,353,383	**1,904,000,000**	**2.47**	**2,638,866,721**	**2,188,000,000**	**2.86**
10. Central Lampang project							
Location Superhighway Lampang-Ngao Road, Suandok, Amphur Muang Lampang, Lampang							
Leasehold right on shopping center building including parking spaces		2,429,586,438			2,429,586,438		
Leasehold right on utility systems		771,889,339			771,889,339		
Related acquisition costs for leasehold right		48,052,768			48,052,768		
Furniture, fixtures and equipment		10,681,963			10,681,963		
Leasehold improvements		2,256,344			1,129,954		
		3,262,466,852	**2,963,000,000**	**3.84**	**3,261,340,462**	**2,934,000,000**	**3.84**
Total investments in leasehold properties		**77,113,137,185**	**76,303,517,769**	**98.87**	**76,901,132,066**	**75,370,649,739**	**98.60**

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

CPN RETAIL GROWTH LEASEHOLD REIT

	Note	Maturity date	31 December 2022 Principle	31 December 2022 Fair value	31 December 2022 Percentage of investments	31 December 2021 Principle	31 December 2021 Fair value	31 December 2021 Percentage of investments
			(in Baht)		(%)	(in Baht)		(%)
Investments in securities	6							
Unit Trust								
TMB Treasury Money Fund			171,772,133	173,909,750		171,772,133	173,358,024	
Fixed deposits								
Government Housing Bank		April 2022	-	-		300,000,000	300,000,000*	
Government Housing Bank		April 2023	300,000,000	300,000,000*		-	-	
Government Housing Bank		June 2023	400,000,000	400,000,000*		-	-	
Bond								
Bank of Thailand		February 2022	-	-		599,738,306	599,737,020	
Total investments in securities			**871,772,133**	**873,909,750**	**1.13**	**1,071,510,439**	**1,073,095,044**	**1.40**
Total investments			**77,984,909,318**	**77,177,427,519**	**100.00**	**77,972,642,505**	**76,443,744,783**	**100.00**

* Excluding accrued interest income

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

STATEMENT OF CHANGES IN NET ASSETS

CPN RETAIL GROWTH LEASEHOLD REIT

	Note	For the year ended 31 December 2022	2021
		(in Baht)	
Income			
Rent and service income	*12*	4,863,567,081	3,501,586,745
Interest income	*12*	6,085,729	2,964,145
Other income	*12*	17,063,552	22,611,956
Total income		**4,886,716,362**	**3,527,162,846**
Expenses			
Management fee	*11, 12*	162,448,058	162,464,570
Trustee fee	*11, 12*	28,501,171	43,939,768
Registrar fee	*11*	3,734,480	3,953,270
Professional fee		1,287,275	1,281,500
Property management fee	*11, 12*	494,675,747	412,795,304
Costs of rental and services	*12*	327,585,296	249,204,952
Other expenses	*12*	113,844,042	83,560,847
Finance cost	*12*	2,361,371,614	2,193,139,440
Total expenses		**3,493,447,683**	**3,150,339,651**
Net profit on investments		**1,393,268,679**	**376,823,195**
Net gain (loss) on investments			
Net loss on investments	*6, 7*	(3,062,673)	(4,440,126)
Net gain on change in fair value of investments	*6, 7*	720,955,974	493,507,101
Total net gain on investments		**717,893,301**	**489,066,975**
Net increase in net assets resulting from operations		**2,111,161,980**	**865,890,170**

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

	Note	For the year ended 31 December 2022	2021
		(in Baht)	
Increase (decrease) in net assets resulting from operations during the year			
Net profit on investments		1,393,268,679	376,823,195
Net gain on investments		717,893,301	489,066,975
Increase in net assets during the year		**2,111,161,980**	**865,890,170**
Distribution to trust unitholders	*14*	(2,097,056,565)	-
Capital return to trust unitholders	*13*	(555,722,560)	-1,571,984,878
Issuing and offering unit trusts	*13*	-	6,577,810,050
Expenses related to issuing and offering unit trusts	*13*	-	-96,912,220
Increase (decrease) in net assets during the year		**(541,617,145)**	**5,774,803,122**
Net assets at 1 January		33,818,784,096	28,043,980,974
Net assets at 31 December		**33,277,166,951**	**33,818,784,096**
Changes in number of Trust unit			
Trust unit at 1 January *(units)*		2,568,034,000	2,212,476,700
Trust unit at 31 December (units)		**2,568,034,000**	**2,568,034,000**

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

	Note	For the year ended 31 December 2022	2021
		(in Baht)	
Cash flows from operating activities			
Net increase in net assets from operations		2,111,161,980	865,890,170
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash used in operating activities:			
Net loss on investments	*6, 7*	3,062,673	4,440,126
Net gain on changes in fair value of investments	*6, 7*	(720,955,974)	(493,507,101)
Purchases of investments in securities	*6*	(1,646,986,630)	(1,497,852,108)
Proceed from sale of investments in securities	*6*	1,848,000,000	1,500,000,000
Purchases of investments in leasehold properties	*7*	(217,535,304)	(6,527,709,805)
Proceed from sale of investments in leasehold properties	*7*	732,480	1,843,271
(Increase) decrease in accrued rental and service receivables		223,859,195	(247,487,752)
(Increase) decrease in receivable from the Revenue Department		111,321,542	(48,467,196)
(Increase) decrease in prepaid expense		(8,200,901)	17,928,415
Increase in other assets		(53,768,109)	(16,751,484)
Increase (decrease) in trade accounts payable		42,419,990	(8,994,941)
Increase (decrease) in other accounts payable		(3,250,255)	4,090,508
Increase (decrease) in witholding tax payable		35,125,568	(944,105)
Increase (decrease) in accrued expenses		(432,470,336)	356,786,940
Increase (decrease) in rent received in advance		1,631,267	(11,714,509)
Increase in deposits received from tenants		42,063,392	66,195,030
Increase in other liabilities		12,090,376	26,064,214
Interest income		(6,085,729)	(2,964,145)
Interest received		3,855,964	1,771,121
Finance cost		2,361,371,614	2,193,139,440
Net cash from (used in) operating activities		**3,707,442,803**	**(3,818,243,911)**

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

	Note	For the year ended 31 December 2022	2021
		(in Baht)	
Cash flows from financing activities			
Proceeds from borrowings	*9*	499,000,000	7,653,000,000
Repayment of borrowings	*9*	(2,080,400,966)	(8,940,598,653)
Payment of front-end fee	*9*	(1,050,000)	(250,000)
Proceeds from issue of debentures	*10*	2,000,000,000	6,150,000,000
Repayment of debentures	*10*	-	(5,350,000,000)
Transaction costs from issue of debentures	*10*	(2,067,240)	(5,635,627)
Payment of lease liabilities		(6,220,000)	(6,170,000)
Interest paid		(581,266,063)	(593,937,833)
Distributions to trust unitholders	*14*	(2,097,056,565)	-
Capital return to trust unitholders	*13*	(555,722,560)	(1,571,984,878)
Issuing and offering unit trusts	*13*	-	6,577,810,050
Expenses related to issuing and offering unit trusts	*13*	-	(96,912,220)
Net cash from (used in) financing activities		**(2,824,783,394)**	**3,815,320,839**
Net increase (decrease) in cash equivalents		**882,659,409**	**(2,923,072)**
Cash equivalents at 1 January		1,159,173,707	1,162,096,779
Cash equivalents at 31 December		**2,041,833,116**	**1,159,173,707**

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

Note	Contents
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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by management of the Trust on 16 February 2023.

1 General information

CPN Retail Growth Leasehold REIT ("the Trust") was established from the conversion of CPN Retail Growth Leasehold Property Fund ("the Fund") and received the transfer of assets, liabilities and obligations from the Fund on 1 December 2017. The Trust was a specific closed-end real estate investment trust with an indefinite term. The Trust was registered on 29 November 2017 with registered capital of Baht 29,653.38 million (2,212,476,700 trust units' trust, at Baht 13.4028 per unit).

The Trust's major trust during the financial year was Central Pattana Public Company Limited holding 25.77% of the trust unitholding which issued and paid-up. The Trust was incorporated in Thailand.

CPN REIT Management Company Limited ("the REIT manager") performs monitoring and managing of the assets of the Trust. SCB Asset Management Company Limited acts as the Trustee and Central Pattana Public Company Limited acts as the Property manager for Central Rama 2 project, Central Rama 3 project, Central Pinklao project, Central Chiangmai Airport project, Central Pattaya project, Central Marina project and Central Lampang project. Grand Canal Land Public Company Limited acts as the Property manager for The Ninth Towers office building project and Sterling Equity Company Limited acts as the Property manager for Unilever House office building project.

The Trust's objectives are to raise funds and mainly use funds to invest in properties or leasehold properties and seek benefits from such properties.

The Trust has distribution payment policy is in accordance with condition and procedures as specified in prospectus.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with the accounting guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies ("AIMC") as approved by The Securities and Exchange Commission. In case this accounting guidance does not specifically state the practical guidance for a transaction, the Trust shall apply Thai Financial Reporting Standard (TFRS) as announced by Federation of Accounting Professions ("Accounting Guidance"). The financial statements are presented in Thai Baht, which is the Trust's functional currency.

The preparation of financial statements in conformity with an accounting guidance requires Trust's manager to make judgements, estimates and assumptions that affect the application of the Trust's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Investments measured at fair value through profit or loss

Investment are initially recognised at fair value through profit or loss when the Trust becomes a party to the contractual provisions of the instrument. Transaction costs that are directly attributable to acquire investments are recognised in profit or loss.

Gains and losses on measurement, including any interest or dividend income, are recognised in profit or loss.

The Trust derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Trust neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Trust currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(b) Investments in leasehold properties at fair value

Investments in leasehold properties are measured at cost, including transaction costs, on initial recognition and subsequently at fair value, with any change recognised in profit or loss and presented as "gain (loss) from changes in fair value of investment".

Cost includes expenditure that is directly attributable to the acquisition of the investments in leasehold properties. The fair value is based on appraisal value assessed by independent valuers approved pursuant to the notification of the Securities and Exchange Commission. The Trust will conduct appraisal of properties at least every 2 years, commencing from the date of appraisal the acquired properties or the latest date of appraisal properties or the date of disposal properties or there is any indication of impairment and conduct a review of appraisal at least every year after the date of the latest appraisal. The Trust will not appoint any valuers to appraise the properties for more than 2 consecutive times.

Differences between the proceeds from disposal and the carrying amount of investments in leasehold properties are recognised in profit or loss and presented as "net gain (loss) on investments".

(c) Cash equivalents

Cash equivalents comprise call deposits.

(d) Accrued rental and service receivables

Accrued rental and service receivables are measured at transaction price less allowance for expected credit loss.

The Trust estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the rent receivable based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

Accrued rental income is presented as part of accrued rental and service receivables.

(e) Leases

At inception of a contract, the Trust assesses whether a contract is, or contains, a lease. when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement of a contract, the Trust allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Trust has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Trust recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use assets are initial measured at cost and classify as investment in leasehold properties as described in note 3(b). The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred an estimate of restoration costs, and less any lease incentives received.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Trust uses the Trust's interest rate implicit in the lease to discount the lease payments to the present value.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

The accounting policy for lessor is described in note 3(i).

(f) Interest-bearing liabilities

Interest-bearing liabilities are measured at amortised cost.

(g) 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Trust has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Trust uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3*: inputs for the asset or liability that are based on unobservable input.

The Trust recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Trust measures assets and assets positions at a bid price and liabilities and liabilities positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Trust determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(h) Trade accounts payable and other accounts payable

Trade accounts payable and other accounts payable are stated at amortised cost.

(i) Rental income

At inception or on modification of a contract, the Trust allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Trust considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

When the Trust is an intermediate lessor, the Trust classifies the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. In case of a head lease is a short-term lease, the sub-lease is classified as an operating lease. Those right-of-use assets are presented as investments in properties.

The Trust recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of 'rental income'. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the accounting period in which they are earned. Rental income is presented as part of accrued rental and service receivables.

(j) Service income

Revenue is recognised when a customer obtains control of the services in an amount that reflects the consideration to which the Trust expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts.

Revenue for rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

(k) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(l) Expenses

Other expenses are recognised on accrual basis.

(m) Income tax

The Trust is exempt from corporate income tax in Thailand so that corporate income tax is not recorded in the financial statements.

(n) Distribution to unitholders

The Trust recognises a reduction in retained earnings at the date a distribution is declared.

(o) Capital surplus

Share subscription price of investment units in excess of the par value of investment units on the date of transactions of the amounts of unit sold, is recognised in "Capital surplus".

4 Impact of COVID-19 pandemic

In 2022, COVID-19 pandemic is still on going, while vaccines are being rolled out, but the situation of COVID-19 outbreak is still ongoing.

The Trust considered to provide rental discounts to tenants in the shopping centers that has effect. Such transactions were lease modification under TFRS 16 and gradually recognise rental discount throughout the remaining lease terms by straight line method. The Trust recognised rental income from the lease modification for the year ended 31 December 2022 as follows:

For the year ended 31 December 2022

	(in million Baht)
Recognised in profit or loss	
Rental and service income after actual rental	4,993
Impact of lease modification under TFRS 16	(129)
Rental and service income after adjustment according to TFRS 16	**4,864**

Net profit on investments before adjustment according to TFRS 16	**1,522**
Net profit on investments after adjustment according to TFRS 16	**1,393**

5 Financial risks

Credit risk

The Trust has credit risk which results from the failure of a counterparty to settle its contractual obligations specified in financial instruments and risk of the COVID-19 situation. The Trust has only receivables. However, the related financial assets collected in advance the rental deposits from customers as collateral in case of default. Therefore, the Trust does not anticipate material losses from its debt collection, including the Trust considered to provide rental discounts to tenant in the shopping centers that has effect in during temporarily shut down the shopping centers and after reopening its operation.

Credit risk is the risk of financial loss to the Trust if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Trust's receivables from customers and investments in debt securities. However, the related financial assets have short-term maturity, therefore, the Trust does not anticipate material losses from its debt collection.

Property manager has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Accrued rental and service receivables

The Trust's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, Property manager also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Property manager has established a credit policy under which each new customer is analysed individually for creditworthiness before the Trust's commercial terms and conditions are offered.

The Trust limits its exposure to credit risk from receivables by establishing a payment period and outstanding trade receivables are regularly monitored by the Trust. An impairment analysis is performed by the Trust at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables/groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Trust's view of economic conditions over the expected lives of the receivables.

The following table provides information about the exposure to credit risk and ECLs for accrued rental and service income receivables.

Rent and service receivables at 31 December	2022	2021
	(in thousand Baht)	
Within credit terms	64,217	29,579
Overdue:		
1 - 90 days	81,016	175,101
91 - 180 days	17,678	25,616
181 - 360 days	77,546	125,879
More than 360 days	160,342	122,831
Total	**400,799**	**479,006**

Rent and service receivables at 31 December	2022	2021
	(in thousand Baht)	
Accrued income base on operating leases	267,329	413,537
Accrued interest income	3,777	1,548
Total	**671,905**	**894,091**
Less allowance for expected credit loss	(421)	(978)
Net	**671,484**	**893,113**

Allowance for expected credit loss	2022	2021
	(in thousand Baht)	
At 1 January	978	459
Addition	421	937
Reverse	(978)	(418)
At 31 December	**421**	**978**

Currency risk

The Trust has no financial assets or financial liabilities denominated in foreign currency, therefore, there is no exposure to currency risk.

Market risk

The Trust is exposed to market risk due to the holding of investment in debt security for which return on the investment are subject to volatility of economic, political, money market and capital market conditions. Such conditions could have either positive or negative impact on the operation of the Company that issues securities, depending on the extent to which the issuers' business type correlates with the market volatility, which could push the security's price up or down.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Trust's operations and its cash flows because debt securities and loan interest rates (see notes 9 and 10) are mainly fixed. So the Trust has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Trust.

Financial risk management policies

The Trust manages potential risk on investment by setting risk management policy, e.g. investment diversification and analysis of investee's financial position.

6 Investments measured at fair value through profit or loss

Movement of investments measured at fair value through profit or loss for the year ended 31 December was as follows:

	2022	2021
	(in million Baht)	
At 1 January	1,073	1,073
Additions	1,647	1,498
Disposal	(1,848)	(1,500)
Gain on investments	2	2
At 31 December	**874**	**1,073**

7 Investments in leasehold properties at fair value

Central Rama 2 project (Renewal period)

On 31 March 2020, the Trust registered the leasehold rights in Central Rama 2 (Renewal period) project under conditions as specified in the sublease agreement with Central Pattana Rama 2 Company Limited. The lease agreement period of 30 years from 16 August 2025 to 15 August 2055. The Trust will payment the rental throughout the lease agreement period totalling Baht 25,394 million in 2025. The Trust guaranteed for rental payment to Central Pattana Rama 2 Company Limited of Baht 1,800 million within the period that specified in the contract. Lease agreement can renew according to the agreed conditions by written notice at least 12 months before ending the lease period. The asset details have as follows:

- Leasing building and structures of Central Rama 2, including the shopping center and the indoor parking area

- Leasing the system relevant to the building and structures of Central Rama 2

Additional in investments in leasehold properties in 2021

On 25 February 2021, the Trust has additional investments in CentralMarina project and Central Lampang project. The Trust was registered and transferred leasehold right from Central Pattana Public Company Limited and Central Pattana Development Company Limited, respectively. The details were as follows;

CentralMarina project

- Leasehold right on partial part of shopping center building, common area and parking spaces

- Leasehold right on utility system

- Purchasing of furniture, fixtures, and equipment

- Remaining lease period 14 years ending 30 April 2035

Central Lampang project

- Leasehold right on partial part of shopping center building, common area and parking spaces.

- Leasehold right on utility system

- Purchasing of furniture, fixtures, and equipment

- Remaining lease period 20 years ending 16 December 2041

The Trust was repayment on the additional assets' investment totalling Baht 5,808 million which dividend into CentralMarina project totalling Baht 2,574 million and Central Lampang project totalling Baht 3,098 million and repayment on registration fee, value added tax, stamp duty, and related acquisition costs totalling Baht 136 million. Moreover, the Trust recorded provision for decommissioning and restoration totalling Baht 88 million which recorded in investments in leasehold properties.

	2022	2021
	(in million Baht)	
At 1 January	75,371	68,270
Acquisitions	3	2
Addition on properties improvement	214	718
Additional investments in leasehold properties	-	5,896
Disposals	(1)	(2)
Net loss on investment	(4)	(6)
Gain on changes in fair value of investments	721	493
At 31 December	**76,304**	**75,371**

Year ended 31 December	2022	2021
	(in million Baht)	
Amounts recognised in profit or loss		
Rental income	4,676	3,419
Direct operating expense:		
Property that generated rental income	328	249

The fair value of investments in leasehold properties were determined by independent professional valuers, at discounted cash flow using risk-adjusted discount rates, according to the independent professional valuers' report. The fair value of investment properties have been categorised as a Level 3 fair value.

	Gain (loss) from revaluation of investments in leasehold properties For the year ended 31 December	
Project	2022	2021
	(in million Baht)	
Central Rama 2	1,316	970
Central Rama 3	332	860
Central Pinklao	(1,027)	(1,025)
Central Chiangmai Airport	-	137
Central Pattaya	189	132
Hilton Pattaya Hotel	103	59
The Ninth Towers office building	61	131
Unilever House office building	4	7
Central Marina	(285)	(451)
Central Lampang	28	(327)
Total	**721**	**493**

The following table represented the valuation technique which used to evaluate the fair value of investments in leasehold properties and significant unobservable inputs.

Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Average occupancy rate - Shopping center: 88% - 99% *(2021: 88% - 96%)* - Office building: 75% - 90% *(2021: 85% - 100%)* - Hotel: 84% *(2021: 70%)* Average rental rate - Shopping center: 722 - 2,048 Baht per square meters *(2021: 610 – 2,020 Baht per square meters)* - Office building: 623 - 941 Baht per square meters *(2021: 610 - 810 Baht per square meters)* Average room rate - Hotel: 7,273 Baht per room *(2021: 6,160 Baht per room)* Discounted interest rate - Shopping center: 9% - 10.5% *(2021: 9% - 10.5%)* - Office building: 9% - 10.5% *(2021: 9% - 10.5%)* - Hotel: 9% *(2021: 9%)*	The estimated fair value increase (decrease) if: - Occupancy rate were higher (lower); - Average rental rate were higher (lower); - Discount interest rate were lower (higher).

Leases

As a lessee

The Trust leased water treatment system with Central Pattana Rama 2 Company Limited, a subsidiary of Central Pattana Public Company Limited. The lease agreement is part of shopping center building lease agreement with Central Rama 2 with ending 15 August 2025.

On 31 March 2020, the Trust registered the leasehold rights in Central Rama 2 (Renewal period) project under conditions as specified in the sublease agreement with Central Pattana Rama 2 Company Limited. The lease agreement period of 30 years from 16 August 2025 to 15 August 2055. The Trust will payment the rental throughout the lease agreement period totalling Baht 25,394 million in 2025. The Trust guaranteed for rental payment to Central Pattana Rama 2 Company Limited of Baht 1,800 million within the period that specified in the contract. Lease agreement can renew according to the agreed conditions by written notice at least 12 months before ending the lease period. The asset details have as follows:

- Leasing building and structures of Central Rama 2, including the shopping center and the indoor parking area
- Leasing the system relevant to the building and structures of Central Rama 2

Extension options

The Trust has extension options on property leases exercisable up to one year before the end of the contract period. The Trust assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

Year ended 31 December	2022	2021
	(in million Baht)	
Amounts recognised in profit or loss		
Interest on lease liabilities	1,736	1,594

In 2022, total cash outflow for leases of the Trust was Baht 6 million *(2021: Baht 6 million)*.

As a lessor

The leases of investment properties comprise a number of commercial properties that are leased to third parties under operating leases. Each of the leases contains an initial non-cancellable period of 3 years. Subsequent renewals are negotiated with the lessee. For all investment property leases, the rental income is fixed and variable under the contracts.

On 29 November 2017, the Trust ("the Sublessor") entered into Hilton Pattaya Hotel building sublease agreement, system sublease agreement and movable assets lease agreement with CPN Pattaya Hotel Company Limited ("the Sublessee"), a subsidiary of Central Pattana Public Company Limited, for using in the operation of hotel business for a period of 1 month ending in 31 December 2017. Counterparties can renew the agreements for 3 times at 3 years each ending in December 2026. Under the conditions of the agreement, the Sublessee had to pay the annual rental throughout the lease agreement period. Subsequently on 23 December 2020, counterparties considered to revise fixed rental for the year 2021 - 2026 result in the Sublessee had to pay fixed rental totalling Baht 2,233 million and variable rental which is calculated from profit before tax deducting reserve for furniture, fixtures and equipment of the hotel.

Lease payments to be received from operating leases at 31 December	2022	2021
	(in million Baht)	
1st year	3,413	3,440
2nd year	1,731	2,068
3rd year	821	1,195
4th year	138	310
5th year	79	188
After 5th year	618	2,089
Total	**6,800**	**9,290**

8 Cash equivalents

The Trust's details of cash equivalents are as follows:

	2022		2021	
		Interest rate		Interest rate
	(in million Baht)	*(%)*	*(in million Baht)*	*(%)*
Current Account				
Citibank, N.A.	513	-	393	-
Savings Accounts				
The Siam Commercial Bank Public Company Limited	1,369	0.300	683	0.100
KASIKORNBANK Public Company Limited	99	0.300	17	0.050
Bank of Ayudhya Public Company Limited	61	0.200	66	0.100
Total	**2,042**		**1,159**	

9 Borrowings

	2022	2021
	(in million Baht)	
Borrowings from financial institutions - Group 1 - unsecured	4,585	5,695
Borrowings from financial institutions - Group 2 - unsecured	1,091	1,542
Total	**5,676**	**7,237**

Loan agreements	2022 Amount *(in million Baht)*	2021 Amount *(in million Baht)*	Interest rate *(% per annum)*	Term of payment
Borrowings from financial institutions - Group 1				
Credit facility A	2,483	2,595	Agreed rate in the agreement	- Repayment of principal commencing from March 2021 and every 6 months - Repayment of interest every quarterly commencing from June 2020
Credit facility B	2,102	3,100	Agreed rate in the agreement	- Full repayment of principal when due within February 2022. Subsequently in 2022, request to renew full repayment of principal within February 2023 - Repayment of interest every quarterly commencing from March 2021. Subsequently in 2022, repayment of interest every month commencing from March 2022
Borrowings from financial institutions - Group 2				
Credit facility A2	-	940	Agreed rate in the agreement	- Full repayment of principal when due within March 2022 - Repayment of interest every quarterly commencing from March 2021
Credit facility A3	277	289	BIBOR plus agreed rate in the agreement	- Repayment of principal commencing within March 2021 and every 6 months - Repayment of interest every quarterly commencing from June 2020

Loan agreements	2022 Amount (in million Baht)	2021	Interest rate (% per annum)	Term of payment
Credit facility B	814	313	BIBOR plus agreed rate in the agreement	- Full repayment of principal when due within December 2023 - Repayment of interest every quarterly commencing from March 2021
Total	**5,676**	**7,237**		

At 31 December 2022, borrowings from financial institutions had the effective interest rate at 1.68 - 2.28 per annum.

Movement of borrowings for the year period ended 31 December were as follows:

	2022	2021
	(in million Baht)	
At 1 January	7,237	8,524
Add Additional borrowings	499	7,653
Less Repayment of borrowings	(2,080)	(8,941)
Less Payment of front-end fee	(1)	-
	5,655	7,236
Add Amortised front-end fee	21	1
At 31 December	**5,676**	**7,237**

During 2022, the Trust had utilised loan in accordance with loan agreements with financial institutions Group 2 amounting to Baht 499 million.

At 31 December 2022, the Trust has unutilised credit facilities amounting to Baht 788 million. The loan agreements determined for working capital of operation and repayment of renovation assets.

The periods to maturity of borrowings, at 31 December were as follows:

	2022	2021
	(in million Baht)	
Within one year	3,125	4,179
After one year but within five years	2,551	3,058
Total	**5,676**	**7,237**

10 Debentures

	Interest rate (% per annum)	Maturity date	2022	2021
			(in million Baht)	
Debentures - Series 1/2018 - unsecured (No.2)	3.80	17 August 2028	7,386	7,385
Debentures - Series 1/2019 - unsecured (No.2)	3.30	8 February 2023	1,795	1,794
Debentures - Series 1/2021 - unsecured (No.1)	1.50	31 March 2024	1,999	1,999
Debentures - Series 1/2021 - unsecured (No.2)	2.13	31 March 2026	1,499	1,499
Debentures - Series 2/2021 - unsecured (No.1)	1.65	13 August 2026	1,649	1,648
Debentures - Series 2/2021 - unsecured (No.2)	2.96	13 August 2031	999	999
Debentures - Series 1/2022 - unsecured	2.40	28 February 2027	1,998	-
Total			**17,325**	**15,324**

The debentures had latest credit rating of "AA" rated by TRIS Rating Company Limited. The debentures were registered with the Thai Bond Market Association.

Movement of debentures for year ended 31 December, were as follows:

	2022	2021
	(in million Baht)	
At 1 January	15,324	14,511
Add Issue of debentures	2,000	6,150
Less Repayment of debentures	-	(5,350)
Less Deferred underwriting fee	(2)	(6)
	17,322	15,305
Add Payment of underwriting fee	3	19
At 31 December	**17,325**	**15,324**

The periods to maturity of debentures, at 31 December were as follows:

	2022	2021
	(in million Baht)	
Within one year	1,795	-
After one year but within five years	7,145	6,940
After five years	8,385	8,384
Total	**17,325**	**15,324**

11 Expenses

(a) Management fee

The REIT manager will receive a monthly management fee from the Trust at the rate not exceeding 1% per annum of total assets value (excluding value added tax, specific business tax or any other similar tax), but not less than Baht 15 million per year. Such fee had increasing rate of 3% per year.

(b) Trustee fee

The Trustee will receive a monthly trustee fee from the Trust at a rate not exceeding 1% per annum of total asset value (excluding value added tax, specific business tax or any other similar tax), but not less than Baht 20 million per year.

(c) Registrar fee

The registrar fee is calculated monthly at a rate of 0.023% per annum of the Trust's registered capital, but not exceeding Baht 5 million per year.

(d) Property management fee

The Property manager will receive remuneration for acting as the Property manager from the Trust, which shall be payable monthly according to the Property Management Appointment Agreement between the Trust and the Property manager which are summarised as follows:

1. Fee for rental and service collection on behalf of the Trust at the rate not exceeding 4% of net rental and service income of the Trust.

2. Commission for procuring tenants and management of all tenants of the Trust upon entering into lease agreements with new tenants or renewal of lease agreements is calculated from the monthly rental rate

of each tenant at the rates not exceeding 0.5 - 1.5 months and not exceeding 3% of the fee for leasehold right received in advance from the tenants, depending on the type and period of lease agreements.

3. Property management fee at the rate not exceeding 0.28% per annum of investment properties value from net asset value report of the Trust that was certified by trustee in each month which was calculated at the last working day of each month. The fee is excluding the value of investment property of hotel and Central Rama 2 project (Renewal period).

4. Incentive fee at the rate not exceeding 3% of net properties income. Net properties income means total revenue that the Trust derived from properties deducting with total costs and expenses incurred from procuring benefits from the properties.

5. Fee for purchase and sale of properties of the Trust at the rate not exceeding 1.5% of the properties' value that the Trust additionally invested and at the rate not exceeding 0.75% of the properties' sales value from the Trust.

6. Fees for the supervision of improvements and/or development of the Trust's properties at the rate not exceeding 2% of the total costs of improvement and/or development of properties of the Trust. Such costs of improvement and/or development including the costs of the purchase of areas to be improved and/or developed back from the existing tenants, but excluding the designing fee, advisor fee, or other professional fees.

12 Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Trust; a person or entity that are under common control or under the same significant influence as the Trust; or the Trust has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

Related parties which have material changes in relationships and that the Trust had significant transactions during the year with were as follows:

Name of Entities	Country of Incorporation/ Nationality	Nature of Relationship	Nature of Transaction
Central Pattana Public Company Limited	Thailand	- Major unitholder holding 25.77% of Trust units issued and paid-up *(2021: 25.77%)* - Property manager	- Rental and service agreement - Receive property management fee from the Trust - Lessor of assets which the Trust additionally invested
Central Pattana Development Company Limited	Thailand	- Unitholder holding 4.51% of Trust units issued and paid-up *(2021: 4.51%)* - Central Pattana Public Company Limited's subsidiary - Common directors	- Rental and service agreement - Lessor of assets which the Trust additionally invested

Name of Entities	Country of Incorporation/ Nationality	Nature of Relationship	Nature of Transaction
CPN REIT Management Company Limited	Thailand	- REIT manager - Central Pattaya Public Company Limited's subsidiary	- Receive management fee from the Trust
SCB Asset Management Company Limited	Thailand	- Trustee of the Trust	- Receive trustee fee from the Trust
The Siam Commercial Bank Public Company Limited	Thailand	- Parent company of SCB Asset Management Company Limited	- Rental and service agreement - Depository service - Receive underwriting fee from the Trust
SCB Securities Company Limited	Thailand	- The Siam Commercial Bank Public Company Limited's subsidiary	- Rental and service agreement
Central Pattana Rama 2 Company Limited	Thailand	- Central Pattana Public Company Limited's subsidiary - Common directors	- Water treatment system rental agreement rending to the Trust - Rental and service Agreement
Central Pattana Rama 3 Company Limited	Thailand	- Central Pattana Public Company Limited's subsidiary - Common directors	- Rental and service agreement
Central Pattana Chiangmai Company Limited	Thailand	- Central Pattana Public Company Limited's subsidiary - Common directors	- Rental and service agreement
CPN Pattaya Company Limited	Thailand	- Central Pattana Public Company Limited's subsidiary - Common directors	- Rental and service agreement
CPN Pattaya Hotel Company Limited	Thailand	- Central Pattana Public Company Limited's subsidiary - Common directors	- Sublease agreement over building and utility systems, and lease agreement over movable assets with the Trust

Name of Entities	Country of Incorporation/ Nationality	Nature of Relationship	Nature of Transaction
Grand Canal Land Public Company Limited	Thailand	- Property manager - Central Pattana Public Company Limited's subsidiary - Common directors	- Receive property management fee from the Trust - Rental and service agreement
Sterling Equity Company Limited	Thailand	- Property manager - Central Pattana Public Company Limited's subsidiary - Common directors	- Receive property management fee from the Trust
GLAND Office Leasehold Real Estate Investment Trust *(Under liquidation process)*	Thailand	- Central Pattana Public Company Limited's associate	- Transferor of investments in leasehold properties
Central Group of Companies	Thailand	- Common directors, common management or common control with Central Pattana Public Company Limited	- Rental and service agreement

During the year, the Trust has significant transactions with management company and other entities with common shareholders and/or common directors with the management company and trust manager and the Trust. The significant transactions for the year ended 31 December are as follows:

Significant transactions with related parties			
Year ended 31 December	2022	2021	Pricing policies
	(in thousand Baht)		
Income			
Rental and service income			
Central Pattana Public Company Limited and its subsidiaries	341,471	142,632	
The Siam Commercial Bank Public Company Limited and its subsidiaries	44,625	46,625	Market prices which are subject to location, lease space, lease from, lease period and type of lease
Grand Canal Land Public Company Limited	1,318	1,618	
Central Group of Companies	303,871	220,045	
Total	**691,285**	**410,920**	
Interest income			
The Siam Commercial Bank Public Company Limited	**1,677**	**918**	As mutually agreed rate

Significant transactions with related parties			
Year ended 31 December	2022	2021	Pricing policies
	(in thousand Baht)		
Other income			
Central Pattana Public Company Limited and its subsidiaries	4,648	1,258	
Grand Canal Land Public Company Limited	7	5	The rate being charged by other parties in the business
Central Group of Companies	697	134	
Total	**5,352**	**1,397**	
Expenses			
Management fee			
CPN REIT Management Company Limited	**162,448**	**162,465**	As mutually agreed prices in contract
Trustee fee			
SCB Asset Management Company Limited	**28,501**	**43,940**	As mutually agreed prices in contract
Property management fee			
Central Pattana Public Company Limited	460,000	378,326	
Grand Canal Land Public Company Limited	22,257	22,006	
Sterling Equity Company Limited	12,419	12,463	As mutually agreed prices in contract
Total	**494,676**	**412,795**	
Cost of rental and services			
Central Pattana Public Company Limited and its subsidiaries	128,495	75,199	
Grand Canal Land Public Company Limited	54,705	41,940	
Sterling Equity Company Limited	13,909	8,671	
Central Group of Companies	1,032	288	
Total	**198,141**	**126,098**	Market price
Other expenses			
Central Pattana Public Company Limited and its subsidiaries	9,956	7,897	
Central Group of Companies	500	338	As mutually agreed prices in contract
Total	**10,456**	**8,235**	
Finance costs			
The Siam Commercial Bank Public Company Limited	**166**	**258**	As mutually agreed prices in contract

Balance with related parties as at 31 December	2022	2021
	(in thousand Baht)	
Cash equivalents		
The Siam Commercial Bank Public Company Limited	**1,368,592**	**682,950**

Balance with related parties as at 31 December	2022	2021
	(in thousand Baht)	
Accrued rental and service receivables		
Central Pattana Public Company Limited and its subsidiaries	260,168	190,751
The Siam Commercial Bank Public Company Limited	68	121
Grand Canal Land Public Company Limited	507	472
Sterling Equity Company Limited	478	181
Central Group of Companies	14,738	94,228
Total	**275,959**	**285,753**
Trade accounts payable		
Central Pattana Public Company Limited and its subsidiaries	120,614	95,615
CPN REIT Management Company Limited	27,926	27,940
Grand Canal Land Public Company Limited	14,265	9,975
Sterling Equity Company Limited	3,400	3,019
Central Group of Companies	210	56
Total	**166,415**	**136,605**
Other accounts payable		
SCB Asset Management Company Limited	4,026	7,559
Central Pattana Public Company Limited and its subsidiaries	11	11
The Siam Commercial Bank Public Company Limited	55	57
Central Group of Companies	3,222	5,501
Total	**7,314**	**13,128**
Deposits received from tenants		
The Siam Commercial Bank Public Company Limited	28,091	31,493
Central Pattana Public Company Limited and its subsidiaries	21,955	21,568
Central Group of Companies	72,051	78,030
Total	**122,097**	**131,091**
Lease liabilities		
Central Pattana Rama 2 Company Limited	**21,044,941**	**19,314,708**
Other liabilities		
Central Pattana Public Company Limited and its subsidiaries	10,321	7,789
The Siam Commercial Bank Public Company Limited and its subsidiaries	1,085	1,500
Grand Canal Land Public Company Limited	46	28
Sterling Equity Company Limited	36	11
Central Group of Companies	12,800	12,068
Total	**24,288**	**21,396**

13 Capital from unitholders and retained earnings

On 29 November 2017, CPN REIT Management Company Limited, as a Trust settlor and REIT manager, established CPN Retail Growth Leasehold REIT from the conversion of CPN Retail Growth Leasehold Property Fund ("the Fund"). The Trust had registered capital of Baht 28,653.38 million consisting of 2,212,476,700 trust units at the par value of Baht 13.4028 per unit. The REIT manager had registered such unit trusts to the Stock Exchange of Thailand on 14 December 2017.

On 1 December 2017, the Trust received the transfer of assets, liabilities and obligations of the Fund which was in accordance with the Rights and Duties Transferred Agreement between the Fund and the Trust dated 29 November 2017 and the Trust gave compensation as unit trusts of the Trust to the Fund

totalling 2,212,476,700 units at 13.5004 Baht per unit, totalling Baht 29,869.47 million. Subsequently, on 4 December 2017, the Fund had transferred such unit trusts to the unitholders of the Fund at a ratio of 1:1 resulting in the unitholders of the Fund became the unitholders of the Trust and the Trust had recognised the share premium of investment units totalling Baht 216.09 million in the capital surplus account.

In February 2021, the REIT manager issued and offered of the additional trust units of 355,557,300 units trust at offering for sale price of Baht 18.50 per units in totalling Baht 6,577.81 million. The Stock Exchange of Thailand accepted such additional investment units as increased registered securities to be traded in the Stock Exchange of Thailand from 2 March 2021. The Trust has cost relating to the issuance of unit trusts amounting to Baht 96.91 million which was deducted from the capital surplus account. Therefore, the Trust had recognised the addition share premium of investment units totalling Baht 1,985.34 million during the year 2021.

During 2022, the Board of Directors' Meeting of the REIT manager approved the capital reduction as follows:

Date of capital reduction	For the period	Amount per unit *(Baht per unit)*	Total amount *(in million Baht)*
17 February 2022	1 October 2021 - 31 December 2021	0.1609	413
6 May 2022	1 January 2022 - 31 March 2022	0.0555	142
Total			**555**

	2022			2021		
	Par value *(in Baht)*	Number *(in million units/ million Baht)*	Amount	Par value *(in Baht)*	Number *(in million units/ million Baht)*	Amount
Trust registered capital and capital received from unitholders						
Unit trusts at beginning of the year	12.2566	2,568	31,475	12.9049	2,212	28,552
Less Capital reduction	(0.2164)	-	(555)	(0.6483)	-	(1,572)
Add Capital addition		-	-		356	4,495
Unit trusts at the end of the year		**2,568**	**30,920**		**2,568**	**31,475**

Movement of retained earnings (deficit) for the year ended 31 December was as follows:

	2022	2021
	(in million Baht)	
At 1 January	142	(724)
Net profit on investments	1,393	377
Net loss on investments	(3)	(4)
Gain on changes in fair value of investments	721	493
Distributions to unitholders	(2,097)	-
At 31 December	**156**	**142**

14 Distributions to unitholders

During the year 2022, the Trust approved the distribution to unitholders of the Trust as follows:

Distribution announcement date	For the period	Amount per unit *(Baht per unit)*	Total amount *(in million Baht)*
17 February 2022	1 October 2021 - 31 December 2021	0.0552	142
6 May 2022	1 January 2022 - 31 March 2022	0.1814	466
4 August 2022	1 April 2022 - 30 June 2022	0.2800	719
4 November 2022	1 July 2022 – 30 Sep 2022	0.3000	770
Total			**2,097**

15 Information on investment purchase and sale transactions

The Trust's purchase and sale transactions for the year ended 31 December 2022, excluding investments in cash at banks, amounted to Baht 2,718 million which was 8.06 of the average net asset values during the year *(2021: Baht 8,933 million which was 26.91 of the average net asset values during the year).*

16 Segment information

The Trust's reportable operating segment was only investments in leasehold properties and securities, which operated in only one geographical segment, i.e. Thailand by recognise revenue over the time.

17 Information on fair value level and fair value measurement of investments

The following table shows fair value categorised by measurement approach:

Fair value categorised by measurement approach	Level 1	Level 2	Level 3	Total
		(in million Baht)		
At 31 December 2022				
Investments in leasehold properties at fair value	-	-	76,304	76,304
Investments measured at fair value through profit or losses	-	874	-	874
At 31 December 2021				
Investments in leasehold properties at fair value	-	-	75,371	75,371
Investments measured at fair value through profit or losses	-	1,073	-	1,073

The financial instruments traded in non-active markets and measured at obviously quoted market prices, buying and selling prices offered by traders or optional price references with supporting observable data will be categorised as level 2. These financial instruments comprised fix income fund.

Investments in leasehold properties at fair value categorised in level 3 have significant unobservable data.

18 Events after the reporting period

On 3 February 2023, the Trust issued the debentures that had name registered, unsubordinated and unsecured debentures with debenture holder representative. The details are as follows;

- The first series amount not exceed Baht 500 million with the term of 3 years, maturing on 3 February 2026 and bearing interest at the fixed rate of 2.77% per annum.

- The second series amount not exceed Baht 1,400 million with the term of 4 years, maturing on 3 February 2027 and bearing interest at the fixed rate of 2.89% per annum.

The debentures had latest credit rating of "AA" rated by TRIS Rating Company Limited on 20 December 2022 and were registered with the Thai Bond Market Association on 3 February 2023.

At the Board of Directors' Meeting of the REIT manager held on 16 February 2023, the Board of Directors approved the distribution to unitholders of the Trust from the operation period from 1 October 2022 to 31 December 2022 at the rate of Baht 0.0607 per unit, amounting to Baht 155.88 million and approved the capital reduction of the Trust by reducing the value of the unit trusts of Baht 0.2593 per unit, amounting to Baht 665.89 million. The distribution and the repayment from capital reduction which will be paid to the unitholder in March 2023. The capital reduction is in accordance with the Trust established agreement.

LRQA Independent Assurance Statement

Relating to CPN Retail Growth Leasehold REIT's performance data and information for the calendar year 2022

This Assurance Statement has been prepared for CPN Retail Growth Leasehold REIT (CPNREIT) in accordance with our contract but is intended for the readers of this Report.

Terms of engagement

LRQA (Thailand) Limited (LRQA) was commissioned by CPN Retail Growth Leasehold REIT's (CPNREIT) to provide independent assurance on its performance data and information in 2022 "the data" against the assurance criteria below to a limited level of assurance and at the materiality of the professional judgement of the verifier using LRQA's verification approach. *LRQA*'s verification procedure is based on current best practice, is in accordance with ISAE 3000[1] and uses the following principles of - inclusivity, materiality, responsiveness and reliability of performance data.

Our assurance engagement covered CPNREIT's activities in Thailand under its financial control only and specifically the following requirements:

- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
  - Environmental: *(GRI 302-1) Energy consumption, (GRI 302-3) Energy intensity, (GRI 303-3 to 5) Water withdrawal /discharge and consumption, (GRI 305-1) Direct (Scope 1), (GRI 305-2) Energy indirect (Scope 2), (GRI 305-3) Other indirect (Scope 3) – Cat. 1 Purchased goods and services (water usage only), Cat. 3 Fuel and energy related activities (not included in scope 1 or scope 2), Cat. 5 Waste generated in operation, Cat. 6 Business travel and Cat. 15 Investments only, GHG emissions, (GRI 305-4) GHG emissions intensity and (GRI 306- 3 to 5) Waste generated/diverted form disposal and direct to disposal.*
  - Social: *(GRI 403-9 and 10) Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities for all employees.*

Our assurance engagement excluded the data and information of CPNREIT's subsidiaries and all its activities outside of Thailand. Our assurance engagement also excluded the data and information of its suppliers and any third-parties mentioned in the report.

LRQA's responsibility is only to CPNREIT. LRQA disclaims any liability or responsibility to others as explained in the end footnote. CPN's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of CPNREIT.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that CPNREIT has not, in all material respects:

- Met the requirements above
- Disclosed accurate and reliable performance data and information as no errors or omissions were detected

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LRQA's approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Auditing CPNREIT's data management systems to confirm that there were no significant errors, omissions or mis-statements in the report. We did this by reviewing the effectiveness of data handling process, and systems, including those for internal verification. We also spoke with key people in various departments responsible for compiling the data and drafting the report.
- Sampling of evidences presented at CPNREIT's office to confirm the reliability of the selected topic specific standards.

Observations

Further observations and findings, made during the assurance engagement, is:

- Reliability:
  CPNREIT has a well-defined data management system to consolidate data and information associated with the selected specific topic standards. Maintaining internal verification processes will continually improve the reliability of its reported data and information.

LRQA's standards, competence and independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

Dated: 15 March 2023

Opart Charuratana
LRQA Lead Verifier

On behalf of LRQA (Thailand) Ltd.
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LRQA reference: BGK00000905/A

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