



**IMPACTREIT**  
GROWTH  
MUANG THONG THANI

ANNUAL REPORT - 31 MARCH 2016  
รายงานประจำปี - 31 มีนาคม 2559

GROWTH



# CONTENTS

|                                                                      |     |
|----------------------------------------------------------------------|-----|
| Letter from Chairman                                                 | 3   |
| Management Discussion & Analysis                                     | 6   |
| Trust                                                                | 16  |
| Trustee                                                              | 18  |
| REIT's Structure                                                     | 21  |
| REIT Manager                                                         | 23  |
| Trust Investment Policy                                              | 50  |
| Significant Events Regarding Operations of Trust in that Fiscal Year | 55  |
| Detail of Investment Assets                                          | 58  |
| Details of Real Estate Invested or Distributed in the Fiscal Year    | 65  |
| Loan Policy                                                          | 66  |
| Overall Industrial of Real Estate Investment Trust                   | 71  |
| Information About the Revenue Guarantee and the Guarantor            | 87  |
| Limitations for Allocation of Unit Trust                             | 88  |
| Policy for Dividend Distribution                                     | 91  |
| Corporate Social Responsibilities                                    | 94  |
| Expenses Charged to the REIT                                         | 108 |
| Opinion of the Trustee                                               | 112 |
| The Detail of Trust's Related Party Transaction                      | 114 |
| Independent Auditor's Report                                         | 125 |
| Notes to Financial Statements                                        | 128 |





## LETTER FROM CHAIRMAN

For the IMPACT Growth Real Estate Investment Trust's performance as at 31 March 2016, even though the Trust has faced many domestic and International challenges but with determination and dedication of REIT manager and Property Manager has brought the REIT's performance with preferable. One year passing by the Trust provided significant development as detail below:

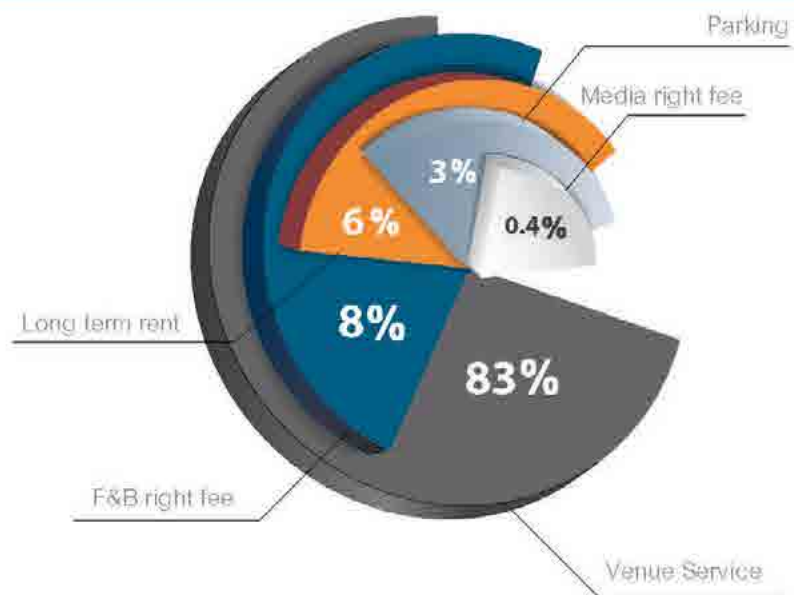
Increasing of Meeting/Function room : to increase asset value and revenue to the Trust, increasing of 7 meeting/function rooms which are Venus 1 - 4 and Amber 5 - 7 at IMPACT Exhibition Center.

The Trust reported revenue 2,126 million baht and net profit at 1,192 million baht , the REIT could maintained Gross Profit Margin and Net Profit margin at the level of 86% and 55% respectively, this showed that even in the economic volatility, the Trust have provided efficiency in cost management.

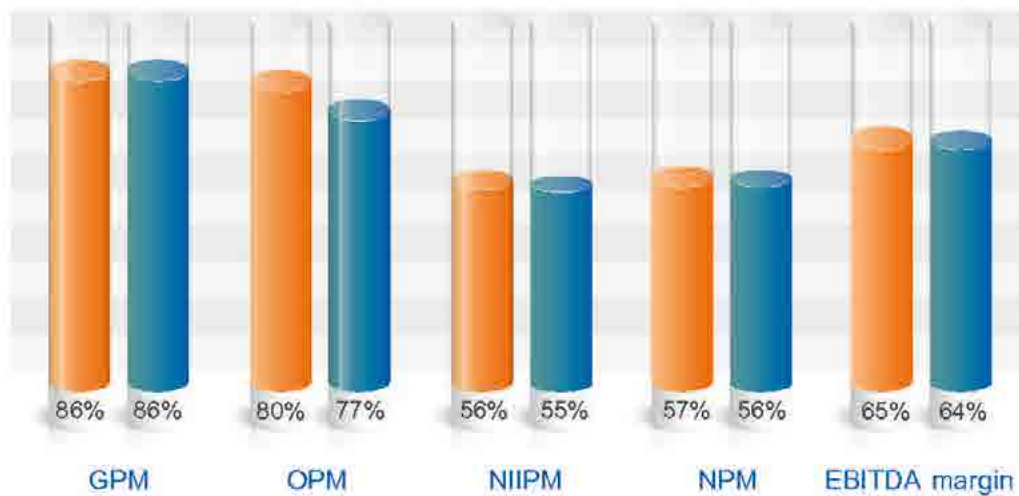
The Trust have paid distribution with totally 4 times, spread over 4 quarter, with total distribution per unit 0.765 baht, with 94.5% Dividend payout.

As the Chairman of REIT manager, I would like to ensure to all unit holders that the REIT manager will operate the Trust with prudence and transparency together with good corporate governance and responsibility to all stakeholders in order to develop sustainability growth to the Trust and distribute a sustainable and preferable return to all unit holders like "In Growth, we trust" as we believe, to keep walking, keep growing together.

Colonel Phichai Namsirikul  
Chairman



### Service Income



### Profitability Ratios

FY2014/2015

FY2015/2016



# Management Discussion & Analysis

## IMPACT Growth Real Estate Investment Trust's performance

|                               | March 2016 | *March 2015 |
|-------------------------------|------------|-------------|
| Occupancy rate                | 54.3%      | 54.6%       |
| Service income (million baht) | 2,114.40   | 1,109.73    |
| Total income (million baht)   | 2,126.02   | 1,114.26    |
| Net profit (million baht)     | 1,192.39   | 631.78      |
| Gross profit margin           | 86%        | 86%         |
| Net profit margin             | 56%        | 57%         |
| Earning per unit (baht)       | 0.80       | 0.43        |
| Dividend per unit (baht)      | 0.765      | 0.42        |

\*Remark at the end of March 2015 is the Trust's performance from 22 September 2014 – 31 March 2015

### Analysis of the latest performance

#### 1. Overview of the Trust's performance

IMPACT Growth Real Estate Investment Trust reported the total investment income for the period of April 2015 - March 2016 at 2,126.02 million baht , which came from service income of 2,114.40 million baht, 0.97 million baht of interest income and 10.65 million baht of other income. While the Trust reported total expenses at 956.95 million baht, comprising of cost of service for 290.92 million baht, administrative expenses for 198.24 million baht, REIT management fee of 146.59 million baht, Property Management fee of 65.43 million baht, and finance cost of 187.14 million baht. Thus the Trust reported net investment income of 1,169.07 million baht, net realised gain on investments in securities of 7.17 million baht and net unrealised gains on investments of 16.14 million baht, therefore the Trust reported the increase in net assets from operations of 1,192.39 million baht.

However, the total investment income and increase in net assets from operations increased 91%

and 89% respectively as last year's operational period started on 22 September 2014 (the date of the Trust's establishment) - 31 March 2015.

As at 31 March 2016, the Trust reported total asset of 20,517.75 million baht, total liabilities of 4,409.64 million baht, as the result, the Trust reported net asset of 16,108.10 million baht or net asset value per unit of 10.8655 baht.

#### Significant detail on the income statement

##### (1) Revenue from the Trust's performance

###### a. Service income

For the period of 1 April 2015 - 31 March 2016, the Trust report service income of 2,114.40 million baht, comprising of 5 sources of revenue which are

- 1) 83% from venue service income.
- 2) 8% from food and beverage right fee.
- 3) 6% from long term rent income.
- 4) 3% from parking service income.
- 5) 0.4% from media right fee income.

The Trust's occupancy rate and key operational performance are summarized below:

| Particular                              | At 31 March 2016 | At 31 March 2015 |
|-----------------------------------------|------------------|------------------|
| Number of event                         | 875              | 460              |
| Hall area<br>(sq.m.)                    | 122,165          | 122,165          |
| Occupancy rate (%)<br>(sq.m./day)       | 54.3             | 54.60            |
| Average rental rate<br>(baht/sq.m./day) | 62               | 63               |

\*Remark at the end of March 2015 is the Trust's performance from 22 September 2014 - 31 March 2015

b. Interest income

For the period of 1 April 2015 - 31 March 2016, the Trust report interest income of 0.97 million baht, as the Trust received unearn income from the booking fee in advance, deposited in saving account with the commercial bank, therefore the Trust received return at the rate 0.37% (p.a) and 0.10% (p.a).

c. Other income

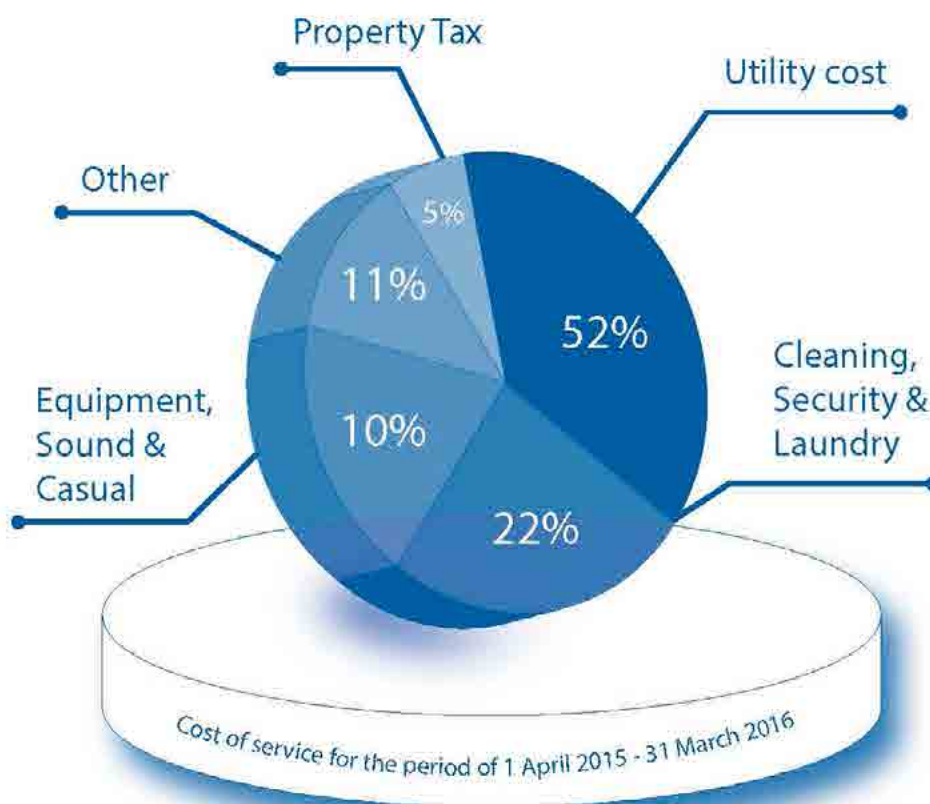
For the period of 1 April 2015 - 31 March 2016, the Trust report other income of 10.65 million baht, most of them comprising of cancellation fee, Business Center service income and IMPACT Member Card selling income.

(2) Cost of service

For the period of 1 April 2015 - 31 March 2016, the Trust reported cost of service of 290.92 million baht mainly comprising of

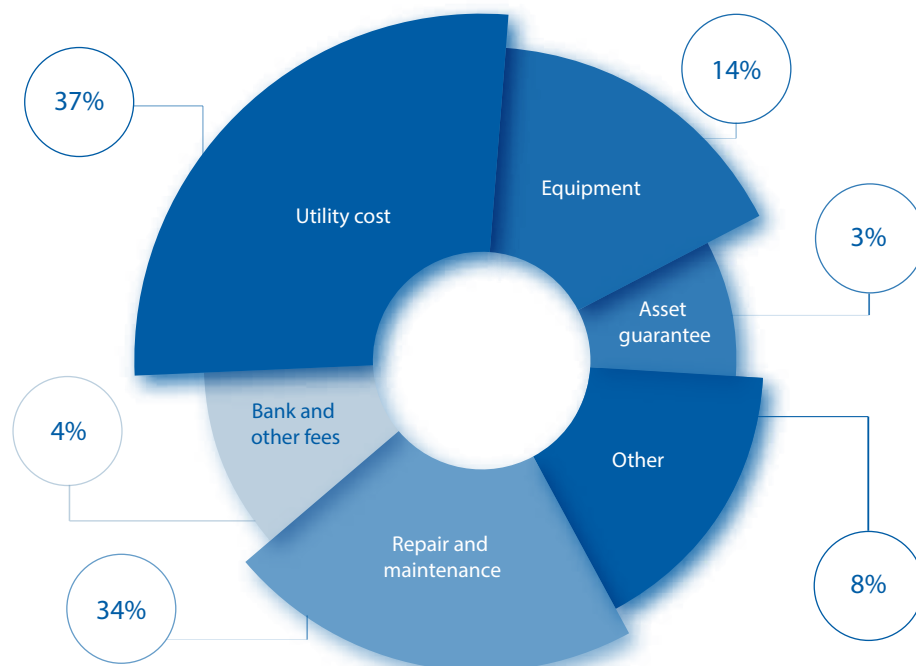
- 1) 52% of Utility cost (water, power and gas).
- 2) 22% of cleaing, security and laundry.

However, comparing cost of service to service income between at March 2016 and March 2015, they are maintaining at the level of 14%.



(3) Administrative expenses

For the period of 1 April 2015 - 31 March 2016, the Trust reported administrative expenses of 198.24 million baht, comprising of



Administrative expenses for the period of 1 April 2015 - 31 March 2016

However, comparing administrative expenses to service income at 31 March 2016 with that at 31 March 2015, it showed that rate at 9% and 6% respectively as the result from this year the Trust reported higher repair and maintenance cost than last year, the Property manager repaired and maintained main assets as detail below :

- 1) Repairment of IMPACT Arena's roof.
- 2) Exchanging normal light bulbs to LED light bulbs at IMPAC Challenger and IMPACT Exhibition Center.

#### (4) Operating profit

At 31 March 2016, the Trust reported operating profit at 1,625.24 million baht, or operating profit margin at 77%, lower from 31 March 2015, which it was 80%. As the result from increasing of repair and maintenance expense as mentioned above.

#### (5) Fee

##### a. REIT management fee

For the period of 1 April 2015 - 31 March 2016, the Trust reported the REIT management fee, paid RMI Co., Ltd. for 146.59 million baht. The fee is calculated by base fee and incentive fee, which together shall not over 2% of total asset of the Trust in each accounting year.

##### b. Property management fee

For the period of 1 April 2015 - 31 March 2016, the Trust reported property management fee for 65.43 million baht or 3% of total investment income, which 2% higher from the last year as the result from increasing of fee rate according to the Property Manager Appointment contract.

##### c. Trustee's fee

For the period of 1 April 2015 - 31 March 2016, the Trust report the trustee's fee of 61.47

million baht, paid Kasikorn Asset Management Co., Ltd. for monthly payment at the rate shall not over 1% of Trust's total assets (Excluding Value added Tax, Specific Business Tax, or similar tax) which calculated by REIT Manager and approved by trustee.

d. Registrar's fee

For the period of 1 April 2015 - 31 March 2016, the Trust reported registrar's fee of 3.63 million baht, paid The Thailand Securities Depository Co., Ltd. (TSD).

e. Professional fees

For the period of 1 April 2015 - 31 March 2016, the Trust reported professional fee of 3.52 million baht, paid EY Office Limited as the auditor and American Appraisal (Thailand) Co., Ltd. as an appraiser.

f. The Trust's Financial cost

For the period of 1 April 2015 - 31 March 2016, the Trust reported financial cost of 187.14 million baht or approximately cost of fund at 4.8% from the long term loan amount of 3,900 million baht, which it is a floating loan rate of Minimum Loan rate (MLR) - (1.5% - 2.5%) from a commercial bank and 2 Life Insurance companies.

### 3. Significant detail on the Balance Sheet

(1) Assets

As at 31 March 2016, the Trust reported total asset of 20,517.75 million baht, increasing of 113.45 million baht or 0.6% from 31 March 2015 as significant particulars as detail below :

- a. Investments in properties at fair value of 19,619 million baht or increasing of 16 million baht or 0.08% as the result from increasing of appraisal value of the Trust's 4 assets, evaluated by income approach.
- b. Investments in securities at fair value of 500.14 million baht, increasing of 98.07 million baht or 24%. This is the investment in fixed income fund.
- c. Cash and Cash at Banks of 254.64 million baht, increasing of 49.77 million baht or 24%

| Assets (Unit : million baht)            | 31 March 2016 | 31 March 2015 | Change (%) |
|-----------------------------------------|---------------|---------------|------------|
| Investments in properties at fair value | 19,619.00     | 19,603.00     | +0.08%     |
| Investments in securities at fair value | 500.14        | 402.07        | +24%       |
| Cash and cash at banks                  | 254.64        | 204.87        | +24%       |
| Receivables                             |               |               |            |
| • From service                          | 128.66        | 180.26        | -29%       |
| • From interest                         | .25           | .27           | -8%        |
| Prepaid expenses                        | 7.31          | 7.82          | -6%        |
| Other assets                            | 7.75          | 6.01          | +29%       |

| Assets (Unit : million baht) | 31 March 2016 | 31 March 2015 | Change (%) |
|------------------------------|---------------|---------------|------------|
| Total assets                 | 20,517.75     | 20,404.30     | +1%        |

## (2) Liabilities

As at 31 March 2016, the Trust reported total liabilities of 4,409.64 million baht or increasing of 10.65 million baht or 0.2%. The main liability is the long term loan in the amount of 3,895.35 million baht, decreasing from 31 March 2015 in the amount of 4.65 million baht, which recognized on Long-term loans - net of current portion as the Trust shall repayment the principal according to loan agreement.

| Liabilities (Unit : million baht)        | 31 March 2016 | 31 March 2015 | Change (%) |
|------------------------------------------|---------------|---------------|------------|
| Trade payables                           | 96.80         | 70.40         | +38%       |
| Other payables                           | 12.41         | 9.04          | +37%       |
| Accrued expenses                         | 122.32        | 132.34        | -8%        |
| Unearned income                          | 180.70        | 202.87        | -11%       |
| Security deposits                        | 10.28         | 13.66         | -25%       |
| Other liabilities                        | 87.13         | 70.68         | +23%       |
| Current portion of long-term loans       | 4.65          | -             | -          |
| Long-term loans - net of current portion | 3,895.35      | 3,900.00      | -0.1%      |
| Total liabilities                        | 4,409.64      | 4,398.99      | 0.2%       |

## (3) Net Assets

As at 31 March 2016, the Trust reported net assets of 16,108.10 million baht, increasing of 102.8 million baht or 0.6% with net assets Value per Unit of 10.8655 baht, comparing from 31 March 2015 of 10.7961 baht.

## 4. Significant detail on the statement of cash flows

- (1) Cash flows from operating activities : The Trust reported net cash flows from operating activities of 1,304.56 million baht, during the year the Trust had net buying of investment in securities increasing of 91 million baht and also the Trust increasing of ability to collect receivable from service.
- (2) Cash flows from financing activities The Trust reported net cash flows from financing of 1,254.80 million baht, comprising of distribution payment to trust unit holder at 1,089.60 million baht and interest payment of 165.20 million baht. The net cash flows from financing is decreasing from 31 March 2015 as last year the Trust received fund raising from unitholder and long term loan from commercial banks.

|                                                           | At 31 March 2016 | At 31 March 2015 | +/- Change (%) |
|-----------------------------------------------------------|------------------|------------------|----------------|
| Net cash flows provided by (used in) operating activities | 1,304.56         | (18,990.45)      | +107%          |
| Net cash flows from (used in) by financing activities     | (1,254.80)       | 19,195.32        | -107%          |
| Net increase in cash and cash at banks                    | 49.77            | 204.87           | -76%           |
| Cash and cash at banks at beginning of the year/period    | 204.87           | 0                |                |
| Cash and cash at banks at end of the year/period          | 254.64           | 204.87           | +24%           |

## 5. Financial Ratios

### (1) Solvency Ratios

The loan agreements contain covenants, which, among other things, require the Trust to maintain certain financial ratios as detail below :

| Ratios                      | Condition         | Trust's Ratios |
|-----------------------------|-------------------|----------------|
| Loan to Total Asset         | Less than 30%     | 19%            |
| Interest Coverage Ratio     | More than 3 times | 7.29 times     |
| Debt to EBITDA              | Less than 5 times | 2.86 times     |
| Debt Service Coverage Ratio | More than 3 times | 7.29 times     |

### (2) Profitability Ratios

The trust showed ability of effective cost of service management as the trust maintained the gross profit margin at 86% level while operating profit margin is slight decreasing to 77% at 31 March 2016 comparing with 80% at 31 March 2015, hence the net profit margin this year is slightly decreasing, from 57% in 31 March 2015 to 56% in 31 March 2016.

| Particulars             | At 31 March 2016 | At 31 March 2015 |
|-------------------------|------------------|------------------|
| Gross profit margin     | 86%              | 86%              |
| Operating profit margin | 77%              | 80%              |
| Net profit margin       | 56%              | 57%              |

### (3) Liquidity Ratios

At 31 March 2016, the Trust's liquidity showed current asset was 1.76 times of current liabilities, while cash ratio showed that the Trust's cash was 0.51 time to current liabilities, while number of day receivable outstanding was lower from 29.89 days in 31 March 2015 to 26.66 days in 31 March 2016

| Ratios                             | At 31 March 2016 | At 31 March 2016 |
|------------------------------------|------------------|------------------|
| Current Ratio (time)               | 1.76             | 1.61             |
| Cash Ratio (time)                  | 0.51             | 0.41             |
| Account Recieable Turn Over (time) | 13.69            | 6.16             |
| Day Receivable Outstanding (Day)   | 26.66            | 29.89            |

### 6. Trust's return

At 31 March 2016, The Trust reported net investment income of 1,169.07 million baht, net realised gain on investments in securities of 7.17 million baht and unrealised gains on investments of 16.14 million baht hereafter the Trust reported increase in net assets from operations of 1,192.39 million baht or net profit per unit at 0.80 baht, increasing from 31 March 2015 at 0.42 baht. The Trust reported distribution for FY2015/2016 operation period at the rate of 0.765 baht per unit. Comparing with the Trust's IPO price and market price at 31 March 2016, The trust provided investment return to unit holder at the rate of 7.22% and 5.5% respectively.

#### Historical of distribution payment for 2015/2016's performance

| Period                       | Distribution per unit<br>(baht) | Payment Date      | Type |
|------------------------------|---------------------------------|-------------------|------|
| 1 April - 30 June 2015       | 0.175                           | 10 September 2015 | Cash |
| 1 July - 30 September 2015   | 0.180                           | 14 December 2015  | Cash |
| 1 October - 31 December 2015 | 0.190                           | 11 March 2016     | Cash |
| 1 January - 31 March 2016    | 0.220                           | 24 June 2016      | Cash |

#### Historical distribution payment since inception

| Particulars                      | 1 April 2015 -<br>31 March 2016 | 22 September 2014 -<br>31 March 2015 |
|----------------------------------|---------------------------------|--------------------------------------|
| (1) Distribution per unit (baht) | 0.765                           | 0.420                                |

| Particulars                                                                         | 1 April 2015 -<br>31 March 2016 | 22 September 2014 -<br>31 March 2015 |
|-------------------------------------------------------------------------------------|---------------------------------|--------------------------------------|
| (2) Capital reduction per unit (baht)                                               | 0.000                           | 0.000                                |
| Total distribution per unit (1) + (2)                                               | 0.765                           | 0.420                                |
| (3) Ratio with IPO price at 10.60 baht per<br>unit at 22 September 2014 (%)         | 7.22%                           | 3.96%                                |
| (4) Ratio with market rate at 31 March 2016<br>13.90 baht per unit at 31 March 2016 | 5.50%                           | 3.02%                                |



# TRUST

## Main Points of Trust

|                   |                                                     |
|-------------------|-----------------------------------------------------|
| Name of Trust     | IMPACT Growth Real Estate Investment Trust          |
| Short Name        | IMPACT Growth REIT                                  |
| REIT Manager      | RMI Co., Ltd.                                       |
| Property Manager  | IMPACT Exhibition Management Co., Ltd.              |
| Trustee           | Kasikorn Asset Management Co., Ltd.                 |
| Duration of Trust | Indefinite                                          |
| Paid-Up Fund      | 15,714,500,000 baht                                 |
| Type of Trust     | No redemption of unit trust from unit trust holders |

## Objectives of Trust

The trust was established by Trust Act 2550 as TOR.OR 49/2555 notified by SEC Board. Its objectives include 1) issuing securities as unit trust of real estate investment trust (REIT) in order to sell them to the public; and 2) registering unit trust in Stock Exchange of Thailand.

Trust invested the fund received from selling unit trust in its main asset, the trust of RMI Co., Ltd. (as REIT manager) and IMPACT Exhibition Management Co., Ltd. (as property manager) will seek benefits from main asset by leasing it and/or leasing area for acquiring payment as notified by SEC Board or any authorized agency, and providing service in relation to such leasing and/or leasing the area.

Revenue that the trust will receive by seeking profit from property includes rental fee and payment from using area. Operation of REIT manager will be monitored and controlled by trustee in order to assure that the operation of REIT manager and property manager follows the agreements as specified in the Trust's deed and the Trust Act, as well as other related notifications of SEC Board and stock exchange. However, trust will not run any form of operation that is using trust to run business or running business by itself. In addition, trust will not lease real estate of trust to any person who is in doubt to take the real estate to do immoral or illegal business.



# TRUSTEE

|           |                                                                                                              |
|-----------|--------------------------------------------------------------------------------------------------------------|
| Name      | Kasikorn Asset Management Co., Ltd.                                                                          |
| Address   | 400/22, KASIKORNBANK Building, 6th & 12th Floor, Phahon Yothin Avenue, Samsen Nai, Phaya Thai, Bangkok 10400 |
| Telephone | 0 2673 3999                                                                                                  |
| Fax       | 0 2673 3988                                                                                                  |
| Homepage  | <a href="http://www.kasikornasset.com">www.kasikornasset.com</a>                                             |

## Duties and Responsibilities of Trustee

Trustee is responsible to manage trust with honesty and carefulness by profession with expertise by treating beneficiaries fairly for the maximum benefit of beneficiaries as specified in the Trust's deed, related laws, and additional commitment for investor (if any). Main responsibilities of trustee as specified in the Trust's deed include

1. Follow up, supervise, and verify to assure that REIT manager manages trust as specified in Trust's deed and related laws.
2. Report to SEC, as well as resolving, restraining, or relieving any damage occurred with trust as seen appropriate, in a case where REIT manager acts or refrains from any action resulting in any damage to trust, or fails to perform his/her duty as specified in the contract and related laws.
3. Attend Annual General meeting of unit trust holders. If there is a request for resolution in a meeting of unit trust holders, trustee must answer questions and give opinion on operation if it follows trust establishment contract or related laws, as well as opposing and informing unit trust holders that such operation cannot be carried if it does not comply trust establishment contract or related laws.
4. Manage trust as necessary in order to prevent, restrain, or limit any severe damage to overall benefits of trust or unit trust holders, and is authorized to seek a new REIT manager in case that the REIT manager is unable to perform the duty.
5. Prepare reports for unit trust holders, as well as annual report of trust by specifying opinions of trustee on operation of REIT manager in trust management and whether the operation carried out by REIT manager corresponds to regulations of trust establishment contract, law, notification, and other related regulations or not.

In addition, unit trust holders can find the details of duties and responsibilities of trustee in Trust's deed.

## Trustee Fee

Trustee of trust will receive monthly remuneration of not exceeding 1.00 percent per annum of the total asset value of trust (the rate does not include value added tax, specific business tax, or other similar taxes) which is calculated by REIT manager and approved by trustee.



# REIT'S STRUCTURE

## PUBLIC TRUST HOLDERS





# REIT MANAGER

## Details of REIT Manager

REIT Manager: RMI Co., Ltd. is the REIT Manager of trust, IMPACT Growth REIT which is located at 47/569-576 Moo 3, 10/F, New Geneva Building, Popular Road 3, Banmai, Pakkred, Nonthaburi, 11120. It is a juristic person in company limited category established in Thailand on July 30, 2013, by Thai law. It is a subsidiary company of IMPACT Exhibition Management Co., Ltd. IMPACT Exhibition Management Co., Ltd. holds 99.99 percent of the share sold by the company.

The company as REIT Manager is responsible to manage IMPACT GROWTH REIT, as well as investing in property of trust and monitor operation of property manager. The company as REIT Manager will work under control by trustee, which has the following responsibilities:

### 1. General Responsibilities

- 1.1 REIT Manager will work by profession, who receives trust, has carefulness and honesty, in order to seek the best benefit for the whole unit trust holders and comply with Trust's deed, REIT Manager Appointment contract, related laws, and additional commitments specified in prospectus to investors and agreement of unit trust holders. Furthermore, REIT Manager must not do anything that contradicts with benefit of the whole unit trust holders and investors.
- 1.2 REIT Manager is responsible to work as specified in the principle of doing business as REIT Manager as follows:
  - (a) Hold adequate fund for doing business and responsibility that may occur continually while working as REIT Manager.
  - (b) Disclose, express opinion, or adequately provide important and related information to investors for their decision making; however, such information must be communicated clearly, directly, and explicitly.
  - (c) Never use information received while working as REIT Manager for his/her own benefit or make any damage or effect on the whole benefit of trust.
  - (d) Work with carefulness in order not to make any conflict of interest. In case there is a conflict of interest, investors must be assured that they would be treated fairly and equally.

In addition, in order to prevent conflict of interest between trust and REIT Manager that may occur while working as specified in REIT Manager Appointment contract, REIT Manager agreed to do as follows:

- (1) There must not be conflict of interest with the best benefit of trust; however, if there is a case that may cause conflict of interest, it must be able to show function for assuring that trust management will be performed for the best benefit of trust and the whole unit trust holders.

- (2) In case that REIT Manager is managing other trust at the same time, the main property of trust requested for selling unit trust must not be in the same category of main property in the other trust.
  - (e) Follow the Securities Act, Trust Act, and other laws relating to trust management, as well as ethic and standard for profession specified by associations or organizations relating to property business accepted by SEC mutatis mutandis, and never support, order, or collaborate with any person to violate the law or such regulation.
  - (f) REIT Manager is responsible to cooperate with trustee or SEC, and disclose information that may affect trust management significantly or other information that should be informed, as well as the following responsibilities:
    - (1) Provide and collect information and documents regarding management, internal control, and disclose information relating to trust. When trustee wishes to review any management, REIT Manager must cooperate by submitting information and documents, and allow trustee to review inside the location of real estate as requested in order to be sure that REIT Manager does not violate the law or regulations of Trust's deed or does not protect benefit of unit trust holders.
    - (2) Prior to establishing trust, REIT Manager is responsible to submit information and documents relating to trust structure, how to use/lease the area, how to obtain and collect income, expenses that can be charged from trust, contract of service between trust and company or any person, etc., in order to be used for planning efficient operation for monitoring and reviewing management, internal control, and trust information disclosure.
- 1.3 REIT Manager must provide insurance that may occur from running business or working as REIT Manager, including operation of committee, executives, and personnel during the term of Trust's deed
- 1.4 In order to do transaction relating to real estate for trust, REIT Manager must follow the following regulations:
- (a) Manage to assure that disposal, paying, transferring real estate, or making contract regarding real estate for trust is correct and legal.
  - (b) Manage to assure that investing in real estate of trust is done correctly by performing as follows:
    - (1) Assess self-readiness for management of real estate investment before accepting the position as REIT Manager or before investing more in such real estate for trust as the case may be.
    - (2) Analyze and study possibility and due diligence on real estate according to regulations and guidelines of fund and trust management which invest in real estate that SEC committee or SEC notified, as well as risk assessment in aspects that may occur from investing in such real estate and provide guidelines on risk management. Nevertheless, such risk includes risk relating to real estate development or construction (if any), e.g. risk that may occur from delayed construction and being unable to seek benefit from the real estate.
- 1.5 REIT Manager must organize a meeting for unit trust holders as specified in Trust 's deed

- 1.6 When REIT Manager is replaced, the REIT Manager needs to manage and cooperate as necessary in order to hand over his work to a new REIT Manager.
- 1.7 In case of appointing a consultant for giving counsel or suggestion regarding investment in real estate and real estate management, REIT Manager needs to follow regulations as follows:
  - (a) Notify consultant to explain how he/she has interest in the issue being considered.
  - (b) Never allow consultant who has interest in the issue being considered participate in the consideration directly or indirectly.
- 1.8 REIT Manager must create the company's financial statement to be aligned with standard accounting as specified in the law of accounting profession, and submit such financial statement to SEC within three (3) months since the ending date of accounting year. In this regard, the financial statement must be reviewed and acquire opinions from auditor approved by SEC.
- 1.9 Provide and disclose information of trust that includes information as specified in section 56 and section 57 of the Securities Act, as well as other information as specified in Trust's deed and REIT Manager Appointment contract.
- 1.10 Provide and disclose information of trust to SEC, stock exchange, and unit trust holders, as specified in the Securities Act, other related laws, and Trust's deed, as well as submitting annual report of trust with invitation of annual meeting for unit trust holders. Moreover, REIT Manager is responsible to explain, submit document or evidence regarding operation or operation refrain as SEC ordered or requested.
- 1.11 Avoid situation that may cause doubt of REIT Manager's independence, especially when selecting or selling real estate, securities, and other service to trust. REIT Manager, committee, executives, manager of REIT Manager, and personnel of REIT Manager, are not allowed to receive commission or soft commission or other benefit from previous owner of real estate or sponsor, securities seller, service provider, or broker for his/her own income or benefit.
- 1.12 REIT Manager is responsible to disclose his/her interest or benefit from being REIT Manager and other people relating to REIT Manager, and other company or people who are partners of trust in prospectus, an information form of unit trust selling, meeting invitation for approving operations, and annual report of trust, in order to be used by investors and trustee for considering independence of REIT Manager for proceeding any transaction for trust and reasonability of such transaction.

Interest or benefit that must be considered i.e. creditor, debtor, guarantor or warrantee, cross holding of share containing major shareholder or executives in the same group, providing or receiving service, mutual trading, and paying expenses for each other, and so on.

## 2. Trust Management Responsibilities

- 2.1 In order to monitor and manage trust effectively, REIT Manager is responsible to provide quality operation system that can handle with all of the responsibilities. At least, it needs to have the following operations:
  - (a) Provide systems for monitoring, management, and risk management relating to investment of trust, in order to comply with Trust's deed and protect benefit of trust and the whole unit

trust holders.

- (b) System for preventing conflict of interest between trust under management and person who may have conflict, as well as organizational structure management and guidelines to protect the best benefit of trust or the whole unit trust holders when conflict of interest arises.
- (c) System for monitoring personnel relating to operation of trust to acquire appropriate qualities based on nature of the operation, and to perform as specified in the Securities Act, Trust Act, notifications, regulations, or orders by virtue of the mentioned laws and other laws regarding the operation of trust.
- (d) System for supporting information disclosure of trust as specified in regulations of Trust's deed and other related regulations.
- (e) Operation system for back office.
- (f) System for internal control and operation relating to complaints and dispute.

In this regard, in order to provide all of the operation systems mentioned above, REIT Manager will create them by himself/herself, except in the case of arranging operation system for back office which REIT Manager may assign other person to do it instead.

2.2 Manage trust as specified in the regulations of the Trust's deed and protect benefit of unit trust holders.

2.3 Carry out due diligence on real estate that will be invested by trust with his/her circumspection and carefulness by recording and collecting information both documents and evidence regarding selection, review, and decision making whether to invest in any property for trust. However, for carrying out the due diligence on the real estate that will be invested by trust, REIT Manager needs to follow guidelines of fund management and real estate investment trust.

2.4 Operate to assure that finance and economic value of property of trust are managed professionally and pursue benefit of unit trust holders, such as

- (a) Planning for investment, setting strategies of business, marketing, finance, operations, and seeking benefit for trust as specified in regulations and related contracts, as well as investment and efficient risk management policies which correspond to commitment specified in Trust's deed.
- (b) Set limit of loan and obligation on property of trust and take control not to be exceeding the limit specified in Trust's deed.
- (c) Invest in real estate that is aligned with the purpose of the investment of trust.
- (d) Manage cash flow of trust.
- (e) Consider dividend distribution of trust.
- (f) Provide insurance to cover damage that may occur to real estate of trust and public liability insurance with adequate and appropriate sum insured that can recover the property of trust into its previous conditions, in order to make trust be able to seek benefit and receive profit not less than that in the previous.
- (g) Make plan on appropriate tenant mix on the ground of essential information, help, and support from property manager.
- (h) Coordinate closely with property manager and do what is necessary for following, controlling,

and monitoring tenant and area user to follow conditions of contract of rent and contract of area utilization.

- (i) Control and monitor operation to follow regulations of real estate invested by trust.
  - (g) Manage the utilized/rented area (by using support including information, and assign duty to property manager), such as monitoring utilizing/renting area, negotiating with people utilizing/renting regarding contract of long-term utilization/rent, reviewing rate or cost of expense/rental fee, canceling or extending a contract of long-term utilization/rent, etc.
  - (k) Assess overall outcome of utilizing/renting area in the past in order to set conditions for utilizing/renting area and make contract of long-term utilization/rent and contract of service relating to the area, and assess overall outcome of payment/rental fee collection in order to record allowance for doubtful accounts or write off bad debts or record bad debt recovery (in case that amount is collected after writing off a bad debt).
  - (l) Provide security system for building or construction invested by trust, such as fire alarm, communication system, and management for emergency situation.
  - (m) Providing policy and operation plan for management, maintenance, and renovation for building or construction invested by trust.
- 2.5 Assure that trust has the right ownership on purchased real estate, and contracts that trust is a partner are correct, legal, and obligatory or effective as conditions specified in the contract.
- 2.6 Provide system for collecting all documents and evidence relating to operation of trust, meeting invitation of trust unit holders, trust filing form, prospectus, annual report of trust, 56-REIT form, financial statement and supporting documents of accounting records of trust, and operate by following regulations of trust and invested property. These information and documents must be collected correctly, completely, and can be verified within at least 5 years since the day such document or information is made.
- 2.7 Provide and disclose financial statement, annual report, 56-REIT form, and other information relating to trust correctly and completely; and disclose them within term specified by the law, Trust's deed, and regulations of stock exchange.

However, REIT manager, directors and executives who are responsible to provide and disclose information regarding trust, must be responsible for information notified or disclosed to unit trust holders and general investors. They must provide auditing system to assure that the disclosed information in filing form, prospectus, meeting invitation of unit trust holders, advertising brochure, printed advertisement, or other published documents which have been checked for correctness and completeness, contain important and sufficient information for decision making on investment, as required by related law, notification, and regulations.

- 2.8 Provide unit trust holders correct, complete, and adequate information before voting in order to approve issues. They need to receive the information in advance as specified in Trust's deed and regulations of stock exchange.
- 2.9 Control and monitor trust to comply with law or guidelines for operation set by government agencies or organizations relating to operation of trust, as well as regulations of stock exchange.
- 2.10 Provide return to unit trust holders not less than ninety (90) percent of adjusted net profit of fiscal

year, which covers net profit that refers to cash status of trust that includes principal repayment as specified in loan contract (if any). The distribution will be paid within ninety (90) days since the ending date of accounting period or accounting period that provides the return as the case may be. Nonetheless, in case that trust still has accumulated deficit, the return will not be provided to unit trust holders.

Company's profile

RMI Company Limited is a juristic person in company limited category established in Thailand, the company's profile is summarized as detail below:

|                         |                                                                                              |
|-------------------------|----------------------------------------------------------------------------------------------|
| NAME                    | RMI Company Limited                                                                          |
| Company Register Number | 0125556017696                                                                                |
| Establish Date          | 30 <sup>th</sup> July 2013                                                                   |
| Address                 | 47/569-576 Moo 3, 10/F, New Geneva Building,<br>Popular Road 3, Bannmai, Pakkred, Nonthaburi |
| Capital Registered      | 10 million baht (with ordinary shares of 100,000 shares) Par Value at 100 Baht               |
| Major Shareholder       | IMPACT Exhibition Management Co., Ltd.                                                       |
| Board of Directors      | Colonel Phichai Namsirikul<br>Mr. Naputt Assakul<br>Mr. Chirakhachorn Chaturabatara          |
| Accounting Period       | 1 <sup>st</sup> April - 31 <sup>st</sup> March                                               |

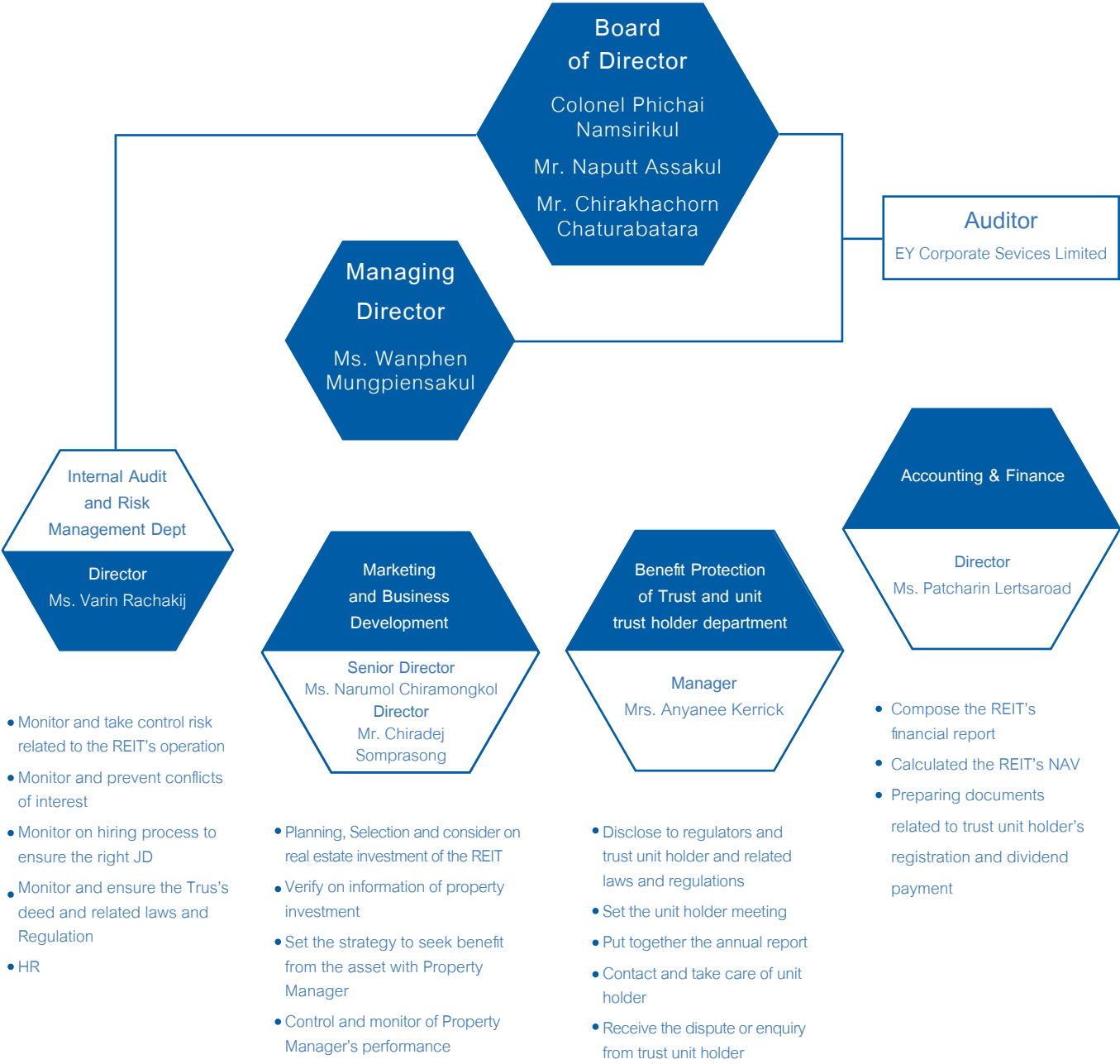
Shareholder's structure

| No. | NAME                                   | Number of share | %       |
|-----|----------------------------------------|-----------------|---------|
| 1   | IMPACT Exhibition Management Co., Ltd. | 99,997          | 99.997% |
| 2   | Mr. Anant Kanjanapas                   | 1               | 0.001%  |

| No.   | NAME                     | Number of share | %      |
|-------|--------------------------|-----------------|--------|
| 3     | Mr. Sui Hung Kanjanapas  | 1               | 0.001% |
| 4     | Mr. Shui Pang Kanjanapas | 1               | 0.001% |
| Total |                          | 100,000         | 100%   |

Board of Directors and Executives

a. Company's structure



b. Board of Directors, RMI Company



Colonel Dr. Phichai Namsirikul  
Chairman

Educations and Training

- 1977 - 1979  
Fellowship  
St. Elizabeth Hospital, Tuft University  
Boston, United States of America
- 1974 - 1977  
Resident  
St. Mary, New York,  
United States of America
- 1974  
Intern  
Ramathibodi Hospital
- 1973  
Doctor of Medicine  
Ramathibodi Hospital,  
Mahidol University

Experiences

- 1993 - Present  
Consultant on Pulmonary Diseases  
St. Louis Hospital
- 1986 - 1987  
Deputy Secretary General  
Thoracic Society of Thailand under Royal Patronage
- 1985 - 1986  
Member of Executive Board  
Thoracic Society of Thailand under Royal Patronage
- 1980 - 1993  
Chest physician  
Department of Pulmonary and Critical care  
Phramongkutklao Hospital
- 1977  
Diplomat  
American Board of Internal Medicine and Pulmonary  
diseases



Mr. Naputt Assakul  
Director

## Educations and Training

2002 - 2004

Master's Degree

Sasin Graduate School of Business  
Administration of Chulalongkorn  
University

2003

Director Certificate Program  
Thai Institute of Directors

1994 - 1998

B.SC Entrepreneurship studies and  
Economics  
Babson College, Massachusetts,  
United States of America

## Experiences

2016 - Present

Managing Director  
Bandara Hotel and resort  
Siam Estate Co., Ltd.

2004 - 2015

Deputy Managing Director  
Bandara Hotel and resort  
Siam Estate Co., Ltd.

2001 - Present

Director  
Ocean Glass PCL.

1998 - Present

Co-Founder and Director  
Checkpoint Auto Center Co., Ltd.

2004

Economist  
Fiscal Policy Office Ministry of Finance

1998 - 2002

Economist  
Fiscal Policy Office Ministry of Finance



## Mr. Chirakhachorn Chaturabatara

Independent Director

### Educations and Training

2015

Thailand CG Forum Governance as driving force for business sustainability

CG Forum 3/2015 Risk Oversight: High Priority Roles Of the Board

2010

Advance Retail Management Program CPALL PCL.

2005

Treasury Division in Money Market, Bond trading and Investment, Currency swap, Derivative products Bangkok Bank PCL.

2003 - 2005

Master's Degree  
Sasin Graduate School of Business Administration of Chulalongkorn University

2004

Sasin Exchange Program at HEC School of Management, Paris, France

2001

Unit Trust  
Phillip Securities PTE, Singapore

1996

Customer Service  
Midland Bank PLC. (Member of HSBC), London, United Kingdom

1995

Student Internship Program  
Bangkok Bank PCL.

1994 - 1998

BA. Business Studies  
University of Westminster, London, United Kingdom

### Experiences

2015

Member of the Interview Committee to participate in Sasin MBA Class Admissions Interview process since 2015

2013 - Present

Global Equities Investment Manager  
Southeast Group Company Limited  
(Member of TCC Holdings)

2009 - 2013

Assistant Vice President, Executive Assistant to CEO  
Southeast Group Company Limited (Member of TCC Holdings)

2006 - 2009

Senior Dealer, Treasury Division, Derivative Product Unit  
Bangkok Bank PCL.

2005 - 2006

Analyst, Corporate Finance Department  
Bangkok Bank PCL.

2001 - 2003

Assistant Marketing Officer  
Bangkok Bank PCL.

1999 - 2001

Business Development Officer  
Phillip Securities (Thailand) PCL.

1999

Research Executive  
Acorn Marketing & Research Consultants Co., Ltd. Thailand

1998 - 1999

Asset Realization Officer  
Financial Sector Restructuring Authority



**Miss Wanphen  
Mungpiensakul**

Managing Director



**Mrs. Varin Rachakij**

Internal Audit and  
Risk Management Director

## Educations and Training

1987

Bachelor of Accountancy  
Ramkhamhaeng University

## Experiences

2000 - 2014

Director of Finance and Accounting  
IMPACT Exhibition Management Co., Ltd.

1998 - 2000

Accounting and administration Manager  
Brother Commercial (Thailand) Co., Ltd.

1996 - 1998

Accounting Manager  
SEA Consult Engineering Co., Ltd.

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## Educations and Training

1988

Bachelor of Business Administration  
Sripatum University

## Experiences

2000 - 2014

Senior Finance Manager  
IMPACT Exhibition Management Co., Ltd.



## Miss Narumon Chiramongkol

Senior Business Development and  
Marketing Director

### Educations and Training

MPPM  
(Public and Private Management)  
National Institution of Development and  
Administration (NIDA)

BS in Hotel and Restaurant  
Administration  
University of Nevada at Las Vegas,  
Nevada, USA

Certificate in Economics  
Thammasart University, Bangkok

BS in Business Administration  
(Marketing)  
Assumption University, Bangkok

Certificate in Professional  
Convention Management and  
Certificate in Professional Exhibition  
Management  
Singapore Association of  
Convention and Exhibition and Supplies

Certificate in Public Venue Management  
Brisbane, Australia

Holiday Inn World  
Reservation System Brussels.  
Beigium

### Experiences

2014 - 2015  
Business Development and Marketing Director  
RMI Company Limited

2012 - 2014  
Consultant  
IMPACT Exhibition Management Co., Ltd.

2006 - 2012  
Director of Business Development  
IMPACT Exhibition Management Co., Ltd.

1999 - 2006  
Director of Sales  
IMPACT Exhibition Management Co., Ltd.

1997 - 1999  
Assistant Director of Sales  
Bangkok International Trade and  
Exhibition Centre

1991 - 1997  
Senior Sales Manager  
Queen Sirikit National Convention Center



**Mr. Chiradej  
Somprasong**

Business Development  
and Marketing Director

## Educations and Training

2012

MSc. Business with Marketing Management  
University of Northumbria,  
Newcastle, United Kingdom

## Experiences

2014 - 2015

Assistant Business Development  
and Marketing Director  
RMI Company Limited

2013 - 2014

Senior Manager, Total Media  
IMPACT Exhibition Management Co., Ltd.

2012 - 2013

Senior Manager, Total Reservation  
IMPACT Exhibition Management Co., Ltd.

February - December 2010

Marketing Manager  
IMPACT Exhibition Management Co., Ltd.

2007 - 2010

Sales Manager  
IMPACT Exhibition Management Co., Ltd.

April - July 2007

Event Manager  
IMPACT Exhibition Management Co., Ltd.



**Ms. Patcharin  
Lertsaroad**

Accounting & Finance Director

## Educations and Training

1998

Master in Accounting  
Chulalongkorn University

1991

Bachelor in Accounting  
Thammasart University

## Experiences

2004 - 2014

Accountant  
Rovithai Limited.

1999 - 2004

Account Management Manager  
Shindai Consulting Co., Ltd.

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## Educations and Training

2015

Thai Institute of Directors  
Company Secretary Program (CSP) No. 66/2015  
Board Reporting Program (BRP) No. 18/2015  
Company Reporting Program (CRP) No. 12/2015

2008

Master of Arts  
International Economics and Finance  
(English Program) Chulalongkorn University

2004

Bachelor of Arts (Journalism) Thammasart University

## Experiences

2013 - 2014

Investor Relations  
TTW Public Company Limited

2012 - 2013

Investor Relations  
Muang Thai Life Assurance  
Public Company Limited

2008 - 2012

Fund Management Officer  
Muang Thai Life Assurance  
Public Company Limited



**Mrs. Anyanee Kerrick**

Benefit Protection of Trust and  
unit trust holder Manager

# Experiences and Expertise in Real Estate Management of Executives and Directors of REIT MANAGER

1. Mr. Naputt Assakul, the director, is currently a managing director of Siam Estate Co., Ltd. that runs business of hotels and restaurant, real estate, and other operations (hotels and resorts).
2. Miss Wanphen Mungpiensakul, managing director, previously held a position of accounting director of IMPACT Exhibition Management Co., Ltd. from January 2000 - July 2013.
3. Miss Narumon Chiramongkol, marketing and business development senior director, previously held a position of consultant of IMPACT Exhibition Management Co., Ltd. from June 1999 - July 2013.
4. Mrs. Varin Rachakij, risk management director, previously held a position of finance senior manager of IMPACT Exhibition Management Co., Ltd. from January 2000 - August 2014.
5. Mr. Chiradej Somprasong, marketing and business development director, previously held a position of Senior Manager of IMPACT Exhibition Management Co., Ltd. from February 2010 - September 2014.

## d. Framework and Authority of Director

The Board of Directors has an important role in making policy, planning short-term and long-term operation, as well as determining financial policy, risk management and overall performance of organization. It also has an important role in controlling, monitoring, verifying, and assessing overall outcome of company and personnel regarding their operation to be effectively performed as REIT manager as specified in Trust's deed, REIT Manager Appointment Contract agreement of unit trust holders, the law, including and/or related regulations. In this regard, the Board of Directors has authority as follows:

1. Perform their duty in accordance with law, purposes, and regulations of the company, as well as resolution of the Board of Directors and meeting of unit trust holders with duty of loyalty, duty of care, accountability, and ethic.
2. Follow up and give necessary advice in order to make operation of executives and personnel comply with related contracts and regulations for REIT manager.
3. Follow up operational performance of the company as REIT manager constantly, as well as giving necessary advice to assure that operation of the company are in line with the target and be able to handle problems which may occur in timely manner and appropriately.
4. Consider, follow up, and give necessary advice in order to provide the company internal control system and efficient operation system to fulfill the tasks of REIT manager.
5. Consider, follow up, and do what is necessary for reviewing and improving policy including important plans relating to operation of REIT manager in order to be up-to-date and suitable for economic condition regularly.
6. Consider and follow up overall operational performance of the executives, as well as giving necessary advice in order to assure that the executives do their best to fulfill their responsibilities

and follow regulations and conditions of related contracts for the benefit of trust.

7. The Board of Directors may assign one or several of directors or other people to act on behalf of the Board of Directors. However, the assignment does not include delegation of power or authority to the director or attorney of the Board of Directors to approve transactions that he/she or people of conflict have interest or benefit that conflict with interest of trust. Furthermore, the board of directors and related working departments in the company will follow up and monitor the directors, executives, related person or any person who may have conflict, gain and loss, or benefit in any kinds which have conflict of interest with trust directly or indirectly, not be able to participate in consideration and give approval to the issues of trust that he/she or the related person has conflict, gain and loss, or benefit that is against the interest of trust from running the operation, including consideration and approval through a meeting of the Board of Directors or a meeting of unit trust holders.

According to the authority mentioned above, the company will organize the Board of Directors meeting for considering, being informed, approving necessary operation regarding:

1. Profit of the company as REIT manager and trust.
2. Draft annual budget of trust, business plan and business strategy of trust made by the company as REIT manager by means of collaboration and necessary support from property manager.
3. Progress in operating according to business and marketing plan determined by the company as REIT manager for seeking benefit for trust including problems and obstructions which are occurred, as well as guidelines for solution.
4. Guidelines for risk mitigations or other causes that may affect operation of trust.
5. Performance of working departments in the company, such as Internal Audit and Risk Management Department, Marketing and Business Development Department, Benefit Protection of Trust and Unit Trust Holders Department, and Accounting Finance Department, as well as problems and obstructions occurred during the operations and guidelines for solutions.
6. Guidelines to handle disputes and complaints relating to operation of trust which require consideration from the Board of Directors.
7. Weakness of internal control system and operation system of the company in operating as REIT manager, as well as guidelines and progress in improvement.
8. Related transactions and any transactions that may cause conflict of interest with operation of trust.
9. Any issue that requires consideration and approval from a meeting of unit trust holders.
10. Other issue which is important and related to operation of the company and trust.

e. Independent Director

There is one independent director of the company which is not less than one third of the number of all directors of the company.

In a selection of the company's independent director as REIT manager, the independent director must hold minimum qualifications as follows:

1. Hold share not exceeding 1% of the number of shares that have the right to vote in the whole company, subsidiary company, joint company, or person who may have conflict of interest (including related person in section 258 in the Securities Act).
2. No participation in administration, as well as not being an employee, personnel, a consultant who receives salary from the company or any associated company, joint company, or any person who may have conflict. He/she must not have benefit or gain and loss as mentioned at least in the past 2 years.
3. Not a person who has blood relation or legal registration as a father, a mother, a spouse, a sibling, and a child, as well as a spouse of a child, with any executive, major shareholder of the company, subsidiary company, joint company or a person who may have conflict and is not appointed as a representative to protect benefit of director and major shareholder.
4. No or never has business relation, benefit or gain and loss directly or indirectly in finance or administration of company, associated company, joint company, or person who may have conflict of interest that may obstruct independent judgment, as well as not or never been a significant shareholder or a person who has authority to control people who have the business relation, except he/she has been already out of such category at least for 2 years since the day he/she becomes a director.

Business relation mentioned above and making of commercial transactions as usual for leasing business or leasing real estate, list of asset or service, or giving or receiving financial support by receiving or lending, guaranteeing, giving asset as collateral for debt, as well as other similar behaviors that cause company or director debts to another party at least 3 percent of net tangible asset of company or a minimum of twenty million baht, depending on the amount which one is lower.

5. Not or never been a professional service provider, as well as a legal consultant or financial consultant who received payment over two million baht per year from company, associated company, joint company, or any person who may have conflict of interest that may obstruct independent judgment and not a significant shareholder, a person who has authority to control or share in that professional service provider, except he/she has been already out of such category for 2 years as a minimum.
6. Not a director who was appointed as a representative of director of a company, major shareholder or shareholder who is related to major shareholder.
7. Does not own the same type of business which is a significant competitor of the company or subsidiary company, or a significant shareholder in partnership, or a director who participates in administration, employee, personnel, consultant who receives salary or hold share exceeding 1 percent of the number of all shares that have the right to vote of other company which has the same type of business and is a significant competitor of the company or subsidiary company.
8. Be ready to use his/her independent judgment for benefit of company and be ready to oppose actions of other director or management.
9. Be able to attend a meeting of Board of Directors in order to make decision in important activities of company.
10. Has suitable knowledge and experience or high potential and be accepted.
11. Not a person whose name is in the list that the Stock Exchange of Thailand considers as a person

- who should not be an administrator as specified in regulations of the Stock Exchange of Thailand.
12. Never been sentenced for violating security law, law relating to fund business, security business, and credit foncier business, law relating to commercial banking, casualty insurance, money laundering prevention and suppression, or the same type of financial business, regardless of whether Thai or international law, by authority holding legal power in such law. It also includes the guilt of unfair action relating to selling/buying stock or administration which is deceptive, dishonest, or corrupt.
  13. Does not possess any characteristic that cause him/her unable to give independent opinion regarding operation of the company.

However, the company has determined a framework for personnel and responsibilities of independent director of the company as follows:

1. Consider, follow up, and give necessary advice to company in order to make a process for providing and disclosing information in financial report of company and trust correctly, completely, sufficiently, credibly, and punctually.
2. Consider, follow up, and give necessary advice to company in order to make a system for internal control and suitable operation for working as REIT manager.
3. Consider and give opinion regarding related transactions or any transactions that may have conflict of interest with trust in order to follow the law and related regulations, as well as to assure that the transaction is reasonable and yield the best benefit to trust.
4. Any other operations assigned by the Board of Directors that benefit trust.

According to the authority of independent director mentioned above, related departments must report the independent director to consider and be informed constantly, as well as giving necessary advice regarding:

1. Related transactions or any transactions that may have conflict of interest with trust.
2. Weakness and issues required to be improved regarding internal control system and operation system for working as REIT manager, and progress of improvement.

In this regard, the Board of Directors and independent director are responsible to follow up and give necessary advice to company in working as REIT manager in order to comply with related regulations and contracts. The managing director is hereby responsible to control, follow up, direct, and monitor operation of company as REIT manager, in order to work efficiently. The company specified that managing director has the authority and responsibilities as follows:

1. Responsible, monitor, administer operation and/or manage daily work, as well as monitoring overall operation of company as REIT manager, in order to follow related regulations and contracts.
2. Set organizational structure, practice of administration including selection, training, employment and discharge of personnel, rate of wage, salary, remuneration, bonus, and other perks for personnel.
3. Monitor and control operations of company as REIT manager.
4. Be a representative of company, as well as holding authority of delegation in contacting with government agencies and related agencies.
5. Has authority to issue, amend, add, and improve rules, orders, and regulations relating to operation of company as REIT manager.
6. Has authority, duty, and any responsibility as assigned or to follow policy provided by the Board

of Directors.

7. Has authority to give sub-authority and/or delegate other person to do any specific work by giving sub-authority and/or delegate the work under framework of delegation as specified in the letter of attorney and/or follow rules, regulations, or instructions from the Board of Directors. In this regard, delegation authority and responsibility from the managing director must not contain the characteristics of giving authority or sub-authority that enables managing director or the person who received authority from managing director to approve transactions that he/she or any person who may have conflict, may acquire gain and loss or benefit in any form, or may have other conflict of interests with trust. The managing director hereby (by using necessary information and support from related departments of the company) will follow up and monitor the approvals of transactions of trust to be operated by a person who has no conflict, gain and loss, or benefit in any form which is against with benefit of trust directly and indirectly. In addition, approval of transactions must follow related rules and regulations.

## Remunerations for REIT Manager

REIT manager will receive remuneration for working as REIT manager. Through the term of REIT manager appointment contract, REIT manager will acquire fee for working as REIT manager, including base fee and incentive fee with the total rate not exceeding two (2) percent of the value of total asset of trust in each fiscal year.

## Policy or Strategy for Managing Trust as Assigned by Trustee

REIT manager must work as a profession who receives reliability with carefulness, honesty, as well as treating unit trust holders fairly for the best benefit of the whole unit trust holders as specified in Trust's deed, related laws, and additional commitments in documents disclosed to unit trust holders (if any) and agreement of unit trust holders, and plead guilty with unlimited liability in a case where REIT manager fails to fulfill his/her duty. However, REIT manager holds authority and main responsibility regarding trust management and investment in property of trust.

REIT manager is responsible to do the following duties assigned by trustee.

1. Manage trust in the part of business operation, including investment, borrowing money and making obligation to property of trust, entering in to the contracts, and doing activities for trust under the framework, regulations, and conditions specified in trust establishment contract.
2. Provide and disclose information of trust, including information specified in section 56 and section 57 of the Securities Act and other information specified in Trust's deed.

3. Provide and collect information and documents relating to management, internal control, and disclosure of information relating to trust. When trustee wishes to verify any management, REIT manager is responsible to cooperate and submit information and documents, as well as having check in the location of real estate as trustee requested to ensure the trustee that REIT manager does not violate the law or regulations of this contract or does not protect benefit of unit trust holders.
4. Provide and submit information and documents pertaining to trust structure, leasing methods, seeking and collecting income, expenses which can be collected from trust, employment contract between trust and company or people to trustee prior to trust establishment. Moreover, REIT manager and trustee must collaborate and make a deal regarding nature of information, documents for transaction, and reports, as well as frequency and duration that REIT manager must submit such information and documents to trustee for the benefits of monitoring and verifying operation of trust.
5. For trust management, REIT manager must fulfill duties of REIT manager as specified in Trust's deed, Trust Act, and other related notifications. In a case where REIT manager wishes to delegate other person to be property manager in order to manage property on his/her behalf, REIT manager is responsible to select property manager with carefulness in order to acquire property manager who has qualifications, knowledge, ability, and experience in property management of trust. REIT manager is also responsible to monitor operation of the property manager in order to achieve the operation and responsibility as specified in Trust's deed, REIT manager appointment contract, property manager appointment contract, Trust Act, and related notifications.

The property manager who was selected and appointed by REIT manager has authority and responsibilities as specified in property manager appointment contract and regulations of SEC set as guidelines for operation of trust management and trust invested in real estate and those will be amended later. REIT manager is responsible to select the person with carefulness, as well as monitor and check his/her assignments sufficiently.

However, in case that REIT manager leases property of trust to only one lessee and trust receives the whole payment or a part of it as profit sharing, REIT manager must have a system for selecting and verifying operation of the lessee in the same nature as employment of property manager as mentioned above, in order to ensure that the only one lessee will be able to pay the rent completely as specified in conditions of the contract of rent and the income is not leaking which may cause trust not to receive full payment as it should.

## Scope of Authority and Responsibilities of Property Manager

Scope of Authority and Responsibilities of Property Manager includes but is not limited to authority and responsibilities as follows:

### **1. Responsibility for Property Management**

Maintain and oversee real estate and any other property matter as necessary to be in a good condition for benefit of service, administration, and seeking benefit from property of trust; facilitate trustee, appraisal company of trust, and REIT manager regarding property matter as necessary and suitable; cooperate with REIT manager to help trust obtain license and/or other related documents which are necessary for seeking benefit from property of trust; find people to rent area of the project, coordinate, and negotiate with lessee for making rental contract or any other contract relating to the project; transfer income, send payment, pay any expenses relating to operation of trust; as well as running administration to comply with contracts, help REIT manager as REIT manager requests appropriately and reasonably. In case that REIT manager wishes to sell, transfer, lease, transfer the right of lease, or distribute (if any) in any way to other person, the property manager must contact, coordinate, give information, submit documents, and pay fee and property tax for property of trust which trust is responsible to pay and withholding tax because of project management, and/or other tax relating to property and/or project management to officials in related government agencies; operate and/or coordinate with REIT manager and help REIT manager in order to help lessee of property of trust receive facilities of the project; operate what is necessary in order to manage property in accordance with project management of trust and related laws, etc.

### **2. Accounting and Report, Management Document, and Internal Audit**

Provide documents, including any accounting documents relating to property of trust so as to be checked by REIT manager, auditor, and/or trustee or any assigned person; submit requested documents relating to property of trust to REIT manager, auditor, and/or trustee (as the case may be) within 15 (fifteen) working days since the day the request is informed or should be informed, except there is a reasonable cause or partner agrees otherwise, as well as providing accounts and reports as assigned by REIT manager in order to submit accounts, reports, and related documents to REIT manager within the term that REIT manager determined. However, property manager will provide the account in an accepted form by using the principle of accounting and collect documents relating to the account, and record the account for at least 5 years which is correct, complete, and ready for REIT manager to check; as well as facilitating internal audit by REIT manager or trustee as being requested by REIT manager or trustee.

### **3. Marketing**

Develop and provide advertising and promotion plans for real estate. The expenses for operating accordingly to the plan will be completely compensated by trust which needs to follow regulations specified in the annual business plan.

### **4. Responsibilities in Making Contract for Seeking Benefit in Property of Trust**

Make contract of area lease, contract of facility, contract of area utilization with the term corresponding to contract of property investment or as the term set by REIT manager, proceed anything which is necessary and appropriate in order to make lessees follow conditions and/

or agreement specified in contract of area lease and other contracts relating to the project, coordinate with REIT manager, and facilitate lessees in changing, amending, and/or cancel the contract, provide, facilitate, and coordinate with REIT manager, in case that lessee wishes to increase or decrease the area for utilization.

Internal control system and operational system for preventing or dealing with conflict of interest, scope of department, and responsibilities of each department of REIT Manager

#### 1. Classification based on job descriptions

The Company was established with the aim of operating as the REIT Manager in accordance with the Trust for Transactions in Capital Market Act B.E.2550. The Company consists of four major departments in order to support the operations of REIT Manager to comply with Trust's deed, appointment of REIT manager contract, resolution of unit trust holders, and relevant laws and regulations.

The company's departments including their scope of work and responsibilities can be concluded as follows:

##### **Internal Audit and Risk Management Department:**

- Controlling and managing risk in relation to management and investment of trust to comply with trust deed and relevant regulation.
- Preventing conflict of interest.
- Ascertaining that the staff is qualified and well-trained.
- Auditing operations of trust to conform with trust deed and relevant laws; and
- Personnel management.

##### **Marketing and Business Development Department:**

- Planning, selecting, and considering investment in property by trust.
- Examining information on property to be invested.
- Determining strategy to seek benefits from the property in collaboration with the property manager; and
- Controlling, supervising, and examining operations of property manager.
- Property Monitoring.
- Running IT and computer management and document collection.
- Performing general administration, procurement, supervising the tasks as assigned and tasks performed by outsourced service providers, preparing registration document on unit trust holders and benefit payment.

##### **Benefit Protection of trust and unit trust Holders Department:**

- Disclosing information to monitoring agencies and unit trust holders in accordance with contracts and related laws;

- Holding meetings of unit trust holders;
- Writing annual report of trust;
- Contacting and assisting unit trust holders; and
- Receiving complaints from unit trust holders.

#### Accounting & Finance Department:

- Accounting and finance, preparing financial statement of trust, calculating NAV;

## 2. Classification based on work system of REIT Manager

For effectiveness in trust management and completion of requirements under the relevant regulations of the Securities and Exchange Commission, the Company also sets the following systems in conformity with the relevant regulations:

- 2.1 Risk management system for trust investment;
- 2.2 Prevention system for conflict of interest;
- 2.3 Tracking system ensuring that the staff is sufficiently qualified and capable of taking actions under the relevant rule and procedure;
- 2.4 Information disclosure system;
- 2.5 Back office system;
- 2.6 Internal control system;
- 2.7 Monitoring system that check the operations performed by REIT Manager, personnel of REIT Manager, and assigned persons for tasks relevant to trust management in conformity with the applicable laws, regulations, and trust deed;
- 2.8 Policy determination system for trust management, capital structuring of trust, investment decision making on property, as well as formulating policy and strategy to maintain benefit of trust and unit trust holders;
- 2.9 Investor relations system and complaint handling system; and
- 2.10 Legal dispute resolution system.

Each major system consists of subsystems as described in the table below.

| Major systems                                  | Subsystems                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Risk management system for trust investment | <ul style="list-style-type: none"> <li>• Subsystem and process of considering and selecting investment in property (under the supervision of Internal Audit and Risk Management Department and Marketing and Business Development Department);</li> <li>• Subsystem and process of reviewing appraisal reports (under the supervision of Internal Audit and Risk Management Department, Accounting &amp; Finance Department and Marketing and Business Development Department);</li> <li>• Property monitoring subsystem (under the supervision of Marketing and Business Development Department)</li> <li>• Subsystem and process of risk tracking, analysis, and assessment regarding investment and management of property (under the responsibility of all departments within the company).</li> </ul> |

| Major systems                                                                                                                            | Subsystems                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. Prevention system for conflict of interest                                                                                            | <ul style="list-style-type: none"> <li>• Subsystem and process of tracking transactions between trust and concerned persons;</li> <li>• Subsystem and process of business competition;</li> <li>• Subsystem and process of tracking issues relating to independence of performing tasks of REIT Manager; and</li> <li>• Subsystem and process of disclosing gain and loss, and benefit derived from counterparty/persons dealing with trades of trust.</li> </ul> <p>(All departments in the company are required to be responsible and following up all subsystems in this part.)</p>                                                                                                                                                                                                                                                                                                 |
| 3. Tracking system ensuring that the staff is sufficiently qualified and capable of taking actions under the relevant rule and procedure | <ul style="list-style-type: none"> <li>• Subsystem and process of selecting property manager (under the responsibility of all departments in the company);</li> <li>• Subsystem and process of selecting service provider (under the responsibility of all departments in the company);</li> <li>• Subsystem and process of following up and evaluating the property manager's work performance (under the responsibility of all departments in the company);</li> <li>• Subsystem and process of supervising the property manager's operations under appointment of property manager contract (under the responsibility of all departments in the company); and</li> <li>• Subsystem and process of monitoring work performance of the Board of Directors, executives, and staff of REIT Manager (under the supervision of Internal Audit and Risk Management Department).</li> </ul> |
| 4. Information disclosure system                                                                                                         | <ul style="list-style-type: none"> <li>• Subsystem and process of disclosing information on REIT Manager and trust under relevant contracts and laws (under the supervision of Benefit Protection of Trust and Unit Trust Holders Department).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

| Major systems                                                                                                                                                                                                                          | Subsystems                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5. Back office system                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>• Subsystem and process of supervising tasks assigned to outsourced service providers (under the supervision of Marketing and Business Development Department).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 6. Internal control system and operational system on complaint handling and dispute resolution                                                                                                                                         | <ul style="list-style-type: none"> <li>• Subsystem and process of considering and approving extra expenses or non-budgetary expenditure (under the supervision of Internal Audit and Risk Management Department);</li> <li>• Subsystem and process of collecting information, documents, and evidence related to trust (under the supervision of Marketing and Business Development Department, and Accounting &amp; Finance Department);</li> <li>• Subsystem and process of following up collection of income, service fee, and rental fee run by property manager (under the supervision of Marketing and Business Development Department);</li> <li>• Subsystem and process of tracking and evaluating expenses to be collected from trust, run by property manager (under the supervision of Marketing and Business Development Department);</li> <li>• Subsystem and process of making budget on revenue and expense of trust (under the supervision of Marketing and Business Development Department); and</li> <li>• Subsystem and process of controlling cash-involved activities.<br/>(Under the supervision of Marketing and Business Development Department)</li> </ul> |
| 7. Monitoring system that check the operations performed by REIT Manager, personnel of REIT Manager, and assigned persons for tasks relevant to trust management in conformity with the applicable laws, regulations, and Trust's deed | <ul style="list-style-type: none"> <li>• Subsystem of examining and tracking REIT Manager's work performance. (Under the responsibility of all departments in the company).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

| Major systems                                                                                                                                                                                                             | Subsystems                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8. Policy determination system for trust management, capital structuring of trust, investment decision making on property, as well as formulating policy and strategy to maintain benefit of trust and unit trust holders | <ul style="list-style-type: none"> <li>• Subsystem and process of studying information and details of property to be invested (under the supervision of Internal Audit and Risk Management Department and Marketing and Business Development Department).</li> </ul> |
| 9. Investor relations system and complaint handling system                                                                                                                                                                | <ul style="list-style-type: none"> <li>• Subsystem on communicating to investors; and</li> <li>• Subsystem on handling complaint from investors. (under the supervision of Benefit Protection of Trust and Unit Trust Holders Department)</li> </ul>                 |
| 10. Legal dispute resolution system                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• Subsystem on dispute mediation; and</li> <li>• Subsystem on dispute settlement. (under the supervision of Benefit Protection of Trust and Unit Trust Holders Department)</li> </ul>                                         |



SHINING IMPACT

# TRUST INVESTMENT POLICY

Real estate investment trust must follow the regulations specified in Thor Jor 49/2555 Notification, as well as other related notifications and regulations regulated by SEC Board.

## Main Properties and Equipment Investment

### 1. Investment Policy and Types of Main Property that will be invested by Trust

Trust has policy to invest in main properties which are real estate or real estate leasehold, and seeking benefit from real estate which are trade fair and conference center, as well as other real estate relating, supporting, or promoting trade fair and conference organizing business, for example, (but not limited to) real estate for organizing concert, indoor sport event, banquet, outdoor amusement park, hotels in the areas around trade fair and conference for guests, and other properties which might promote investment trust. The regulations are shown as follows:

- (1) The main properties to be invested by trust must be located in Thailand.
- (2) Trust must invest in real estate in order to hold ownership or possessory right. In case of acquisition of possessory right, it must be either one of the following cases.
  - (a) Acquisition of real estate with NorSor 3 Kor document.
  - (b) Acquisition of real estate leasehold with evidence of title or possessory right of NorSor 3 Kor.
- (3) Real estate invested and acquired by trust must not be executed of property right or has any dispute unless it has been considered by trust manager and trustee and has written document to confirm that being executed of property right and dispute will not affect seeking benefit from the real estate significantly, and conditions of the acquisition of the real estate also generally benefits trust unit holders.
- (4) Making contract in order to acquire real estate which is invested by trust must not have any deal or commitment that might make trust unable to sell the real estate with fair price (while selling), for example, the deal that gives right to partners of contract for purchasing real estate of trust before any other party by setting price in advance, or might make trust has more responsibilities as a lessee when the leasing contract terminates.
- (5) The acquired real estate must be ready for seeking benefit with total value not less than 75 percent of value of unit trust which has been asked for permission to sell including the amount of loan (if any). However, trust might invest in a project that has not completed. The investment value for acquiring and developing real estate in order to seek benefit must not exceed 10 percent of total asset value of trust (after selling unit trust) and be able to show that there is sufficient working capital for such development without affecting trust's continuity.
- (6) Real estate to be invested by trust must have appraisal value based on the following regulations.

- (a) Full form of appraisal will be conducted with the review of certificate of ownership and on the ground of public purposes by disclosing information to investor not exceeding six (6) months prior to the date of filing a request to sell unit trust by at least two (2) appraisers; and
  - (b) The appraisers in (a) must be approved by SEC.
- (7) The total value of real estate acquired by trust must not less than five hundred million (500,000,000) baht. However, in case that the amount of money received from fundraising through selling unit trust is less than the amount of real estate intended to be invested in, the company must be able to show that it has other sufficient financial resources to acquire the real estate.
- (8) In case that trust wishes to invest in order to acquire possessory right by subleasing real estate or leasing building or house or construction that lessor does not hold ownership as specified in title deed or does not have possessory right as specified in certificate of utilization, trust manager must launch a measure for preventing risk or compensating damage that might occur with trust as the result of the investment in order to acquire possessory right by subleasing real estate or leasing building or house or construction that lessor does not have ownership. For example, using insurance company to handle with damage that might occur from contract cancellation made by the owner of real estate or the person, who has the possessory right, uses mortgage to assure complying with the contract, make a deal to use related people to work in order to follow the contract and compensate damage to trust, assure that they will comply with the contract by giving a security, reveal the risk to unit trust holders by showing in a transaction list which demonstrates effects that might occur with the turnover of trust if the person who has ownership as specified in title deed or the person who has possessory right as specified in certificate of utilization cancel the contract.
- (9) In case that trust acquired ownership in real estate and the trust manager wishes to seek benefit from the real estate by leasing it to the previous owner, the trust manager must charge the rent from the previous owner in a form of normal trade fee in the same way with doing business with general business partner who is the third party.

## 2. Limitations of Investment

Trust has no policy to invest in other property beyond types of property specified in this contract. Furthermore, trust will not invest in vacant land.

## 3. How to acquire and sell main property and equipment

### (1) Acquisition of main property and equipment.

(a) In order to acquire each main property, trust manager must operate as follows:

- Audit or verify (due diligence) information and contracts relating the main property and equipment (if any) of the following issues.
  - Condition of real estate, such as location, gateway, opportunity for seeking benefit, obligation of the real estate, etc.
  - Legal information of real estate that will be invested in and ability of business partner in doing juristic act, as well as completion, correctness, and being able to follow the law of certificate of ownership or related contracts.

- Financial information of real estate and other suitability for investment in the real estate, etc. In case that the owner, lesser, or lease assignor is a person who is related to trust manager, trust manager would find a financial consultant to analyze such information. However, audit and verification of main property and equipment would be applied to support decision making for investment and disclosure of correct information.
- The minimum appraisal of main property as specified in the regulation item number 11.1 the asset appraisal value of the Trust's deed.
- In case that trust wishes to invest in lease hold of real estate as sublease, there will be a measure for preventing risk or compensating damage that might occur from breaking the lease contract or being unable to comply with right in the lease contract.

(b) Acquisition of additional property must comply with the following regulations.

- The content of the transactions must have the following nature:
  - Comply with Trust's deed and related laws.
  - For the best benefit of trust.
  - Reasonable and fair price.
  - Fair and appropriate expense for transaction being charged to trust (if any).
  - Special stakeholders in doing transaction do not have the right to make any decision in the transaction.
- Approval system must be processed as follows:
  - Approved by trustee that the transaction complies with the Trust's deed and related law.
  - In case that the value of acquired main property is exceeding ten (10) percent of gross property value, it must be approved by Board of Directors of trust manager.
  - In case that the value of acquired main property is exceeding thirty (30) percent of total asset value, it must be approved by a meeting of unit trust holders with at least three out of four (3 out of 4) votes of the unit trust holders who attend the meeting and have the right to vote.
  - Calculating for property value in this case will be conducted as the value of the whole acquired property of each project which makes trust ready to seek benefit, as well as property relating to the project.
- In the process of request for consent from trustee or request for agreement from a meeting of unit trust holders, trust manager and trustee are responsible to do as follows:
  - Trust manager is responsible to prepare documents to request for consent or letter of invitation for a meeting, express opinion regarding the type of transaction for acquiring additional main property, as well as reasons and clear additional information.
  - Trustee is responsible to attend a meeting of unit trust holders in order to express opinion regarding the type of transaction and consider if it complies with this contract and related law or not.

## (2) Disposal of main property and equipment

In order to disposal main property, trust manager must operate as follows:

- (a) Prior to dispose main property, trust manager has to arrange appraisal for main property as specified in item number 11.1 appraisal value of the Trust's deed.

(b) In order to dispose main property, the following regulations must be followed.

- It must be publicly distributed and has content of the transactions as specified in 3 (1) (b) and has process of request for approval from trustee or agreement from a meeting of unit trust holders as specified in 3 (1) (b) mutatis mutandis.
- Dispose main property with the following nature not only needs to follow the regulations of disposal main property specified in previous section, but also being a case that is necessary and deserved to be approved by Board of Directors of trust manager.
  - Disposal of main property prior to one (1) year since the date that trust acquired the main property.
  - Disposal of the acquired main property with ownership to previous owner.

Apart from main property investment, trust has policy to invest or hold other properties as follows:

1. The following are types of other property that trust has policy to invest or hold.

- (1) Government bond.
- (2) Treasury Bill.
- (3) Bond or debenture of state enterprise or juristic person who is established by special law and obtains Ministry of Finance as unconditional guarantee of full capital and interest.
- (4) Deposit in a bank or Secondary Mortgage Corporation.
- (5) Certificate of deposit issued by a bank or a finance company which is not a structured note.
- (6) Bill of exchange or promissory note issued, accepted, given aval, or guaranteed by a bank, a finance company, or a credit foncier company which is not a structured note.
- (7) Unit trust or warrant for purchasing unit trust of fixed income fund or other mutual fund which has policy to invest in fixed income fund or deposit. However, in case it is foreign unit trust, the following conditions must be followed.
  - (a) If it is unit trust of foreign mutual fund under control of a securities agency and stock exchange which is a member of International Organization of Securities Commissions (IOSCO) or unit trust of foreign mutual fund trading in stock exchange which is a member of World Federation of Exchanges (WFE).
  - (b) The foreign mutual fund has policy to invest in property in the same category and
  - (c) The foreign mutual fund was established for general investors.
- (8) Unit trust of property mutual fund or unit trust of other trust exclusive to the ones which have been established according to Thai law.
- (9) Instrument of Real Estate Investment Trust established according to foreign law, no matter the trust is established as a trust company or other form, it must have the following nature:
  - (a) The Real Estate Investment Trust was established for general investors and controlled by a

property agency and stock exchange which is a member of International Organization of Securities Commissions (IOSCO).

(b) Has main objectives for property investment, ordinary shares of companies which their names are in property development category in stock exchange which is a member of World Federation of Exchange (WFE) or ordinary shares of companies which have business similar to property development category.

(c) Has trading in stock exchange which is a member of World Federation of Exchange (WFE).

(10) Future contract in case that it was made with a purpose to prevent risk of trust. Acceptance, receiving aval, or guarantee as the case may be as specified in (6) must be general acceptance, receiving full aval, or unconditional guarantee full capital and interest.

2. The ratio of other property investment comply with the regulations specified in the notification regarding ratio of investment in property of general mutual fund issued by section 117 and section 126 (4) of exchange act mutatis mutandis.

3. In case that a debtor, as specified in instrument that trust invested in, defaults or tends not to be able to pay the debt, trust manager would execute as the regulations in the same title as specified for general mutual fund issued by section 117 of exchange act mutatis mutandis.

Trust may invest in share of juristic person who is a main property lessee of trust which has the conditions as follows:

1. The lease charges by referring to turnover of main property of trust.
2. Investment in share that gives privilege for benefit in approving some operation of juristic person (Golden Share) as specified in regulations of the juristic person not more than one (1) share.

# SIGNIFICANT EVENTS REGARDING OPERATIONS OF TRUST IN THAT FISCAL YEAR

During April 1 - March 31, 2016, significant events regarding operations of trust are as the following.

1. Impact Exhibition Management Co, Ltd. invested in construction and decoration of seven more meeting rooms to the REIT at Impact Exhibition Center according to the following details.

| Meeting Halls | Number  | Hall            | Gross Floor Area (sq.m.) |
|---------------|---------|-----------------|--------------------------|
| Venus         | 4 rooms | Fl. 1, Hall 1   | 1,748                    |
| Amber         | 3 rooms | Fl. G, Hall 3-4 | 3,184                    |



Consequently, IMPACT Exhibition Center has 13 meeting rooms in total. Previously, the venue had only six Phoenix meeting rooms. The total gross floor area was increased by 4,932 sq.m. Consequently, IMPACT Exhibition Center occupied total gross floor area of 104,451 sq.m. and net leasable area of 55,027 sq.m.

The trust's area is updated as detail below :

|                   | At 31 March 2015 | At 31 March 2016 |
|-------------------|------------------|------------------|
| Gross Floor Area  | 484,829          | 489,761          |
| Net Leasable Area | 165,606          | 167,162          |

2. The principle of sum insured calculation in case of business interruption insurance is amended from 600 million baht to 1.2 billion baht while increasing indemnity period as the following.

- (1) Previously, as stated in a prospectus, REIT set up the sum insured amount of business interruption insurance, based on comparing its amount to an estimate of EBITDA of REIT's asset approximately for six months of business operation.
- (2) Nevertheless, when adopting the calculation based on EBITDA, the amount of capital is too low compared with the real sum insured amount calculated by a gross profit method (gross profit = fixed cost + net profit). This is an assumption of determining basic sum insured in order that all the insured would receive indemnity until the assets get recovery to its normal condition prior to an unexpected event in a realistic way.
- (3) In terms of REIT's asset, renovations to service area were carried out and meeting rooms were increased. These may cause some effects to a length of period to be used for fixing damaged assets into a condition which REIT can use them to seek for benefits. Therefore, REIT Manager extended a period of asset repair from six months as stated in the prospectus to one year.

The principles and reasons of changing in details are as summarized below.

- a. Calculating sum insured amount based on a gross profit method would be used as an assumption in determining a basic sum insured. The purpose is to acquire sum insured amount realistically similar to the damage possibly occurred to REIT's assets, compared with that of EBITDA. If capital amount is lower than the amount of possible real loss, it will affect a principle of average loss and then the claim amount will not be sufficient to fix the damages.
- b. The extension of indemnity period from six months in the prospectus to one year is to comply with estimate period to be spent for repair of possible damaged assets back into a condition that can be used for REIT's benefits. This is because presently, REIT started renovation in service areas and decoration to increase its utility.
- c. The increased premium caused by a change in sum insured calculation and extension of indemnity period is not significant, compared with the previous premium and increase in benefits assured to the unit trust holders, once REIT's assets are damaged.

Consequently, for the maximum benefits to REIT and unit trust holders without any contradiction to a notification of the Securities and Exchange Commission Sor.Ror 26/2012 stated in clause 16 in relation to providing sufficient sum insured to cover all investment period of trust in main assets, REIT Manager agreed to amend a principle of calculating sum insured in case of business interruption insurance and extension of indemnity period.



# DETAIL OF INVESTMENT ASSETS

Details of Investing Trust's real estate



## IMPACT Arena

### General Information

Curtained in 1998, 5 floor height designed and constructed as 5 levels grandstand where can support 12,000 seats with 24 meters height ceiling

- Floor 1 flatten floor for stage and seats with movable and erasable grandstand and reception room for organizers
- Floor 2 organizer's room, changing room and staff's arranging room
- Floor 3 artist dressing room, and VIP reception room with 25 separated galleries
- Floor 4 grandstand with control room on the top

### Land

Certificate of title 30051, parcel number 12, with area of land 76 rai 1 ngan 53.7 square wah

### Gross Floor Area

41,810 sq.m. including net leasable area and public area

### Net Leasable Area

16,294 sq.m. including service space and long-term rental/service space

### System

Main public utilities including electrical system, water cooling system, air-conditioning system, ventilation system, sanitation system, safety and security system, fire prevention and response system, fire alarming system, light and sound system, communication and radio link system

### Ownership

IMPACT Growth Real Estate Investment Trust



## IMPACT Exhibition Center

### General Information

Completed in 1998 for exhibition hall 1 - 4 and in 2003 for exhibition hall 5 - 8, IMPACT Exhibition Center has totally 8 exhibition halls with 13 meeting rooms

#### Exhibition hall 1 - 4 has 4 levels

- Floor 1 convenient exhibition hall with full facilities such as restaurant, Meeting rooms VIP reception room, preparation room for organizer, medical room, Cyber café and prayer room, meeting rooms
- Floor 2 meeting rooms versatile rooms behind conference room and in the front and bird's - eye view control room, Meeting rooms.
- Floor 3 - 4 exhibition hall's system control room

#### Exhibition hall 5 - 8 has 2 levels

- Floor 1 convenient exhibition hall with full facilities such as restaurant, meeting room, VIP reception room, preparation room for organizer, medical

room, etc.

- Floor 2 exhibition hall's system control room

### Land

Certificate of title 30051, parcel number 12, with area of land 76 rai 1 ngan 53.7 square wah, where belong to the same title deeds of 30051 of IMPACT Arena

### Gross Floor Area

104,451 sq.m. including net leasable area, public area and outdoor loading area

### Net Leasable Area

55,027sq.m.includingservice space, long-term rental/ service space and banquet space

### System

Main public utilities including electrical system, water cooling system, air-conditioning system, ventilation system, sanitation system, safety and security system, fire prevention and response system, fire alarming system, light and sound system, communication and radio link system

### Ownership

IMPACT Growth Real Estate Investment Trust



## IMPACT Forum

### General Information

Finished in 2000, IMPACT Forum consists of 2 buildings which is IMPACT Forum and Car parking building

#### IMPACT Forum has 2 levels

- Floor 1 consisting of meeting room, Banquet Hall and Sapphire with facilities such as VIP reception room, medical room, business center, etc.
- Floor 2 including exhibition space, meeting and convention room; Grand Diamond and Sapphire room, and indoor mezzanine for organizer's reception room and outdoor versatile space

Car parking building has 10 floors with parking capacity at 2,343

### Land

Certificate of title 23135, parcel number 24, with area of land 29 rai 3 ngan 70.1 square wah

### Gross Floor Area

122,191 sq.m. including net leasable area, public area, indoor car park and outdoor loading area

### Net Leasable Area

25,943 sq.m. including service space, long-term rental/ service space and banquet space

### System

Main public utilities including electrical system, water cooling system, air-conditioning system, ventilation system, sanitation system, safety and security system, fire prevention and response system, fire alarming system, light and sound system, communication and radio link system

### Ownership

IMPACT Growth Real Estate Investment Trust



## IMPACT Challenger

title 41954, parcel number 27, with area of land 20 rai 1 ngan 44.4 square wah, and Certificate of title 68090, parcel number 40, with area of land 1 rai 2 ngan 8.5 square wah

### General Information

Accomplished in 2006, 3rd floor building consists of 3 main halls, which exist 1 Ballroom and 16 meeting rooms

- Floor 1 2,000 car parking capacity with 16 meeting rooms, restaurant, medical room, etc.
- Floor 2 exhibition space with full facilities such as organizer's room, VIP reception room, prayer room, kid corner, Sky Kitchen food court, meeting room and etc.
- Floor 3 combining with Press Center, Titanium Lounge, versatile room, and system control rooms

### Land

Certificate of title 30994, parcel number 10, with area of land 64 rai 2 ngan 11.9 square wah, Certificate of

### Gross Floor Area

221,309 sq.m. including net leasable area, public area, indoor car park and outdoor loading area

### Net Leasable Area

69,898 sq.m. including service space, long-term rental/service space and banquet space

### System

Main public utilities including electrical system, water cooling system, air-conditioning system, ventilation system, sanitation system, safety and security system, fire prevention and response system, fire alarming system, light and sound system, communication and radio link system

### Ownership

IMPACT Growth Real Estate Investment Trust

## Summary detail table of land where located Trust's main assets

| Building                    | Certificated of title    | Area of land    |
|-----------------------------|--------------------------|-----------------|
| 1. IMPACT Arena             | 30051 parcel number 12   | 76 rai 1 ngan   |
| 2. IMPACT Exhibition Center |                          | 53.7 square wah |
| 3. IMPACT Forum             | 23135 parcel number 24   | 29 rai 3 ngan   |
|                             |                          | 70.1 square wah |
| 4. IMPACT Challenger        | - 30994 parcel number 10 | - 64 rai 2 ngan |
|                             |                          | 11.9 square wah |
|                             | - 41954 parcel number 27 | - 20 rai 1 ngan |
|                             |                          | 44.4 square wah |
|                             | - 68090 parcel number 40 | - 1 rai 2 ngan  |
|                             |                          | 8.5 square wah  |

## Price from appraisal report or review of the last appraisal

American Appraisal (Thailand) Co., Ltd. an appraiser, evaluated the latest value of property as detail below

| Asset                                                                                                                                                                                                             | Appraisal Value from the Trust's revenue structure with Income Approach Method (million baht) | Appraisal Value with replacement cost (million baht)                                                                                                                                                       | Appraisal Date |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Land, Building, assets which attached on land and equipments of <ul style="list-style-type: none"> <li>IMPACT Arena</li> <li>IMPACT Exhibition Center</li> <li>IMPACT Forum</li> <li>IMPACT Challenger</li> </ul> | 19,619 million baht                                                                           | 14,278 million baht including Land value, building and operation system, equipment attached to the building. However, the appraisal value with replacement cost excluding land value is 8,265 million baht | 1 April 2016.  |

Appraisal Approach

An appraiser evaluated of property, including land, building and operation system of IMPACT Arena, IMPACT Exhibition Center, IMPACT Forum and IMPACT Challenger with income approach and replacement cost approach which they are different as detail below

- Income approach

It is an appraisal based on fair value by evaluated property value by converting value of benefit in the future to be present value, which the benefit is clearly identify that occur from utilizing the 4 assets. This approach is suit with the evaluation of investment value and ordinary asset value as they are rent it out to the market.

- Replacement cost approach

It is appraisal based on new construction cost or replacement assets with the similar asset character deduct by accumulated depreciation cost as the building could be physical damage or worn-out by asset utilization or depreciation from out of date.

However, an appraiser thought highly of income approach is more appropriated than the replacement cost approach as it is based on ability to generate income which reflect the better fair asset value since it is calculated from the ability of the asset to generate income to be the main calculation, while derogate the cost of construction that already occurred, which it's not affect to the ability to create income in the future. In this case, 4 assets for appraisal value provide high potential in economic benefit, they generate stable cash flow to the owner, thus they are shall be valued by income that expected to be created from them. Consequently, income approach for evaluation the value of property is deemed to be appropriate.

Assumption of the appraisal value with income approach from the Trust's revenue structure

The main assumptions for appraisal value of the Trust's investment assets are below:

| Assumptions                      | American Appraisal (Thailand) Co., Ltd.                                                                                                                                                                                               |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Appraisal Approach               | Income approach, calculated from discount future cash flow from the property.<br><br>From the Trust's revenue structure, according to seeking benefit from the property of the trust, in chapter 4, prospectus of IMPACT Growth REIT. |
| Appraised Period                 | 5 years, started on April 2016 - March 2021.                                                                                                                                                                                          |
| Hall Area                        | 122,165 sq.m.                                                                                                                                                                                                                         |
| Growth of Average Occupancy Rate | 2.1% for first year then 1.7% growth each year for the last 4 years.                                                                                                                                                                  |

| Assumptions                           | American Appraisal (Thailand) Co., Ltd.                                                                                                                                 |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Food & Beverage Right Fee Rate        | 29% (Including utility revenue) of IMPACT Exhibition Management Co., Ltd. acquiring from total food & beverage revenue on the Trust's assets before deducting expenses. |
| Restaurant Right Fee Rate             | 22% of IMPACT Exhibition Management Co., Ltd. acquiring from total restaurant revenue before deducting expenses.                                                        |
| Media Right Fee Rate                  | 31% of IMPACT Exhibition Management Co., Ltd. acquiring from total media revenue on the Trust's asset before deducting expenses.                                        |
| Rental Rate/Long Term Rental Area     | 5.5 % from venue service income from The trust's revenue structure.                                                                                                     |
| Growth Rate of Parking Service Income | 0.5 % p.a.                                                                                                                                                              |
| Capital Expenditure                   | 2% p.a. from total income.                                                                                                                                              |
| Property Management Fee               | 1 <sup>st</sup> year Base fee = 4.5 % (p.a.) and 5.5% (p.a.) on the later years.<br>1 <sup>st</sup> Incentive fee = 5.75% (p.a.) and 6.75% (p.a.) on the later years.   |
| Terminal Growth Rate                  | 3%                                                                                                                                                                      |
| Discount Rate                         | 10%                                                                                                                                                                     |

Benefit or loss from disposal and expenses according to the disposal

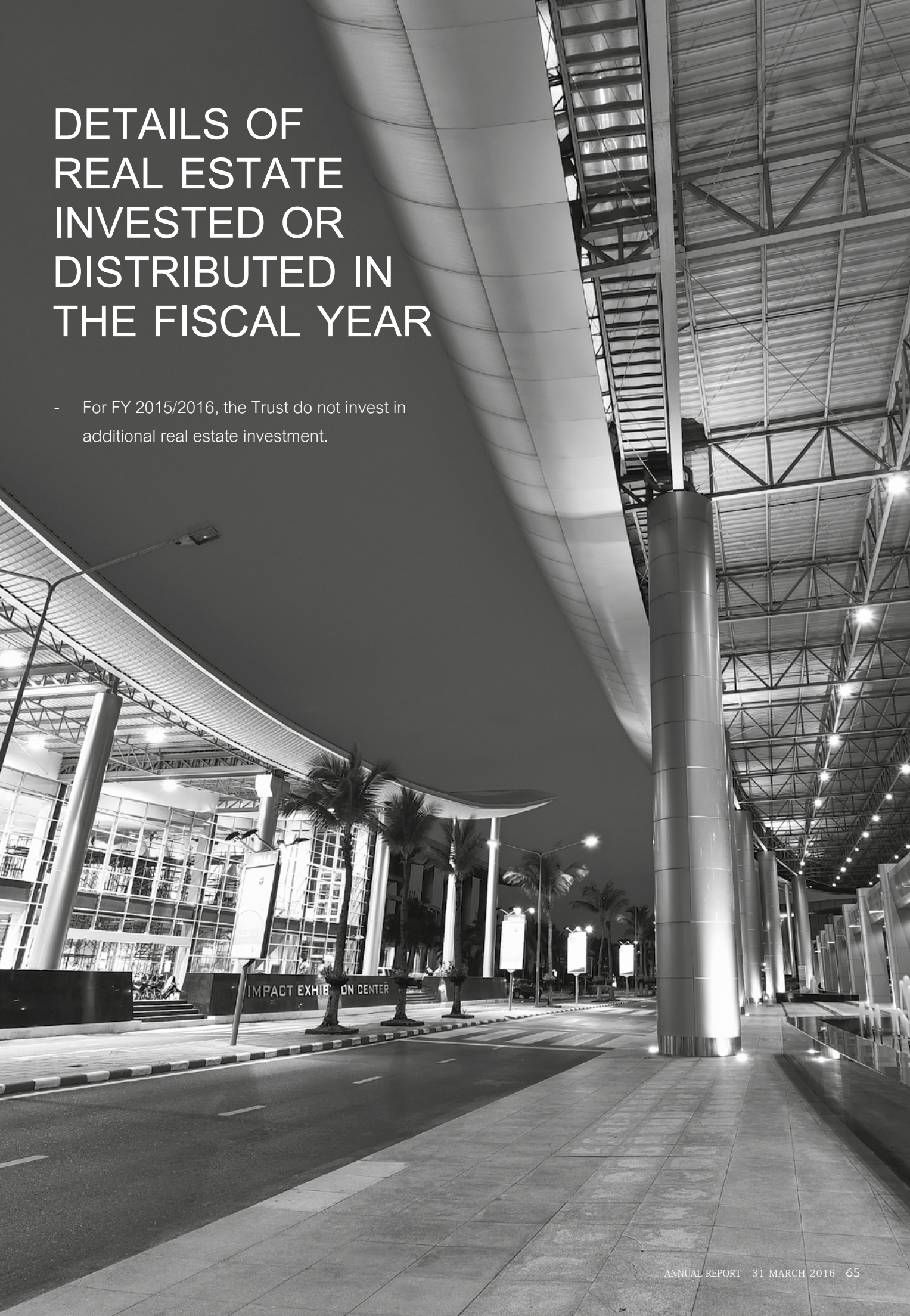
(none)

Real Estate acquisition price or disposal of the Real Estate Lease contract

(none)

# DETAILS OF REAL ESTATE INVESTED OR DISTRIBUTED IN THE FISCAL YEAR

- For FY 2015/2016, the Trust do not invest in additional real estate investment.



# LOAN POLICY

## 1. Trust can take on a loan only for the following purposes.

- (1) Real estate investment or leasehold of additional main asset.
- (2) Trust asset management.
- (3) Maintaining, repairing or renovating asset of trust i.e. real estate of trust or real estate that trust owns the leasehold which is in good condition and ready for being used to seek benefit.
- (4) Adding or constructing more building on existing land of trust or land that trust owns the leasehold in order to seek benefit for trust.
- (5) Repaying loan or obligation of trust

## 2. Trust can ask for a loan by the following methods:

- (1) Applying for credit from a commercial bank or any other financial institution that may grant credit to trust without violating the law, notification, order, or any related regulation notified by SEC.
- (2) Issuing instrument of title or securities or making a contract in order to ask for a loan.

## 3. The rate of loan must not exceed either one of the following rates, except when exceeded rate is not caused by taking more loans.

- (1) Thirty five (35) percent of total asset value of trust.
- (2) Sixty (60) percent of total asset value of trust in case that investment grade of trust is in the rank that can invest which the latest investment grade must be evaluated by credit rating agency approved by SEC not exceeding one (1) year prior to the day of taking on a loan.

Taking on a loan in this item also includes issuing instrument of title or securities or making a contract in any form with a purpose or substance of taking on a loan.

#### 4. Making obligation to asset of trust can be operated only in the case that is necessary and related to asset management of trust as follows:

- (1) Creating obligation in relation to making main agreement that trust is able to do as specified in Thor Jor 49/2555 Notification and other related notifications announced by SEC Board, for example, giving the asset of trust as a collateral for loan repayment as specified in Trust's deed.
- (2) Making obligation which is commercially normal or normal in such transaction.

#### 5. Practices of taking on a loan or creating obligation

Trust will take on a loan or create obligation by considering benefit of unit trust holders and following regulations of taking on a loan or creating obligation as follows:

- (1) REIT manager will consider necessity and suitability of taking on a loan or creating obligation over asset of trust, as well as considering regulations and methods for taking on a loan or creating obligation. After that, it will be submitted to trustee in order to be considered and approved on case by case basis.
- (2) Trustee is the one who signs to bind trust in making a contract in order to take on a loan or create obligation for asset or authorize REIT manager to sign for binding trust to make such contract instead.
- (3) In case that trust needs to find collateral for taking on a loan, it must be approved by unit trust holders in a meeting.
- (4) In case that trust takes on a loan to spend for maintaining, repairing, or renovating asset of trust as specified in item 1(3) or adding or constructing more building on existing land of trust or land that trust owns the leasehold in order to seek benefit for trust as specified in item (1) 4, REIT manager must consider the rest of leasing duration as specified in the contract of rent.

#### 6. Taking on a loan or creating obligation with any person in relation to trustee

Trust may take on a loan by applying for credit from a commercial bank or a financial institution or making a contract to take on a loan, creating obligation for asset of trust, or processing transaction with any person in relation to trustee as regulations notified by SEC Board and any other related orders notified by SEC Board.

## 7. Detail of loan as the end of March' 2016

### Tranch1: 3,900 million baht

On 29 September 2014, the Trust borrowed Baht 3,900 million from two financial institutions as a part of the investment made in ownership in land and buildings, including utility systems and equipment of IMPACT Muang Thong Thani in which the Trust has invested, as detail below:

|                   |                                                                                                                                                                                                                                                                                                                         |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Borrower          | Trustee act on behalf of IMPACT Growth REIT                                                                                                                                                                                                                                                                             |
| Interest rate     | <p>The maximum interest rate for the whole lending contract, the interest rate shall not be over for the first year, MLR-1.5%</p> <p>MLR= average interest rate from the major customer from 4 Banks such as Kasikorn Bank, Bangkok Bank, Siam Commercial Bank which the rate could be changed.</p>                     |
| Tenor             | 5 - 7 Years                                                                                                                                                                                                                                                                                                             |
| Principal payment | Fully repayment the principal at the maturity date or partial repayment the principal before the maturity date as specified on the loan agreement.                                                                                                                                                                      |
| Interest payment  | Monthly basis                                                                                                                                                                                                                                                                                                           |
| Collateral        | <ol style="list-style-type: none"> <li>1. Pledge on land and building of the Trust</li> <li>2. Transfer the right in the insurance policy</li> <li>3. Transfer the right with condition in related contract (if any)</li> <li>4. Transfer the right with condition in financial report of the Trust (if any)</li> </ol> |

The loan agreements contain covenants, which, among other things, require the Trust to maintain certain financial ratios such as loan-to-total assets and interest coverage ratios.

During April and May 2015, one lender of the Trust, who granted loan of Baht 1,900 million, has changed from a financial institution to two life insurance companies. The repayment schedule has been changed to be the following:

|                |                           | (Unit: Thousand Baht)         |
|----------------|---------------------------|-------------------------------|
|                |                           | Amount of Principal repayment |
| 1st Year       | (April 2015 - March 2016) | -                             |
| 2nd Year       | (April 2016 - March 2017) | 4,646                         |
| 3rd - 6th Year | (April 2017 - March 2021) | 4,750                         |
| 7th Year       | (April 2021 - March 2022) | 4,458                         |
| 8th Year       | (April 2022 - March 2023) | 1,871,896                     |

The Trust reported the loan amount at the end of March' 2016 at 3,895,354,167 baht or 19% of total asset of the Trust.

#### Tranch 2: 180 million baht

The Trust had credit line on hand for maintenance purpose with one commercial bank, to ensure unit holders that the Trust has source of fund in case there is a major maintenance occurs, the foresaid credit line is not been drawdown.

|                   |                                                                                                                                                                                                                                                                                                                         |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Borrower          | Trustee act on behalf of IMPACT Growth REIT                                                                                                                                                                                                                                                                             |
| Interest rate     | The maximum interest rate for the whole lending contract, the interest rate shall not be over for the first year, MLR - 1.5%                                                                                                                                                                                            |
| Tenor             | 5 Years since the contract signs date                                                                                                                                                                                                                                                                                   |
| Principal payment | Fully repayment the principal at the maturity date or partial repayment the principal before the maturity date as specified on the loan agreement.                                                                                                                                                                      |
| Interest payment  | Monthly basis                                                                                                                                                                                                                                                                                                           |
| Collateral        | <ol style="list-style-type: none"> <li>1. Pledge on land and building of the Trust</li> <li>2. Transfer the right in the insurance policy</li> <li>3. Transfer the right with condition in related contract (if any)</li> <li>4. Transfer the right with condition in financial report of the Trust (if any)</li> </ol> |



# OVERALL INDUSTRY OF REAL ESTATE INVESTMENT TRUST (REIT)

The business invested by REIT concerns meeting and exhibition centers is in a category of MICE industry which has been supported by Thai government for years. At present, MICE means four main businesses i.e. meeting, incentive travel, convention, and exhibition.

Thailand Convention and Exhibition Bureau (TCEB) determined 2013 as a year of promoting MICE and set up strategies to promote Thailand to become a MICE leader of Asia Pacific.

## MICE Industry in 2016

### 1. Snapshot of the global and domestic economy in 2016

The report on global economic trend in January 2016 revealed that the low economic growth rate of emerging countries would affect global economy in 2016. However, economic activities would support the global economic growth to reach at 2.9%, or 2.4% increased from that of 2015 resulted from faster economic recovery of developed nations. In this regard, the global economic growth was lower than the 2015 estimate due to drop in commodity prices, decrease in trades and revolving funds, and volatility of financial market which negatively contributed to global economic activities. The strong economic growth in the future relies on constant economic growth of high-income nations, stable commodity prices, and capability of China to be transformed into a country whose growth relying on its domestic consumption and service.

In terms of East Asia and Pacific, it was estimated that its economy will be slowed down at 6.3% in 2016, which is lower than the 6.4% estimate in 2015. In 2016, Chinese economy will have 6.7% growth which was lower than 6.9% in 2015. In 2015, the economy in these regions excluding China will show 4.6% growth, which is not much different from the figure in 2014. The reasons are although economy of commodity exporters namely Indonesia and Malaysia declined, Vietnam's fast economic growth and Thailand's gradual economic recovery still continue. The risks in 2016 comprise the more slowdown of Chinese economy compared with the estimate and feasibilities of volatile financial markets including immediate tightened financial markets.

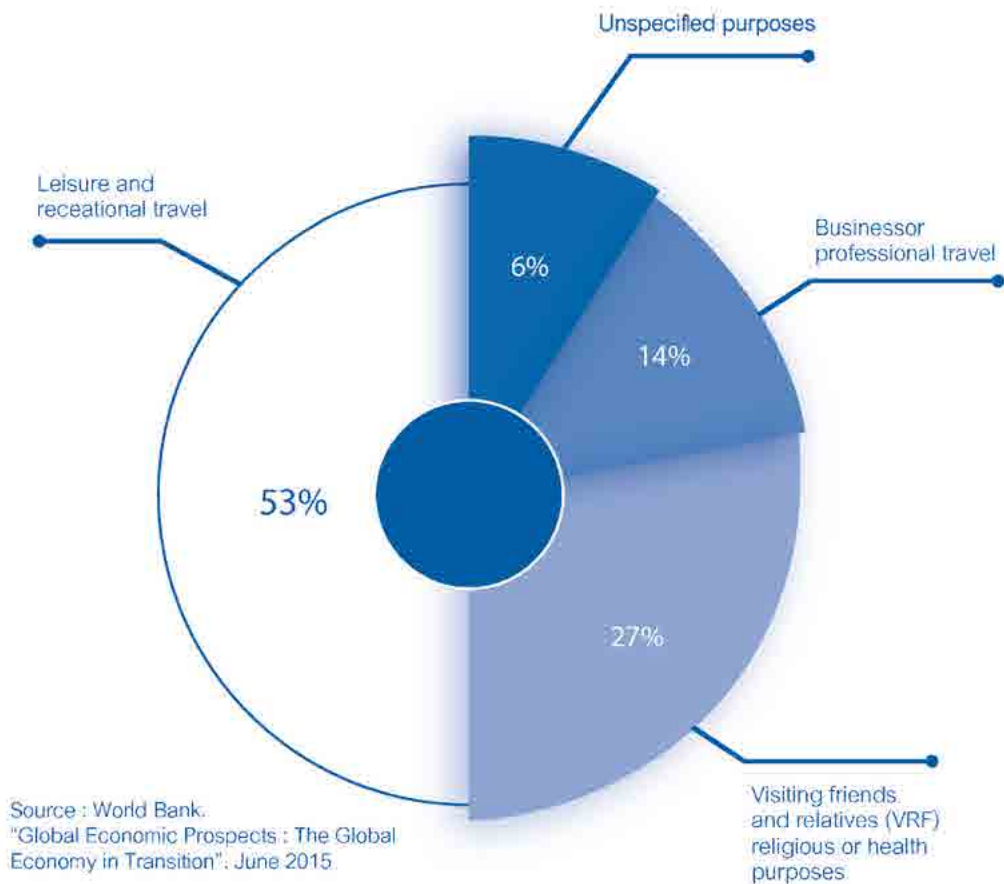
Thai economy will be continuously recovered in 2016. The GDP growth will show 3 - 3.2% to be driven by investment in infrastructure, glowing tourism, investment from private sector, gradual recovery in export sector, and overall consumption, which is likely to be increased although its level is lower than the normal. The export sector was estimated to achieve 2% positive growth according to slow economic recovery of main business partners. On one hand, a risk factor caused by sluggish Chinese economy still exists. On the other hand, tourism constantly reveals positive trend driven by an approximate 32 - 34 million foreign tourists

generating an income of 1.56 trillion baht, compared with the number of 29.88 million foreign tourists contributing an income of 1.44 trillion baht in 2015. The estimate growth rate of 2016 GDP stood at 3.2%, which will be higher than that of last year.

2. Circumstance of Global MICE in 2015

The World Tourism Organization (UNWTO) estimated a tourism pattern globally which was reported in UNWTO Tourism Highlights: 2015 Edition that most of travelling worldwide aimed for leisure and recreational travel covering 53% of total tourists (598 million tourists), followed by travelling for other purposes (such as paying a visit, or interpersonal relationship). In travelling for other purposes, 27% visiting friends and relatives (VRF), 14% business professional travel, and 6% unspecified purpose respectively. The business professional travel would positively grow.

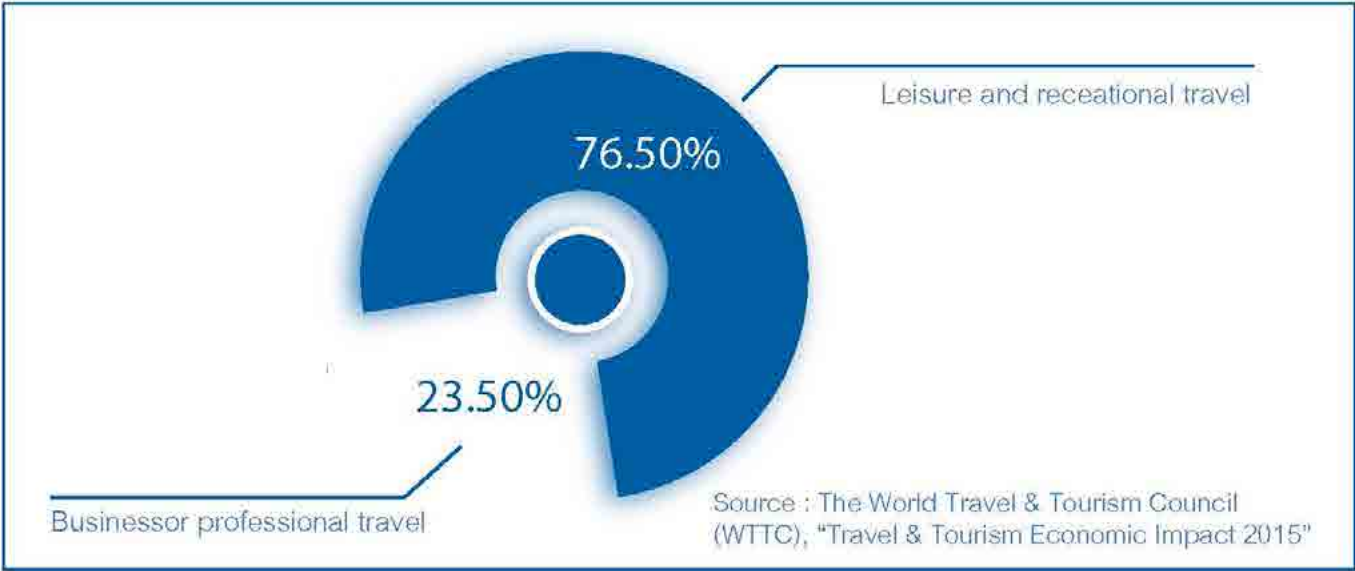
Chart 1 World Tourism by Purpose of visit



Source : World Bank,  
"Global Economic Prospects : The Global Economy in Transition", June 2015

According to Travel & Tourism Economic Impact 2015 published in 2015, the World Travel & Tourism Council (WTTC) estimated that business travel spending in 2015 would amount to 1,222.3 billion USD (23.50% of global travel expenses in total) which is 4% rise from 2014. Meanwhile, global leisure travel spending in 2015 would amount to 3,978 billion USD, (76.50% of global travel expenses in total) rises by 3.3% from 2014.

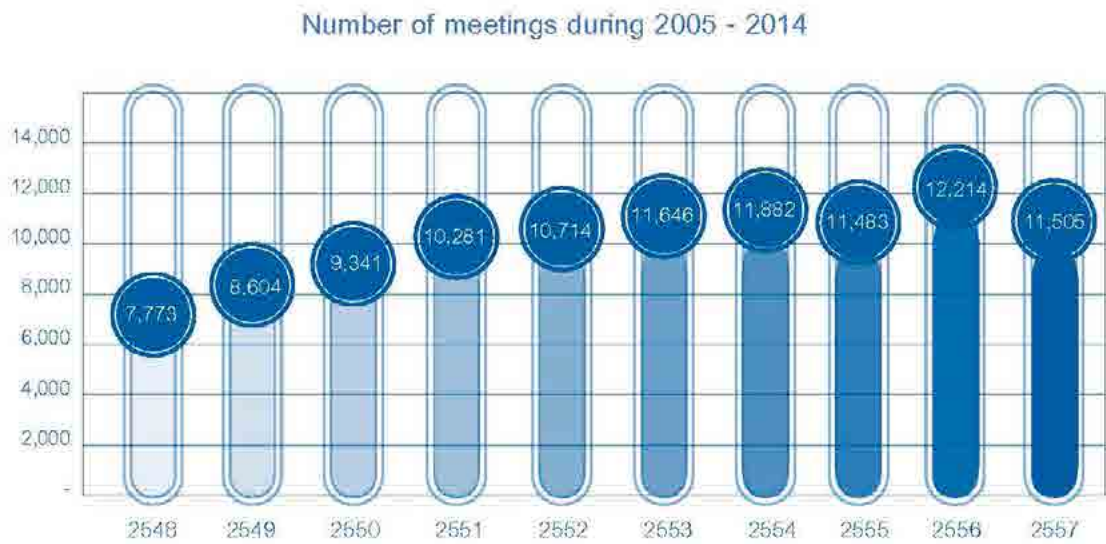
Chart 2 World Travel Spending, by Travel type



Trend and Significance of MICE in Global Level

MICE plays an important role specifically when global economy is at risk from economic volatility. MICE becomes a significant part of economic strategies among nations in generating income, employment, and both direct and indirect demand to the countries.

Chart 3 Number of International Organization's Meetings Worldwide during 2003 - 2014



Source : ICCA Statistics Report 2014

This is referred to ICCA Statistics Report during 2005-2014 which gathered data relevant to association meetings among members of organization. In 2014, members of organization held 11,505 international meetings; 709 meetings or 5.8% were decrease. Such decline in number complied with the slowdown economy in 2014.

Nevertheless, based on a long-term perspective during 2005 - 2014, a number of meeting is on a rise annually revealing an average of 4.45% yearly growth.

In 2015, Thailand was ranked 34 in terms of the meetings held in the country compared with the number worldwide, while the country was ranked 8 in Asia Pacific as showed in the table below.

Table 1 Worldwide ranking: number of meeting per Country

| Rank    | Country                                            | Meeting |
|---------|----------------------------------------------------|---------|
| 1       | U.S.A.                                             | 831     |
| 2       | German                                             | 659     |
| 3       | Spain                                              | 578     |
| 4       | United Kingdom                                     | 543     |
| 5       | France                                             | 533     |
| 6       | Italy                                              | 452     |
| 7 - 32  | Countries that have event from 337 - 124 events    | 5,327   |
| 33      | Chile                                              | 118     |
| 34      | Thailand                                           | 118     |
| 35 - 99 | Countries that have event from 116 - 5 events      | 2,235   |
|         | Other countries that have event less than 5 events | 111     |
|         | Total                                              | 11,505  |

Source : ICCA Statistics Report 2014

According to the above table, the report disclosed approximate 11,505 meetings held worldwide in 2014. In this regard, 831 meetings were held in USA as the most frequently, while Thailand was ranked 34 with 118 meetings.

Table 2 Asia Pacific & Middle East ranking: number of meeting per city

| Rank   | Country                                            | Meeting |
|--------|----------------------------------------------------|---------|
| 1      | Japan                                              | 337     |
| 2      | China - P.R.                                       | 332     |
| 3      | Australia                                          | 260     |
| 4      | Republic of Korea                                  | 222     |
| 5      | Chinese Taipei                                     | 145     |
| 6      | Singapore                                          | 142     |
| 7      | Malaysia                                           | 133     |
| 8      | Thailand                                           | 118     |
| 9 - 26 | Countries that have event from 116 - 5 events      | 687     |
|        | Other countries that have event less than 5 events | 41      |
| Total  |                                                    | 2,417   |

Source : ICCA Statistics Report 2014

Total 2,417 meetings were arranged in a capital city of countries in Asia Pacific and Middle East. In this regard, 337 were held in Japan as the most frequently, while Thailand was ranked 8 with a total of 118 meetings.

Table 3 Exhibition space sold (net sq.m.) between 2013 and 2014

| Country     | Estimated size 2013 vs.2014 in % change | Estimated annual size in m <sup>2</sup> in 2013 | Estimated annual size in m <sup>2</sup> in 2014 |
|-------------|-----------------------------------------|-------------------------------------------------|-------------------------------------------------|
| Macau       | 38.11%                                  | 143,000                                         | 197,500                                         |
| Indonesia   | 9.92%                                   | 203,000                                         | 221,750                                         |
| Taiwan      | 8.80%                                   | 716,250                                         | 779,250                                         |
| Philippines | 8.76%                                   | 151,250                                         | 164,500                                         |
| Thailand    | 8.64%                                   | 506,250                                         | 550,000                                         |
| Korea       | 8.22%                                   | 854,500                                         | 924,750                                         |

| Country   | Estimated size 2013 vs.2014 in % change | Estimated annual size in m <sup>2</sup> in 2013 | Estimated annual size in m <sup>2</sup> in 2014 |
|-----------|-----------------------------------------|-------------------------------------------------|-------------------------------------------------|
| India     | 7.63%                                   | 854,750                                         | 920,000                                         |
| China     | 7.44%                                   | 9,719,750                                       | 10,443,000                                      |
| Vietnam   | 7.24%                                   | 158,750                                         | 170,250                                         |
| Malaysia  | 7.00%                                   | 300,000                                         | 321,000                                         |
| Pakistan  | 6.16%                                   | 77,000                                          | 81,750                                          |
| Australia | 3.19%                                   | 556,250                                         | 574,000                                         |
| Hong Kong | 3.17%                                   | 906,000                                         | 934,750                                         |
| Japan     | 2.51%                                   | 1,977,000                                       | 2,026,750                                       |
| Singapore | .98%                                    | 329,250                                         | 332,500                                         |
| Total     | 6.81%                                   | 17,453,000                                      | 18,641,750                                      |

Source : BSG research & analysis 2015

The exhibition in Asian achieved 6.81% growth. The exhibition space sold in comparison to the same period rose by 0.3%. In 2013, Macao, Indonesia, Taiwan, Philippines, and Thailand revealed a growth of 32%, 9.92%, 9.80%, 8.76%, and 8.64% respectively. The exhibition industry in Southeast Asia performed well i.e. Thailand, Indonesia, Vietnam, and Philippines. China, where is a big market, showed only 7.44% growth.

Although economic recession has occurred in Europe, USA, and Japan, it has had no impacts to MICE in ASEAN.

#### The Travel & Tourism Competitiveness Index 2015

| Country / Economy | The Travel & Tourism Competitiveness Index 2015 |       |
|-------------------|-------------------------------------------------|-------|
|                   | Rank                                            | Score |
| Singapore         | 11                                              | 4.86  |
| Malaysia          | 25                                              | 4.41  |
| Thailand          | 35                                              | 4.26  |
| Indonesia         | 50                                              | 4.04  |

| Country / Economy | The Travel & Tourism Competitiveness Index 2015 |       |
|-------------------|-------------------------------------------------|-------|
|                   | Rank                                            | Score |
| Philippines       | 74                                              | 3.63  |
| Vietnam           | 75                                              | 3.06  |
| Lao PDR           | 96                                              | 3.33  |
| Cambodia          | 105                                             | 3.24  |
| Myanmar           | 134                                             | 2.72  |

Source: The Global Travel & Tourism Competitiveness Index 2015

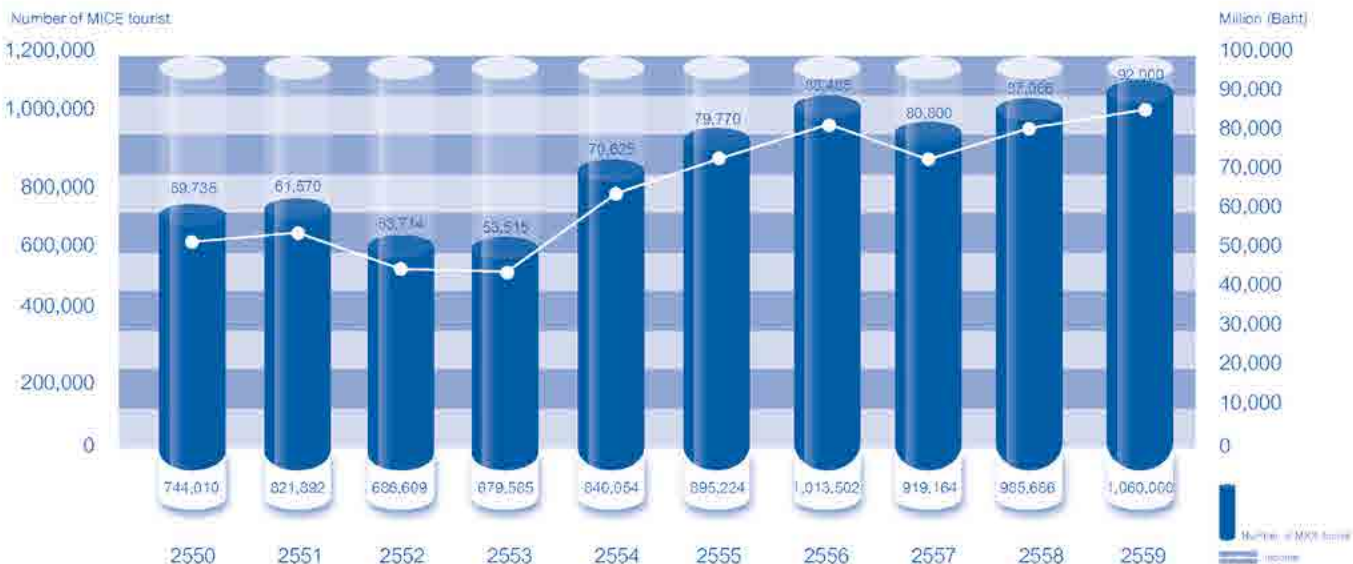
The important factors directly affected a decision making on destination for activities including growth of MICE are unavoidably related to tourism sector. Thailand has a strong hold on tourism sector and popular destinations among tourists worldwide. Based on the Global Travel & Tourism Competitiveness Index 2015 conducted by World Economic Forum, Thailand was ranked 35 from 141 countries globally in terms of tourism competency, and ranked 3 in ASEAN lower from Singapore and Malaysia. The outstanding points of Thailand cover infrastructures of tourism and air transport, and natural resources.

MICE in Thailand

In 2011, Thailand Exhibition and Convention Bureau (TCEB) collaborated with related organizations in MICE to formulate MICE 54, a five-year strategic plan. Such strategic plan aims to increase growth of Thailand’s MICE to reach 26.18% or 1.06 million MICE tourists which would contribute income growth in MICE over 30.27% or 0.9 trillion baht.

At present, MICE in Thailand takes merely 6% market share in tourism sector. However, trend of development and business expansion of MICE in the next five years, implementation of strategic plan collaboratively with other related organizations in MICE, and support from government sector which gives importance to this sector, it is estimated that the market share of MICE will be risen to 9 - 10% of total tourism sector. In addition, Thailand would be driven to become a MICE hub in Asia Pacific within 2016.

Chart 4 The MICE tourists and income in Thailand during 2011 - 2016



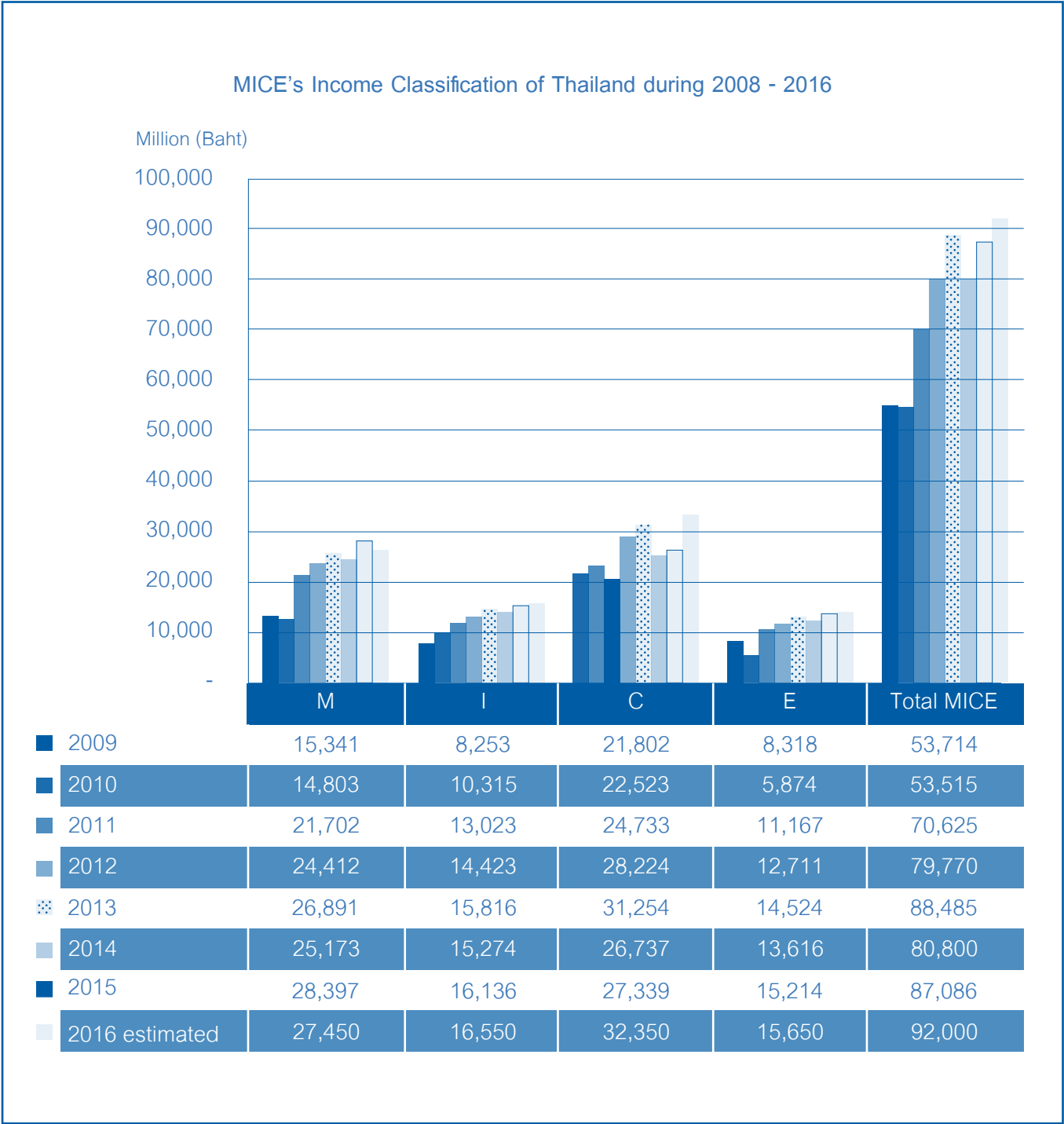
Source: Thailand Exhibition and Convention Bureau (TCEB) in 2016 (estimated figures in 2016)

According to the graph, MICE tourists have visited Thailand from 2007 continuously. The number of MICE tourists amounted to 840,054 in 2011 which was the maximum during 2007 - 2011. Nonetheless, as Thailand faced economic crisis and political insurgency in 2011, the MICE tourists decreased by 64,425 or 8.6% from 2007.

After 2011, the number of MICE tourists visiting Thailand has increased continuously to 1,013,502 in 2013. Nonetheless, the number of MICE tourists declined by 919,164 due to political unrest and then an announcement of state of emergency. In 2015, the number of MICE tourists was 985,686 and it was estimated to be increased to 1,060,000 in 2016.

In 2007, Thailand earned income from MICE approximately of 59,735 million baht, which aligned with the peak number of MICE tourists in Thailand during 2007 - 2011. However, due to economic crisis and domestic political unrest, the income from MICE slightly showed a decline in 2011. Subsequently, MICE has increased its growth. In 2013, MICE contributed maximum income to Thailand of 88,458 million baht. Unfortunately, as a result of political unrest in 2014, income from MICE dropped to 80,800 million baht, and in 2015 increased to 87,086 million baht. In 2016, MICE was estimated to have income growth to be 92,000 million baht. It can be seen that MICE has faster recovery compared with other businesses.

Chart 5 MICE's Income Classification of Thailand during 2008 - 2016



Source: Thailand Convention and Exhibition Bureau (2016)

During 2008 - 2015, MICE's trend was changed. The meeting business contributed the highest income in 2013, followed by convention, national incentive, and exhibition respectively. In 2013, all business types in the group provided more income compared with the amount in previous years and will continue to growth if all situation are stable.

Although Thailand has faced difficulties caused by flood, plague, economic crisis, and political unrest which affect amount of tourists and income, MICE has faster recovery compared with business in other sectors when the circumstance is back to normal.

## Business Competition of Convention and Exhibition Center

In accordance with TCEB, Thailand has established main exhibition centers with a total exhibition space of 222,984 sq.m. Impact Exhibition space covers 55% of total space available nationwide. In Bangkok only, there are 5 exhibition centers in total; Bangkok Convention Center at Central World is located in a hotel and department store building. Other four exhibition centers are situated in other regions i.e. Chiang Mai International Exhibition and Convention Center, Prince of Songkla University International Convention Center (PSUICC), Pattaya Exhibition and Convention Hall (PEACH), and Royal Phuket Marina International Exhibition & Conference Center.

### Convention and Exhibition Center

| Name                                                        | Abbreviation | Location                              | Description                                                            | Space (sq.m.) |
|-------------------------------------------------------------|--------------|---------------------------------------|------------------------------------------------------------------------|---------------|
| IMPACT<br>Exhibition and<br>Convention<br>Center            | IMPACT       | Chaeng<br>Watthana Rd.,<br>Nonthaburi | Exhibition hall,<br>outdoor exhibit area,<br>and spacious parking lot. | 122,165       |
| Bangkok<br>International<br>Trade &<br>Exhibition<br>Center | BITEC        | Bangna-Trad Rd.,<br>Bangkok           | Spacious halls with an<br>expanding-space plan.                        | 34,700        |

| Name                                     | Abbreviation       | Location                    | Description                                                                              | Space (sq.m.) |
|------------------------------------------|--------------------|-----------------------------|------------------------------------------------------------------------------------------|---------------|
| Queen Sirikit National Convention Center | QSNCC              | Ratchadaphisek Rd., Bangkok | Consists of 4 zone. Ranging 1-3 floor.                                                   | 25,000        |
| Royal Paragon Hall                       | ROYAL PARAGON HALL | Rama I Rd., Bangkok         | Consists of 3 hall located on the 5 <sup>th</sup> floor of Siam Paragon Shopping Center. | 7,100         |

Source : Websites of each company (2016)

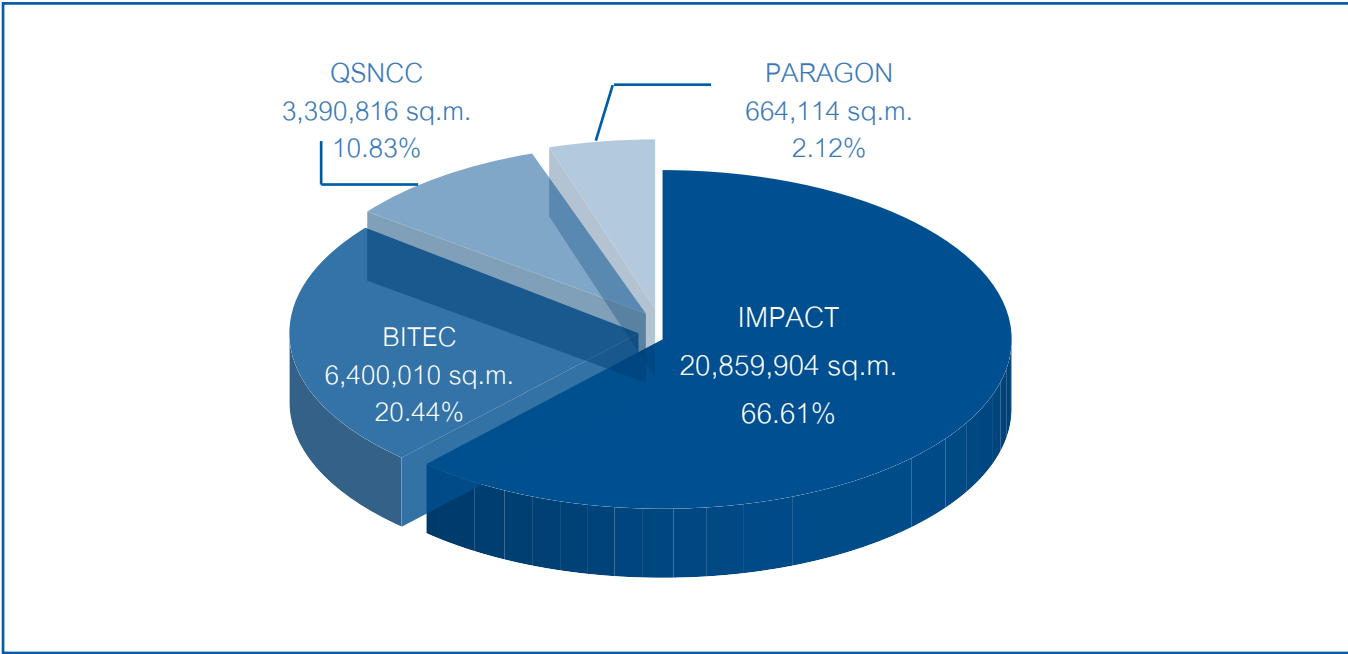
Each entrepreneur differently has outstanding points. The different location and building architecture result in moderate competitions among these entrepreneurs. Customers are likely to choose building and location suitable for their exhibitions. The significant distinctive points of each main entrepreneur can be summarized in the table below.

| Project                                                                                                                | Frequent Exhibition                                                                                                              | Supporting Factors                                                                                                                        | Limitations                                                      |
|------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| <div> <div> <div>BITEC</div> </div> <div> <div>Bangkok International Trade &amp; Exhibition Center</div> </div> </div> | <div> <div>- Convention</div> <div>- Business-to-business and business-to-consumer exhibitions</div> <div>- Banquet</div> </div> | <div> <div>As its location is closed to harbour, it is convenient to transport huge exhibition items and accessible via BTS.</div> </div> | <div> <div>Spaces in some buildings are not linked.</div> </div> |

| Project                                                                                                                           | Frequent Exhibition                                                                                                                                                               | Supporting Factors                                                                                                                                                                                                                                                                                                                   | Limitations                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Queen Sirikit National Convention Center</p>  | <ul style="list-style-type: none"> <li>- Convention</li> <li>- Business-to-consumer exhibition</li> <li>- Banquet</li> </ul>                                                      | <p>Its location is in downtown accessible via MRT 6.</p>                                                                                                                                                                                                                                                                             | <p>The exhibition space cannot support heavy exhibitions.</p> <p>As the building has low ceiling.</p>                                                                                                                          |
| <p>IMPACT Exhibition and Convention Center</p>  | <ul style="list-style-type: none"> <li>- Convention</li> <li>- Business-to-business and business-to-consumer exhibition</li> <li>- Concert and show</li> <li>- Banquet</li> </ul> | <p>Its location is close to a gate of express way and can support all kinds of exhibitions and target groups both consumers and businesses. The size of exhibition and convention halls is ranged from 120 - 60,000 sq.m. A small to big events can be held. At the same time hotel in vicinity of exhibition area is available.</p> | <p>Not accessible via BTS or MRT</p>                                                                                                                                                                                           |
| <p>Royal Paragon Hall</p>                      | <ul style="list-style-type: none"> <li>- Convention</li> <li>- Concert</li> <li>- Banquet</li> <li>- Light weight exhibitions</li> </ul>                                          | <p>Its location is in downtown accessible via BTS, close to university, hotel, hospital, sports stadium, and BTS links. More audiences were attracted by department store's customers.</p>                                                                                                                                           | <p>Exhibition space cannot support heavy industrial exhibitions. The logistic of loading transport is not convenient as the hall is on 5<sup>th</sup> fl. The space of exhibition and number of meeting rooms are limited.</p> |

In accordance with data gathered by Business Development Department of IMPACT Exhibition Management Co., Ltd. specifically concerning utilization of exhibition space by IMPACT, QSNCC, BITEC, and Royal Paragon Hall during January 1 - December 31, 2015, all four centers provided service to similar types of convention or exhibition. The total space is used 31,314,844 sq.m. The market share can be classified as the pie chart below.

Chart 6 Presents market shares of four main centers in the exhibition business during January 1 - December 31, 2015



The pie chart presents market shares of four main centers in the exhibition business during January 1 - December 31, 2015 based on their exhibitions advertised in websites.

## Domestic MICE

Apart from international MICE, TCEB formulated strategies to penetrate domestic MICE to correspond to government’s policy emphasizing importance in driving economy with tourism and MICE. This includes speeding up an income rise from domestic tourism joined by government and business sectors, especially through stimulating domestic meetings and seminars including exhibitions concretely, and setting up active marketing strategies both in domestic and international levels so as to enable Thailand to become a convention and exhibition hub. According to the survey, it revealed that domestic MICE tourists was over 14 million who can generate income exceeding 3 billion baht in 2014.

### Growth Trend of MICE

At present, Thailand is marked as a leading destination in Asia for various activities including meeting, incentives, conventions, and exhibitions. The country's strategic strength is its geographical location as a transportation hub in the region and trading gateway to CLMV (Cambodia, Laos PDR, Myanmar, and Vietnam). The preparedness of exhibition centers which are flexible to completely support various demands covering spacious exhibitions, meeting and banquet halls in downtown with convenient transportation, and venues among natural scenes offering uniqueness in important tourism cities. Thailand is also a splendid tourism destination in a global level. A large number of famous tourism areas prevails. Services and facilities are ready to support MICE participants to acquire maximum satisfactions.

In 2016, although the estimate revealed slowdown global economy caused by economic problems in various countries without recovery signs and declining Chinese economic growth which possibly affect Thailand MICE, MICE has growth opportunity based on policy including measure to lift up Thailand's image to be a qualified meeting destination, and approaching new potential markets, particularly in Asia and Australia whose travel distance is not far, South Africa, East Europe, and Middle East. This year would be good for MICE. The exhibition industry will show a rising growth driven by positive factors of free trade area in terms of economy, trade, and investment, resulted in recovered credibility which would enable the growth of exhibition industry. The development of infrastructure system is also improved together with travel facilities. Low cost airlines provide more frequent services by increasing its flights allow entrepreneurs to have more opportunities in selecting location for incentives in upcountry with lower operational costs.

One more important factor contributing Thailand MICE in 2016 is the economic growth driven by ASEAN Economic Community (AEC) which is a great opportunity to develop Thailand as a MICE hub of the region which would bring about income or value added to this industry in the future.

### Factors Concerning Growth of Exhibition Centers in the Future

Operational performance of exhibition center is highly related and linked to macro factors. The related factors possibly render positive and negative effects to the business which can be summarized as the following.

#### 1. Global Economy

Global economy is a significant factor driving more MICE or business activities leading to an increase in demand to use exhibition space. Therefore, it can be said that the performance of exhibition center is a business which is directly affected by global economic trend.

Currently, global economic drives are concentrated in Asia which most of them are developing nations. It can be seen that the trend of economic growth in Asia would be a main factor supporting MICE.

## **2. Government's Support**

According to an obvious relation between MICE and GDP, the government pays attention to domestic MICE and support exhibition entrepreneurs through an establishment of Thailand Convention and Exhibition Bureau (TCEB). It is a government organization aiming to promote and collaborate convention or Thailand MICE. Consequently, TCEB is an important part moving MICE Thailand forward to attract foreign organizers to hold exhibitions in Thailand in the future. TCEB also creates links to other government organizations to understand and collaborate with MICE entrepreneurs.

TCEB made important collaborations with major private organizations such as Thai Exhibition Association, Thailand Incentive and Convention Association, Thai Hotel Association, Ratchaprasong Square Trade Association (RSTA), and the Bangkok Riverside Marketing Partnership. The purposes are to attract attentions and facilitate MICE tourists leading to their longer stay in Thailand.

## **3. AEC Collaboration**

Since 2015, ASEAN (i.e. Thailand, Malaysia, Indonesia, Philippines, Singapore, Vietnam, Brunei, Laos, Myanmar, and Cambodia) established ASEAN Economic Community or AEC in order to allow free movement of product, service, investment, and skill labor among nation members. This would strengthen the region from unified markets and production bases and increase economic competency with a total of over 600 million populations.

In terms of AEC founding, Thailand is trading hub for CLMV (Cambodia, Laos, Myanmar, and Vietnam). In addition, Thailand provides ready and modern convention and exhibition centers with basic infrastructure system which can support demands of government and private sectors domestically and offshore. Meanwhile, other countries in CLMV still need to develop convention projects so as to support more demands on space utility. As a result, it is a bright opportunity for Thailand's exhibition center business to become a strategic point as target destination of organizers in the region.

Furthermore, more business interrelations among member countries create necessity to exchange business knowledge which would yield good results to convention and exhibition center. Therefore, it was estimated that economic unity would provide positive effects to convention and exhibition center in the future.

## **4. Domestic Political Climate**

Domestic political climate is a factor impacting number of MICE tourists visiting Thailand and its activities. In the past, it is found that during political insurgency, each entrepreneur had a different negative impact.

## **5. Investment in High Quality Infrastructure**

Expansion of Suvarnabhumi Airport in phrase 2 which would be completed in 2017. Its expansion in phrase 2 comprises various elements including midfield satellite of 216,000 sq.m., tunnel including mass transit system, extending main passenger terminal to the east, and supporting basic facilities. Upon the whole

project's completion, Suvarnabhumi Airport's competency would be developed for 5 phrases. The airport would eventually reach service competency to support 120 million passengers a year with four runways. In this regard, an airport rail link connecting Don Mueang Airport and Suvarnabhumi Airport is planned to be constructed.

In this regard, if airports and international air cargos at U-Tapao and Kam Phaeng Saen were expanded, services could be provided to two big urban areas in the east and west. U-Tapao airport should integrate all kinds of economic activities, including world-class reputational resorts at coast, significant industrial estate on east coast, internal land area within 250-km radius, Khao Yai National Park, and other provinces on the west of Cambodia. Kam Phaeng Saen airport project can give services to the west of Thailand and prominent coasting resorts such as Hua Hin and Cha-am, and Dawei industrial estate in southern Myanmar which is going to be complete.

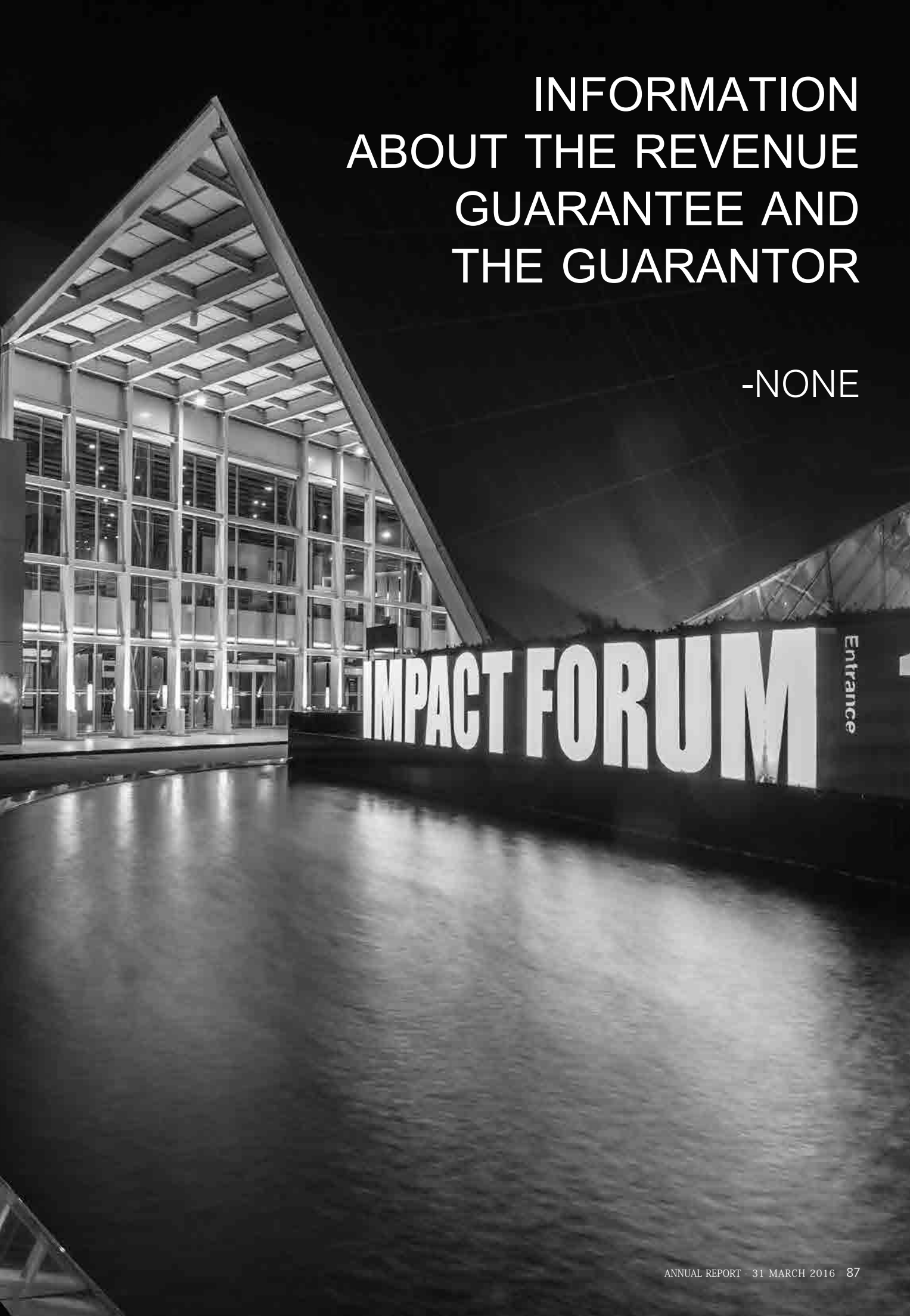
## **6. Building Up Personnel Competency**

The issues closely linked to MICE development comparable to tangible investment is developing competency to a whole system. In this regard, enhancing competency of three sub-branch is taken into an account as the following.

- 6.1 MICE professional development
- 6.2 Language profession
- 6.3 Training in IT, data, and statistics'

## **7. MICE Standard**

Thailand MICE's standard should be speedily and constantly developed for the entrepreneurs to share the same operational direction such as safety measure and labor. Additionally, training should be provided to personnel in order to have correct understanding on organizers and all stakeholders in MICE industry.



# INFORMATION ABOUT THE REVENUE GUARANTEE AND THE GUARANTOR

-NONE

**IMPACT FORUM** Entrance

# LIMITATIONS FOR ALLOCATION OF UNIT TRUST

1. In order to allocate unit trust to subscribers, the allocation can be provided to a person or people in the same group not exceeding the following rates.
  - 50 percent of the total unit trust distributed and
  - 50 percent of the total unit trust distributed in each category, in case that unit trust is categorized.
2. In case that the person who received allocation of unit trust is trust founder, trustee, or REIT manager, he/she must receive unit trust in the rate that follows the regulations specified in the notification announced by the Office of the Securities and Exchange Commission on regulations of trust founder and trustee for real estate investment, and notification of the Office of the Securities and Exchange Commission on regulations, conditions, and methods for approving, REIT manager, and standard of practice, as the case may be.
3. In case that trust invests in real estate in Thailand but the law, rule, notification, or regulation relating to such real estate set limits for foreign investment, REIT manager will distribute unit trust to foreign investors as specified by such law, rule, or regulation. In this case, foreign investors must not invest exceed 49 percent of the total unit trust distributed, as it is sale offer of unit trust for real estate investment in a form of obtaining the ownership of land as specified by land code.
4. In case of being found by evidence that a person, people in the same group, unit trust distributor, trust founder, trustee, REIT manager, or foreign investor, does not hold unit trust as the rate specified in the regulations mentioned above, such person will not be entitled to receive benefit and vote in the part he/she holds unit trust exceeding the specified rate. Trust will give the benefit of the exceeding part to other beneficiary and it is assumed that every unit trust holder knows and consents to proceed.
5. Distribution manager reserves the right to reject and/or cancel all or some unit trust subscription in either case as follows:
  - Document or information that distribution manager received from unit trust subscriber is incorrect or incomplete.
  - Distribution manager casts a doubt about illegal purchasing unit trust of a subscriber, such as money laundering.
  - Distribution manager believes that real estate that will be invested by trust may have total value lower than 75 percent of the fund raised by trust.
  - Distribution manager may reserve the right to reject unit trust subscription in some cases that distribution manager see as appropriate. For example, in case that distribution manager considers it will benefit trust or unit trust holders, or in case that unit trust subscription may cause problems in trust management, or damage trust, or in case that subscriber is a citizen of the US, resides in the US, normally resides in the US, as well as property of the person, and company or partnership established and run business in the US, etc., in order to maintain benefit of trust, unit trust holders, and reputation or legal responsibility in the future of distribution manager.

- Unit trust subscriber who resides overseas must be responsible to follow regulations, rules, and taxes relating to unit trust investment of trust.
- Distribution manager assumes that unit trust subscribers and/or unit trust holders and/or investors have studied, understood, and been willing to follow or commit to agreements, regulations, contracts, or conditions of trust under the law and specified in trust management project and/or prospectus and/or notifications, orders, regulations notified by SEC Board, SEC, and/or authorized agency, both existing ones in the present and amended including additional ones in the future.



# POLICY FOR DISTRIBUTION

1. REIT manager provides distribution to unit trust holders at least ninety (90) percent of adjusted net profit of accounting year. The dividend paid to unit trust holder is divided into year-end distribution and interim distribution (if any). However, REIT manager will not pay return to unit trust holders more than four (4) times per accounting year. Except, in the case that the Trust increase its capital, the Trust allowed to conduct the dividend distributions of more than 4 times per year for benefit of existing unit trust holders. The distribution will be paid at the end of accounting year – March 31, 2015.

Adjusted net profit in this item means net profit which refers to cash status of trust and includes principal repayment as specified in loan contract (if any).

2. In case that trust still has accumulated deficit, REIT manager will not provide distribution to unit trust holders.
3. In case that the distribution is paid to unit trust holders in each accounting period, REIT manager will inform unit trust holders and close record book of unit trust holders, in order to identify names of unit trust holders who receive return. The return will be paid to unit trust holders within period as follows:

- **Year-end distribution**

REIT manager will pay year-end distribution within ninety (90) days after the end of accounting year. It will be paid within thirty (30) days after the day of closing record book of unit trust holders in order to determine the right of unit trust holders who receive profit.

- **Interim distribution**

REIT manager will pay interim distribution (if any) within ninety (90) days after the end of accounting year of the latest quarter before paying return. It will be paid within thirty (30) days after the day of closing record book of unit trust holders.

In case that REIT manager is unable to pay profit within the period, REIT manager will send written notice to inform SEC and unit trust holders. If REIT manager is unable to pay return to unit trust holders within the period specified in the notice because of mistake of REIT manager, REIT manager will pay interest not less than seven and a half (7.5) percent per year after the day is due until the day that REIT manager pay return to unit trust holders.

**Remark:** In considering the payment of interim distribution, if the value of interim distribution per unit to be paid is lower than or equal to Baht 0.10, the REIT Manager reserves the right not to pay distribution at that time and to bring such distribution forward for payment together with the next distribution payment.

For the distribution policy as mentioned above, the REIT manager would proceed as indicated in the Trust's deed, except in the case the SEC and/or other legal entity has additional amended/notification/specify, order, deem or/and respite in other detail, The REIT manager shall comply accordingly.

Historical of distribution payment for 2015/2016’s performance

| Period                       | Distribution per unit<br>(baht) | Payment Date      | Type |
|------------------------------|---------------------------------|-------------------|------|
| 1 April - 30 June 2015       | 0.175                           | 10 September 2015 | Cash |
| 1 July - 30 September 2015   | 0.18                            | 14 December 2015  | Cash |
| 1 October - 31 December 2015 | 0.19                            | 11 March 2016     | Cash |
| 1 January - 31 March 2015    | 0.22                            | 24 June 2016      | Cash |



# CORPORATE SOCIAL RESPONSIBILITIES

## Good Corporate Governance

IMPACT Growth REIT has aim and target which focus not only to its performance but also stakeholder, policy, and business management strategy based on the company's structure so as to achieve the good corporate governance as the following.

### 1. Stakeholder

IMPACT Growth REIT has categorized the stakeholders as follows:

#### 1.1 Unit Trust Holders of IMPACT Growth REIT

Unit trust holders hold the rights and responsibilities as specified in the prospectus as follows:

- (a) Being a unit trust holder does not create legal relation in the form of representative, or partnership, or any kinds of form between trustee and unit trust holder, among the unit trust holders, or making such person to be responsible in a case where assets of trust are inadequate for settlement to trustee, REIT manager, or trust's creditor. In this regard, trustee, REIT Manager, and trust's creditor will able to enforce the settlement only from the assets of trust.
- (b) Unit trust holders hold the right to demand trust to pay benefits not exceeding profit after expense, principal repayment (if any), and contingent expense as the law approved trust to make deductions, and the unit trust holders hold the right to demand for a payback of capital not exceeding the capital amount of trust which was adjusted which could be a surplus or discount of value of trust unit.
- (c) Unit trust holders are not responsible to REIT Manager or trustee for paying any extra money to trust, after completely paying for unit trust, and the unit trust holders have no any additional responsibility for the unit trusts that they are holding.
- (d) Unit trust holders hold the right to vote in meetings of unit trust holders including raising questions and expressing opinions in relation to trust management performed by trustee and REIT Manager whether it is aligned with relating law and contracts. However, the unit trust holders are not entitled to intervene business as usual of REIT Manager and trustee; this matter will be under authority and left to the discretion of REIT Manager and trustee, as the case maybe.
- (e) Each unit trust holder holds the right to give resolution to amend the trust deed or change the management practice accordingly to conditions and regulations specified in the trust deed.

- (f) Being unit trust holder does not make him/her or any third party has the ownership and right to make any demand beyond the assets of trust, not partially or entirely, or demand trust to transfer its total assets to only one unit trust holder. The unit trust holders merely hold the right to pursue the assets of trust from the third party, in case that trust is unable to manage trust as specified in the Trust deed or Trust Act which causes distribution of trust assets to third party, as regulated by Trust Act.
- (g) Unit trust holders hold the right to receive returned capital due to trust ended or capital decreased. In a case of trust ended, trustee who holds responsibility regarding trust liquidation may arrange liquidator, who is approved by SEC, to perform the task complying with regulations and methods specified in this contract. In addition, unit trust holders will receive returned capital only in case that trust has remaining assets after expense and debt repayment. In case of capital decreased, REIT Manager is required to average the returned capital to the unit trust holders in accordance with the regulations notified by SEC.

## 1.2 Trustee

IMPACT Growth REIT has specified right, duty, responsibility of trustee, limited liability of trustee, and compensation paid to trustee that Kasikorn Asset Management Co., Ltd. is trustee as follows:

- (a) Trustee is juristic person holding authority and legal ability, including rights as asset owner and responsible for trust management as specified in the Trust deed and Trust Act. Trustee is not responsible for loss incurred to trust or any person belonging to trustee if trustee performs his/her duty with honesty and carefulness according to his/her profession and specialization by treating unit trust holders fairly for maximum benefit of unit trust holders in accordance with the Trust deed, relating law, and additional obligations made to the investors, trust, and unit trust holders. In this regard, although trustee is not responsible for the loss incurred to trust or unit trust holders, trustee is required to make claim to a person who causes such loss to trust and unit trust holders in order to compensate trust and unit trust holders based on the actual loss amount.
- (b) Trustee is not allowed to do whatever against benefits of trust, whether such actions will be for benefits of trustee or other persons, except transactions which trustee can demonstrate that they are conditional, fair, and reasonable. Trustee has to disclose relating information adequately to unit trust holders in advance and then the unit trust holders do not make any objection as specified in the regulations of SEC.
- (c) In this regard, if REIT Manager cannot fulfill his/her duty, trustee is responsible for trust management as necessary so as to protect severe loss to all benefits of trust and unit trust holders.

## 1.3 REIT Manager

IMPACT Growth REIT has appointed REIT Manager namely RMI Company Limited whose establishment registered in Thailand on July 30, 2013 with paid-up registered capital amounting

to 10,000,000 baht with a specific aim to manage trust only.

#### 1.4 Property Manager

IMPACT Growth REIT has appointed property manager namely IMPACT Exhibition Management Co., Ltd. to be responsible for managing and seeking commercial benefits from the property invested by trust. REIT Manager will be responsible formulating policy and strategy.

#### 1.5 Trust Unit holder & investors

IMPACT Growth REIT has realized, given precedence, and held responsibility to investors in terms of accessing correct information and disclosing transparency information, leading to impartiality in acquiring information

#### 1.6 Counterparty

Property Manager has realized, given precedence, and held responsibility to counterparty by providing procurement policy to enable fair trades.

#### 1.7 Resident in Vicinity of Property Invested by Trust

Property Manager has realized, given precedence, and held responsibility to resident in vicinity of property invested by trust, by formulating policies to enable the resident to live with business operations.

#### 1.8 Ecosystem and Environment in Vicinity of Property Invested by Trust

Property Manager has realized, given precedence, and held responsibility to ecosystem and environment in vicinity of property invested by trust by formulating policies to reduce impacts on ecosystem and environment in vicinity of property invested by trust as much as possible.

## 2. Formulating Policy and Management Strategy

As IMPACT Growth REIT has realized the importance of developing organization which will support growth and sustainability in parallel, IMPACT Growth REIT has set up operational strategy of the organization to support growth and sustainability as follows:

### 2.1 To procure and establish reliable organization regarding management with transparency for unit trust holders of IMPACT Growth REIT.

IMPACT Growth REIT has procured and established reliable organization regarding management with transparency for unit trust holders of IMPACT Growth REIT by means of procuring and appointing transparency and acceptable trustee, for selecting REIT Manager who is able to manage trust and is professional in the business, with transparency, efficient, and auditable operational system. The procurement of Appraisal Company, as well as Audit Company, which is acceptable and reliable, is based on transparent and fair practice.

### 2.2 To set up internal department for transparency of unit trust holders of IMPACT Growth REIT

Apart from trustee who acts as representative of unit trust holders of IMPACT Growth REIT, by the REIT Manager has established Benefit Protection of Trust and Unit Trust Holders Department for convenience of collaboration and transparency to investors and unit trust holders of IMPACT Growth REIT. Furthermore, the department has held annual general meeting of unit trust holders of IMPACT Growth REIT to provide the opportunity for them to participate and cast votes in agendas relating to operation, including making inquiry on relating operations and issues which can promote good governance.

### 2.3 To set up internal department as a part of corporate governance or corporate social responsibility

In order to demonstrate corporate social responsibility, Property Manager has established internal departments to integrate various dimensions such as economy, environment, society, and corporate governance altogether. These are setting up Quality Control Department, Safety Department, Security Department, Facility Management Department, City Management Department, Procurement Department, and Human Resources Department etc.

## Fair Business Practice

IMPACT Growth REIT has supported and promoted fair business practice as follows:

### 1. Promoting Fair Business Competition

IMPACT Growth REIT by REIT Manager has strictly run business under laws in accordance with Securities and Exchange Act B.E. 2535 (including amendments) and Trust for Transactions in Capital Market Act B.E. 2550 (including amendments) to be fair for investors, unit trust holders, trustee, and competitors. In addition, IMPACT Growth REIT gives respect to conditions and commercial agreements made with counterparties strictly so as to enable fair and equal competition.

### 2. Promoting corporate social responsibility in supply chain

IMPACT Growth REIT by Property Manager has formulated regulations and policies of procurement aiming to be operational guideline to avoid redundancy, ensure quality of goods and service, efficiently manage procurement to be correct, accurate and corresponding to demands at reasonable prices, leading to fair competition to counterparty and IMPACT Growth REIT. Property Manager has verified documents and examined demands of customers for goods and service, and has made clear scope of values in a form of policy based on its category for the convenience and transparency; these include clear timeline of procurement process and explicit characteristics of business joining in the procurement process.

### 3. Promoting respects to the right of property

IMPACT Growth REIT by Property Manager has promoted respects to the right of property, especially intellectual property by means of procuring, obtaining, and enhancing staff who takes part in IMPACT Growth REIT to use software package for entire operations to truly reach the most efficient and fair operations.

## Anti Corruptions Policy

IMPACT Growth REIT by Property Manager has promoted anti corruptions policy by means of formulating operation in all process with circumspect verifications conducted by trustee and auditing system from external reliable organizations which is commencement of embedding operational disciplines to staff and parties who are relate to IMPACT Growth REIT to follow appropriate way and ethics as widely accepted by the society. This will be the first important step to eradicate corruptions in the organization for our sustainability growth.

## Human Rights

IMPACT Growth REIT by Property Manager has formulated the process of overseeing benefits and rights of staff to be systematic and acceptable such as 9 working hours per day by law, excluding lunch break. In terms of women's rights, for the period of April 2015 – March 2016, a total of 36 female staff took maternity leave. These female staff submitted the documents for their maternity leave and all received approval.

The Property Manager has also promoted human's rights by providing training courses such as Safe Life of TIS 22300 for the staff to acquire knowledge about good practice to reduce loss in their life and assets, Safe Driving, and Fire Evacuation, including arrangement of campaign activity for the staff to use helmet for safety in their life and asset.

## Fair Practice to Labors

IMPACT Growth REIT by Property Manager had a total of 1,663 staff, classified into 1,521 permanent staff and 142 contract staff. A total of 1,521 permanent staff consists of 776 males and 745 females. The contract

staff totaled 142 consisting of 100 contract male staff, and 42 contract female staff. When considering nationality of staff, property manager had 1,617 Thai permanent staff (97.23%) and other nationalities of 2.77% (46 persons).

If considering benefits of permanent staff and contract staff, permanent staff will receive benefit for expenses of food, travelling (as specified in the employment contract), residence (as specified in the employment contract), provident fund, and health insurance. The contract staff, apart from their wage, will receive benefit for expenses of food, travelling (as specified in the employment contract), and residence (as specified in the employment contract). The permanent staff and contract staff of Thai nationality and other nationalities have acquired equal benefits. In terms of treating physically challenged staff, the property manager had employment ratio of physically challenged staff as 1.03%, based on the statistics on March 31, 2016. Property Manager has employed 1,663 staff in total consisting of 17 physically challenged staff. The permanent staff who has physical challenge will acquire benefit for expenses of food, travelling (as specified in the employment contract), residence (as specified in the employment contract), provident fund, and health insurance; while the contract staff who has physical challenge will receive benefit for expenses of food, travelling (as specified in the employment contract), and residence (as specified in the employment contract), excluding from the wage, in the same way as general staff do equally and impartially.

## Responsibility to Consumers



**TIS 22300 MSMS09003/003**  
MICE Security Management System for  
Meeting Incentive Convention and Exhibition

IMPACT Growth REIT by Property Manager has managed security system for meeting, seminar, and exhibition with the working team of TIS 22300 (security management system for meeting, seminar, and exhibition) which was established from the executives and they are in charge of its working plan aiming to manage security for meeting, seminar, and exhibition and to be developed further sustainably and efficiently. The three main activities to achieve TIS 22300 each year are the following

1. Reducing accidents from events. The accidents are targeted to be less than those in 2015 of 0.013, especially the accidents relating to exhibition under the certified scope of TIS 22300 and case of injury to be admitted in a hospital. This excludes accidents which receive recommendations on preventive measures for improvement in advance.
2. Providing more knowledge regarding TIS 22300 by approaching all departments and all levels of related staff by using evaluation on knowledge after the activity.

Apart from policy formulated by management level and other three main activities, property manager has made other platforms i.e. regular meeting for working team of TIS 22300, procedure manual, work instruction, system of references and documents to support operations, document forms, and annual evaluation from internal and external audit committee by Thai Industrial Standards Institute.



Aside from safety in life and assets of consumer, organizer, and participant, property manager has realized the importance of safety in life for food and beverage consumptions. Consequently, property manager has formulated policy food safety management or ISO 22000 according to Food Safety Management System-Requirements for any organization in the food chain which covers food hygiene or GMP (Good/Manufacturing Practice) and HACCP with the concept of “Produce quality and safety goods for consumers, create customer satisfaction, and develop efficiency of system continuously in accordance with international standards and laws”. The policy of organization was turned into practices as follows:

1. Set up an operational system which has quality, safety, and efficiency, and manage food hygiene as required by FAO (Food and Agriculture Organization of United Nations)/WHO (World Health Organization).
  2. Provide support on necessary resources to be adequate for hygiene management of safe food production.
  3. Promote human resources management in all levels to have understanding and ability to follow the company’s policy including performing their responsible tasks accurately to achieve the target.
  4. Promote personnel development to acquire more knowledge from trainings.
  5. Examine, follow, develop, and improve procedures continuously to increase their efficiency.
- The verification on food safety will be conducted regularly and as required to improve the system.

In addition to guideline on policy and operational framework, property manager has appointed quality control staff to facilitate the continuity of food safety system, to be efficient and achieving the target, by means of regular meeting, procedure manual, work instruction, system of references and documents to support operations, document forms, and annual evaluation from internal and external audit committee which can certify ISO 22000.

Furthermore, as listening to opinion and feedback from customers is important, property manager has opened a channel of communication to customers in order to show responsibility to customers on the ground of Customer Satisfaction Index, for opinions and recommendations. Opinion of customers will be categorized

and then adopted for service improvements such as attitudes towards service and communication of staff, cleanness of location, speed of accounting operation, value of quality, diversity and taste of food, brightness and temperature of event hall, security system, and traffic and parking etc. The scores from customers and consumers who are attending the events are weighted. Then, the truth of information from customers will be examined for fairness. The company has procedure of reporting the evaluation result to customers to create credibility, sincerity, and to bring close attention to all customers and consumers. YTD of Customer Satisfaction Index from April 2015 to March 2016 stood at 87.35%, compared with the average rate forecast from early year of 85%; this rate was higher than that of forecast by 1.6%. More importantly, no complaints of customers and consumers has related to security management system for meeting, seminar and exhibition, and food safety system.

## Environment Preservation

Property manager has recognized the significance of environment which causes great damages to life and asset and all activities have created carbon dioxide emission directly or indirectly. In order to reduce and alleviate environmental problems, property manager has initiated energy conservation which is one of direct resolution methods. In addition, as energy conservation is important and regarded as duty of all staff, energy management system has been applied to manage energy continuously for maximum efficiency, and reduce rising energy cost. The policy is as follows:



1. Operate and develop energy management system properly by determining energy consumption as a part of operation of organization complying with laws and concerning regulations.
2. Improve efficiency in using energy resources of organization continuously to be appropriate for business and technology leading to good operations.
3. Formulate plan and set up target of energy conservation annually, and communicate the subject to all staff for understanding and following the plan and target accurately.
4. Set the responsibility of energy conservation as duty of building owner, executive, and all levels of staff in the organization to corporate and follow the measures specified and then report the results to Energy Management Committee.
5. Support design and purchasing new equipment and technology with high capacity, and provide training in relation to energy conservation to the staff and allow them to participate in expressing opinions to develop tasks regarding energy continuously.
6. Operate accordingly to energy management system for exhibition areas in IMPACT Challenger and IMPACT Exhibition Center.
7. Implant consciousness for good behavior and draw participation of staff including external staff to operate

tasks following energy management system.

8. Review and adjust policy, target, and operational plan regarding energy which will be annually conducted by executives and working team of energy management.
9. Set energy saving as Key Performance Indicator and regard it as a part of operation carried out by the internal staff.

Apart from guidelines on policy and operational framework, property manager has appointed Supervising Committee and Energy Management Committee which give frame and scope of work clearly to support operation to be continuous, efficient, and successful as targeted by means of regular meeting, procedure manual, work instruction, system of references and documents to support operations, document forms, and annual evaluation from internal and external audit committee which certify ISO 50001. In 2014, IMPACT Growth REIT targeted to reduce energy at 3% on average of MJ/m<sup>2</sup> by using base of 2014 as reference which can be concluded as below.

| Average Index in 2014<br>4.51 MJ/m <sup>2</sup> | Target Before Operation                  | Actual Operational Period<br>from January-December 2015 |
|-------------------------------------------------|------------------------------------------|---------------------------------------------------------|
|                                                 | 4.51 MJ/m <sup>2</sup>                   |                                                         |
| Energy consumption index                        | (3% lower from average index<br>in 2014) | 4.36 MJ/m <sup>2</sup>                                  |
| Saving                                          | 0.14MJ/m <sup>2</sup>                    | 0.15 MJ/m <sup>2</sup>                                  |
| Reduced energy consumption                      | 3,442,617.16 MJ/year                     | 1,792,380.99 MJ/year                                    |
| Amount                                          | 3,987,698.20 baht                        | 7,474,228.72 baht                                       |

The reduction of energy in 2015 had 6 main activities which were activities of changing and improving equipment for efficiency of energy reduction as follows:

| No. | Particular                                                                                               | Saving<br>baht/year |
|-----|----------------------------------------------------------------------------------------------------------|---------------------|
| 1   | Enhance Cooling Tower efficiency (Change filler Cooling Tower) at IMPACT Challenger                      | 381,637.95          |
| 2   | Enhance Cooling Tower efficiency (Change filler Cooling Tower) at IMPACT Arena, IMPACT Exhibition Center | 214,826.60          |

| No.          | Particular                                                                                                             | Saving<br>baht/year |
|--------------|------------------------------------------------------------------------------------------------------------------------|---------------------|
| 3            | Moved VSD of Chilled water Pump (CHP) to be used for cooling pump (CDP) at IMPACT Challenger                           | 120,989.84          |
| 4            | Installation of VSD cooling pump (CDP) at IMPACT Challenger                                                            | 797,249.16          |
| 5            | Replaced Metal Halide 1,000 W & Par56 300W light bulbs with LED240W light bulbs at IMPACT Exhibition Center Hall 1 - 4 | 735,166.63          |
| 6            | Replaced Metal Halide 1,000 W light bulbs with LED450W light bulbs at IMPACT Challenger Hall 3                         | 663,996.61          |
| Total saving |                                                                                                                        | 2,913,866.80        |

Besides these 6 activities, there are practices to reduce energy consumption of machinery and equipment, and activities to instill the value of energy conservation as follows:

1. Control tuning of Diff Temp Chiller Water in comparison to internal and external temperature.
2. Shorten the pre-cool period of water chiller on the second day of events based on the comparison of internal and external temperature.
3. Shorten the period of water chiller of 1 - 2 hours a day in each event based on external temperature.
4. Control the switch of lights such as setting up percentage of working or in particular location.
5. Provide training to create consciousness to 592 internal staff to realize the significance of energy conservation.
6. Arrange participating activities so as to seek measures for organization with staff participating in the activities and giving opinions in energy conservation.

(Example of Activity for Internal Communication to Stimulate Energy Conservation)



The table of comparing energy consumption of IMPACT Arena, IMPACT Challenger, IMPACT Exhibition Center

| Month     | Total Energy Consumption of Exhibition Area in 2014 | Total Energy Consumption of Exhibition Area in 2015 | Difference | Cost Saving  |
|-----------|-----------------------------------------------------|-----------------------------------------------------|------------|--------------|
|           | kWh                                                 | kWh                                                 | (kWh/m2)   | (Baht )      |
| January   | 2,155,000.00                                        | 2,378,000.00                                        | 0.34       | 796,271.37   |
| February  | 2,942,000.00                                        | 3,154,000.00                                        | 0.09       | 141,683.97   |
| March     | 4,609,000.00                                        | 4,812,000.00                                        | 0.06       | 68,390.95    |
| April     | 2,895,000.00                                        | 3,316,000.00                                        | 0.3        | 579,131.75   |
| May       | 4,617,000.00                                        | 4,654,000.00                                        | 0.15       | 197,493.14   |
| June      | 3,303,000.00                                        | 3,447,000.00                                        | 0.13       | 177,739.57   |
| July      | 2,722,000.00                                        | 3,618,000.00                                        | 0.19       | 687,624.59   |
| August    | 4,472,000.00                                        | 3,497,000.00                                        | -0.03      | 108,134.03   |
| September | 3,281,000.00                                        | 4,241,000.00                                        | 0.23       | 1,254,526.01 |
| October   | 3,247,000.00                                        | 3,240,000.00                                        | 0.05       | 13,915.98    |
| November  | 4,235,000.00                                        | 4,684,000.00                                        | 0.14       | 417,184.62   |
| December  | 4,090,000.00                                        | 4,390,000.00                                        | 0.17       | 157,051.07   |
| Total     | 42,528,000.00                                       | 45,431,000.00                                       |            | 4,599,147.05 |

## Community or Social Development

Property Manager do their part for society by “touching people’s life” and “connecting” with the less fortunate through their series of social program, that incorporates all of our corporate social responsibility efforts with 13 projects last year. The major activities are

1. To supports The Homeless : presented kitchenware and some necessary household items such as bags of rice and melamine dinnerware sets worth a combined 100,000 baht as part of its latest CSR project “IMPACT Touching Hearts, Sharing Love” to The Homeless Nonthaburi, in Nonthaburi province.
2. To support and increase educational opportunities to the Thai youth by offering scholarship, funds for a lunch project, rice and dried foods as well as learning materials (color printers). 2015 at Wat Meta Rang School, Sam Khok District, Phathum Thani.
3. To support children and disabilities : presented some necessary items to the Home for Children with Disabilities or Baan Nontapum, Pakkred, Nonthaburi, plus providing children a lunch and arranging fun-packed activities.



Other activities in 2015



## Generating and Distributing Innovations

Property Manager has applied innovations to management for operational efficiency including accounting system, procurement system, WMS and ACCPAC. In addition, the company has adopted planning and management system for MICE called EBMS which links all sections altogether completely such as Sales Department, Facility Management Department, and Operational Department to achieve efficient management and administration to provide best services to customers and users. At the same time, the property manager has studied the mistakes caused by using innovations and feasibility of using new innovations for more integrated management.



# EXPENSES CHARGED TO THE REIT

Fees and expenses to be charged from property of trust must be necessary and appropriate relating to trust management directly, including all expenses relating to any operation for trust establishment, fees and expenses specified in the table below that can charge with trust not over the rate specified in the table, and setting fees and expenses of each list as agreed by partner in each case in separation from this contract. However, the fees and expenses exclude value added tax.

| Fee and Expense charge to the Trust      | Ceiling                                   |
|------------------------------------------|-------------------------------------------|
| Fee and Expense                          |                                           |
| • REIT Manager Fee                       | Not over 2.0% of total asset of the Trust |
| • Trustee Fee                            | Not over 1.0% of total asset of the Trust |
| • Registrar Fee                          | Not over 0.5% of total asset of the Trust |
| • Custodian Fee                          | Not over 0.5% of total asset of the Trust |
| • Property Manager Fee                   | Not over 2.0% of total asset of the Trust |
| • Financial Advisor Fee                  | Not over 3.0% of total asset of the Trust |
| • Trust distribution Fee                 | Not over 3.0% of total asset of the Trust |
| • Marketing and Public Relation Fee      | Not over 1.0% of total asset of the Trust |
| • Maintenance and Preserve Asset Expense | Paid as actual                            |
| • Property Management Expense            | Paid as actual                            |
| • Insurance Fee                          | Paid as actual                            |
| • Trust Unitholder Meeting Expense       | Paid as actual                            |
| • Related Tax Expense                    | Paid as actual                            |
| • Other Professional Fee                 | Paid as actual                            |
| • Interest and Fee from Loan             | Paid as actual                            |

| Fee and Expense charge to the Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Ceiling               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <ul style="list-style-type: none"> <li>• Other               <ol style="list-style-type: none"> <li>1. Expense and Fee concerning on Trust founding paid as actual.</li> <li>2. Fee and Expense on Auditing and Internal Audit.</li> <li>3. Property Management Fee (Broker Fee) not over 2% of asset value of the asset that the Trust will invest.</li> <li>4. Fee and Expense for acquisition, disposal, transfer the Trust's asset.</li> <li>5. Fee of Feasibility analysis of lease, disposal, transfer or sublease of property which need additional professional opinion.</li> <li>6. Tax or Fee and tax stamp related to acquisition and disposal asset or other asset of the Trust as actual paid.</li> <li>7. Fee and/or Expense on Asset appraisal and/or reviewed.</li> <li>8. Fee and/or Expenses in Engineering System Evaluation, Fees on Auditor for Auditing Profit and Loss Statement, and on Preparation Reports or Research.</li> <li>9. Agent or Property Broker (If any) to non-related person to REIT Manager that in the role of Marketing, paid in the rate that the REIT Manager consideration and paid as actual and shall not over 3% of acquisition property value or in the case of lease of Property shall pay at actual and shall not over 10% of rental income for the whole period.</li> <li>10. Any other expense related to register.</li> <li>11. Any other expense related to the Trust's Bank account. Paid as actual.</li> <li>12. Expense on Preparation Printing and Distribution Notice, correspondence information, announcement to the Trust Unitholders. Paid as actual.</li> <li>13. Expense on Preparation on Printing, the trust subscription form, tax receipt, cash receipt and any other form that related to the Trust,</li> </ol> </li> </ul> | <p>Paid as actual</p> |

| Fee and Expense charge to the Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Ceiling               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <p>Preparation and Printing prospectus, annual Report, translation and postal mail expense.</p> <p>14. Expense related to an Amendment and additional to the Trust Deed and/or for compliance with Laws or Notifications of SEC, the SEC office and/or relevant Laws.</p> <p>15. Expense on Legal Fee for Court Proceeding related to the Trust's operation on property management.</p> <p>16. Any expense (if any) on Court Proceeding on Confiscation fees and Compensation Derived from the REIT Manager for Benefits of Trust Unitholders as a whole or until order from SEC, paid as Actual.</p> <p>17. Compensation for the Third Parties for Damages Incurred from Operation of the Trust Excess of Insurance Coverage.</p> <p>18. Remuneration for Liquidation Supervisor during Registration of Liquidation and Dissolution Registration of the Trust with SEC, paid as actual.</p> <p>19. Fee and/or Expenses on Dissolution of the Trust or Replacement of the REIT Manager or the Trustee.</p> <p>20. Expense and consultation fee for internal audit verification of the Trust and Property Manager.</p> <p>21. Fee and/or Other Expense related to the operation of the Trust.</p> | <p>Paid as actual</p> |



# OPINION OF THE TRUSTEE

To Trust unitholders of IMPACT Growth Real Estate Investment Trust (“the Trust”)

I, Kasikorn Asset Management Company Limited, as the Trustee of Real Estate Investment Trust, has supervised and monitored the management of the IMPACT Growth Real Estate Investment Trust managed by RMI Company Limited for the accounting period from 1 April 2015 to 31 March 2016.

I am of the opinion that RMI Company Limited has reasonably and appropriately performed its duties in managing the Trust in accordance with the objectives specified in the Trust Deed, the prospectus and provisions under Securities and Exchange Act B.E. 2535, and Trust for Transactions in Capital Market B.E.2550.

Trustee

Kasikorn Asset Management Company Limited



Mr. Vasin Vanichvoranun  
Executive Chairman

Kasikorn Asset Management Company Limited  
12 May 2016



# THE DETAIL OF TRUST'S RELATED PARTY TRANSACTION

The detail of trust's related party transaction, the transaction between the trust and related juristic person are summarized below: (Further detail is in Financial footnotes)

| Juristic person/Company that may have conflict        | Relation                                                                                                                                                                                                                                                                                                             | Characteristics of related party transaction                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Conditions of pricing policy                                                                                                                                                                                                                                                                                                                                | Opinion of pricing                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. IMPACT Exhibition Management Co., Ltd. or (IMPACT) | <ul style="list-style-type: none"> <li>Being the major unit trust holder.</li> <li>Being the major shareholder of the REIT Manager, and its authorized persons hold 100% of the REIT Manager's share.</li> <li>Being authorized person of the REIT manager.</li> <li>Being property Manager of the Trust.</li> </ul> | <p>1.1 IMPACT uses services/rents in the long term in order to open restaurants and shops as specified in the contract of IMPACT from the trust, comprising of the following restaurants:</p> <ul style="list-style-type: none"> <li>Hong Kong Fisherman</li> <li>Hong Kong Cafe</li> <li>Flann O'Brien's Irish Pub</li> <li>Terraza Restaurant and Bar</li> <li>Noodle Nation</li> <li>Manohra Restaurant</li> <li>Bistro de Champagne</li> <li>Ease Café (Challenger)</li> <li>Ease Café (Forum)</li> <li>Taishotei</li> </ul> | <p>The long term rental fee of area will be collected in forms of</p> <ul style="list-style-type: none"> <li>Revenue sharing from restaurants of IMPACT at the rate of 22% of the whole income from IMPACT's restaurant located on property of trust received by IMPACT</li> <li>Rate of rental fee per month is 80,000 baht for area of NOVOTEL</li> </ul> | <p>In terms of rate of rental fee, trust will collect it from IMPACT in a form of revenue sharing at 22 percent of the whole income from restaurants of IMPACT located on the area that will be invested by trust with the rate set by mutual agreement between trust and IMPACT. The rate corresponds to profit structure before trust establishment. When considering the rate of revenue sharing from restaurants at 22% that trust will collect</p> |

| Juristic person/Company that may have conflict | Relation | Characteristics of related party transaction | Conditions of pricing policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Opinion of pricing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------------------|----------|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                |          | a shop of NOVOTEL                            | <ul style="list-style-type: none"> <li>and Media service fee in the rate per month of 10,000 baht for area of NOVOTEL</li> </ul> <p>Trust also collects public utility fee consisting of service charge, water supply, electricity, and gas used in kitchen based on actual amount in use. The charge will be collected not lower than the cost collected by related agency or public utility provider. The guarantee on damages is collected amounting to 100,000 baht per restaurant.</p> | <p>from IMPACT and the rate that will collect from other lessee/other people who use the area (who are not related to trust), it was found that the rate is not lower than the rate that will be collected from other lessee/client that run restaurants in the area which will be invested by trust. So REIT manager and financial consultant consider that the rate of revenue sharing from restaurants that trust will collect from IMPACT is reasonable and will not cause trust to lose any benefit. Trust will still gain suitable profit from the operation.</p> |

| Juristic person/Company that may have conflict | Relation | Characteristics of related party transaction                         | Conditions of pricing policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Opinion of pricing                                                                                                   |
|------------------------------------------------|----------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
|                                                |          | <p>1.2 IMPACT uses the area of trust for organizing exhibitions.</p> | <p>Rate of payment for using the area of IMPACT will be used by event organizer is based on the market price that can be compared with other clients. The list of events is shown as follows:</p> <ul style="list-style-type: none"> <li>• LED Expo Thailand 2015</li> <li>• Thailand International Dog Show 2015</li> <li>• Thailand Travel Mart Plus 2015</li> <li>• AVL+M 2015</li> <li>• SIMA ASEAN Thailand 2015</li> <li>• RETAILEX ASEAN 2015 INCORPORATING FRANCHISEX ASEAN 2015, FranchisEX ASEAN 2015</li> <li>• RFID Meeting c/o RETAILEX ASEAN 2015</li> <li>• BMAM Expo Asia 2015</li> <li>• Thailand Industry Expo 2015</li> <li>• Beyond Beauty 2015 and World Spa &amp; Well - being Convention 2015</li> <li>• EDUCA 2015</li> <li>• 2015 National Science and Technology Fair</li> <li>• SmartHeart Present Pet Variety 2015</li> <li>• New year Gift Festival 2016</li> <li>• Kidscovery World 2016</li> </ul> | <p>Rate of service must be normal as transaction conducted to external party. Therefore, the rate is reasonable.</p> |

| Juristic person/Company that may have conflict | Relation | Characteristics of related party transaction                 | Conditions of pricing policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Opinion of pricing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------|----------|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                |          | <p><b>1.3 IMPACT uses the area for catering service.</b></p> | <p>Trust will collect income from the area used by IMPACT to enable IMPACT to run catering service, in a form of rights fee at 25 percent and public utility service fees of electricity and water supply at 4 percent of income that IMPACT received from all catering services. Trust also collects public utility fee consisting of service charge, water supply, electricity, and gas used in kitchen based on actual amount in use. The charge will be collected not lower than the cost collected by related agency or public utility provider. The guarantee on damages is collected amounting to 100,000 baht per restaurant.</p> | <p>The income from right fee that trust collects from IMPACT in a form of revenue sharing will align with the rate agreed by trust and IMPACT, and corresponds to profit structure before trust establishment. Trust will collect payment from using the right at 25 percent of income that IMPACT received from all catering services on the area that will be invested by trust. When comparing it with the collection of revenue sharing from restaurants of lessees (includes IMPACT) on the area that will be invested by trust (about 22 percent of the whole income from restaurants), it was found that the rate is not lower than the rate collected from restaurants. So REIT</p> |

| Juristic person/Company that may have conflict | Relation | Characteristics of related party transaction                                                                | Conditions of pricing policy                                                                                                                                                                                                                                                                                                       | Opinion of pricing                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------------------|----------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                |          |                                                                                                             |                                                                                                                                                                                                                                                                                                                                    | <p>manager and financial consultant consider the rate of payment/rent is not disadvantage for trust. Trust will still gain suitable profit from giving the right to IMPACT in using the area for catering service.</p>                                                                                                                                                                                           |
|                                                |          |                                                                                                             | <p>Trust will collect income from using the area for advertisement as service payment. It will be collected in a form of a revenue sharing received from advertisement business of IMPACT in the rate of 31 percent of income from advertisement business on the total area of trust, and 50,000 baht for guarantee on damage.</p> | <p>The rate advertisement business on the area that will be invested by trust is mutually agreed by trust and IMPACT that corresponds to profit structure before trust establishment. When comparing it with the data of a company registered in Stock Exchange of Thailand which collects payment for giving right on area for advertisement for retail and outdoor area as another type, it was found that</p> |
|                                                |          | <p>1.4 IMPACT uses the advertisement area in the long term from trust for running advertising business.</p> |                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Juristic person/Company<br>that may have conflict | Relation | Characteristics<br>of related party transaction | Conditions of pricing policy | Opinion of pricing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------|----------|-------------------------------------------------|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                   |          |                                                 |                              | <p>average rate and the highest rate until the end of the contract are 11.45 and 20 percent of income of the whole year generated by advertisement area (refer to 69-1 form and 56-1 form of the company which are revealed officially). Obviously, the payment rate of advertisement area of trust that collects from IMPACT is not lower than that of compared data in market.</p> <p>Consequently, REIT manager and financial consultant consider that the rate is reasonable and will not cause trust to lose any benefit and trust will still gain suitable profit from the operation.</p> |

| Juristic person/Company that may have conflict | Relation | Characteristics of related party transaction                                                                                                                                                         | Conditions of pricing policy                                                                                                                                                                                                                                                                                                               | Opinion of pricing                                                                                                                                                                      |
|------------------------------------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                |          | <p>1.5 REIT manager hires IMPACT as property manager of trust.</p>                                                                                                                                   | <p>IMPACT will collect property management fee from trust that comprises of base fee and incentive fee in the rate specified. More details can be found in the summary of property manager appointment contract and disclosed on financial footnotes no. 13 (4)</p>                                                                        | <p>The details are shown in prospectus section 2, no. 6 trust's detail, related party transaction.</p>                                                                                  |
|                                                |          | <p>1.6 REIT manager allows IMPACT to rent telephone line and fiber optic line for systems in IMPACT Arena, IMPACT Exhibition Center, IMPACT Forum, IMPACT Challenger, and restaurants of IMPACT.</p> | <p>Income from service is monthly flat rate. However, the rate does not include expense from using telephone. IMPACT will be responsible for such expense based on its actual use and the actual rate collected by telephone provider.</p>                                                                                                 | <p>Rate of service charge is suitable. IMPACT rents it to run operation to generate income for trust. Therefore, it is reasonable.</p>                                                  |
|                                                |          | <p>1.7 IMPACT in the area of NOVOTEL, used the Trust parking area.</p>                                                                                                                               | <p>Income from service is monthly flat rate at 100,000 baht as the whole sale rate, the Trust shall provide 800 baht coupon, the rate included the VAT in the first year, for later year it shall be increasing not over 10%. Trust's asset, which support the Trust's revenue generation thus this late is deemed to be appropriate .</p> | <p>The flat rate of parking service is reasonable as IMPACT rent parking area for facilitate to the hotel's guests who could be the visitors at the Exhibition hall of the Trust's.</p> |

| Juristic person/Company that may have conflict | Relation                                                                                                                                            | Characteristics of related party transaction                                                              | Conditions of pricing policy                                                                                                                                                                                                                                                                                                                                                                                                                                    | Opinion of pricing                                                                                                                                                                                                                                                     |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                |                                                                                                                                                     | <p><b>1.8 REIT manager hires IMPACT to provide public utilities and facilities (City Management).</b></p> | <p>Service charge will be collected in monthly flat rate for 750,000 baht per month.</p>                                                                                                                                                                                                                                                                                                                                                                        | <p>The flat rate of service charge that IMPACT collects from trust is regular which has been used with other service receivers. However, in case of collecting the fee based on the rate applied in the area, trust will pay higher amount than that of flat rate.</p> |
| 2. RMI Co., Ltd.                               | <ul style="list-style-type: none"> <li>Being a subsidiary company of IMPACT Exhibition Management Co., Ltd.</li> <li>Being REIT manager.</li> </ul> | Trust hires RMI Co., Ltd. as REIT manager.                                                                | <p>REIT manager fee comprises of</p> <ul style="list-style-type: none"> <li><u>Base fee</u><br/>It is calculated as 0.25 - 0.5 percent per annum of total property value of trust (calculated from total property value approved by trustee).<br/>This is a monthly fee.</li> <li><u>Incentive fee</u><br/>Calculating according to ratio as specified in REIT manager appointment contract, with a total period of 5 years.<br/>This is annual fee.</li> </ul> | <p>Structure of REIT manager fee corresponds to normal business. The base fee is similar to management fee of other domestic property funds. Also, the criteria of special fee is appropriately set up.</p>                                                            |

| Juristic person/Company that may have conflict                                                                | Relation                                                                                                   | Characteristics of related party transaction                   | Conditions of pricing policy                                                                                                                                                       | Opinion of pricing                                                                                                                |
|---------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| <p>These 2 types of fee altogether do not exceed 2.00 percent per annum of total property value of trust.</p> |                                                                                                            |                                                                |                                                                                                                                                                                    |                                                                                                                                   |
| 3. Bangkok Land PCL                                                                                           | <ul style="list-style-type: none"> <li>Parent company of IMPACT Exhibition Management Co., Ltd.</li> </ul> | Bangkok Land uses the area of trust for organizing trade fair. | The service charge consists of fixed rental fee of 20,000 baht per month (does not include VAT) and 50,000 baht as guarantee on damage.                                            | Rate of service charge is normal. It is similar to that in running transaction with the third party. Therefore, it is reasonable. |
| 4. Kasikorn Asset Management Co., Ltd.                                                                        | <ul style="list-style-type: none"> <li>Being trustee of trust.</li> </ul>                                  | Service fee for maintaining benefit of trust.                  | Monthly payment must not exceed 1.00 percent per annum of total property value of trust (the rate does not include value added tax, specific business tax or other similar taxes). | Structure of trustee fee is similar to those of other domestic property funds.                                                    |

| Juristic person/Company that may have conflict | Relation                                                                                                                                                       | Characteristics of related party transaction                                  | Conditions of pricing policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Opinion of pricing                                                                                                                                                                       |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5. KASIKORNBANK PCL                            | <ul style="list-style-type: none"> <li>Parent company of Kasikorn Asset Management Co., Ltd. as trust of trust.</li> </ul>                                     | Transaction of financial aid<br>Long tern rental income from ATM installment. | <p>KASIKORNBANK, creditor entered into the loan contract with the trust on September 25, 2014. With the interest rate does not exceed MLR - 1.51.5 p.a., the amount of loan was 1,900 million baht and amount of 180 million baht which has not yet withdrawn. The Trust paid interest rate at the end of each month and principal will be repaid within 5 years. During 2015 year, the trust has refinance the 1,900 million baht loan from KASIKORNBANK with 2 Life insurance companies.</p> | <p>Conditions of loan borrowing are similar to those available in the market.</p> <p>For long tern rental rate fee for ATM. Installment is reasonable as the Trust normal operation.</p> |
| 6. Muang Thai Life Assurance PCL               | <ul style="list-style-type: none"> <li>Related company with the parent company of the Kasikorn Asset Management Co., Ltd. the trustee of the Trust.</li> </ul> | Transaction of financial aid.                                                 | Muang Thai Life Assurance PCL, the creditor entered into the loan contract with the trust on May 2015, with the amount of loan is 500 million baht with interest rate not over MLR - 1.5 p.a. The Trust paid interest rate and principal at the end of each month started on April 2016, totaling 72 installments.                                                                                                                                                                             | Conditions of loan borrowing are similar to those available in the market.                                                                                                               |

# IMPACT GROWTH REAL ESTATE INVESTMENT TRUST

Report and financial statements

31 March 2016



# INDEPENDENT AUDITOR'S REPORT

To the Unitholders of IMPACT Growth Real Estate Investment Trust

I have audited the accompanying financial statements of IMPACT Growth Real Estate Investment Trust, which comprise balance sheet, and detail of investments as at 31 March 2016, the related statements of income, changes in net assets, cash flows and significant financial information for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **REIT Manager's Responsibility for the Financial Statements**

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

## **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by REIT Manager, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IMPACT Growth Real Estate Investment Trust as at 31 March 2016, and its financial performance, changes in its net assets, cash flows and significant financial information for the year ended, in accordance with Thai Financial Reporting Standards.



Ratana Jala

Certified Public Accountant (Thailand) No. 3734

EY Office Limited

Bangkok: 26 May 2016



อิมแพค IMPACT

# IMPACT GROWTH REAL ESTATE INVESTMENT TRUST

## Balance sheet

As at 31 March 2016

|                                                                                         | Note  | 31 March 2016         | 31 March 2015         |
|-----------------------------------------------------------------------------------------|-------|-----------------------|-----------------------|
|                                                                                         |       |                       | (Unit : Baht)         |
| <b>Assets</b>                                                                           |       |                       |                       |
| Investments in properties at fair value                                                 | 6     | 19,619,000,000        | 19,603,000,000        |
| (At cost : 31 March 2016 : Baht 19,601 million,<br>31 March 2015 : Baht 19,601 million) |       |                       |                       |
| Investments in securities at fair value                                                 |       | 500,143,954           | 402,071,492           |
| (At cost: 31 March 2016 : Baht 500 million,<br>31 March 2015 : Baht 400 million)        |       |                       |                       |
| Cash and cash at banks                                                                  | 7, 15 | 254,634,633           | 204,866,668           |
| Receivables                                                                             |       |                       |                       |
| From service                                                                            | 8, 15 | 128,654,879           | 180,255,235           |
| From interest                                                                           | 15    | 252,761               | 275,483               |
| Prepaid expenses                                                                        |       | 7,310,518             | 7,815,336             |
| Other assets                                                                            |       | 7,748,153             | 6,012,838             |
| <b>Total assets</b>                                                                     |       | <b>20,517,744,898</b> | <b>20,404,297,052</b> |

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

## Balance sheet (continued)

As at 31 March 2016

|                                                          | Note  | 31 March 2016         | 31 March 2015         |
|----------------------------------------------------------|-------|-----------------------|-----------------------|
|                                                          |       |                       | (Unit : Baht)         |
| <b>Liabilities</b>                                       |       |                       |                       |
| Trade payables                                           | 15    | 96,807,258            | 70,399,200            |
| Other payables                                           |       | 12,411,316            | 9,044,645             |
| Accrued expenses                                         | 15    | 122,318,779           | 132,334,932           |
| Unearned income                                          |       | 180,696,388           | 202,872,425           |
| Security deposits                                        |       | 10,277,103            | 13,656,261            |
| Other liabilities                                        |       | 87,130,237            | 70,681,066            |
| Current portion of long-term loans                       | 9, 15 | 4,645,833             | -                     |
| Long-term loans - net of current portion                 | 9, 15 | <u>3,895,354,167</u>  | <u>3,900,000,000</u>  |
| <b>Total liabilities</b>                                 |       | <u>4,409,641,081</u>  | <u>4,398,988,529</u>  |
| <b>Net assets</b>                                        |       | <u>16,108,103,817</u> | <u>16,005,308,523</u> |
| <b>Net assets :</b>                                      |       |                       |                       |
| Trust registered                                         |       |                       |                       |
| 1,482,500,000 units of Baht 10.6 each                    |       | <u>15,714,500,000</u> | <u>15,714,500,000</u> |
| Capital from unitholders                                 |       |                       |                       |
| 1,482,500,000 units of Baht 10.6 each                    | 10    | 15,714,500,000        | 15,714,500,000        |
| Retained earnings                                        | 11    | <u>393,603,817</u>    | <u>290,808,523</u>    |
| <b>Net assets</b>                                        |       | <u>16,108,103,817</u> | <u>16,005,308,523</u> |
|                                                          |       | -                     | -                     |
| <b>Net asset value per unit (Baht)</b>                   |       | 10.8655               | 10.7961               |
| <b>Number of units issued at the end of year (Units)</b> |       | 1,482,500,000         | 1,482,500,000         |

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



(Colonel Phichai Namsirikul)  
Director



(Mr. Naputt Assakul)  
Director

## Statement of income

For the year ended 31 March 2016

|                                                           | Note     | For the year ended<br>31 March 2016 | For the period as<br>from 22 September<br>2014 (date of<br>incorporation)<br>to 31 March 2015 |
|-----------------------------------------------------------|----------|-------------------------------------|-----------------------------------------------------------------------------------------------|
|                                                           |          |                                     | (Unit : Baht)                                                                                 |
| <b>Investment income</b>                                  |          |                                     |                                                                                               |
| Service income                                            | 15       | 2,114,398,677                       | 1,109,730,713                                                                                 |
| Interest income                                           | 15       | 969,540                             | 1,661,435                                                                                     |
| Other income                                              |          | 10,648,884                          | 2,867,071                                                                                     |
| <b>Total income</b>                                       |          | <u>2,126,017,101</u>                | <u>1,114,259,219</u>                                                                          |
| <b>Expenses</b>                                           |          |                                     |                                                                                               |
| Cost of service                                           | 15       | 290,920,592                         | 150,634,930                                                                                   |
| REIT management fee                                       | 13.1, 15 | 146,592,673                         | 112,844,182                                                                                   |
| Trustee's fee                                             | 13.2, 15 | 61,470,918                          | 31,872,840                                                                                    |
| Registrar's fee                                           | 13.3     | 3,629,025                           | 1,891,337                                                                                     |
| Property management fee                                   | 13.4, 15 | 65,432,058                          | 22,362,512                                                                                    |
| Professional fees                                         |          | 3,522,036                           | 2,321,090                                                                                     |
| Administrative expenses                                   | 14, 15   | 198,239,432                         | 66,011,095                                                                                    |
| Finance cost                                              | 15       | 187,139,219                         | 98,458,984                                                                                    |
| <b>Total expenses</b>                                     |          | <u>956,945,953</u>                  | <u>486,396,970</u>                                                                            |
| <b>Net investment income</b>                              |          | <u>1,169,071,148</u>                | <u>627,862,249</u>                                                                            |
| <b>Realised and unrealised gains on investments</b>       |          |                                     |                                                                                               |
| Net realised gain on investments in securities            |          | 7,172,478                           | -                                                                                             |
| Net unrealised gains on investments                       |          | 16,143,955                          | 3,915,409                                                                                     |
| <b>Total realised and unrealised gains on investments</b> |          | <u>23,316,433</u>                   | <u>3,915,409</u>                                                                              |
| <b>Increase in net assets from operations</b>             |          | <u>1,192,387,581</u>                | <u>631,777,658</u>                                                                            |

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

## Statement of changes in net assets

For the year ended 31 March 2016

|                                                                          | Note | For the year ended<br>31 March 2016 | For the period as<br>from 22 September<br>2014 (date of<br>incorporation)<br>to 31 March 2015 |
|--------------------------------------------------------------------------|------|-------------------------------------|-----------------------------------------------------------------------------------------------|
|                                                                          |      |                                     | (Unit : Baht)                                                                                 |
| <b>Increase in net assets from<br/>operations during the year/period</b> |      |                                     |                                                                                               |
| Net investment income                                                    |      | 1,169,071,148                       | 627,862,249                                                                                   |
| Net realised gains on investment in securities                           |      | 7,172,478                           | -                                                                                             |
| Net unrealised gains on investments                                      |      | <u>16,143,955</u>                   | <u>3,915,409</u>                                                                              |
| <b>Increase in net assets from operations</b>                            |      | <u>1,192,387,581</u>                | <u>631,777,658</u>                                                                            |
| Investment trusts sold during the year/period                            | 10   | -                                   | 15,714,500,000                                                                                |
| Distribution to unitholders                                              | 12   | <u>(1,089,592,287)</u>              | <u>(340,969,135)</u>                                                                          |
| <b>Increase in net assets during the year/period</b>                     |      | 102,795,294                         | 16,005,308,523                                                                                |
| Net assets at beginning of the year/period                               |      | <u>16,005,308,523</u>               | -                                                                                             |
| <b>Net assets at end of the year/period</b>                              |      | <u><u>16,108,103,817</u></u>        | <u><u>16,005,308,523</u></u>                                                                  |

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

## Statement of cash flows

For the year ended 31 March 2016

|                                                                                                                          | Note | For the year ended<br>31 March 2016 | For the period as<br>from 22 September<br>2014 (date of<br>incorporation)<br>to 31 March 2015 |
|--------------------------------------------------------------------------------------------------------------------------|------|-------------------------------------|-----------------------------------------------------------------------------------------------|
| <b>Cash flows from operating activities</b>                                                                              |      |                                     | (Unit : Baht)                                                                                 |
| Increase in net assets from operations                                                                                   |      |                                     |                                                                                               |
| Adjustments to reconcile increase in net assets from operations to net cash provided by (used in) operating activities : |      | 1,192,387,581                       | 631,777,658                                                                                   |
| Purchases of investments in properties                                                                                   |      | -                                   | (19,601,156,083)                                                                              |
| Purchases of investments in securities                                                                                   |      | (700,000,000)                       | (400,000,000)                                                                                 |
| Sales of investments in securities                                                                                       |      | 609,243,970                         | -                                                                                             |
| Decrease (increase) in receivables from service                                                                          |      | 51,600,356                          | (180,255,235)                                                                                 |
| Decrease (increase) in receivables from interest                                                                         |      | 22,722                              | (275,483)                                                                                     |
| Decrease (increase) in prepaid expenses                                                                                  |      | 504,818                             | (7,815,336)                                                                                   |
| Increase in other assets                                                                                                 |      | (1,735,315)                         | (6,012,838)                                                                                   |
| Increase in trade payables                                                                                               |      | 26,408,058                          | 70,399,200                                                                                    |
| Increase in other payables                                                                                               |      | 3,366,671                           | 9,044,645                                                                                     |
| Increase (decrease) in accrued expenses                                                                                  |      | (10,016,153)                        | 132,334,932                                                                                   |
| Increase (decrease) in unearned income                                                                                   |      | (22,176,037)                        | 202,872,425                                                                                   |
| Increase (decrease) in security deposits                                                                                 |      | (3,379,158)                         | 13,656,261                                                                                    |
| Increase (decrease) in other liabilities                                                                                 |      | (5,490,507)                         | 50,435,780                                                                                    |
| Finance cost                                                                                                             |      | 187,139,219                         | 98,458,984                                                                                    |
| Net realised gains on investments in securities                                                                          |      | (7,172,478)                         | -                                                                                             |
| Net unrealised gains on investments                                                                                      |      | (16,143,954)                        | (3,915,409)                                                                                   |
| <b>Net cash flows provided by (used in) operating activities</b>                                                         |      | <u>1,304,559,793</u>                | <u>(18,990,450,499)</u>                                                                       |
| <b>Cash flows from financing activities</b>                                                                              |      | -                                   | 15,714,500,000                                                                                |
| Proceeds from sales of investment trusts                                                                                 |      | (1,089,592,287)                     | (340,969,135)                                                                                 |
| Distribution to unitholders                                                                                              |      | -                                   | 3,900,000,000                                                                                 |
| Cash received from long-term loans                                                                                       |      | <u>(165,199,541)</u>                | <u>(78,213,698)</u>                                                                           |
| Interest paid                                                                                                            |      | <u>1,254,791,828</u>                | <u>19,195,317,167</u>                                                                         |
| <b>Net cash flows from (used in) by financing activities</b>                                                             |      | 49,767,965                          | 204,866,668                                                                                   |
| <b>Net increase in cash and cash at banks</b>                                                                            |      | <u>204,866,668</u>                  | <u>-</u>                                                                                      |
| Cash and cash at banks at beginning of the year/period                                                                   |      | <u>254,634,633</u>                  | <u>204,866,668</u>                                                                            |
| <b>Cash and cash at banks at end of the year/period (Note 7)</b>                                                         |      | -                                   | -                                                                                             |

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

## Detail of investments

As at 31 March 2016

Detail of investments classified by asset classes

| Type of investments                    | Areas held by the Trust | 31 March 2016         |                       |                          | 31 March 2015         |                       |                          |
|----------------------------------------|-------------------------|-----------------------|-----------------------|--------------------------|-----------------------|-----------------------|--------------------------|
|                                        |                         | Cost                  | Fair value            | Percentage of investment | Cost                  | Fair value            | Percentage of investment |
|                                        |                         | (Baht)                | (Baht)                |                          | (Baht)                | (Baht)                |                          |
| <b>Investments in properties</b>       |                         |                       |                       |                          |                       |                       |                          |
| (Note 6)                               |                         |                       |                       |                          |                       |                       |                          |
| IMPACT Muang Thong Thani               |                         |                       |                       |                          |                       |                       |                          |
| Location: Banmai                       |                         |                       |                       |                          |                       |                       |                          |
| Sub-district, Pakkred                  |                         |                       |                       |                          |                       |                       |                          |
| District, Nonthaburi                   |                         |                       |                       |                          |                       |                       |                          |
| 11120                                  |                         |                       |                       |                          |                       |                       |                          |
| 192-2-88.6 rai/<br>165,606 sq.m.       |                         |                       |                       |                          |                       |                       |                          |
|                                        |                         | 19,601,156,083        | 19,619,000,000        | 97.51                    | 19,601,156,083        | 19,603,000,000        | 97.99                    |
| <b>Total investments in properties</b> |                         | <b>19,601,156,083</b> | <b>19,619,000,000</b> | <b>97.51</b>             | <b>19,601,156,083</b> | <b>19,603,000,000</b> | <b>97.99</b>             |
| <b>Investments in securities</b>       |                         |                       |                       |                          |                       |                       |                          |
| <b>Unit trust</b>                      |                         |                       |                       |                          |                       |                       |                          |
| Krungsri Star Plus Fund                |                         |                       |                       |                          |                       |                       |                          |
| T - Income Plus                        |                         |                       |                       |                          |                       |                       |                          |
|                                        |                         | -                     | -                     | -                        | 400,000,000           | 402,071,492           | 2.01                     |
|                                        |                         | 500,000,000           | 500,143,954           | 2.49                     | -                     | -                     | -                        |
| <b>Total investments in securities</b> |                         | <b>500,000,000</b>    | <b>500,143,954</b>    | <b>2.49</b>              | <b>400,000,000</b>    | <b>402,071,492</b>    | <b>2.01</b>              |
| <b>Total investments</b>               |                         | <b>20,101,156,083</b> | <b>20,119,143,954</b> | <b>100.00</b>            | <b>20,001,156,083</b> | <b>20,005,071,492</b> | <b>100.00</b>            |

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

## Significant financial information

For the year ended 31 March 2016

|                                                                                                         | For the year<br>ended<br>31 March 2016 | For the period as<br>from 22 September<br>2014 (date of<br>incorporation)<br>to 31 March 2015 |
|---------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------------|
|                                                                                                         |                                        | (Unit : Baht)                                                                                 |
| <b>Operating performance information (per unit)</b>                                                     |                                        |                                                                                               |
| Net asset value at beginning of the year/period                                                         | 10.7961                                | -                                                                                             |
| Income from investing activities                                                                        |                                        |                                                                                               |
| Net investment income                                                                                   | 0.7886                                 | 0.4235                                                                                        |
| Net realised gains on investment in securities                                                          | 0.0049                                 | -                                                                                             |
| Net unrealised gains on investments                                                                     | <u>0.0109</u>                          | <u>0.0026</u>                                                                                 |
| Total income from investing activities                                                                  | 0.8044                                 | 0.4261                                                                                        |
| Add : Increase in capital from unitholders                                                              | -                                      | 10.6000                                                                                       |
| Less : Distribution to unitholders                                                                      | <u>(0.7350)</u>                        | <u>(0.2300)</u>                                                                               |
| Net asset value at end of the year/period                                                               | <u>10.8655</u>                         | <u>10.7961</u>                                                                                |
| Ratio of net increase in net assets from operations to<br>average net assets during the year/period (%) | 7.45                                   | 3.97                                                                                          |

### Significant financial ratios and additional significant information

|                                                                                                                                          |                |                |
|------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Net assets at end of the year/period (Baht)                                                                                              | 16,108,103,817 | 16,005,308,523 |
| Ratio of total expenses to average net assets during the year/period (%)                                                                 | 5.98           | 3.06           |
| Ratio of total investment income to average net assets during the<br>year/period (%)                                                     | 13.33          | 7.00           |
| Ratio of weighted average investment purchases and sales<br>during the year/period to average net assets during the year/<br>period (%)* | 0.25           | 119.76         |
| Average net assets during the year/period (Baht)                                                                                         | 15,999,247,837 | 15,908,499,614 |

\* The value of investment purchases and sales during the year/period does not include cash at bank and investment in cash at bank, and is calculated by a weighted average basis over the accounting period.

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



# NOTES TO FINANCIAL STATEMENTS

## IMPACT Growth Real Estate Investment Trust

For the year ended 31 March 2016

### 1. Description of IMPACT Growth Real Estate Investment Trust

IMPACT Growth Real Estate Investment Trust (“the Trust”) is a real estate investment trust established under the Trust for Transaction in Capital Market Act, B.E.2550 (“the Act”) in accordance with the Trust Deed signed on 22 September 2014 between RMI Company Limited as the Trust Settlor and Kasikorn Asset Management Company Limited as the Trustee. On 22 September 2014, the Trust was established as a specific closed-end real estate investment trust with an indefinite term in order to invest in specific properties. The Trust’s objectives are to mobilise funds raised from general investors and loans from financial institutions to invest in ownership in land and buildings, including utility systems and equipment, of the IMPACT Muang Thong Thani, specifically IMPACT Arena, IMPACT Exhibition Center, IMPACT Forum, and IMPACT Challenger.

On 1 October 2014, the Stock Exchange of Thailand approved the listing of the Trust’s investment trusts and permitted their trading from 1 October 2014 onwards.

The Trust is managed by RMI Company Limited (“the REIT Manager”), Kasikorn Asset Management Company Limited acts as the Trustee and Impact Exhibition Management Company Limited acts as the Property Manager.

As at 31 March 2016 and 2015, the Trust’s major unitholder is IMPACT Exhibition Management Company Limited, which holds 50%.

### 2. Distribution policy

The Trust has a policy to pay distributions to unitholders as follows:

- (1) The REIT Manager shall pay distributions to unitholders that, in aggregate, amount to not less than 90% of adjusted net profit for the year, with such distributions to be divided into a year-end distribution and an interim distribution (if any). The REIT Manager shall pay distributions to unitholders not more than 4 times a year, unless the Trust increases capital. Such distributions are to be made from the year-ending 31 March 2015 onwards.

The adjusted net profit means the net profit of the Trust determined on a cash basis including loan repayments made in accordance with loan agreements (if any).

- (2) In case the Trust has accumulated losses, the REIT Manager will not pay the distributions to the unitholders.

In considering the payment of interim distribution, if the value of interim distribution per unit to be paid is lower than or equal to Baht 0.10, the REIT Manager reserves the right not to pay distribution at that time and to bring such distribution forward for payment together with the next distribution payment.

### **3. Basis of preparation of financial statements**

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

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

### **4. New financial reporting standards**

#### **(a) Financial reporting standard that became effective in the current accounting period**

The Trust has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The REIT Manager has assessed the effect of these financial reporting standards and believes that most of them are not relevant to the business of the Trust and that they do not have any significant impact on the financial statements for the current accounting period because the Trust's financial statement are prepared in accordance with the principles and format specified in Thai Accounting Standard No. 106 "Accounting for Investment Business".

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

During the current accounting period, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards and accounting treatment guidance. The REIT Manager believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

### **5. Significant accounting policies**

#### **(1) Revenues and expenses**

- Service income is recognised when services have been rendered taking into account the stage of completion.
- Interest income and finance cost are recognised as revenue and expense on an accrual basis based on the effective interest rate.
- Other income and expenses are recognised on an accrual basis.

## **(2) Measurement of investments**

- Investments are recognised as assets at cost at the date on which the Trust has rights on investments.
- The cost of investments comprises the purchase prices and all direct expenses paid by the Trust in order to acquire such investments.

### **Investments in properties**

- All immovable properties and fixed assets purchased and/or invested by the Trust, including utility systems and equipment to be used in the operations of business, are recorded as investments in properties.
- Investments in properties are presented at fair value without depreciation. There is no comparable market price, therefore, the REIT Manager measured their fair values at the first reporting period at the acquisition cost of investments, and will remeasure fair values at subsequent reporting dates based on the appraisal value assessed by an independent appraiser approved by the Thai Valuer Association and the Valuers Association of Thailand (Pursuant to the Notification of the Securities and Exchange Commission concerning the granting of approval of valuation companies and principle valuers for public use). Valuation will be made when economic conditions change, but at least every two years, commencing from the date of the appraisal made for the purposes of purchasing properties. In addition, the valuation will be reviewed within one year after the latest valuation date.
- Gains or losses on measurement of such investments (if any) are presented as net unrealised gains or losses in the statement of income.

### **Investments in securities**

- Investments in unit trust are presented at their fair value based on the net asset value of unit trust.
- Gains or losses on measurement of investments in securities are presented as unrealised gains or losses in the statements of income.
- Gain or losses on disposal of investment are recognised as income or expense as at disposal date. The cost of disposal investment is calculated by weighted average method.

### **Investments in cash at banks**

- Investments in cash at banks are presented at fair value, determined by the sum of principal and accrued interest as of the dates on which the investments are measured. Accrued interest portion is separately presented as “Receivables from interest” in the balance sheet.

### (3) Receivables from service

- Receivables from service are stated at the invoice price less allowance for doubtful accounts.
- The allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

### (4) Related party transactions

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

They also include the REIT Manager, the Trustee and their related parties and included associated companies and individuals which directly or indirectly own a voting interest in the Trust that gives them significant influence over the Trust, key management personnel and directors of the REIT Manager with authority in planning and directing the Trust's operations.

The relationships of related parties are as follows:

| Name of related parties                          | Relationship                                                                  |
|--------------------------------------------------|-------------------------------------------------------------------------------|
| RMI Company Limited                              | REIT Manager                                                                  |
| IMPACT Exhibition Management Company Limited     | Major unitholder, parent company of the REIT Manager and the Property Manager |
| Bangkok Land Public Company Limited              | Parent company of the Property Manager                                        |
| Kasikorn Asset Management Company Limited        | Trustee                                                                       |
| KASIKORNBANK Public Company Limited              | Parent company of the Trustee                                                 |
| Muang Thai Life Assurance Public Company Limited | Related company of Trustee's parent                                           |

### (5) Distribution to unitholders

A decrease in retained earnings is recognised as at the date a distribution is declared.

### (6) Income tax

The Trust has no corporate income tax liability since it is not the juristic entity in accordance with section 39 of the Revenue Code.

### (7) Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires the REIT Manager to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. The REIT Manager has significant

accounting judgements and estimates in the fair value of investments in properties that is based on the appraisal value assessed by an independent appraiser as described in Note 5.2 since there is no market price that could be used to apply a comparative approach. An independent appraiser appraises the fair value of such investments in properties by using the method and significant assumptions as described in Note 6.

## 6. Investments in properties

|                                                                                          | (Unit : Thousand Baht)              |                                                                 |
|------------------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------|
|                                                                                          | For the year ended<br>31 March 2016 | For the period as from<br>22 September 2014<br>to 31 March 2015 |
| Investments in properties at beginning of<br>the year/period                             | 19,603,000                          | -                                                               |
| Purchase of investments in properties<br>during the period                               | -                                   | 19,601,156                                                      |
| Add : Net unrealized gains from the revaluation<br>of investments during the year/period | <u>16,000</u>                       | <u>1,844</u>                                                    |
| Investments in properties at end of the year/<br>period                                  | <u><u>19,619,000</u></u>            | <u><u>19,603,000</u></u>                                        |

During the year, the Trust hired an independent appraiser to appraise the fair value of the investments in properties using the income approach. The main assumptions used in the valuation are service rate, occupancy rate, reversionary yield, and discount rate. Trust has revalued such investments in properties to be as fair value and has recorded net unrealised gains from such investments in the statement of income.

In addition, the Trust has mortgaged such properties as collateral against loan agreements with the financial institutions, as described in Note 9.

## 7. Cash and cash at banks

As at 31 March 2016 and 2015, the Trust has the details of cash and cash at banks as follows:

|                  | Principal (Thousand Baht) |                  | Interest rate per annum (%) |                  |
|------------------|---------------------------|------------------|-----------------------------|------------------|
|                  | 31 March<br>2016          | 31 March<br>2015 | 31 March<br>2016            | 31 March<br>2015 |
| Cash             | 691                       | 691              | -                           | -                |
| Savings accounts |                           |                  |                             |                  |

|                                        | Principal (Thousand Baht) |                  | Interest rate per annum (%) |                  |
|----------------------------------------|---------------------------|------------------|-----------------------------|------------------|
|                                        | 31 March<br>2016          | 31 March<br>2015 | 31 March<br>2016            | 31 March<br>2015 |
| KASIKORNBANK Public Company Limited    | 232,859                   | 185,887          | 0.37                        | 0.37             |
| Bank of Ayudhya Public Company Limited | 20,939                    | 18,063           | 0.10                        | 0.10             |
| Current accounts                       |                           |                  |                             |                  |
| KASIKORNBANK Public Company Limited    | 144                       | 224              | -                           | -                |
| Bank of Ayudhya Public Company Limited | <u>2</u>                  | <u>2</u>         | -                           | -                |
| Total cash at banks                    | <u>253,944</u>            | <u>204,176</u>   |                             |                  |
| Total cash and cash at banks           | <u>254,635</u>            | <u>204,867</u>   |                             |                  |

The Trust has pledged and assigned rights of claim in bank accounts with outstanding balances as at 31 March 2016 totaling approximately Baht 254 million (31 March 2015 : Baht 204 million) with the financial institutions to secure long-term loans, in accordance with conditions stipulated in the long-term loan agreements. However, the Trust is able to withdraw these deposits for payments of its regular operating expenses in accordance with the purpose of each account.

#### 8. Receivables from service

The outstanding balances of receivables from service as at 31 March 2016 and 2015 are aged on the basis of due dates, as follows:

| Age of receivables | (Unit : Thousand Baht) |                |
|--------------------|------------------------|----------------|
|                    | 31 March 2016          | 31 March 2015  |
| Not yet due        | 124,406                | 115,888        |
| Past due           |                        |                |
| Up to 3 months     | 3,235                  | 62,098         |
| 3 - 6 months       | 1,009                  | 2,269          |
| 6 - 12 months      | <u>5</u>               | <u>-</u>       |
| Total              | <u>128,655</u>         | <u>180,255</u> |

#### 9. Long-term loans

(Unit : Thousand Baht)

|                                                                                                                                                                                                                                                                   | 2016             | 2015             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| 1. A long-term credit facility amounting to Baht 3,900 million carry interest at floating rates not exceeding MLR - 1.50% per annum, with interest payable every month-end and principal to be paid in full within 2019                                           | 2,000,000        | 3,900,000        |
| 2. A long-term credit facility amounting to Baht 1,900 million carry interest at floating rates not exceeding MLR -1.50% per annum, with interest payable every month-end and principal repayment for 73 monthly installments on monthly basis as from April 2016 | 1,900,000        | -                |
| Total                                                                                                                                                                                                                                                             | 3,900,000        | 3,900,000        |
| Less : current portion of long-term loans                                                                                                                                                                                                                         | <u>(4,646)</u>   | <u>-</u>         |
| Long-term loans - net of current portion                                                                                                                                                                                                                          | <u>3,895,354</u> | <u>3,900,000</u> |

In April and May 2015, one lender of the Trust, who granted loan of Baht 1,900 million, has changed from a financial institution to two life insurance companies.

All long-term loans are secured by mortgage of land and buildings, including utility systems and equipment of IMPACT Muang Thong Thani in which the Trust has invested, including the conditional assignment of rights under insurance policies, right under related contracts and rights over bank accounts of the Trust.

The loan agreements contain covenants, which, among other things, require the Trust to maintain certain financial ratios such as loan-to-total assets and interest coverage ratios.

As at 31 March 2016, the Trust has unutilized credit facilities with one financial institution amounting to Baht 180 million (31 March 2015 : Baht 180 million).

Maturity of long-term borrowing from financial institution are as follows:

(Unit : Thousand Baht)

|                  | 2016             | 2015             |
|------------------|------------------|------------------|
| Within in 1 year | 4,646            | -                |
| Over 1 - 5 years | 2,019,000        | 3,900,000        |
| Over 5 years     | <u>1,876,354</u> | <u>-</u>         |
| Total            | <u>3,900,000</u> | <u>3,900,000</u> |

## 10. Unitholders' equity

On 22 September 2014, RMI Company Limited established the IMPACT Growth Real Estate Investment Trust with a registered capital of Baht 15,714.5 million, consisting of 1,482.5 million units with a par value of Baht 10.6 each. The Trust called up payment for all of these trust units and notified the Office of the Securities and Exchange Commission of these called-up capital funds.

## 11. Retained earnings

|                                                                                  | (Unit : Thousand Baht)              |                                                                 |
|----------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------|
|                                                                                  | For the year ended<br>31 March 2016 | For the period as from<br>22 September 2014<br>to 31 March 2015 |
| Accumulated net investment income                                                | 627,862                             | -                                                               |
| Accumulated net unrealised gains on investments                                  | 3,916                               | -                                                               |
| Less : Distribution to unitholders                                               | <u>(340,969)</u>                    | <u>-</u>                                                        |
| Retained earnings at beginning of the year/period                                | 290,809                             | -                                                               |
| Add : Increase in net assets resulting from<br>operations during the year/period | 1,192,387                           | 631,778                                                         |
| Less: Distribution to unitholders during the year/<br>period                     | <u>(1,089,592)</u>                  | <u>(340,969)</u>                                                |
| Retained earnings at end of the year/period                                      | <u><u>393,604</u></u>               | <u><u>290,809</u></u>                                           |

## 12. Distribution to unitholders

Distribution declared during the year ended 31 March 2016 and the period as from 22 September 2014 to 31 March 2015 consisted of the following:

| For the year ended 31 March 2016  |                                   |                 |                         |
|-----------------------------------|-----------------------------------|-----------------|-------------------------|
| Declaration date                  | For the period as from            | Per unit (Baht) | Total (Thousand Baht)   |
| 21 May 2015                       | 1 January 2015 - 31 March 2015    | 0.190           | 281,675                 |
| 13 August 2015                    | 1 April 2015 - 30 June 2015       | 0.175           | 259,437                 |
| 12 November 2015                  | 1 July 2015 - 30 September 2015   | 0.180           | 266,840                 |
| 12 February 2016                  | 1 October 2015 - 31 December 2015 | 0.190           | <u>281,640</u>          |
| Total distribution to unitholders |                                   |                 | <u><u>1,089,592</u></u> |

For the period as from 22 September 2014 to 31 March 2015

| Declaration date                  | For the period as from               | Per unit (Baht) | Total (Thousand Baht) |
|-----------------------------------|--------------------------------------|-----------------|-----------------------|
| 12 February 2015                  | 22 September 2014 - 31 December 2014 | 0.2300          | 340,969               |
| Total distribution to unitholders |                                      | 0.2300          | 340,969               |

### 13. Expenses

#### (1) REIT management fee

The REIT Manager is entitled to receive a monthly REIT management fee from the Trust at a rate not exceeding 2.00% per annum (exclusive of value added tax, specific business tax or any other similar taxes) of the Trust's total asset value as calculated by the REIT Manager and verified by the Trustee.

#### (2) Trustee's fee

The Trustee is entitled to receive a monthly remuneration at a rate not exceeding 1.00% per annum (exclusive of value added tax, specific business tax or any other similar taxes) of the Trust's total asset value as calculated by the REIT Manager and verified by the Trustee.

#### (3) Registrar's fee

The expenses for the work of the Trust Unit Registrar shall be at a rate not exceeding 0.50% per annum (exclusive of value added tax, specific business tax or any other similar taxes) of the Trust's total asset value as calculated by the REIT Manager and verified by the Trustee.

#### (4) Property management fee

Fees are payable to the Property Manager on a monthly basis under the Property Management Agreement between the REIT Manager and the Property Manager, which is summarised as follows (the rate excludes value added tax, specific business tax or any other similar taxes) :

- The base fee is calculated as percentage of the Trust's total revenue, excluding revenue from other investment, at the rate of 1.00% for the first year, 1.75% for the second year, 4.50% for the third year and 5.50% per annum for the fourth year onwards. This is calculated and charged on a monthly basis.
- The incentive fee is calculated as percentage of the Trust's net property income before deducting the Trust's expenses, at the rate of 1.25% for the first year, 1.75% for the second year, 5.75% for the third year and 6.75% per annum for the fourth year onwards. This is calculated and charged on an annual basis.

Net property income means property income minus property expenses which include the base fee for the Property Manager, but exclude insurance premium, property tax, Trust expenses, finance cost (if any), and significant extraordinary expenses of the Trust.

However, the first year means the period from the date of incorporation to 31 March 2015 and the total property management fee shall not exceed 2.00% per annum of the Trust's total asset value.

#### 14. Administrative expenses

|                                  | (Unit : Thousand Baht)              |                                                                 |
|----------------------------------|-------------------------------------|-----------------------------------------------------------------|
|                                  | For the year ended<br>31 March 2016 | For the period as from<br>22 September 2014<br>to 31 March 2015 |
| Repairs and maintenance expenses | 94,270                              | 19,979                                                          |
| Utilities expenses               | 41,359                              | 16,419                                                          |
| Cleaning expenses                | 20,593                              | 10,159                                                          |
| Security expenses                | 11,688                              | 5,785                                                           |
| Insurance expense                | 5,984                               | 4,138                                                           |
| Others                           | 24,345                              | 9,531                                                           |
| Total                            | 198,239                             | 66,011                                                          |

#### 15. Related party transactions

During the year ended 31 March 2016 and the period as from 22 September 2014 to 31 March 2015, the Trust had significant business transactions with its related parties, which have been agreed upon in the ordinary course of business between the Trust and its related parties. The pricing policies and amount for particular type of transactions are as follows :

|                                              | (Unit : Thousand Baht)                    |                                                                       |                                                        |
|----------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------|
|                                              | For the<br>year ended<br>31 March<br>2016 | For the<br>period as from<br>22 September<br>2014<br>to 31 March 2015 | Pricing policy                                         |
| <b>Service income</b>                        |                                           |                                                                       |                                                        |
| IMPACT Exhibition Management Company Limited | 595,332                                   | 448,713                                                               | Contract prices, depending on area and term of service |
| Bangkok Land Public Company Limited          | 248                                       | 121                                                                   | Contract prices, depending on area and term of service |

(Unit : Thousand Baht)

|                                                     | For the<br>year ended<br>31 March<br>2016 | For the<br>period as from<br>22 September<br>2014<br>to 31 March 2015 | Pricing policy                                               |
|-----------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------------|
| KASIKORNBANK Public Company Limited                 | 240                                       | 146                                                                   | Contract prices,<br>depending on area and<br>term of service |
| Muang Thai Life Assurance Public Company<br>Limited | 5                                         | -                                                                     | Contract prices,<br>depending on area and<br>term of service |
| <b>Interest income</b>                              |                                           |                                                                       |                                                              |
| KASIKORNBANK Public Company Limited                 | 913                                       | 1,657                                                                 | At 0.37% per annum                                           |
| <b>Cost of service</b>                              |                                           |                                                                       |                                                              |
| IMPACT Exhibition Management Company<br>Limited     | 3,015                                     | 17,332                                                                | Actual paid                                                  |
| <b>REIT management fee</b>                          |                                           |                                                                       |                                                              |
| RMI Company Limited                                 | 146,593                                   | 112,844                                                               | As detailed in Note 13 (1)                                   |
| <b>Trustees' fee</b>                                |                                           |                                                                       |                                                              |
| Kasikorn Asset Management Company<br>Limited        | 61,471                                    | 31,873                                                                | As detailed in Note 13 (2)                                   |
| <b>Property management fee</b>                      |                                           |                                                                       |                                                              |
| IMPACT Exhibition Management Company<br>Limited     | 65,432                                    | 22,363                                                                | As detailed in Note 13 (4)                                   |
| <b>Administrative expenses</b>                      |                                           |                                                                       |                                                              |
| IMPACT Exhibition Management Company<br>Limited     | 8,733                                     | 13,569                                                                | Actual paid                                                  |
| <b>Finance cost</b>                                 |                                           |                                                                       |                                                              |
| Muang Thai Life Assurance Public Company<br>Limited | 21,048                                    | -                                                                     | As detailed in Note 9                                        |
| KASIKORNBANK Public Company Limited                 | 4,455                                     | 48,058                                                                | As detailed in Note 9                                        |
| <b>Purchase investment in properties</b>            |                                           |                                                                       |                                                              |
| IMPACT Exhibition Management Company<br>Limited     | -                                         | 19,601,156                                                            | Prices close to appraisal<br>value, as detailed in Note<br>6 |

As at 31 March 2016 and 2015, the Trust has the following significant outstanding balances with its related parties as follows:

|                                                  | (Unit : Thousand Baht) |               |
|--------------------------------------------------|------------------------|---------------|
|                                                  | 31 March 2016          | 31 March 2015 |
| <b>Cash at bank</b>                              |                        |               |
| KASIKORNBANK Public Company Limited              | 233,003                | 186,111       |
| <b>Receivables from service</b>                  |                        |               |
| IMPACT Exhibition Management Company Limited     | 90,002                 | 106,139       |
| Bangkok Land Public Company Limited              | 49                     | 129           |
| KASIKORNBANK Public Company Limited              | -                      | 26            |
| RMI Company Limited                              | 1                      | -             |
| <b>Receivables from interest</b>                 |                        |               |
| KASIKORNBANK Public Company Limited              | 251                    | 273           |
| <b>Other assets</b>                              |                        |               |
| IMPACT Exhibition Management Company Limited     | 17                     | 606           |
| Bangkok Land Public Company Limited              | -                      | 50            |
| <b>Trade payables</b>                            |                        |               |
| IMPACT Exhibition Management Company Limited     | 21,160                 | 5,528         |
| <b>Accrued expenses</b>                          |                        |               |
| IMPACT Exhibition Management Company Limited     | 35,696                 | 16,694        |
| RMI Company Limited                              | 70,020                 | 98,905        |
| Kasikorn Asset Management Company Limited        | 15,303                 | 15,146        |
| <b>Security deposits</b>                         |                        |               |
| IMPACT Exhibition Management Company Limited     | 2,461                  | 1,966         |
| Bangkok Land Public Company Limited              | 47                     | 47            |
| KASIKORNBANK Public Company Limited              | 75                     | 75            |
| <b>Unearned income</b>                           |                        |               |
| IMPACT Exhibition Management Company Limited     | 28,917                 | -             |
| <b>Other liabilities</b>                         |                        |               |
| KASIKORNBANK Public Company Limited              | -                      | 9,954         |
| Muang Thai Life Assurance Public Company Limited | 3,382                  | -             |
| <b>Long-term loans</b>                           |                        |               |
| KASIKORNBANK Public Company Limited              | -                      | 1,900,000     |
| Muang Thai Life Assurance Public Company Limited | 500,000                | -             |

#### 16. Information on investment purchase and sales transactions

The Trust had investment purchase and sales transactions during the year ended 31 March 2016,

excluding investments in cash at banks, amounting to Baht 100 million which is 0.63% of the average net asset values during the year.

The Trust had investment purchase and sales transaction during the period, excluding investment in cash at banks, amounting to Baht 20,001 million which is 125.73% of the average net asset values during the period.

## 17. Commitments

### (1) Service agreement commitments

- (a) As at 31 March 2016 and 31 March 2015, the Trust is committed to pay fees to counterparties under the terms and conditions as specified in Note 13.
- (b) As at 31 March 2016 and 31 March 2015, the Trust has a commitment in respect of payments in accordance with the service agreement as follows :

|                             | 31 March 2016 | 31 March 2015<br>(Unit : Thousand Baht) |
|-----------------------------|---------------|-----------------------------------------|
| Payable                     |               |                                         |
| In up to 1 year             | 67            | 69                                      |
| In over 1 and up to 5 years | 40            | 93                                      |

### (2) Guarantees

As at 31 March 2016, the Trust has bank guarantees issued by a bank on behalf of the Trust approximately Baht 36.4 million (31 March 2015 : none) to a government agency in order to guarantee the electricity usage.

## 18. Segment information

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

The one main reportable operating segment of the Trust is to provide the service on the properties in which the Trust has invested and the single geographical area of its operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

During the year ended 31 March 2016 and the period as from 22 September 2014 to 31 March 2015, the Trust has service income from one major customer amount of Baht 342 million and 121 million, respectively.

## 19. Financial instruments

### (1) Financial risk management

The Trust's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments : Disclosure and Presentations", principally comprise investments in securities, cash and cash at banks, receivables from service, receivables from interest, other assets, trade payables, other payables, accrued expenses, security deposits, and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

#### Interest rate risk

The Trust's exposure to interest rate risk relates primarily to its cash and cash at banks and long-term loans. However, since most of the Trust's financial assets and liabilities bear floating interest rates, the interest rate risk of the Trust is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below.

(Unit : Thousand Baht)

| As at 31 March 2016                   |                           |                         |       |                           |
|---------------------------------------|---------------------------|-------------------------|-------|---------------------------|
| Fixed interest rates<br>within 1 year | Floating<br>interest rate | Non-interest<br>bearing | Total | Interest rate<br>(% p.a.) |

#### Financial assets

|                                                  |   |         |         |         |            |
|--------------------------------------------------|---|---------|---------|---------|------------|
| Investments in securities                        | - | -       | 500,143 | 500,143 | -          |
| Cash and cash at banks                           | - | 253,798 | 837     | 254,635 | 0.10, 0.37 |
| Receivables from service                         | - | -       | 128,655 | 128,655 | -          |
| Receivables from security deposit <sup>(1)</sup> | - | -       | -       | -       | -          |

#### Financial liabilities

|                                          |   |           |         |           |                        |
|------------------------------------------|---|-----------|---------|-----------|------------------------|
| Trade payables                           | - | -         | 96,807  | 96,807    | -                      |
| Other payables                           | - | -         | 12,411  | 12,411    | -                      |
| Accrued expenses                         | - | -         | 122,319 | 122,319   | -                      |
| Security deposits                        | - | -         | 10,277  | 10,277    | -                      |
| Current portion of long-term loan        | - | 4,646     | -       | 4,646     | Not over<br>MLR - 1.50 |
| Long-term loans - net of current portion | - | 3,895,354 | -       | 3,895,354 | Not over<br>MLR - 1.50 |

(1) Receivables from security deposit are classified in other assets.

(Unit : Thousand Baht)

| As at 31 March 2016                   |                           |                         |       |                           |
|---------------------------------------|---------------------------|-------------------------|-------|---------------------------|
| Fixed interest rates<br>within 1 year | Floating<br>interest rate | Non-interest<br>bearing | Total | Interest rate<br>(% p.a.) |

**Financial assets**

|                                                     |   |         |         |         |            |
|-----------------------------------------------------|---|---------|---------|---------|------------|
| Investments in securities                           | - | -       | 402,071 | 402,071 | -          |
| Cash and cash at banks                              | - | 203,950 | 917     | 204,867 | 0.10, 0.37 |
| Receivables from security<br>deposit <sup>(1)</sup> | - | -       | 180,255 | 180,255 | -          |
|                                                     | - | -       | 975     | 975     | -          |

**Financial liabilities**

|                   |   |           |         |           |                        |
|-------------------|---|-----------|---------|-----------|------------------------|
| Trade payables    | - | -         | 70,399  | 70,399    | -                      |
| Other payables    | - | -         | 9,045   | 9,045     | -                      |
| Accrued expenses  | - | -         | 132,335 | 132,335   | -                      |
| Security deposits | - | -         | 13,656  | 13,656    | -                      |
| Long-term loans   | - | 3,900,000 | -       | 3,900,000 | Not over<br>MLR - 1.50 |

(1) Receivables from security deposit are classified in other assets.

**Credit risk**

The Trust is exposed to credit risk primarily with respect to receivables from service. The Property Manager manages the risk by requiring its customers to pay a certain amount of the service fees in advance as security against collection losses and adopting appropriate credit control policies and procedures and therefore the Trust does not expect to incur material credit losses. In addition, the Trust has no concentration of credit risk since it has a large number of customers in various businesses. The maximum exposure to credit risk is limited to the carrying amounts of receivables from service as stated in the balance sheet.

**(2) Fair values of financial instruments**

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

Since the majority of the Trust's financial instruments are short-term in nature and long-term loans bear floating interest rate, the Trust estimates their fair value approximate to their carrying value presented in the balance sheet.

## **20. Capital management**

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

## **21. Events after the reporting period**

At the Board of Directors Meeting No. 4/2016 of the REIT Manager held on 26 May 2016, the Board of Directors approved the appropriation of distribution of Baht 0.22 per unit, totaling amounting to Baht 326 million which are from the operation of the period start from 1 January 2016 to 31 March 2016 Such distribution will be paid to its unitholders in June 2016.

## **22. Approval of financial statements**

These financial statements were authorised for issue by the REIT Manager's Board of Directors on 26 May 2016.







#### Contact

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