

IR. 002/2024

Date: April 11, 2024

Subject	Notification of the Fiscal Year 2024 Two-way communication of KTBST Mixed Freehold and Leasehold Real Estate Investment Trust
To	Trust Unitholders of KTBST Mixed Freehold and Leasehold Real Estate Investment Trust
Attachments	<ol style="list-style-type: none"> 1. Annual report for the fiscal year 2023 (QR CODE) 2. Independent auditor's report for the fiscal year 2023 3. Profiles, experience, and professional background of the auditors of the REIT for the fiscal year 2024 4. Guidelines for trust unitholders to submit questions 5. Guidelines regarding personal data processing

As the Capital Market Supervisory Board and the Office of the Securities and Exchange Commission ("SEC") have issued the rules and regulations related to the property funds, infrastructure funds, real estate investment trusts, and infrastructure trusts, effective from February 1, 2024 onwards. This requires that these entities shall provide a Two-way communication channel to communicate with its unitholders/trust unitholders. This is in accordance with the Notification of the SEC No. Sor Jor. 33/2023 Re: Criteria, Conditions and Procedures for Information Disclosure of Mutual Funds and Trusts Investing in Real Estate or Infrastructure (No. 12) dated October 31, 2023.

Thus, DAOL REIT Management (Thailand) Company Limited (the "Company"), as the REIT manager of KTBST Mixed Freehold and Leasehold Real Estate Investment Trust (the "REIT") would like to disclose information related to the management of the REIT for the fiscal year 2023 as follows:

1. The information regarding the management of the REIT on important matters and management outlook
Operating performance for the fiscal year 2023

The Company has summarized the REIT's operating performance for the fiscal year 2023 as per the detailed in [Attachment 1 Annual report for the fiscal year 2023 \(QR CODE\)](#)

Distribution payment for the fiscal year 2023

The REIT has a policy of distributing at least 90% of the adjusted net profit of the year to its trust unitholders and the REIT will distribute no more than 4 times per year, as stipulated in the Trust Deed. For the operating results from January 1, 2023 to December 31, 2023, the REIT recorded an adjusted net profit of THB 216.21 million. Consequently, the Company has announced a distribution payment to its trust unitholders for their performance during this period at a rate of THB 0.7006 per trust units. This translates to the total distribution payment of THB 211.23 million, representing 97.70% of the adjusted net profit of the fiscal year 2023. Detail of the distribution payment are provided below:

Table: Summary of total distribution payment for the fiscal year 2023

No.	Operating Period	Payment Date	Distribution Payment (THB/trust units)
1	January 1, 2023 – March 31, 2023	June 8 2023	0.1731
2	April 1, 2023 – June 30, 2023	September 8, 2023	0.1745
3	July 1, 2023 – September 30, 2023	December 7, 2023	0.1765
4	October 1, 2023 – December 31, 2023	March 21, 2024	0.1765
Total			0.7006

Management outlook

As for the economic outlook for 2024, Office of the National Economic and Social Development Council (NESDC) projected that Thai economy would expand by 2.2-3.2% (the expected median was 2.7%), increasing from 1.9% in 2023 owing to the following supporting factors: (1) Expansion of product export sector following the global trade recovery, as seen from the value of Thai exports which expanded at the rate of 4.6% in Q4 of 2023. It was the first expansion in the past 5 quarters. In addition, the global purchasing manager index (PMI) of industrial sector in January 2024 reached 50.0 points, -the highest level in 17 months, in line with the upward cycle of electronic products, together with the increase of purchase orders in the main industrial countries and the recently-growing inventory accumulation of industrial sector; (2) The private investment expanded at a good level in line with the good expansion of

imports in Q4 of 2023. Both the value and volume of imports re-expanded at the rates of 6.1% and 0.7% respectively, which was the first expansion in the past 3 quarters; (3) The continued expansion of domestic consumption had the main supporting factor from the inflation rate expected to be stable or rise to the target range of monetary policy which would result in the loose monetary policy implementation. Moreover, another main supporting factor was the improved labor market and continuously-rising consumer confidence. The consumer confidence index of January 2024 reached 62.0 points, the highest level in the past 46 months; and (4) The continued recovery of tourism sector in accordance with the increasing number of foreign tourists expected to reach the pre-COVID level by the main supporting factors included tourist visa exemption scheme for tourists of many countries such as China, Russia, India and Taiwan, and government tourism promotion schemes which stimulated the travels of domestic and foreign tourists such as 365 days Amazing Thailand scheme of Thailand Tourism Authority, etc. The inflation rate of 2024 was projected to be in the range between 0.9% - 1.9% and Thailand's current account surplus was projected to reach 1.4% of GDP.

However, Thai economy's expansion still had some risks and limitations from the fluctuated global economic and financial system, including the risk from geopolitical conflicts in the Middle East, the fluctuated energy and commodity prices which could push the inflation rate to be higher than expected, the slowdown of Chinese economy which could be more severe than expected and uncertainty of economic policies in many countries. These factors may affect the economy of trade partner countries and global trade volume more than expected. Moreover, the expansion of Thai economy could be limited by monetary driving force, high household and corporate debt rates, and El Niño risk on agricultural products.

Based on the factors mentioned above, the Thai economy in 2024 is expected for further expansion, driven by several key reasons. These include the improvement of the merchandise export sector in line with the global trade recovery, increased private investment, sustained domestic consumption, and the ongoing recovery of the tourism industry. Concurrently, the REIT manager and property manager will collaborate closely, devising and refining strategies in an ongoing manner. This entails not only delivering comprehensive services but also building strong relationships with existing tenants and potential tenants. Moreover, the REIT manager remains cautious regarding potential risk

factors and market fluctuations, proactively monitoring various scenarios. Continual assessment enables the formulation of adaptive plans to mitigate uncertainties and potential risks.

2. Financial statement for the fiscal year 2023

The financial statements for the fiscal year 2023 of the REIT were prepared accurately and completely prepared under generally accepted accounting principles and were audited and certified by a certified public accountant, the detail is shown in the Attachment 2 Independent auditor's report for the fiscal year. The detail of the financial statement is summarized below:

Financial position

Item (Unit: THB million)	As of December 31,		
	2021 ^{1/}	2022	2023
Assets			
Investments in freehold and leasehold properties at fair value	3,458.62	4,212.14	4,222.63
Investments in securities at fair value through profit or loss	124.07	129.88	136.22
Cash and cash equivalents	27.42	81.66	69.15
Accounts receivable from rental and services	5.21	13.41	29.95
Accounts receivable from interest	0.04	0.03	0.09
Prepaid expenses	0.72	3.95	5.77
Other assets	5.40	6.17	3.97
Total assets	3,621.48	4,447.23	4,467.79
Liabilities			
Accrued expenses	9.96	19.14	17.21
Rental and service received in advance	5.61	8.98	8.36
Deposits received from tenant	80.91	97.33	100.06
Borrowing from financial institution	0.00	744.69	744.28
Lease liability	451.63	460.21	476.27

Item (Unit: THB million)	As of December 31,		
	2021 ^{1/}	2022	2023
Other liabilities	26.19	20.97	21.08
Total Liabilities	574.31	1,351.33	1,367.27
Net assets	3,047.17	3,095.91	3,100.52
Net assets value per unit	10.1067	10.2683	10.2836

Remark: ^{1/}For the period starting from November 2, 2021 to December 31, 2021

Income statement

Item (Unit: THB million)	As of December 31,		
	2021 ^{1/}	2022	2021
Income			
Rental and service income	39.76	336.79	363.24
Compensation income under the undertaking agreement	5.40	19.59	2.67
Interest income	0.13	0.54	1.31
Other income	0.00	0.26	1.12
Total Income	45.30	357.19	368.35
Expenses			
REIT Manager fee	1.58	12.81	20.92
Trustee fee	1.38	9.94	10.46
Registrar fee	0.16	0.95	0.94
Property management fee	2.68	19.17	21.20
Professional fee	0.24	0.60	0.60
Operating expenses	3.29	30.18	41.83
Other expenses	0.30	2.92	2.54
Finance costs	3.49	47.27	63.89
Total expenses	13.12	123.86	162.39

Item (Unit: THB million)	As of December 31,		
	2021 ^{1/}	2022	2021
Net gain from investment	32.17	233.33	205.96
Net gain from investments	0.00	8.50	10.25
Increase in net assets from operations	32.17	241.83	216.21

Remark: ^{1/}For the period starting from November 2, 2021 to December 31, 2021

Cash Flow Statement

Item (Unit: THB million)	As of December 31,		
	2021 ^{1/}	2022	2023
Net Cash provided by (used in) from Operating Activities	(2,987.58)	(458.66)	247.15
Net Cash provided by (used in) from Financing Activities	3,015.00	512.90	(259.66)
Net Increase (Decrease) in Cash and Cash Equivalents	27.42	54.24	(12.51)
Cash and Cash Equivalents at Beginning of the Year	0.00	27.42	81.66
Cash and Cash Equivalents at End of the Year	27.42	81.66	69.15

Remark: ^{1/}For the period starting from November 2, 2021 to December 31, 2021

3. Appointment and remuneration of REIT's auditor for the fiscal year 2024

The Company has concluded on the appointment of auditor and audit fees for the fiscal year 2024 and appointed SP Audit Company Limited ("SP Audit") as the auditor of the REIT for the fiscal year 2024 (which is the auditor of the REIT for the fiscal year 2023). The detail of the auditors is shown in [Attachment 3 Information regarding the profiles, experience, and professional background of the REIT's auditor for the fiscal year 2024](#). The summary of auditors' name is provided below:

1	Ms. Susan Eiamvanicha	Certified Public Accountant (CPA) No. 4306 or
2	Mr. Suchart Panitcharoen	Certified Public Accountant (CPA) No. 4475 or
3	Ms. Chuenta Chommern	Certified Public Accountant (CPA) No. 7570 or
4	Ms. Wandee Eiamvanicha	Certified Public Accountant (CPA) No. 8210 or
5	Mr. Kiatisak Vanithanont	Certified Public Accountant (CPA) No. 9922 or
6	Ms. Amornrat Chaeuthongborisut	Certified Public Accountant (CPA) No. 10998

The REIT's main auditor is Mr. Kiatisak Vanithanont. However, any of the aforementioned auditors can audit and provide opinions on the REIT's financial statements. In the event that any one of these auditors is unable to perform his or her duties, SP Audit shall procure one of its other certified public accountants to conduct the audit and render opinions on the financial statements of the REIT.

The audit fee for the fiscal year 2024 totaled THB 600,000.00, exclusive of out-of-pocket expenses (Non-Audit Fee). Moreover, it is important to note that these auditors are not related persons to the REIT.

In this regard, the Company would like to invite trust unitholders to ask about the management of the REIT for the fiscal year 2023, in order to comply with the policy of good corporate governance and promoting treatment of trust unitholders. Trust unitholders can start asking questions from today until April 29, 2024 by following our guidelines per the [Attachment 4 Guidelines for trust unitholders to submit questions](#). The Company would like to request that trust unitholders send questions by using any of the following channels, as applicable:

(1) Via Online	(2) Via Registered Mail
<p style="text-align: center;"><i>E-Form</i></p> <div style="text-align: center;">  </div> <p style="text-align: center;">https://1bh49wkbtdn.typeform.com/to/PV9BVBLc</p>	<p style="text-align: center;">"Investment Relation and Business Development"</p> <p style="text-align: center;">DAOL REIT Management (Thailand) Co., Ltd.</p> <p style="text-align: center;">87/2 CRC Tower, 52nd Floor, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330</p> <p style="text-align: center;">(For the fiscal year 2024 Two-way communication)</p>
<p style="text-align: center;"><i>Email: info_reit@daol.co.th</i></p>	

The Company has the resolution to determine the list of trust unitholders who are eligible to participate in the Two-way communication of the fiscal year 2024 and to receive the distribution payments on March 6, 2024. In the event that the trust unitholders have asked any questions relevant to the management of the REIT for the fiscal year 2023, the Company will prepare and disclose a summary in the form of questions/answers for other trust unitholders via the REIT's website at <https://www.ktbstmr.com/en/investor-relations/downloads/unitholders-meeting> by May 13, 2024.

Please be informed accordingly.

Sincerely yours,



(Mr. Phonlasit Phumiwasana)

Chief Executive Officer

DAOL REIT Management (Thailand) Co., Ltd.

REIT Manager